

National Treasury

Budget summary

R million	2021/22					2022/23	2023/24
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Payments for financial assets	Total	Total
MTEF allocation							
Administration	530.7	500.3	4.3	26.1	–	535.8	537.7
Economic Policy, Tax, Financial Regulation and Research	153.8	132.5	20.3	1.0	–	157.1	157.5
Public Finance and Budget Management	3 929.9	1 124.7	2 802.5	2.7	–	3 844.4	3 801.3
Asset and Liability Management	5 117.9	117.1	–	0.8	5 000.0	1 118.3	1 118.8
Financial Accounting and Supply Chain Management Systems	1 082.9	966.7	110.7	5.6	–	1 122.2	1 075.8
International Financial Relations	7 286.2	65.9	1 470.6	0.3	5 749.4	2 306.2	2 347.9
Civil and Military Pensions, Contributions to Funds and Other Benefits	6 409.5	77.7	6 331.8	–	–	7 012.1	7 039.0
Revenue Administration	11 295.2	–	11 295.2	–	–	10 527.8	10 657.6
Financial Intelligence and State Security	5 249.5	–	5 249.5	–	–	5 381.0	5 411.6
Subtotal	41 055.7	2 984.9	27 284.8	36.5	10 749.4	32 004.8	32 147.3
Direct charge against the National Revenue Fund							
Provincial equitable share	523 686.4	–	523 686.4	–	–	524 088.0	525 303.7
Debt-service costs	269 741.1	269 741.1	–	–	–	308 012.6	338 591.2
General fuel levy sharing with metropolitan municipalities	14 617.3	–	14 617.3	–	–	15 334.8	15 433.5
National Revenue Fund payments	59.6	–	–	–	59.6	–	–
Auditor-General of South Africa	70.0	–	70.0	–	–	72.6	123.1
Total expenditure estimates	849 230.1	272 726.0	565 658.5	36.5	10 809.0	879 512.9	911 598.8

Executive authority: Minister of Finance
 Accounting officer: Director-General of the National Treasury
 Website: www.treasury.gov.za

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

Vote purpose

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, the maintenance of macroeconomic and financial sector stability, and the 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 elaborated on 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 per year

Indicator	Programme	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Number of economic forecasts developed per year	Economic Policy, Tax, Financial Regulation and Research	Priority 2: Economic transformation and job creation	–1	–1	–1	4	4	4	4
Number of quarterly expenditure reports submitted to the Standing Committee on Appropriations per year	Public Finance and Budget Management	Priority 1: A capable, ethical and developmental state	–1	–1	–1	4	4	4	4
Number of catalytic projects approved in spatially targeted areas within metropolitan cities, secondary cities and rural towns per year	Public Finance and Budget Management		–1	–1	–1	20	20	20	20
Net loan debt as a percentage of GDP	Asset and Liability Management		48.1% (R2.3tn)	51.7% (R2.5tn)	58.2% (R2.9tn)	74.3% (R3.7tn)	78.5% (R4.2tn)	82.2% (R4.7tn)	84.9% (R5.1tn)
Value of government gross annual borrowing	Asset and Liability Management		R237bn	R246.9bn	R415.8bn	R671.0bn	R547.9bn	R562.0bn	R541.1bn
Cost to service debt as a percentage of GDP	Asset and Liability Management		3.4% (R162.6bn)	3.7% (R181.8bn)	4% (R204.8bn)	4.7% (R232.9bn)	5.0% (R269.7bn)	5.4% (R308.0bn)	5.6% (R338.6bn)
Number of transversal term contracts implemented per year	Financial Accounting and Supply Chain Management Systems		17	22	52	28	21	21	25

1. No historical data available.

Expenditure overview

Over the medium term, the department will focus on: reviewing tax policy; supporting economically integrated cities and communities, and infrastructure development; making government procurement more efficient and inclusive; and facilitating international and regional cooperation.

The department's budget over the medium term is R2.6 trillion, of which transfers to provincial governments for the provincial equitable share, the department's largest cost driver, account for 60.8 per cent (R1.6 trillion). An amount of R8 billion over the MTEF period is provided through the provincial equitable share to support provinces' COVID-19 response programmes. Costs for servicing government's debt amount to 33.4 per cent (R916.3 billion) of the department's budget over the medium term. Distributing the general fuel levy to metropolitan municipalities represents 1.7 per cent (R45.4 billion) of the department's spending over the same period. Cabinet has approved a baseline reduction of R208.5 billion on provincial equitable shares and the general fuel levy over the medium term.

The department has the following increases to its baseline: R7 billion over the MTEF period to stabilise the Land and Agricultural Development Bank of South Africa's financial position; R1 billion in 2021/22 for the improvement of ICT systems and capacity building in the South African Revenue Service; and R191.1 million over the MTEF period to partially support the operations of the Development Bank of Southern Africa's Infrastructure Fund.

Reviewing tax policy

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 prior to their introduction to Parliament. 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 per cent (R97.7 million) of the programme's budget over the MTEF period.

Supporting economically integrated cities and communities, and infrastructure development

The *integrated city development grant* has been repurposed to support metropolitan municipalities in

developing a pipeline of investment-ready capital programmes and projects. This will be done by establishing and institutionalising an effective and efficient system of programme and project preparation, and the allocation of increased municipal resources for preparation activities. Accordingly, in 2021/22, the grant will be renamed to the *programme and project preparation support grant*. It is expected to support 8 metropolitan municipalities in developing 8 capital programmes and projects over the medium term, with an allocation of R1.1 billion in the *Public Finance and Budget Management* programme.

In the latter years of the MTEF period, the department will work on consolidating the *programme and project preparation support grant* with the *neighbourhood development partnership* grant. Once consolidated, the *programme and project preparation support grant* will aim to streamline support provided to programme and project preparation in municipalities, improve the efficiency and effectiveness of grant administration within the department, and reduce the reporting requirements of municipalities.

In respect of the government-wide infrastructure delivery improvement programme, a key focus area for the period ahead is the sustainable implementation of the infrastructure delivery management system and its expansion beyond provincial health and education to include municipalities. The infrastructure delivery management system's body of knowledge will be implemented to enable infrastructure practitioners to have access to updated information and best practice methodologies that will assist in the management of infrastructure. Over the medium term, 300 provincial officials are expected to be trained on the infrastructure delivery management system, which has a projected allocation of R102.6 million in the *Public Finance and Budget Management* programme over the same period.

Making government procurement more efficient and inclusive

The department is committed to finalising the Public Procurement Bill in 2021/22. Accordingly, over the medium term, it expects to support significant procurement reforms through an increased use of automation and technology. This entails providing real-time information on prospective service providers regarding tax compliance, as well as their profiles and historical performance. Concurrent reviews of regulations governing public-private partnerships are expected to promote greater efficiency and encourage participation from the private sector. Over the period ahead, the department will continue to provide training interventions planned by the presidential task team on gender-based violence that are directed at giving women-owned businesses opportunities through public procurement. Spending on activities related to government procurement processes amounts to a projected R533 million over the medium term in the *Programme Management for Financial Accounting and Supply Chain Management Systems* and *Office of the Chief Procurement Officer* subprogrammes in the *Financial Accounting and Supply Chain Management Systems* programme.

Facilitating international and regional cooperation

South Africa's membership to the New Development Bank continues to support the country's infrastructure investment programme while complementing other multilateral and regional financial institutions' efforts towards economic growth and development. As at December 2020, the New Development Bank had approved 9 projects and an emergency COVID-19 loan worth a total of US\$3.34 billion. These funds will be used for South Africa's development initiatives in the green energy, transport and logistics sectors. In addition, an estimated US\$2 billion per year is available for funding South Africa's infrastructure build programme over the medium term. As at December 2020, South Africa's capital contributions to the bank amounted to US\$1.65 billion, with the final capital contribution amounting to US\$350 million in 2021/22. This expenditure is allocated in the *International Development Funding Institutions* subprogramme in the *International Financial Relations* programme.

The department will continue to support deeper regional monetary union within the Common Monetary Area. Over the medium term, the estimate for Common Monetary Area compensatory payments to Eswatini, Lesotho and Namibia are projected at R4.1 billion. This expenditure is allocated in the *African Integration and Support* subprogramme in the *International Financial Relations* programme.

As part of the department's commitment to the regional development agenda, transfers for the recapitalisation of the International Bank for Reconstruction and Development and the international development agenda, both member institutions of the World Bank Group, are projected to amount to R633.3 million over the MTEF period. Transfers for the recapitalisation of the African Development Bank and the African Development Fund are

projected to amount to R1.6 billion over the same period. This expenditure is allocated in the *International Development Funding Institutions* subprogramme in the *International Financial Relations* programme.

Expenditure trends and estimates

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	2017/18	2018/19	2019/20	2020/21	2017/18	2020/21	2021/22	2022/23	2023/24	2020/21	2023/24	
Programme 1	437.9	424.3	453.6	564.7	8.9%	0.1%	530.7	535.8	537.7	-1.6%	0.1%	
Programme 2	151.9	138.8	124.9	150.3	-0.3%	0.0%	153.8	157.1	157.5	1.6%	0.0%	
Programme 3	2 815.0	2 530.4	2 936.1	2 839.8	0.3%	0.4%	3 929.9	3 844.4	3 801.3	10.2%	0.4%	
Programme 4	10 089.8	91.2	96.7	3 035.3	-33.0%	0.5%	5 117.9	1 118.3	1 118.8	-28.3%	0.3%	
Programme 5	689.6	771.4	733.9	853.5	7.4%	0.1%	1 082.9	1 122.2	1 075.8	8.0%	0.1%	
Programme 6	5 469.8	5 807.7	5 458.8	6 398.0	5.4%	0.8%	7 286.2	2 306.2	2 347.9	-28.4%	0.5%	
Programme 7	4 618.1	5 020.1	5 487.1	5 469.3	5.8%	0.7%	6 409.5	7 012.1	7 039.0	8.8%	0.8%	
Programme 8	10 218.2	9 007.2	9 529.0	10 271.9	0.2%	1.3%	11 295.2	10 527.8	10 657.6	1.2%	1.2%	
Programme 9	5 105.6	4 763.5	4 951.1	4 942.9	-1.1%	0.7%	5 249.5	5 381.0	5 411.6	3.1%	0.6%	
Subtotal	39 595.8	28 554.6	29 771.2	34 525.7	-4.5%	4.6%	41 055.7	32 004.8	32 147.3	-2.4%	4.1%	
Direct charge against the National Revenue Fund	616 544.1	664 863.5	724 021.2	768 143.7	-23.6%	95.4%	808 174.4	847 508.1	879 451.5	4.6%	95.9%	
Provincial equitable share	441 331.1	470 286.5	505 553.8	520 717.0	5.7%	66.7%	523 686.4	524 088.0	525 303.7	0.3%	60.8%	
Debt-service costs	162 644.6	181 849.1	204 769.4	233 027.8	12.7%	26.9%	269 741.1	308 012.6	338 591.2	13.3%	33.4%	
General fuel levy sharing with metropolitan municipalities	11 785.0	12 468.6	13 166.8	14 026.9	6.0%	1.8%	14 617.3	15 334.8	15 433.5	3.2%	1.7%	
National Revenue Fund payments	587.1	161.6	468.5	177.6	-32.9%	0.0%	59.6	-	-	-100.0%	0.0%	
Auditor-General of South Africa	196.3	97.7	62.8	120.0	-15.1%	0.0%	70.0	72.6	123.1	0.8%	0.0%	
Section 70 of the PFMA payment: Land and Agricultural Development Bank of South Africa	-	-	-	74.4	0.0%	0.0%	-	-	-	-100.0%	0.0%	
Total	656 139.9	693 418.0	753 792.5	802 669.4	6.9%	100.0%	849 230.1	879 512.9	911 598.8	4.3%	100.0%	
Change to 2020 Budget estimate				(12 440.1)			(34 371.5)	(67 311.6)	(81 535.3)			
Economic classification												
Current payments	164 569.6	183 920.3	206 783.7	235 316.0	12.7%	27.2%	272 726.0	311 075.0	341 662.3	13.2%	33.7%	
Compensation of employees	803.7	790.3	804.8	860.4	2.3%	0.1%	862.8	861.6	862.3	0.1%	0.1%	
Goods and services ¹	1 121.3	1 280.9	1 209.6	1 427.8	8.4%	0.2%	2 122.1	2 200.8	2 208.8	15.7%	0.2%	
<i>of which:</i>												
Computer services	380.7	390.5	403.9	497.1	9.3%	0.1%	594.4	615.8	628.8	8.1%	0.1%	
Consultants: Business and advisory services	482.0	628.8	554.5	616.4	8.5%	0.1%	1 190.7	1 233.9	1 225.2	25.7%	0.1%	
Operating leases	66.0	59.8	82.8	133.2	26.3%	0.0%	88.9	93.1	95.0	-10.7%	0.0%	
Property payments	24.0	19.7	24.4	24.3	0.5%	0.0%	25.5	27.3	27.0	3.5%	0.0%	
Travel and subsistence	60.0	69.6	38.9	31.0	-19.8%	0.0%	70.0	73.5	75.4	34.6%	0.0%	
Venues and facilities	7.3	9.6	12.3	8.2	3.9%	0.0%	26.0	27.0	26.0	46.9%	0.0%	
Interest and rent on land	162 644.6	181 849.1	204 769.4	233 027.8	12.7%	26.9%	269 741.1	308 012.6	338 591.2	13.3%	33.4%	
Transfers and subsidies¹	476 570.4	504 717.9	542 252.9	559 051.8	5.5%	71.7%	565 658.5	566 759.7	568 228.5	0.5%	65.6%	
Provinces and municipalities	454 708.9	484 263.8	520 304.5	536 225.8	5.7%	68.7%	539 918.8	541 102.4	542 461.7	0.4%	62.7%	
Departmental agencies and accounts	16 251.0	14 327.2	15 279.3	16 084.9	-0.3%	2.1%	17 779.9	17 034.3	17 199.2	2.3%	2.0%	
Foreign governments and international organisations	1 042.1	1 159.1	1 134.8	1 306.7	7.8%	0.2%	1 473.6	1 595.0	1 607.8	7.2%	0.2%	
Public corporations and private enterprises	5.0	-	100.0	40.0	100.0%	0.0%	153.7	95.0	-	-100.0%	0.0%	
Households	4 563.4	4 967.7	5 434.3	5 394.4	5.7%	0.7%	6 332.5	6 933.0	6 959.8	8.9%	0.7%	
Payments for capital assets	27.0	23.4	13.6	68.6	36.4%	0.0%	36.5	31.4	32.7	-21.8%	0.0%	
Machinery and equipment	27.0	20.5	13.5	62.5	32.3%	0.0%	35.8	30.2	31.6	-20.4%	0.0%	
Software and other intangible assets	0.0	3.0	0.0	6.1	428.7%	0.0%	0.7	1.1	1.2	-42.3%	0.0%	
Payments for financial assets	14 972.8	4 756.4	4 742.3	8 233.0	-18.1%	1.1%	10 809.0	1 646.7	1 675.2	-41.2%	0.6%	
Total	656 139.9	693 418.0	753 792.5	802 669.4	6.9%	100.0%	849 230.1	879 512.9	911 598.8	4.3%	100.0%	

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

Transfers and subsidies expenditure trends and estimates

Table 8.3 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation 2020/21	Average growth rate (%) 2017/18 - 2020/21	Average: Expenditure/Total (%) 2020/21	Medium-term expenditure estimate			Average growth rate (%) 2020/21 - 2023/24	Average: Expenditure/Total (%) 2020/21 - 2023/24
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24		
Households											
Social benefits											
Current	4 561 684	4 964 745	5 430 999	5 392 382	5.7%	1.0%	6 330 447	6 930 911	6 957 540	8.9%	1.1%
Employee social benefits	6 923	10 285	11 347	2 818	-25.9%	-	1 690	1 752	1 759	-14.5%	-
Contribution to provident funds for associated institutions	248	238	250	380	15.3%	-	385	399	401	1.8%	-
Parliamentary Awards	18	19	19	26	13.0%	-	26	27	26	-	-
Other benefits	87 805	96 855	118 842	109 819	7.7%	-	111 270	115 342	115 785	1.8%	-
Injury on duty	598 974	640 530	647 903	690 901	4.9%	0.1%	736 327	763 272	766 205	3.5%	0.1%
Post-retirement medical scheme	2 458 759	2 796 113	3 182 124	3 718 576	14.8%	0.6%	4 608 362	5 149 427	5 169 211	11.6%	0.8%
Special pensions	459 964	468 578	474 629	430 000	-2.2%	0.1%	486 343	504 139	506 076	5.6%	0.1%
Political Office Bearers Pension Fund	-	-	-	-	-	-	48 362	50 131	50 324	-	-
Pension benefits: President of South Africa	7 407	10 753	10 409	14 277	24.5%	-	14 465	14 995	15 052	1.8%	-
Military pensions: Ex-servicemen	1 753	1 350	1 027	2 599	14.0%	-	2 633	2 729	2 740	1.8%	-
South African citizen force	190 998	191 100	193 905	217 131	4.4%	-	220 000	228 051	228 927	1.8%	-
Civil protection	19	19	19	20	1.7%	-	20	21	21	1.6%	-
Other benefits: Ex-servicemen	11 516	8 701	8 742	19 910	20.0%	-	20 173	20 911	20 991	1.8%	-
Non-statutory forces	737 300	737 300	778 589	102 411	-48.2%	0.1%	-	-	-	-100.0%	-
Post-retirement medical scheme: Parliamentary staff	-	2 904	3 194	3 514	-	-	3 560	3 690	3 704	1.8%	-
Early retirement costs: Government Pensions Administration Agency	-	-	-	80 000	-	-	76 831	76 025	76 318	-1.6%	-
Provinces and municipalities											
Municipal bank accounts											
Current	12 427 803	13 114 612	13 849 031	14 715 600	5.8%	2.6%	15 324 557	16 060 464	16 161 926	3.2%	2.8%
Local government financial management grant	502 006	504 566	532 822	544 862	2.8%	0.1%	552 061	566 395	568 571	1.4%	0.1%
Infrastructure skills development grant	140 774	141 492	149 416	143 860	0.7%	-	155 217	159 246	159 857	3.6%	-
General fuel levy sharing with metropolitan municipalities	11 785 023	12 468 554	13 166 793	14 026 878	6.0%	2.5%	14 617 279	15 334 823	15 433 498	3.2%	2.6%
Capital	949 958	862 726	901 723	793 139	-5.8%	0.2%	907 923	953 960	996 005	7.9%	0.2%
Neighbourhood development partnership grant	657 839	569 117	591 672	479 417	-10.0%	0.1%	566 611	593 074	619 213	8.9%	0.1%
Programme and project preparation support grant	292 119	293 609	310 051	313 722	2.4%	0.1%	341 312	360 886	376 792	6.3%	0.1%
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	14 781 389	12 685 483	13 283 903	13 521 729	-2.9%	2.6%	14 793 107	14 448 165	14 503 485	2.4%	2.5%
Finance and Accounting Services	2 038	2 060	2 217	2 221	2.9%	-	2 250	2 307	2 535	4.5%	-
Sector Education and Training Authority											
Communication	9	18	18	-	-100.0%	-	-	-	-	-	-
Cooperative Banks Development Agency	19 275	19 883	20 759	20 473	2.0%	-	20 328	20 831	20 911	0.7%	-
Financial and Fiscal Commission	50 647	51 782	54 319	63 821	8.0%	-	63 199	63 839	64 084	0.1%	-
Government Technical Advisory Centre	605 040	329 298	600 753	604 140	-	0.1%	789 349	799 267	802 338	9.9%	0.1%
Accounting Standards Board	13 463	14 054	14 340	14 407	2.3%	-	14 362	14 569	14 626	0.5%	-
Independent Regulatory Board for Auditors	39 624	40 874	43 163	44 187	3.7%	-	44 609	45 684	45 857	1.2%	-
South African Revenue Service: Operations	9 041 607	7 757 918	7 814 599	8 004 634	-4.0%	1.6%	8 619 303	8 263 828	8 295 577	1.2%	1.5%
South African Revenue Service: Office of the Tax Ombud	35 030	41 527	40 308	42 525	6.7%	-	44 864	46 524	51 241	6.4%	-
Financial Intelligence Centre: Operations	254 941	262 581	277 285	278 767	3.0%	0.1%	279 107	282 259	283 344	0.5%	-
Secret Services: Operations	4 523 437	4 067 750	4 353 300	4 326 553	-1.5%	0.8%	4 615 531	4 731 068	4 744 378	3.1%	0.8%
Government Technical Advisory Centre: Independent power producer project preparation support	-	-	-	-	-	-	100 000	-	-	-	-
Auditor-General of South Africa	196 278	97 738	62 842	120 001	-15.1%	-	120 049	122 582	123 052	0.8%	-
Development Bank of Southern Africa: Support to the Infrastructure Fund operations	-	-	-	-	-	-	80 156	55 407	55 542	-	-
Capital	1 469 564	1 641 759	1 995 421	2 563 157	20.4%	0.4%	2 986 806	2 586 095	2 695 692	1.7%	0.5%
Government Technical Advisory Centre	742	785	829	875	5.6%	-	923	957	999	4.5%	-
South African Revenue Service: Machinery and equipment	1 141 561	1 207 772	1 674 124	2 224 714	24.9%	0.3%	2 631 000	2 217 429	2 310 778	1.3%	0.4%
Financial Intelligence Centre: Machinery and equipment	15 250	16 135	17 039	17 976	5.6%	-	18 152	18 561	19 379	2.5%	-
Secret Services: Machinery and equipment	312 011	417 067	303 429	319 592	0.8%	0.1%	336 731	349 148	364 536	4.5%	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 (%)
	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23		
R thousand	2017/18	2018/19	2019/20	2020/21	2017/18 - 2020/21		2021/22	2022/23	2023/24	2020/21 - 2023/24	
Households											
Other transfers to households											
Current	1 719	2 950	3 276	2 050	6.0%	-	2 042	2 096	2 303	4.0%	-
Employee social benefits	346	1 301	1 146	-	-100.0%	-	-	-	-	-	-
Bursaries for non-employees	1 373	1 649	2 130	2 050	14.3%	-	2 042	2 096	2 303	4.0%	-
Foreign governments and international organisations											
Current	915 339	1 023 103	1 002 454	1 171 719	8.6%	0.2%	1 313 639	1 429 082	1 434 571	7.0%	0.2%
Common Monetary Area compensation	891 721	997 833	976 938	1 141 199	8.6%	0.2%	1 283 087	1 397 924	1 403 295	7.1%	0.2%
Collaborative Africa Budget Reform Initiative	2 400	2 565	2 152	2 650	3.4%	-	2 525	2 458	2 444	-2.7%	-
Commonwealth Fund for Technical Cooperation	6 117	5 816	5 816	5 816	-1.7%	-	5 943	6 432	6 994	6.3%	-
International Finance Facility for Immunisation	11 712	13 550	14 553	16 500	12.1%	-	16 500	16 600	16 126	-0.8%	-
African Institute for Economic Development and Planning	957	1 113	1 191	1 200	7.8%	-	1 341	1 373	1 353	4.1%	-
Regional Technical Assistance Centre for Southern Africa	1 177	1 074	1 227	1 351	4.7%	-	1 200	1 172	1 224	-3.2%	-
United Kingdom tax	1 255	1 152	577	3 003	33.8%	-	3 043	3 123	3 135	1.4%	-
Capital	126 782	136 020	132 319	135 027	2.1%	-	159 991	165 911	173 224	8.7%	-
African Development Fund	73 192	82 431	78 699	78 699	2.4%	-	100 283	104 752	109 369	11.6%	-
World Bank Group	53 590	53 589	53 620	56 328	1.7%	-	59 708	61 159	63 855	4.3%	-
Provinces and municipalities											
Provincial revenue funds											
Current	441 331 122	470 286 510	505 553 753	520 717 021	5.7%	93.1%	523 686 351	524 088 024	525 303 747	0.3%	92.7%
Provincial equitable share	441 331 122	470 286 510	505 553 753	520 717 021	5.7%	93.1%	523 686 351	524 088 024	525 303 747	0.3%	92.7%
Public corporations and private enterprises											
Other transfers to public corporations											
Current	5 000	-	100 000	40 000	100.0%	-	153 663	95 032	-	-100.0%	-
Development Bank of Southern Africa	-	-	100 000	40 000	-	-	153 663	95 032	-	-100.0%	-
Economic Research of Southern Africa	5 000	-	-	-	-100.0%	-	-	-	-	-	-
Total	476 570 360	504 717 908	542 252 879	559 051 824	5.5%	100.0%	565 658 526	566 759 740	568 228 493	0.5%	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 2021		Number and cost ² of personnel posts filled/planned for on funded establishment										Number								
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average Salary level/ Total (%)					
		2019/20	2020/21	2021/22	2022/23	2023/24	2020/21 - 2023/24													
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost							
National Treasury		1 188	124	1 048	804.8	0.8	979	797.9	0.8	1 055	862.8	0.8	1 034	861.6	0.8	1 021	862.3	0.8	1.4%	100.0%
Salary level																				
1 – 6	140	80	114	21.4	0.2	112	23.4	0.2	131	24.4	0.2	128	25.2	0.2	132	26.0	0.2	5.6%	12.3%	
7 – 10	423	37	390	218.8	0.6	369	222.0	0.6	390	240.5	0.6	381	237.1	0.6	364	227.9	0.6	-0.4%	36.8%	
11 – 12	321	-	283	250.4	0.9	254	238.7	0.9	276	263.5	1.0	267	258.2	1.0	268	262.9	1.0	1.8%	26.1%	
13 – 16	304	7	261	314.2	1.2	244	313.8	1.3	257	334.4	1.3	258	341.1	1.3	257	345.5	1.3	1.8%	24.8%	
Programme	1 188	124	1 048	804.8	0.8	979	797.9	0.8	1 055	862.8	0.8	1 034	861.6	0.8	1 021	862.3	0.8	1.4%	100.0%	
Programme 1	368	67	327	192.4	0.6	297	180.0	0.6	327	210.2	0.6	322	210.2	0.7	319	210.2	0.7	2.4%	30.9%	
Programme 2	102	8	77	70.8	0.9	75	80.5	1.1	80	85.3	1.1	80	85.2	1.1	79	85.3	1.1	1.6%	7.7%	
Programme 3	279	7	250	224.0	0.9	237	219.3	0.9	248	233.0	0.9	246	233.3	0.9	245	233.3	1.0	1.2%	23.9%	
Programme 4	114	6	94	78.4	0.8	95	86.1	0.9	110	85.6	0.8	106	84.7	0.8	105	85.1	0.8	3.3%	10.2%	
Programme 5	290	35	267	207.7	0.8	245	204.0	0.8	258	219.2	0.9	251	219.2	0.9	243	219.2	0.9	-0.4%	24.4%	
Programme 6	35	1	33	31.6	1.0	30	28.0	0.9	32	29.6	0.9	30	29.1	1.0	31	29.3	1.0	1.1%	3.0%	

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

Departmental receipts

Table 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 (%)
	2017/18	2018/19	2019/20					2020/21	2021/22	2022/23		
Departmental receipts	4 430 772	7 113 723	8 639 087	5 228 017	6 065 017	11.0%	28.2%	5 530 788	5 129 376	5 437 923	-3.6%	40.6%
Sales of goods and services produced by department	116 637	125 191	75 443	14 251	14 251	-50.4%	0.4%	15 041	530	545	-66.3%	0.1%
Sales by market establishments	99	91	83	110	110	3.6%	-	116	120	122	3.5%	-
of which:												
Rental parking: Covered and open	99	91	83	110	110	3.6%	-	116	120	122	3.5%	-
Administrative fees	1	1	1	1	1	-	-	13	20	21	175.9%	-
of which:												
Required information: Duplicate certificate	1	1	1	1	1	-	-	13	20	21	175.9%	-
Other sales	116 537	125 099	75 359	14 140	14 140	-50.5%	0.4%	14 912	390	402	-69.5%	0.1%
of which:												
Commission: Insurance	94	100	106	90	90	-1.4%	-	95	100	105	5.3%	-
Directors fees	228	220	232	145	145	-14.0%	-	153	200	202	11.7%	-
Replacement of security cards	10	15	16	10	10	-	-	11	20	20	26.0%	-
Fees for government guarantee insurance	116 085	124 749	74 975	13 855	13 855	-50.8%	0.4%	14 603	-	-	-100.0%	0.1%
Sales of assets less than R5 000	120	15	30	40	40	-30.7%	-	50	70	75	23.3%	-
Sales of scrap, waste, arms and other used current goods	11	188	2	77	77	91.3%	-	28	28	30	-27.0%	-
of which:												
Wastepaper	-	173	2	7	7	-	-	7	7	8	4.6%	-
Departmental publications	11	15	-	20	20	22.1%	-	21	21	22	3.2%	-
Scrap	-	-	-	50	50	-	-	-	-	-	-100.0%	-
Interest, dividends and rent on land	3 325 439	6 830 187	8 310 124	4 937 901	5 774 901	20.2%	26.0%	5 225 048	4 838 048	5 146 048	-3.8%	38.5%
Interest	3 082 460	6 750 187	8 138 819	4 750 000	5 587 000	21.9%	25.3%	5 027 000	4 640 000	4 948 000	-4.0%	37.0%
Dividends	242 979	80 000	171 305	187 901	187 901	-8.2%	0.7%	198 048	198 048	198 048	1.8%	1.4%
of which:												
South African Special Risks Insurance Association	242 979	80 000	171 305	187 901	187 901	-8.2%	0.7%	198 048	198 048	198 048	1.8%	1.4%
Sales of capital assets	683	-	35	-	-	-100.0%	-	-	-	-	-	-
Transactions in financial assets and liabilities	988 002	158 157	253 483	275 788	275 788	-34.6%	1.8%	290 671	290 770	291 300	1.8%	2.1%
National Revenue Fund receipts	16 600 255	11 999 374	12 801 333	23 829 037	25 590 572	15.5%	71.8%	4 856 000	806 000	1 144 000	-64.5%	59.4%
of which:												
Revaluation of profits on foreign currency transactions	13 115 597	10 390 835	8 958 256	13 726 000	11 191 606	-5.2%	46.8%	4 856 000	806 000	1 144 000	-53.2%	33.0%
Premiums on loan transactions	1 132 995	1 161 388	3 462 654	10 102 000	14 000 000	131.2%	21.2%	-	-	-	-100.0%	25.7%
Other (mainly penalties on retail bonds and profit on script lending)	3 288	2 553	2 345	1 037	1 730	-19.3%	-	-	-	-	-100.0%	-
Premiums on debt portfolio restructuring (switches)	2 348 375	444 598	378 078	-	397 236	-44.7%	3.8%	-	-	-	-100.0%	0.7%
Total	21 031 027	19 113 097	21 440 420	29 057 054	31 655 589	14.6%	100.0%	10 386 788	5 935 376	6 581 923	-40.8%	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 (%)
	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23		
R million											
Ministry	3.8	3.7	3.7	4.3	4.4%	0.8%	4.4	4.4	4.4	1.0%	0.8%
Departmental Management	70.1	51.1	30.9	42.6	-15.3%	10.4%	62.3	63.2	63.4	14.2%	10.7%
Corporate Services	117.5	126.4	133.1	184.9	16.3%	29.9%	171.8	168.6	169.5	-2.9%	32.0%
Enterprise-wide Risk Management	28.3	29.3	31.6	35.0	7.3%	6.6%	33.9	34.4	34.5	-0.5%	6.4%
Financial Administration	41.5	43.4	47.3	48.4	5.3%	9.6%	46.9	47.4	47.5	-0.6%	8.8%
Legal Services	22.0	22.3	22.2	24.1	3.1%	4.8%	23.8	24.2	24.2	0.2%	4.4%
Internal Audit	24.1	32.2	34.2	31.7	9.7%	6.5%	35.4	34.4	34.5	2.8%	6.3%
Communications	12.5	9.7	10.9	10.3	-6.0%	2.3%	11.6	11.8	11.8	4.5%	2.1%
Office Accommodation	118.1	106.2	139.7	183.4	15.8%	29.1%	140.7	147.4	148.0	-6.9%	28.6%
Total	437.9	424.3	453.6	564.7	8.9%	100.0%	530.7	535.8	537.7	-1.6%	100.0%
Change to 2020				27.8			(48.0)	(73.4)	(86.7)		
Budget estimate											
Economic classification											
Current payments	421.1	402.4	438.9	514.9	6.9%	94.5%	500.3	514.0	514.8	-	94.2%
Compensation of employees	203.0	190.8	192.4	201.1	-0.3%	41.9%	210.2	210.2	210.2	1.5%	38.3%
Goods and services ¹	218.1	211.6	246.5	313.8	12.9%	52.6%	290.2	303.9	304.6	-1.0%	55.9%
<i>of which:</i>											
Computer services	27.9	28.2	44.1	53.7	24.3%	8.2%	55.3	60.3	60.1	3.8%	10.6%
Consultants: Business and advisory services	7.8	12.3	19.9	15.1	24.8%	2.9%	18.4	17.4	17.3	4.6%	3.1%
Legal services	14.3	13.5	12.4	15.2	2.1%	2.9%	16.0	16.5	16.5	2.7%	3.0%
Operating leases	63.7	57.7	81.0	131.0	27.2%	17.7%	86.2	90.3	91.8	-11.2%	18.4%
Property payments	24.0	19.7	24.4	24.3	0.5%	4.9%	25.5	27.3	27.0	3.5%	4.8%
Travel and subsistence	28.6	23.6	9.6	10.3	-29.0%	3.8%	23.1	24.9	25.4	35.2%	3.9%
Transfers and subsidies¹	7.3	7.3	6.4	4.3	-16.5%	1.3%	4.3	4.4	4.8	4.2%	0.8%
Departmental agencies and accounts	2.0	2.1	2.2	2.2	2.8%	0.5%	2.3	2.3	2.5	4.5%	0.4%
Households	5.3	5.2	4.2	2.1	-27.1%	0.9%	2.0	2.1	2.3	4.0%	0.4%
Payments for capital assets	9.3	13.9	8.0	45.6	69.7%	4.1%	26.1	17.3	18.1	-26.5%	4.9%
Machinery and equipment	9.3	11.5	8.0	45.6	69.7%	4.0%	26.1	17.3	18.1	-26.5%	4.9%
Software and other intangible assets	0.0	2.4	0.0	-	-100.0%	0.1%	-	-	-	-	-
Payments for financial assets	0.1	0.7	0.2	-	-100.0%	0.1%	-	-	-	-	-
Total	437.9	424.3	453.6	564.7	8.9%	100.0%	530.7	535.8	537.7	-1.6%	100.0%
Proportion of total programme expenditure to vote expenditure	1.1%	1.5%	1.5%	1.6%	-	-	1.3%	1.7%	1.7%	-	-
Details of transfers and subsidies											
Households											
Social benefits											
Current	3.9	3.6	1.1	-	-100.0%	0.5%	-	-	-	-	-
Employee social benefits	3.9	3.6	1.1	-	-100.0%	0.5%	-	-	-	-	-
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	2.0	2.1	2.1	2.2	2.9%	0.4%	2.3	2.3	2.5	4.5%	0.4%
Finance and Accounting Services	2.0	2.1	2.1	2.2	2.9%	0.4%	2.3	2.3	2.5	4.5%	0.4%
Sector Education and Training Authority											
Households											
Other transfers to households											
Current	1.4	1.6	1.9	2.1	14.3%	0.4%	2.0	2.1	2.3	4.0%	0.4%
Bursaries for non-employees	1.4	1.6	1.9	2.1	14.3%	0.4%	2.0	2.1	2.3	4.0%	0.4%

