

treasury

Department:
Treasury
PROVINCE OF KWAZULU-NATAL

Estimates of Provincial Revenue and Expenditure 2014/15

Estimates of Provincial Revenue and Expenditure - 2014/15 PROVINCE OF KWAZULU-NATAL



PROVINCE OF KWAZULU-NATAL

**ESTIMATES
OF
PROVINCIAL REVENUE AND
EXPENDITURE**

2014/15

for the
financial year ending 31 March 2015

**Presented to Provincial Legislature
11 March 2014**

Quantity Printed 680

ISBN: 0-86967-351-3

To obtain further copies of this document, please contact:

Provincial Treasury
5th Floor
Treasury House
145 Chief Albert Luthuli Road
3201
P.O. Box 3613
Pietermaritzburg
3200
Tel: +27 (0) 33 – 897 4310
Fax: +27 (0) 33 – 897 4617

FOREWORD

The 2013/14 Medium Term Expenditure Framework (MTEF) was characterised by severe equitable share reductions for the Province of KwaZulu-Natal which, in total, amounted to R5.686 billion for the three MTEF years. This was mainly due to the decline in the population growth rate of the province as per the findings of the 2011 national Census. Despite these reductions, the equitable share of the province continues to grow, *albeit* at a slower rate than it would have without the reductions. The equitable share grows from R78.138 billion in 2014/15 to R87.887 billion in the outer year of the MTEF. Conditional grants decrease from R15.941 billion in 2014/15 to R15.399 billion in 2016/17. Provincial own receipts show consistent growth from R2.784 billion in 2014/15 to R3.189 billion in the outer year. Adding all these revenue sources up, results in a total Fiscal Framework baseline of R96.864 billion in 2014/15, R103.665 billion in 2015/16 and R106.475 billion in 2016/17. Who would have thought that KwaZulu-Natal's budget would reach R100 billion? I feel honoured to see this milestone.

In the 2014/15 MTEF, the province continues to set aside a Contingency Reserve of R707.636 million, R1.288 billion and R1.022 billion over the three years. The rationale for having a Contingency Reserve in our budget is that it will cushion the province when the buffer funding that was allocated by National Treasury in the 2013/14 MTEF falls away in 2016/17. This buffer funding was allocated to mitigate the impact of a reduction in the provincial equitable share which I alluded to earlier. At that stage, the province will lose in excess of R1 billion. With the Contingency Reserve on hand, the province can minimise this fiscal "cliff".

Over the 2014/15 MTEF, the province will continue to exercise fiscal discipline through the implementation of fiscal austerity measures that were approved in 2009, as well as the cost containment measures recently issued by National Treasury. These measures have been instrumental in ensuring fiscal stability in KwaZulu-Natal. Those who follow the provincial budgets closely will recall that KwaZulu-Natal was in deficit of some R3 billion in 2009. With the implementation of these measures, the province managed to pull out of this deficit position and is now cash positive.

It is my honour to present the *Estimates of Provincial Revenue and Expenditure (EPRE)* 2014/15 which gives details of the provincial fiscal framework to the people of KwaZulu-Natal and beyond. These estimates are presented in two parts, the first being aggregates of revenue and expenditure, including the budget strategy adopted and the fiscal framework in general. Part two provides a detailed account of budget allocations per department. These estimates provide an opportunity for the citizens to hold the provincial departments and public entities accountable for the public funds they spend.



S'miso Les Magagula

Head: KwaZulu-Natal Provincial Treasury

CONTENTS

FOREWORD	i
CONTENTS	iii
LIST OF ANNEXURES	v
LIST OF ABBREVIATIONS	vii

OVERVIEW OF PROVINCIAL REVENUE AND EXPENDITURE

1.	Socio-economic Outlook	1
2.	Summary of Budget Aggregates and Financing	15
3.	Budget Process and Medium Term Expenditure Framework	21
4.	Receipts	31
5.	Payments	51
6.	Measuring Performance in Government	89

ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE

Departmental Estimates

Vote 1:	Office of the Premier	1
Vote 2:	Provincial Legislature	43
Vote 3:	Agriculture, Environmental Affairs and Rural Development	73
Vote 4:	Economic Development and Tourism	139
Vote 5:	Education	209
Vote 6:	Provincial Treasury	267
Vote 7:	Health	311
Vote 8:	Human Settlements	377
Vote 9:	Community Safety and Liaison	421
Vote 10:	The Royal Household	447
Vote 11:	Co-operative Governance and Traditional Affairs	475
Vote 12:	Transport	531
Vote 13:	Social Development	573
Vote 14:	Public Works	617
Vote 15:	Arts and Culture	653
Vote 16:	Sport and Recreation	699

LIST OF ANNEXURES

Overview of Provincial Revenue and Expenditure	91
Estimates of Provincial Revenue and Expenditure	
Vote 1: Office of the Premier	33
Vote 2: Provincial Legislature	67
Vote 3: Agriculture, Environmental Affairs and Rural Development	109
Vote 4: Economic Development and Tourism	187
Vote 5: Education	251
Vote 6: Provincial Treasury	303
Vote 7: Health	359
Vote 8: Human Settlements	407
Vote 9: Community Safety and Liaison	441
Vote 10: The Royal Household	467
Vote 11: Co-operative Governance and Traditional Affairs	515
Vote 12: Transport	563
Vote 13: Social Development	607
Vote 14: Public Works	643
Vote 15: Arts and Culture	687
Vote 16: Sport and Recreation	725

LIST OF ABBREVIATIONS

Abbreviation	Full description
AAIM	Anti-Addiction in Medicine
AARTO	Administrative Adjudication of Road Traffic Offences
ABET	Adult Basic Education and Training
ADA	Agri-business Development Agency
AEPRE	Adjustments Estimate of Provincial Revenue and Expenditure
AET	Adult Education and Training
AFCON	Africa Cup of Nations
AFS	Annual Financial Statements
AFMS	Application Filing Management System
A-G	Auditor-General
ANA	Annual National Assessments
ANC	African National Congress
AOP	Annual Oversight Plan
APAC	Association of Public Accounts Committee
APP	Annual Performance Plan
ARRUP	African Renaissance Roads Upgrading Programme
ART	Anti-retroviral Therapy
ARV	Anti-retroviral
BAS	Basic Accounting System
B-BBEE	Broad-Based Black Economic Empowerment
BCP	Business Continuity Plan
BIS	Business Intelligence System
BPM	Business Process Mapping
BPO	Business Process Outsourcing
BRICS	Brazil, Russia, India, China and South Africa
C-AMP	Custodian-Asset Management Plan
CAPS	Curriculum and Assessment Policy Statements
CARA	Conservation of Agricultural Resources Act
CASP	Comprehensive Agricultural Support Programme
CCGs	Community Care-Givers
CCMA	Commission for Conciliation, Mediation and Arbitration
CBD	Central Business District
CD	Compact Disk
CDC	Community Day Centre
CDW	Community Development Worker
CEDI	Community Economic Development Initiatives
CEO	Chief Executive Officer
CETA	Construction Education Training Authority
CFO	Chief Financial Officer
CHC	Community Health Centre
CIDB	Construction Industry Development Board
CIP	Compulsory Induction Programme
CiDP	Communities-in-Dialogue Programme
COGTA	Co-operative Governance and Traditional Affairs
COHOD	Committee of Heads of Departments
COIDA	Compensation of Injuries and Diseases' Act
COP	Conference of Parties
CNBC	Consumer News and Business Channel
CMP	Contract Management Project
CPA	Commonwealth Parliamentary Association
CPD	Corporate for Public Deposit
CPF	Community Policing Forum
CPI	Consumer Price Index
CRG	Capital Restructuring Grant
CRU	Community Residential Unit
CSC	Community Service Centre

List of Abbreviations

Abbreviation	Full description
CSIR	Council for Scientific Industrial Research
CTA	Common Task for Assessment
CYCC	Child and Youth Care Centres
CYCW	Child and Youth Care Workers
CWP	Community Work Programme
DAC	Department of Arts and Culture
DAEARD	Department of Agriculture, Environmental Affairs and Rural Development
DAFF	Department of Agriculture, Forestry and Fisheries
DBSA	Development Bank of South Africa
DBE	Department of Basic Education
DCSL	Department of Community Safety and Liaison
DDMC	District Disaster Management Centre
DEDT	Department of Economic Development and Tourism
DHET	Department of Higher Education and Training
HSDG	Human Settlements Development Grant
DH	District Houses
DIS	Development Information Services
DISSA	Disability Sport South Africa
DOE	Department of Education
DOH	Department of Health
DOHS	Department of Human Settlements
DOPW	Department of Public Works
DORA	Division of Revenue Act
DOSR	Department of Sport and Recreation
DOT	Department of Transport
DPSA	Department of Public Service and Administration
DPSS	Development Planning Shared Services
DRDLR	Department of Rural Development and Land Reform
DRP	Disaster Recovery Plan
DRM	Disaster Risk Management
DSD	Department of Social Development
DTI	Department of Trade and Industry
DTPC	Dube Tradeport Corporation
DVA	Domestic Violence Act
DWAF	Department of Water Affairs
EAP	Economically Active Population
EC	Eastern Cape
ECD	Early Childhood Development
ECM	Enterprise Content Management
EEDBS	Extended Enhanced Discount Benefit Scheme
EGD	Engineering, Graphics and Design
EIA	Environmental Impact Assessment
EKZNW	Ezemvelo KZN Wildlife
ELRC	Education Labour Relations Council
EMF	Environmental Management Framework
EMIS	Education Management Information System
EMS	Emergency Medical Services
EPHP	Enhanced People's Housing Process
EPRE	Estimates of Provincial Revenue and Expenditure
EPWP	Expanded Public Works Programme
ERP	Enterprise Resource Planning
ESID	Economic Sector and Infrastructure Development
ETDP	Education, Training and Development Practice
EU	European Union
EXCO	Executive Committee
FBO	Faith Based Organisation
FBS	Free Basic Services
FET	Further Education and Training
FETC	Further Education and Training College
FFC	Financial and Fiscal Commission
FFW	Food For Waste

Abbreviation	Full description
FLISP	Finance Linked Individual Subsidy Programme
FPC	Finance Portfolio Committee
FS	Free State
FTE	Full-time Equivalent
GAMS	General Algebraic Modeling System
GDCSC	Gender, Disability, Children and Senior Citizens
GBS	General Budget Support
GDP	Gross Domestic Product
GEMS	Government Employees Medical Scheme
GEPF	Government Employees Pension Fund
GET	General Education and Training
GHS	General Household Survey
GIAMA	Government Immoveable Asset Management Act
GIS	Geographical Information System
GP	Gauteng Province
GRAP	Generally Recognised Accounting Practice
GROW	Guiding Recovery of Women
HCBC	Home/Community-Based Care
HDI	Human Development Index
HIV and AIDS	Human Immuno-deficiency Virus and Acquired Immuno Deficiency Syndrome
HOD	Head of Department
HR	Human Resource
HPV	Human papilloma virus
HSDG	Human Settlements Development grant
HWSETA	Health and Welfare Sector Education Training Authority
IA	Implementing Agent
IALCH	Inkosi Albert Luthuli Central Hospital
IASP	Invasive Alien Species Programme
ICC	International Convention Centre
ICD	Independent Complaints Directorate
ICH	Integrated Craft Hubs
ICT	Information Communication Technology
ICU	Intensive Care Unit
IDA	Inter-departmental account
IDIP	Infrastructure Delivery Improvement Programme
IDMS	Infrastructure Delivery Management System
IDP	Integrated Development Plan
IDRMS	Integrated Document and Records Management System
IDS	Industrial Development Strategy
IDT	Independent Development Trust
IEC	Independent Electoral Commission
IES	Income and Expenditure Survey
IFMS	Information Financial Management System
IGCC	Inter-Governmental Cash Co-ordination
IGR	Inter-Governmental Relations
IMCI	Integrated Management of Childhood Illnesses
IMDP	Integrated Master Development Plan
IMF	International Monetary Fund
IOC	International Olympics Committee
IPTNs	Integrated Public Transport Networks
ISDM	Infrastructure Service Delivery Model
IT	Information Technology
ITB	Ingonyama Trust Board
IWMP	Integrated Waste Management Plan
IYDS	Integrated Youth and Development Strategy
IYM	In-Year Monitoring
JCPS	Justice Crime Prevention Strategy
JE	Job Evaluation
KIAS	KZN Integrated Archibus System
KSIA	King Shaka International Airport
KWANALU	KwaZulu-Natal Agricultural Union

List of Abbreviations

Abbreviation	Full description
KZN	KwaZulu-Natal
KZNCCPA	KwaZulu-Natal Community Crime Prevention Association
KZNGBB	KwaZulu-Natal Gaming and Betting Board
KZNMERA	KwaZulu-Natal Monitoring, Evaluation and Research Association
KZNLA	KwaZulu-Natal Liquor Authority
KZNSB	KwaZulu-Natal Sharks Board
L:E	Learner: Educator
LA	Legislative Assembly
LAP	Local Area Planning
LCF	Local Competitiveness Fund
LED	Local Economic Development
LG	Local Government
LGTAS	Local Government Turn-Around Strategy
LHs	Local Houses
LIV	<i>Lungisisa Indlela</i> Village
LP	Limpopo
LTSM	Learner Teacher Support Material
LUMS	Land Use Management Strategy
LUWM	Lower Umfolozi War Memorial (Hospital)
MAP	Management Assistance Programme
MBAT	Municipal Bid Appeals Tribunal
MBRR	Municipal Budget and Reporting Relations
MCA	Municipal Capacity Assessment
MCOE	Maritime Centre of Excellence
MDB	Municipal Demarcation Board
MDG	Millennium Development Goal
MDP	Municipal Development Programme
MDR	Multi-Drug Resistant
MDR/XDR	Multi-Drug Resistant/Extreme Drug Resistant
MEC	Member of Executive Council
MERSETA	Manufacturing, Engineering and Related Services Sector Education and Training Authority
MFMA	Municipal Finance Management Act
MIG	Municipal Infrastructure Grant
MK	Umkhonto weSizwe
MKI	Moses Kotane Institute
MinComBud	Ministers' Committee on the Budget
MIS	Municipal Information System
MNC&WH	Maternal, Neo-natal Child, and Women's Health
MOA	Memorandum of Agreement
MOU	Memorandum of Understanding
MP	Mpumalanga Province
MPAC	Municipal Public Accounts Committee
MPCC	Multi-Purpose Community Centre
MPL	Member of Provincial Legislature
MPRA	Municipal Property Rates Act
MPSD	Mass Participation and Sport Development
MRO	Maintenance Repair and Overhaul
MSA	Municipal Structures Act
MSP	Municipal Support Programme
MST	Mathematics, Science and Technology
MTAS	Municipal Turn-Around Strategies
MTEC	Medium-Term Expenditure Committee
MTEF	Medium-Term Expenditure Framework
MTSF	Medium-Term Strategic Framework
MTV	Music Television
MYHDP	Multi-year Housing Development Plan
N3TC	N3 Toll Concession
NATED	National Education
NC	Northern Cape
NCNC	Non-compensation non-capital
NC(V)	National Certificate (Vocational)

Abbreviation	Full description
NCOP	National Council of Provinces
NCS	National Curriculum Statement
NDA	National Development Agency
NDOH	National Department of Health
NDHS	National Department of Human Settlements
NDOPW	National Department of Public Works
NDMC	National Disaster Management Centre
NDOSR	National Department of Sport and Recreation
NDOT	National Department of Transport
NDP	National Development Plan
NEPA	National Education Policy Act
NGO	Non-government Organisation
NHBRC	National Home Builders Registration Council
NHFC	National Housing Finance Corporation
NHI	National Health Insurance
NHLS	National Health Laboratory Service
NHS	National Health System
NIP	National Integrated Plan
NPOs	Non-profit Organisations
NRS	Non-Repudiation System
NSC	National Senior Certificate
NSF	National Skills Fund
NSNP	National School Nutrition Programme
NSRP	National Sport and Recreation Plan
NT	National Treasury
NTSG	National Tertiary Services grant
NTSS	National Tourism Sector Strategy
NUFFIC	Netherlands Organisation for International Co-operation in Higher Education
NW	North West
NYSP	National Youth Service Programme
OHS	Occupational Health and Safety
OPD	Out-Patients Department
OPMS	Organisational Performance Management System
OPRE	Overview of Provincial Revenue and Expenditure
OSD	Occupational Specific Dispensation
OSS	Operation <i>Sukuma Sakhe</i>
OTP	Office of the Premier
OVC	Orphans and Vulnerable Children
PAC	Planning Africa Conference
PAES	Protected Area Expansion Strategy
PAIA	Promotion of Access to Information Act
PAJA	Promotion of Administrative Justice Act
PALC	Public Adult Learning Centre
PARMED	Parliamentary Medical Aid
PAYE	Pay as you earn
PBS	Performance Budgeting System
PCR	Polymerase Chain Reaction
PCV	Pneumococcal Vaccine
PDA	Planning and Development Act
PDE	Patient-day Equivalent
PDMC	Provincial Disaster Management Centre
PDMP	Provincial Disaster Management Plan
PEPFAR	President's Emergency Plan for AIDS Relief
PERSAL	Personnel and Salary system
PES	Provincial Equitable Share
PFMA	Public Finance Management Act
PGDP	Provincial Growth and Development Plan
PGDS	Provincial Growth and Development Strategy
PHP	Private Hospital Patient
PHC	Primary Health Care
PIA	Provincial Immovable Assets

List of Abbreviations

Abbreviation	Full description
PICC	Presidential Infrastructure Co-ordinating Committee
PICT	Provincial Information Communication Technology
PIJF	Provincial Integrated Justice Forum
PILIR	Policy on Incapacity Leave and Ill Health Retirement
PIP	Provincial Infrastructure Plan
PL	Provincial Legislature
Pmb	Pietermaritzburg
PMG	Pay Master-General
PMS	Performance Management System
PMU	Project Management Unit
PPC	Provincial Planning Commission
PPDC	Provincial Planning and Development Commission
PPP	Public Private Partnership
PPPFA	Preferential Procurement Policy Framework Act
PREMIS	Professional Real Estate Management Information System
PRF	Provincial Revenue Fund
PSCBC	Public Service Co-ordinating Bargaining Council
PSEDS	Provincial Spatial Economic Development Strategy
PSETA	Public Sector Education and Training Authority
PSP	Professional Service Provider
PT	Provincial Treasury
PTB	Pulmonary Tuberculosis
PTOG	Public Transport Operations Grant
Pty (Ltd)	Propriety (Limited)
PVAs	Public Viewing Areas
PWC	PriceWaterhouseCoopers
QPR	Quarterly Performance Report
RAF	Road Accident Fund
RAMS	Road Asset Management System
RBIDZ	Richards Bay Industrial Development Zone
RFID	Radio Frequency Identification
RHH	Royal Household
RHT	Royal Household Trust
ROD	Record of Decision
RNCS	Revised National Curriculum Statement
RRTF	Rural Road Transport Forum
RV	Rota Virus
RWOPS	Remuneration for Work Outside Public Service
SA	South Africa
SAAMBR	SA Association for Marine Biological Research
SACE	South African Council for Educators
SACPLAN	South African Council for Planners
SADC	South African Development Community
SADT	South African Development Trust
SAFA	South African Football Association
SAICA	South African Institute of Chartered Accountants
SALGA	South African Local Government Association
SAMTRA	South African Maritime Training Academy
SAMSA	South African Maritime Safety Authority
SANCA	South African National Council of Alcoholism
SANDF	South African National Defence Force
SANRAL	South African National Roads Agency Limited
SAP	Systems, Applications and Products
SAPI	South African Planning Institute
SAPS	South African Police Service
SAQA	South African Qualifications Authority
SARS	South African Revenue Service
SAS	Statistical Analysis Software
SAMA	South African Museum Association
SASA	South African Schools Act
SA-SAMS	South African-Schools Administration Management System

Abbreviation	Full description
SASSA	South African Social Security Agency
SATMA	South African Traditional Music Awards
SBDA	Small Business Development Agency
SCM	Supply Chain Management
SCOA	Standard Chart of Accounts
SCOPA	Standing Committee on Public Accounts
SDF	Spatial Development Framework
SEA	Strategic Environment Assessment
SECO	Swiss Economic Co-operation Affairs Department
SETA	Sector Education Training Authority
SERO	Socio-economic Review Outlook
SEZ	Special Economic Zones
SHIs	Social Housing Institutions
SHRA	Social Housing Regulatory Authority
SITA	State Information Technology Agency
SIPs	Strategic Infrastructure Projects
SIPS	Strategic Infrastructure Programmes
SIU	Special Investigation Unit
SLA	Service Level Agreement
SLIMS	SITA Library Information Management System
SMME	Small Medium and Micro Enterprise
SP	Strategic Plan
SPCA	Society for the Prevention of Cruelty Against Animals
STI	Sexually Transmitted Infection
STP	Service Transformation Plan
TAs	Transaction Advisors
TAC	Traditional Administrative Centre
TAFI	Travel Agencies Federation of India
TADA	Teenagers Against Drug Abuse
TB	Tuberculosis
TC	Traditional Council
THETA	Tourism, Hospitality, Sport, Education and Training Authority
TETA	Transport Education and Training Authority
TIK	Trade and Investment KwaZulu-Natal
TKZN	KwaZulu-Natal Tourism Authority
TLTP	Taking Legislature to the People
TSCs	<i>Thusong</i> Service Centres
TV	Television
U-AMP	User-Asset Management Plan
UAP	Universal Access Plan
UCT	University of Cape Town
UISP	Upgrade of Informal Settlements Programme
UK	United Kingdom
UKZN	University of KwaZulu-Natal
UN	United Nations
UPFS	Uniform Patient Fee Structure
USA	United States of America
USDG	Urban Settlement Development Grant
USSA	University Sport South Africa
VECA	Vukuzakhe Emerging Contractors Association
VEP	Victim Empowerment Programme
VSCPP	Volunteer Social Crime Prevention Programme
WC	Western Cape
WESSA	Wildlife and Environmental Society of South Africa
WHO	World Health Organisation
WSA	Water Services Authority
XDR	Extreme Drug Resistance