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

Personnel information

Table 8.7 Administration personnel numbers and cost by salary level¹

Administration	Number of posts estimated for 31 March 2021		Number and cost ² of personnel posts filled/planned for on funded establishment									Number							
	Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate			Average growth rate (%)	Average Salary level/ Total (%)						
			2019/20	2020/21	2021/22	2022/23	2023/24	2020/21 - 2023/24											
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Salary level	368	67	327	192.4	0.6	297	180.0	0.6	327	210.2	0.6	322	210.2	0.7	319	210.2	0.7	2.4%	100.0%
1-6	105	62	99	17.7	0.2	95	18.7	0.2	96	19.1	0.2	91	19.6	0.2	93	20.2	0.2	-0.7%	29.7%
7-10	147	2	128	71.7	0.6	123	74.7	0.6	134	82.6	0.6	138	86.4	0.6	133	84.6	0.6	2.6%	41.8%
11-12	65	-	55	50.2	0.9	43	41.3	1.0	56	55.0	1.0	53	52.6	1.0	53	53.4	1.0	7.3%	16.1%
13-16	51	3	45	52.9	1.2	36	45.2	1.3	42	53.4	1.3	40	51.6	1.3	40	51.9	1.3	3.6%	12.5%

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

2. Rand million.

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

Programme purpose

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

Objectives

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

Subprogrammes

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

Expenditure trends and estimates

Table 8.8 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 (%)	
	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23			2023/24
R million												
Programme Management for Economic Policy, Tax, Financial Regulation and Research	43.6	44.4	33.4	44.3	0.6%	29.3%	47.0	49.5	49.6	3.8%	30.8%	
Research	10.8	–	–	–	-100.0%	1.9%	–	–	–	–	–	
Financial Sector Policy	24.9	21.6	19.5	25.6	1.0%	16.2%	25.1	25.1	25.2	-0.6%	16.3%	
Tax Policy	28.6	30.9	30.0	32.2	4.0%	21.5%	32.5	32.5	32.6	0.5%	21.0%	
Economic Policy	24.7	21.9	21.1	27.7	3.9%	16.9%	28.9	29.1	29.1	1.7%	18.6%	
Cooperative Banks Development Agency	19.3	19.9	20.8	20.5	2.0%	14.2%	20.3	20.8	20.9	0.7%	13.3%	
Total	151.9	138.8	124.9	150.3	-0.3%	100.0%	153.8	157.1	157.5	1.6%	100.0%	
Change to 2020 Budget estimate				(12.1)			(20.0)	(18.9)	(22.9)			
Economic classification												
Current payments	126.5	118.0	103.5	128.6	0.5%	84.2%	132.5	135.2	135.5	1.8%	85.9%	
Compensation of employees	77.0	73.0	70.8	85.6	3.6%	54.2%	85.3	85.2	85.3	-0.1%	55.2%	
Goods and services ¹	49.5	45.0	32.7	43.0	-4.6%	30.1%	47.2	50.0	50.2	5.3%	30.8%	
<i>of which:</i>												
<i>Bursaries: Employees</i>	0.3	0.4	0.2	0.3	-5.5%	0.2%	0.4	0.4	0.4	19.9%	0.2%	
<i>Consultants: Business and advisory services</i>	36.7	31.2	23.6	31.7	-4.8%	21.8%	32.9	35.3	35.3	3.7%	21.9%	
<i>Consumables: Stationery, printing and office supplies</i>	3.0	2.1	1.0	1.7	-17.3%	1.4%	1.6	1.7	1.7	0.3%	1.1%	
<i>Travel and subsistence</i>	5.0	7.1	4.7	4.9	-0.4%	3.8%	6.6	7.0	6.9	12.2%	4.1%	
<i>Training and development</i>	0.4	0.6	0.1	1.2	40.2%	0.4%	1.4	1.5	1.6	9.9%	0.9%	
<i>Operating payments</i>	1.9	2.0	2.0	1.9	–	1.4%	2.8	2.5	2.6	11.8%	1.6%	
Transfers and subsidies¹	24.7	20.3	21.1	20.6	-5.9%	15.3%	20.3	20.8	20.9	0.5%	13.4%	
Departmental agencies and accounts	19.3	19.9	20.8	20.5	2.0%	14.2%	20.3	20.8	20.9	0.7%	13.3%	
Public corporations and private enterprises	5.0	–	–	–	-100.0%	0.9%	–	–	–	–	–	
Households	0.4	0.4	0.4	0.1	-36.3%	0.2%	–	–	–	-100.0%	–	
Payments for capital assets	0.7	0.5	0.2	1.2	20.4%	0.4%	1.0	1.0	1.1	-1.7%	0.7%	
Machinery and equipment	0.7	0.5	0.2	1.2	20.4%	0.4%	1.0	1.0	1.1	-1.7%	0.7%	
Payments for financial assets	–	0.0	–	–	–	–	–	–	–	–	–	
Total	151.9	138.8	124.9	150.3	-0.3%	100.0%	153.8	157.1	157.5	1.6%	100.0%	
Proportion of total programme expenditure to vote expenditure	0.4%	0.5%	0.4%	0.4%	–	–	0.4%	0.5%	0.5%	–	–	
Details of transfers and subsidies												
Households												
Social benefits												
Current	0.4	0.4	0.2	0.1	-36.3%	0.2%	–	–	–	-100.0%	–	
Employee social benefits	0.4	0.4	0.2	0.1	-36.3%	0.2%	–	–	–	-100.0%	–	
Departmental agencies and accounts												
Departmental agencies (non-business entities)												
Current	19.3	19.9	20.8	20.5	2.0%	14.2%	20.3	20.8	20.9	0.7%	13.3%	
Cooperative Banks Development Agency	19.3	19.9	20.8	20.5	2.0%	14.2%	20.3	20.8	20.9	0.7%	13.3%	

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

Personnel information

Table 8.9 Economic Policy, Tax, Financial Regulation and Research personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2021			Number and cost ² of personnel posts filled/planned for on funded establishment												Number				
Number of funded posts	Number of posts additional to the establishment		Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average Salary level/ Total (%)			
			2019/20			2020/21			2021/22		2022/23		2023/24				2020/21 - 2023/24		
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Economic Policy, Tax, Financial Regulation and Research			102	70.8	0.9	75	80.5	1.1	80	85.3	1.1	80	85.2	1.1	79	85.3	1.1	1.6%	100.0%
Salary level																			
1 – 6	8	7	1	0.3	0.3	2	0.7	0.4	2	0.7	0.4	2	0.7	0.4	3	0.8	0.3	14.5%	2.9%
7 – 10	23	–	18	10.4	0.6	14	9.4	0.7	18	13.2	0.7	17	11.9	0.7	17	11.1	0.7	6.1%	21.0%
11 – 12	25	–	20	16.3	0.8	21	20.5	1.0	22	21.9	1.0	21	21.1	1.0	19	19.6	1.0	-3.2%	26.9%
13 – 16	46	1	38	43.7	1.2	38	50.0	1.3	38	49.4	1.3	39	51.5	1.3	40	53.8	1.3	1.7%	49.3%

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

2. Rand million.

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 2019-2024 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 and Adjusted Estimates of National Expenditure, and appropriation legislation containing relevant, accurate and clear financial information, and associated indicators of service delivery and performance.
- Contribute to public policy and programme development by providing support for planning, policy and programme analysis, budgeting and project management, including support for public finance reform in provinces and municipalities on an ongoing basis.
- Promote public and private investment in infrastructure and public services on an ongoing basis by providing technical support for capital expenditure planning and project analysis, advice on financing alternatives, support for municipal development, and financial assistance for neighbourhood development projects.
- Measure the use of public financial resources by monitoring, supporting and analysing public expenditure and service delivery for social and economic development, and infrastructure investment on an ongoing basis.
- Support and enable budget analysis by a broad range of stakeholders, including Parliament, 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, work-seeker support and enterprise development on an ongoing basis.
- Ensure technical capacity in the local government built environment by supporting infrastructure planning and implementation in all provinces, and infrastructure skills development in all municipalities on an ongoing basis.

Subprogrammes

- *Programme Management for Public Finance and Budget Management* provides support to the programme's planning, monitoring and delivery functions. Key activities include oversight and managing the processes related to the annual publication of the Medium-Term Budget Policy Statement, the coordination of the annual budget, and the production of the Division of Revenue Bill for the three spheres of government.
- *Public Finance* provides financial and budgetary analysis of government programmes, advises on policy and service delivery trends, and manages National Treasury's relations with other national departments.
- *Budget Office and Coordination* is responsible for the national budget process including the publication of the Budget Review, 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 with the aim of promoting improved infrastructure planning and management to support the service delivery targets in all spheres of government.
- *Financial and Fiscal Commission* facilitates the annual transfer payment to the Financial and Fiscal Commission, which provides independent, objective, impartial and unbiased advice to all 3 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, aimed at strengthening public and private investment in improved living and working conditions in townships, and creating spatially resilient, efficient and integrated towns and cities. These grants are further aimed at promoting accelerated and 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 advisors with experience and expertise in municipal financial management to facilitate key reforms and skills transfer through the municipal finance improvement programme. This subprogramme further assists with developing infrastructure planning and project management capacity.
- *Government Technical Advisory Centre* provides 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 comprises an employment creation facilitation fund that supports innovative and partnership-based approaches to sustainable employment creation, work-seeker support and enterprise development through the Jobs Fund; and supports research on employment, income distribution and inclusive growth.

Expenditure trends and estimates

Table 8.10 Public Finance and Budget Management expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation 2020/21	Average growth rate (%) 2017/18 - 2020/21	Average: Expenditure/ Total (%) 2017/18 - 2020/21	Medium-term expenditure estimate			Average growth rate (%) 2020/21 - 2023/24	Average: Expenditure/ Total (%) 2020/21 - 2023/24
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24		
R million											
Programme Management for Public Finance and Budget Management	20.8	19.1	23.3	21.7	1.4%	0.8%	31.7	32.3	32.4	14.3%	0.8%
Public Finance	61.7	64.0	68.5	69.0	3.8%	2.4%	64.9	65.0	65.1	-1.9%	1.8%
Budget Office and Coordination	57.7	59.7	59.9	69.6	6.4%	2.2%	66.6	66.7	66.7	-1.4%	1.9%
Intergovernmental Relations	97.8	100.8	100.8	136.7	11.8%	3.9%	522.4	538.3	540.1	58.1%	12.1%
Financial and Fiscal Commission	50.6	51.8	54.3	63.8	8.0%	2.0%	63.2	63.8	64.1	0.1%	1.8%
Facilitation of Conditional Grants	1 592.7	1 508.8	1 584.0	1 481.9	-2.4%	55.5%	1 615.2	1 679.6	1 724.4	5.2%	45.1%
Catalytic Infrastructure and Development Support Programme	259.7	323.8	370.4	312.2	6.3%	11.4%	581.9	502.1	408.5	9.4%	12.5%
Government Technical Advisory Centre	673.9	402.5	674.9	685.0	0.5%	21.9%	984.1	896.5	900.0	9.5%	24.0%
Total	2 815.0	2 530.4	2 936.1	2 839.8	0.3%	100.0%	3 929.9	3 844.4	3 801.3	10.2%	100.0%
Change to 2020 Budget estimate				(554.6)			12.0	(158.3)	(236.3)		
Economic classification											
Current payments	564.3	636.0	593.2	645.4	4.6%	21.9%	1 124.7	1 147.3	1 150.9	21.3%	28.2%
Compensation of employees	211.7	213.9	224.0	238.5	4.1%	8.0%	233.0	233.3	233.3	-0.7%	6.5%
Goods and services ¹	352.6	422.1	369.3	406.9	4.9%	13.9%	891.7	914.1	917.6	31.1%	21.7%
of which:											
Bursaries: Employees	1.0	1.0	0.5	1.1	3.9%	-	1.3	1.4	1.4	8.4%	-
Consultants: Business and advisory services	332.9	400.4	354.7	388.5	5.3%	13.3%	866.2	887.8	891.2	31.9%	21.0%
Consumables: Stationery, printing and office supplies	6.7	1.0	0.7	1.2	-43.1%	0.1%	1.8	1.8	1.8	14.1%	-
Operating leases	0.7	0.8	0.7	0.8	2.5%	-	1.1	1.1	1.1	13.3%	-
Travel and subsistence	8.5	10.6	7.3	5.4	-14.1%	0.3%	10.9	11.3	11.3	28.3%	0.3%
Operating payments	0.0	5.8	3.4	6.2	1058.8%	0.1%	6.3	6.5	6.5	1.5%	0.2%
Transfers and subsidies¹	2 249.6	1 892.6	2 341.7	2 190.8	-0.9%	78.0%	2 802.5	2 694.1	2 647.4	6.5%	71.7%
Provinces and municipalities	1 592.7	1 508.8	1 584.0	1 481.9	-2.4%	55.5%	1 615.2	1 679.6	1 724.4	5.2%	45.1%
Departmental agencies and accounts	656.4	381.9	655.9	668.8	0.6%	21.2%	1 033.6	919.5	923.0	11.3%	24.6%
Public corporations and private enterprises	-	-	100.0	40.0	-	1.3%	153.7	95.0	-	-100.0%	2.0%
Households	0.4	1.9	1.9	0.1	-43.8%	-	-	-	-	-100.0%	-
Payments for capital assets	1.1	1.9	1.2	3.6	50.7%	0.1%	2.7	2.9	3.0	-5.4%	0.1%
Machinery and equipment	1.1	1.9	1.2	3.6	50.7%	0.1%	2.7	2.9	3.0	-5.4%	0.1%
Payments for financial assets	0.1	0.0	0.0	-	-100.0%	-	-	-	-	-	-
Total	2 815.0	2 530.4	2 936.1	2 839.8	0.3%	100.0%	3 929.9	3 844.4	3 801.3	10.2%	100.0%
Proportion of total programme expenditure to vote expenditure	7.1%	8.9%	9.9%	8.2%	-	-	9.6%	12.0%	11.8%	-	-
Details of transfers and subsidies											
Households											
Social benefits											
Current	0.4	1.9	0.2	0.1	-43.8%	-	-	-	-	-100.0%	-
Employee social benefits	0.4	1.9	0.2	0.1	-43.8%	-	-	-	-	-100.0%	-
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	655.7	381.1	770.1	708.0	2.6%	22.6%	1 106.2	958.1	866.4	7.0%	25.2%
Financial and Fiscal Commission	50.6	51.8	54.3	63.8	8.0%	2.0%	63.2	63.8	64.1	0.1%	1.8%
Government Technical Advisory Centre	605.0	329.3	615.8	604.1	-	19.4%	789.3	799.3	802.3	9.9%	20.8%
Development Bank of Southern Africa	-	-	100.0	40.0	-	1.3%	153.7	95.0	-	-100.0%	2.0%
GTAC: Independent power producer project preparation support	-	-	-	-	-	-	100.0	-	-	-	0.7%
Capital	0.7	0.8	0.8	0.9	5.6%	-	0.9	1.0	1.0	4.5%	-
Government Technical Advisory Centre	0.7	0.8	0.8	0.9	5.6%	-	0.9	1.0	1.0	4.5%	-
Provinces and municipalities											
Municipalities											
Municipal bank accounts											
Current	642.8	646.1	682.2	688.7	2.3%	23.9%	707.3	725.6	728.4	1.9%	19.8%
Local government financial management grant	502.0	504.6	532.8	544.9	2.8%	18.7%	552.1	566.4	568.6	1.4%	15.5%
Infrastructure skills development grant	140.8	141.5	149.4	143.9	0.7%	5.2%	155.2	159.2	159.9	3.6%	4.3%
Capital	950.0	862.7	911.7	793.1	-5.8%	31.6%	907.9	954.0	996.0	7.9%	25.3%
Integrated city development grant	292.1	293.6	310.1	313.7	2.4%	10.9%	341.3	360.9	376.8	6.3%	9.7%
Neighbourhood development partnership grant	657.8	569.1	601.7	479.4	-10.0%	20.8%	566.6	593.1	619.2	8.9%	15.7%

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

Personnel information

Table 8.11 Public Finance and Budget Management personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2021			Number and cost ² of personnel posts filled/planned for on funded establishment												Number				
Number of funded posts	Number of posts additional to the establishment		Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/ Total (%)			
			2019/20			2020/21			2021/22		2022/23		2023/24				2020/21 - 2023/24		
Public Finance and Budget Management			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		
Salary level	279	7	250	224.0	0.9	237	219.3	0.9	248	233.0	0.9	246	233.3	0.9	245	233.3	1.0	1.2%	100.0%
1 – 6	7	5	3	0.3	0.1	3	0.3	0.1	3	0.3	0.1	3	0.3	0.1	4	0.4	0.1	10.1%	1.3%
7 – 10	79	1	75	40.2	0.5	73	40.6	0.6	78	44.7	0.6	80	46.5	0.6	80	47.5	0.6	3.0%	31.9%
11 – 12	108	–	98	90.2	0.9	87	82.4	0.9	90	86.5	1.0	87	85.0	1.0	89	88.1	1.0	0.7%	36.1%
13 – 16	85	1	74	93.3	1.3	74	96.0	1.3	77	101.4	1.3	76	101.5	1.3	73	97.4	1.3	-0.5%	30.7%

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

2. Rand million.

Programme 4: Asset and Liability Management

Programme purpose

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

Objectives

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

Subprogrammes

- Programme Management for Asset and Liability Management* provides support for planning, monitoring and delivering the programme's activities.
- State-owned Entity Financial Management and Governance* is responsible for overseeing and enabling state-owned entities to meet government's policy objectives in a financially and fiscally sustainable manner, and for promoting sound corporate governance.
- Government Debt Management* is responsible for government's long-term funding needs. The subprogramme manages domestic and foreign debt, contributes to the development of financial markets, and maintains sound investor relations.
- Financial Operations* provides for government's short-term funding needs, the prudent management of cash, the efficient accounting of debt and investment transactions in government, and quality information relating to the division's operations; invests government's 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 8.12 Asset and Liability Management expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation 2020/21	Average growth rate (%) 2017/18 - 2020/21	Average: Expenditure/Total (%) 2020/21	Medium-term expenditure estimate			Average growth rate (%) 2020/21 - 2023/24	Average: Expenditure/Total (%) 2020/21 - 2023/24
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24		
R million											
Programme Management for Asset and Liability Management	6.1	6.9	8.0	9.3	15.1%	0.2%	10.8	10.4	10.6	4.5%	0.4%
State-Owned Entity Financial Management and Governance	10 033.7	31.5	33.9	2 963.2	-33.4%	98.1%	5 036.1	1 035.9	1 036.1	-29.6%	96.9%
Government Debt Management	17.9	19.5	22.5	20.7	4.9%	0.6%	20.8	20.9	21.0	0.5%	0.8%
Financial Operations	22.0	24.2	23.5	29.4	10.1%	0.7%	38.1	38.8	38.9	9.8%	1.4%
Strategy and Risk Management	10.1	9.0	8.9	12.8	8.2%	0.3%	12.1	12.3	12.3	-1.4%	0.5%
Total	10 089.8	91.2	96.7	3 035.3	-33.0%	100.0%	5 117.9	1 118.3	1 118.8	-28.3%	100.0%
Change to 2020 Budget estimate				2 911.2			4 987.0	985.0	982.2		
Economic classification											
Current payments	88.9	88.4	93.0	108.9	7.0%	2.8%	117.1	117.5	117.9	2.7%	4.4%
Compensation of employees	75.2	73.8	78.4	90.6	6.4%	2.4%	85.6	84.7	85.1	-2.1%	3.3%
Goods and services ¹	13.6	14.6	14.6	18.3	10.2%	0.5%	31.5	32.7	32.9	21.6%	1.1%
of which:											
Audit costs: External	0.7	1.0	1.1	1.5	31.5%	-	1.0	0.8	0.4	-35.6%	-
Bursaries: Employees	0.7	0.4	0.1	0.5	-10.2%	-	0.8	1.0	1.1	29.4%	-
Computer services	8.0	8.5	8.6	11.2	11.6%	0.3%	21.4	22.3	22.8	26.7%	0.7%
Consultants: Business and advisory services	0.1	1.0	2.5	3.1	224.2%	0.1%	3.4	3.9	2.8	-3.0%	0.1%
Travel and subsistence	2.6	2.4	1.3	1.0	-26.8%	0.1%	2.9	2.9	3.5	51.5%	0.1%
Training and development	0.2	0.1	0.3	0.3	20.1%	-	0.6	0.6	0.7	31.5%	-
Transfers and subsidies ¹	0.4	2.1	3.4	-	-100.0%	-	-	-	-	-	-
Households	0.4	2.1	3.4	-	-100.0%	-	-	-	-	-	-
Payments for capital assets	0.6	0.7	0.3	0.8	12.5%	-	0.8	0.9	0.9	5.2%	-
Machinery and equipment	0.6	0.7	0.3	0.8	12.5%	-	0.8	0.9	0.9	5.2%	-
Payments for financial assets	10 000.0	0.0	-	2 925.6	-33.6%	97.1%	5 000.0	1 000.0	1 000.0	-30.1%	95.5%
Total	10 089.8	91.2	96.7	3 035.3	-33.0%	100.0%	5 117.9	1 118.3	1 118.8	-28.3%	100.0%
Proportion of total programme expenditure to vote expenditure	25.5%	0.3%	0.3%	8.8%	-	-	12.5%	3.5%	3.5%	-	-
Details of transfers and subsidies											
Households											
Social benefits											
Current	0.4	2.1	1.4	-	-100.0%	-	-	-	-	-	-
Employee social benefits	0.4	2.1	1.4	-	-100.0%	-	-	-	-	-	-

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

Personnel information

Table 8.13 Asset and Liability Management personnel numbers and cost by salary level¹

Asset and Liability Management	Number of posts estimated for 31 March 2021		Number and cost ² of personnel posts filled/planned for on funded establishment												Number				
	Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%) 2020/21 - 2023/24	Average: Salary level/Total (%)			
			2019/20		2020/21		2021/22		2022/23		2023/24								
			Number	Unit cost	Number	Unit cost	Number	Unit cost	Number	Unit cost	Number	Unit cost							
Salary level	114	6	94	78.4	0.8	95	86.1	0.9	110	85.6	0.8	106	84.7	0.8	105	85.1	0.8	3.3%	100.0%
1-6	5	2	3	0.7	0.2	3	0.8	0.3	22	1.3	0.1	22	1.3	0.1	22	1.3	0.1	93.2%	16.3%
7-10	45	3	40	23.9	0.6	39	25.8	0.7	35	23.8	0.7	32	22.9	0.7	33	24.0	0.7	-5.5%	33.4%
11-12	38	-	30	28.4	0.9	31	31.6	1.0	31	32.1	1.0	29	30.5	1.0	28	30.1	1.1	-3.2%	28.9%
13-16	26	1	21	25.4	1.2	22	27.9	1.3	22	28.4	1.3	23	30.0	1.3	22	29.7	1.3	-	21.4%

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

2. Rand million.

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 Public Finance Management Act (1999) and the Municipal Finance Management Act (2003) across the 3 spheres of government by facilitating and undertaking special investigations to reduce fraud and corruption on an ongoing basis.
- Ensure sound financial management systems to meet the requirements of the Public Finance Management Act (1999) and the Municipal Finance Management Act (2003) by:
 - providing capacity and support to all spheres of government on policies relating to accounting and reporting, internal auditing and risk management on an ongoing basis
 - developing and implementing government transversal accounting and reporting systems over the medium term
 - maintaining government's current financial systems at a level of 98 per cent availability, including providing reliable, efficient and effective support and user training, over the medium term
 - completing the development of the remaining integrated financial management system's modules on payroll, core financial management and inventory management, and beginning its rollout, over the medium term.
- Support government's capacity-building efforts in financial management across the 3 spheres of government by introducing minimum competency profiles and offering graduate internships in financial management annually.
- Improve financial management in provincial and local government by:
 - developing and implementing financial recovery plans and providing technical assistance on an ongoing basis
 - supporting municipalities to implement financial management reforms and ensuring their compliance with the Municipal Finance Management Act (2003), as required, over the medium term.
- Modernise the supply chain management system for government over the medium term by:
 - introducing policy reforms to ensure that all procuring government institutions implement a single supply chain management policy
 - providing training solutions to close the skills gap for existing and future supply chain management practitioners.

Subprogrammes

- *Programme Management for Financial Accounting and Supply Chain Management Systems* supports the planning, monitoring and coordinating deliverables of the programme plan, such as the development and implementation of the integrated financial management system; and facilitates accountability and governance in the public sector, especially in terms of financial management.
- *Office of the Chief Procurement Officer* aims to modernise the state procurement system to be fair, equitable, transparent, competitive and cost effective; enable the efficient, economic, effective and transparent use of financial and other resources, including state assets, for improved service delivery; and promote, support and enforce the transparent and effective management of state procurement and the sound stewardship of government assets and resources.
- *Financial Systems* maintains and improves existing financial management systems, and develops and implements the new integrated financial management system, which aims to replace financial, supply chain and human resources management systems across national and provincial departments.
- *Financial Reporting for National Accounts* is responsible for accounting for the National Revenue Fund and the Reconstruction and Development Programme Fund, providing banking services to national government, providing support for all spheres of government in implementing financial reporting frameworks, and

preparing consolidated financial statements.

- *Financial Management Policy and Compliance Improvement* improves financial management and develops financial management regulatory frameworks with local and international best practice; develops and implements accounting policies; and improves the financial management, risk management and internal audit capacity in government.
- *Audit Statutory Bodies* facilitates transfer payments to the Auditor-General of South Africa to implement amendments in the Public Audit Act.
- *Service Charges: Commercial Banks* is a transfer payment that provides for bank service charges for all government departments' deposit accounts.

Expenditure trends and estimates

Table 8.14 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 (%)
	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23		
R million											
Programme Management for Financial Accounting and Supply Chain Management Systems	25.5	50.2	38.8	41.2	17.3%	5.1%	101.7	119.0	119.4	42.6%	9.2%
Office of the Chief Procurement Officer	71.8	69.0	68.7	67.8	-1.9%	9.1%	68.9	69.1	69.2	0.7%	6.7%
Financial Systems	374.3	419.6	399.0	487.2	9.2%	55.1%	581.8	599.0	601.5	7.3%	54.9%
Financial Reporting for National Accounts	97.3	102.0	104.5	108.8	3.8%	13.5%	110.0	111.6	111.9	1.0%	10.7%
Financial Management Policy and Compliance Improvement	120.5	130.3	122.6	148.3	7.2%	17.1%	170.3	173.1	173.5	5.4%	16.1%
Audit Statutory Bodies	–	–	–	–	–	–	50.0	50.0	–	–	2.4%
Service Charges: Commercial Banks	0.2	0.3	0.3	0.3	21.1%	–	0.3	0.3	0.3	1.7%	–
Total	689.6	771.4	733.9	853.5	7.4%	100.0%	1 082.9	1 122.2	1 075.8	8.0%	100.0%
Change to 2020 Budget estimate				(180.3)			(14.7)	(36.8)	(112.2)		
Economic classification											
Current payments	619.1	706.5	667.9	775.3	7.8%	90.8%	966.7	1 001.9	1 004.9	9.0%	90.7%
Compensation of employees	206.1	206.9	207.7	213.9	1.2%	27.4%	219.2	219.2	219.2	0.8%	21.1%
Goods and services ¹ of which:	413.0	499.5	460.2	561.4	10.8%	63.4%	747.5	782.7	785.7	11.9%	69.6%
<i>Audit costs: External</i>	5.7	6.2	6.8	7.5	9.8%	0.9%	8.6	8.8	9.3	7.5%	0.8%
<i>Bursaries: Employees</i>	2.3	1.1	0.9	2.6	4.8%	0.2%	2.4	2.3	2.5	-2.1%	0.2%
<i>Computer services</i>	344.2	353.3	350.4	430.3	7.7%	48.5%	516.8	532.2	545.0	8.2%	49.0%
<i>Consultants: Business and advisory services</i>	41.8	119.5	86.3	100.4	33.9%	11.4%	191.2	209.0	197.7	25.3%	16.9%
<i>Travel and subsistence</i>	8.3	10.0	7.0	6.9	-6.1%	1.1%	13.0	14.0	13.9	26.1%	1.2%
<i>Venues and facilities</i>	4.3	4.4	3.5	5.4	8.1%	0.6%	5.6	5.9	6.3	5.6%	0.6%
Transfers and subsidies¹	54.9	58.6	62.2	61.2	3.7%	7.8%	110.7	112.0	62.2	0.5%	8.4%
Departmental agencies and accounts	53.1	54.9	57.5	58.6	3.3%	7.4%	109.0	110.3	60.5	1.1%	8.2%
Households	1.8	3.6	4.7	2.6	12.8%	0.4%	1.7	1.8	1.8	-12.7%	0.2%
Payments for capital assets	15.2	6.3	3.8	16.9	3.6%	1.4%	5.6	8.3	8.7	-19.9%	1.0%
Machinery and equipment	15.2	5.7	3.8	10.8	-10.6%	1.2%	4.9	7.2	7.5	-11.5%	0.7%
Software and other intangible assets	0.0	0.6	–	6.1	457.3%	0.2%	0.7	1.1	1.2	-42.3%	0.2%
Payments for financial assets	0.3	0.0	0.1	–	-100.0%	–	–	–	–	–	–
Total	689.6	771.4	733.9	853.5	7.4%	100.0%	1 082.9	1 122.2	1 075.8	8.0%	100.0%
Proportion of total programme expenditure to vote expenditure	1.7%	2.7%	2.5%	2.5%	–	–	2.6%	3.5%	3.3%	–	–
Details of transfers and subsidies											
Households											
Social benefits											
Current	1.8	2.3	3.5	2.6	12.8%	0.3%	1.7	1.8	1.8	-12.7%	0.2%
Employee social benefits	1.8	2.3	3.5	2.6	12.8%	0.3%	1.7	1.8	1.8	-12.7%	0.2%
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	53.1	54.9	57.5	58.6	3.3%	7.4%	109.0	110.3	60.5	1.1%	8.2%
Accounting Standards Board	13.5	14.1	14.3	14.4	2.3%	1.8%	14.4	14.6	14.6	0.5%	1.4%
Independent Regulatory Board for Auditors	39.6	40.9	43.2	44.2	3.7%	5.5%	44.6	45.7	45.9	1.2%	4.4%
Public Audit Act Auditor-General of South Africa	–	–	–	–	–	–	50.0	50.0	–	–	2.4%
Households											
Other transfers to households											
Current	–	1.3	–	–	–	–	–	–	–	–	–
Employee social benefits	–	1.3	–	–	–	–	–	–	–	–	–

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

Personnel information

Table 8.15 Financial Accounting and Supply Chain Management Systems personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2021			Number and cost ² of personnel posts filled/planned for on funded establishment												Number				
Number of funded posts	Number of posts additional to the establishment		Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/ Total (%)			
			2019/20			2020/21			2021/22		2022/23		2023/24				2020/21 - 2023/24		
Financial Accounting and Supply Chain Management Systems			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		
Salary level	290	35	267	207.7	0.8	245	204.0	0.8	258	219.2	0.9	251	219.2	0.9	243	219.2	0.9	-0.4%	100.0%
1 – 6	14	3	8	2.5	0.3	9	2.9	0.3	9	3.0	0.3	10	3.3	0.3	10	3.3	0.3	3.6%	3.8%
7 – 10	118	31	117	66.5	0.6	107	64.5	0.6	111	68.4	0.6	102	62.7	0.6	88	53.3	0.6	-6.3%	40.9%
11 – 12	77	–	73	55.2	0.8	66	54.5	0.8	71	58.9	0.8	71	59.8	0.8	73	62.5	0.9	3.0%	28.1%
13 – 16	81	1	69	83.5	1.2	63	82.1	1.3	67	88.8	1.3	69	93.4	1.4	72	100.1	1.4	4.6%	27.2%

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

2. Rand million.

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

Subprogrammes

- *Programme Management for International Financial Relations* supports the planning, monitoring and delivering of the programme's activities with the World Bank country office, the African Development Bank regional resource centre and the 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 Brazil-Russia-India-China-South Africa group of countries, the Organisation for Economic Cooperation and Development, and the World Economic Forum.
- *African Integration and Support* enables National Treasury's participation in African interventions and arrangements that are mainly to bring about support and integration between African states and institutions. This subprogramme facilitates the transfer of funds to Lesotho, Namibia and Swaziland for the Common

Monetary Area compensation. In this agreement, South Africa compensates the member countries for the use of the rand currency within their respective borders. It also includes the technical support provided to regional capacity-building institutions such as the Collaborative Budget Reform Initiative, the Infrastructure Consortium for Africa, the African Capacity Building Foundation, the African Institute for Economic Development and Planning, and the Regional Technical Assistance Centre for Southern Africa.

- *International Development Funding Institutions* provides for subscriptions and contributions to international development institutions and banks. This subprogramme transfers funds to the African Development Bank and the International Bank for Reconstruction and Development of the World Bank Group to pay for shares, and to the African Development Fund and the International Development Association of the World Bank Group for the provision of concessional loans and grants to low-income countries. Capital transfers for the New Development Bank, in line with South Africa's agreed shareholding, will also be facilitated through this subprogramme.
- *International Projects* transfers funds to international projects and interventions for various causes such as capacity building, and catastrophe and disaster relief for affected low-income countries. To this end, National Treasury contributes to the Commonwealth Fund for Technical Cooperation and the International Finance Facility for Immunisation. The facility transfers funds to the Global Alliance for Vaccines and Immunisation, a public-private global health partnership, to support health care, particularly the provision of vaccines to reduce the number of deaths preventable by vaccination among children in low-income countries.

Expenditure trends and estimates

Table 8.16 International Financial Relations expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23		
R million											
Programme Management for International Financial Relations	7.5	9.0	6.7	7.7	0.7%	0.1%	10.9	12.0	12.0	15.9%	0.2%
International Economic Cooperation	36.2	46.7	44.4	31.2	-4.9%	0.7%	55.3	55.7	56.1	21.6%	1.1%
African Integration and Support	896.3	1 002.6	981.5	1 146.4	8.6%	17.4%	1 288.2	1 402.9	1 408.3	7.1%	28.6%
International Development Funding Institutions	4 512.0	4 730.0	4 405.8	5 190.4	4.8%	81.4%	5 909.4	812.6	848.5	-45.3%	69.6%
International Projects	17.8	19.4	20.4	22.3	7.8%	0.3%	22.4	23.0	23.1	1.2%	0.5%
Total	5 469.8	5 807.7	5 458.8	6 398.0	5.4%	100.0%	7 286.2	2 306.2	2 347.9	-28.4%	100.0%
Change to 2020 Budget estimate				(0.6)			506.2	(80.2)	(98.1)		
Economic classification											
Current payments	43.1	55.6	51.0	38.3	-3.9%	0.8%	65.9	66.7	67.1	20.6%	1.3%
Compensation of employees	30.7	31.9	31.6	30.6	-0.2%	0.5%	29.6	29.1	29.3	-1.3%	0.6%
Goods and services ¹	12.4	23.7	19.4	7.8	-14.5%	0.3%	36.3	37.6	37.8	69.5%	0.7%
<i>of which:</i>											
Administrative fees	0.5	1.5	0.4	0.1	-49.0%	-	0.6	0.6	0.7	111.9%	-
Bursaries: Employees	0.2	0.0	0.1	0.4	25.9%	-	0.4	0.5	0.7	23.8%	-
Consultants: Business and advisory services	0.7	-	0.7	0.9	8.0%	-	0.8	0.8	0.8	-2.3%	-
Travel and subsistence	7.0	16.0	9.1	2.5	-28.9%	0.1%	13.5	13.4	14.5	79.2%	0.2%
Operating payments	0.6	0.4	0.4	0.8	8.7%	-	0.6	1.3	1.4	20.8%	-
Venues and facilities	2.7	4.7	8.6	2.2	-6.2%	0.1%	19.4	20.1	18.6	103.6%	0.3%
Transfers and subsidies¹	1 041.2	1 158.0	1 134.2	1 303.7	7.8%	20.0%	1 470.6	1 591.9	1 604.7	7.2%	32.6%
Foreign governments and international organisations	1 040.9	1 158.0	1 134.2	1 303.7	7.8%	20.0%	1 470.6	1 591.9	1 604.7	7.2%	32.6%
Households	0.4	0.0	0.0	-	-100.0%	-	-	-	-	-	-
Payments for capital assets	0.2	0.2	0.0	0.6	35.0%	-	0.3	0.9	0.9	18.6%	-
Machinery and equipment	0.2	0.2	0.0	0.6	35.0%	-	0.3	0.9	0.9	18.6%	-
Payments for financial assets	4 385.3	4 594.0	4 273.5	5 055.4	4.9%	79.1%	5 749.4	646.7	675.2	-48.9%	66.1%
Total	5 469.8	5 807.7	5 458.8	6 398.0	5.4%	100.0%	7 286.2	2 306.2	2 347.9	-28.4%	100.0%
Proportion of total programme expenditure to vote expenditure	13.8%	20.3%	18.3%	18.5%	-	-	17.7%	7.2%	7.3%	-	-

Table 8.16 International Financial Relations expenditure trends and estimates by subprogramme and economic classification

Economic classification	Audited outcome			Adjusted appropriation 2020/21	Average growth rate (%) 2017/18 - 2020/21	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%) 2020/21 - 2023/24	Average: Expenditure/ Total (%)
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24		
R million											
Details of transfers and subsidies											
Households											
Social benefits											
Current	0.0	0.0	0.1	-	-100.0%	-	-	-	-	-	-
Employee social benefits	0.0	0.0	0.1	-	-100.0%	-	-	-	-	-	-
Foreign governments and international organisations											
Current	914.1	1 022.0	1 083.5	1 168.7	8.5%	18.1%	1 310.6	1 426.0	1 431.4	7.0%	29.1%
Common Monetary Area compensation	891.7	997.8	1 057.7	1 141.2	8.6%	17.7%	1 283.1	1 397.9	1 403.3	7.1%	28.5%
Collaborative Africa Budget Reform Initiative	2.4	2.6	2.3	2.7	3.4%	-	2.5	2.5	2.4	-2.7%	0.1%
Commonwealth Fund for Technical Cooperation	6.1	5.8	5.8	5.8	-1.7%	0.1%	5.9	6.4	7.0	6.3%	0.1%
International Finance Facility for Immunisation	11.7	13.6	15.0	16.5	12.1%	0.2%	16.5	16.6	16.1	-0.8%	0.4%
African Institute for Economic Development and Planning	1.0	1.1	1.4	1.2	7.8%	-	1.3	1.4	1.4	4.1%	-
Regional Technical Assistance Centre for Southern Africa	1.2	1.1	1.3	1.4	4.7%	-	1.2	1.2	1.2	-3.2%	-
Capital	126.8	136.0	132.3	135.0	2.1%	2.3%	160.0	165.9	173.2	8.7%	3.5%
African Development Fund	73.2	82.4	78.7	78.7	2.4%	1.4%	100.3	104.8	109.4	11.6%	2.1%
World Bank Group	53.6	53.6	53.6	56.3	1.7%	0.9%	59.7	61.2	63.9	4.3%	1.3%
Households											
Other transfers to households											
Current	0.3	-	-	-	-100.0%	-	-	-	-	-	-
Employee social benefits	0.3	-	-	-	-100.0%	-	-	-	-	-	-

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

Personnel information

Table 8.17 International Financial Relations personnel numbers and cost by salary level¹

International Financial Relations	Number of posts estimated for 31 March 2021		Number and cost ² of personnel posts filled/planned for on funded establishment												Number				
	Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average Salary level/ Total (%)			
			2019/20			2020/21			2021/22		2022/23		2023/24				2020/21 - 2023/24		
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Salary level	35	1	33	31.6	1.0	30	28.0	0.9	32	29.6	0.9	30	29.1	1.0	31	29.3	1.0	1.1%	100.0%
1-6	1	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7-10	11	-	12	6.1	0.5	13	7.0	0.5	14	7.7	0.5	13	6.8	0.5	14	7.5	0.6	1.5%	43.6%
11-12	8	-	7	10.0	1.4	6	8.4	1.4	7	9.0	1.3	7	9.1	1.3	7	9.3	1.3	5.3%	22.1%
13-16	15	-	14	15.5	1.1	11	12.6	1.2	11	12.9	1.2	11	13.1	1.2	10	12.6	1.3	-1.8%	34.3%

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

2. Rand million.

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

Programme purpose

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

Objectives

- Ensure the effective administration of pension, retirement and other policies on an ongoing basis by completing annual reviews and implementing recommendations in accordance with stakeholder agreements reached on pension reforms, postretirement medical benefits, political office bearers and pension legislation.
- Ensure good service to eligible applicants and recipients on an ongoing basis by:
 - processing member applications and making payments punctually, as required by applicable legislation
 - processing postretirement medical benefit applications within 60 days of receipt, and paying all medical subsidies within 7 days of receiving a valid and correct claim

- processing and paying injury-on-duty benefits to civil servants within 45 days of receiving completed documentation
- ensuring the punctual and accurate payments of military pensions within 45 days of receipt and medical accounts within 30 days of receipt of the claim with no backlog.

Subprogrammes

- *Government Pensions Administration Agency* provides administrative services, in accordance with the Temporary Pension Fund Act (1979) and the Associated Institutions Pension Fund Act (1963), for 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 the injured, disabled and the dependants of deceased civil servants and former struggle veterans, in terms of various statutes, collective bargaining agreements and other commitments. The *Government Pensions Administration Agency* subprogramme administers all payments related to this subprogramme.
- *Military Pensions and Other Benefits* provides for the processing and payment of military pension benefits and medical claims arising from injuries sustained during various wars, including South Africa's liberation wars. These include payments to former members of the legislative assembly of the former Venda, Transkei, Ciskei and Bophuthatswana governments; judges or their widows/widowers in terms of the Judges' Remuneration and Conditions of Employment Act (2001); and former state presidents, among other benefits.

Expenditure trends and estimates

Table 8.18 Civil and Military Pensions, Contributions to Funds and Other Benefits expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23		
R million											
Government Pensions Administration Agency	62.1	64.5	66.9	76.7	7.3%	1.3%	77.7	79.8	80.1	1.4%	1.2%
Civil Pensions and Contributions to Funds	3 614.4	4 017.1	4 437.9	5 050.5	11.8%	83.1%	6 089.0	6 680.6	6 706.2	9.9%	94.6%
Military Pensions and Other Benefits	941.6	938.5	982.3	342.1	-28.6%	15.6%	242.8	251.7	252.7	-9.6%	4.2%
Total	4 618.1	5 020.1	5 487.1	5 469.3	5.8%	100.0%	6 409.5	7 012.1	7 039.0	8.8%	100.0%
Change to 2020 Budget estimate				(285.8)			(264.3)	(366.6)	(524.1)		
Economic classification											
Current payments	62.1	64.5	66.9	76.7	7.3%	1.3%	77.7	79.8	80.1	1.4%	1.2%
Goods and services ¹	62.1	64.5	66.9	76.7	7.3%	1.3%	77.7	79.8	80.1	1.4%	1.2%
of which:											
Consultants: Business and advisory services	62.1	64.5	66.9	76.7	7.3%	1.3%	77.7	79.8	80.1	1.4%	1.2%
Transfers and subsidies¹	4 556.0	4 955.6	5 420.2	5 392.6	5.8%	98.7%	6 331.8	6 932.3	6 958.9	8.9%	98.8%
Foreign governments and international organisations	1.3	1.2	0.6	3.0	33.8%	–	3.0	3.1	3.1	1.4%	–
Households	4 554.8	4 954.5	5 419.7	5 389.6	5.8%	98.7%	6 328.8	6 929.2	6 955.8	8.9%	98.7%
Payments for financial assets	0.0	–	–	–	-100.0%	–	–	–	–	–	–
Total	4 618.1	5 020.1	5 487.1	5 469.3	5.8%	100.0%	6 409.5	7 012.1	7 039.0	8.8%	100.0%
Proportion of total programme expenditure to vote expenditure	11.7%	17.6%	18.4%	15.8%	–	–	15.6%	21.9%	21.9%	–	–

Table 8.18 Civil and Military Pensions, Contributions to Funds and Other Benefits expenditure trends and estimates by subprogramme and economic classification

Details of transfers and subsidies	Audited outcome			Adjusted appropriation 2020/21	Average growth rate (%) 2017/18 - 2020/21	Average Expenditure/ Total (%) 2017/18 - 2020/21	Medium-term expenditure estimate			Average growth rate (%) 2020/21 - 2023/24	Average Expenditure/ Total (%) 2020/21 - 2023/24
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24		
R million											
Households											
Social benefits											
Current	4 554.7	4 954.4	5 500.6	5 389.5	5.8%	99.1%	6 328.7	6 929.1	6 955.7	8.9%	98.7%
Contribution to provident funds for associated institutions	0.2	0.2	0.4	0.4	15.3%	–	0.4	0.4	0.4	1.8%	–
Other benefits	87.8	96.9	104.1	109.8	7.7%	1.9%	111.3	115.3	115.8	1.8%	1.7%
Injury on duty	599.0	640.5	688.8	690.9	4.9%	12.7%	736.3	763.3	766.2	3.5%	11.4%
Post-retirement medical scheme	2 458.8	2 796.1	3 171.6	3 718.6	14.8%	59.0%	4 608.4	5 149.4	5 169.2	11.6%	71.9%
Special pensions	460.0	468.6	478.2	430.0	-2.2%	8.9%	486.3	504.1	506.1	5.6%	7.4%
Political Office Bearers Pension Fund	–	–	53.2	–	–	0.3%	48.4	50.1	50.3	–	0.6%
Pension benefits: President of South Africa	7.4	10.8	10.8	14.3	24.5%	0.2%	14.5	15.0	15.1	1.8%	0.2%
Military pensions: Ex-servicemen	1.8	1.4	1.1	2.6	14.0%	–	2.6	2.7	2.7	1.8%	–
South African citizen force	191.0	191.1	199.3	217.1	4.4%	3.9%	220.0	228.1	228.9	1.8%	3.4%
Other benefits: Ex-servicemen	11.5	8.7	11.3	19.9	20.0%	0.2%	20.2	20.9	21.0	1.8%	0.3%
Non-statutory forces	737.3	737.3	778.6	102.4	-48.2%	11.4%	–	–	–	-100.0%	0.4%
Post-retirement medical scheme: Parliamentary staff	–	2.9	3.2	3.5	–	–	3.6	3.7	3.7	1.8%	0.1%
Early retirement costs: Government Pensions Administration Agency	–	–	–	80.0	–	0.4%	76.8	76.0	76.3	-1.6%	1.2%
Foreign governments and international organisations											
Current	1.3	1.2	1.2	3.0	33.8%	–	3.0	3.1	3.1	1.4%	–
United Kingdom tax	1.3	1.2	1.2	3.0	33.8%	–	3.0	3.1	3.1	1.4%	–

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

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, counterfeit 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.

Subprogramme

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

Expenditure trends and estimates

Table 8.19 Revenue Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation 2020/21	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2017/18	2018/19	2019/20		2017/18	2020/21	2021/22	2022/23	2023/24	2020/21	2023/24
R million											
South African Revenue Service	10 218.2	9 007.2	9 529.0	10 271.9	0.2%	100.0%	11 295.2	10 527.8	10 657.6	1.2%	100.0%
Total	10 218.2	9 007.2	9 529.0	10 271.9	0.2%	100.0%	11 295.2	10 527.8	10 657.6	1.2%	100.0%
Change to 2020 Budget estimate				(238.1)			322.1	(840.2)	(994.6)		
Economic classification											
Transfers and subsidies¹	10 218.2	9 007.2	9 529.0	10 271.9	0.2%	100.0%	11 295.2	10 527.8	10 657.6	1.2%	100.0%
Departmental agencies and accounts	10 218.2	9 007.2	9 529.0	10 271.9	0.2%	100.0%	11 295.2	10 527.8	10 657.6	1.2%	100.0%
Total	10 218.2	9 007.2	9 529.0	10 271.9	0.2%	100.0%	11 295.2	10 527.8	10 657.6	1.2%	100.0%
Proportion of total programme expenditure to vote expenditure	25.8%	31.5%	32.0%	29.8%	-	-	27.5%	32.9%	33.2%	-	-
Details of transfers and subsidies											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	9 076.6	7 799.4	7 854.9	8 047.2	-3.9%	84.0%	8 664.2	8 310.4	8 346.8	1.2%	78.1%
South African Revenue Service: Operations	9 041.6	7 757.9	7 814.6	8 004.6	-4.0%	83.6%	8 619.3	8 263.8	8 295.6	1.2%	77.6%
South African Revenue Service: Office of the Tax Ombud	35.0	41.5	40.3	42.5	6.7%	0.4%	44.9	46.5	51.2	6.4%	0.4%
Capital	1 141.6	1 207.8	1 674.1	2 224.7	24.9%	16.0%	2 631.0	2 217.4	2 310.8	1.3%	21.9%
South African Revenue Service: Machinery and equipment	1 141.6	1 207.8	1 674.1	2 224.7	24.9%	16.0%	2 631.0	2 217.4	2 310.8	1.3%	21.9%

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

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 financing terrorism.
- Combat crime and financial terrorism by:
 - providing services and products to law enforcement authorities, such as the South African Revenue Service and the State Security Agency, on an ongoing basis
 - collaborating closely with counterparts in African countries and international organisations as part of a network for information exchange on an ongoing basis
 - collaborating with the financial action task force, which reports to the G20 summit processes and several standard-setting bodies, on an ongoing basis
 - processing requests from national and international law enforcement authorities over the medium term.

Subprogrammes

- *Financial Intelligence Centre* facilitates the transfer payment to the Financial Intelligence Centre, which enhances the integrity of the South African financial system while creating new ways for investigating authorities to combat criminal activity.
- *Secret Services* facilitates the transfer payment to the South African Secret Service account, which provides government with accurate, topical, 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 8.20 Financial Intelligence and State Security expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23		
R million											
Financial Intelligence Centre	270.2	278.7	294.3	296.7	3.2%	5.8%	297.3	300.8	302.7	0.7%	5.7%
Secret Services	4 835.4	4 484.8	4 656.7	4 646.1	-1.3%	94.2%	4 952.3	5 080.2	5 108.9	3.2%	94.3%
Total	5 105.6	4 763.5	4 951.1	4 942.9	-1.1%	100.0%	5 249.5	5 381.0	5 411.6	3.1%	100.0%
Change to 2020				(264.9)			(246.9)	(317.8)	(429.6)		
Budget estimate											
Economic classification											
Transfers and subsidies ¹	5 105.6	4 763.5	4 951.1	4 942.9	-1.1%	100.0%	5 249.5	5 381.0	5 411.6	3.1%	100.0%
Departmental agencies and accounts	5 105.6	4 763.5	4 951.1	4 942.9	-1.1%	100.0%	5 249.5	5 381.0	5 411.6	3.1%	100.0%
Total	5 105.6	4 763.5	4 951.1	4 942.9	-1.1%	100.0%	5 249.5	5 381.0	5 411.6	3.1%	100.0%
Proportion of total programme expenditure to vote expenditure	12.9%	16.7%	16.6%	14.3%	-	-	12.8%	16.8%	16.8%	-	-
Details of transfers and subsidies											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	4 778.4	4 330.3	4 493.6	4 605.3	-1.2%	92.1%	4 894.6	5 013.3	5 027.7	3.0%	93.1%
Financial Intelligence Centre: Operations	254.9	262.6	277.3	278.8	3.0%	5.4%	279.1	282.3	283.3	0.5%	5.4%
Secret Services: Operations	4 523.4	4 067.8	4 216.3	4 326.6	-1.5%	86.7%	4 615.5	4 731.1	4 744.4	3.1%	87.8%
Capital	327.3	433.2	457.5	337.6	1.0%	7.9%	354.9	367.7	383.9	4.4%	6.9%
Financial Intelligence Centre: Machinery and equipment	15.3	16.1	17.0	18.0	5.6%	0.3%	18.2	18.6	19.4	2.5%	0.4%
Secret Services: Machinery and equipment	312.0	417.1	440.4	319.6	0.8%	7.5%	336.7	349.1	364.5	4.5%	6.5%

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

Entities

Accounting Standards Board

Selected performance indicators

Table 8.21 Accounting Standards Board performance indicators by programme/objective/activity and related priority per year

Indicator	Programme/Objective/Activity	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Number of Accounting Forum meetings hosted (generally recognised accounting practice standards applications issues) per year	Administration	Priority 3: Education, skills and health	8	8	8	8	8	8	8
Number of communication articles issued to enhance stakeholder engagement per year	Administration	Priority 1: A capable, ethical and developmental state	4	4	4	4	4	4	4
Number of International Public Sector Accounting Standards Board meetings attended per year	Administration	Priority 7: A better Africa and world	4	4	4	4	4	4	4

Entity overview

The Accounting Standards Board is mandated to develop 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 the revenue, expenditure, assets and liabilities of the entities to which the standards apply.

The board's new 3-year work programme will focus on catching up with international developments. The International Public Sector Accounting Standards Board and International Accounting Standards Board have issued several standards of significant importance to public-sector financial reporting. These include standards on social benefits and related obligations and leases. The board plans to issue 3 documents and complete

5 research projects relating to the setting of international best practice standards and the current suite of standards for all spheres of government in 2021/22.

Expenditure is expected to increase at an average annual rate of 0.5 per cent, from R14.6 million in 2020/21 to R14.9 million in 2023/24. This is mainly due to increased spending on compensation of employees, at an average annual rate of 2.8 per cent, from R10.9 million in 2020/21 to R11.8 million in 2023/24. The board's number of personnel is expected to remain constant at 7 over the MTEF period. The board derives its revenue mainly through transfers from the department. Revenue is expected to increase in line with expenditure.

Programmes/Objectives/Activities

Table 8.22 Accounting Standards Board expenditure trends and estimates by programme/objective/activity

R million	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23		
Administration	13.7	14.6	14.5	14.6	2.3%	100.0%	14.6	14.8	14.9	0.5%	100.0%
Total	13.7	14.6	14.5	14.6	2.3%	100.0%	14.6	14.8	14.9	0.5%	100.0%

Statements of financial performance, cash flow and financial position

Table 8.23 Accounting Standards Board statements of financial performance, cash flow and financial position

Statement of financial performance											
R million	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23		
Revenue											
Non-tax revenue	0.5	0.6	0.2	0.2	-26.8%	2.6%	0.2	0.2	0.2	-1.4%	1.3%
of which:											
Other non-tax revenue	0.5	0.6	0.2	0.2	-26.8%	2.6%	0.2	0.2	0.2	-1.4%	1.3%
Transfers received	13.5	14.1	14.3	14.4	2.3%	97.4%	14.4	14.6	14.6	0.5%	98.7%
Total revenue	13.9	14.6	14.6	14.6	1.5%	100.0%	14.6	14.8	14.8	0.5%	100.0%
Expenses											
Current expenses	13.7	14.6	14.5	14.6	2.3%	100.0%	14.6	14.8	14.9	0.5%	100.0%
Compensation of employees	10.8	11.5	11.3	10.9	0.1%	77.5%	11.2	11.7	11.8	2.8%	77.3%
Goods and services	2.9	3.1	3.1	3.7	8.6%	22.1%	3.3	3.0	3.0	-7.0%	22.1%
Depreciation	(0.0)	0.1	0.1	0.1	-257.7%	0.4%	0.1	0.1	0.1	1.0%	0.6%
Total expenses	13.7	14.6	14.5	14.6	2.3%	100.0%	14.6	14.8	14.9	0.5%	100.0%
Surplus/(Deficit)	-	-	-	-	-	-	-	-	-	-	-
Cash flow statement											
Cash flow from operating activities	2.1	(0.4)	(1.4)	(0.1)	-139.7%	100.0%	(0.2)	(0.2)	(0.2)	19.2%	100.0%
Receipts											
Non-tax receipts	0.2	0.3	0.0	-	-100.0%	0.9%	-	-	-	-	-
Other tax receipts	0.2	0.3	0.0	-	-100.0%	0.9%	-	-	-	-	-
Transfers received	13.5	14.1	14.3	14.4	2.3%	99.1%	14.4	14.6	14.6	0.5%	100.0%
Total receipts	13.7	14.3	14.4	14.4	1.7%	100.0%	14.4	14.6	14.6	0.5%	100.0%
Payment											
Current payments	11.6	14.7	15.8	14.5	7.9%	100.0%	14.5	14.8	14.9	0.7%	100.0%
Compensation of employees	8.8	11.5	13.0	10.9	7.3%	77.8%	11.2	11.7	11.8	2.8%	77.4%
Goods and services	2.8	3.2	2.8	3.7	9.9%	22.2%	3.4	3.1	3.1	-6.0%	22.6%
Total payments	11.6	14.7	15.8	14.5	7.9%	100.0%	14.5	14.8	14.9	0.7%	100.0%
Net cash flow from investing activities	0.2	0.1	0.2	0.2	-11.3%	100.0%	0.2	0.2	0.2	3.8%	100.0%
Acquisition of property, plant, equipment and intangible assets	(0.0)	(0.2)	(0.1)	-	-100.0%	-54.4%	-	-	-	-	-
Proceeds from the sale of property, plant, equipment and intangible assets	0.0	0.0	0.0	-	-100.0%	4.0%	-	-	-	-	-
Other flows from investing activities	0.2	0.3	0.2	0.2	-13.2%	150.4%	0.2	0.2	0.2	3.8%	100.0%
Net increase/(decrease) in cash and cash equivalents	2.4	(0.2)	(1.3)	0.0	-77.4%	1.7%	0.0	(0.0)	(0.0)	-219.5%	-
Statement of financial position											
Carrying value of assets	0.2	0.4	0.3	0.2	-9.2%	14.7%	0.3	0.1	0.1	-16.9%	22.2%
Acquisition of assets	(0.0)	(0.2)	(0.1)	-	-100.0%	-	-	-	-	-	-
Receivables and prepayments	0.1	0.1	0.1	0.1	-3.4%	3.3%	0.1	0.1	0.1	1.5%	8.2%
Cash and cash equivalents	2.8	2.6	1.3	0.7	-37.2%	82.0%	0.4	0.4	0.4	-13.6%	69.6%
Total assets	3.1	3.0	1.7	0.9	-33.2%	100.0%	0.7	0.6	0.6	-13.2%	100.0%
Accumulated surplus/(deficit)	0.3	0.3	0.3	0.2	-18.0%	14.9%	0.3	0.1	0.1	-16.9%	22.2%
Trade and other payables	0.3	0.1	0.4	0.1	-23.7%	13.1%	0.1	0.1	0.1	4.9%	19.9%
Provisions	2.5	2.6	0.9	0.6	-37.1%	72.1%	0.3	0.3	0.4	-16.7%	57.9%
Total equity and liabilities	3.1	3.0	1.7	0.9	-33.2%	100.0%	0.7	0.6	0.6	-13.2%	100.0%

Personnel information**Table 8.24 Accounting Standards Board personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2020		Number and cost ¹ of personnel posts filled/planned for on funded establishment															Number		
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate									Average growth rate (%)	Average: Salary level/Total (%)	
		2019/20			2020/21			2021/22			2022/23			2023/24					2020/21 - 2023/24
Accounting Standards Board		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	7	7	11.3	1.6	7	10.9	1.6	7	11.2	1.6	7	11.7	1.7	7	11.8	1.7	2.8%	100.0%	
1 – 6	1	1	1	0.3	0.3	1	0.3	0.3	1	0.3	0.3	1	0.3	0.3	1	0.3	0.3	0.4%	2.4%
7 – 10	1	1	1	0.7	0.7	1	0.8	0.8	1	0.8	0.8	1	0.8	0.8	1	0.9	0.9	3.7%	7.3%
13 – 16	4	4	4	7.0	1.8	4	6.9	1.7	4	7.0	1.8	4	7.3	1.8	4	7.5	1.9	2.6%	63.1%
17 – 22	1	1	1	3.3	3.3	1	2.9	2.9	1	3.1	3.1	1	3.2	3.2	1	3.2	3.2	3.2%	27.2%

1. Rand million.

Cooperative Banks Development Agency**Selected performance indicators****Table 8.25 Cooperative Banks Development Agency performance indicators by programme/objective/activity and related priority per year**

Indicator	Programme/Objective/Activity	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Number of outreach and education activities about cooperative financial institution models for groups and institutions per year	Administration	Priority 2: Economic transformation and job creation	12	15	12	12	12	12	12
Number of cooperative financial Institutions provided with direct technical assistance per year	Capacity building and information	Priority 2: Economic transformation and job creation	7	7	39	64	64	64	64

Entity overview

The Cooperative Banks Development Agency was established in terms of the Cooperative Banks Act (2007), 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 financial services cooperatives that take deposits 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. Over the medium term, the agency will focus on collaboration and partnerships with stakeholders as a new approach in addressing challenges to assist in the seamless implementation of institutional development, organisational strengthening, the enhancing of operational efficiency through innovative technology interventions and solutions, and expanding the footprint of sustainable cooperative banking Institutions through a holistic support programme.