List of Abbreviations

Zulu words	English translation
<i>Amabutho (pl.)</i>	A group of traditional warriors (regiment)
<i>Amadelakufa</i>	Stalwarts
<i>Amaganu</i>	Amarula
<i>Amafa</i>	Heritage
<i>Amakhosi (pl.)</i>	Traditional leaders or chiefs
<i>Amazwi abesifazane</i>	Voices of women
<i>Ezomnotho</i>	Economic affairs (DEDT Publication)
<i>Hlasela</i>	Invalidate
<i>Isibindi</i>	Courage
<i>Isigodi</i>	A village within a tribal authority
<i>Izizwe</i>	Nations
<i>I(zi)mbizo</i>	Public meeting(s) called by government involving a large number of people
<i>I(zi)nduna (pl.)</i>	Traditional leaders
<i>Ifihlile</i>	Hidden
<i>Imizi yeSizwe</i>	Houses for <i>Amakhosi</i>
<i>Induku</i>	Stick fighting
<i>Indaba</i>	Forum
<i>Ingqathu</i>	Rope skipping
<i>Izandla Ziyagezana</i>	People helping one another
<i>Khuz'umhlola</i>	Condemning shameful behavior
<i>Lungisisa Indlela</i>	Prepare the way
<i>Lwisana Nobugebengu</i>	Fight against crime
<i>Masifundisane</i>	Let's teach each other
<i>Omama bezintombi</i>	Mothers of maidens
<i>Ondlunkulu</i>	Traditional leaders' or chiefs' wives
<i>Sakhisizwe</i>	Building a nation
<i>S'fundisimvelo</i>	We are teaching about nature
<i>S'hamba Sonke</i>	Moving together
<i>Simama</i>	Growth
<i>Siyadlala</i>	We are playing
<i>Sukuma Sakhe</i>	Stand up and build
<i>Thathulwazi</i>	Gaining knowledge
<i>Ubukhosi</i>	Kingship
<i>Ukuthwala</i>	Abduction of a maiden (traditional practice)
<i>Umbimbi</i>	A coalition of people working towards the same goal
<i>Umkhonto weSizwe</i>	The spear of the nation
<i>Umkhosi wezithungo</i>	Ritual information sharing session
<i>Umkhosi woselwa</i>	First fruit ceremony
<i>Umlabalaba</i>	Board game
<i>Unembeza</i>	Conscience
<i>Vulindlela</i>	Open the way
<i>Vukuzakhe</i>	Wake up and build
<i>Vuselela</i>	Restore
<i>Zibambele</i>	Do it yourself
<i>Zimele</i>	Stand up for yourself

**OVERVIEW
OF
PROVINCIAL REVENUE
AND
EXPENDITURE**

1. SOCIO-ECONOMIC OUTLOOK

1.1. Introduction

The South African economy has not yet fully recovered since the global recession of 2008/09. The growth level in 2013 is estimated to be far less than that of 2012 and the preceding years up to the year 2000. Statistics South Africa (Stats SA) (2013)¹, estimates the 2012 economic growth rate at 2.5 per cent and the projection by National Treasury (2013)² is 2 per cent and 2.9 per cent for 2013 and 2014, respectively. These low projections are partly as a result of the labour unrest that took place in 2012 and 2013. Most of these unrests occurred in the province of Gauteng, which is the economic engine of the country as it contributes 36.1 per cent of the national real gross domestic product (GDP).

KZN is the second most populous province after Gauteng as depicted in section 1.2 below. However, the province is dominated by a low proportion of the economically active population. Consequently, the dependency ratio in the province is more than 50 per cent, thus resulting in higher social wages compared to other provinces. For instance, the number of grant beneficiaries in 2013 was 3 705 202 which is more than a third of the province's population. The population is also provided with basic services such as water, electricity, refuse removal and sanitation.

Similar to other provinces, KZN is faced with a high unemployment rate of more than 40 per cent, according to the broad definition of unemployment, particularly among women. The province has the lowest rate of unemployment by the strict definition as many potential employees have given up looking for employment.

The achievement of a 77.4 per cent matric pass rate in 2013 and a literacy rate of 77.2 per cent in 2012 is a step in the right direction. Although there is an improvement in the pass rate, the province and the country still need to perform better in key subjects like mathematics and science. It is impressive that government has formulated a policy document, titled, *Action plan to implement 2014*. This plan aims to improve the country's education system by refining the quality of teaching, tracking progress through regular assessments, improving early childhood development and creating a system in which teachers, students and parents are held accountable. Access to health has also improved significantly and, as a result, the transmission of HIV and AIDS from mother to child has decreased tremendously. However, challenges still remain in the province.

The increase in the crime rate in KZN is still a challenge. This is evident in the cases of murder, burglary, theft of motor vehicles, truck hijacking, kidnapping and child abuse. The province therefore needs to intensify the implementation of crime prevention strategies.

1.2 Demographic profile

1.2.1 South African population

The South African population comprises diverse origins, cultures and religions. According to Stats SA (2013), the national population increased from 44.8 million in 2001 to 53 million in 2013. The population of the country is vastly spread across nine provinces, namely the Western Cape (WC), Eastern Cape (EC), Northern Cape (NC), Free State (FS), KwaZulu-Natal (KZN), North West (NW), Gauteng (GP), Mpumalanga (MP) and Limpopo (LP). The most populous provinces are GP (12.7 million) and KZN (10.5 million) which, when combined, constituted 43.8 per cent of the national population in 2013 (Table 1.1).

¹ Stats SA (26 November 2013): Gross domestic product, Annual estimates 2003-2012, Regional estimates 2003-2012, Third quarter 2013, Statistical release no P0441 available at statssa.gov.za, accessed 27 November 2013.

² National Treasury (23 October 2013), Medium Term Budget Policy Statement, Republic of South Africa, available from www.treasury.gov.za, accessed on the 23 October 2013.

Table 1.1 : South African population by province in 1996, 2001 and 2013

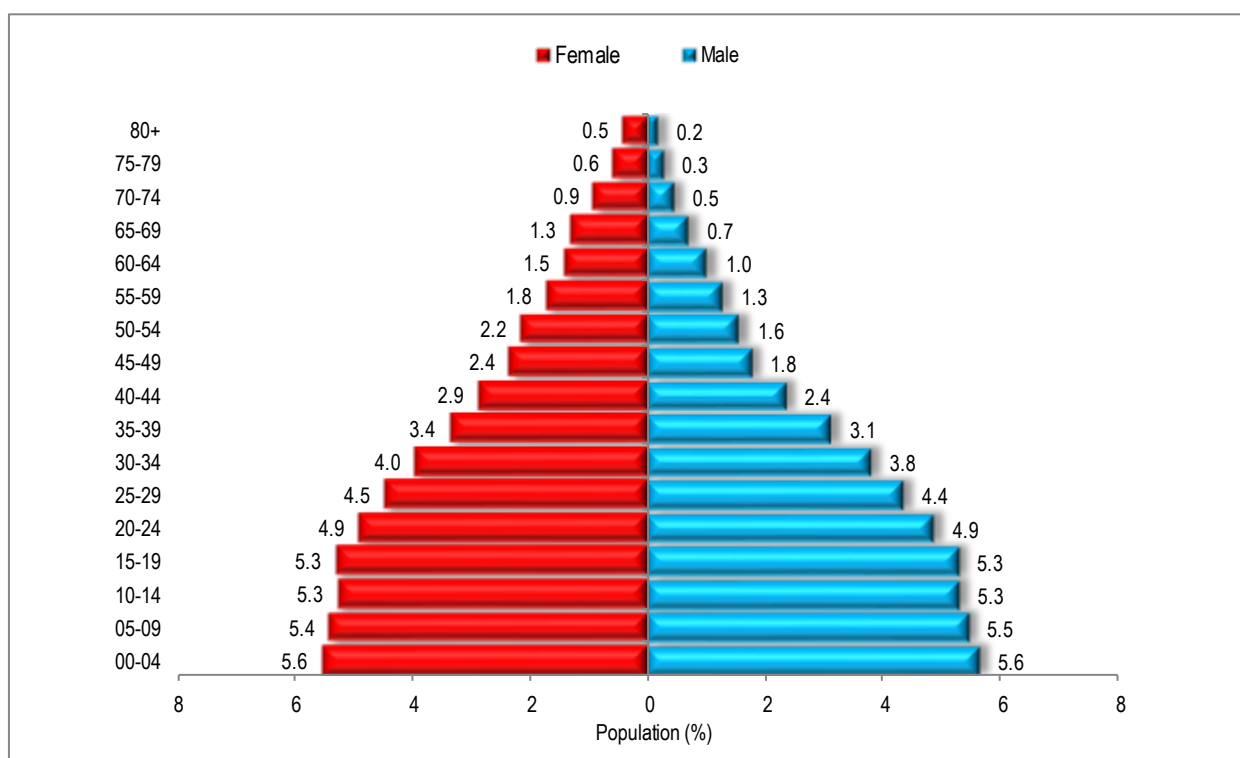
Province	1996		2001		2013	
	Population	% Share of national population	Population	% Share of national population	Population	% Share of national population
Eastern Cape	6 302 525	15.5	6 436 763	14.4	6 620 137	12.5
Free State	2 633 504	6.5	2 706 775	6.0	2 753 142	5.2
Gauteng	7 348 423	18.1	8 837 178	19.7	12 728 438	24.0
KwaZulu-Natal	8 417 021	20.7	9 426 017	21.0	10 456 907	19.7
Limpopo	4 929 368	12.1	5 273 642	11.8	5 517 968	10.4
Mpumalanga	2 800 711	6.9	3 122 990	7.0	4 127 970	7.8
Northern Cape	840 321	2.1	822 727	1.8	1 162 914	2.2
North West	3 354 825	8.3	3 669 349	8.2	3 597 589	6.8
Western Cape	3 956 875	9.7	4 524 335	10.1	6 016 926	11.4
South Africa	40 583 573	100.0	44 819 776	100.0	52 981 991	100.0

1.2.1.1 Population distribution by age and gender

Figure 1.1 represents the population distribution for KZN in 2013.

It can be seen in the graph that from age cohort 00-04 to 20-24, the proportion of the female population is almost similar to their male counterparts. However, from age 25 and above, the proportion of female population is greater than that of their male counterparts. This might be due to factors such as the migration patterns.

Figure 1.1 : Population distribution by age and gender, 2013



Source: Stats SA, 2013

The age group 00-04 makes up the largest share of the population, estimated at 11.2 per cent in the province. This is due to the high fertility rate and the effective implementation of the government policy aimed at reducing mother to child transmission of HIV and AIDS. The total provincial dependent population is estimated at 3 942 718, while the economically active population is estimated at 6 514 192. This translates to a high dependency ratio³ of 60.5 per cent. It has to be noted that the dependency ratio is

³ Dependency Ratio = $\frac{[(\text{Number of people under the age of 15}) + (\text{Number of People over the age of 64})]}{(\text{Number of people between the age of 15 and 64})} \times 100 = \frac{(3\,942\,718/6\,514\,192)}{1} \times 100 = 60.5$ per cent.

not totally reflective of the situation in the economy, since some people in the economically active population are not actively involved in the labour market.

1.3 KwaZulu-Natal economic review and outlook

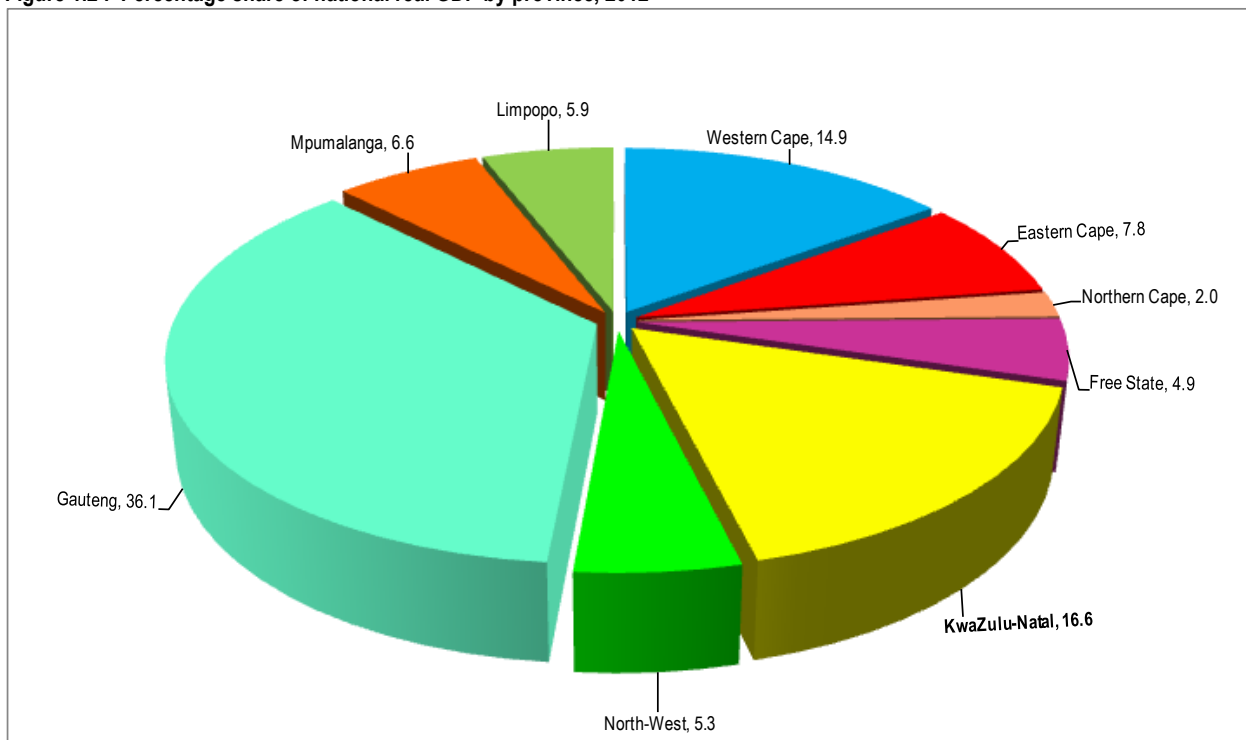
1.3.1 Provincial economic performance

The real GDP of KZN was estimated at R322.2 billion in 2012, thus making the province one of the key regions in the South African economy. This GDP contribution translates to 16.6 per cent of the national output.

Although KZN’s GDP contribution is significantly less than GP’s average of 36.1 per cent, it is slightly higher than that of the WC (14.9 per cent).

It must be noted that 65.1 per cent of KZN’s GDP was generated in the eThekweni Metro in 2012. This meant that the Metro was a key economic hub of KZN and a major international trade centre in South Africa (Figure 1.2).

Figure 1.2 : Percentage share of national real GDP by province, 2012



Source: Global Insight, 2013

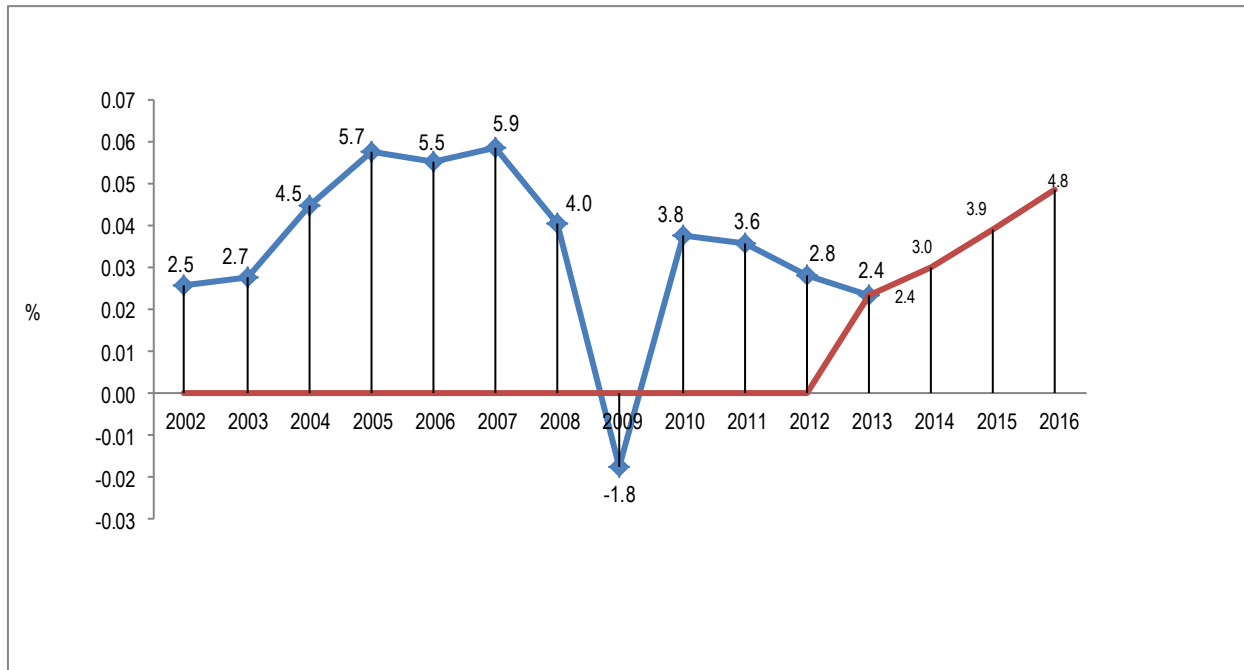
1.3.2 Provincial economic growth rate

The provincial economic performance increased robustly over the 2002 to 2008 period, and recorded an average annual growth rate of 4.7 per cent. This growth rate was, however, abruptly interrupted and plummeted to negative 1.8 per cent in 2009 due to the global financial crisis.

Moderate growth resumed during 2010, *albeit* at a slow pace, with the provincial economy recording growth rates of 3.8 per cent, 3.6 per cent and 2.8 per cent during 2010, 2011 and 2012, respectively.

The provincial economy is anticipated to have grown by 2.4 per cent in 2013 and projected to reach 3 per cent in 2014 and reaching 4.8 per cent in 2016 (Figure 1.3).

Figure 1.3 : KZN economic growth rate, 2002 to 2016

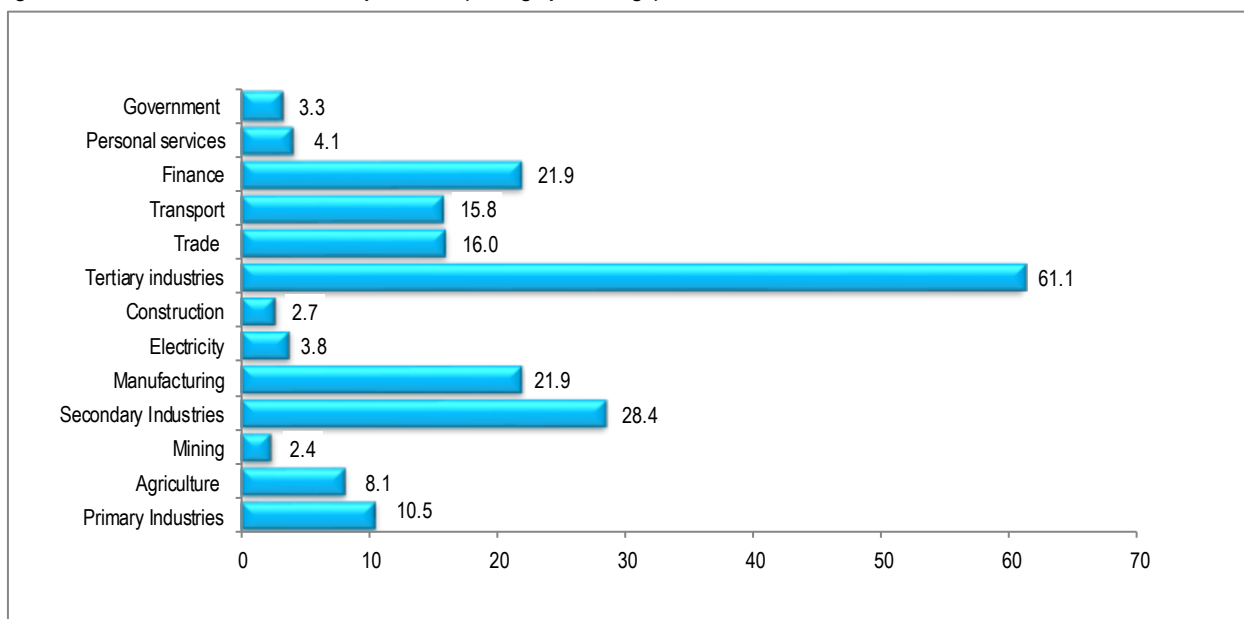


Source: Global Insight, 2013

1.3.3 Sector performance analysis

Figure 1.4 provides a review of each sector’s contribution to the provincial real GDP for the period 2002 to 2012. It is evident from the figure that the economy of the province was driven largely by the manufacturing and finance sectors, each contributing 21.9 per cent. Trade (16 per cent) and Transport (15.8 per cent) were also significant drivers of the provincial economy. Mining and Construction were the least contributing sectors in the provincial economy at 2.4 per cent and 2.7 per cent, respectively.