Expenditure is expected to decrease at an average annual rate of 3.7 per cent, from R23.6 million in 2020/21 to R21.1 million in 2023/24, mainly due to cost-containment measures brought on by reductions in transfers from the department. Compensation of employees is the agency's largest cost driver, spending on which is expected to increase at an average annual rate of 0.7 per cent, from R14.5 million in 2020/21 to R14.8 million in 2023/24. The number of personnel is expected to decrease from 21 in 2020/21 to 17 in 2023/24 due to the non-renewal of fixed-term contracts. The agency derives its revenue mainly from transfers from the department, which, due to reductions, decrease at an average annual rate of 2.4 per cent, from R20.3 million in 2020/21 to R20.9 million in 2023/24. Revenue is expected to decrease in line with expenditure.

Programmes/Objectives/Activities**Table 8.26 Cooperatives Banks Development 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 (%)
	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23		
Administration	8.9	7.8	11.1	8.3	-2.4%	32.0%	9.7	9.5	9.3	3.9%	43.0%
Supervision unit	5.8	–	–	–	-100.0%	3.9%	–	–	–	–	–
Capacity building and information	14.2	15.5	7.6	15.3	2.6%	45.8%	10.8	11.4	11.8	-8.4%	57.0%
Central support services	7.7	7.7	6.9	–	-100.0%	18.2%	–	–	–	–	–
Total	36.6	31.0	25.6	23.6	-13.6%	100.0%	20.5	21.0	21.1	-3.7%	100.0%

Statements of financial performance, cash flow and financial position**Table 8.27 Cooperatives Banks Development Agency statements of financial performance, cash flow and financial position**

Statement of financial performance				Revised estimate 2020/21	Average growth rate (%) 2017/18 - 2020/21	Average: Expenditure/ Total (%) 2020/21	Medium-term expenditure estimate			Average growth rate (%) 2020/21 - 2023/24	Average: Expenditure/ Total (%) 2020/21 - 2023/24
R million	Audited outcome						2021/22	2022/23	2023/24		
Revenue											
Non-tax revenue	3.9	7.2	7.7	0.1	-67.6%	15.2%	0.1	0.2	0.2	6.4%	0.7%
Sale of goods and services other than capital assets	0.0	0.0	0.0	0.0	-47.7%	-	0.0	0.0	0.0	26.0%	-
<i>of which:</i>											
<i>Sales by market establishment</i>	<i>0.0</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-100.0%</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
Other sales	0.0	0.0	0.0	0.0	26.0%	-	0.0	0.0	0.0	26.0%	-
Other non-tax revenue	3.9	7.2	7.7	0.1	-67.7%	15.1%	0.1	0.1	0.2	6.0%	0.7%
Transfers received	29.1	23.9	22.8	22.5	-8.2%	84.8%	20.3	20.8	20.9	-2.4%	99.3%
Total revenue	32.9	31.0	30.5	22.6	-11.8%	100.0%	20.5	21.0	21.1	-2.3%	100.0%
Expenses											
Current expenses	36.6	31.0	25.6	23.2	-14.1%	99.6%	20.5	21.0	21.1	-3.2%	99.6%
Compensation of employees	17.2	12.1	12.0	14.5	-5.6%	48.5%	13.1	13.7	14.8	0.7%	65.1%
Goods and services	18.9	18.4	13.3	8.5	-23.2%	49.8%	7.1	7.0	6.0	-11.2%	33.1%
Depreciation	0.5	0.5	0.3	0.2	-27.0%	1.2%	0.3	0.3	0.3	19.0%	1.4%
Transfers and subsidies	-	-	-	0.4	-	0.4%	-	-	-	-100.0%	0.4%
Total expenses	36.6	31.0	25.6	23.6	-13.6%	100.0%	20.5	21.0	21.1	-3.7%	100.0%
Surplus/(Deficit)	(3.6)	-	4.9	(1.0)	-34.8%	-	-	-	-	-100.0%	-
Cash flow statement											
Cash flow from operating activities	(5.9)	6.5	4.6	3.7	-185.7%	100.0%	3.6	1.1	(0.0)	-103.8%	100.0%
Receipts											
Non-tax receipts	1.0	0.8	1.0	0.1	-48.8%	2.7%	0.1	0.2	0.2	6.4%	0.7%
Sale of goods and services other than capital assets	0.2	0.2	0.1	0.0	-77.4%	0.5%	0.0	0.0	0.0	26.0%	-
<i>Administrative fees</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>-43.3%</i>	<i>-</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>26.0%</i>	<i>-</i>
<i>Other sales</i>	<i>0.2</i>	<i>0.2</i>	<i>0.1</i>	<i>-</i>	<i>-100.0%</i>	<i>0.5%</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
Other tax receipts	0.8	0.5	0.8	0.1	-45.6%	2.2%	0.1	0.1	0.2	6.0%	0.7%
Transfers received	27.4	27.0	23.8	22.5	-6.3%	97.3%	20.3	20.8	20.9	-2.4%	99.3%
Total receipts	28.3	27.8	24.8	22.6	-7.3%	100.0%	20.5	21.0	21.1	-2.3%	100.0%
Payment											
Current payments	34.2	21.3	20.2	18.9	-17.9%	100.0%	16.9	19.9	21.1	3.7%	100.0%
Compensation of employees	17.3	12.1	12.0	14.5	-5.7%	60.9%	13.1	13.7	14.8	0.7%	73.2%
Goods and services	17.0	9.2	8.1	4.4	-36.0%	39.1%	3.8	6.2	6.3	12.4%	26.8%
Total payments	34.2	21.3	20.2	18.9	-17.9%	100.0%	16.9	19.9	21.1	3.7%	100.0%
Net cash flow from investing activities	(0.3)	(0.1)	(0.1)	(0.2)	-18.1%	100.0%	(0.1)	(0.1)	(0.1)	-5.7%	100.0%
Acquisition of property, plant, equipment and intangible assets	(0.2)	-	(0.0)	-	-100.0%	20.1%	-	(0.0)	(0.0)	-	11.5%
Acquisition of software and other intangible assets	(0.1)	(0.1)	(0.1)	(0.2)	24.5%	79.9%	(0.1)	(0.1)	(0.1)	-13.6%	88.5%
Net increase/(decrease) in cash and cash equivalents	(6.2)	6.4	4.5	3.5	-183.1%	9.1%	3.5	1.0	(0.1)	-133.7%	9.0%
Statement of financial position											
Carrying value of assets	0.9	0.3	0.1	1.0	6.2%	12.4%	0.9	1.0	1.0	0.2%	53.7%
<i>Acquisition of assets</i>	<i>(0.2)</i>	<i>-</i>	<i>(0.0)</i>	<i>-</i>	<i>-100.0%</i>	<i>-</i>	<i>-</i>	<i>(0.0)</i>	<i>(0.0)</i>	<i>-</i>	<i>-</i>
Receivables and prepayments	3.1	1.1	0.0	-	-100.0%	12.8%	-	-	-	-	-
Cash and cash equivalents	3.6	10.0	14.5	1.9	-18.6%	74.8%	1.0	0.5	0.5	-35.4%	46.3%
Total assets	7.6	11.4	14.6	3.0	-26.7%	100.0%	1.9	1.5	1.6	-19.3%	100.0%
Accumulated surplus/(deficit)	0.5	(2.1)	2.7	1.9	52.7%	18.0%	1.5	1.0	1.0	-18.6%	70.1%
Capital and reserves	1.8	2.0	2.1	-	-100.0%	14.0%	-	-	-	-	-
Capital reserve fund	0.5	9.0	7.8	-	-100.0%	34.9%	-	-	-	-	-
Trade and other payables	4.1	2.0	1.7	0.9	-40.8%	28.1%	0.2	0.4	0.4	-21.4%	22.9%
Provisions	0.5	0.5	0.3	0.2	-29.0%	4.9%	0.2	0.1	0.1	-16.6%	7.0%
Total equity and liabilities	7.6	11.4	14.6	3.0	-26.7%	100.0%	1.9	1.5	1.6	-19.3%	100.0%

Personnel information**Table 8.28 Cooperatives Banks Development 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 (%)			
		2019/20		Unit cost	2020/21		Unit cost	2021/22			Unit cost	2022/23			Unit cost	2023/24			2020/21 - 2023/24		
Cooperatives Banks Development Agency		Number	Cost		Unit cost	Number		Cost	Unit cost	Number		Cost	Unit cost	Number		Cost	Unit cost	Number		Cost	Unit cost
Salary level	21	21	24	12.0	0.5	21	14.5	0.7	18	13.1	0.7	17	13.7	0.8	17	14.8	0.9	0.7%	100.0%		
1-6	-	-	2	0.1	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7-10	10	10	11	3.2	0.3	10	4.2	0.4	8	3.0	0.4	8	3.3	0.4	8	3.6	0.4	-5.1%	25.2%		
11-12	7	7	7	4.3	0.6	7	5.5	0.8	7	6.4	0.9	6	6.4	1.1	6	6.9	1.2	7.9%	45.2%		
13-16	4	4	4	4.4	1.1	4	4.7	1.2	3	3.7	1.2	3	3.9	1.3	3	4.2	1.4	-3.7%	29.6%		

1. Rand million.

Development Bank of Southern Africa**Selected performance indicators****Table 8.29 Development Bank of Southern Africa performance indicators by programme/objective/activity and related priority**

Indicator	Programme/Objective/Activity	MTSF priority	Audited performance			Estimated performance	MTEF targets			
			2017/18	2018/19	2019/20		2020/21	2021/22	2022/23	2023/24
Cost-to-income ratio (bank-wide) per year	Administration	Priority 2: Economic transformation and job creation	21.6% (R928m/ R4.3bn)	23% (R1.1bn/ R4.8bn)	28% (R1.2bn/ R4.4 bn)	32%	44%	43%	42%	
Value of disbursements to infrastructure-related projects per year	Development finance		R12.2bn	R8.9bn	R15.4bn	R13.5bn	R14.3bn	R15.7bn	R19bn	
Value of bank-wide net profit/(loss) per year	Development finance		R2.3bn	R3.1bn	R0.50bn	R0.88bn	R0.99bn	R1.17bn	R1.22bn	

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 aims to actively seek investments within the SADC, to be channelled to the health, education, energy, water, ICT, and transport and logistics sectors. The bank will continue to support infrastructure development in municipalities aimed at addressing backlogs, and expediting the delivery of essential social services in support of sustainable living conditions and improved quality of life within communities.

Expenditure is expected to increase at an average annual rate of 2.5 per cent, from R7.7 billion in 2020/21 to R8.3 billion in 2023/24. This includes an amount of R191.1 million over the MTEF period from the department to partially support the operations of the Infrastructure Fund. The remainder will be financed by the bank itself. The bank's main cost driver is interest, spending on which is expected to increase at an average annual rate of 1.1 per cent, from R4.1 billion in 2020/21 to R4.2 billion in 2023/24. Spending on compensation of employees is expected to increase at an average annual rate of 4.1 per cent, from R889.8 million in 2020/21 to R1 billion in 2023/24. The number of personnel is expected to remain constant at 678 over the MTEF period. Revenue is mainly derived from interest income and fees, and is expected to increase at an average annual rate of 3 per cent, from R8.6 billion in 2020/21 to R9.4 billion in 2023/24.

Programmes/Objectives/Activities**Table 8.30 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 (%)
	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23		
Administration	1 024.2	839.8	1 145.3	1 339.3	9.4%	15.2%	1 392.1	1 427.3	1 490.1	3.6%	17.7%
Development finance	4 413.2	5 378.1	8 077.3	6 197.0	12.0%	82.2%	6 265.1	6 319.8	6 597.8	2.1%	79.4%
Non-financing development activities	161.0	172.1	189.5	207.7	8.9%	2.6%	235.9	232.5	242.8	5.3%	2.9%
Total	5 598.4	6 390.0	9 412.0	7 744.0	11.4%	100.0%	7 893.1	7 979.6	8 330.7	2.5%	100.0%

Statements of financial performance, cash flow and financial position**Table 8.31 Development Bank of Southern Africa statements of financial performance, cash flow and financial position**

R million	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23		
Statement of financial performance											
Revenue											
Non-tax revenue	7 881.3	9 486.7	9 915.8	8 576.3	2.9%	99.9%	8 756.7	8 979.6	9 374.7	3.0%	98.7%
Sale of goods and services other than capital assets	190.2	193.4	255.5	189.6	-0.1%	2.3%	257.2	274.6	286.7	14.8%	2.8%
<i>Sales by market establishment</i>	<i>190.2</i>	<i>193.4</i>	<i>255.5</i>	<i>189.6</i>	<i>-0.1%</i>	<i>2.3%</i>	<i>257.2</i>	<i>274.6</i>	<i>286.7</i>	<i>14.8%</i>	<i>2.8%</i>
Other non-tax revenue	7 691.1	9 293.3	9 660.3	8 386.7	2.9%	97.6%	8 499.5	8 704.9	9 088.0	2.7%	95.9%
Transfers received	-	-	0.2	44.5	-	0.1%	233.8	150.4	55.5	7.7%	1.3%
Total revenue	7 881.3	9 486.7	9 916.0	8 620.8	3.0%	100.0%	8 990.5	9 130.0	9 430.2	3.0%	100.0%
Expenses											
Current expenses	5 566.4	6 349.8	9 294.6	7 313.9	9.5%	98.0%	7 486.1	7 570.4	7 903.4	2.6%	94.8%
Compensation of employees	684.8	741.6	739.0	889.8	9.1%	10.8%	939.0	961.3	1 003.6	4.1%	11.9%
Goods and services	950.5	1 673.2	4 663.5	2 338.6	35.0%	30.7%	2 533.5	2 562.2	2 674.9	4.6%	31.6%
Depreciation	25.9	19.6	29.3	32.9	8.3%	0.4%	31.3	30.7	32.0	-0.8%	0.4%
Interest, dividends and rent on land	3 905.3	3 915.4	3 862.8	4 052.7	1.2%	56.1%	3 982.2	4 016.2	4 192.9	1.1%	50.9%
Transfers and subsidies	32.0	40.2	117.4	430.1	137.7%	2.0%	407.0	409.2	427.2	-0.2%	5.2%
Total expenses	5 598.4	6 390.0	9 412.0	7 744.0	11.4%	100.0%	7 893.1	7 979.6	8 330.7	2.5%	100.0%
Surplus/(Deficit)	2 282.9	3 096.7	503.9	876.8	-27.3%		1 097.4	1 150.4	1 099.5	7.8%	
Cash flow statement											
Cash flow from operating activities	3 949.2	3 826.3	3 681.3	2 534.8	-13.7%	100.0%	3 351.8	3 681.8	4 144.8	17.8%	100.0%
Receipts											
Non-tax receipts	8 418.4	8 595.6	8 444.8	7 955.0	-1.9%	100.0%	8 923.5	9 590.0	9 336.6	5.5%	98.8%
Sales of goods and services other than capital assets	190.2	193.4	255.5	189.4	-0.1%	2.5%	257.0	274.5	286.6	14.8%	2.8%
<i>Sales by market establishment</i>	<i>190.2</i>	<i>193.4</i>	<i>255.5</i>	<i>189.4</i>	<i>-0.1%</i>	<i>2.5%</i>	<i>257.0</i>	<i>274.5</i>	<i>286.6</i>	<i>14.8%</i>	<i>2.8%</i>
Other tax receipts	8 228.2	8 402.2	8 189.3	7 765.6	-1.9%	97.5%	8 666.4	9 315.5	9 050.0	5.2%	96.1%
Transfers received	-	-	-	-	-	-	233.8	150.4	55.5	-	1.2%
Total receipts	8 418.4	8 595.6	8 444.8	7 955.0	-1.9%	100.0%	9 157.3	9 740.5	9 392.1	5.7%	100.0%
Payment											
Current payments	4 469.2	4 769.4	4 763.6	5 420.3	6.6%	100.0%	5 805.5	6 058.6	5 247.3	-1.1%	100.0%
Compensation of employees	680.9	741.0	737.3	886.0	9.2%	15.6%	991.6	1 046.1	1 092.2	7.2%	17.9%
Goods and services	242.9	300.0	501.8	482.6	25.7%	7.8%	591.0	623.2	650.7	10.5%	10.4%
Interest and rent on land	3 545.5	3 728.3	3 524.5	4 051.6	4.5%	76.6%	4 222.9	4 389.3	3 504.4	-4.7%	71.7%
Total payments	4 469.2	4 769.4	4 763.6	5 420.3	6.6%	100.0%	5 805.5	6 058.6	5 247.3	-1.1%	100.0%
Net cash flow from advancing activities (financial institutions only)	(5 606.1)	1 216.7	(9 016.6)	(1 329.5)	-38.1%	100.0%	(3 017.3)	(5 973.3)	(6 484.2)	69.6%	100.0%
Loan disbursements	(11 922.5)	(8 807.8)	(15 641.4)	(13 500.0)	4.2%	169.4%	(14 300.0)	(15 700.0)	(18 997.0)	12.1%	511.3%
Loan principal repayments	5 981.2	9 967.3	6 254.7	12 001.2	26.1%	-64.9%	11 116.5	9 636.0	12 512.8	1.4%	-406.4%
Other	335.3	57.1	370.1	169.4	-20.4%	-4.5%	166.1	90.8	-	-100.0%	-4.9%
Net cash flow from investing activities	(444.2)	(345.2)	32.6	(124.8)	-34.5%	100.0%	(136.4)	(162.9)	72.8	-183.6%	100.0%
Acquisition of property, plant, equipment and intangible assets	(11.8)	(26.7)	(7.7)	(174.1)	145.5%	31.5%	(191.5)	(210.6)	-	-100.0%	102.3%
Acquisition of software and other intangible assets	(15.8)	(1.2)	(8.6)	(28.0)	21.0%	-	(30.8)	(33.9)	-	-100.0%	16.5%
Proceeds from the sale of property, plant, equipment and intangible assets	0.1	0.5	2.6	-	-100.0%	2.0%	-	-	-	-	-
Other flows from investing activities	(416.7)	(317.9)	46.4	77.3	-157.0%	66.5%	85.9	81.6	72.8	-2.0%	-18.8%
Net cash flow from financing activities	3 543.7	(5 516.6)	5 838.7	(2 598.8)	-190.2%	100.0%	141.2	2 769.0	2 516.6	-198.9%	100.0%
Borrowing activities	(15 504.6)	(18 618.7)	(19 520.1)	(16 681.7)	2.5%	51.9%	(7 023.2)	(17 491.2)	(14 381.5)	-4.8%	-1 383.6%
Other flows from financing activities	19 048.3	13 102.1	25 358.8	14 083.0	-9.6%	48.1%	7 164.4	20 260.1	16 898.1	6.3%	1 483.6%
Net increase/(decrease) in cash and cash equivalents	1 442.6	(819.0)	536.0	(1 518.2)	-201.7%	-0.2%	339.3	314.6	250.1	-154.8%	-2.1%

Table 8.31 Development Bank of Southern Africa statements of financial performance, cash flow and financial position

Statement of financial position		Audited outcome			Revised estimate	Average growth rate (%)	Average Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/Total (%)
R million		2017/18	2018/19	2019/20	2020/21	2017/18 - 2020/21	2021/22	2022/23	2023/24	2020/21 - 2023/24	2020/21 - 2023/24	
Carrying value of assets		490.5	518.2	497.7	667.0	10.8%	856.0	1 067.0	999.9	14.5%	0.8%	
Acquisition of assets		(11.8)	(26.7)	(7.7)	(174.1)	145.5%	(191.5)	(210.6)	–	-100.0%	–	
Investments		8 242.2	8 575.1	8 629.5	7 898.6	-1.4%	6 933.5	6 034.6	5 937.3	-9.1%	6.4%	
Loans		76 337.8	77 106.7	87 551.0	88 988.0	5.2%	90 817.6	95 552.1	105 428.5	5.8%	89.9%	
Receivables and prepayments		399.6	365.6	328.1	653.5	17.8%	1 045.7	1 307.1	1 581.5	34.3%	1.1%	
Cash and cash equivalents		3 741.9	2 922.9	3 458.8	1 940.6	-19.7%	2 046.1	2 210.3	1 484.8	-8.5%	1.8%	
Total assets		89 211.9	89 488.4	100 465.1	100 147.7	3.9%	101 698.9	106 171.1	115 432.0	4.8%	100.0%	
Accumulated surplus/(deficit)		19 473.0	22 717.9	23 005.3	26 469.0	10.8%	27 590.7	28 872.6	33 897.7	8.6%	27.5%	
Capital and reserves		2 955.8	2 562.3	2 680.0	2 448.1	-6.1%	2 449.0	2 450.0	3 034.1	7.4%	2.4%	
Capital reserve fund		11 892.3	11 892.3	11 892.3	11 892.3	–	11 892.3	11 892.3	11 892.3	–	11.3%	
Borrowings		53 573.2	51 283.4	61 918.5	57 826.8	2.6%	58 108.1	61 150.6	65 288.3	4.1%	57.3%	
Trade and other payables		1 204.3	679.0	696.3	1 165.3	-1.1%	1 282.1	1 398.7	1 013.1	-4.6%	1.2%	
Provisions		111.2	353.5	272.7	346.1	46.0%	376.5	406.9	306.5	-4.0%	0.3%	
Derivatives financial instruments		2.2	–	–	–	-100.0%	–	–	–	–	–	
Total equity and liabilities		89 211.9	89 488.4	100 465.1	100 147.7	3.9%	101 698.9	106 171.1	115 432.0	4.8%	100.0%	

Personnel information

Table 8.32 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 (%)				
		2019/20		Unit cost	2020/21		Unit cost	2021/22		Unit cost	2022/23		Unit cost			2023/24		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	2020/21 - 2023/24		
Salary level	678	678	610	739.0	1.2	678	889.8	1.3	678	939.0	1.4	678	961.3	1.4	678	1 003.6	1.5	4.1%	100.0%
1 – 6	55	55	55	12.1	0.2	55	13.0	0.2	55	13.7	0.2	55	14.0	0.3	55	14.7	0.3	4.1%	1.5%
7 – 10	171	171	171	101.0	0.6	171	108.5	0.6	171	114.6	0.7	171	117.3	0.7	171	122.4	0.7	4.1%	12.2%
11 – 12	112	112	112	123.0	1.1	112	132.2	1.2	112	139.5	1.2	112	142.8	1.3	112	149.1	1.3	4.1%	14.9%
13 – 16	324	324	256	429.5	1.7	324	567.9	1.8	324	599.3	1.8	324	613.5	1.9	324	640.5	2.0	4.1%	63.8%
17 – 22	16	16	16	73.3	4.6	16	68.1	4.3	16	71.9	4.5	16	73.6	4.6	16	76.8	4.8	4.1%	7.7%

1. Rand million.

Financial and Fiscal Commission

Selected performance indicators

Table 8.33 Financial and Fiscal Commission performance indicators by programme/objective/activity and related priority per year

Indicator	Programme/Objective/Activity	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Number of briefings on the Division of Revenue Bill submission per year	Research	Priority 1: A capable, ethical and developmental state	1	1	1	1	1	1	1
Number of peer-reviewed book chapters and publications produced per year	Research		1	4	3	4	4	4	4

Entity overview

The Financial and Fiscal Commission derives its mandate from the Financial and Fiscal Commission Act (1997), which requires the commission to advise relevant authorities on the financial and fiscal requirements for national, provincial and local spheres of government in terms of section 220 of the Constitution. Other legislation that informs the commission's mandate includes: The Intergovernmental Fiscal Relations Act (1997), the Money Bills Amendment Procedure and Related Matters Act (2009), the Provincial Tax Regulation Process Act (2001), the Municipal Fiscal Powers and Functions Act (2007), the Borrowing Powers of Provincial Governments Act (1996), the Municipal Finance Management Act (2003), and the Municipal Systems Amendment Act (2003).

Over the medium term, the commission aims to conduct briefings and publish research papers on a wider range of topics, including a continuation of work on the themes of restoring local government public finances and the effects of the COVID-19 pandemic and related recovery strategies.

Expenditure is expected to increase at an average annual rate of 0.1 per cent, from R64 million in 2020/21 to R64.2 million in 2023/24. This marginal increase is due to the adjustment of the commissioner's remuneration,

as approved by Parliament. Compensation of employees, the commission's largest spending area, is expected to decrease at an average annual rate of 7.4 per cent, from R39.6 million in 2020/21 to R31.5 million in 2023/24, due to cost-cutting measures such as the moratorium on filling of vacancies and moderate salary increases. Spending on goods and services is expected to increase at an average annual rate of 10.3 per cent, from R24.4 million in 2020/21 to R32.7 million in 2023/24, due to the continued use of external researchers. The commission derives its revenue mainly through transfers from the department. Revenue is expected to increase in line with expenditure.

Programmes/Objectives/Activities

Table 8.34 Financial and Fiscal Commission expenditure trends and estimates by programme/objective/activity

R million	Audited outcome			Revised estimate 2020/21	Average growth rate (%) 2017/18 - 2020/21	Average Expenditure/ Total (%) 2017/18 - 2020/21	Medium-term expenditure estimate			Average growth rate (%) 2020/21 - 2023/24	Average Expenditure/ Total (%) 2020/21 - 2023/24
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24		
Administration	30.5	31.5	36.4	37.6	7.2%	62.5%	46.3	48.1	48.2	8.6%	70.6%
Research	17.0	18.3	20.8	26.4	15.8%	37.5%	17.0	15.9	15.9	-15.5%	29.4%
Total	47.5	49.8	57.1	64.0	10.4%	100.0%	63.3	63.9	64.2	0.1%	100.0%

Statements of financial performance, cash flow and financial position

Table 8.35 Financial and Fiscal Commission statements of financial performance, cash flow and financial position

Statement of financial performance											
R million	Audited outcome			Revised estimate 2020/21	Average growth rate (%) 2017/18 - 2020/21	Average Expenditure/ Total (%) 2017/18 - 2020/21	Medium-term expenditure estimate			Average growth rate (%) 2020/21 - 2023/24	Average Expenditure/ Total (%) 2020/21 - 2023/24
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24		
Revenue											
Non-tax revenue	3.8	3.0	0.7	0.1	-69.6%	3.5%	0.1	0.1	0.1	1.5%	0.2%
of which:											
Other non-tax revenue	3.8	3.0	0.7	0.1	-69.6%	3.5%	0.1	0.1	0.1	1.5%	0.2%
Transfers received	50.6	51.8	54.3	63.8	8.0%	96.5%	63.2	63.8	64.1	0.1%	99.8%
Total revenue	54.4	54.8	55.1	63.9	5.5%	100.0%	63.3	63.9	64.2	0.1%	100.0%
Expenses											
Current expenses	47.5	49.8	57.1	64.0	10.4%	100.0%	63.3	63.9	64.2	0.1%	100.0%
Compensation of employees	31.5	34.4	35.2	39.6	7.9%	64.7%	31.5	31.5	31.5	-7.4%	52.5%
Goods and services	15.8	15.2	21.9	24.4	15.7%	35.1%	31.8	32.5	32.7	10.3%	47.5%
Depreciation	0.2	0.2	-	-	-100.0%	0.2%	-	-	-	-	-
Total expenses	47.5	49.8	57.1	64.0	10.4%	100.0%	63.3	63.9	64.2	0.1%	100.0%
Surplus/(Deficit)	6.9	4.9	(2.1)	(0.1)	-124.4%		-	-	-	-100.0%	
Cash flow statement											
Cash flow from operating activities	7.4	(4.0)	5.0	(2.5)	-170.1%	100.0%	(0.0)	(8.3)	(8.7)	50.6%	100.0%
Receipts											
Non-tax receipts	0.8	0.9	0.1	0.1	-49.9%	0.9%	0.1	0.1	0.1	1.5%	0.2%
Other tax receipts	0.8	0.9	0.1	0.1	-49.9%	0.9%	0.1	0.1	0.1	1.5%	0.2%
Transfers received	50.6	51.8	54.3	63.8	8.0%	99.1%	63.2	63.8	64.1	0.1%	99.8%
Total receipts	51.5	52.7	54.4	63.9	7.5%	100.0%	63.3	63.9	64.2	0.1%	100.0%
Payment											
Current payments	44.1	48.7	49.4	66.5	14.6%	96.4%	63.3	72.2	72.9	3.1%	100.0%
Compensation of employees	30.9	32.3	34.4	42.1	10.9%	64.9%	27.6	27.6	27.6	-13.1%	45.7%
Goods and services	13.3	16.4	15.0	24.4	22.5%	31.5%	35.7	44.7	45.3	22.9%	54.3%
Transfers and subsidies	-	8.1	-	-	-	3.6%	-	-	-	-	-
Total payments	44.1	56.8	49.4	66.5	14.6%	100.0%	63.3	72.2	72.9	3.1%	100.0%
Net cash flow from investing activities	(0.3)	(1.2)	(0.2)	(0.2)	-18.1%	100.0%	(0.2)	(0.2)	(0.2)	6.6%	100.0%
Acquisition of property, plant, equipment and intangible assets	(0.3)	(0.1)	(0.2)	(0.2)	-18.1%	77.7%	(0.2)	(0.2)	(0.2)	6.6%	100.0%
Acquisition of software and other intangible assets	-	(1.1)	-	-	-	22.3%	-	-	-	-	-
Net increase/(decrease) in cash and cash equivalents	7.0	(5.2)	4.9	(2.7)	-172.8%	2.1%	(0.2)	(8.5)	(8.9)	48.5%	-7.9%
Statement of financial position											
Carrying value of assets	1.7	2.6	2.0	2.2	10.0%	12.1%	2.4	2.5	2.7	6.5%	9.6%
Acquisition of assets	(0.3)	(0.1)	(0.2)	(0.2)	-18.1%	100.0%	(0.2)	(0.2)	(0.2)	6.6%	100.0%
Receivables and prepayments	0.2	0.5	0.3	0.3	10.0%	1.9%	0.3	0.3	0.4	6.5%	1.3%
Cash and cash equivalents	15.4	10.2	18.7	20.5	10.0%	86.0%	22.6	23.7	24.8	6.5%	89.2%
Total assets	17.3	13.4	20.9	23.0	10.0%	100.0%	25.3	26.6	27.8	6.5%	100.0%
Accumulated surplus/(deficit)	12.7	9.0	15.4	17.1	10.5%	72.1%	18.9	19.8	20.7	6.6%	74.4%
Capital and reserves	0.9	0.9	0.9	0.9	-	5.1%	0.9	0.9	1.0	1.5%	3.6%
Trade and other payables	1.8	1.7	2.3	2.5	11.3%	11.5%	2.8	2.9	3.1	6.5%	11.0%
Provisions	1.9	1.7	2.3	2.5	10.0%	11.3%	2.7	2.9	3.1	7.0%	10.9%
Total equity and liabilities	17.3	13.4	20.9	23.0	10.0%	100.0%	25.3	26.6	27.8	6.5%	100.0%

Personnel information**Table 8.36 Financial and Fiscal 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 (%)				
		2019/20		Unit cost	2020/21		Unit cost	2021/22			Unit cost	2022/23			Unit cost	2023/24			Unit cost			
Financial and Fiscal Commission	Salary level	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	2020/21 - 2023/24		
		38		38	40	35.2	0.9	28	39.6	1.4	51	31.5	0.6	51	31.5	0.6	51	31.5	0.6	-7.4%	100.0%	
1 – 6	1	1	1	0.2	0.2	1	0.2	0.2	1	0.2	0.2	1	0.2	0.2	1	0.2	0.2	1	0.2	0.2	-3.6%	0.5%
7 – 10	12	12	12	6.6	0.6	9	7.7	0.9	16	7.5	0.5	16	7.5	0.5	16	7.5	0.5	16	7.5	0.5	-1.1%	22.6%
11 – 12	13	13	14	11.0	0.8	8	14.0	1.8	21	11.1	0.5	21	11.1	0.5	21	11.1	0.5	21	11.1	0.5	-7.6%	35.2%
13 – 16	12	12	13	17.4	1.3	10	17.7	1.8	13	12.8	1.0	13	12.8	1.0	13	12.8	1.0	13	12.8	1.0	-10.3%	41.7%

1. Rand million.

Financial Intelligence Centre**Selected performance indicators****Table 8.37 Financial Intelligence Centre performance indicators by programme/objective/activity and related priority per year**

Indicator	Programme/Objective/Activity	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2017/18	2018/19	2019/20		2020/21	2021/22	2022/23
Number of Financial Intelligence Centre inspection reports issued per year	Delivery of intelligence on financial crimes and regulatory services in terms of Financial Intelligence Centre Act (2001)	Priority 6: Social cohesion and safer communities	138	138	287	375	395	420	450
Number of identified policy-making activities attended within regional and intergovernmental organisations per year	Delivery of intelligence on financial crimes and regulatory services in terms of Financial Intelligence Centre Act (2001)	Priority 7: A better Africa and world	- ¹	8	8	8	8	8	8

1. No historical data available.

Entity overview

The Financial Intelligence Centre was established by the Financial Intelligence Centre Act (2001) to combat money laundering and the financing of terrorist and related activities, identify the proceeds of unlawful 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 in terms of the act. To deliver on this mandate and protect the integrity of South Africa's financial system, the act works in conjunction with other legislation, including the Prevention of Organised Crime Act (1998), the Protection of Constitutional Democracy Against Terrorist and Related Activities Act (2004), and the South African Police Service Act (1995).