Figure 1.4 : Sector contribution to the provincial (average percentage), 2002 to 2012



Source: Global Insight, 2013

Note that the bars representing Primary, Secondary and Tertiary industries are totals of the sectors making up the industry, for example, Mining and Agriculture combine to make up the total for Primary Industries.

1.4 Provincial labour market

1.4.1 Employment

Despite the volatility in the South African labour market, which was evident between quarters two and three of 2013, the number of employed persons increased by 308 000 while the number of unemployed persons decreased by 114 000. This resulted in an increase of 194 000 persons employed. The formal sector and private households contributed positively to the increase in employment by 314 000 and 39 000, respectively. In contrast, there was a decline in employment in the informal sector (39 000 persons) and in Agriculture (6 000 persons). The population that is not economically active decreased by 82 000 persons, largely as a result of the decline in the discouraged work-seekers (125 000), while the not economically active group increased by 43 000 (Stats SA, 2013)⁴.

1.4.2 Employment by sector

Table 1.2 presents the number of jobs gained or lost in SA and KZN over the period 2002 to 2012. The table shows that employment in agriculture declined considerably, both nationally and provincially over the period under review. Over the same period, an estimated 141 087 and 11 689 jobs were lost nationally and provincially, respectively. Most of the jobs that were lost emanated from the agricultural sector, especially the hunting, forestry and logging sub-sectors.

In the same period, the mining sector experienced considerable growth in employment and added about 7 163 jobs in the province. This was mainly due to an increase in the mining ore sub-sector. Ironically, production in the mining sector declined, despite employment numbers being on an increasing trajectory.

Employment in the primary sector also declined, largely driven by the overwhelming number of jobs lost in the agricultural sector. Government was the largest employer with an estimated 39.7 per cent of new jobs created over the period under consideration.

Table 1.2 : Number of jobs gained/lost nationally and in KZN - (2002-2012)

Sector	National	KZN	eThekweni	Ugu	uMgungundlovu	Uthukela	Umzinyathi	Amajuba	Zululand	Umkhanyakude	uThungulu	Ilembke	Sisonke
Primary	-28 165	-4 526	-728	-1 153	-2 337	-351	-558	372	-52	-445	3 067	-1 228	-1 113
Agriculture	-141 087	-11 689	-891	-1 473	-2 519	-396	-609	-326	-843	-637	-1 563	-1 329	-1 102
Mining	112 922	7 163	163	320	182	45	51	697	791	192	4 629	101	-10
Secondary	227 278	29 771	20 952	1 184	2 655	-689	72	-361	246	217	-308	5 445	358
Manufacturing	62 638	9 206	6 317	237	977	-1 168	-48	-684	27	132	-1 266	4 539	144
Electricity	-2 517	535	255	5	146	20	8	42	14	3	23	11	9
Construction	167 157	20 030	14 381	943	1 531	459	112	281	205	82	935	896	205
Tertiary	2 000 407	329 949	199 679	14 664	40 794	10 505	5 367	10 973	10 745	5 359	14 753	10 590	6 521
Trade	465 066	58 496	42 278	3 312	5 016	1 470	274	908	444	160	1 447	2 287	899
Transport	85 669	18 282	14 116	488	1 298	508	88	203	139	43	454	826	118
Finance	583 877	77 238	57 007	2 663	7 922	1 483	309	1 431	684	277	2 524	2 514	425
Community service	738 781	140 975	68 940	6 115	20 879	5 738	3 890	6 704	7 974	4 340	8 565	3 772	4 060
Households	127 014	34 958	17 338	2 085	5 680	1 307	805	1 726	1 505	539	1 763	1 191	1 019
Total	2 199 520	355 194	219 903	14 695	41 112	9 465	4 881	10 984	10 939	5 130	17 511	14 807	5 766

Source: Global Insight, 2012

1.4.3 Unemployment

Unemployment is one of the key socio-economic problems facing SA. The unemployment rate inherently has adverse effects on the well-being of households. It is expected that when the unemployment rate increases, the standard of living for households decreases.

⁴ Stats SA (11 February 2013), Quarterly Labour Force Survey (QLFS), Quarter 4, 2013, Statistical release no. P0211, available at statssa.gov.za, accessed 12 February 2014.

Table 1.3 presents national and provincial unemployment rates by race and gender in 2012. The table shows that EC had the highest unemployment rate of 34.1 per cent, followed by NC and FS at 31 per cent and 30.5 per cent, respectively.

Compared to the rest of the provinces in the country, KZN was ranked eighth at 22.1 per cent over the same period. This was much lower than the national average unemployment rate of 25 per cent.

The national unemployment rate for women remained high at 27.6 per cent, compared to their male counterparts (22.8 per cent).

Table 1.3 : Provincial unemployment rate by race and gender, 2012

Province (%)	Male					Female					Overall Unemployment
	African	White	Coloured	Asian	Total	African	White	Coloured	Asian	Total	
National	26.1	4.7	25.6	11.4	22.8	32.5	6.1	23.9	10.4	27.6	25.0
Western Cape	27.8	4.5	24.0	12.3	21.0	32.2	5.4	22.2	11.0	21.7	21.3
Eastern Cape	42.7	3.9	23.8	8.9	36.4	35.9	4.8	23.1	8.2	31.7	34.1
Northern Cape	25.9	3.0	38.6	10.9	27.1	37.3	5.4	46.4	19.6	36.1	31.0
Free State	26.8	4.9	30.3	3.0	24.9	40.6	7.1	34.0	4.1	37.6	30.5
KwaZulu-Natal	26.2	3.5	23.2	12.0	22.4	25.0	4.6	14.1	10.8	21.7	22.1
North-West	21.1	3.2	28.4	2.9	19.1	35.7	6.1	32.1	7.7	32.3	24.5
Gauteng	25.7	5.6	27.5	11.6	22.2	34.1	6.7	21.9	9.9	28.5	25.1
Mpumalanga	22.3	4.0	21.3	5.5	20.6	34.3	7.5	24.3	6.5	31.7	25.2
Limpopo	18.9	2.1	11.5	1.6	18.0	26.2	5.0	11.6	3.7	25.3	21.5

Source: Global Insight, 2012

1.5 Travel and tourism

1.5.1 Contribution to GDP and employment

South African Travel and Tourism showed significant growth since the 2010 FIFA World Cup. In 2011, the industry contributed R79.500 billion (2.7 per cent) to the GDP of the country. This contribution is only accounted for through hotels, travel agents, airlines and other passenger transport services. The tourism industry is also a potential contributor to employment.

According to the World Travel and Tourism Council (WTTC) (2012)⁵, the industry created an estimated 1.200 million new jobs globally in 2011. This contribution to job creation is higher than that created in mining, communication services, automotive manufacturing and the chemical manufacturing sectors. The industry sustained 9 per cent of global employment over the same period.

1.5.2 KZN Travel and Tourism

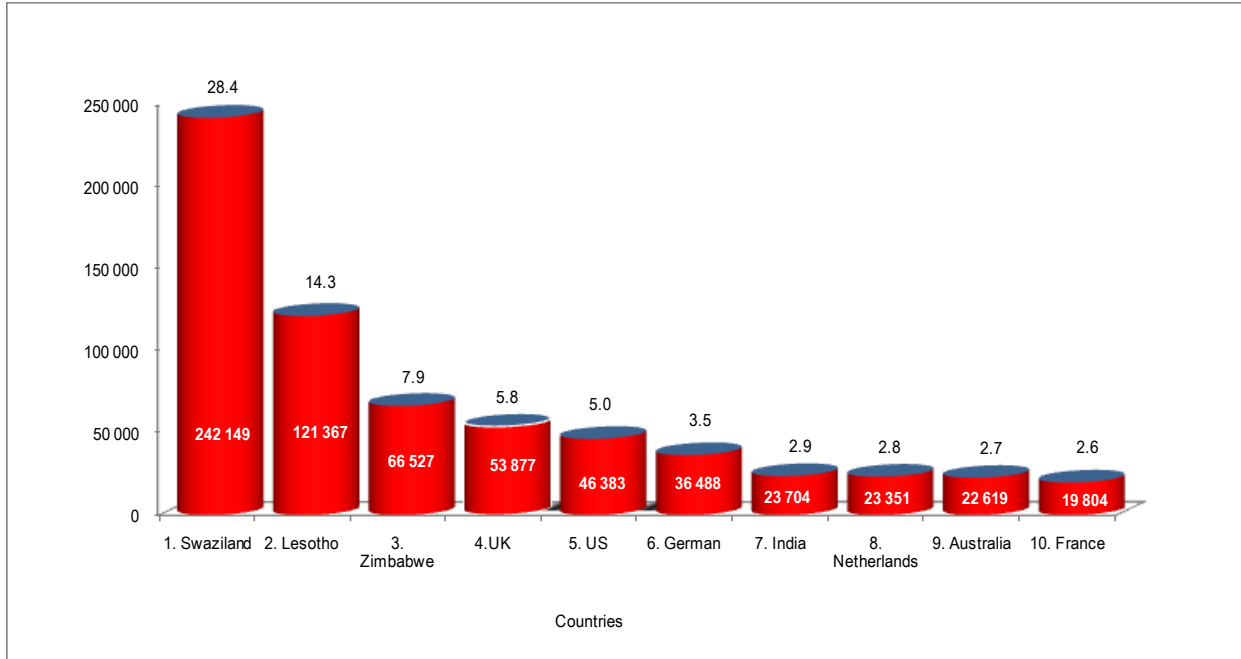
KZN is the fastest growing destination for tourism in the country, although it is not as popular as the Western Cape.

Figure 1.5 shows the top ten countries of origin for tourists that visited the province. Seven of these are overseas countries while three of them are from within the continent, more specifically the Southern African Development Community (SADC).

The United Kingdom (UK) had the highest proportion of tourists from overseas visiting KZN at 5.8 per cent, followed by the United States of America (USA) at 5 per cent while Germany, India, Netherlands, Australia and France contributed marginally at the rate between 2.6 per cent and 3.5 per cent.

⁵ World Travel and Tourism Council (2012), Travel and Tourism Economic Impact South Africa, available at www.wttc.org, accessed 15 January 2014.

Figure 1.5 : KZN top ten tourism markets (percentage) in 2012

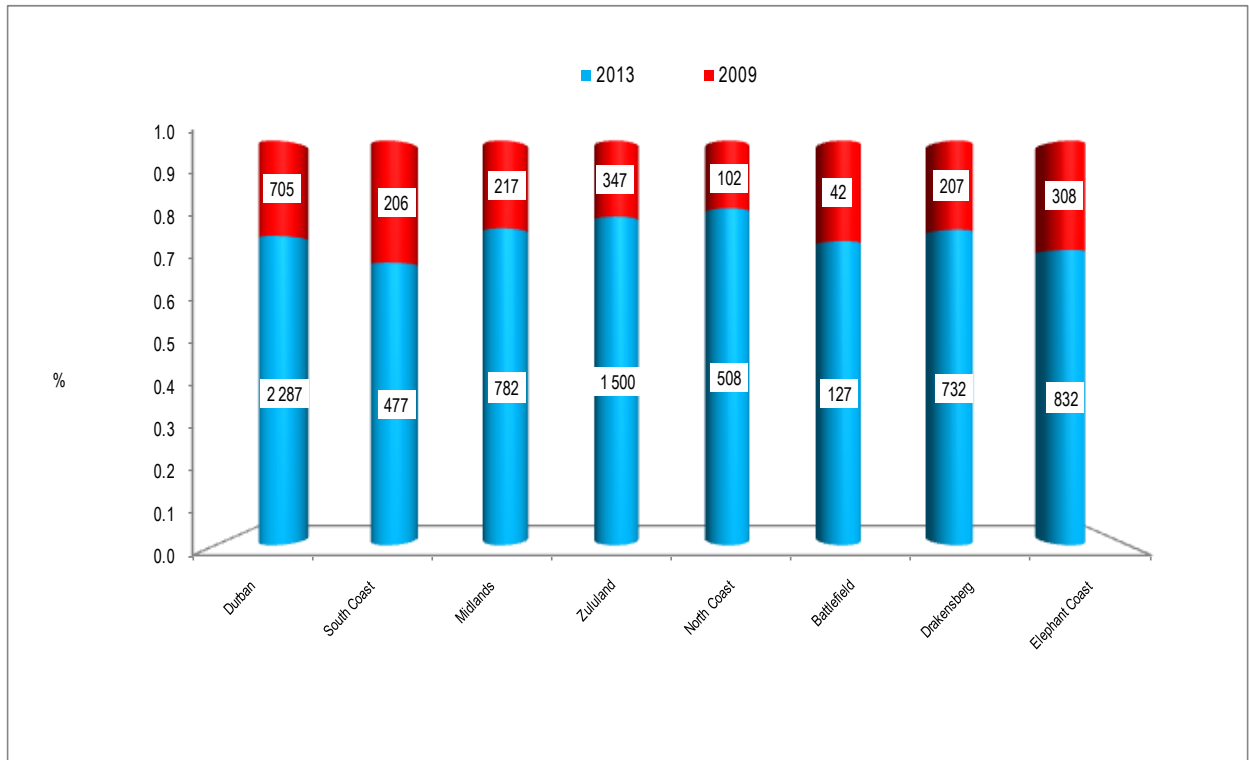


Source: Zulu Kingdom 2012 and 2013

Figure 1.6 shows that the tourism industry in KZN is booming. In 2009, the tourism industry was generally low and this can be associated with the global economic downturn in that year. As a result, consumers generally cut down spending on luxury goods, including going on holidays.

According to the regional analysis of KZN, Durban attracts more tourists when compared to other regions within the province. This is mainly influenced by the availability of infrastructure such as beaches, world-rated hotels, the recently improved King Shaka International Airport (KSIA), as well as good roads.

Figure 1.6 : Destinations visited in KZN by domestic tourists 2009 and 2013 (R thousand)



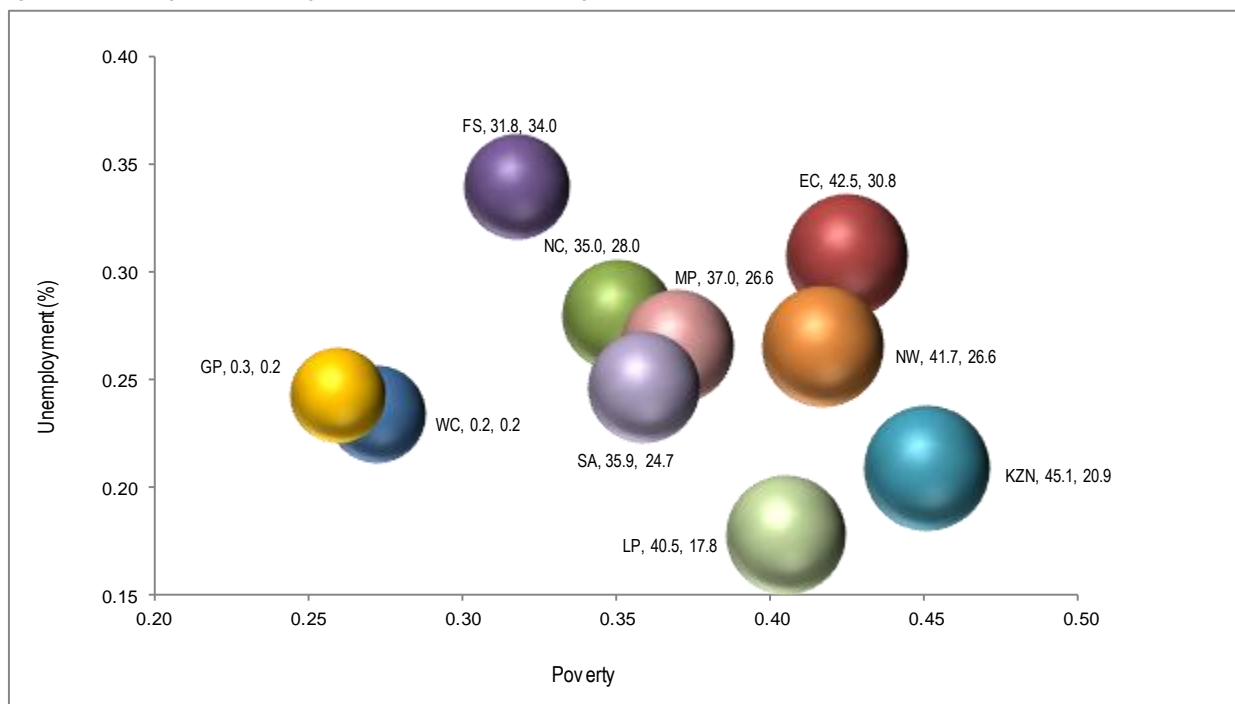
Source: TKZN 2011 and 2012

1.6 Development indicators

Figure 1.7 depicts the state of unemployment and poverty in SA by province, in 2012.

When looking at the graph, the ideal position for the bubbles is as close to the origin as possible, where both unemployment and poverty rates are low. It is evident from the graph that KZN is not situated near this ideal position. SA still experiences the scourge of social ills, and KZN is no exception.

Figure 1.7 : Poverty and unemployment rates in South Africa by province, 2012



Source: Global Insight, Stats SA 2013

KZN is the most poverty stricken province in the country, with a poverty rate of 45.1 per cent. This explains the high number of grant beneficiaries located in KZN. The poverty rate of 45.1 per cent in 2012 is lower though, than the 48.4 per cent recorded in 2011. However, much effort still needs to be directed toward the fight against unemployment and poverty.

Although KZN is said to have the highest poverty rate, the province had one of the lowest unemployment rates in the country – indicative of a high number of discouraged work seekers.

1.6.1 Income distribution

It is evident from Table 1.4 below that the majority of KZN households were in the lower income category in 2012. Leading the scale were the African households category (62.2 per cent), with Coloured (41.7 per cent) and Asian (56.8 per cent) households being categorised mainly as emerging middle class.

Table 1.4 : Income distribution in KwaZulu-Natal by race, 2012

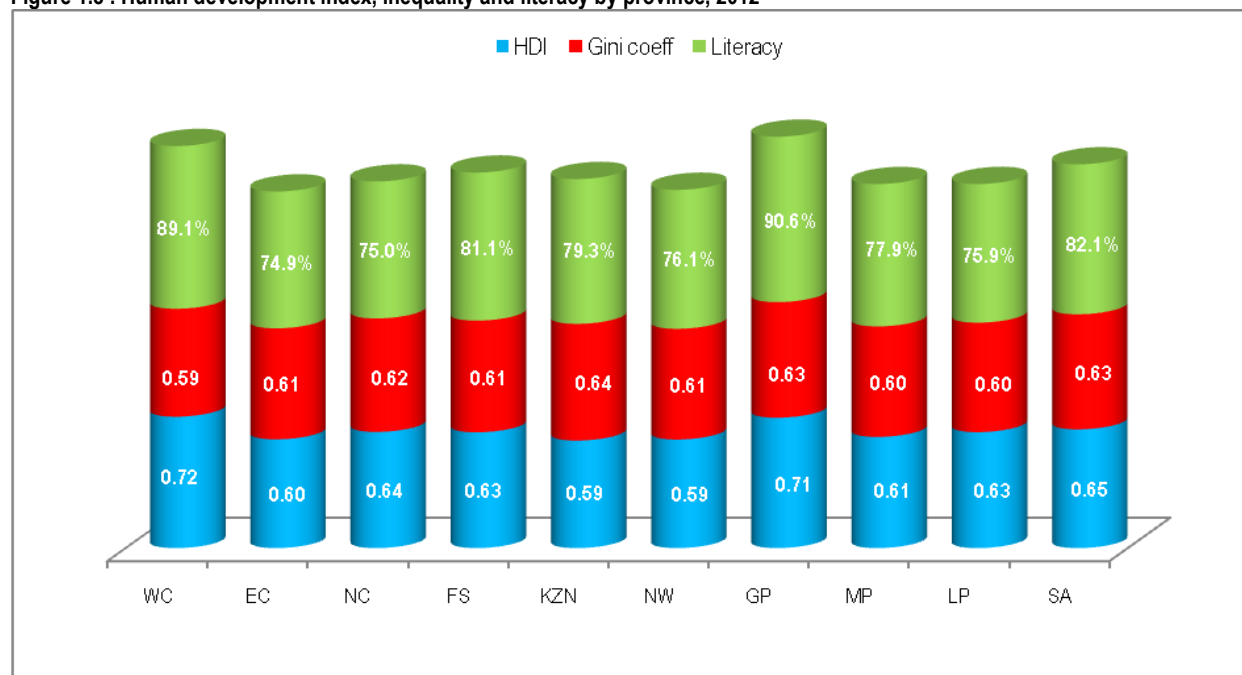
Income Category (%)	Income Level Rands p.a.	African	Asian	Coloured	White	Total
Affluent	1 200 000 - 2 400 000	0.1	2.4	1.0	6.6	0.7
Upper middle class	600 000 - 1 200 000	0.6	14.1	3.2	24.6	3.3
Realised middle class	360 000 - 600 000	1.7	15.6	9.2	25.2	4.4
Emerging middle class	96 000 - 360 000	16.8	56.8	41.7	38.9	21.8
Low emerging middle income	54 000 - 96 000	18.5	7.8	18.5	3.8	16.7
Lower income	0 - 54 000	62.2	3.3	26.5	0.9	53.1
Total		100.0	100.0	100.0	100.0	100.0

Source: Global Insight, 2013

1.6.2 Human Development Index and literacy rate

Figure 1.8 shows the Human Development Index (HDI), inequality and literacy by province.

Figure 1.8 : Human development index, inequality and literacy by province, 2012



Source: Global Insight, 2012

Regions with an HDI⁶ value of 0.80 or more are categorised as having high human development status, those with HDI values between 0.50 and 0.80 are categorised as having medium human development status, and an HDI of less than 0.50 indicates low human development.

Figure 1.8 depicts that KZN had an HDI of 0.59 in 2012, which is higher than the HDI of 0.52 experienced in 2011, but lower than the national HDI of 0.65. This implies that the province needs to do more in improving the level of education, health care, and general standard of living in order to improve its level of development.

Literacy⁷ plays a significant role in improving human development. Figure 1.8 shows the literacy rates across provinces in 2012. KZN's literacy rate (79.3 per cent) was below the national average of 82.1 per cent. GP had the highest rate at 90.6 per cent, closely followed by WC at 89.1 per cent.

The Gini coefficient is an index which measures the level of inequality within a region. An index of 0 indicates perfect equality, where all households earn equal income, while an index of 1 indicates perfect inequality, where one household earns all of the income.

Relatively, KZN has one of the lowest levels of inequality within the country, with a Gini coefficient of 0.59. However, as was seen in section 1.6.2: Income distribution, the province remains highly unequal, with a small number of households possessing the majority of the province's wealth.

⁶ The HDI measures the degree of development in a country by evaluating three components in a region namely; life expectancy (living a long healthy life), the standard of living (measured by purchasing power parity income) and the level of education (measured by adult literacy and gross enrolment in education). The index ranges between zero and one. A desirable indicator is an HDI value closer to one, while an undesirable HDI indicator is a value closer to zero.

⁷ Literacy refers to the ability to read, write and understand written material.

1.7 Grant beneficiaries

Table 1.5 illustrates the total numbers and proportions of social beneficiaries according to grant type⁸ across the nine provinces in 2012. A considerably high percentage of Child Support (23.9 per cent), Foster Child (25.4 per cent), and Grant-in-aid (37.7 per cent) grant beneficiaries were located in KZN.

Table 1.5 : Total number and percentage of social grant beneficiaries by grant type and province as at 30 November 2013

Province	Old Age Grant		War Veterans Grant		Disability Grant		Grant-in-aid		Care Dependency Grant		Foster Child Grant		Child Support Grant		Total No.
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	
Eastern Cape	514 290	17.5	65	13.4	180 900	15.9	11 367	14.5	18 162	15.3	125 573	21.9	1 740 455	16.0	2 590 812
Free State	175 400	6.0	6	1.2	84 953	7.5	1 436	1.8	6 136	5.2	45 123	7.9	619 774	5.7	932 828
Gauteng	440 466	15.0	122	25.2	118 326	10.4	1 898	2.4	15 175	12.8	62 094	10.9	1 507 565	13.9	2 145 646
KwaZulu-Natal	604 087	20.6	64	13.2	299 360	26.3	29 658	37.7	34 904	29.4	145 296	25.4	2 591 833	23.9	3 705 202
Limpopo	416 991	14.2	36	7.4	91 941	8.1	12 349	15.7	12 342	10.4	66 269	11.6	1 589 194	14.6	2 189 122
Mpumalanga	214 851	7.3	20	4.1	76 002	6.7	3 141	4.0	8 556	7.2	36 875	6.4	965 817	8.9	1 305 262
North West	222 323	7.6	17	3.5	86 278	7.6	4 718	6.0	8 304	7.0	45 153	7.9	737 469	6.8	1 104 262
Northern Cape	76 506	2.6	14	2.9	49 967	4.4	4 484	5.7	4 540	3.8	15 704	2.7	266 117	2.5	417 332
Western Cape	269 800	9.2	140	28.9	150 676	13.2	9 530	12.1	10 799	9.1	30 070	5.3	837 374	7.7	1 308 389
South Africa	2 934 714	100.0	484	100.0	1 138 403	100.0	78 581	100.0	118 918	100.0	572 157	100.0	10 855 598	100.0	15 698 855

Source: Global Insight, 2014

1.8 Education

1.8.1 Levels of education in KZN

Table 1.6 shows the levels of education in KZN for the period 2002 and 2012. The proportion of people with no schooling decreased significantly from 17.5 per cent in 2002 to 8.9 per cent in 2012 which is indicative of the increase in the literacy rate in the province. The percentage of people with Matric increased from 18.8 per cent in 2002 to 24.2 per cent in 2012, which is a good sign. The increase in the proportion of people with higher education (higher than matric) depicts that the number of people with education and professional skills in KZN is improving. This can have a positive effect in the economy of the province provided that those individuals do not migrate to other provinces for better opportunities.

Table 1.6 : KwaZulu-Natal levels of education, 2002 and 2012

Level of education (%)	2002					2012				
	African	White	Coloured	Asian	Total	African	White	Coloured	Asian	Total
No schooling	20.7	1.5	3.5	4.2	17.5	10.2	1.0	1.2	2.8	8.9
Grade 0-6	18.5	1.1	5.7	7.4	16.0	12.7	1.2	2.8	7.6	11.5
Grade 7-11	42.0	28.1	53.4	42.2	41.2	48.8	24.7	49.3	37.1	46.6
Certificate/Diploma Without Matric	0.4	1.7	0.8	0.6	0.5	0.8	2.3	1.2	0.6	0.8
Matric	14.8	40.4	28.7	35.5	18.8	21.6	39.3	34.2	38.6	24.2
Higher	3.6	27.2	8.0	10.0	5.9	5.8	31.4	11.4	13.4	7.9
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

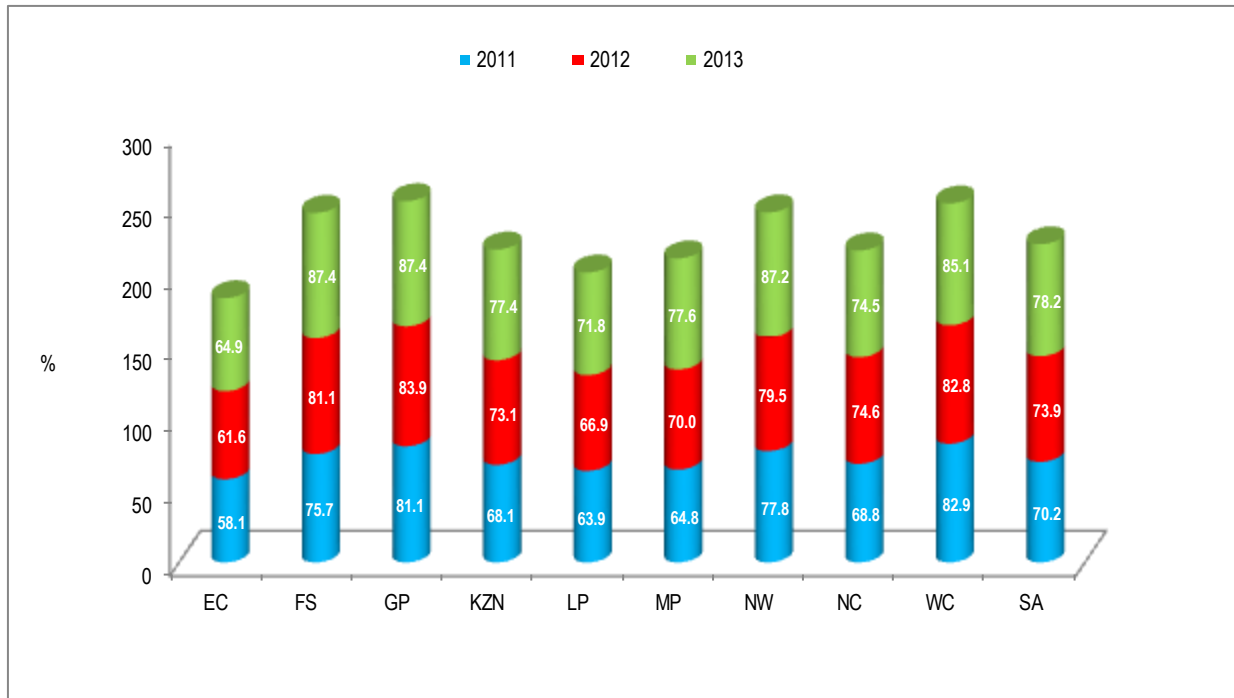
Source: Global Insight, 2013

1.8.2 National Senior Certificate achievements

Figure 1.9 represents the national and provincial senior certificate (NSC) achievement rates in 2011 to 2013. There was an improvement in the national matric pass rate by 4.3 percentage points from 73.9 per cent in 2012 to 78.2 per cent in 2013. Although KZN's achievement is showing an upward trend (73.1 per cent in 2012 to 77.4 per cent in 2013), in all the periods under review it has been below the national pass rate. The improvement in the matric pass rate might be due to a number of intervention programmes, which were implemented by the Department of Basic Education, as well as the improvement in the culture of teaching and learning. FS, GP, NW and the WC achieved above 80 per cent pass rates, which is significantly higher than the national average pass rate.

⁸ The existing grant types are old age grant, war veteran grant, disability grant, grant-in-aid grant, child dependency grant, foster child grant and the care dependency grant (which constitutes the largest share).

Figure 1.9 : Comparison of national and provincial NSC achievements in 2011 to 2013



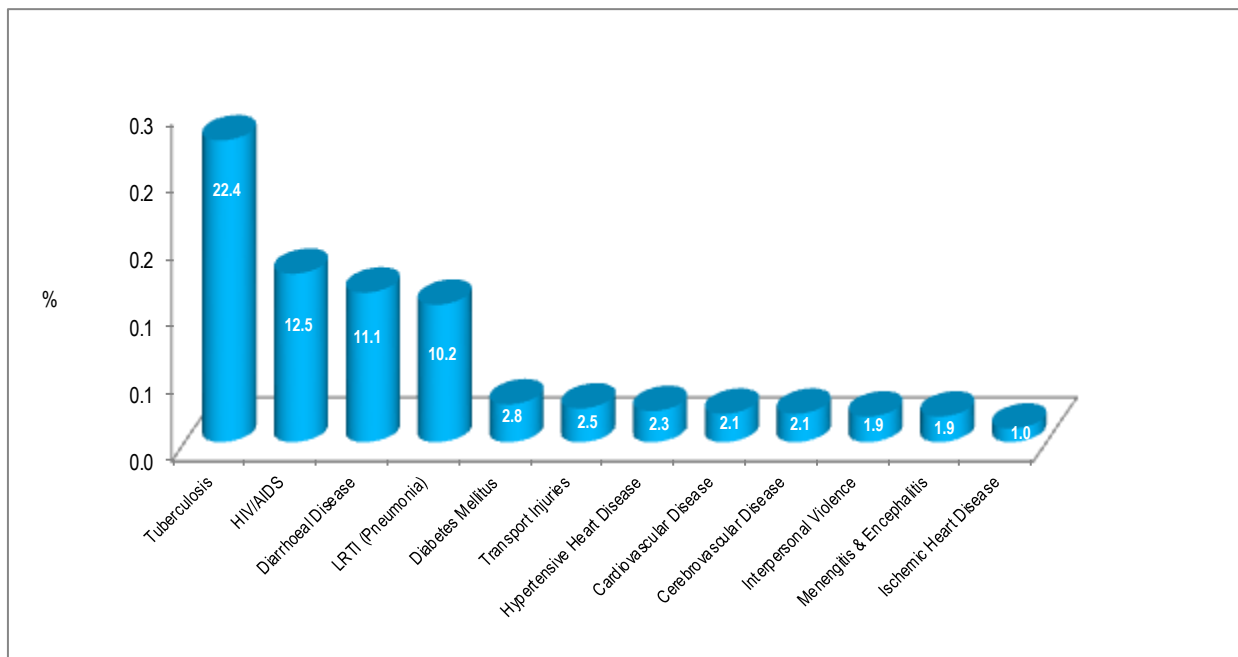
Source: Department of Basic Education, National Senior Certificate (NSC) Examination, 2014

1.9 Health

The development and implementation of a Comprehensive Primary Health Care plan is necessary to enhance healthy communities in the province. This will assist in reversing the adverse effects of diseases, as well as maternal, infant and child mortality rates. As such, this subsection provides an overview of health indicators in KZN.

1.9.1 Causes of death in KZN

Figure 1.10 : Ten leading causes of years of life lost in KwaZulu-Natal, 2012



Source: District Health Barometer, 2011/2012

The level of mortality is one of the indicators of the level of human development, hence its inclusion in the construction of human development indices. Figure 1.10 shows tuberculosis (TB) was the leading cause of death in the province (22.4 per cent), followed by HIV/AIDS (12.5 per cent) in 2012. Considering then that the HIV/AIDS related diseases, such as TB, diarrhoeal disease (11.1 per cent), and pneumonia (10.2 per cent) were the leading causes of death in the province, it can be suggested that HIV-related mortality was by far the leading cause of years of life lost in KZN in 2012.

1.10 Crime

Table 1.7 shows crime rates across provinces in SA between 2009 and 2013.

Table 1.7 : Crime per 100 000 people in South Africa, 2009/10 to 2012/13

Province	2008/09 Baseline	2009/10	2010/11	2011/12	2012/13	Ranking
Northern Cape	884.7	830.7	815.5	768.8	752.7	1
Free State	552.0	542.5	546.6	546.4	559.8	2
Eastern Cape	477.7	485.0	456.8	430.6	423.2	3
Western Cape	438.7	449.2	473.3	467.4	415.3	4
North West	430.9	421.9	439.9	437.4	401.7	5
Gauteng	461.9	466.1	416.4	382.7	327.3	6
Mpumalanga	475.3	439.8	399.0	358.8	288.0	7
KwaZulu-Natal	298.0	295.6	287.3	273.7	279.3	8
Limpopo	250.6	254.8	237.8	264.7	252.3	9
South Africa	418.5	416.2	397.3	380.3	355.6	

Source: SAPS, 2014

Table 1.8 : Crimes per 100 000 people by crime category in KZN, 2010/10 to 2012/13

Crime Category	April 2009 to March 2010	April 2010 to March 2011	April 2011 to March 2012	April 2012 to March 2013	April 2010 to March 2011	April 2011 to March 2012	April 2012 to March 2013
Crimes per 100 000 people					Growth Rates (%)		
Contact crime (crimes against the person)							
Murder	4 224	3 749	3 422	3 629	-11.2	-8.7	6.0
Total sexual crimes	13 269	12 793	12 288	12 405	-3.6	-3.9	1.0
Attempted murder	4 614	3 915	3 666	3 855	-15.1	-6.4	5.2
Assault with the intent to inflict grievous bodily harm	30 884	30 582	29 608	28 897	-1.0	-3.2	-2.4
Common assault	32 980	32 271	31 983	30 172	-2.1	-0.9	-5.7
Common robbery	7 985	7 320	7 637	8 228	-8.3	-4.3	7.7
Robbery with aggravating circumstances	23 239	19 573	18 469	19 972	-15.8	-5.6	8.1
Contact-related crimes							
Arson	1 202	1 141	1 074	975	-5.1	-5.9	-9.2
Malicious damage to property	16 792	16 574	15 583	15 797	-1.3	-6.0	1.4
Property-related crimes							
Burglary at non-residential premises	11 314	10 984	10 958	11 971	-2.9	-0.2	9.2
Burglary at residential premises	40 393	39 550	41 120	45 483	-2.1	4.0	10.6
Theft of motor vehicle and motorcycle	11 453	10 587	10 106	9 788	-7.6	-4.5	-3.1
Theft out of or from motor vehicle	14 221	15 945	15 960	18 064	12.1	0.1	13.2
Stock-theft	7 967	7 402	7 743	7 214	-7.1	4.6	-6.8
Crimes heavily dependent on police action for detection							
Illegal possession of firearms and ammunition	4 968	5 072	4 696	4 444	2.1	-7.4	-5.4
Drug-related crime	28 693	32 457	37 415	42 167	13.1	15.3	12.7
Driving under the influence of alcohol or drugs	11 935	10 110	12 867	15 112	-15.3	27.3	17.4
Other serious crimes							
All theft not mentioned elsewhere	46 882	50 277	53 157	50 907	7.2	5.7	-4.2
Commercial crime	13 775	15 276	13 681	14 458	10.9	-10.4	5.7
Shoplifting	15 402	12 815	12 402	13 017	-16.8	-3.2	5.0
Sub-categories of aggravated robbery forming part of aggravated robbery above							
Carjacking	3 715	2 619	2 229	2 427	-29.5	-14.9	8.9
Truck hijacking	127	94	64	82	-26.0	-31.9	28.1
Robbery at residential premises	4 580	3 998	3 751	4 119	-12.7	-6.2	9.8
Robbery at non-residential premises	2 066	1 943	1 911	2 353	-6.0	-1.6	23.1
Other crime categories							
Culpable homicide	2 400	2 391	2 411	2 282	-0.4	0.8	-5.4
Public violence	144	138	117	132	-4.2	-15.2	12.8
Crimes injuria	5 542	5 904	6 206	5 641	6.5	5.1	-9.1
Neglect and ill-treatment of children	455	372	302	306	-18.2	-18.8	1.3
Kidnapping	769	839	839	896	9.1	0.0	6.8

Source: SAPS, 2014

KZN had the second lowest crime rate in the country in 2012/13. There was a stark increase in the number of truck hijacking cases (28.1 per cent), robbery at non-residential premises (23.1 per cent), and driving under the influence of alcohol or drug cases (17.4 per cent) in KZN. Generally, there was an increase in the level of crimes committed between 2012 and 2013, as can be seen in Table 1.8. This signals a need for more effort in policing, and that rigorous strategies should be put in place to curb these illegal activities, especially as crime is a disincentive for investment, thus impacting on the province's and the country's economic growth prospects.

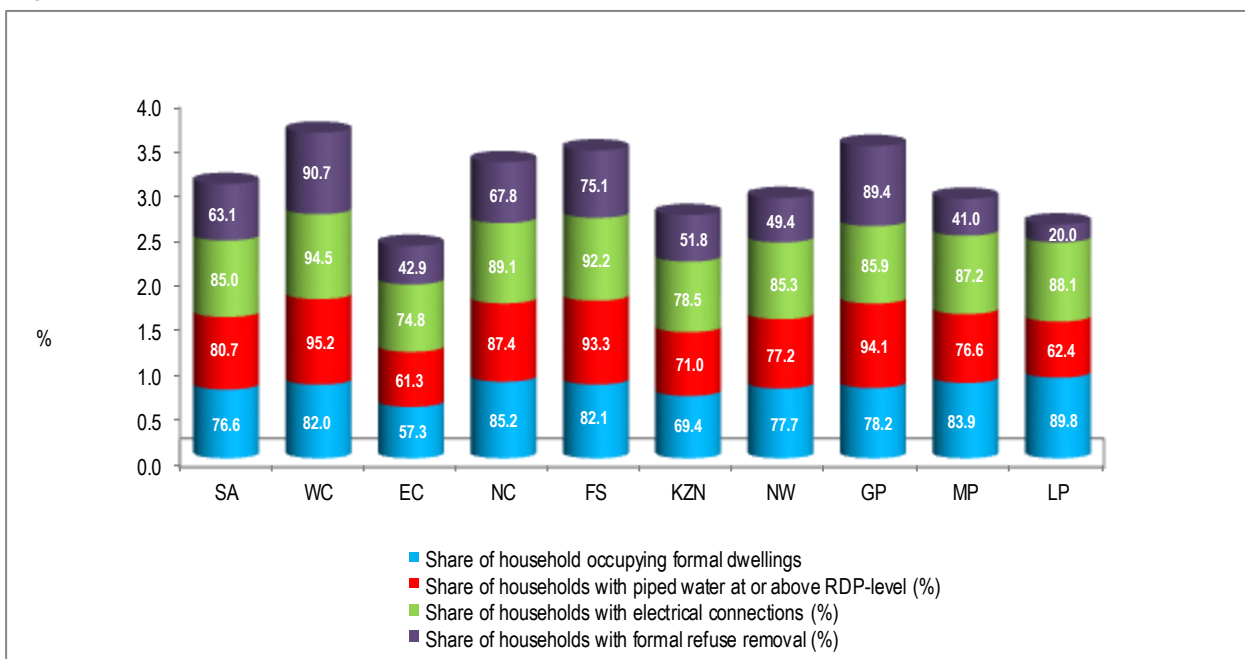
1.11 Access to housing and basic services

Access to housing is one of the basic needs of citizens. Homelessness and lack of quality housing reduces prospects for a sustainable livelihood, posing a threat to human security. Households living in formal housing are less susceptible to health risks and sanitation problems than their informally-housed counterparts.

Effective waste management services are also necessary in reducing pollution, thereby promoting a healthier and safer social environment for all citizens. The share of households occupying formal dwellings in SA was 76.6 per cent in 2012, with KZN accounting for 51.8 per cent of these formal dwellings. The share of households with piped water at or above RDP-level was 71 per cent, while the share of households with electrical connections was 78.5 per cent in 2012. Refuse removal stood at 51.8 per cent (Figure 1.11).

Waste management services are important as ineffectively managed waste increases the occurrence of infectious diseases. Maintenance of waste can thus be viewed as a critical service for households.