Over the medium term, the centre will focus on stabilising and maintaining its ICT network and systems by enhancing the existing capability of its analytical software. Improving these capabilities will mean a steady increase in maintenance costs for ICT systems, and additional funds for expanding the centre's analytical ability, secured from the criminal asset recovery account.

Expenditure is expected to decrease at an average annual rate of 0.8 per cent, from R342.1 million in 2020/21 to R334.1 million in 2023/24. Spending on compensation of employees is expected to increase at an average annual rate of 1.5 per cent, from R186.6 million in 2020/21 to R195 million in 2023/24. This is due to an expected increase in the number of personnel from 256 in 2020/21 to 265 in 2021/22, then a decrease to 261 in 2023/24. This fluctuation is due to contract positions. The centre's revenue is mainly derived through transfers from the department. Revenue is expected to decrease at an average annual rate of 1.2 per cent, from R320.3 million in 2020/21 to R309.3 million in 2023/24, due to reductions in the department's budget for transfers.

Programmes/Objectives/Activities**Table 8.38 Financial Intelligence Centre expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome			Revised estimate 2020/21	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%) 2020/21 - 2023/24	Average: Expenditure/ Total (%)
	2017/18	2018/19	2019/20		2017/18 - 2020/21	2020/21	2021/22	2022/23	2023/24		
Administration	44.4	50.5	52.5	62.8	12.2%	18.1%	60.2	58.5	58.1	-2.6%	17.7%
Delivery of intelligence on financial crimes and regulatory services in terms of Financial Intelligence Centre Act (2001)	145.5	148.6	178.9	181.8	7.7%	56.4%	185.2	189.5	189.0	1.3%	55.0%
Enablement of financial intelligence regulatory capabilities	61.9	63.2	76.4	97.5	16.4%	25.5%	102.2	84.7	87.0	-3.7%	27.4%
Total	251.9	262.3	307.7	342.1	10.7%	100.0%	347.6	332.7	334.1	-0.8%	100.0%

Statements of financial performance, cash flow and financial position**Table 8.39 Financial Intelligence Centre statements of financial performance, cash flow and financial position**

R million	Audited outcome			Revised estimate 2020/21	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%) 2020/21 - 2023/24	Average: Expenditure/ Total (%)
	2017/18	2018/19	2019/20		2017/18 - 2020/21	2020/21	2021/22	2022/23	2023/24		
Statement of financial performance											
Revenue											
Non-tax revenue	5.3	5.8	6.5	23.5	64.4%	3.4%	25.3	6.5	6.6	-34.6%	4.9%
of which:											
Other non-tax revenue	5.3	5.8	6.5	23.5	64.4%	3.4%	25.3	6.5	6.6	-34.6%	4.9%
Transfers received	270.2	278.7	298.7	296.7	3.2%	96.6%	297.3	300.8	302.7	0.7%	95.1%
Total revenue	275.5	284.6	305.1	320.3	5.1%	100.0%	322.6	307.4	309.3	-1.2%	100.0%
Expenses											
Current expenses	251.9	262.3	307.7	342.1	10.7%	100.0%	347.6	332.7	334.1	-0.8%	100.0%
Compensation of employees	155.5	160.7	187.8	186.6	6.3%	59.7%	187.6	197.9	195.0	1.5%	56.6%
Goods and services	72.5	85.4	99.6	133.0	22.4%	33.1%	135.0	109.4	114.3	-4.9%	36.2%
Depreciation	23.7	16.0	20.3	22.5	-1.7%	7.2%	25.0	25.4	24.8	3.4%	7.2%
Interest, dividends and rent on land	0.2	0.1	0.0	-	-100.0%	-	-	-	-	-	-
Total expenses	251.9	262.3	307.7	342.1	10.7%	100.0%	347.6	332.7	334.1	-0.8%	100.0%
Surplus/(Deficit)	23.6	22.3	(2.6)	(21.8)	-197.4%		(25.0)	(25.4)	(24.8)	4.4%	
Cash flow statement											
Cash flow from operating activities	45.6	37.6	14.7	(19.4)	-175.2%	100.0%	(22.1)	(3.4)	(3.6)	-43.1%	100.0%
Receipts											
Non-tax receipts	4.9	5.6	6.5	3.4	-10.9%	1.8%	3.2	3.1	3.0	-4.4%	1.1%
Other tax receipts	4.9	5.6	6.5	3.4	-10.9%	1.8%	3.2	3.1	3.0	-4.4%	1.1%
Transfers received	270.2	278.7	294.3	296.7	3.2%	98.2%	297.3	300.8	302.7	0.7%	98.9%
Total receipts	275.1	284.3	300.8	300.2	3.0%	100.0%	300.5	303.9	305.7	0.6%	100.0%
Payment											
Current payments	229.4	246.7	286.1	319.6	11.7%	100.0%	322.6	307.4	309.3	-1.1%	100.0%
Compensation of employees	156.3	160.7	187.8	186.6	6.1%	64.3%	187.6	197.9	195.0	1.5%	61.0%
Goods and services	73.0	85.9	98.0	133.0	22.2%	35.6%	135.0	109.4	114.3	-4.9%	39.0%
Interest and rent on land	0.2	0.1	0.3	-	-100.0%	0.1%	-	-	-	-	-
Total payments	229.4	246.7	286.1	319.6	11.7%	100.0%	322.6	307.4	309.3	-1.1%	100.0%
Net cash flow from investing activities	(17.1)	(22.1)	(19.1)	(14.6)	-5.1%	100.0%	(9.8)	(9.1)	(10.5)	-10.4%	100.0%
Acquisition of property, plant, equipment and intangible assets	(5.8)	(9.1)	(12.1)	(8.1)	12.0%	48.4%	(3.0)	(2.0)	(3.0)	-28.1%	34.2%
Acquisition of software and other intangible assets	(12.3)	(13.1)	(7.0)	(6.5)	-19.3%	53.2%	(6.8)	(7.1)	(7.5)	4.8%	65.8%
Proceeds from the sale of property, plant, equipment and intangible assets	1.0	0.1	0.0	-	-100.0%	-1.5%	-	-	-	-	-
Net cash flow from financing activities	(9.2)	7.1	(23.4)	20.1	-229.8%	100.0%	22.1	3.4	-	-100.0%	-
Deferred income	-	8.0	27.3	20.1	-	24.2%	22.1	3.4	-	-100.0%	-
Repayment of finance leases	(1.1)	(1.0)	(0.6)	-	-100.0%	0.4%	-	-	-	-	-
Other flows from financing activities	(8.0)	-	(50.0)	-	-100.0%	75.4%	-	-	-	-	-
Net increase/(decrease) in cash and cash equivalents	19.4	22.5	(27.7)	(13.9)	-189.5%	0.8%	(9.8)	(9.1)	(14.0)	0.4%	-3.5%
Statement of financial position											
Carrying value of assets	70.7	75.8	74.4	63.2	-3.7%	40.2%	41.2	26.0	17.8	-34.5%	31.3%
Acquisition of assets	(5.8)	(9.1)	(12.1)	(8.1)	12.0%	100.0%	(3.0)	(2.0)	(3.0)	-28.1%	100.0%
Investments	1.5	0.6	0.7	0.7	-21.2%	0.5%	0.8	0.9	0.9	8.6%	0.8%
Inventory	0.1	0.0	0.1	0.1	-8.7%	-	0.1	0.1	0.1	-4.7%	0.1%
Receivables and prepayments	5.0	7.6	7.3	7.0	12.0%	3.8%	7.0	7.0	7.3	1.5%	6.8%
Cash and cash equivalents	96.1	118.6	96.4	82.5	-5.0%	55.4%	72.7	63.6	49.5	-15.6%	61.1%
Total assets	173.4	202.7	178.7	153.5	-4.0%	100.0%	121.8	97.5	75.6	-21.0%	100.0%
Accumulated surplus/(deficit)	141.0	163.2	110.7	88.9	-14.3%	70.4%	63.9	38.5	13.7	-46.4%	42.0%
Finance lease	1.4	0.6	-	-	-100.0%	0.3%	-	-	-	-	-
Deferred income	-	8.0	30.9	14.7	-	7.7%	-	-	-	-100.0%	2.4%
Trade and other payables	20.8	19.8	24.6	36.5	20.5%	14.8%	44.5	44.6	46.9	8.8%	42.0%
Provisions	10.2	11.0	12.6	13.4	9.7%	6.8%	13.4	14.4	15.0	3.8%	13.6%
Total equity and liabilities	173.4	202.7	178.7	153.5	-4.0%	100.0%	121.8	97.5	75.6	-21.0%	100.0%

Personnel information**Table 8.40 Financial Intelligence Centre personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2020		Number and cost ¹ of personnel posts filled/planned for on funded establishment															Number		
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate									Average growth rate (%)	Average: Salary level/Total (%)	
		2019/20		Unit cost	2020/21		Unit cost	2021/22			Unit cost	2022/23			Unit cost	2023/24			Unit cost
		Number	Cost		Number	Cost		Number	Cost	Number		Cost	Number	Cost		Number	Cost	Number	
Financial Intelligence Centre		256	187.8	0.7	256	186.6	0.7	265	187.6	0.7	265	197.9	0.7	261	195.0	0.7		1.5%	100.0%
Salary level																			
1 – 6	42	42	52	7.5	0.1	42	7.6	0.2	42	9.9	0.2	42	7.6	0.2	42	7.5	0.2	-0.2%	4.3%
7 – 10	115	118	106	54.2	0.5	115	57.7	0.5	118	57.2	0.5	118	61.2	0.5	116	60.3	0.5	1.4%	30.8%
11 – 12	49	55	48	46.3	1.0	49	47.7	1.0	55	47.8	0.9	55	51.2	0.9	53	50.4	1.0	1.8%	25.7%
13 – 16	49	49	49	76.4	1.6	49	70.5	1.4	49	69.6	1.4	49	74.6	1.5	49	73.7	1.5	1.5%	37.6%
17 – 22	1	1	1	3.3	3.3	1	3.1	3.1	1	3.0	3.0	1	3.2	3.2	1	3.2	3.2	1.4%	1.6%

1. Rand million.

Financial Sector Conduct Authority**Selected performance indicators****Table 8.41 Financial Sector Conduct Authority performance indicators by programme/objective/activity and related priority per year**

Indicator	Programme/Objective/Activity	MTSF priority	Audited performance			Estimated performance 2020/21	MTEF targets		
			2017/18	2018/19	2019/20		2021/22	2022/23	2023/24
Number of on-site inspections of regulated entities per year	Conduct of business supervision	Priority 7: A better Africa and world	- ¹	- ¹	240	75	122	122	122
Percentage of off-site compliance reports submitted by financial services providers and analysed per year	Conduct of business supervision		- ¹	- ¹	80% (6 739/8 424)	80%	80%	80%	80%
Number of empowerment workshops conducted for small, medium and micro enterprises per year	Conduct of business supervision		- ¹	- ¹	8	8	18	18	18

1. No historical data

Entity overview

The Financial Sector Conduct Authority was established in 2018 by the Financial Sector Regulation Act (2017) as one of the 2 pillars of the twin peaks model for regulating the financial sector. As such, the authority assumes the role of the market conduct regulator of financial institutions that provide financial products and services, and financial institutions that are licensed in terms of a financial sector law. In 2018/19, the authority assumed the business operations of the Financial Services Board, which ceased to exist on 31 March 2018. The authority's ongoing objective is to play a meaningful role in promoting growth, employment and poverty reduction through regulating the financial services sector and protecting consumers, and promoting an integrated approach to financial inclusion and employment.

Over the medium term, the authority will focus on ensuring the integrity and efficiency of formal markets and allied institutions; protecting consumers of financial services; and improving access, which includes providing financial literacy programmes. The outcomes-based regulatory and supervisory approach, named Treat Customers Fairly, will underpin the regulation and supervision of the conduct of financial services providers.

Expenditure is expected to decrease at an average annual rate of 1 per cent, from R981.6 million in 2020/21 to R951.5 million in 2023/24, mainly due to the implementation of moderate cost-of-living adjustments and the favourable renegotiation of lease contracts. Spending on compensation of employees is expected to increase at an average annual rate of 4.2 per cent, from R530.9 million in 2020/21 to R600.9 million in 2023/24, as the authority increases its capacity in line with its expanded mandate. Accordingly, the number of personnel is expected to increase from 661 in 2020/21 to 673 in 2021/22.

The authority generates its revenue from levies raised from financial institutions and fees charged for the licensing of financial institutions. Revenue is expected to decrease at an average annual rate of 0.3 per cent, from R960.3 million in 2020/21 to R951.6 million in 2023/24. This is due to the authority's reduced spending over the period, which will influence the amount of levies collected from financial institutions.

Programmes/Objectives/Activities**Table 8.42 Financial Sector Conduct Authority expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome			Revised estimate 2020/21	Average growth rate (%) 2017/18 - 2020/21	Average: Expenditure/Total (%) 2017/18 - 2020/21	Medium-term expenditure estimate			Average growth rate (%) 2020/21 - 2023/24	Average: Expenditure/Total (%) 2020/21 - 2023/24
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24		
Administration	-	396.4	452.6	486.6	-	-	495.8	369.4	382.7	-7.7%	44.7%
Licensing and business centre	-	122.3	63.2	77.1	-	-	95.2	99.0	103.1	10.2%	9.7%
Regulatory policy	-	65.7	67.3	72.2	-	-	68.3	71.0	74.0	0.8%	7.4%
Conduct of business supervision	-	79.4	113.4	125.2	-	-	162.7	169.3	176.3	12.1%	16.4%
Market integrity	-	33.2	36.0	38.2	-	-	33.8	35.2	36.6	-1.4%	3.7%
Retirement funds supervision	-	83.0	91.1	97.3	-	-	91.7	95.9	99.8	0.9%	10.0%
Investigations and enforcement	-	31.7	77.5	85.2	-	-	70.5	76.0	79.1	-2.4%	8.1%
Total	-	811.7	901.1	981.6	-	-	1 018.0	915.7	951.5	-1.0%	100.0%

Statements of financial performance, cash flow and financial position**Table 8.43 Financial Sector Conduct Authority statements of financial performance, cash flow and financial position**

Statement of financial performance	R million	Audited outcome			Revised estimate 2020/21	Average growth rate (%) 2017/18 - 2020/21	Average: Expenditure/Total (%) 2017/18 - 2020/21	Medium-term expenditure estimate			Average growth rate (%) 2020/21 - 2023/24	Average: Expenditure/Total (%) 2020/21 - 2023/24
		2017/18	2018/19	2019/20				2021/22	2022/23	2023/24		
Revenue												
Non-tax revenue												
Sale of goods and services other than capital assets	-	773.4	827.1	902.5	-	-	864.5	827.7	860.8	-1.6%	89.9%	
<i>of which:</i>												
<i>Sales by market establishment</i>	-	773.4	827.1	902.5	-	-	864.5	827.7	860.8	-1.6%	89.9%	
<i>Other non-tax revenue</i>	-	82.9	98.9	57.8	-	-	154.1	88.2	90.8	16.2%	10.1%	
Total revenue	-	856.2	926.1	960.3	-	-	1 018.5	915.9	951.6	-0.3%	100.0%	
Expenses												
Current expenses												
Compensation of employees	-	452.2	487.1	530.9	-	-	554.6	577.8	600.9	4.2%	58.7%	
Goods and services	-	220.7	258.0	263.5	-	-	296.5	305.3	316.6	6.3%	30.6%	
Depreciation	-	19.7	20.9	32.6	-	-	29.8	32.6	34.0	1.5%	3.3%	
Transfers and subsidies	-	119.2	135.1	154.7	-	-	137.1	-	-	-100.0%	7.3%	
Total expenses	-	811.7	901.1	981.6	-	-	1 018.0	915.7	951.5	-1.0%	100.0%	
Surplus/(Deficit)	-	44.5	25.0	(21.4)	-	-	-	-	-	-100.0%	-	
Cash flow statement												
Cash flow from operating activities	-	99.5	77.1	148.5	-	-	167.5	24.2	25.3	-44.6%	100.0%	
Receipts												
Non-tax receipts	-	843.1	771.6	960.3	-	-	1 018.5	910.3	951.3	-0.3%	100.0%	
Sales of goods and services other than capital assets	-	803.2	730.7	938.8	-	-	1 005.4	886.6	926.5	-0.4%	97.8%	
<i>Administrative fees</i>	-	26.7	31.3	31.3	-	-	93.7	34.4	36.0	4.8%	5.0%	
<i>Sales by market establishment</i>	-	763.9	698.3	902.5	-	-	864.5	846.7	884.8	-0.7%	91.2%	
<i>Other sales</i>	-	12.6	1.1	5.0	-	-	47.3	5.5	5.7	4.8%	1.6%	
<i>Other tax receipts</i>	-	39.9	40.8	21.5	-	-	13.1	23.7	24.7	4.8%	2.2%	
Total receipts	-	843.1	771.6	960.3	-	-	1 018.5	910.3	951.3	-0.3%	100.0%	
Payment												
Current payments	-	624.4	602.8	811.8	-	-	851.1	886.1	926.0	4.5%	100.0%	
Compensation of employees	-	465.9	465.4	530.9	-	-	554.6	584.2	610.5	4.8%	65.6%	
Goods and services	-	158.5	137.4	280.9	-	-	296.5	301.9	315.5	3.9%	34.4%	
Transfers and subsidies	-	119.2	91.6	-	-	-	-	-	-	-	-	
Total payments	-	743.6	694.5	811.8	-	-	851.1	886.1	926.0	4.5%	100.0%	
Net cash flow from investing activities	-	(23.7)	(15.3)	(183.3)	-	-	(40.6)	(117.7)	(8.1)	-64.7%	100.0%	
Acquisition of property, plant, equipment and intangible assets	-	(18.2)	(9.5)	(10.2)	-	-	(17.0)	(7.7)	(8.1)	-7.5%	38.5%	
Acquisition of software and other intangible assets	-	(3.0)	(3.0)	(173.1)	-	-	(23.7)	(110.0)	-	-100.0%	61.5%	
Proceeds from the sale of property, plant, equipment and intangible assets	-	0.2	-	-	-	-	-	-	-	-	-	
Other flows from investing activities	-	(2.7)	(2.8)	-	-	-	-	-	-	-	-	
Net cash flow from financing activities	-	(0.8)	(0.5)	(0.0)	-	-	-	-	-	-100.0%	-	
Repayment of finance leases	-	(0.6)	(0.5)	(0.0)	-	-	-	-	-	-100.0%	-	
Other flows from financing activities	-	(0.1)	(0.0)	-	-	-	-	-	-	-	-	
Net increase/(decrease) in cash and cash equivalents	-	75.0	61.3	(34.8)	-	-	126.8	(93.5)	17.2	-179.1%	0.1%	
Statement of financial position												
Carrying value of assets	-	82.1	73.7	224.3	-	-	372.7	220.0	287.1	8.6%	36.0%	
<i>Acquisition of assets</i>	-	(18.2)	(9.5)	(10.2)	-	-	(17.0)	(7.7)	(8.1)	-7.5%	100.0%	
Investments	-	72.3	61.0	61.0	-	-	61.0	61.0	61.0	-	8.1%	
Accrued investment interest	-	0.1	0.1	0.1	-	-	0.1	0.1	0.1	10.1%	-	
Receivables and prepayments	-	39.7	192.7	184.3	-	-	35.4	35.9	37.5	-41.2%	9.2%	
Cash and cash equivalents	-	481.2	542.4	367.8	-	-	355.4	285.5	419.6	4.5%	46.6%	
Total assets	-	675.3	869.9	837.5	-	-	824.5	602.5	805.3	-1.3%	100.0%	
Accumulated surplus/(deficit)	-	323.3	348.4	392.2	-	-	392.7	393.0	393.0	0.1%	48.1%	
Capital and reserves	-	116.3	116.3	116.3	-	-	116.3	116.3	116.3	-	14.2%	
Finance lease	-	0.5	0.0	0.0	-	-	0.0	0.0	0.0	22.0%	-	
Trade and other payables	-	140.6	311.7	235.6	-	-	222.4	203.1	204.1	-4.7%	26.4%	
Provisions	-	94.5	93.5	93.5	-	-	93.2	90.2	91.9	-0.6%	11.3%	
Total equity and liabilities	-	675.3	869.9	837.5	-	-	824.5	802.5	805.3	-1.3%	100.0%	

Personnel information**Table 8.44 Financial Sector Conduct 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 (%)	
		2019/20		Unit cost	2020/21		Unit cost	2021/22			2022/23			2023/24					2020/21 - 2023/24
Financial Sector Conduct Authority		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	661	661	769	487.1	0.6	661	530.9	0.8	673	554.6	0.8	673	577.8	0.9	673	600.9	0.9	4.2%	100.0%
1 – 6	66	66	95	8.5	0.1	66	10.3	0.2	70	13.3	0.2	70	13.8	0.2	70	14.4	0.2	11.9%	2.3%
7 – 10	334	334	358	147.0	0.4	334	159.1	0.5	353	182.1	0.5	353	189.7	0.5	353	197.3	0.6	7.4%	32.1%
11 – 12	114	114	172	93.9	0.5	114	100.5	0.9	116	110.2	0.9	116	114.8	1.0	116	119.4	1.0	5.9%	19.6%
13 – 16	121	121	118	156.4	1.3	121	173.8	1.4	111	170.8	1.5	111	177.9	1.6	111	185.0	1.7	2.1%	31.3%
17 – 22	26	26	26	81.3	3.1	26	87.2	3.4	23	78.3	3.4	23	81.6	3.5	23	84.9	3.7	-0.9%	14.7%

1. Rand million.

Government Pensions Administration Agency**Selected performance indicators****Table 8.45 Government Pensions Administration Agency performance indicators by programme/objective/activity and related priority per year**

Indicator	Programme/Objective/Activity	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Percentage of National Treasury benefits paid within 60 days per year	Benefit administration	Priority 6: Social cohesion and safer communities	92% (R2.8bn/ R3bn)	99% (R4.99bn/ R5bn)	90%	80%	85%	90%	90%
Percentage of Government Employees Pension Fund benefits paid within 60 days per year	Benefit administration		80% (R8.6bn/ R10.8bn)	85.7% (R103bn/ R120bn)	81% (R111bn/ R137bn)	85%	86%	86%	87%

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).

Over the medium term, the agency will continue to focus on its modernisation project, which aims to improve 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. The agency also anticipates the improvement of core pension administration functions, including benefit payments and membership maintenance processes.

Expenditure is expected to decrease at an average annual rate of 0.9 per cent, from R1.2 billion in 2020/21 to R1.1 billion in 2023/24, due to cost-containment measures implemented by the agency. Spending on compensation of employees is expected to increase at an average annual rate of 0.7 per cent, from R572 million in 2020/21 to R583.7 million in 2023/24. This is mainly driven by the agency's provision for early retirement for employees over the age of 55 years and its plans to keep the number of personnel constant at 1 365 over the MTEF period. Revenue is expected to decrease in line with expenditure.

Programmes/Objectives/Activities**Table 8.46 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 (%)
	2017/18	2018/19	2019/20	2020/21				2021/22	2022/23	2023/24		
Administration	561.0	631.4	661.8	736.5	9.5%	61.3%	690.8	689.9	724.4	-0.5%	63.9%	
Benefit administration	420.6	388.7	396.9	420.3	-	38.7%	384.2	398.4	400.9	-1.6%	36.1%	
Total	981.5	1 020.1	1 058.7	1 156.7	5.6%	100.0%	1 075.0	1 088.3	1 125.3	-0.9%	100.0%	

Statements of financial performance, cash flow and financial position**Table 8.47 Government Pensions Administration Agency statements of financial performance, cash flow and financial position**

Statement of financial performance				Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome			2020/21				2017/18 - 2020/21	2021/22	2022/23		
R million	2017/18	2018/19	2019/20	2020/21	2017/18 - 2020/21	2021/22	2022/23	2023/24	2020/21 - 2023/24	2020/21 - 2023/24	
Revenue											
Non-tax revenue	981.1	1 036.4	1 108.9	1 156.7	5.6%	100.0%	1 075.0	1 088.3	1 125.3	-0.9%	100.0%
Sale of goods and services other than capital assets	978.6	1 033.8	1 108.9	1 156.7	5.7%	99.9%	1 075.0	1 088.3	1 125.3	-0.9%	100.0%
of which:											
Administrative fees	978.6	1 033.8	1 108.9	1 156.7	5.7%	99.9%	1 075.0	1 088.3	1 125.3	-0.9%	100.0%
Other non-tax revenue	2.4	2.6	-	-	-100.0%	0.1%	-	-	-	-	-
Total revenue	981.1	1 036.4	1 108.9	1 156.7	5.6%	100.0%	1 075.0	1 088.3	1 125.3	-0.9%	100.0%
Expenses											
Current expenses	981.5	1 020.1	1 058.7	1 156.7	5.6%	100.0%	1 075.0	1 088.3	1 125.3	-0.9%	100.0%
Compensation of employees	481.0	493.7	524.0	572.0	5.9%	49.1%	575.7	579.6	583.7	0.7%	52.0%
Goods and services	406.8	415.0	494.9	449.8	3.4%	41.9%	408.0	407.6	419.4	-2.3%	37.9%
Depreciation	93.7	111.4	39.8	134.9	12.9%	9.0%	91.3	101.1	122.2	-3.2%	10.1%
Total expenses	981.5	1 020.1	1 058.7	1 156.7	5.6%	100.0%	1 075.0	1 088.3	1 125.3	-0.9%	100.0%
Surplus/(Deficit)	(0.5)	16.3	50.1	-	-100.0%	-	-	-	-	-	-
Cash flow statement											
Cash flow from operating activities	87.6	94.3	121.3	134.9	15.5%	100.0%	91.3	101.1	122.2	-3.2%	100.0%
Receipts											
Non-tax receipts	989.4	1 016.0	1 133.7	1 156.7	5.3%	100.0%	1 075.0	1 088.3	1 125.3	-0.9%	100.0%
Sales of goods and services other than capital assets	987.0	1 013.5	1 133.7	1 156.7	5.4%	99.9%	1 075.0	1 088.3	1 125.3	-0.9%	100.0%
Administrative fees	987.0	1 013.5	1 133.5	1 156.7	5.4%	99.9%	1 075.0	1 088.3	1 125.3	-0.9%	100.0%
Other sales	-	-	0.2	-	-	-	-	-	-	-	-
Other tax receipts	2.4	2.4	-	-	-100.0%	0.1%	-	-	-	-	-
Total receipts	989.4	1 016.0	1 133.7	1 156.7	5.3%	100.0%	1 075.0	1 088.3	1 125.3	-0.9%	100.0%
Payment											
Current payments	901.7	921.6	1 012.4	1 021.8	4.3%	100.0%	983.7	987.2	1 003.1	-0.6%	100.0%
Compensation of employees	481.0	526.7	524.0	572.0	5.9%	54.6%	575.7	579.6	583.7	0.7%	57.9%
Goods and services	420.7	394.9	488.4	449.8	2.3%	45.4%	408.0	407.6	419.4	-2.3%	42.1%
Total payments	901.7	921.6	1 012.4	1 021.8	4.3%	100.0%	983.7	987.2	1 003.1	-0.6%	100.0%
Net cash flow from investing activities	(82.3)	(93.5)	(94.9)	(134.9)	17.9%	100.0%	(91.3)	(101.1)	(122.2)	-3.2%	100.0%
Acquisition of property, plant, equipment and intangible assets	(32.5)	(30.1)	(24.4)	(54.7)	19.0%	34.5%	(41.3)	(40.8)	(61.3)	3.9%	44.1%
Acquisition of software and other intangible assets	(49.8)	(64.1)	(71.0)	(80.1)	17.2%	65.8%	(50.0)	(60.3)	(60.9)	-8.7%	55.9%
Proceeds from the sale of property, plant, equipment and intangible assets	-	0.7	0.5	-	-	-0.3%	-	-	-	-	-
Net cash flow from financing activities	-	-	4.3	-	-	-	-	-	-	-	-
Other flows from financing activities	-	-	4.3	-	-	-	-	-	-	-	-
Net increase/(decrease) in cash and cash equivalents	5.3	0.9	30.7	0.0	-82.2%	0.9%	0.0	(0.0)	0.0	-76.3%	-
Statement of financial position											
Carrying value of assets	378.6	364.8	349.4	403.5	2.1%	67.6%	423.7	444.0	464.0	4.8%	67.6%
Acquisition of assets	(32.5)	(30.1)	(24.4)	(54.7)	19.0%	100.0%	(41.3)	(40.8)	(61.3)	3.9%	100.0%
Inventory	0.6	0.8	0.8	0.9	11.7%	0.1%	0.9	0.9	1.0	4.7%	0.1%
Receivables and prepayments	111.6	132.9	116.9	145.0	9.1%	22.8%	152.2	159.5	166.7	4.8%	24.3%
Cash and cash equivalents	42.3	43.1	73.8	47.6	4.0%	9.4%	50.0	52.3	54.7	4.8%	8.0%
Total assets	533.0	541.6	541.0	596.9	3.8%	100.0%	626.7	656.8	686.4	4.8%	100.0%
Accumulated surplus/(deficit)	394.1	410.4	390.6	453.8	4.8%	74.5%	476.5	499.4	521.8	4.8%	76.0%
Trade and other payables	102.0	93.7	112.8	101.8	-0.1%	18.6%	106.9	112.0	117.0	4.8%	17.1%
Provisions	37.0	37.4	37.5	41.3	3.8%	6.9%	43.4	45.4	47.5	4.8%	6.9%
Total equity and liabilities	533.0	541.6	541.0	596.9	3.8%	100.0%	626.7	656.8	686.4	4.8%	100.0%

Personnel information**Table 8.48 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 (%)	
		2019/20		Unit cost	2020/21		Unit cost	2021/22			Unit cost	2022/23		Unit cost	2023/24				Unit cost
Government Pensions Administration Agency		Number	Cost		Number	Cost		Number	Cost	Number		Cost	Number		Cost	Number	Cost	Number	
Salary level	1 365	1 025	1 024	524.0	0.5	1 365	572.0	0.4	1 365	575.7	0.4	1 365	579.6	0.4	1 365	583.7	0.4	0.7%	100.0%
1 – 6	827	538	578	210.6	0.4	827	237.7	0.3	827	237.3	0.3	827	237.3	0.3	827	237.2	0.3	-0.1%	41.1%
7 – 10	393	359	337	191.9	0.6	393	180.4	0.5	393	180.1	0.5	393	180.1	0.5	393	180.1	0.5	-0.1%	31.2%
11 – 12	94	86	77	76.4	1.0	94	87.4	0.9	94	90.3	1.0	94	92.2	1.0	94	96.3	1.0	3.3%	15.8%
13 – 16	51	42	32	45.0	1.4	51	66.6	1.3	51	68.1	1.3	51	70.1	1.4	51	70.1	1.4	1.7%	11.9%

1. Rand million.

Government Technical Advisory Centre**Selected performance indicators****Table 8.49 Government Technical Advisory Centre performance indicators by programme/objective/activity and related priority per year**

Indicator	Programme/Objective/Activity	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2017/18	2018/19	2019/20		2020/21	2021/22	2022/23
Number of transaction advisory projects registered per year	Transaction and advisory services	Priority 2: Economic transformation and job creation	- ¹	- ¹	17	17	17	18	19
Number of project appraisal reports completed per year	Transaction and advisory services		- ¹	- ¹	5	15	10	12	14
Number of knowledge-sharing events held per year	Transaction and Advisory Services		- ¹	- ¹	- ¹	2	2	3	3

1. No historical data available.

Entity overview

The Government Technical Advisory Centre was established in terms of the Public Service Act (1994) as a government component. It is mandated to assist organs of state in building their capacity for efficient, effective and transparent financial management. The centre's 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.