Figure 1.11 : Access to basic services in KwaZulu-Natal, 2012



Source: Global Insight, 2013

2. SUMMARY OF BUDGET AGGREGATES AND FINANCING

2.1 Introduction: Budget strategy – An overview

The 2013/14 MTEF budget saw some significant cuts in the provincial equitable share allocation received from the national fiscus. In the first instance, the province was severely impacted on by the 2011 Census data used to update the equitable share formula. NT indicated that the provincial equitable share formula had been updated with population data from the 2011 Census with this update having implications on the total equitable share allocated per province. Some provinces (such as GP and WC) received additional resources as a result of increased service delivery responsibilities resulting from increased population numbers. Others (such as KZN and EC) received reduced allocations as a result of the reduced proportion in terms of population numbers as reported in the 2011 Census data results. NT gave some additional funding to cushion the impact of phasing in the new Census data. NT indicated, though, that this cushioning would only provide relief in the 2013/14 MTEF and that, from 2016/17, the equitable share will be allocated solely through the formula with no additions to support provinces with declining shares. This means that provinces must use the three years of support provided to adjust to their new baselines. In the 2014/15 MTEF, the province once again loses some funding due to the data updates that inform the equitable share formula, with a decision taken by NT together with all nine provinces, that the data updates be phased-in using the first year of the MTEF as the base year, rather than using the current year as the base year. This therefore results in the updates being phased in quicker than before. As a result of the data updates and the new phasing-in method, KZN loses R220.157 million in 2014/15, while receiving increased allocation of R323.962 million in 2015/16 and R96.102 million in 2016/17.

The province receives some additional equitable share funding to provide for the carry-through costs of various previous wage agreements (these were allocated to all 16 departments), as well as carry-through relating to the re-grading of clerical staff from level 4 to 5, as per DPSA instructions. This was only allocated to Education, Health, Transport and the Royal Household as the relative effect of this instruction was greatest on their budgets, with the other departments told to absorb this cost from within their baselines. Education receives R15.358 million in 2016/17 only for the carry-through costs of the OSD for Education Sector therapists. These funds are provided to provinces in 2014/15 and 2015/16 in the form of a conditional grant, with this budget being phased into the equitable share from 2016/17. Further to this, the province received additional funding earmarked for specific national priorities in Health and Social Development. In this regard, R10.727 million was received in 2014/15 rising to R53.326 million in 2016/17. The priorities funded are the roll-out of the Human papilloma virus (HPV) vaccine under Health, and the provision of shelters to victims of gender-based violence under Social Development.

The province also looked very critically at its existing baseline and reprioritised funds from projects and programmes that had a limited life-span to other priority areas. Similarly, departments were told to look at strengthening efficiency savings which can be diverted to fund any new service delivery programmes. The provincial own revenue budgets were reviewed and resulted in a significant increase, in aggregate, of the revenue budgets over the 2014/15 MTEF. Departments were reminded that the cost-cutting measures, which were first introduced in 2009/10, remain in place, and that the NT Instruction 01 of 2013/14: Cost containment measures would also have to be adhered to.

KZN continues to budget for a surplus or Contingency Reserve in the 2014/15 MTEF. This Contingency Reserve is set at some R707.636 million in 2014/15, R1.288 billion in 2015/16 and R1.022 billion in 2016/17. This budgeted surplus or Contingency Reserve stays in place as there are spending pressures in the province, especially in Education, that could result in KZN going into overdraft again and this budgeted surplus acts as a buffer if this should occur. Further, the province has been told that the buffer funding given to KZN in the 2013/14 MTEF falls away from 2016/17. When the buffer funding falls away, the province will lose in excess of R1 billion in 2016/17 which is a significant fiscal cliff for KZN to contend with. The budgeted surplus is therefore kept at the level mentioned above as NT has agreed that provinces may need to push some of these funds into 2016/17 to assist with cushioning the fiscal cliff. What this means is that it gives KZN another year or two to change its spending behavior to fall in line with the reduced allocation after the buffer funding has been removed.

In recent years, KZN was able to finance numerous provincial priorities, largely as a result of increases in its equitable share allocations brought about by the data updates of the equitable share formula. As discussed above, this is not the case this year. In fact, most of the provincial priorities funded over the 2014/15 MTEF are financed through the utilisation of provincial cash resources, which became available when the net financial position of the province was calculated during the 2013/14 Adjustments Estimate process. These resources became available largely due to the net surplus realised in 2012/13, as well as the surplus budgeted for in 2013/14. As such, departments were requested to indicate whether there were any projects which would require once-off funding, with some of these being funded in the 2013/14 Adjustments Estimate and some receiving funding over the 2014/15 MTEF only (i.e. with no carry-through budget beyond 2014/15 in most instances). These include, but are not limited to, the following:

- Security strengthening during the 2014 general elections given to the Office of the Premier (OTP).
- Operation Clean Audit allocated to Provincial Treasury (PT).
- Government office precinct project allocated to Public Works (DOPW) in 2016/17 only.
- Construction of an Arts and Culture Academy allocated to Arts and Culture (DAC) in 2015/16 only.

As mentioned earlier, the cornerstone of the 2014/15 budget strategy continues to be the reprioritisation of the existing provincial budget, an enhanced focus on cost-cutting and maintaining a healthy budget surplus to provide a sufficient cushion in cases of fiscal shocks in the system, such as when the buffer funding falls away from 2016/17. Given the resource constraints that exist due to the high demand for government services, and the reduction in the province's equitable share, ways of increasing provincial own revenue generation are being explored, especially in the Health sector. In summary, the 2014/15 budget strategy is underpinned by four elements, namely:

- Reprioritisation of the current budget.
- Continued implementation of fiscal austerity measures with realised savings being re-directed into service delivery spending.
- Sound cashflow management and increasing provincial own revenue.
- A stable fiscal framework will ensure that the province has adequate resources to continue delivering the much needed services to the people of KZN.

2.2 Aligning provincial budgets to achieve government's prescribed outcomes

In preparing the 2014/15 MTEF budget, departments were requested to focus on the national outcomes, the National Development Plan (NDP), PGDS and PGDP. The 12 national outcomes are listed below:

National Outcome	Departments
1. Improved quality basic education	Vote 5, Vote 13
2. A long and healthy life for all	Vote 7, Vote 9, Vote 11, Vote 13
3. All people in South Africa are and feel safe	Vote 9
4. Decent employment through inclusive economic growth	All
5. A skilled and capable workforce to support an inclusive growth path	All
6. An efficient, competitive and responsive economic infrastructure network	Vote 3, Vote 4, Vote 6, Vote 8, Vote 11, Vote 12, Vote 14
7. Vibrant, equitable and sustainable rural communities with food security for all	Vote 3, Vote 4, Vote 8, Vote 13
8. Sustainable human settlements and improved quality of household life	Vote 8
9. A responsive, accountable, effective and efficient local government system	Vote 6, Vote 11
10. Environmental assets and natural resources that are well protected and continually enhanced	Vote 3, Vote 10
11. Create a better South Africa and contribute to a better and safer Africa and World	All
12. An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship	All

In the chapter per Vote of the *EPRE*, departments have indicated under the Strategic objectives sections, which national outcomes they are responsible for. The OTP, the Provincial Planning Commission (PPC) and PT have embarked on a comprehensive exercise to ensure that departments align their APPs to the PGDP and PGDS, as well as ensure alignment between the APPs and budgets. It is imperative that synergies exist between these three sets of documents, to prevent departments from planning in silos and to ensure an integrated approach to development and service delivery in KZN.

2.3 Summary of budget aggregates

Table 2.1 provides an analysis of the overall provincial budget performance by comparing total receipts against total payments, resulting in a surplus or deficit before financing over the seven-year period under review. The table also provides the details of the financing items and amounts to provide the net position after financing for each financial year. The data for 2010/11 to 2012/13 is based on audited receipts and payments, while the 2013/14 figures provide a revised estimate position as at the end of December 2013. The 2014/15 to 2016/17 data reflects the budgeted receipts and payments for the MTEF period.

The detailed analysis of provincial total receipts and payments is given in Sections 4 and 5 of the *OPRE*.

Table 2.1 : Provincial budget summary

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Provincial receipts									
Transfer receipts from national	69 985 468	77 007 095	83 449 022	88 090 019	88 510 566	88 510 566	94 079 925	100 671 247	103 286 051
<i>Equitable share</i>	57 632 201	63 584 195	68 638 663	73 509 972	73 926 587	73 926 587	78 138 477	83 347 554	87 887 479
<i>Conditional grants</i>	12 353 267	13 422 900	14 810 359	14 580 047	14 583 979	14 583 979	15 941 448	17 323 693	15 398 572
Provincial own receipts	2 041 364	2 726 959	2 642 483	2 505 415	2 505 415	2 656 391	2 783 644	2 994 279	3 188 784
Total provincial receipts	72 026 832	79 734 054	86 091 505	90 595 434	91 015 981	91 166 957	96 863 569	103 665 526	106 474 835
Provincial payments*									
Current payments	52 549 994	61 978 239	66 829 045	72 290 958	72 407 325	72 813 035	77 689 281	82 557 496	86 975 454
Transfers and subsidies	9 228 387	9 529 723	10 279 444	10 105 357	10 607 364	10 656 684	10 884 345	10 992 188	11 446 812
Payments for capital assets	5 438 903	7 109 627	8 522 689	7 393 389	8 268 090	8 376 089	8 142 008	8 954 251	7 280 273
Payments for financial assets	445 440	26 265	11 058	2 500	2 511	3 069	2 500	4 694	-
Total provincial payments	67 662 724	78 643 854	85 642 236	89 792 204	91 285 290	91 848 877	96 718 134	102 508 629	105 702 539
Lending									
Contingency Reserve/(deficit) before financing	4 364 108	1 090 200	449 269	803 230	(269 309)	(681 920)	145 435	1 156 897	772 296
Financing	420 639	400 375	1 506 889	412 083	1 628 888	1 628 888	562 200	131 354	250 078
Provincial roll-overs	124 757	255 216	180 803	4 865	216 381	216 381	-	-	-
Provincial cash resources	299 391	142 603	1 326 835	407 218	1 410 805	1 410 805	562 200	131 354	250 078
Suspension to ensuing year	(3 509)	(953)	(1 702)	-	-	-	-	-	-
Surplus Own Revenue surrendered	-	3 509	953	-	1 702	1 702	-	-	-
Contingency Reserve/(deficit) after financing	4 784 747	1 490 575	1 956 158	1 215 313	1 359 579	946 968	707 635	1 288 251	1 022 374

* Estimated actual expenditure for 2013/14 is as at 31 December 2013

In aggregate, KZN recorded a surplus before financing in 2010/11. This was the year that saw a complete turnaround in the province's cash position which had gone into overdraft previously due to over-spending by the province in 2007/08 and 2008/09. This prompted the province to implement the Provincial Recovery Plan and its associated cost-cutting measures. This Recovery Plan was approved in 2009/10, and its benefit could already be seen at the end of that year, with the over-spending being substantially lower than in 2008/09. The success of this plan was further seen in 2010/11, when the province under-spent its budget substantially. This under-spending, along with the over-collection of own revenue in that year and the budgeted surplus, resulted in a surplus of R4.785 billion at the end of 2010/11. This substantial surplus allowed the province to repay the provincial overdraft in a space of 18 months, as opposed to the three years it was initially anticipated that it would take to repay it. The 2011/12 financial year once again saw the province ending the year with a surplus of R1.491 billion. Despite over-spending by R311.795 million at the end of that year, the province over-collected against its own revenue budget by R783.994 million, while continuing to budget for a surplus in excess of R900 million.

KZN again ended the year with a surplus in 2012/13 of R1.956 million. This resulted from the over-collection of Own Revenue by some R332 million, under-expenditure of R540.289 million and again budgeting for a surplus of some R900 million. The under-expenditure was mainly incurred by DOPW (due to an over-provision on the Devolution of Property Rates Fund Grant to Provinces), Economic Development and Tourism due to the department having to show certain payments as pre-payments in their books following advice in this regard from the A-G, PT largely due to delays in filling vacant posts and delays in various projects, such as the development of various airports, as well as Education due to cost-cutting, delays in receiving various invoices and the department's internal cost containment plan.

The Revised Estimate for 2013/14 in Table 2.1, which is based on the December IYM, indicates that the surplus will be R946.968 million, if the current spending patterns and projections of departments are taken into account. This is the result of projected over-collection of Own Revenue of R190.251 million, projected over-expenditure of R563.088 million, while continuing to budget for a surplus in excess of

R1 billion. This surplus was kept in place to protect the province from going into overdraft again in the event that the departments find it difficult to remain within their reduced baselines, bearing in mind that 2013/14 was the first year that the Census data updates had an effect on KZN's equitable share allocation, with all departments' baselines being cut proportionately.

KZN continues to budget for a surplus or Contingency Reserve over the 2014/15 MTEF. This Contingency Reserve is set at R707.635 million in 2014/15, R1.288 billion in 2015/16 and R1.022 billion in 2016/17 and is done in line with NT practice. This Reserve protects the province from unfunded mandates which may occur in-year, with NT having indicated that the current economic outlook may result in no additional funding being given to provinces in the 2014/15 Adjustments Budget. If this is the case, KZN will have to try and fund any unbudgeted portion of the 2014 wage agreement from within its baseline, which could cripple the province if no Contingency Reserve is provided for. Also, KZN has been advised by NT that the buffer funding provided to the province over the 2013/14 MTEF to help cushion it against the significant budget cuts that came about from the 2011 Census data updates of the equitable share formula, falls away from 2016/17, as mentioned above. NT has agreed that provinces may need to push some of these funds from the Contingency Reserve into 2016/17 to assist with cushioning the fiscal cliff. It should be noted that any surplus or deficit that may arise in 2013/14 will be taken into account when the province prepares its Adjustments Estimate for 2014/15.

2.4 Financing

Budgeted surplus/Contingency Reserve

The total provincial receipts exceed the total provincial payments over the 2014/15 MTEF period, thereby reflecting a surplus budget before and after financing. This indicates that not all financial resources available to the province have been allocated to the 16 provincial departments for spending over the three-year MTEF period. As mentioned above, this is purposely done, and is a continuation of the approach which commenced in 2009/10 whereby all provincial departments' budget allocations were reduced by 7.5 per cent of the value of their *Goods and services* budgets. While the initial intention of the budgeted surplus was to repay the provincial overdraft that had come about as a result of substantial over-spending by some provincial departments over the past few years, the surplus is now being kept to protect the province against any fiscal shocks that may occur, such as when the buffer funding falls away in 2016/17. The budgeted surplus protects the province in so far as it should not go into overdraft should any department over-spend its budget allocation, as the budgeted surplus acts as a cushion which will absorb at least some of the over-expenditure. The budget surplus also protects the province against any other fiscal shocks (such as unfunded mandates). As a result of the 7.5 per cent reduction in departments' *Goods and services* budgets, the cash management reforms and the cost-cutting measures introduced by Cabinet, the province has had positive end-of-month cash balances since May 2010.

Implementation of Section 34(2) of the PFMA (First charge rule)

In addition to the 7.5 per cent reduction mentioned above, the province implemented the first charge rule (in terms of Section 34(2) of the PFMA) for the first time during the 2009/10 Adjustments Estimate. This was done as some departments' over-expenditure in prior years was of such a level that the 7.5 per cent reduction was insufficient for them to repay their over-expenditure amounts. This meant that the affected departments saw a further reduction in their budgets available for spending, in order to fully pay back the over-expenditure they had incurred in 2008/09. Important to note and understand, though, is that these amounts were not removed from their budgets as such, but were allocated to *Payments for financial assets* to allow the necessary accounting treatment of these amounts.

The only department affected by the first charge rule over the 2014/15 MTEF is Vote 10: Royal Household (RHH). Further first charges will be implemented once SCOPA makes a determination in this regard. This will then be shown against the relevant department in future MTEF periods.

Cost-cutting measures

Besides the above-mentioned measures taken by the province to finance the provincial overdraft, Cabinet also approved a list of cost-cutting measures which were implemented from October 2009. The aim of these cost-cutting measures is to reduce expenditure on "frills" and "nice to haves" and rather redirect

these funds into service delivery areas. These cost-cutting measures, which are listed below and are updated and re-issued to departments each year, will remain in place as they are really elements of good governance, rather than a once-off initiative to contain costs. It is imperative that these cost-cutting measures continue to be implemented by departments and public entities in view of the significant equitable share baseline cuts that will be realised when the buffer funding falls away from 2016/17 onward. These enhanced cost-cutting measures should be departments' and public entities' first area to delve into when cutting back their spending to remain within their reduced baselines. Once all efficiency savings have been realised, only then should departments and public entities look at cutting service delivery spending, including infrastructure spending. In addition to the provincial cost-cutting measures, NT has issued Instruction 01 of 2013/14: Cost containment measures which all levels of government must adhere to. Provincial Treasury is in the process of aligning the provincial cost-cutting measures but, in most instances, the provincial cost-cutting measures are as strict, or even stricter than the national instruction, and these therefore should not result in a significant shift in how KZN has been implementing its cost-cutting measures since 2009/10. The provincial cost-cutting measures read as follows:

- A large proportion of KZN's budget is tied up in *Compensation of employees* and this is not a spending item that can be reduced overnight. As such, all departments and public entities **MUST implement an immediate moratorium on the filling of non-critical posts** (but posts such as HOD, CFO, clinical staff and essential administrative staff may continue to be filled) and look at staff becoming more focused and streamlined in their various work processes. Growth in staff numbers will crowd out service delivery spending unless these numbers are controlled very carefully.
- A review of all departments' and public entities' organograms **MUST** be undertaken with the view of eliminating some non-essential posts from these structures permanently.
- All departments and public entities **MUST** undertake a head count exercise with a view to eliminating ghost employees.
- No furniture or equipment to be bought, unless it is a critical requirement for service delivery.
- Essential training be done in-house (exceptions to be approved by the HOD).
- Overseas trips be rationalised with the number of delegates being kept to a minimum.
- Business class travel only for MECs and HODs (and MPLs, where applicable).
- Car hire bookings – class of vehicle to be lowered.
- Catering for meetings be stopped (exceptions to be approved by the HOD, but there should be no catering for internal meetings).
- Kilometre controls be implemented on travelling (average of 2 500 kilometres per month per official unless there are exceptional circumstances – exceptions to be approved by the HOD).
- Officials to travel together unless absolutely unavoidable.
- Departments and public entities must plan meetings carefully and rationalise the number of meetings held (it seems that staff from regions/districts are sometimes called to head office meetings organised by different units on various different days, requiring them to travel to and from the regions/districts frequently. These meetings must be co-ordinated and planned between the various units to reduce the wastage of time and money).
- Only essential trips be undertaken.
- Internal meetings, strategic planning sessions and workshops to be held in departments' offices instead of private venues (exceptions to be approved by PT). Where PT approval is requested, proof must be given that all other avenues have been exhausted before a private venue will be approved.
- External meetings, workshops and events to be held in government facilities instead of private venues (exceptions to be approved by PT). Use of marquees to only be considered where such events could not be held in municipal halls, school halls, FET College facilities, etc. Where PT approval is being requested, proof must be provided that all other avenues have been exhausted before a private venue will be approved.

- A cap is placed on the number of events held, and a cap is placed on the cost per event (the number of community events is capped at a maximum of 2 events per month (i.e. 24 events in total per annum). To ensure sufficient time for all SCM processes to be undertaken, the CFO's office must be given 5 working days' notice to request quotes, etc. for these events. Where a quote has been accepted, it is recommended that departments and public entities negotiate with the service provider for a "better price" as this can also result in cost savings. It was approved by Cabinet that, for an event with 3 500 community members, this event should not cost more than R1 million to host. For events where 1 500 to 2 000 community members attend, these events may not cost more than R500 000 – R700 000 per event).
- Air travel be limited to important meetings with only one representative to attend on behalf of the department, unless otherwise required.
- No team building exercises or year-end/Christmas functions (only permitted if paid for by the staff themselves).
- Cut down on unnecessary overnight accommodation.
- Where there are one-day meetings in other provinces, officials must travel there and back on the same day (where possible).
- When printing APPs, SPs, Annual Reports, etc., departments and public entities must minimise the use of colour pages in their documents, as well as use a lighter weight of pages and covers as these incur an unnecessary higher cost. Where possible, departments and public entities should look at the feasibility of using electronic distribution (e.g. compact discs) to reduce costs. Gold and silver embossed letterheads may not be used.
- No promotional items (e.g. shirts, caps, bags) to be purchased (exceptions to be approved by PT).
- No leave conversion payments (leave to be taken) – this does not apply to leave pay-outs when staff are exiting the public service.
- Strict control of overtime.
- No bottled water may be procured for meetings, etc.

Sources of financing

The paragraphs below aim to provide an explanation of some of the terms contained in Table 2.1. In essence, the province has three sources of financing available, namely provincial roll-overs, provincial cash resources, and suspensions to the ensuing financial year.

Provincial roll-overs refer to funds that were appropriated and committed but not spent in that financial year. These commitments are in respect of once-off expenditure such as acquisition of machinery and equipment, completion of infrastructure projects, etc., as well as unspent conditional grants. These unspent funds are then re-allocated to the relevant department during the Adjustments Estimate in the following year.

Provincial cash resources refer to surplus funds in the provincial revenue fund, after taking into account all commitments and subsequent roll-overs. This includes unspent appropriated funds in departments that were not rolled over to the ensuing financial year, as well as surplus provincial own revenue that was collected in prior financial years. This source of financing also relates to any internal provincial reprioritisation that is undertaken to finance provincial commitments.

Suspensions to ensuing years occur when departments intentionally apply to PT to have a portion of their budget suspended during the course of the year, and re-allocated in the next or later financial years, because of unforeseen delays in spending the funds, or slower than anticipated progress. This process will ensure that the department will have the funding available to complete the project during subsequent financial years.