Over the medium term, the centre will focus on assisting organs of state in building their capacity for efficient and effective public financial management. The support to these broader frameworks will help shape and inform the work that the centre does with organs of state. The centre's primary contribution lies in helping to build a capable state so that it can, in turn, implement key government institutional policies and plans guided by the National Development Plan and the centre's associated implementation plan.

Expenditure is expected to increase at an average annual rate of 0.8 per cent, from R312.3 million in 2020/21 to R320.1 million in 2023/24. This is due to the average annual increase of 2.4 per cent on spending on goods and services, the centre's main cost driver, from R163.1 million in 2020/21 to R175.1 million in 2023/24. Spending on compensation of employees is expected to decrease at an average annual rate of 1.1 per cent, from R146.2 million in 2020/21 to R141.6 million in 2023/24 to remain within government's ceiling for spending on compensation of employees. The number of personnel will remain constant at 167 over the period ahead.

The centre derives its revenue from transfers from the department, cost recovery, donor funds, administration fees and interest earned. Revenue is expected to increase at an average annual rate of 4.9 per cent, from R281 million in 2020/21 to R324.7 million in 2023/24. This is mainly due to the expected increase in cost recovery from clients.

Programmes/Objectives/Activities**Table 8.50 Government Technical Advisory Centre expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome			Revised estimate 2020/21	Average growth rate (%) 2017/18 - 2020/21	Average: Expenditure/ Total (%) 2020/21	Medium-term expenditure estimate			Average growth rate (%) 2020/21 - 2023/24	Average: Expenditure/ Total (%) 2020/21 - 2023/24
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24		
Administration	81.6	64.0	65.3	71.6	-4.3%	24.4%	56.4	57.5	58.5	-6.5%	19.2%
Transaction and advisory services	120.3	128.1	121.2	137.5	4.6%	44.0%	139.4	140.9	136.3	-0.3%	43.6%
Project management unit (Jobs Fund, municipal finance improvement programme)	102.6	80.6	80.3	103.2	0.2%	31.6%	120.2	124.2	125.2	6.7%	37.2%
Total	304.5	272.7	266.8	312.3	0.8%	100.0%	316.1	322.7	320.1	0.8%	100.0%

Statements of financial performance, cash flow and financial position**Table 8.51 Government Technical Advisory Centre statements of financial performance, cash flow and financial position**

R million	Audited outcome			Revised estimate 2020/21	Average growth rate (%) 2017/18 - 2020/21	Average: Expenditure/ Total (%) 2020/21	Medium-term expenditure estimate			Average growth rate (%) 2020/21 - 2023/24	Average: Expenditure/ Total (%) 2020/21 - 2023/24
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24		
Statement of financial performance											
Revenue											
Non-tax revenue	217.9	177.5	183.7	209.7	-1.3%	69.7%	226.3	235.7	242.5	5.0%	69.8%
Sale of goods and services other than capital assets	189.3	143.9	144.7	183.7	-1.0%	58.2%	205.4	213.5	219.1	6.1%	62.7%
<i>of which:</i>											
<i>Administrative fees</i>	76.7	81.4	84.7	110.7	13.0%	31.5%	129.1	133.5	135.0	6.8%	38.7%
<i>Sales by market establishment</i>	112.6	62.5	60.0	73.0	-13.5%	26.7%	76.3	80.0	84.1	4.8%	24.0%
Other non-tax revenue	28.7	33.6	39.0	26.1	-3.1%	11.4%	20.9	22.2	23.4	-3.6%	7.1%
Transfers received	115.0	88.2	72.3	71.2	-14.8%	30.3%	180.6	81.6	82.2	4.9%	30.2%
Total revenue	332.9	265.7	255.9	281.0	-5.5%	100.0%	406.9	317.3	324.7	4.9%	100.0%
Expenses											
Current expenses	304.5	272.7	266.7	312.2	0.8%	100.0%	316.1	322.7	320.1	0.8%	100.0%
Compensation of employees	107.8	121.1	129.5	146.2	10.7%	43.8%	141.6	141.6	141.6	-1.1%	44.9%
Goods and services	194.2	148.8	135.0	163.1	-5.6%	55.3%	171.4	177.8	175.1	2.4%	54.1%
Depreciation	2.5	2.9	2.2	2.9	4.6%	0.9%	3.0	3.2	3.4	5.5%	1.0%
Transfers and subsidies	-	-	0.1	0.1	-	-	-	-	-	-100.0%	-
Total expenses	304.5	272.7	266.8	312.3	0.8%	100.0%	316.1	322.7	320.1	0.8%	100.0%
Surplus/(Deficit)	28.4	(7.1)	(10.8)	(31.4)	-203.4%		90.8	(5.4)	4.6	-152.7%	
Cash flow statement											
Cash flow from operating activities	305.2	12.3	3.0	(28.5)	-145.4%	100.0%	93.4	(0.9)	4.4	-153.7%	100.0%
Receipts											
Non-tax receipts	618.6	583.0	183.7	209.7	-30.3%	79.4%	226.3	235.7	242.5	5.0%	69.8%
Sales of goods and services other than capital assets	589.9	547.5	144.7	183.7	-32.2%	71.0%	205.4	213.5	219.1	6.1%	62.7%
<i>Administrative fees</i>	476.7	81.4	62.2	79.9	-44.9%	32.5%	84.6	88.7	93.3	5.3%	26.5%
<i>Sales by market establishment</i>	112.6	465.5	81.8	103.2	-2.9%	38.4%	120.2	124.2	125.2	6.7%	36.0%
<i>Other sales</i>	0.5	0.7	0.6	0.6	3.1%	0.2%	0.6	0.6	0.6	1.5%	0.2%
Other tax receipts	28.7	35.5	39.0	26.1	-3.1%	8.4%	20.9	22.2	23.4	-3.6%	7.1%
Transfers received	115.0	88.2	72.3	71.2	-14.8%	20.6%	180.6	81.6	82.2	4.9%	30.2%
Total receipts	733.6	671.2	255.9	281.0	-27.4%	100.0%	406.9	317.3	324.7	4.9%	100.0%
Payment											
Current payments	428.4	655.0	250.9	309.3	-10.3%	99.6%	313.4	318.2	320.3	1.2%	100.0%
Compensation of employees	107.8	119.8	129.5	146.2	10.7%	35.5%	141.6	141.6	141.6	-1.1%	45.3%
Goods and services	320.6	535.2	121.4	163.1	-20.2%	64.2%	171.8	176.6	178.6	3.1%	54.7%
Transfers and subsidies	-	3.9	2.1	0.1	-	0.4%	0.1	-	-	-100.0%	-
Total payments	428.4	658.9	253.0	309.4	-10.3%	100.0%	313.5	318.2	320.3	1.2%	100.0%
Net cash flow from investing activities	(2.4)	(2.6)	(0.5)	(14.7)	82.8%	100.0%	(3.8)	(3.9)	(4.1)	-34.6%	100.0%
Acquisition of property, plant, equipment and intangible assets	(2.3)	(2.6)	(0.5)	(14.7)	86.0%	98.7%	(3.8)	(3.9)	(4.1)	-34.6%	100.0%
Acquisition of software and other intangible assets	(0.1)	-	-	-	-100.0%	1.3%	-	-	-	-	-
Net increase/(decrease) in cash and cash equivalents	302.7	9.7	2.5	(43.2)	-152.3%	22.5%	89.6	(4.8)	0.3	-118.9%	3.3%
Statement of financial position											
Carrying value of assets	4.3	5.7	3.9	12.2	41.5%	0.7%	12.0	11.1	10.6	-4.6%	1.2%
Acquisition of assets	(2.3)	(2.6)	(0.5)	(14.7)	86.0%	100.0%	(3.8)	(3.9)	(4.1)	-34.6%	100.0%
Inventory	-	-	0.8	-	-	-	-	-	-	-	-
Receivables and prepayments	62.2	22.2	20.5	39.0	-14.4%	3.8%	46.3	44.4	46.4	6.0%	4.7%
Cash and cash equivalents	855.2	865.0	940.7	941.5	3.3%	95.5%	894.4	849.7	885.3	-2.0%	94.1%
Total assets	921.8	892.9	966.0	992.7	2.5%	100.0%	952.7	905.2	942.2	-1.7%	100.0%
Accumulated surplus/(deficit)	243.9	240.3	229.5	198.2	-6.7%	24.3%	189.0	183.6	188.2	-1.7%	20.0%
Capital reserve fund	-	619.2	707.2	726.8	-	53.9%	710.8	661.0	690.7	-1.7%	73.5%
Trade and other payables	673.7	28.1	26.6	65.6	-54.0%	21.4%	50.8	58.3	60.9	-2.4%	6.2%
Provisions	4.1	5.2	2.6	2.1	-20.0%	0.4%	2.1	2.3	2.4	4.2%	0.2%
Total equity and liabilities	921.8	892.9	966.0	992.7	2.5%	100.0%	952.7	905.2	942.2	-1.7%	100.0%

Personnel information**Table 8.52 Government Technical Advisory Centre personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2020		Number and cost ¹ of personnel posts filled/planned for on funded establishment															Number		
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate									Average growth rate (%)	Average: Salary level/Total (%)	
		2019/20		Unit cost	2020/21		Unit cost	2021/22			Unit cost	2022/23			Unit cost	2023/24			Unit cost
Government Technical Advisory Centre		Number	Cost		Number	Cost		Number	Cost	Number		Cost	Number	Cost		Number	Cost	Number	
Salary level	167	167	158	129.5	0.8	167	146.2	0.9	167	141.6	0.8	167	141.6	0.8	167	141.6	0.8	-1.1%	100.0%
7 – 10	57	57	52	29.6	0.6	57	50.5	0.9	57	50.1	0.9	57	50.1	0.9	57	50.1	0.9	-0.2%	35.2%
11 – 12	82	82	80	73.1	0.9	82	68.8	0.8	82	65.5	0.8	82	65.5	0.8	82	65.5	0.8	-1.6%	46.4%
13 – 16	28	28	26	26.8	1.0	28	26.9	1.0	28	26.0	0.9	28	26.0	0.9	28	26.0	0.9	-1.1%	18.4%

1. Rand million.

Independent Regulatory Board of Auditors**Selected performance indicators****Table 8.53 Independent Regulatory Board for Auditors performance indicators by programme/objective/activity and related priority per year**

Indicator	Programme/Objective/Activity	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2017/18	2018/19	2019/20		2020/21	2021/22	2022/23
Percentage of monitoring visits completed per year in accordance with the monitoring plan approved by the auditing development committee on a quarterly basis	Education	Priority 3: Education, skills and health	105% (45/42)	92% (44/48)	95% (40/42)	85%	85%	85%	85%
Percentage of inspections completed per year in accordance with the inspection plan	Inspections		106% (188/177)	89% (112/126)	102% (136/133)	85%	85%	85%	85%
Percentage of complaints closed within 18 months of receipt of complaint per year	Investigations	Priority 1: A capable, ethical and developmental state	74% (74/100)	80% (70/87)	79% (56/71)	85%	85%	85%	85%
Percentage of target dates met for issuing audit pronouncements, audit reports and comment letters, as per the committee for accounting standards project timetable per year	Standards	Priority 3: Education, skills and health	100% (7)	85% (16/19)	100% (16)	85%	85%	85%	85%

Entity overview

The Independent Regulatory Board for Auditors was established in terms of the Auditing Profession Act (2005) and became operational in April 2006. The board is mandated to: protect the public by regulating audits performed by registered auditors; improve the development and maintenance of internationally comparable ethical and auditing standards for auditors that promote investment and, as a consequence, employment in South Africa; set out measures to advance the implementation of appropriate standards of competence and good ethics in the auditing profession; and provide for procedures for disciplinary action in instances of improper conduct.

Over the medium term, the board will focus on finalising investigations of high-profile cases and investing in strategic projects to digitise its processes. The uncertainty caused by the COVID-19 pandemic has made it necessary for the board to assume inflationary increases to expenditure and identify other sources of revenue within its new funding model.

Expenditure is expected to increase at an average annual rate of 1.4 per cent, from R173.8 million in 2020/21 to R181.1 million in 2023/24. This is mainly due to the increase in disciplinary costs and related legal fees. Spending on goods and services is expected to decrease at an average annual rate of 4.5 per cent, from R67 million in 2020/21 to R58.3 million in 2023/24. The number of personnel is expected to remain constant at 91 over the medium term. Compensation of employees, the board's largest spending area, is expected to increase at an average annual rate of 4.5 per cent, from R104.8 million in 2020/21 to R119.7 million in 2023/24.

The board expects to derive 26.1 per cent (R136.2 million) of its revenue over the medium term through transfers from the department. Other revenue is generated from the registration of auditors and trainees, annual renewal charges, and fees for the inspection of registered auditors. Revenue is expected to increase in line with expenditure.

Programmes/Objectives/Activities

Table 8.54 Independent Regulatory Board for Auditors expenditure trends and estimates by programme/objective/activity

R million	Audited outcome			Revised estimate 2020/21	Average growth rate (%) 2017/18 - 2020/21	Average: Expenditure/ Total (%) 2020/21	Medium-term expenditure estimate			Average growth rate (%) 2020/21 - 2023/24	Average: Expenditure/ Total (%) 2020/21 - 2023/24
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24		
Administration	40.9	39.3	43.0	47.0	4.8%	30.2%	46.7	48.5	51.5	3.1%	28.0%
Legal	16.0	33.2	42.5	38.5	34.1%	22.3%	34.9	36.6	38.3	-0.2%	21.5%
Education	8.4	6.8	8.4	12.6	14.4%	6.3%	12.6	13.2	13.9	3.2%	7.6%
Inspections	25.8	27.0	32.0	37.8	13.5%	21.4%	34.5	36.2	38.0	0.2%	21.2%
Investigations	13.8	14.6	15.2	25.2	22.3%	11.9%	23.5	24.9	26.1	1.2%	14.4%
Standards	10.2	10.5	11.3	12.6	7.3%	7.9%	12.1	12.5	13.3	1.7%	7.3%
Total	115.1	131.4	152.4	173.8	14.7%	100.0%	164.4	172.0	181.1	1.4%	100.0%

Statements of financial performance, cash flow and financial position

Table 8.55 Independent Regulatory Board for Auditors statements of financial performance, cash flow and financial position

Statement of financial performance											
R million	Audited outcome			Revised estimate 2020/21	Average growth rate (%) 2017/18 - 2020/21	Average: Expenditure/ Total (%) 2020/21	Medium-term expenditure estimate			Average growth rate (%) 2020/21 - 2023/24	Average: Expenditure/ Total (%) 2020/21 - 2023/24
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24		
Revenue											
Non-tax revenue	74.2	78.6	115.3	129.6	20.4%	69.6%	119.7	126.3	135.2	1.4%	73.9%
Sale of goods and services other than capital assets	69.1	75.0	111.7	126.7	22.4%	66.7%	117.8	124.3	133.1	1.7%	72.6%
<i>of which:</i>											
Administrative fees	2.7	3.7	4.1	14.8	77.1%	4.1%	10.9	11.4	12.0	-6.9%	7.1%
Sales by market establishment	66.4	71.3	107.6	111.9	19.0%	62.6%	106.9	112.9	121.1	2.7%	65.5%
Other non-tax revenue	5.2	3.6	3.6	2.9	-18.0%	2.9%	1.9	2.0	2.1	-9.6%	1.3%
Transfers received	39.6	40.9	43.2	44.2	3.7%	30.4%	44.6	45.7	45.9	1.2%	26.1%
Total revenue	113.9	119.4	158.5	173.8	15.1%	100.0%	164.4	172.0	181.1	1.4%	100.0%
Expenses											
Current expenses	115.1	131.4	152.4	173.8	14.7%	100.0%	164.4	172.0	181.1	1.4%	100.0%
Compensation of employees	82.0	82.2	89.4	104.8	8.5%	63.2%	107.8	114.2	119.7	4.5%	64.6%
Goods and services	31.7	47.7	61.2	67.0	28.3%	35.6%	53.8	55.0	58.3	-4.5%	33.9%
Depreciation	1.4	1.5	1.8	2.0	11.7%	1.2%	2.8	2.9	3.0	15.2%	1.6%
Total expenses	115.1	131.4	152.4	173.8	14.7%	100.0%	164.4	172.0	181.1	1.4%	100.0%
Surplus/(Deficit)	(1.2)	(12.0)	6.1	-	-100.0%	-	-	-	-	-	-
Cash flow statement											
Cash flow from operating activities	3.2	(12.4)	11.6	2.4	-8.4%	100.0%	0.9	0.4	(1.5)	-184.5%	100.0%
Receipts											
Non-tax receipts	74.5	78.8	115.2	124.3	18.6%	69.4%	131.4	139.3	145.6	5.4%	74.9%
Sales of goods and services other than capital assets	70.3	75.5	111.7	121.5	20.0%	66.8%	128.4	136.2	142.4	5.4%	73.3%
<i>Administrative fees</i>	2.8	3.7	4.1	14.8	73.9%	4.2%	15.7	16.7	17.4	5.5%	9.0%
<i>Sales by market establishment</i>	67.5	71.8	107.6	106.7	16.5%	62.6%	112.7	119.6	125.0	5.4%	64.3%
Other tax receipts	4.2	3.3	3.5	2.8	-12.8%	2.6%	2.9	3.1	3.2	5.3%	1.7%
Transfers received	39.6	40.9	43.2	44.2	3.7%	30.6%	44.6	45.7	45.9	1.2%	25.1%
Total receipts	114.1	119.7	158.4	168.5	13.9%	100.0%	176.0	185.0	191.5	4.4%	100.0%
Payment											
Current payments	110.9	132.1	146.8	166.0	14.4%	100.0%	175.0	184.6	192.9	5.1%	100.0%
Compensation of employees	74.9	82.2	89.4	99.9	10.1%	62.7%	105.7	111.5	116.5	5.3%	60.3%
Goods and services	36.0	49.8	57.4	66.1	22.4%	37.3%	69.3	73.2	76.5	5.0%	39.7%
Total payments	110.9	132.1	146.8	166.0	14.4%	100.0%	175.0	184.6	192.9	5.1%	100.0%
Net cash flow from investing activities	(1.0)	(2.5)	(1.6)	(2.2)	30.0%	100.0%	(2.3)	(2.3)	(2.5)	3.1%	100.0%
Acquisition of property, plant, equipment and intangible assets	(0.9)	(2.5)	(0.8)	(1.1)	6.3%	70.8%	(1.1)	(1.1)	(1.1)	2.5%	46.7%
Acquisition of software and other intangible assets	(0.3)	(0.1)	(0.7)	(1.2)	60.5%	32.4%	(1.3)	(1.3)	(1.3)	3.6%	53.3%
Proceeds from the sale of property, plant, equipment and intangible assets	-	0.0	0.0	-	-	-0.4%	-	-	-	-	-
Other flows from investing activities	0.1	0.1	(0.1)	-	-100.0%	-2.7%	-	-	-	-	-
Net cash flow from financing activities	0.0	-	-	-	-100.0%	-	-	-	-	-	-
Borrowing activities	0.0	-	-	-	-100.0%	-	-	-	-	-	-
Net increase/(decrease) in cash and cash equivalents	2.2	(14.9)	10.0	0.2	-54.1%	-0.7%	(1.4)	(2.0)	(3.9)	-364.7%	-1.0%

Table 8.55 Independent Regulatory Board for Auditors statements of financial performance, cash flow and financial position

Statement of financial position											
R million	Audited outcome			Revised estimate 2020/21	Average growth rate (%) 2017/18 - 2020/21	Average: Expenditure/ Total (%) 2017/18 - 2020/21	Medium-term expenditure estimate			Average growth rate (%) 2020/21 - 2023/24	Average: Expenditure/ Total (%) 2020/21 - 2023/24
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24		
Carrying value of assets	5.1	6.2	5.8	4.5	-4.2%	11.3%	9.1	10.0	10.0	30.9%	14.4%
Acquisition of assets	(0.9)	(2.5)	(0.8)	(1.1)	6.3%	100.0%	(1.1)	(1.1)	(1.1)	2.5%	100.0%
Investments	–	–	10.0	10.0	–	9.6%	10.0	10.0	10.0	–	17.2%
Inventory	0.2	0.1	0.2	0.2	6.6%	0.4%	0.2	0.2	0.2	–	0.3%
Loans	–	–	0.8	0.7	–	0.7%	0.7	0.7	0.7	–	1.2%
Receivables and prepayments	5.1	5.1	3.7	3.5	-11.9%	9.1%	3.5	3.6	3.8	2.6%	6.2%
Cash and cash equivalents	32.6	17.7	27.7	37.8	5.0%	57.7%	33.4	34.6	34.7	-2.8%	60.6%
Non-current assets held for sale	10.0	10.0	–	–	-100.0%	11.1%	–	–	–	–	–
Total assets	52.9	39.1	48.2	56.7	2.3%	100.0%	56.9	59.0	59.4	1.6%	100.0%
Accumulated surplus/(deficit)	14.5	1.0	–	–	-100.0%	7.5%	–	–	–	–	–
Capital and reserves	29.4	30.9	38.0	50.4	19.7%	75.6%	50.4	50.4	50.4	–	87.0%
Trade and other payables	9.0	7.2	10.2	6.2	-11.5%	16.8%	6.5	8.6	9.0	13.1%	13.0%
Total equity and liabilities	52.9	39.1	48.2	56.7	2.3%	100.0%	56.9	59.0	59.4	1.6%	100.0%

Personnel information

Table 8.56 Independent Regulatory Board for Auditors personnel numbers and cost by salary level

Number of posts estimated for 31 March 2020		Number and cost ¹ of personnel posts filled/planned for on funded establishment														Number			
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)				
		2019/20		2020/21		2021/22		2022/23		2023/24		2020/21 - 2023/24							
Independent Regulatory Board for Auditors		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	91	91	83	89.4	1.1	91	104.8	1.2	91	107.8	1.2	91	114.2	1.3	91	119.7	1.3	4.5%	100.0%
1 – 6	6	6	8	1.6	0.2	6	1.3	0.2	6	1.4	0.2	6	1.5	0.2	6	1.5	0.3	4.6%	1.3%
7 – 10	27	27	25	12.1	0.5	27	12.6	0.5	27	12.7	0.5	27	13.8	0.5	27	14.4	0.5	4.6%	12.0%
11 – 12	7	7	7	6.9	1.0	7	7.3	1.0	7	7.4	1.1	7	8.0	1.1	7	8.4	1.2	4.6%	7.0%
13 – 16	45	45	38	53.4	1.4	45	65.6	1.5	45	68.1	1.5	45	71.1	1.6	45	74.9	1.7	4.5%	62.7%
17 – 22	6	6	5	15.4	3.1	6	18.0	3.0	6	18.2	3.0	6	19.7	3.3	6	20.6	3.4	4.6%	17.1%

1. Rand million.

Land and Agricultural Development Bank of South Africa

Selected performance indicators

Table 8.57 Land and Agricultural Development Bank of South Africa performance indicators by programme/objective/activity and related priority per year

Indicator	Programme/Objective/Activity	MTSF priority	Audited performance			Estimated performance 2020/21	MTEF targets		
			2017/18	2018/19	2019/20		2021/22	2022/23	2023/24
Cost-to-income ratio	Administration	Priority 2: Economic transformation and job creation	60.5%	71%	111%	231%	102%	54%	40%
			(R628.7m/R1bn)	(R673.9m/R952m)	m/R619.9m)				
Capital adequacy ratio	Administration		17%	16%	16%	16%	16%	0.16	16%
Value of development loan book disbursements per year	Administration		R1.6bn	R1bn	R3bn	R3.5bn	R4bn	R4.5bn	R947m

Entity overview

As a development finance institution, the Land and Agricultural Development Bank of South Africa is mandated 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). Accordingly, the bank is expected to play a pivotal role in advancing agriculture and rural development. Due to liquidity constraints, over the medium term, the bank will focus on maintaining a healthy loan book, securing funding for liabilities and reducing the number of non-performing loans against the gross loan book. Over the same period, the bank will ensure financial sustainability by increasing the development loan book to become a predominant portfolio in its total loan book.

Expenditure is expected to decrease at an average annual rate of 12.9 per cent, from R4.3 billion in 2020/21 to R2.8 billion in 2023/24. This is due to average annual decreases of 17.8 per cent and 4.9 per cent in spending on interest expenses, and goods and services, respectively. Spending on compensation of employees is expected to increase at an average annual rate of 4.6 per cent, from R384.6 million in 2020/21 to R440.1 million in 2023/24, due to adjustments in line with inflation and increases in salaries as a result of promotions.

About 97.4 per cent (R11 billion) over the medium term of the bank's revenue is generated by interest. Total revenue is expected to increase at an average annual rate of 1.7 per cent, from R3.6 billion in 2020/21 to R3.8 billion in 2023/24, in line with the projected growth in the loan book.

The bank recorded a net loss of R902 million in 2018/19 and R2.8 billion in 2019/20 due to a decrease in net interest income and substantial increases in the impairment provision. As such, net interest income decreased due to the slow growth in the loan book, coupled with an increase in the cost of funding partly linked to extended maturities, which resulted in a margin squeeze. The increase in the impairment provision is due to significant charges that arose mainly from one of the bank's service-level agreement partners. The bank has subsequently onboarded this partner for closer monitoring. Further deterioration in the quality of the loan book from other clients also resulted in increases in impairments. The department has allocated an additional R7 billion over the MTEF period to stabilise the bank's financial position and support its restructuring and stabilisation process.

Programmes/Objectives/Activities

Table 8.58 Land and Agricultural Development Bank 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 (%)
	2017/18	2018/19	2019/20	2020/21	2017/18 - 2020/21		2021/22	2022/23	2023/24	2020/21 - 2023/24	
Administration	628.7	602.8	1 444.1	580.0	-2.6%	14.3%	623.2	681.5	707.0	6.8%	19.0%
Corporate banking	1 309.0	1 043.5	1 382.7	770.2	-16.2%	21.0%	675.6	524.9	418.0	-18.4%	16.7%
Commercial development banking	2 816.5	3 473.5	4 930.6	2 913.4	1.1%	64.7%	2 501.9	2 034.1	1 689.3	-16.6%	64.2%
Total	4 754.2	5 119.9	7 757.4	4 263.6	-3.6%	100.0%	3 800.6	3 240.5	2 814.3	-12.9%	100.0%

Statements of financial performance, cash flow and financial position

Table 8.59 Land and Agricultural Development Bank of South Africa statements of financial performance, cash flow and financial position

Statement of financial performance											
R million	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2017/18	2018/19	2019/20	2020/21	2017/18 - 2020/21		2021/22	2022/23	2023/24	2020/21 - 2023/24	
Revenue											
Non-tax revenue	4 936.5	5 238.1	5 337.5	3 627.8	-9.8%	100.0%	3 691.7	3 755.1	3 811.4	1.7%	100.0%
Sale of goods and services other than capital assets	89.0	97.7	635.6	122.3	11.2%	4.7%	84.1	87.8	91.7	-9.2%	2.6%
of which:											
Administrative fees	55.5	79.8	617.6	105.1	23.7%	4.3%	66.1	69.0	72.1	-11.8%	2.1%
Sales by market establishment	33.5	18.0	18.0	17.2	-19.9%	0.5%	18.0	18.8	19.6	4.4%	0.5%
Other non-tax revenue	4 847.5	5 140.3	4 701.9	3 505.5	-10.2%	95.3%	3 607.6	3 667.3	3 719.7	2.0%	97.4%
Total revenue	4 936.5	5 238.1	5 337.5	3 627.8	-9.8%	100.0%	3 691.7	3 755.1	3 811.4	1.7%	100.0%
Expenses											
Current expenses	4 685.2	5 046.8	7 691.8	4 206.6	-3.5%	98.7%	3 741.1	3 178.4	2 814.3	-12.5%	98.8%
Compensation of employees	341.6	393.6	378.7	384.6	4.0%	7.2%	407.0	423.2	440.1	4.6%	12.1%
Goods and services	564.3	697.8	3 229.9	795.4	12.1%	21.4%	643.5	603.7	685.0	-4.9%	19.6%
Depreciation	22.8	16.7	37.3	14.8	-13.3%	0.4%	15.0	15.3	15.7	1.8%	0.4%
Interest, dividends and rent on land	3 756.5	3 938.7	4 045.8	3 011.8	-7.1%	69.7%	2 675.6	2 136.1	1 673.5	-17.8%	66.6%
Tax payment	68.9	73.0	65.6	57.0	-6.1%	1.3%	59.5	62.1	-	-100.0%	1.2%
Total expenses	4 754.2	5 119.9	7 757.4	4 263.6	-3.6%	100.0%	3 800.6	3 240.5	2 814.3	-12.9%	100.0%
Surplus/(Deficit)	182.3	118.2	(2 419.9)	(635.8)	-251.7%		(108.9)	514.6	997.1	-216.2%	
Cash flow statement											
Cash flow from operating activities	791.7	579.4	45.9	(331.5)	-174.8%	100.0%	231.8	810.2	1 304.0	-257.9%	100.0%
Receipts											
Non-tax receipts	4 932.0	5 146.1	4 759.4	3 522.5	-10.6%	100.0%	3 560.3	3 625.1	3 683.5	1.5%	100.0%
Sales of goods and services other than capital assets	85.7	105.5	66.7	49.0	-17.0%	1.6%	51.1	53.3	55.7	4.4%	1.5%
Administrative fees	85.7	105.5	66.7	49.0	-17.0%	1.6%	51.1	53.3	55.7	4.4%	1.5%
Other tax receipts	4 846.3	5 040.6	4 692.7	3 473.5	-10.5%	98.4%	3 509.3	3 571.8	3 627.8	1.5%	98.5%
Total receipts	4 932.0	5 146.1	4 759.4	3 522.5	-10.6%	100.0%	3 560.3	3 625.1	3 683.5	1.5%	100.0%
Payment											
Current payments	4 071.4	4 493.6	4 647.8	3 796.9	-2.3%	98.5%	3 269.1	2 752.8	2 314.6	-15.2%	97.9%
Compensation of employees	341.6	393.6	378.7	384.6	4.0%	8.7%	407.0	423.2	440.2	4.6%	13.9%
Goods and services	287.1	277.6	223.2	400.6	11.7%	7.0%	186.6	193.5	200.9	-20.5%	7.8%
Interest and rent on land	3 442.7	3 822.4	4 045.8	3 011.8	-4.4%	82.7%	2 675.6	2 136.1	1 673.5	-17.8%	76.2%
Tax payment	68.9	73.0	65.6	57.0	-6.1%	1.5%	59.5	62.1	64.9	4.4%	2.1%
Total payments	4 140.3	4 566.6	4 713.4	3 854.0	-2.4%	100.0%	3 328.6	2 814.9	2 379.5	-14.8%	100.0%

Table 8.59 Land and Agricultural Development Bank of South Africa statements of financial performance, cash flow and financial position

Statement of financial performance											
R million	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2017/18	2018/19	2019/20	2020/21	2017/18 - 2020/21	2021/22	2022/23	2023/24	2020/21 - 2023/24	2020/21 - 2023/24	
Net cash flow from advancing activities (financial institutions only)	(2 442.5)	(2 392.0)	(2 929.3)	7 563.4	-245.8%	100.0%	1 559.4	1 298.5	1 166.3	-46.4%	100.0%
Loan disbursements	(2 442.5)	(2 392.0)	(2 929.3)	–	-100.0%	75.0%	–	–	–	–	–
Loan principal repayments	–	–	–	7 563.4	–	25.0%	1 559.4	1 298.5	1 166.3	-46.4%	100.0%
Net cash flow from investing activities	(358.9)	(1.2)	(0.9)	(43.6)	-50.5%	100.0%	(62.5)	(62.5)	–	-100.0%	–
Acquisition of property, plant, equipment and intangible assets	(1.7)	(1.2)	(0.9)	(43.6)	195.8%	75.1%	(62.5)	(62.5)	–	-100.0%	–
Proceeds from the sale of property, plant, equipment and intangible assets	72.9	–	–	–	-100.0%	-5.1%	–	–	–	–	–
Other flows from investing activities	(430.1)	–	–	–	-100.0%	30.0%	–	–	–	–	–
Net cash flow from financing activities	3 160.6	2 654.2	266.7	(204.0)	-140.1%	100.0%	(2 555.5)	(7 949.6)	(3 230.8)	151.1%	100.0%
Borrowing activities	3 160.6	2 654.2	266.7	(3 204.0)	-200.5%	467.6%	(7 555.5)	(8 949.6)	(4 230.8)	9.7%	527.4%
Other flows from financing activities	–	–	–	3 000.0	–	-367.6%	5 000.0	1 000.0	1 000.0	-30.7%	-427.4%
Net increase/(decrease) in cash and cash equivalents	1 150.8	840.4	(2 617.6)	6 984.3	82.4%	42.7%	(826.8)	(5 903.5)	(760.5)	-147.8%	-16.8%
Statement of financial position											
Carrying value of assets	369.5	60.8	51.9	49.9	-48.7%	0.3%	79.0	104.2	69.1	11.4%	0.2%
Acquisition of assets	(1.7)	(1.2)	(0.9)	(43.6)	195.8%	100.0%	(62.5)	(62.5)	–	-100.0%	–
Investments	1 572.5	2 687.4	2 235.7	1 940.3	7.3%	4.5%	1 882.2	2 037.2	926.1	-21.8%	4.5%
Loans	–	44 465.5	41 536.1	34 228.6	–	64.8%	32 476.1	30 811.3	29 384.7	-5.0%	85.1%
Receivables and prepayments	43 418.5	–	–	–	-100.0%	22.7%	–	–	–	–	–
Cash and cash equivalents	2 362.1	3 202.6	585.0	7 569.3	47.4%	7.5%	6 742.5	839.0	78.5	-78.2%	9.1%
Non-current assets held for sale	10.1	–	105.1	87.3	105.3%	0.1%	87.3	87.3	87.3	–	0.2%
Taxation	–	–	–	–	–	–	–	–	1 169.7	–	0.9%
Derivatives financial instruments	–	–	79.1	10.4	–	0.1%	4.4	7.2	11.4	3.1%	–
Total assets	47 732.6	50 416.2	44 592.8	43 885.7	-2.8%	100.0%	41 271.6	33 886.2	31 726.8	-10.3%	100.0%
Accumulated surplus/(deficit)	3 679.3	3 807.4	–	2 347.2	-13.9%	5.1%	7 238.3	8 752.9	10 750.0	66.1%	19.6%
Capital and reserves	101.0	101.0	–	–	-100.0%	0.1%	–	–	–	–	–
Capital reserve fund	1 766.6	1 766.6	1 749.6	4 766.6	39.2%	5.3%	6 766.6	2 766.6	2 766.6	-16.6%	10.3%
Borrowings	41 576.3	44 257.9	31 689.0	29 229.7	-11.1%	77.1%	30 524.3	21 574.7	17 343.8	-16.0%	60.8%
Finance lease	–	70.1	–	–	–	–	–	–	–	–	–
Trade and other payables	160.7	72.6	875.1	927.2	79.4%	1.1%	949.2	987.4	1 029.4	3.5%	2.5%
Provisions	448.7	340.6	684.3	764.9	19.5%	1.2%	793.2	804.6	837.0	3.0%	2.1%
Derivatives financial instruments	–	–	9 594.8	8 850.2	–	10.1%	–	–	–	-100.0%	4.7%
Total equity and liabilities	47 732.6	50 416.2	44 592.8	46 885.7	-0.6%	100.0%	46 271.6	34 886.2	32 726.8	-11.3%	100.0%

Personnel information**Table 8.60 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 (%)				
		2019/20		2020/21		2021/22		2022/23		2023/24		2020/21 - 2023/24							
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Land and Agricultural Development Bank of South Africa																			
Salary level	465	465	464	378.7	0.8	411	384.6	0.9	411	407.0	1.0	411	423.2	1.0	411	440.1	1.1	4.6%	100.0%
1 – 6	10	10	10	6.9	0.7	7	6.9	1.0	7	9.2	1.3	7	9.5	1.4	7	9.8	1.4	12.3%	2.1%
7 – 10	166	166	166	88.0	0.5	157	88.0	0.6	157	96.5	0.6	157	100.5	0.6	157	104.5	0.7	5.9%	23.5%
11 – 12	153	153	153	102.9	0.7	139	107.6	0.8	139	111.9	0.8	139	116.4	0.8	139	121.0	0.9	4.0%	27.6%
13 – 16	126	126	126	150.4	1.2	100	150.4	1.5	100	156.4	1.6	100	162.6	1.6	100	169.1	1.7	4.0%	38.6%
17 – 22	10	10	9	30.6	3.4	8	31.7	4.0	8	33.0	4.1	8	34.3	4.3	8	35.7	4.5	4.0%	8.1%

1. Rand million.

Office of the Ombud for Financial Services Providers

Selected performance indicators

Table 8.61 Office of the Ombud for Financial Services Providers performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Percentage of complaints closed within 9 months of date of receipt of complaint per year	Resolve complaints in a fair, expeditious and informal manner to the satisfaction of customers	Priority 1: A capable, ethical and developmental state	92% (9 394/ 10 211)	95% (8 857/ 9 323)	96% (8 504/ 8 835)	91%	92%	92%	92%
Percentage of complaints responded to within 4 days of date of receipt per year	Resolve complaints in a fair, expeditious and informal manner to the satisfaction of customers		- ¹	99% (10 109/ 10 211)	99% (9 229/ 9 323)	98%	98%	98%	98%

1. No historical data available.

Entity overview

The legislative mandate of the Office of the Ombud for Financial Services Providers is stated in the Financial Advisory and Intermediary Services Act (2002), in terms of which the organisation is established. The act gives the Ombud statutory powers to consider and dispose of complaints against financial services providers, primarily intermediaries selling investment products. Over the medium term, the ombud will focus on: ensuring that cases are properly assessed and appropriately handled until finalisation; informing stakeholders on the role and functions of the ombud; acquiring appropriate skills to properly discharge the mandate and ensuring that such skills are retained; ensuring that risk is adequately managed; and ensuring that appeals/reviews of decisions are appropriately dealt with.

Expenditure is expected to increase at an average annual rate of 4.1 per cent, from R58 million in 2020/21 to R65.4 million in 2023/24. Compensation of employees is the ombud's main cost driver, accounting for 63.7 per cent (R123.1 million) of the entity's budget over the medium term and increasing at an average annual rate of 8.2 per cent, from R33.8 million in 2020/21 to R42.9 million in 2023/24. The number of personnel is expected to increase from 62 in 2020/21 to 65 over the medium term. Revenue is mainly derived through levies collected by the Financial Sector Conduct Authority from financial services providers, and is expected to increase at an average rate of 2.5 per cent, from R58 million in 2020/21 to R62.5 million in 2023/24.

Programmes/Objectives/Activities

Table 8.62 Office of the Ombud for Financial Services Providers expenditure trends and estimates by programme/objective/activity

R million	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23		
Administration	21.7	20.4	17.8	25.1	5.0%	45.8%	25.8	26.4	28.2	4.0%	42.9%
Resolve complaints in a fair, expeditious and informal manner to the satisfaction of customers	23.3	18.9	20.5	30.7	9.7%	49.8%	32.0	32.6	34.2	3.6%	52.7%
Enhanced stakeholder management	2.4	1.7	1.8	2.2	-3.2%	4.4%	2.8	2.9	3.0	11.7%	4.4%
Total	47.4	41.1	40.1	58.0	7.0%	100.0%	60.6	61.9	65.4	4.1%	100.0%

Statements of financial performance, cash flow and financial position

Table 8.63 Office of the Ombud for Financial Services Providers statements of financial performance, cash flow and financial position

Statement of financial performance	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23		
R million											
Revenue											
Non-tax revenue	-	0.0	0.0	-	-	-	-	-	-	-	-
of which:											
Other non-tax revenue	-	0.0	0.0	-	-	-	-	-	-	-	-
Transfers received	49.4	54.8	64.4	58.0	5.5%	100.0%	58.4	59.9	62.5	2.5%	100.0%
Total revenue	49.4	54.9	64.4	58.0	5.5%	100.0%	58.4	59.9	62.5	2.5%	100.0%

Table 8.63 Office of the Ombud for Financial Services Providers statements of financial performance, cash flow and financial position

Statement of financial performance											
R million	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2017/18	2018/19	2019/20	2020/21	2017/18 - 2020/21	2021/22	2022/23	2023/24	2020/21 - 2023/24		
Expenses											
Current expenses	47.4	41.1	40.1	58.0	7.0%	100.0%	60.6	61.9	65.4	4.1%	100.0%
Compensation of employees	30.0	24.6	26.5	33.8	4.0%	61.9%	39.4	40.9	42.9	8.2%	63.7%
Goods and services	16.4	15.6	12.5	22.0	10.3%	35.4%	18.8	18.9	20.4	-2.5%	32.7%
Depreciation	0.9	0.9	1.1	2.2	32.6%	2.6%	2.4	2.0	2.1	-0.8%	3.5%
Interest, dividends and rent on land	0.0	-	0.0	0.1	119.0%	-	0.1	0.1	0.1	-2.3%	0.1%
Total expenses	47.4	41.1	40.1	58.0	7.0%	100.0%	60.6	61.9	65.4	4.1%	100.0%
Surplus/(Deficit)	2.1	13.8	24.3	-	-100.0%		(2.2)	(2.0)	(2.9)	-	
Cash flow statement											
Cash flow from operating activities	2.5	(0.5)	3.7	2.5	0.9%	100.0%	1.8	0.8	(1.1)	-176.1%	100.0%
Receipts											
Transfers received	48.3	41.7	42.2	58.0	6.3%	100.0%	60.6	63.6	63.3	3.0%	100.0%
Total receipts	48.3	41.7	42.2	58.0	6.3%	100.0%	60.6	63.6	63.3	3.0%	100.0%
Payment											
Current payments	45.9	42.2	38.6	55.5	6.6%	100.0%	58.9	62.9	64.5	5.1%	100.0%
Compensation of employees	30.0	24.6	18.6	37.2	7.4%	59.8%	36.8	40.3	42.9	4.8%	65.1%
Goods and services	15.8	17.5	20.0	18.2	4.8%	40.1%	22.1	22.5	21.5	5.8%	34.8%
Interest and rent on land	0.0	-	0.0	0.1	108.0%	0.1%	0.0	0.1	0.1	3.3%	0.1%
Total payments	45.9	42.2	38.6	55.5	6.6%	100.0%	58.9	62.9	64.5	5.1%	100.0%
Net cash flow from investing activities	(0.7)	(1.5)	(1.8)	(3.2)	62.7%	100.0%	(1.6)	(0.8)	(1.6)	-21.3%	100.0%
Acquisition of property, plant, equipment and intangible assets	(0.3)	(1.1)	(1.6)	(1.6)	72.5%	63.0%	(0.8)	(0.5)	(1.2)	-8.7%	61.3%
Acquisition of software and other intangible assets	(0.4)	(0.5)	(0.2)	(1.6)	54.8%	37.9%	(0.8)	(0.3)	(0.4)	-39.7%	38.7%
Proceeds from the sale of property, plant, equipment and intangible assets	-	0.1	0.0	-	-	-0.9%	-	-	-	-	-
Net cash flow from financing activities	(0.1)	-	(0.0)	0.1	-224.0%	-	(0.1)	(0.3)	(0.2)	-202.1%	100.0%
Repayment of finance leases	(0.1)	-	(0.0)	(0.1)	-6.8%	-	(0.1)	(0.3)	(0.2)	35.7%	64.4%
Other flows from financing activities	-	-	-	0.2	-	-	-	-	-	-100.0%	35.6%
Net increase/(decrease) in cash and cash equivalents	1.7	(2.0)	1.8	(0.5)	-167.1%	0.6%	0.1	(0.2)	(2.8)	78.0%	-1.4%
Statement of financial position											
Carrying value of assets	1.7	2.4	3.1	9.3	75.7%	15.8%	5.3	3.8	2.8	-33.0%	13.2%
Acquisition of assets	(0.3)	(1.1)	(1.6)	(1.6)	72.5%	100.0%	(0.8)	(0.5)	(1.2)	-8.7%	100.0%
Receivables and prepayments	1.9	15.1	37.2	35.5	164.5%	66.8%	33.0	31.0	28.6	-6.9%	83.5%
Cash and cash equivalents	3.6	1.6	3.4	1.4	-27.1%	17.3%	1.5	1.3	1.0	-11.9%	3.3%
Total assets	7.2	19.1	43.8	46.2	85.4%	100.0%	39.8	36.0	32.3	-11.2%	100.0%
Accumulated surplus/(deficit)	3.8	17.6	41.9	41.6	122.2%	82.6%	35.4	32.2	30.0	-10.3%	90.2%
Trade and other payables	1.5	0.6	1.9	1.9	7.1%	8.2%	2.0	1.5	1.0	-19.9%	4.1%
Provisions	1.1	0.9	-	1.4	9.4%	5.6%	1.5	1.5	1.2	-6.3%	3.6%
Derivatives financial instruments	0.8	0.0	-	1.3	15.4%	3.6%	1.0	0.8	0.3	-42.3%	2.0%
Total equity and liabilities	7.2	19.1	43.8	46.2	85.4%	100.0%	39.8	36.0	32.3	-11.2%	100.0%

Personnel information**Table 8.64 Office of the Ombud for Financial Services Providers personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2020		Number and cost ¹ of personnel posts filled/planned for on funded establishment														Number			
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)				
		2019/20	Unit cost		2020/21	Unit cost		2021/22		2022/23		2023/24				2020/21 - 2023/24			
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Office of the Ombud for Financial Services Providers	72	82	57	26.5	0.5	62	33.8	0.5	65	39.4	0.6	65	40.9	0.6	65	42.9	0.7	8.2%	100.0%
Salary level																			
1-6	21	24	20	4.4	0.2	19	4.0	0.2	19	5.1	0.3	19	5.2	0.3	19	5.4	0.3	11.0%	12.5%
7-10	37	42	28	10.8	0.4	33	13.0	0.4	33	16.6	0.5	33	17.3	0.5	33	18.2	0.6	11.8%	41.3%
11-12	9	11	5	5.7	1.1	6	8.4	1.4	8	8.7	1.1	8	9.1	1.1	8	9.5	1.2	4.1%	22.8%
13-16	4	4	3	3.7	1.2	3	5.8	1.9	4	6.1	1.5	4	6.4	1.6	4	6.8	1.7	5.5%	16.0%
17-22	1	1	1	2.0	2.0	1	2.7	2.7	1	2.8	2.8	1	2.9	2.9	1	3.0	3.0	4.5%	7.3%

1. Rand million.

Office of the Pension Funds Adjudicator

Selected performance indicators

Table 8.65 Office of the Pension Funds Adjudicator performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2017/18	2018/19	2019/20		2021/22	2022/23	2023/24
Percentage of valid complaints resolved within 9 months of complaint being lodged per year	Dispose of complaints received	Priority 3: Education, skills and health	98% (4 317/ 4 405)	98% (8 069/ 8 234)	88% (6 808/ 7 737)	95%	95%	95%	95%
Number of days taken for the new complaints unit to process complaints	Dispose of complaints received		-1	-1	-1	1	1	1	1
Number of days taken for the new complaints unit to process complaints where outstanding information was subsequently received	Dispose of complaints received		-1	-1	-1	2	2	2	2

1. No historical data available.

Entity overview

The Office of the Pension Funds Adjudicator is mandated to investigate and determine complaints lodged in terms of the Pension Funds Act (1956). In terms of the act, the adjudicator is required to ensure a procedurally fair, economical and expeditious resolution of complaints by: ensuring that its services are accessible to all, investigating complaints in a procedurally fair manner, reaching a just and expeditious resolution of complaints in accordance with the law, incorporating innovation and proactive thought and action in its activities, and providing opportunities for individual growth. The office has jurisdiction only over funds that are registered under the act.

Over the period ahead, the office aims to reduce turnaround times by resolving 85 per cent of pension fund complaints received within 6 months by developing staff capability, restructuring its internal processes and continuing to modernise its current ICT systems for improved efficiencies. The entity will also intensify its engagement with relevant stakeholders such as regulators and pension funds, and will continue its community outreach programmes to create awareness about its existence and mandate.

Expenditure is expected to increase at an average annual rate of 5.5 per cent, from R73.2 million in 2020/21 to R85.9 million in 2023/24. This is mainly due to the planned capital investment in ICT infrastructure. Spending on goods and services is expected to increase at an average annual rate of 8.7 per cent, from R27 million in 2020/21 to R34.7 million in 2023/24, mainly due to increased legal and professional fees related to complaints management. Spending on compensation of employees is expected to increase at an average annual rate of 4.3 per cent, from R42.8 million in 2020/21 to R48.5 million in 2023/24, in line with inflationary adjustments. The number of personnel is expected to remain constant at 66 over the MTEF period. Revenue is mainly derived through levies collected from pension funds and is expected to increase at an average annual rate of 3 per cent, from R75.4 million in 2020/21 to R82.4 million in 2023/24.

Programmes/Objectives/Activities

Table 8.66 Office of the Pension Funds Adjudicator expenditure trends and estimates by programme/objective/activity

R million	Audited outcome			Revised estimate	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2017/18	2018/19	2019/20		2017/18 - 2020/21	Average: Expenditure/ Total (%)	2021/22	2022/23	2023/24	2020/21 - 2023/24	Average: Expenditure/ Total (%)
Administration	6.5	6.5	12.3	14.4	30.3%	15.6%	17.0	18.1	19.1	9.8%	21.6%
Dispose of complaints received	46.8	44.6	44.9	52.2	3.7%	76.4%	54.1	56.5	59.6	4.5%	70.0%
Achieve operational excellence	1.1	5.7	4.9	5.6	72.8%	6.8%	5.7	6.0	6.5	5.3%	7.5%
Effective stakeholder relationships	0.3	0.9	0.9	0.9	49.8%	1.2%	0.6	0.6	0.6	-12.4%	0.9%
Total	54.7	57.7	63.0	73.2	10.2%	100.0%	77.3	81.2	85.9	5.5%	100.0%

Statements of financial performance, cash flow and financial position

Table 8.67 Office of the Pension Funds Adjudicator statements of financial performance, cash flow and financial position

Statement of financial performance											
R million	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2017/18	2018/19	2019/20	2020/21	2017/18 - 2020/21		2021/22	2022/23	2023/24	2020/21 - 2023/24	
Revenue											
Non-tax revenue	0.1	0.2	0.0	0.0	-44.2%	0.1%	0.0	0.0	0.0	17.8%	-
<i>of which:</i>											
Other non-tax revenue	0.1	0.2	0.0	0.0	-44.2%	0.1%	0.0	0.0	0.0	17.8%	-
Transfers received	59.0	64.3	70.8	75.4	8.5%	99.9%	77.7	80.0	82.4	3.0%	100.0%
Total revenue	59.1	64.5	70.8	75.4	8.4%	100.0%	77.7	80.0	82.4	3.0%	100.0%
Expenses											
Current expenses	54.7	57.7	63.0	73.2	10.2%	100.0%	77.3	81.2	85.9	5.5%	100.0%
Compensation of employees	32.3	34.3	36.4	42.8	9.8%	58.7%	44.8	46.5	48.5	4.3%	57.6%
Goods and services	20.4	21.6	24.2	27.0	9.8%	37.5%	30.0	32.2	34.7	8.7%	38.9%
Depreciation	1.9	1.8	2.5	3.4	20.3%	3.8%	2.5	2.6	2.7	-7.2%	3.5%
Total expenses	54.7	57.7	63.0	73.2	10.2%	100.0%	77.3	81.2	85.9	5.5%	100.0%
Surplus/(Deficit)	4.5	6.8	7.8	2.2	-21.2%		-	(1.2)	(3.5)	-216.7%	
Cash flow statement											
Cash flow from operating activities	2.7	2.2	16.0	4.0	13.8%	100.0%	4.0	4.0	4.2	1.5%	100.0%
Receipts											
Non-tax receipts	0.0	0.0	0.0	0.0	-1.9%	-	0.0	0.0	0.0	3.4%	-
Other tax receipts	0.0	0.0	0.0	0.0	-1.9%	-	0.0	0.0	0.0	3.4%	-
Transfers received	53.4	58.1	75.8	74.4	11.7%	100.0%	78.1	81.9	85.5	4.8%	100.0%
Total receipts	53.4	58.1	75.8	74.4	11.7%	100.0%	78.1	81.9	85.5	4.8%	100.0%
Payment											
Current payments	50.7	55.9	59.8	70.4	11.5%	100.0%	74.1	77.9	81.4	4.9%	100.0%
Compensation of employees	32.3	33.8	35.8	43.1	10.1%	61.3%	45.3	47.4	49.6	4.7%	61.1%
Goods and services	18.4	22.1	24.0	27.2	13.9%	38.7%	28.8	30.4	31.8	5.3%	38.9%
Total payments	50.7	55.9	59.8	70.4	11.5%	100.0%	74.1	77.9	81.4	4.9%	100.0%
Net cash flow from investing activities	(1.1)	(4.1)	(2.1)	(4.0)	55.2%	100.0%	(4.0)	(4.0)	(4.2)	1.5%	100.0%
Acquisition of property, plant, equipment and intangible assets	(1.0)	(4.2)	(1.9)	(2.5)	37.1%	86.2%	(3.0)	(2.5)	(2.6)	1.5%	65.6%
Acquisition of software and other intangible assets	(0.2)	(0.0)	(0.2)	(1.5)	96.4%	16.6%	(1.0)	(1.5)	(1.6)	1.5%	34.4%
Proceeds from the sale of property, plant, equipment and intangible assets	0.1	0.1	-	-	-100.0%	-2.8%	-	-	-	-	-
Net increase/(decrease) in cash and cash equivalents	1.6	(1.9)	14.0	0.0	-94.1%	5.5%	(0.0)	-	0.0	-100.0%	-
Statement of financial position											
Carrying value of assets	4.7	7.1	6.5	8.3	20.9%	34.4%	9.7	9.7	12.0	12.8%	57.0%
Acquisition of assets	(1.0)	(4.2)	(1.9)	(2.5)	37.1%	100.0%	(3.0)	(2.5)	(2.6)	1.5%	100.0%
Receivables and prepayments	6.6	14.1	9.3	6.4	-1.0%	44.3%	6.4	6.4	8.1	7.9%	39.3%
Cash and cash equivalents	3.6	1.8	15.7	0.5	-48.4%	21.3%	0.5	0.5	1.3	35.7%	3.8%
Total assets	15.0	22.9	31.5	15.3	0.6%	100.0%	16.7	16.7	21.3	11.7%	100.0%
Accumulated surplus/(deficit)	13.1	19.8	27.6	13.3	0.7%	87.1%	14.7	14.4	19.4	13.3%	88.3%
Trade and other payables	0.4	1.6	2.2	0.5	4.1%	5.1%	0.5	0.5	0.7	9.5%	3.1%
Provisions	1.5	1.5	1.8	1.4	-1.3%	7.8%	1.5	1.7	1.2	-4.5%	8.6%
Total equity and liabilities	15.0	22.9	31.5	15.3	0.6%	100.0%	16.7	16.7	21.3	11.7%	100.0%

Personnel information

Table 8.68 Office of the Pension Funds Adjudicator personnel numbers and cost by salary level

Number of posts estimated for 31 March 2020		Number and cost ¹ of personnel posts filled/planned for on funded establishment															Number	
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)			
		2019/20		Unit cost	2020/21		Unit cost	2021/22		Unit cost	2022/23		Unit cost			2023/24		Unit cost
Office of the Pension Funds Adjudicator		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	2020/21 - 2023/24	
Salary level	66	66	36.4	0.6	66	42.8	0.6	66	44.8	0.7	66	46.5	0.7	66	48.5	0.7	4.3%	100.0%
1 - 6	19	19	3.5	0.2	19	4.3	0.2	19	4.8	0.3	19	4.9	0.3	19	5.0	0.3	5.4%	10.4%
7 - 10	32	32	13.5	0.4	32	16.2	0.5	30	16.7	0.6	30	17.1	0.6	29	16.9	0.6	1.4%	36.7%
11 - 12	6	6	5.8	0.8	6	6.4	1.1	6	5.7	0.9	6	5.9	1.0	7	7.1	1.0	3.6%	13.7%
13 - 16	7	7	10.1	1.4	7	10.6	1.5	9	11.6	1.3	9	12.5	1.4	9	13.0	1.4	7.0%	26.0%
17 - 22	2	2	3.5	3.5	2	5.3	2.6	2	6.0	3.0	2	6.2	3.1	2	6.5	3.2	6.9%	13.1%

1. Rand million.

Public Investment Corporation

Selected performance indicators

Table 8.69 Public Investment Corporation performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Value of net profit after tax per year	Investments	Priority 7: A better Africa and world	R417m	R291m	R292m	R326m	R346m	R365m	R311m
Total amount of funds under management per year	Investments		R2tn	R2.1tn	R1.9tn	R2tn	R2tn	R2.1tn	R2.2tn

Entity overview

The Public Investment Corporation was established by the Public Investment Corporation Act (2004) and is a registered financial services provider that is 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 small, medium and micro enterprises in the manufacturing, tourism, mining and agro-processing sectors.

Over the medium term, the corporation will focus on financial sustainability and fulfilling its legal and investment mandates. At the same time, the corporation will seek to entrench the culture of accountability expected of an asset management company. As an important component of the corporation's business, the ICT subcommittee of the board will continue to exercise oversight on IT governance in line with best practice. As the corporation intensifies its investment activities, it intends to appoint additional asset managers over the period ahead.

Expenditure is expected to increase at average annual rate of 5.1 per cent, from R913.2 million in 2020/21 to R1.1 billion in 2023/24. This is mainly driven by compensation of employees, spending on which increases at an average annual rate of 4.5 per cent, from R439.1 million in 2020/21 to R500.6 million in 2023/24, due to the appointment of additional expertise and the alignment of salaries with the market. Spending on goods and services is expected to decrease at an average annual rate of 1.6 per cent, from R442 million in 2020/21 to R421.1 million in 2023/24.

The corporation derives its revenue mainly through the fees it charges for managing its clients' assets and interest income. Revenue is expected to increase at an average annual rate of 12.5 per cent, from R953 million in 2020/21 to R1.4 billion in 2023/24, mainly due to an anticipated increase in management fees, growth in the equities portfolio and an increase in assets under management.

Programmes/Objectives/Activities

Table 8.70 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 (%)
	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23		
Administration	419.3	581.5	658.0	456.6	2.9%	48.0%	503.3	512.0	523.9	4.7%	49.9%
Investments	603.4	559.7	658.0	456.6	-8.9%	52.0%	503.3	512.0	535.1	5.4%	50.1%
Total	1 022.8	1 141.1	1 315.9	913.2	-3.7%	100.0%	1 006.6	1 024.0	1 058.9	5.1%	100.0%

Statements of financial performance, cash flow and financial position

Table 8.71 Public Investment Corporation statements of financial performance, cash flow and financial position

Statement of financial performance											
R million	Audited outcome			Revised estimate 2020/21	Average growth rate (%) 2017/18 - 2020/21	Average: Expenditure/ Total (%) 2020/21	Medium-term expenditure estimate			Average growth rate (%) 2020/21 - 2023/24	Average: Expenditure/ Total (%) 2020/21 - 2023/24
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24		
Revenue											
Non-tax revenue	1 439.9	1 432.3	1 339.0	953.0	-12.9%	100.0%	1 261.0	1 307.2	1 355.2	12.5%	100.0%
Sale of goods and services other than capital assets	1 224.5	1 210.2	1 130.8	947.9	-8.2%	88.4%	988.4	1 031.9	1 077.2	4.4%	84.1%
<i>Sales by market establishment</i>	1 224.5	1 210.2	1 130.8	947.9	-8.2%	88.4%	988.4	1 031.9	1 077.2	4.4%	84.1%
Other non-tax revenue	215.5	222.1	208.3	5.2	-71.2%	11.6%	272.6	275.3	278.1	277.5%	15.9%
Total revenue	1 439.9	1 432.3	1 339.0	953.0	-12.9%	100.0%	1 261.0	1 307.2	1 355.2	12.5%	100.0%
Expenses											
Current expenses	845.3	1 035.0	1 259.7	897.8	2.0%	91.8%	906.2	912.4	940.1	1.5%	91.6%
Compensation of employees	526.7	600.6	425.4	439.1	-5.9%	46.1%	489.6	489.6	500.6	4.5%	48.0%
Goods and services	298.9	410.8	775.1	442.0	13.9%	43.1%	399.3	404.8	421.1	-1.6%	41.8%
Depreciation	19.7	23.6	59.2	16.7	-5.4%	2.6%	17.3	18.0	18.4	3.4%	1.8%
Interest, dividends and rent on land	0.0	-	-	-	-100.0%	-	-	-	-	-	-
Tax payment	177.5	106.2	56.2	15.5	-55.7%	8.2%	100.4	111.6	118.9	97.3%	8.4%
Total expenses	1 022.8	1 141.1	1 315.9	913.2	-3.7%	100.0%	1 006.6	1 024.0	1 058.9	5.1%	100.0%
Surplus/(Deficit)	417.1	291.2	23.1	39.8	-54.3%		254.4	283.2	296.3	95.3%	
Cash flow statement											
Cash flow from operating activities	301.4	367.3	343.2	454.9	14.7%	100.0%	315.2	307.7	222.8	-21.2%	100.0%
Receipts											
Non-tax receipts	1 407.1	1 408.3	1 331.0	953.0	-12.2%	99.1%	1 261.0	1 307.2	1 355.2	12.5%	100.0%
Sales of goods and services other than capital assets	1 224.5	1 210.2	1 130.8	947.9	-8.2%	88.6%	988.4	1 031.9	1 077.2	4.4%	84.1%
<i>Sales by market establishment</i>	1 224.5	1 210.2	1 130.8	947.9	-8.2%	88.6%	988.4	1 031.9	1 077.2	4.4%	84.1%
Other tax receipts	182.7	198.1	200.3	5.2	-69.5%	10.5%	272.6	275.3	278.1	277.5%	15.9%
Tax benefit	51.2	-	-	-	-100.0%	0.9%	-	-	-	-	-
Total receipts	1 458.3	1 408.3	1 331.0	953.0	-13.2%	100.0%	1 261.0	1 307.2	1 355.2	12.5%	100.0%
Payment											
Current payments	987.2	886.9	1 125.4	580.4	-16.2%	100.2%	1 008.1	1 065.3	1 201.8	27.5%	109.0%
Compensation of employees	548.9	425.4	507.5	490.6	-3.7%	59.5%	579.2	589.2	597.7	6.8%	67.9%
Goods and services	378.2	381.5	617.7	109.6	-33.8%	38.5%	448.7	555.8	683.8	84.1%	46.4%
Interest and rent on land	60.0	80.0	0.2	(19.7)	-169.0%	2.2%	(19.7)	(79.7)	(79.7)	59.2%	-5.3%
Tax payment	169.8	154.1	(137.6)	(82.2)	-178.5%	-0.2%	(62.3)	(65.8)	(69.4)	-5.5%	-9.0%
Total payments	1 156.9	1 041.0	987.8	498.2	-24.5%	100.0%	945.8	999.6	1 132.4	31.5%	100.0%
Net cash flow from investing activities	(404.7)	(165.1)	(172.9)	(370.7)	-2.9%	100.0%	(118.7)	(311.0)	(475.9)	8.7%	100.0%
Acquisition of property, plant, equipment and intangible assets	(101.5)	(3.3)	(6.8)	(67.2)	-12.8%	12.3%	(11.2)	(4.4)	(90.0)	10.2%	12.0%
Acquisition of software and other intangible assets	(2.7)	(9.0)	(10.8)	(36.8)	139.5%	5.6%	(86.6)	(72.6)	(56.3)	15.2%	29.5%
Proceeds from the sale of property, plant, equipment and intangible assets	-	0.1	0.1	-	-	-	-	-	-	-	-
Other flows from investing activities	(300.6)	(152.9)	(155.4)	(266.7)	-3.9%	82.2%	(21.0)	(234.0)	(329.6)	7.3%	58.5%
Net cash flow from financing activities	-	-	(25.3)	(8.6)	-	-	19.6	44.8	45.3	-273.9%	100.0%
Other flows from financing activities	-	-	(25.3)	(8.6)	-	-	19.6	44.8	45.3	-273.9%	100.0%
Net increase/(decrease) in cash and cash equivalents	(103.4)	202.2	145.0	75.5	-190.1%	6.7%	216.0	41.5	(207.7)	-240.1%	3.5%
Statement of financial position											
Carrying value of assets	98.8	88.3	83.1	187.1	23.7%	3.5%	284.9	361.9	365.5	25.0%	7.7%
<i>Acquisition of assets</i>	<i>(101.5)</i>	<i>(3.3)</i>	<i>(6.8)</i>	<i>(67.2)</i>	<i>-12.8%</i>	<i>100.0%</i>	<i>(11.2)</i>	<i>(4.4)</i>	<i>(90.0)</i>	<i>10.2%</i>	<i>100.0%</i>
Investments	2 350.5	2 454.4	2 572.0	2 369.1	0.3%	74.3%	2 526.7	2 752.7	2 780.2	5.5%	67.5%
Receivables and prepayments	95.6	226.8	166.9	126.1	9.7%	4.7%	133.0	137.2	138.5	3.2%	3.5%
Cash and cash equivalents	299.8	318.1	463.1	538.6	21.6%	12.2%	560.1	582.5	588.4	3.0%	14.7%
Taxation	100.2	144.0	229.2	250.2	35.7%	5.4%	251.1	255.7	258.3	1.1%	6.6%
Total assets	2 944.9	3 231.6	3 514.3	3 471.1	5.6%	100.0%	3 755.9	4 090.0	4 130.9	6.0%	100.0%
Accumulated surplus/(deficit)	1 890.4	1 842.5	1 905.1	1 944.9	1.0%	57.9%	2 203.0	2 514.3	2 539.4	9.3%	59.4%
Capital and reserves	680.8	937.4	947.2	923.4	10.7%	26.4%	1 025.9	1 015.9	1 026.1	3.6%	25.9%
Finance lease	1.2	0.1	24.4	23.5	165.8%	0.4%	-	-	-	-100.0%	0.2%
Trade and other payables	32.7	66.4	325.3	236.4	93.4%	4.8%	164.3	141.6	143.0	-15.4%	4.5%
Taxation	9.1	13.0	-	-	-100.0%	0.2%	-	-	-	-	-
Provisions	330.7	372.1	213.3	242.9	-9.8%	9.0%	212.8	218.2	220.4	-3.2%	5.8%
Derivatives financial instruments	-	-	99.0	100.0	-	1.4%	150.0	200.0	202.0	26.4%	4.2%
Total equity and liabilities	2 944.9	3 231.6	3 514.3	3 471.1	5.6%	100.0%	3 755.9	4 090.0	4 130.9	6.0%	100.0%