3. BUDGET PROCESS AND MEDIUM TERM EXPENDITURE FRAMEWORK (MTEF)

3.1 The 2014/15 MTEF budget process in brief

3.1.1 Treasury Guidelines circular

The preparation and distribution of the *Treasury Guidelines* document marked the start of the 2014/15 MTEF budget process. This document explains the policy framework and format which departments must use to prepare the 2014/15 MTEF budget submissions.

The 2014/15 budget process focuses on the compilation of reprioritised budgets and service delivery that is aligned with the 12 national outcomes, the NDP, the PGDP and the PGDS. As in the previous three MTEF cycles, departments were asked to continue implementing the cost-cutting measures first introduced as part of the Provincial Recovery Plan in 2009/10, and to redirect any savings realised from this into service delivery. Departments were also requested to try and fund any new priorities through reprioritisation. As in previous budget processes, departments were directed to consider the budget proposals received from public entities. The social sector departments, being Health, Education and Social Development, were requested to cost the agreed to national priorities which require additional funding, as well as to cost a maximum of two provincial 'initiatives'. The other departments were requested to identify and cost a maximum of two 'initiatives'. The public entities were also given the opportunity to cost two 'initiatives'.

3.1.2 Initiative measurement criteria

The measurement tool used in prior budget processes was again used to assess requests for additional funding, and this was used as an indication of whether requests for additional funding should be supported in principle, or not. Each initiative was therefore rated against the following nine criteria:

- Evidence that the initiative contributes to government policy priorities.
- Credible service delivery information.
- Alignment of the initiative to the core functions of the department/public entity.
- Evidence of cost-cutting without affecting service delivery.
- Evidence that the department reprioritised savings realised from cost-cutting towards areas of service delivery.
- Evidence that the department/public entity underwent thorough reprioritisation with a view to fund part of the initiative from within budget.
- Is the costing/initiative realistic?
- Was there adequate political involvement in the budget formulation process?
- Evidence that the initiative is aligned to the PGDP.

In terms of the rating exercise, each of the first five criteria translated to '2' points if complied with, and a '0' if not. A higher score was accorded to the first five criteria, simply because they were seen as being essential. An initiative therefore could score a maximum of 14 points or 100 per cent. The Medium-Term Expenditure Committee (MTEC) then reviewed each and every funding request and made proposals to the Ministers' Committee on the Budget (MinComBud) and Cabinet.

3.1.3 Allocation process

MTEC met with all 16 provincial departments in September 2013, as well as their related public entities. The MTEC for the 2014/15 MTEF cycle indicated that the meetings were taking place during difficult times as South Africa's debt service-costs are rising faster than any other expenditure in the national fiscal framework. The reason is that public spending is rising faster than revenue collection. In short,

there is a widening gap between income and expenditure. What is more worrying is the fact that borrowings (deficit) are not necessarily financing capital investments, but are financing current government consumption. Also, KZN was significantly negatively affected by the update of the equitable share formula using the 2011 Census data which resulted in significant reductions in the province's equitable share. This means that the province is not in a position to introduce new projects and programmes which have carry-through costs unless existing projects and programmes are stopped. Also, while KZN's cash position has improved remarkably and the provincial overdraft has long-since been fully repaid, the province felt that it should continue to be prudent in allocating its resources, especially in view of the in-year spending pressures experienced by some departments, with Education reflecting substantial year-end over-spending, and the above-mentioned equitable share reductions. As such, it was considered advisable to look at funding requests which had once-off funding requirements, especially in view of the fact that the province was protected by the full impact of the Census data updates through buffer funding provided by NT, and it is likely that this buffer funding will fall away from 2016/17 resulting in another fiscal cliff which the province will have to contend with. As such, funding requests which had carry-through implications beyond 2016/17 were not considered.

When MTEC met, NT indicated that there would be very little additional funding allocated to provinces, and that any possible additional allocation would be earmarked for the carry-through costs of higher than anticipated wage agreement, possibly some funding for the clerical staff re-grade which was implemented in 2013/14, as well as some national priorities in the Education, Health and Social Development sectors. It was indicated that NT was trying to reduce all level of government's consumption spending in view of the country's high debt-service costs.

MTEC therefore looked critically at departments' existing baselines with the view to reprioritise some funding. As mentioned, a decision was taken to ask departments to indicate any once-off funding requests they may have (i.e. which would not have any carry-through costs) with a view to fund these using provincial cash resources, which had become available as a result of a positive net financial position outcome at the end of 2012/13, as well as using the budgeted surplus of 2013/14. It was made very clear to departments and public entities that these funds would only be available to fund once-off projects and that they would be allocated in the 2013/14 Adjustments Estimate, and over the 2014/15 MTEF, but with no allocation being available beyond that.

Table 3.1 indicates the departments' requests for additional funding as they were submitted as part of the 2014/15 MTEF process. This table excludes the once-off additional funding requests departments and entities were asked to submit, as mentioned above.

Table 3.1 : Summary of additional funding requested by departments and public entities

R thousand	Amounts requested			Total
	2014/15	2015/16	2016/17	
1. Office of the Premier	64 082	80 871	97 576	242 529
2. Provincial Legislature	68 800	55 368	51 848	176 016
3. Agriculture, Environmental Affairs and Rural Development	373 374	281 567	434 046	1 088 987
4. Economic Development and Tourism	642 597	672 547	372 043	1 687 187
5. Education	68 405	72 507	55 866	196 778
6. Provincial Treasury	9 075	4 415	4 139	17 629
7. Health	110 922	73 579	76 553	261 054
8. Human Settlements	-	-	-	-
9. Community Safety and Liaison	4 180	4 389	4 608	13 177
10. The Royal Household	-	-	-	-
11. Co-operative Governance and Traditional Affairs	153 373	145 176	154 726	453 275
12. Transport	298 581	599 905	1 008 410	1 906 896
13. Social Development	139 976	229 051	275 402	644 429
14. Public Works	7 490	12 323	17 970	37 783
15. Arts and Culture	57 500	132 500	260 000	450 000
16. Sport and Recreation	67 494	75 651	80 013	223 158
Total	2 065 849	2 439 849	2 893 200	7 398 898

Note: The public entities' requests are included in their parent departments' totals

All funding requests had to be very critically assessed in view of the uncertainty of additional funding the province would receive from the national fiscus, the baseline cuts from the 2013/14 MTEF as a result of the 2011 Census data update of the equitable share formula, as well as the impending removal of the buffer funding by NT. It is worthwhile noting that, in spite of sizeable growth rates already in most

departments' baseline budgets, averaging 5.1 per cent (see Table 3.3), departments and public entities requested, in total, R2.066 billion, R2.440 billion and R2.893 billion over the 2014/15 MTEF (a total of R7.399 billion over the three years of the MTEF). Many of the requests for additional funding were based on sound principles and fared well when assessed in terms of the criteria mentioned above. However, the provincial baseline cuts imposed by NT did not allow the province to fund all of these requests.

As indicated above, departments and public entities were requested to go back and to indicate which part of their requests would have once-off funding requirements, for MTEC to consider funding these from the positive net financial position realised at the end of 2012/13, and the budgeted surplus of 2013/14. As such, departments and public entities were requested to indicate which part of their initiatives were once-off in nature as the fiscus cannot afford to finance initiatives that have carry-through costs. As a result, the province was able to fund some of these funding requests, and this is discussed in a bit more detail later in this chapter.

With the exception of the Department of Human Settlements (DOHS) and RHH, all departments submitted requests for additional funds, with the largest coming from the Department of Transport (DOT), Department of Economic Development and Tourism (DEDT) and its entities, and the Department of Agriculture, Environmental Affairs and Rural Development (DAEARD) and its entities. These departments requested additional amounts of R1.907 billion, R1.687 billion and R1.089 billion, respectively, over the 2014/15 MTEF. DOT requested additional funds for maintenance of the provincial road network and the expansion of the learner transport function in the province. DEDT and its entities requested funds for various issues, including the Small Business Development Agency (SBDA) and the installation of engineering infrastructure at the Richards Bay Industrial Development Zone (RBIDZ). DAEARD's request for additional funds is for a livestock intervention programme and for crop production while Ezemvelo KZN Wildlife (EKZNW) requested funds for rhino security, as well as infrastructure and environment improvement.

MinComBud and Cabinet meetings were convened from September 2013 to January 2014 to consider the 2014/15 provincial fiscal framework, with these forums providing direction in terms of the provincial fiscus each step of the way. Cabinet was kept updated when NT indicated that further cuts were going to impact on KZN, partly due to the phasing-in of the equitable share formula using updated data, and partly because indications are that the buffer funding that was given to KZN when the severe Census data cuts were effected in the 2013/14 MTEF will fall away from 2016/17 resulting in a further fiscal cliff. While KZN is losing some money, NT also allocated funds toward the carry-through costs of higher than anticipated wage agreements, re-grading of clerks, the OSD for therapists in Education, as well as some social sector priorities. These social sector priorities are the roll-out of the HPV vaccine in Health and the provision of shelters to victims of gender-based violence in Social Development.

MinComBud and Cabinet reviewed the MTEC recommendations with regard to the once-off funding requests, which were being funded through provincial cash resources, and agreed with these. It was also agreed to keep budgeting for a surplus as KZN has done in the past few MTEFs as these funds assist greatly when unfunded mandates arise which would otherwise threaten the fiscal stability of the province. This surplus will also assist when the buffer funding falls away from 2016/17.

After taking into account the data updates that inform the equitable share formula, the funding requests to be funded using provincial cash resources, as well as additional funding received from NT for various national priorities, MinComBud and Cabinet agreed to the following:

- Keeping a Contingency Reserve or budgeted surplus to assist with fiscal shocks.
- Funding various once-off funding requests using provincial cash resources and parts of the Contingency Reserve.
- Providing funding relating to the carry-through costs of various wage agreements to all departments.
- Allocating the funds for the re-grading of clerks to Education, Health, DOT and RHH.
- Allocating the OSD for Education sector therapists to Education from 2016/17 (this is treated as a conditional grant prior to 2016/17).

- Funding the national priorities affecting Health and Social Development at the required levels, as specified in NT’s allocation letter.

Details of the additional allocations over the 2014/15 MTEF, per department, are provided in Table 3.4.

3.2. Provincial fiscal framework

Table 3.2 summarises the provincial fiscal framework for the 2014/15 MTEF budget. The difference (Section 1 of the table) between the baseline and the revised allocations yields the additional resource made available to KZN, or the reductions affecting the province where this movement is negative.

Table 3.2 : Summary of provincial fiscal framework

R thousand	2014/15	2015/16	2016/17
1. Receipts			
Baseline Allocation	94 390 963	100 547 547	105 259 161
Transfer receipts from national	91 771 145	97 769 815	102 353 653
<i>Equitable share</i>	77 812 867	82 110 075	86 693 913
<i>Conditional grants</i>	13 958 278	15 659 740	15 659 740
Provincial own receipts	2 619 818	2 777 732	2 905 508
Increase / (Decrease) in allocation	2 472 606	3 117 979	1 215 674
Transfer receipts from national	2 308 780	2 901 432	932 398
<i>Equitable share</i>	325 610	1 237 479	1 193 566
<i>Conditional grants</i>	1 983 170	1 663 953	(261 168)
Provincial own receipts	163 826	216 547	283 276
Revised allocation	96 863 569	103 665 526	106 474 835
Transfer receipts from national	94 079 925	100 671 247	103 286 051
<i>Equitable share (after update of formula data & new money)</i>	78 138 477	83 347 554	87 887 479
<i>Conditional grants</i>	15 941 448	17 323 693	15 398 572
Provincial own receipts	2 783 644	2 994 279	3 188 784
2. Planned spending by departments	96 718 134	102 508 629	105 702 539
3. Contingency Reserve	145 435	1 156 897	772 296
4. Provincial cash resources	562 200	131 354	250 078
5. Contingency Reserve	707 635	1 288 251	1 022 374

The provincial equitable share allocation increases in 2014/15 by R325.610 million, R1.237 billion in 2015/16 and R1.194 billion in 2016/17. This is despite the data updates in the equitable share formula which resulted in a reduction in KZN’s equitable share in 2014/15, and largely results from the national priority funding received, the carry-through funding for various wage agreements, and so on. There are a number of changes to the conditional grant allocations over the 2014/15 MTEF, with these increasing by R1.963 billion in 2014/15 and R1.664 billion in 2015/16, but decreasing by R261.168 million in 2016/17. The reduction in the outer year relates to the Health Facility Revitalisation and Education Infrastructure grants being reduced to zero in that year. This allocation is removed from all provinces entirely and placed into a central “pot” where all provinces will have to bid for these funds, and will have to prove that various plans and processes are in place before funds are allocated in 2016/17. Besides this, various grants are reduced or amended, as follows:

There is a history of under-spending on agriculture grants, especially on the **Comprehensive Agriculture Support Programme (CASP)**. As a result, the CASP grant is marginally reduced over the 2014/15 MTEF. The **Land Care grant** is also marginally reduced over the MTEF. It was initially recommended that these cuts be restricted to only the four provinces that regularly record under-expenditure on these grants (EC, LP, MP and NW). The Department of Agriculture, Forestry and Fisheries (DAFF) did, however, not support this approach given that they have focused their attention on building the capacity of these under-spending provinces. Reductions to the allocations on the CASP grant and Land Care grant are therefore made to all nine provinces.

Reductions are made to the **Education Infrastructure grant** over the 2014/15 MTEF. These reductions still allow for nominal growth in the value of the grant each year and should therefore have minimal impact on service delivery. Also, R31.557 million in 2014/15 and R23.983 million in 2015/16 is earmarked for repairs relating to flood damage.

The **Further Education and Training (FET) College Sector grant** is increased over the 2014/15 MTEF for increased *Compensation of employees* costs due to the impact of higher than projected inflation.

The **OSD for Education Sector Therapists grant** is a new grant, added to fund the increased *Compensation of employees* costs due to the introduction of an OSD for therapists in the Education sector. From 2016/17, this is added to the provincial equitable share.

The strategic goal of the **Health Facility Revitalisation grant** is to enable provinces to plan, manage, maintain and transform health infrastructure in line with national and provincial policy objectives. The grant had three components in 2013/14, which were (a) the Hospital Revitalisation Component that funds the construction, upgrading or replacement of hospitals; (b) the Nursing Colleges and Schools Component that funds the upgrading of nursing colleges and schools; and (c) the Health Infrastructure Component that funds improvements in all health facilities. The conditions of the Health Facility Revitalisation grant are being amended from 2014/15 to allow for more flexibility to shift funds between these components (i.e. this grant is no longer divided into these components, but has become one consolidated grant. Also, R260 000 in 2014/15 and R198 000 in 2015/16 is earmarked for repairs relating to flood damage.

With regard to the **Comprehensive HIV and AIDS grant**, this is increased significantly over the MTEF. This is in line with the need to revise this allocation to improve alignment with provincial spending commitments with regard to this programme. To allow provinces to adjust to the amended allocations, the revisions are phased-in over the first two years of the MTEF. KZN has proven that they carry more than 30 per cent of the national HIV and AIDS case-load, while only receiving some 25 per cent share of the national funding. This is now addressed by the phased-in increase of this grant.

The **Human Settlements Development grant (HSDG)** had half its allocation removed in the two outer years of the 2013/14 MTEF while a new formula for this grant was being formulated. The new formula for the HSDG has been approved by the Human Settlement MINMEC and will be phased in over two years, 2014/15 and 2015/16. The HSDG therefore returns to its pre-cut levels of some R3 billion per year. Of this amount, R1.150 billion, R1.180 billion and R1.314 billion over the MTEF must be allocated to eThekweni. The HSDG is also reduced over the 2014/15 MTEF and these amounts are shifted to the National Department of Human Settlements as an indirect grant. These funds will be used for the bucket eradication programme and will mainly target the provision of improved sanitation in areas where housing projects did not adequately provide for decent sanitation systems. Also, R167.317 million in 2014/15 and R127.161 million in 2015/16 is earmarked for repairs relating to flood damage.

The **Public Transport Operations grant** is increased over the 2014/15 MTEF to assist provinces with respect to the inflationary impact of fuel and labour costs in providing public transport services.

The new formula for allocating the **Provincial Roads Maintenance grant** between provinces was implemented from 2013/14 and was approved as part of the 2013 DORA. The revised formula was to support more efficient investment in provincial roads by using the following allocation criteria: length of road network; road conditions; traffic volumes; and topographic and geo-climatic factors. The new formula is being phased in and will be fully phased in by 2015/16. Also, R52.194 million in 2014/15 and R5.114 million in 2015/16 is earmarked for repairs relating to flood damage.

The provincial own receipts increase by R163.826 million in 2014/15, R216.547 million in 2015/16 and R283.276 million in 2016/17. This increase is mainly due to Revenue Bilaterals being held with departments, where these were encouraged to critically review all revenue budgets and to bring them in line with historical revenue collections.

Section 2 of Table 3.2 gives the planned spending of departments, based on their MTEF allocations. After deducting this from the province's updated national and provincial receipts, KZN is left with a budgeted surplus of R145.435 million, R1.157 billion and R772.296 million over the MTEF (see Section 3). The table also indicates that some of the additional funding provided to departments over the MTEF was funded using provincial cash resources which became available due to the positive net financial position realised at the end of 2012/13, as well as the budgeted surplus of 2013/14. Once these amounts are taken into account, the budgeted surplus or Contingency Reserve for the province is R707.635 million in 2014/15, R1.288 billion in 2015/16 and R1.022 billion in 2016/17. Table 3.4 in Section 3.3.2, then, indicates the amounts allocated to departments in addition to their baseline allocations, from provincial cash resources, as well as from NT for various national priorities.

3.3 Summary of additional allocations for the 2014/15 MTEF

3.3.1 Existing growth in the 2013/14 MTEF baseline allocation

Table 3.3 shows the baseline budgets for the 2013/14 MTEF period before any new money was added as part of the 2014/15 budget process.

Table 3.3 : Existing growth rates in 2013/14 MTEF baseline budgets

R thousand	Main Appropriation 2013/14	Medium-term baseline budgets			Ann. % growth 13/14-16/17
		2014/15	2015/16	2016/17	
1. Office of the Premier	620 854	639 058	665 078	695 672	3.9
2. Provincial Legislature	417 120	471 223	454 134	475 024	4.4
3. Agriculture, Environmental Affairs and Rural Development	2 862 582	2 946 839	3 067 458	3 208 561	3.9
4. Economic Development and Tourism	1 837 015	1 950 293	2 029 698	2 123 064	4.9
5. Education	37 008 579	39 131 499	42 147 740	44 086 536	6.0
6. Provincial Treasury	684 929	620 584	633 362	662 497	(1.1)
7. Health	28 647 877	30 445 724	32 258 216	33 742 094	5.6
8. Human Settlements	3 550 676	2 012 405	2 015 177	2 107 875	(16.0)
9. Community Safety and Liaison	172 347	180 482	187 627	196 258	4.4
10. The Royal Household	63 330	53 870	56 063	58 642	(2.5)
11. Co-operative Governance and Traditional Affairs	1 247 696	1 304 973	1 358 007	1 420 475	4.4
12. Transport	8 066 335	8 851 007	9 561 829	10 001 673	7.4
13. Social Development	2 325 185	2 446 515	2 606 245	2 726 132	5.4
14. Public Works	1 261 366	1 313 705	1 369 817	1 432 829	4.3
15. Arts and Culture	644 964	696 646	757 299	792 135	7.1
16. Sport and Recreation	381 349	394 155	410 981	429 886	4.1
Total	89 792 204	93 458 978	99 578 731	104 159 353	5.1

This serves as a reminder that most departments' baselines for the MTEF showed positive rates of growth, although this may differ in terms of level. Three departments showed negative growth, namely PT, DOHS and the RHH. PT's negative growth rate of 1.1 per cent resulted from 2013/14 containing various once-off allocations mainly for transversal projects such as Operation Clean Audit, provincial SCM procurement tool, SCM contract management, among others. DOHS shows negative growth of 16 per cent as a result of the review of the current formula of the HSDG. Pending this review, only half the allocation for the HSDG was allocated to provinces while the other half remains unallocated. RHH shows negative growth of 2.5 per cent as the department was allocated additional once-off funding for the renovations to the King's palaces with this funding stream coming to an end in 2013/14.

3.3.2 Summary of changes to baselines

This section focuses on additions being made to baselines in the 2014/15 MTEF.

The additional allocations to departments and their respective purposes are summarised in Table 3.4 below. Note that Table 3.4 reflects only the provincial additional allocations, and excludes changes in respect of conditional grants.

As can be seen in Table 3.4, all departments receive an additional allocation for the carry-through costs of higher than anticipated wage agreements. On the other hand, the re-grading of clerks allocation is only allocated to Education, Health, DOT and RHH with the other departments having to absorb this from within their baselines as the amounts were relatively low. Table 3.4 also shows that the external bursaries and part of the communications budget is being centralised under the OTP.

Some departments received once-off additional funding for various provincial priorities. As mentioned, these are funded from provincial cash resources and have no carry-through funding beyond the MTEF.

NT provided additional funding for nationally identified priorities, apart from the allocation provided for the higher than anticipated wage agreements. KZN receives additional funding for specific national priorities in Health and Social Development, namely the roll-out of the HPV vaccine and the provision of shelters of victims of gender-based violence, respectively.

3. Budget Process and Medium Term Expenditure Framework

A short description of the purpose of the main additional allocations made to departments, over and above the national priorities, wage agreement carry-through and re-grading of clerical workers, is given below the tables.

Table 3.4 : Summary of changes to allocations, 2014/15 MTEF

	2014/15	2015/16	2016/17	2014/15	2015/16	2016/17
	R thousand			Percentage share		
Vote 1: Office of the Premier	100 853	57 278	55 007	7.9	4.5	2.8
Carry-through of previous wage agreements	1 485	2 868	3 315	0.1	0.2	0.2
Suspension of parts of Integrity Mgt unit from 2013/14	5 700	-	-	0.4	-	-
Integrity Management unit	33 169	-	-	2.6	-	-
Ntambanana - provision of piped water and proper roads to Luwamba Clinic	-	(31 380)	(32 823)	-	(2.5)	(1.7)
Integrity Management unit	-	31 380	32 823	-	2.5	1.7
Elections - Security strengthening	5 000	-	-	0.4	-	-
Operation <i>Sukuma Sakhe</i> Diakonia	5 000	5 000	-	0.4	0.4	-
Amafa - World Heritage status for Emakhosini Valley	3 059	-	-	0.2	-	-
Centralisation of communications budget under OTP	35 593	37 144	38 862	2.8	2.9	2.0
Centralisation of external bursaries budget under OTP	11 847	12 266	12 830	0.9	1.0	0.7
Vote 2: Provincial Legislature	19 963	1 860	2 149	1.6	0.1	0.1
Legislature complex - feasibility study	5 000	-	-	0.4	-	-
Improved Hansard production	14 000	-	-	1.1	-	-
Carry-through of previous wage agreements	963	1 860	2 149	0.1	0.1	0.1
Vote 3: Agriculture, Environmental Affairs and Rural Development	104 308	43 779	48 169	8.2	3.5	2.5
EKZNW - Suspension of parts of road maintenance funds from 13/14	39 512	-	-	3.1	-	-
Provision of sheds for depts tractors in districts	8 500	-	-	0.7	-	-
Livestock identification (RFID)	10 200	-	-	0.8	-	-
Mjindi - irrigation equipment for Makhathini irrigation scheme	12 286	-	-	1.0	-	-
Function shift: ADA from DEDT	39 945	41 571	43 774	3.1	3.3	2.3
Carry-through of previous wage agreements - DAEARD	6 195	11 962	13 823	0.5	0.9	0.7
Carry-through of previous wage agreements - EKZNW	3 661	7 069	8 168	0.3	0.6	0.4
Centralisation of communications budget under OTP	(9 568)	(10 104)	(10 568)	(0.8)	(0.8)	(0.5)
Centralisation of external bursaries budget under OTP	(6 423)	(6 719)	(7 028)	(0.5)	(0.5)	(0.4)
Vote 4: Economic Development and Tourism	(5 353)	7 493	(34 645)	(0.4)	0.6	(1.8)
Function shift: ADA to DAEARD	(39 945)	(41 571)	(43 774)	(3.1)	(3.3)	(2.3)
KZNSB - MCOE	6 000	6 000	6 000	0.5	0.5	0.3
TIK - TAF and marketing	7 000	7 000	7 000	0.5	0.6	0.4
KZN Liquor Authority - IT system	2 000	1 590	1 685	0.2	0.1	0.1
KZN Liquor Authority - Operational costs	25 768	-	-	2.0	-	-
RBIDZ - Infrastructure relating to Master Plan	-	40 000	-	-	3.2	-
Carry-through of previous wage agreements	1 061	2 048	2 366	0.1	0.2	0.1
Centralisation of communications budget under OTP	(6 737)	(7 074)	(7 399)	(0.5)	(0.6)	(0.4)
Centralisation of external bursaries budget under OTP	(500)	(500)	(523)	(0.0)	(0.0)	(0.0)
Vote 5: Education	311 252	522 759	610 404	24.4	41.3	31.4
Education personnel spending pressures	50 000	60 000	65 000	3.9	4.7	3.3
Re-grading of clerical staff	103 856	119 540	127 979	8.1	9.5	6.6
Carry-through of previous wage agreements	198 896	386 349	449 110	15.6	30.5	23.1
OSD for Education therapists	-	-	15 358	-	-	0.8
Centralisation of communications budget under OTP	(4 500)	(4 630)	(4 843)	(0.4)	(0.4)	(0.2)
Learner Transport - final shift to Transport	(37 000)	(38 500)	(42 200)	(2.9)	(3.0)	(2.2)
Vote 6: Provincial Treasury	213 599	124 853	92 519	16.8	9.9	4.8
Suspension from 2013/14:	57 553	-	-	4.5	-	-
<i>e-Procurement tool</i>	6 000	-	-	0.5	-	-
<i>Contract management</i>	10 000	-	-	0.8	-	-
<i>Operation Clean Audit (Internal Audit)</i>	10 000	-	-	0.8	-	-
<i>Forensic investigations</i>	8 000	-	-	0.6	-	-
<i>Office Park PPP</i>	9 000	-	-	0.7	-	-
<i>Balance of Strategic Cabinet Initiatives Fund</i>	14 553	-	-	1.1	-	-
Rural development projects	50 000	-	-	3.9	-	-
Msunduzi electricity-related developments	5 500	-	-	0.4	-	-
Infrastructure Crack Team	10 000	-	-	0.8	-	-
Irregular expenditure	3 500	-	-	0.3	-	-
IDIP TAs	8 000	8 000	8 000	0.6	0.6	0.4
Operation Pay on Time	3 500	3 500	3 500	0.3	0.3	0.2
Education capped leave	5 000	-	-	0.4	-	-
Operation Clean Audit (Financial Management)	10 000	5 000	5 000	0.8	0.4	0.3
AFS assist municipalities	5 000	-	-	0.4	-	-
e-Procurement tool	4 500	13 000	3 500	0.4	1.0	0.2
Special audits	-	8 000	-	-	0.6	-
Forensic investigations	-	8 000	-	-	0.6	-
Contract management	-	-	7 000	-	-	0.4
Shayamoya roll-over from 12/13 - 14/15	-	2 062	-	-	0.2	-
Light industrial park - Bhongweni roll-over from 12/13 - 14/15	-	8 000	-	-	0.6	-
Inkosi Albert Luthuli Central Hospital - floor repairs	4 000	8 000	6 000	0.3	0.6	0.3
Strategic Cabinet Initiatives Fund - increasing to R100m pa	46 505	59 473	57 325	3.6	4.7	3.0
Carry-through of previous wage agreements	1 404	2 711	3 133	0.1	0.2	0.2
Centralisation of communications budget under OTP	(610)	(640)	(674)	(0.0)	(0.1)	(0.0)
Centralisation of external bursaries budget under OTP	(253)	(253)	(265)	(0.0)	(0.0)	(0.0)

Table 3.4 : Summary of changes to allocations, 2014/15 MTEF

	2014/15	2015/16	2016/17	2014/15	2015/16	2016/17
	R thousand			Percentage share		
Vote 7: Health	231 986	311 746	396 378	18.2	24.6	20.4
Re-grading of clerical staff	59 505	68 132	72 561	4.7	5.4	3.7
Carry-through of previous wage agreements	125 704	242 734	280 486	9.9	19.2	14.4
McCord Hospital (trade creditors and VAT)	15 870	880	670	1.2	0.1	0.0
St Mary's Hospital - operations	30 907	-	-	2.4	-	-
National priorities	-	-	42 661	-	-	2.2
Roll-out of HPV vaccine	-	-	42 661	-	-	2.2
Vote 8: Human Settlements	596	2 110	2 560	0.0	0.2	0.1
Carry-through of previous wage agreements	1 673	3 230	3 732	0.1	0.3	0.2
Centralisation of communications budget under OTP	(513)	(540)	(565)	(0.0)	(0.0)	(0.0)
Centralisation of external bursaries budget under OTP	(564)	(580)	(607)	(0.0)	(0.0)	(0.0)
Vote 9: Community Safety and Liaison	(1 767)	(1 558)	6 164	(0.1)	(0.1)	0.3
Compensation of employees roll-over from 2012/13 to 2016/17	-	-	7 723	-	-	0.4
Carry-through of previous wage agreements	333	642	742	0.0	0.1	0.0
Centralisation of communications budget under OTP	(2 100)	(2 200)	(2 301)	(0.2)	(0.2)	(0.1)
Vote 10: The Royal Household	341	473	515	0.0	0.0	0.0
Re-grading of clerical staff	200	200	200	0.0	0.0	0.0
Carry-through of previous wage agreements	141	273	315	0.0	0.0	0.0
Vote 11: Co-operative Governance and Traditional Affairs	39 632	4 662	5 626	3.1	0.4	0.3
Suspension of trf to ADA for Uthukela Amakhosi prog and Msinga Co-op	18 850	-	-	1.5	-	-
Community Service Centres - Bulwer and rehab of 3 others	19 400	-	-	1.5	-	-
Carry-through of previous wage agreements	3 582	6 917	7 992	0.3	0.5	0.4
Centralisation of communications budget under OTP	(1 000)	(1 000)	(1 053)	(0.1)	(0.1)	(0.1)
Centralisation of external bursaries budget under OTP	(1 200)	(1 255)	(1 313)	(0.1)	(0.1)	(0.1)
Vote 12: Transport	105 527	115 422	121 649	8.3	9.1	6.3
Re-grading of clerical staff	5 000	5 000	5 000	0.4	0.4	0.3
Carry-through of previous wage agreements	9 352	18 058	20 867	0.7	1.4	1.1
Road maintenance and construction projects	60 000	60 000	60 000	4.7	4.7	3.1
Centralisation of communications budget under OTP	(5 705)	(6 016)	(6 293)	(0.4)	(0.5)	(0.3)
Centralisation of external bursaries budget under OTP	(120)	(120)	(125)	(0.0)	(0.0)	(0.0)
Learner Transport - final shift from Education	37 000	38 500	42 200	2.9	3.0	2.2
Vote 13: Social Development	45 691	21 236	23 184	3.6	1.7	1.2
Suspension of Isibindi model from 2013/14	31 000	-	-	2.4	-	-
Carry-through of previous wage agreements	7 064	13 640	15 761	0.6	1.1	0.8
Centralisation of communications budget under OTP	(3 100)	(3 100)	(3 242)	(0.2)	(0.2)	(0.2)
National priorities:	10 727	10 696	10 665	0.8	0.8	0.5
Provision of shelters for victims of gender-based violence	10 727	10 696	10 665	0.8	0.8	0.5
Vote 14: Public Works	52 488	2 976	603 804	4.1	0.2	31.1
Government office precinct project	-	-	600 000	-	-	30.9
National Youth Service	7 500	-	-	0.6	-	-
Richmond Community Development Prog.	20 000	-	-	1.6	-	-
Fixed asset management tool: Roll-over from 12/13 - 14/15	25 000	-	-	2.0	-	-
Carry-through of previous wage agreements	3 265	6 305	7 286	0.3	0.5	0.4
Centralisation of communications budget under OTP	(940)	(990)	(1 035)	(0.1)	(0.1)	(0.1)
Centralisation of external bursaries budget under OTP	(2 337)	(2 339)	(2 447)	(0.2)	(0.2)	(0.1)
Vote 15: Arts and Culture	6 364	49 753	7 797	0.5	3.9	0.4
Playhouse Company - return to pre-cut levels	2 302	2 302	2 407	0.2	0.2	0.1
Philharmonic Orchestra - return to pre-cut levels	3 162	3 120	3 263	0.2	0.2	0.2
Arts and Culture Academy	-	42 500	-	-	3.4	-
Carry-through of previous wage agreements	1 000	1 931	2 231	0.1	0.2	0.1
Centralisation of external bursaries budget under OTP	(100)	(100)	(104)	(0.0)	(0.0)	(0.0)
Vote 16: Sport and Recreation	49 506	103	256	3.9	0.0	0.0
War room intervention programme	19 975	-	-	1.6	-	-
Carry-through of previous wage agreements	701	1 353	1 563	0.1	0.1	0.1
Hoy Park Sports Development Centre	30 000	-	-	2.4	-	-
Centralisation of communications budget under OTP	(820)	(850)	(889)	(0.1)	(0.1)	(0.0)
Centralisation of external bursaries budget under OTP	(350)	(400)	(418)	(0.0)	(0.0)	(0.0)
Total	1 274 986	1 264 945	1 941 536	100.0	100.0	100.0

The OTP sees an increase in its baseline for a number of projects. These include funds suspended from 2013/14 for the operational costs of the Integrity Management unit, as well as an additional allocation in this regard. OTP also receives an allocation for OSS Diakonia and for assisting Amafa with its motivation to classify the Emakhosini Valley as a World Heritage Site.

The Legislature receives some additional funding, only in 2014/15, for reviving the feasibility study into the Legislature complex, as well as for improving its Hansard production.

DAEARD receives additional funding for various items including the suspension of parts of EKZNW's road maintenance funds from 2013/14 to 2014/15. There is also provision for erecting sheds in districts to shelter the department's tractors and farming implements, as well as for rolling out radio frequency identification of livestock in KZN to help reduce stock theft. There is also funding for transfer to Mjindi for purchasing equipment for the Makhathini irrigation scheme. Finally, in view of the Agri-business

Development Agency (ADA) now falling under the auspices of DAEARD and no longer under DEDT, the operational costs for this entity are shifted from DEDT to DAEARD in line with the function shift.

DEDT sees a reduction in their budget, relating to the function shift of ADA to DAEARD. The department also receives funding for transfer to the KZN Sharks Board (KZNSB) for the Maritime Centre of Excellence (MCOE) to assist with the operational costs of this entity while the department and entity determine how they will fund these costs going forward. Trade and Investment KZN (TIK) receives funding for the Technical Assistance Fund (TAF) and for marketing expenses. The KZN Liquor Authority (KZNLA) receives funding for a new IT system for this new entity. It also receives funding for its operational costs in 2014/15 only. Once the liquor licence revenue increases over the MTEF, part of these funds will be used to fund the operational costs going forward.

Education receives some funding to assist them with the personnel spending pressures, as well as the OSD for therapists with the latter being funded by NT.

PT receives funding for various transversal projects aimed at improving the financial management of KZN. This includes Operation Clean Audit, the provincial SCM procurement tool, SCM contract management, forensic investigations and the Infrastructure Crack Team, among others.

Community Safety and Liaison receives a roll-over from 2012/13 to 2016/17 to assist them with funding the new structure they had to put in place in line with the requirements of the Civilian Secretariat for Police Services Act.

COGTA receives funds suspended from 2013/14 for transfer to ADA for the implementation of the uThukela *Amakhosi* programme and the Msinga *Asisukume* Co-operative. COGTA also receives an allocation for the construction of a Community Service Centre at Bulwer and the rehabilitation of three others.

Transport receives funding for road maintenance and construction projects to support the good work being done by the department in this area.

Social Development receives some funding for the *Isibindi* model. This was suspended from the department's 2013/14 budget to fall in line with the department's implementation plan.

DOPW receives a substantial allocation in 2016/17. This provides for the beginning phases of construction of a government office precinct project in Pietermaritzburg. The department also receives funding for one year for the National Youth Service (NYS) programme and for the Richmond Community Development programme. The department receives a roll-over from 2012/13 relating to the procurement of a fixed asset management tool. Arts and Culture receives funding to increase the transfer to The Playhouse Company and the KZN Philharmonic Orchestra to the levels they were at before the 2011 Census data cuts that were implemented against all departments, and parts of which Arts and Culture then implemented against these two entities. Arts and Culture also receives funding to construct an Arts and Culture Academy in 2015/16.

Sport and Recreation receives funding in 2014/15 for the war-room intervention programme, as well as for contribution towards the Hoy Park Sports Development Centre which is being built in eThekweni.

Table 3.5 shows the revised budgets of departments for the 2014/15 MTEF, after taking into account all of the adjustments to the baseline allocations mentioned above, as well as the additional allocations received in respect of national conditional grants.

The provincial budget grows by 7.7 per cent in 2014/15 from the 2013/14 Main Appropriation, largely due to the once-off provision of funds for various provincial priorities, as mentioned above.

Table 3.5 : Summary of revised budgets by departments, 2014/15 MTEF

	Main Appropriation	Medium-term Estimates (R thousand)			Annual Percentage Growth		
	2013/14	2014/15	2015/16	2016/17	2014/15	2015/16	2016/17
1. Office of the Premier	620 854	741 291	723 826	756 894	19.4	(2.4)	4.6
2. Provincial Legislature	417 120	491 186	455 994	480 352	17.8	(7.2)	5.3
3. Agriculture, Environmental Affairs & Rural Development	2 862 582	3 070 155	3 093 537	3 241 463	7.3	0.8	4.8
4. Economic Development and Tourism	1 837 015	1 946 940	2 037 191	2 102 627	6.0	4.6	3.2
5. Education	37 008 579	39 446 920	42 572 680	42 881 812	6.6	7.9	0.7
6. Provincial Treasury	684 929	834 183	758 215	759 449	21.8	(9.1)	0.2
7. Health	28 647 877	30 914 196	32 881 579	33 821 760	7.9	6.4	2.9
8. Human Settlements	3 550 676	3 600 282	3 656 033	3 907 814	1.4	1.5	6.9
9. Community Safety and Liaison	172 347	181 295	186 069	198 470	5.2	2.6	6.7
10. The Royal Household	63 330	54 211	56 536	59 549	(14.4)	4.3	5.3
11. Co-operative Governance and Traditional Affairs	1 247 696	1 348 076	1 362 669	1 435 607	8.0	1.1	5.4
12. Transport	8 066 335	9 060 595	9 504 027	10 001 955	12.3	4.9	5.2
13. Social Development	2 325 185	2 497 952	2 627 481	2 767 560	7.4	5.2	5.3
14. Public Works	1 261 366	1 369 361	1 372 793	2 046 221	8.6	0.3	49.1
15. Arts and Culture	644 964	705 112	806 706	805 982	9.3	14.4	(0.1)
16. Sport and Recreation	381 349	456 379	413 293	435 024	19.7	(9.4)	5.3
Total	89 792 204	96 718 134	102 508 629	105 702 539	7.7	6.0	3.1

The negative growth in OTP's budget in 2015/16 relates to various once-off funds given in 2014/15, such as the amount provided for the running costs of the Integrity Management unit before the Luwamba Wellness Centre funds are re-directed to fund this unit from 2015/16 onward.

The negative growth by the Legislature in 2015/16 results from the fact that 2014/15 includes once-off additional amounts of R5 million for the Legislature complex feasibility study, R14 million for improved Hansard production, R7 million for observing and monitoring the 2014 elections, as well as R27.855 million for exit packages for MPLs whose tenure of office may be affected by these elections. These are not funded in 2015/16, therefore explaining the negative growth.

The negative growth in PT in 2015/16 relates to the substantial once-off allocations in 2014/15 for various transversal projects, such as rural development projects, the Infrastructure Crack Team and the Education capped leave project. Also contributing was the once-off suspension of R57.553 million which was suspended from the department's budget in 2013/14 and allocated back to it for spending in 2014/15.

The negative growth shown by RHH in 2014/15 results from the infrastructure allocation for the renovations to palaces coming to an end in 2013/14, in line with project requirements.

The negative growth shown by DOSR in 2014/15 relates to substantial once-off funding given in 2014/15 for Hoy Park Sports Development Centre being constructed in eThekweni, as well as funds for the war-room intervention programme.

4. RECEIPTS

4.1 National Fiscal Framework and Division of Revenue for the 2014/15 MTEF

4.1.1 Background

Section 214(1) of the Constitution requires that, annually, DORA determines the equitable division of nationally raised revenue between the three spheres of government. This section of the Constitution is supported by Section 9 of the Intergovernmental Fiscal Relations Act, which promotes co-operative governance of fiscal, budgetary and financial matters, by prescribing the process for determining the equitable allocation of revenue raised nationally. In terms of S214, an equitable system of vertical and horizontal division of centrally collected revenue is essential for the creation of a balance between the three spheres of government. The mechanism that was developed to achieve this is dependent on functions, social and economic developmental needs and spatial and age distribution of the population in the provinces, and the country as a whole.

The vertical division of revenue among the three spheres of government – national, provincial and local – is based on a value judgement and not on any predetermined formula. This division of revenue is determined through annual consultative processes involving the Budget Council, the Financial and Fiscal Commission (FFC) and NT. However, the horizontal division of revenue among provinces, as well as municipalities, is formula-based, and this is explained in Sections 4.1.3 and 4.1.5.

4.1.2 Division of revenue and fiscal framework

4.1.2.1 Fiscal policy and trends

Fiscal policy ensures the health of the public finances by applying the principles of counter-cyclicality, debt sustainability and intergenerational fairness. The 2014/15 MTEF budget is prepared in a challenging environment, as the difficult circumstances that have confronted the SA economy over the past few years are expected to continue for the foreseeable future. Global economic conditions remain uncertain due to weak growth prospects in advanced economies and a potential slowing in activity in the major developing economies. Domestically, low levels of business confidence, slow growth in both consumption and investment spending, and disruptions to business activity through labour stoppages and electricity supply constraints present a challenging growth environment. Government will continue to finance real increases in spending that enhance the social wage, within an explicit expenditure ceiling. Within the context of the slow economic activity, weak revenue performance has resulted in sustained and significant borrowing over the past five years. While necessary to ensure the continued expansion in public service delivery and support for the economy, these deficits are not sustainable over the longer term and must be resolved through a combination of disciplined growth in spending and economic recovery. The consolidated budget deficit is expected to narrow from 4.0 per cent of GDP in 2013/14 to 2.8 per cent in the outer year, supporting a stabilisation of debt at 44.3 per cent of GDP.

Reductions to the contingency reserve further constrains opportunities for adding to existing spending envelopes. Given the objectives and context discussed above, the 2014/15 budget will continue to be constrained with government facing an extremely tight budgetary environment.