Personnel information

Table 8.72 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 (%)				
		2019/20		Unit cost	2020/21		Unit cost	2021/22		Unit cost	2022/23		Unit cost			2023/24		Unit cost	
Public Investment Corporation		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	2020/21 - 2023/24		
Salary level	518	576	385	425.4	1.1	385	439.1	1.1	385	489.6	1.3	385	489.6	1.3	385	500.6	1.3	4.5%	100.0%
1 – 6	13	7	13	1.9	0.1	13	2.1	0.2	13	2.3	0.2	13	2.5	0.2	13	2.5	0.2	5.3%	0.5%
7 – 10	226	226	156	72.2	0.5	156	86.0	0.6	156	100.5	0.6	156	97.9	0.6	156	96.3	0.6	3.9%	19.8%
11 – 12	89	89	60	51.7	0.9	60	52.2	0.9	60	59.9	1.0	60	65.1	1.1	60	60.9	1.0	5.3%	12.4%
13 – 16	156	208	112	152.4	1.4	112	132.8	1.2	112	135.2	1.2	112	146.2	1.3	112	156.6	1.4	5.6%	29.8%
17 – 22	34	46	44	147.1	3.3	44	166.0	3.8	44	191.7	4.4	44	177.9	4.0	44	184.4	4.2	3.5%	37.5%

1. Rand million.

South African Revenue Service

Selected performance indicators

Table 8.73 South African Revenue Service performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2017/18	2018/19	2019/20		2020/21	2021/22	2022/23
Percentage of revenue collected (excluding from customs and excise) per year	Operations and delivery (national)	Priority 2: Economic transformation and job creation	100% (R892.9bn)	98% (R921.2bn/ R937.4bn)	99% (R974.1bn/R974.7bn)	100%	100%	100%	100%
Percentage uptake of personal income tax filing through eFiling per year	Operations and delivery (national)	Priority 1: A capable, ethical and developmental state	52% (2.5m/ 4.8m)	55% (2.7 m/4.9m)	70.3% (16.1m/22.9m)	55%	56%	57%	57%
Percentage compliance of personal income tax filing per year	Operations and delivery (national)	Priority 2: Economic transformation and job creation	95% (5.3m/5.6m)	61% (13.5m/22.1m)	54% (11.9m/22.9m)	92%	92%	92%	92%
Percentage improvement in the collection of overdue debt per year	Operations and delivery (national)	Priority 7: A better Africa and world	- ¹	- ¹	-7.9% (R177 bn/R164 bn)	30%	20%	15%	15%
Percentage of customs and excise revenue collected per year	Operations and delivery (national)	Priority 7: A better Africa and world	98.2% (R322.2bn/R328.2bn)	100.4% (R366.5bn/R364.8bn)	99.3% (R381.6bn/R384.3bn)	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, improving taxpayers' experience, monitoring compliance, and making tax collection more efficient.

The revenue service's focus over the MTEF period is to achieve voluntary compliance through making taxpayers and traders aware of their tax obligations, making it reasonably easy and less costly to meet these obligations, and instituting a credible threat of detection and consequences for those who do not comply with their obligations. To deliver this, the entity will build administrative and institutional capability. An additional R1 billion is allocated to the revenue service in 2021/22 to improve its ICT systems, and build capacity in key business areas such as customs, audit and cybersecurity. A further R2 billion (R1 billion in 2022/23 and R1 billion in 2023/24) is provisionally allocated. The entity has been advised to improve its efficiency of spending through repositioning its personnel strategy, as well as implementing cost containment measures.

Expenditure is expected to increase at an average annual rate of 1.1 per cent, from R10.8 billion in 2020/21 to R11.1 billion in 2023/24. This moderate increase is due to the moratorium on filling vacant posts and the non-renewal of property leases. Compensation of employees is the entity's main cost driver, spending on which is expected to increase at an average annual rate of 0.7 per cent, from R7.3 billion in 2020/21 to R7.5 billion in 2023/24. The number of personnel is expected to remain constant at 12 046. Spending on goods and services is driven mainly by ICT-related projects and is expected to increase at an average annual rate of 3.1 per cent, from R2.8 billion in 2020/21 to R3.1 billion in 2023/24, in line with the need for the entity to build administrative and institutional capability.

Transfers from the department account for 96.5 per cent (R32.5 billion) of the entity's revenue over the MTEF period, and increase at an average annual rate of 0.8 per cent, from R10.7 billion in 2020/21 to R11 billion in 2023/24. This modest increase is due to the reduction in transfers from the department over the period ahead.

Programmes/Objectives/Activities

Table 8.74 South African Revenue Service expenditure trends and estimates by programme/objective/activity

R million	Audited outcome			Revised estimate 2020/21	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2017/18	2018/19	2019/20		2017/18 - 2020/21	2020/21	2021/22	2022/23	2023/24	2020/21 - 2023/24	Average: Expenditure/ Total (%)
Administration	4 501.7	3 304.0	3 117.6	2 862.8	-14.0%	31.9%	3 185.6	2 559.5	2 445.5	-5.1%	24.8%
Operations and delivery (national)	2 306.9	270.7	257.4	335.3	-47.4%	7.3%	353.7	354.7	355.8	2.0%	3.1%
Operations and delivery (regional)	1 291.9	2 012.3	2 123.2	2 077.7	17.2%	17.4%	2 190.9	2 193.7	2 196.7	1.9%	19.4%
Operations and delivery (centralised)	1 275.7	2 660.7	2 802.0	2 764.1	29.4%	22.0%	2 912.6	2 922.7	2 933.4	2.0%	25.9%
Operations and delivery (segments)	1 306.5	305.5	317.0	358.9	-35.0%	5.3%	378.7	379.3	380.1	1.9%	3.4%
Projects	62.6	39.3	32.9	49.2	-7.7%	0.4%	23.8	–	–	-100.0%	0.2%
Office of the Tax Ombud	33.9	40.9	40.7	41.0	6.6%	0.4%	44.9	46.5	51.2	7.7%	0.4%
Design and enabling (segments)	14.5	86.3	90.4	57.3	58.0%	0.6%	60.9	62.1	63.5	3.5%	0.5%
Design and enabling (enterprise enabling)	1.1	2 013.6	1 992.9	2 158.4	1 151.7%	14.3%	2 444.2	2 482.5	2 640.5	7.0%	21.8%
Design and enabling (production and processes)	–	59.0	66.6	61.3	–	0.4%	64.6	64.7	64.8	1.9%	0.6%
Total	10 794.9	10 792.3	10 840.8	10 766.0	-0.1%	100.0%	11 659.7	11 065.8	11 131.6	1.1%	100.0%

Statements of financial performance, cash flow and financial position

Table 8.75 South African Revenue Service statements of financial performance, cash flow and financial position

Statement of financial performance											
R million	Audited outcome			Revised estimate 2020/21	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2017/18	2018/19	2019/20		2017/18 - 2020/21	2020/21	2021/22	2022/23	2023/24	2020/21 - 2023/24	Average: Expenditure/ Total (%)
Revenue											
Non-tax revenue	548.6	726.2	530.2	474.0	-4.8%	5.4%	353.4	356.9	360.5	-8.7%	3.5%
Sale of goods and services other than capital assets	346.3	547.8	448.5	260.0	-9.1%	3.8%	353.4	356.9	360.5	11.5%	3.0%
of which:											
Administrative fees	346.3	547.8	448.5	260.0	-9.1%	3.8%	353.4	356.9	360.5	11.5%	3.0%
Other non-tax revenue	202.3	178.4	81.7	214.0	1.9%	1.6%	–	–	–	-100.0%	0.5%
Transfers received	10 218.2	9 984.5	9 529.0	10 271.9	0.2%	94.6%	11 295.2	10 527.8	10 657.6	1.2%	96.5%
Total revenue	10 766.8	10 710.6	10 059.3	10 745.9	-0.1%	100.0%	11 648.5	10 884.7	11 018.1	0.8%	100.0%
Expenses											
Current expenses	10 794.9	10 792.3	10 840.8	10 766.0	-0.1%	100.0%	11 659.7	11 065.8	11 131.6	1.1%	100.0%
Compensation of employees	7 433.0	7 361.8	7 446.8	7 327.8	-0.5%	68.5%	8 162.6	7 625.7	7 479.7	0.7%	68.5%
Goods and services	2 768.9	2 821.6	2 842.9	2 827.6	0.7%	26.1%	2 936.7	2 895.4	3 096.2	3.1%	26.4%
Depreciation	589.0	607.3	552.4	610.6	1.2%	5.5%	560.5	544.7	555.7	-3.1%	5.1%
Interest, dividends and rent on land	4.0	1.6	(1.3)	0.0	-95.4%	–	–	–	–	-100.0%	–
Total expenses	10 794.9	10 792.3	10 840.8	10 766.0	-0.1%	100.0%	11 659.7	11 065.8	11 131.6	1.1%	100.0%
Surplus/(Deficit)	(28.1)	(81.7)	(781.6)	(20.1)	-10.6%		(11.2)	(181.2)	(113.5)	78.1%	

Table 8.75 South African Revenue Service statements of financial performance, cash flow and financial position

Statement of financial performance											
R million	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2017/18	2018/19	2019/20	2020/21	2017/18 - 2020/21		2021/22	2022/23	2023/24	2020/21 - 2023/24	
Cash flow statement											
Cash flow from operating activities	510.6	(657.7)	(342.6)	688.1	10.5%	100.0%	580.0	344.1	501.8	-10.0%	100.0%
Receipts											
Non-tax receipts	513.7	706.8	448.9	300.0	-16.4%	4.8%	353.4	356.9	360.5	6.3%	3.1%
Sales of goods and services other than capital assets	321.8	533.2	371.2	260.0	-6.9%	3.7%	353.4	356.9	360.5	11.5%	3.0%
Other sales	321.8	533.2	371.2	260.0	-6.9%	3.7%	353.4	356.9	360.5	11.5%	3.0%
Other tax receipts	191.9	173.5	77.7	40.0	-40.7%	1.2%	-	-	-	-100.0%	0.1%
Transfers received	10 218.2	9 007.2	9 529.0	10 271.9	0.2%	95.2%	11 295.2	10 527.8	10 657.6	1.2%	96.9%
Total receipts	10 731.9	9 714.0	9 978.0	10 571.9	-0.5%	100.0%	11 648.5	10 884.7	11 018.1	1.4%	100.0%
Payment											
Current payments	10 221.3	10 371.7	10 320.5	9 883.7	-1.1%	100.0%	11 068.5	10 540.6	10 516.2	2.1%	100.0%
Compensation of employees	7 490.8	7 660.5	7 675.3	7 056.3	-2.0%	73.2%	8 162.6	7 623.9	7 475.6	1.9%	72.1%
Goods and services	2 726.5	2 709.6	2 646.5	2 827.4	1.2%	26.8%	2 905.9	2 916.6	3 040.6	2.5%	27.9%
Interest and rent on land	4.0	1.6	(1.3)	-	-100.0%	-	-	-	-	-	-
Total payments	10 221.3	10 371.7	10 320.5	9 883.7	-1.1%	100.0%	11 068.5	10 540.6	10 516.2	2.1%	100.0%
Net cash flow from investing activities	(536.8)	(725.7)	(324.8)	(590.5)	3.2%	100.0%	(549.2)	(363.5)	(442.1)	-9.2%	100.0%
Acquisition of property, plant, equipment and intangible assets	(219.7)	(419.9)	(92.8)	(348.3)	16.6%	46.6%	(466.3)	(363.5)	(442.1)	8.3%	86.0%
Acquisition of software and other intangible assets	(319.5)	(306.3)	(233.2)	(242.2)	-8.8%	53.6%	(82.9)	-	-	-100.0%	14.0%
Proceeds from the sale of property, plant, equipment and intangible assets	2.3	0.5	1.2	-	-100.0%	-0.2%	-	-	-	-	-
Net cash flow from financing activities	48.6	3.4	7.4	7.4	-46.6%	100.0%	(0.1)	-	-	-100.0%	-
Borrowing activities	40.0	20.0	20.0	11.7	-33.6%	273.3%	-	-	-	-100.0%	-
Repayment of finance leases	8.6	(16.6)	(12.6)	(4.3)	-179.6%	-173.3%	(0.1)	-	-	-100.0%	-
Net increase/(decrease) in cash and cash equivalents	22.4	(1 379.9)	(660.0)	105.1	67.5%	-4.4%	30.7	(19.4)	59.7	-17.2%	0.4%
Statement of financial position											
Carrying value of assets	3 144.5	3 765.3	3 352.3	3 332.2	2.0%	71.7%	3 320.9	3 139.8	3 026.2	-3.2%	78.3%
Acquisition of assets	(219.7)	(419.9)	(92.8)	(348.3)	16.6%	100.0%	(466.3)	(363.5)	(442.1)	8.3%	100.0%
Inventory	38.3	27.8	21.5	24.5	-13.8%	0.6%	20.5	25.5	29.5	6.4%	0.6%
Loans	42.2	28.5	11.7	-	-100.0%	0.4%	-	-	-	-	-
Receivables and prepayments	260.4	299.0	268.0	270.2	1.2%	5.8%	311.4	310.4	276.4	0.8%	7.1%
Cash and cash equivalents	2 476.6	1 096.7	436.7	541.8	-39.7%	21.6%	572.5	553.1	612.8	4.2%	14.0%
Total assets	5 962.0	5 217.2	4 090.2	4 168.7	-11.2%	100.0%	4 225.3	4 028.8	3 944.9	-1.8%	100.0%
Accumulated surplus/(deficit)	3 120.3	3 512.9	2 731.4	2 537.3	-6.7%	61.8%	2 526.0	2 344.9	2 231.3	-4.2%	58.9%
Capital and reserves	324.6	368.8	300.0	302.8	-2.3%	6.8%	292.6	280.6	265.5	-4.3%	7.0%
Finance lease	26.3	14.0	4.4	0.1	-86.5%	0.2%	-	-	-	-100.0%	-
Deferred income	977.4	0.1	0.1	0.1	-96.1%	4.1%	0.1	0.1	0.1	-	-
Trade and other payables	806.2	708.2	611.3	980.8	6.8%	16.4%	1 021.3	1 015.4	1 088.0	3.5%	25.1%
Provisions	707.1	613.1	443.0	347.7	-21.1%	10.7%	385.3	387.8	360.0	1.2%	9.1%
Total equity and liabilities	5 962.0	5 217.2	4 090.2	4 168.7	-11.2%	100.0%	4 225.3	4 028.8	3 944.9	-1.8%	100.0%

Personnel information

Table 8.76 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 (%)				
		2019/20	2020/21	2021/22	2022/23	2023/24	2020/21	2021/22	2022/23	2023/24	2020/21 - 2023/24								
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	12 046	12 046	12 046	7 446.8	0.6	12 046	7 327.8	0.6	12 046	8 162.6	0.7	12 046	7 625.7	0.6	12 046	7 479.7	0.6	0.7%	100.0%
1-6	55	55	55	11.3	0.2	55	11.1	0.2	55	163.3	3.0	55	152.5	2.8	55	149.6	2.7	137.7%	1.5%
7-10	8 092	8 092	8 092	3 390.7	0.4	8 092	3 336.5	0.4	8 092	3 615.0	0.4	8 092	3 377.2	0.4	8 092	3 312.6	0.4	-0.2%	44.6%
11-12	3 435	3 435	3 435	3 207.9	0.9	3 435	3 156.6	0.9	3 435	3 498.3	1.0	3 435	3 268.2	1.0	3 435	3 205.6	0.9	0.5%	42.9%
13-16	425	425	425	723.0	1.7	425	711.4	1.7	425	765.4	1.8	425	715.1	1.7	425	701.4	1.7	-0.5%	9.5%
17-22	39	39	39	113.9	2.9	39	112.1	2.9	39	120.6	3.1	39	112.7	2.9	39	110.5	2.8	-0.5%	1.5%

1. Rand million.

South African Special Risks Insurance Association

Selected performance indicators

Table 8.77 South African Special Risks Insurance Association performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Value of gross written premium per year	Sustainable revenue growth: Gross written premium income growth	Priority 2: Economic transformation and job creation	R1.7bn	R1.9bn	R2.4 bn	R2bn	R2.1bn	R2.3bn	R2.5bn
Value of net underwriting profit per year	Sustainable revenue growth: Net underwriting profit growth		R489.8m	R525.8m	R525.8m	R569.4m	R600.7m	R655.5m	R700m
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 1: A capable, ethical and developmental state	86.5% (3 148/ 3 639)	71.1% (3 869/ 5 443)	90% (1 605/ 1 783)	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		88.5% (3 220/3 639)	85.6% (4 659/5 443)	70% (670/957)	70%	70%	70%	70%
Average number of days taken to process claims less than R250 000 per year	Customer-centricity: Provide superior customer service to external stakeholders by reducing the internal claim turnaround time	Priority 2: Economic transformation and job creation	30	30	30	30	30	30	30
Average number of days taken per year to process claims	Customer-centricity: Provide superior customer service to external stakeholders by reducing the internal claim turnaround time		70	70	25	30	30	30	30

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: remaining relevant in a complex and rapidly changing market, continuing to emphasise customer-centricity, ensuring sustainability, and having a positive socioeconomic influence in South Africa.

Expenditure is expected to increase at an average annual rate of 13.2 per cent, from R2.4 billion in 2020/21 to R3.4 billion in 2023/24, due to changes in underwriting expenses comprising reinsurance premiums paid, claims paid, and administration and marketing expenses. Spending on compensation of employees is expected to increase at an average annual rate of 6 per cent, from R136 million in 2020/21 to R162 million in 2023/24.

The association expects to derive 88.6 per cent (R9.6 billion) of its revenue over the medium term from premium increases and customer retention. Revenue is expected to increase at an average annual rate of 8.7 per cent, from R3 billion in 2020/21 to R3.9 billion in 2023/24.

Programmes/Objectives/Activities**Table 8.78 South African Special Risks Insurance Association expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome			Revised estimate 2020/21	Average growth rate (%) 2017/18 - 2020/21	Average: Expenditure/Total (%) 2020/21	Medium-term expenditure estimate			Average growth rate (%) 2020/21 - 2023/24	Average: Expenditure/Total (%) 2020/21 - 2023/24
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24		
Administration	647.9	351.5	776.3	711.6	3.2%	28.7%	734.3	834.6	868.1	6.8%	26.8%
Sustainable revenue growth:	271.1	319.8	347.3	350.0	8.9%	14.6%	401.4	414.4	457.4	9.3%	13.8%
Gross written premium income growth											
Sustainable revenue growth:	748.6	1 760.8	1 223.8	1 260.9	19.0%	55.0%	1 693.2	1 869.1	2 057.0	17.7%	57.7%
Net underwriting profit growth											
Capital management: Ensure compliance with statutory capital requirements and the calculation of an economic risk basis for capital value	5.8	8.3	5.2	5.5	-1.4%	0.3%	5.9	6.2	6.6	6.0%	0.2%
Customer-centricity: Provide superior customer service to external stakeholders by reducing the internal claim turnaround time	4.9	11.9	13.6	14.4	42.7%	0.5%	15.3	16.2	17.1	6.0%	0.5%
People, capacity and capability: Attract, retain and develop skills that support our aspirations	11.8	13.3	16.8	14.4	6.8%	0.6%	14.5	15.3	16.1	3.9%	0.5%
Brand development: Create a trusted brand that resonates with all our customers	5.4	7.3	3.5	13.7	36.5%	0.3%	14.8	15.5	16.3	6.0%	0.5%
Regulatory environment: Proactively manage compliance	0.1	0.0	0.0	0.1	17.8%	-	0.2	0.2	0.2	7.1%	-
Total	1 695.6	2 472.9	2 386.5	2 370.7	11.8%	100.0%	2 879.5	3 171.4	3 438.9	13.2%	100.0%

Statements of financial performance, cash flow and financial position**Table 8.79 South African Special Risks Insurance Association statements of financial performance, cash flow and financial position**

Statement of financial performance											
R million	Audited outcome			Revised estimate 2020/21	Average growth rate (%) 2017/18 - 2020/21	Average: Expenditure/Total (%) 2020/21	Medium-term expenditure estimate			Average growth rate (%) 2020/21 - 2023/24	Average: Expenditure/Total (%) 2020/21 - 2023/24
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24		
Revenue											
Non-tax revenue	2 720.8	2 471.5	2 719.3	3 049.9	3.9%	100.0%	3 277.9	3 584.1	3 919.3	8.7%	100.0%
Sale of goods and services other than capital assets	1 887.1	2 200.5	2 462.7	2 681.5	12.4%	84.2%	2 894.8	3 185.7	3 504.9	9.3%	88.6%
of which:											
Administrative fees	0.2	0.2	0.6	-	-100.0%	-	-	-	-	-	-
Sales by market establishment	1 886.9	2 200.3	2 462.1	2 681.5	12.4%	84.2%	2 894.8	3 185.7	3 504.9	9.3%	88.6%
Other non-tax revenue	833.7	271.1	256.6	368.4	-23.8%	15.8%	383.1	398.4	414.4	4.0%	11.4%
Total revenue	2 720.8	2 471.5	2 719.3	3 049.9	3.9%	100.0%	3 277.9	3 584.1	3 919.3	8.7%	100.0%
Expenses											
Current expenses	1 353.3	2 544.1	2 118.6	2 175.2	17.1%	90.8%	2 719.7	2 997.8	3 250.5	14.3%	93.8%
Compensation of employees	78.8	79.8	113.2	136.0	20.0%	4.6%	144.3	152.8	162.0	6.0%	5.1%
Goods and services	1 269.6	2 459.4	1 990.3	2 023.1	16.8%	85.8%	2 553.7	2 822.9	3 066.7	14.9%	88.1%
Depreciation	5.0	4.9	15.2	16.1	48.0%	0.5%	21.8	22.1	21.8	10.7%	0.7%
Tax payment	342.3	(71.1)	267.9	195.5	-17.0%	9.2%	159.8	173.6	188.3	-1.2%	6.2%
Total expenses	1 695.6	2 472.9	2 386.5	2 370.7	11.8%	100.0%	2 879.5	3 171.4	3 438.9	13.2%	100.0%
Surplus/(Deficit)	1 025.2	(1.4)	332.8	679.2	-12.8%		398.4	412.6	480.4	-10.9%	
Cash flow statement											
Cash flow from operating activities	729.9	578.5	868.7	462.0	-14.1%	100.0%	671.7	684.4	658.0	12.5%	100.0%
Receipts											
Non-tax receipts	2 546.0	2 692.3	3 139.2	2 864.2	4.0%	100.0%	3 264.9	3 542.2	3 873.3	10.6%	100.0%
Sales of goods and services other than capital assets	2 075.5	2 179.5	2 456.1	2 560.2	7.2%	82.5%	2 852.9	3 152.5	3 468.4	10.7%	88.8%
Sales by market establishment	2 075.5	2 179.5	2 456.1	2 560.2	7.2%	82.5%	2 852.9	3 152.5	3 468.4	10.7%	88.8%
Other tax receipts	470.5	512.7	683.0	304.0	-13.5%	17.5%	412.0	389.7	404.9	10.0%	11.2%
Total receipts	2 546.0	2 692.3	3 139.2	2 864.2	4.0%	100.0%	3 264.9	3 542.2	3 873.3	10.6%	100.0%
Payment											
Current payments	1 536.1	2 063.2	2 102.2	2 030.3	9.7%	89.8%	2 559.0	2 709.8	3 033.3	14.3%	93.1%
Compensation of employees	58.2	91.6	95.5	136.0	32.7%	4.4%	117.3	149.3	168.3	7.4%	5.2%
Goods and services	1 477.9	1 971.7	2 006.6	1 894.3	8.6%	85.5%	2 441.7	2 560.5	2 865.0	14.8%	87.9%
Transfers and subsidies	0.2	1.1	2.4	2.0	106.4%	0.1%	2.3	2.4	2.5	7.9%	0.1%
Tax payment	279.8	49.4	166.0	369.9	9.7%	10.1%	31.9	145.6	179.6	-21.4%	6.8%
Total payments	1 816.1	2 113.7	2 270.5	2 402.2	9.8%	100.0%	2 593.2	2 857.8	3 215.3	10.2%	100.0%

Table 8.79 South African Special Risks Insurance Association statements of financial performance, cash flow and financial position

Statement of financial performance												
R million	Audited outcome				Revised estimate	Average growth rate (%)	Average Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2017/18	2018/19	2019/20	2020/21				2021/22	2022/23	2023/24		
Net cash flow from investing activities	(1 416.5)	1 642.9	(772.0)	(1 508.7)		2.1%	100.0%	(371.6)	(331.8)	(330.8)	-39.7%	100.0%
Acquisition of property, plant, equipment and intangible assets	(2.0)	–	(7.5)	(7.6)		55.0%	0.4%	(13.1)	(0.5)	(2.9)	-27.5%	1.3%
Acquisition of software and other intangible assets	(1.3)	(1.6)	(22.2)	(72.9)		284.6%	1.9%	(70.2)	(37.4)	(21.6)	-33.4%	10.4%
Proceeds from the sale of property, plant, equipment and intangible assets	0.1	(1.5)	–	–		-100.0%	–	–	–	–	–	–
Other flows from investing activities	(1 413.2)	1 646.1	(742.3)	(1 428.2)		0.4%	97.7%	(288.2)	(293.9)	(306.3)	-40.1%	88.4%
Net cash flow from financing activities	(163.0)	–	(7.2)	(102.3)		-14.4%	–	–	–	–	-100.0%	–
Other flows from financing activities	(163.0)	–	(7.2)	(102.3)		-14.4%	–	–	–	–	-100.0%	–
Net increase/(decrease) in cash and cash equivalents	(849.6)	2 221.5	89.5	(1 149.0)		10.6%	-1.2%	300.2	352.5	327.2	-165.8%	-4.4%
Statement of financial position												
Carrying value of assets	66.8	76.8	131.3	250.8		55.4%	1.4%	262.8	272.0	264.9	1.8%	2.5%
Acquisition of assets	(2.0)	–	(7.5)	(7.6)		55.0%	–	(13.1)	(0.5)	(2.9)	-27.5%	100.0%
Investments	5 769.5	3 842.1	4 190.4	5 618.6		-0.9%	55.5%	5 906.8	6 200.7	6 507.1	5.0%	57.2%
Receivables and prepayments	201.3	328.3	316.6	501.4		35.6%	3.8%	516.2	562.0	604.5	6.4%	5.2%
Cash and cash equivalents	1 940.8	4 162.2	4 251.7	3 102.7		16.9%	38.2%	3 402.9	3 755.5	4 082.7	9.6%	33.8%
Taxation	38.1	63.3	30.8	237.9		84.2%	1.0%	120.4	103.4	102.4	-24.5%	1.4%
Total assets	8 016.4	8 472.8	8 920.9	9 711.4		6.6%	100.0%	10 209.1	10 893.6	11 561.4	6.0%	100.0%
Accumulated surplus/(deficit)	6 097.1	6 625.4	6 958.2	7 535.1		7.3%	77.5%	7 933.6	8 376.7	8 857.1	5.5%	77.2%
Capital and reserves	529.7	–	–	–		-100.0%	1.7%	–	–	–	–	–
Deferred income	4.3	8.9	10.2	3.0		-11.9%	0.1%	5.3	6.5	7.1	34.2%	0.1%
Trade and other payables	1 274.2	73.2	84.5	170.8		-48.8%	4.9%	155.3	161.6	164.9	-1.2%	1.5%
Taxation	91.9	70.1	139.5	172.2		23.3%	1.3%	182.6	193.5	201.3	5.3%	1.8%
Provisions	19.2	1 695.2	1 728.5	1 830.2		357.0%	14.6%	1 932.4	2 155.3	2 331.1	8.4%	19.4%
Total equity and liabilities	8 016.4	8 472.8	8 920.9	9 711.4		6.6%	100.0%	10 209.1	10 893.6	11 561.4	6.0%	100.0%

Personnel information**Table 8.80 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 (%)				
		2019/20		2020/21		2021/22		2022/23		2023/24		2020/21 - 2023/24							
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			
147	147	140	113.2	0.8	147	136.0	0.9	144	144.3	1.0	144	152.8	1.1	144	162.0	1.1	6.0%	100.0%	
1–6	21	21	38	6.1	0.2	21	4.9	0.2	18	4.3	0.2	18	4.6	0.3	18	4.9	0.3	-0.1%	3.1%
7–10	67	67	61	31.4	0.5	67	37.3	0.6	69	53.8	0.8	69	57.0	0.8	69	60.4	0.9	17.5%	34.8%
11–12	32	32	22	38.1	1.7	32	35.2	1.1	31	24.5	0.8	31	26.0	0.8	31	27.5	0.9	-7.9%	19.2%
13–16	21	21	13	15.2	1.2	21	35.0	1.7	20	36.6	1.8	20	38.8	1.9	20	41.1	2.1	5.5%	25.5%
17–22	6	6	6	22.4	3.7	6	23.6	3.9	6	25.0	4.2	6	26.5	4.4	6	28.1	4.7	6.0%	17.3%

1. Rand million.