4.1.2.2 Value for money in public expenditure – Budgeting priorities

During the 2013/14 budget process, emphasis was placed on the need to shift the composition of spending in favour of investment that promotes economic growth. This shift needs to continue, and government also needs to focus on building its capacity to implement policies and improve its productivity and value for the tax payer's money. The 2014/15 MTEF budget strikes a balance between continued real growth in expenditure and fiscal consolidation. Annual real growth in non-interest spending will average 1.9 per cent over the next three years.

Resources will continue to be prioritised within the framework of the NDP, and greater emphasis will be placed on improving performance, achieving value for money and containing costs across government. Social spending will remain the largest category of expenditure over the period ahead, and the allocations to education, infrastructure and job creation will grow in real terms. Aligned to the NDP priorities, government developed a budget framework that is accountable, transparent and responsive to the needs of the country. Over the next three years, government will strike a balance between its commitment to fiscal consolidation and the need to increase spending on key areas to expand the economy's long-term growth potential. This will be achieved through maintaining the expenditure ceiling, reprioritising resources to areas where they are most needed, eliminating wasteful expenditure and adopting rigorous cost-containment measures in every aspect of public spending.

4.1.2.3 Division of revenue

The 2014/15 MTEF division of revenue was done in the context of government's priorities and the revenue raising capacity and functional responsibilities of each sphere of government. The MTEF proposes continued support for the economy with the need for fiscal consolidation. The budget framework sets explicit limits for public expenditure. This ceiling allows for sustained but moderate real growth in spending and a gradually declining deficit. Government will finance future priorities and respond to spending pressures by reprioritising existing allocations and eliminating wasteful expenditure. The fiscal framework makes R1.025 trillion available for spending in 2014/15, growing substantially to R1.100 trillion and R1.166 trillion in 2015/16 and 2016/17, respectively. Table 4.1 sets out the division of nationally raised revenue between the three spheres of government.

Table 4.1 : Division of revenue between spheres of government, 2010/11 – 2016/17

R million	Audited Outcome			Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13		2013/14	2014/15	2015/16
National departments	356 027	382 712	412 706	449 251	489 424	522 257	552 983
<i>Indirect transfers to provinces</i>	-	76	860	2 693	5 413	5 044	4 127
<i>Indirect transfers to local government</i>	2 939	2 770	4 956	5 697	7 726	9 467	10 221
Provinces	322 822	362 488	388 238	414 932	444 423	477 639	508 254
<i>Equitable share</i>	265 139	291 736	313 016	338 937	362 468	387 967	412 039
<i>Conditional grants</i>	57 682	70 753	75 222	75 995	81 955	89 672	96 215
Local government	60 904	68 251	76 430	83 670	90 815	100 047	105 187
<i>Equitable share</i>	30 541	33 173	37 139	39 789	44 490	50 208	52 869
<i>Conditional grants</i>	22 821	26 505	30 251	34 268	36 135	39 181	41 094
<i>General fuel levy sharing with metros</i>	7 542	8 573	9 040	9 613	10 190	10 659	11 224
Total	739 753	813 452	877 375	947 854	1 024 662	1 099 943	1 166 424
Percentage shares							
<i>National departments</i>	48.1%	47.0%	47.0%	47.4%	47.8%	47.5%	47.4%
<i>Provinces</i>	43.6%	44.6%	44.2%	43.8%	43.4%	43.4%	43.6%
<i>Local government</i>	8.2%	8.4%	8.7%	8.8%	8.9%	9.1%	9.0%

In 2014/15, national departments receive 47.8 per cent of available funds after debt costs and the contingency reserve have been provided for, provinces receive 43.4 per cent and local government 8.9 per cent. At R489.424 billion in 2014/15, and increasing to R552.983 billion in 2016/17, national departments continue to receive the largest share of funding (however, the percentage share is declining at 47.8 per cent, 47.5 per cent and 47.4 per cent from 2014/15 to 2016/17), to support sustained real growth in social grant provisions, public infrastructure and employment programmes. The provincial share increases from 43.4 per cent in 2014/15 to 43.6 per cent in 2016/17, while the local government share accounts for 8.9 per cent, 9.1 per cent and 9 per cent over the 2014/15 MTEF.

Table 4.2 summarises the additional funding allocated to the three spheres of government when compared to the 2013/14 MTEF.

Table 4.2 : Changes to baselines¹, 2014/15 – 2016/17

R million	2014/15	2015/16	2016/17	Total	% Share
National departments	(32)	551	5 113	5 632	44.7
Provinces	2 696	3 250	4 861	10 807	85.8
Local government	(764)	(1 422)	(1 660)	(3 847)	(30.5)
Allocated expenditure	1 900	2 379	8 314	12 593	-

¹ - Excludes shifts in savings towards priorities over the MTEF

The fiscal framework adds R1.900 billion to expenditure in 2014/15, R2.379 billion in 2015/16 and R8.314 billion in 2016/17. Over the medium term, provincial baseline allocations increase by R10.807 billion, which accounts for 85.8 per cent of the total additional resources of R12.593 billion. Following the saving exercise mentioned, additional resources are allocated to fund the OSD for several categories of therapists in Education through a new conditional grant for two years, after which these funds will be incorporated into the provincial equitable share. Furthermore, additions to the provincial equitable share will help to fund shelters for victims of abuse, as well as the roll-out of a new vaccine for HPV, among others. The changes to provincial conditional grants are discussed in more detail under Section 4.1.4 below.

Municipal baselines decline by R764 million, R1.422 billion and R1.660 billion in 2014/15, 2015/16 and 2016/17, respectively, largely attributed to the downward revision of conditional grants to local government to make funding available for national priorities.

In addition to direct transfers in the form of the equitable share and conditional grants, provinces and municipalities also benefit from indirect grants. These are allocations that national departments spend on behalf of provinces and municipalities. Government proposes significant growth in the value of indirect grants to provinces and municipalities, from R8.390 billion in 2013/14 to R14.348 billion in 2016/17.

4.1.3 Provincial equitable share (PES)

Provincial revenue is made up of national transfers and own receipts. The bulk of the national transfers come in the form of an equitable share allocation, and the balance comes from conditional grants. Unlike the division of revenue between the spheres of government (vertical split), which is based on a value judgement, the PES allocation of nationally raised revenue is formula driven.

In terms of S214 of the Constitution, the equitable division of revenue raised nationally among the three spheres of government, is unconditional. By implication this means that, although the division is based on the shares as outlined in Table 4.3 below, provinces have a prerogative to allocate PES funds in line with their specific provincial priorities. The PES formula is reviewed and updated with new data annually. For the 2014/15 MTEF, the formula has been updated with data from the 2013 mid-year population estimates published by Stats SA, the 2013 preliminary data published by the Department of Basic Education (DBE) on school enrolment, data from the 2012 General Household Survey for medical aid coverage, and data from the health sector and the Risk Equalisation Fund for the risk-adjusted capitation index. Because the formula is largely population-driven, the allocations capture shifts in population across provinces, which lead to changes in the relative demand for public services across these areas.

Table 4.3 : Equitable share components and weighting

Component	Share (weighting) %
Education share - based on the size of the school-age population (ages 5 - 17) and the number of learners (Grade R to 12) enrolled in public ordinary schools.	48
Health share - based on estimated demand for health services according to age and gender, as well as data obtained from District Health Information System	27
Basic share - derived from each province's share of the total population of the country	16
Institutional component - divided equally among the provinces	5
Poverty component - used to reinforce the redistributive bias of the formula	3
Economic activity component - based on the final Gross Domestic Product by Region (province) data	1

The impact of these updates on the PES is phased in over three years (2014/15 to 2016/17). The data updates impacted as follows:

Education component (48 per cent)

The education component uses the school-age population (5 to 17 years), based on the 2011 Census, and enrolment data drawn from the 2013 School Realities Survey conducted by DBE. Each of these elements is assigned a weight of 50 per cent. From 2012 to 2013, the school enrolment in KZN decreased by 8 410, resulting in the weighted average for KZN being revised downward by 0.1 per cent.

Health (27 per cent)

The health component uses a risk-adjusted capitation index based on the Risk Equalisation Fund and output data from public hospitals to estimate each province's share of the health component. These methods work together to balance needs (risk-adjusted capitation) and demands (output component).

The risk-adjusted sub-component estimates a weighted population in each province using the risk-adjusted capitation index, which is calculated using data from the Council for Medical Schemes' Risk Equalisation Fund. The percentage of the population with medical aid insurance, based on the 2012 General Household Survey, is deducted from the 2013 mid-year population estimates to estimate the uninsured population per province. The risk-adjusted index, which is an index of the health risk profile of each province, is applied to this uninsured population to estimate the weighted population. Each province's share of this weighted population is used to estimate their share of the risk-adjusted sub-component. The KZN share of the risk-adjusted component, which accounts for 75 per cent of the health component, increased by 0.3 per cent, from 20.6 per cent to 20.9 per cent.

The output sub-component uses patient load data from the District Health Information Services. The average number of visits at primary health care clinics in 2011/12 and 2012/13 is calculated. Each province's average is used to estimate their share of this part of the output component, making up 5 per cent of the health component. For hospitals, each province's share of the total patient-day equivalents from public hospitals in 2011/12 and 2012/13 is used to estimate their share of this part of the output sub-component, making up 20 per cent of the health component. In total, the output component is 25 per cent of the health component. The updated data for 2011/12 and 2012/13, obtained from the District Health Information Services, shows that the province's output share for primary health care visits is 23.5 per cent and the share of the hospital workload patient-day is 25.8 per cent.

The composite result of the weighted component share of the health component is calculated by giving the risk adjusted index a weighting of 75 per cent, primary health care visits 5 per cent and patient day equivalents 20 per cent. The data updates resulted in an increase in KZN's weighted share from 21.7 per cent in 2013 to 22 per cent in 2014.

Basic component (16 per cent)

The basic component is derived from the proportion of each province's share of the national population. This component constitutes 16 per cent of the total equitable share. For the 2014/15 MTEF, population data is drawn from the 2013 Mid-Year Population Estimates produced by Stats SA. The updated data shows that the province's population increased by 189 000, however, as this growth is proportionately smaller than that of GP and the WC, the resultant change is a decrease in the basic component share of 0.10 per cent.

Institutional component (5 per cent)

The institutional component recognises that some costs associated with running a provincial government and providing services are not directly related to the size of a province's population or the other factors included in other components. It is therefore distributed equally between provinces.

Poverty component (3 per cent)

The poverty component introduces a redistributive element to the formula and is assigned a weight of 3 per cent. The poor population includes people who fall in the lowest 40 per cent of household incomes in the 2010/11 Income and Expenditure Survey. The proportion of poor households in KZN from the Income and Expenditure Survey is 45.3 per cent, thus, based on the 2013 Mid-Year Population Estimates of 10 457, the poor population is equal to 4 738 households, which represents a weighted share of 22.2 per cent. This has decreased by 0.06 per cent.

Economic activity component (1 per cent)

The economic activity component is a proxy for provincial tax capacity and expenditure assignments. Given that these assignments are a relatively small proportion of provincial budgets, the component is assigned a weight of 1 per cent. For the 2014/15 MTEF, 2011 GDP-R data is used. KZN's weighted shares of the economic activity component declines by 0.08 per cent, from 15.8 per cent to 15.7 per cent.

Provision for 2011 Census impact

To mitigate the impact of annual data updates on the PES, the new shares are phased in over the 2014/15 MTEF. An amended phase-in mechanism is being introduced in the 2014/15 MTEF to ensure that the weighted share of the PES allocated to each province over the MTEF period closely follows the indicative shares for each year published in the previous MTEF. The phase-in mechanism provides a smooth path towards achieving these weighted shares by the third year of the MTEF. KZN received 21.3 per cent of the PES, down from the 21.5 per cent calculated in the 2013/14 MTEF, as reflected in Table 4.4 below.

Table 4.4 : Implementation of the equitable share weights, 2014/15 – 2016/17

Percentage	2014/15	2014/15	2015/16	2016/17
	Indicative weighted shares from 2013 MTEF	2014 MTEF weighted shares 3-year phasing		
Eastern Cape	14.5%	14.4%	14.2%	14.0%
Free State	5.8%	5.7%	5.7%	5.6%
Gauteng	18.8%	19.1%	19.3%	19.5%
KwaZulu-Natal	21.5%	21.5%	21.4%	21.3%
Limpopo	12.0%	12.0%	11.9%	11.8%
Mpumalanga	8.1%	8.1%	8.2%	8.2%
Northern Cape	2.7%	2.7%	2.7%	2.7%
North West	6.8%	6.8%	6.9%	6.9%
Western Cape	9.7%	9.8%	9.9%	10.0%
Total	100.0%	100.0%	100.0%	100.0%

Table 4.5 reflects the weighted share distribution of each of the PES formula's components, given the weighted average share of 21.3 per cent when the data updates are fully implemented in 2016/17.

Table 4.5 : Distributing the equitable shares by province, 2014/15 MTEF

	Education	Health	Basic share	Poverty	Economic activity	Institutional	Weighted average
	48%	27%	16%	3%	1%	5%	100%
Eastern Cape	15.2%	13.4%	12.5%	16.1%	7.5%	11.1%	14.0%
Free State	5.3%	5.4%	5.2%	5.3%	5.3%	11.1%	5.6%
Gauteng	17.5%	21.5%	24.0%	17.2%	34.5%	11.1%	19.5%
KwaZulu-Natal	22.6%	22.0%	19.7%	22.2%	15.7%	11.1%	21.3%
Limpopo	13.1%	10.4%	10.4%	13.6%	7.1%	11.1%	11.8%
Mpumalanga	8.5%	7.3%	7.8%	9.1%	7.0%	11.1%	8.2%
Northern Cape	2.3%	2.1%	2.2%	2.2%	2.2%	11.1%	2.7%
North West	6.5%	6.8%	6.8%	8.1%	6.5%	11.1%	6.9%
Western Cape	9.0%	11.1%	11.4%	6.2%	14.2%	11.1%	10.0%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Table 4.6 shows the full impact of the data updates on the PES per province. It compares the target shares for the 2013/14 and 2014/15 MTEF periods.

Table 4.6 : Full impact of data updates on the equitable share

	2013 MTEF weighted	2014 MTEF weighted	Difference
Eastern Cape	14.2%	14.0%	-0.11%
Free State	5.6%	5.6%	-0.03%
Gauteng	19.4%	19.5%	0.04%
KwaZulu-Natal	21.3%	21.3%	0.02%
Limpopo	11.8%	11.8%	0.01%
Mpumalanga	8.2%	8.2%	0.02%
Northern Cape	2.7%	2.7%	-0.04%
North West	6.9%	6.9%	0.04%
Western Cape	10.0%	10.0%	0.05%
Total	100.0%	100.0%	-

It is noted that, due to changes in the data used in the PES formula, the weighted average share of KZN increased by 0.02 per cent from the 2013/14 to 2014/15 MTEF. The provinces showing a decrease in the equitable share from the data updates are EC, FS and NC, with all other provinces gaining.

Table 4.7 depicts the revisions to the PES for the 2014/15 MTEF. The PES is revised upward by a total of R249.374 billion.

Table 4.7 : KwaZulu-Natal: Revisions to the Provincial Equitable Share (PES) - 2014/15 MTEF

R thousand	MTEF			Total Revisions
	2014/15	2015/16	2016/17	
Technical adjustments (ex historical baseline)				
Provincial Equitable Share (PES)	77 812 867	82 110 075	86 693 913	246 616 855
Adjustments to baseline due to new data updates, incl. 2011 Census data, in PES formula (phased-in)	(220 157)	323 962	96 102	199 907
Total: Technically adjusted provincial equitable share before new money	77 592 710	82 434 037	86 790 015	246 816 762
PLUS:				
Additional (new money) (in resource allocation)	545 767	913 518	1 097 464	2 556 749
<i>of which:</i>				
Compensation of Employees (Personnel) Adjustments				
Carry-through of various wage agreements (PES formula)	366 479	709 950	823 040	1 899 469
Re-grading of clerks (provincial equitable share formula)	168 561	192 872	205 740	567 173
OSD for therapists (Education) (provincial equitable share formula)	-	-	15 358	15 358
Non-Personnel Policy Priorities funded through the PES				
Health	-	-	42 661	42 661
Roll-out of HPV vaccine (provincial equitable share formula)	-	-	42 661	42 661
Social Development	10 727	10 696	10 665	32 089
Provision of shelters to victims of gender-based violence (provincial equitable share formula)	10 727	10 696	10 665	32 089
Total PES	78 138 477	83 347 554	87 887 479	249 373 510

Impact of new data updates in the PES formula (R246.617 billion)

As mentioned, the updates of the PES results in KZN's PES baseline decreasing by R220.157 million in 2014/15, after which it increases by R323.962 million in 2015/16 and R96.102 million in 2016/17.

Carry-through of various wage agreements (R1.899 billion)

To ensure that personnel budgets are adequately funded over the MTEF, in line with the revised CPI projections, i.e. 5.5 per cent, 5.4 per cent and 5.4 per cent over the 2014/15 MTEF, which is higher than the provision made for wage costs in 2013/14, additional funding is allocated to the province from 2014/15 onward.

Re-grading of clerks (R567.173 million)

In order to achieve a more consistent application across the clerk ranks, the Minister of Public Service and Administration issued a directive that provided a number of benchmark job descriptions and grading levels in respect of clerks. The minimum salary level was determined at level 5, which meant that employees at levels 2, 3, and 4 qualified for an upgrade to level 5. The supervisory clerk positions were evaluated at a level 7. Funds are provided for this re-grading.

OSD for Therapists in Education (R15.358 million)

The province received R15.358 million through the PES in 2016/17 toward this.

Non-personnel policy priorities for the 2014/15 budget (R74.750 million)

R74.750 million is set aside for non-personnel policy priorities over the 2014/15 MTEF, to provide for policy adjustments in respect of urgent government priorities identified in Health and Social Development. These are as follows:

- ***Roll-out of the HPV vaccine (R42.661 million)***
An amount of R42.661 million has been set aside to provide for the roll-out of the HPV vaccine from 2016/17 onward.
- ***Provision of shelters to victims of gender-based violence (R32.089 million)***
R10.727 million, R10.696 million and R10.665 million is allocated from 2014/15 onward to provide for shelters of victims of gender-based violence.

Table 4.8 reflects total transfers to the nine provinces for 2014/15, after revisions.

KZN receives the highest share of PES at R78.138 billion, whereas GP receives the highest share of conditional grants. Overall, KZN is still the biggest recipient of transfer funding from national government, with a total of R94.080 billion.

Table 4.8 : Total transfers to provinces, 2014/15

R million	Equitable share	Conditional grants	Total transfers
Eastern Cape	52 154	9 846	62 000
Free State	20 883	6 158	27 041
Gauteng	68 673	16 935	85 608
KwaZulu-Natal	78 138	15 941	94 080
Limpopo	43 274	7 580	50 854
Mpumalanga	29 355	6 352	35 707
Northern Cape	9 652	3 406	13 057
North West	24 707	5 621	30 328
Western Cape	35 631	9 917	45 549
Unallocated	-	197	197
Total	362 468	81 955	444 423

4.1.4 Conditional grants to provinces

Conditional grants to provinces are classified into two types, namely Schedule 4 and 5 grants. Schedule 4 grants are more general grants that supplement various programmes already funded by provinces, and include, among others, the Education Infrastructure grant, Health Facility Revitalisation grant and the Provincial Roads Maintenance grant, which are aimed at addressing backlogs in provincial infrastructure. Transfer and spending accountability arrangements differ in each case. Schedule 5 grants are specific purpose conditional grants, with specific responsibilities for both the transferring and receiving accounting officers.

Taking into account the ability of provinces to implement projects effectively, reductions were effected to the baselines of a number of provincial conditional grants. It is therefore important for province to focus on strengthening their capacity to roll-out priority programmes of government, in particular infrastructure. There have also been some additions to a number of provincial conditional grants to fund specific priority programmes over the 2014/15 MTEF.

Table 4.9 reflects the revisions to the conditional grant baseline allocations for 2014/15 to 2016/17.

Agriculture

The Comprehensive Agricultural Support Programme (CASP) aims to support newly established and emerging farmers, in particular subsistence, smallholder and previously disadvantaged farmers. The grant amounts to R5.306 billion over the 2014 MTEF period.

The Ilima/Letsema Projects grant aims to boost food production by helping previously disadvantaged farming communities. In addition, the allocation includes funds to repair and replace flood damaged agricultural infrastructure for LP, MP and WC. This grant is allocated R1.450 billion over the MTEF.

The Land Care grant aims to improve productivity and the sustainable use of natural resources. This grant is allocated R208 million over the MTEF.

Arts and culture grant

The Community Library Services grant aims to help South Africans access knowledge and information so that their socio-economic situation can be improved. The total grant amounts to R3.768 billion over the next three years.

Basic Education

The Dinaledi Schools grant supports specific schools to improve the quality of learner performance in mathematics, physical science, life sciences and English as a first additional language. The grant is allocated R349.940 million over the MTEF.

The Education Infrastructure grant is used by provinces to construct, maintain and refurbish education infrastructure and schools. The grant totals R26.436 billion over the MTEF period, which includes R92.4 million previously allocated for the 2014/15 MTEF to repair school infrastructure damaged by floods. This grant reduces to zero in line with the new bidding process which is discussed in detail in Vote 5's chapter in the *EPRE*.

The National School Nutrition Programme grant seeks to improve the nutrition of poor school children. This grant is allocated R17.172 billion over the MTEF.

The Technical Secondary Schools Recapitalisation grant provides for equipment and facilities in technical high schools. This grant is allocated R734.870 million over the 2014/15 MTEF.

An amount of R213 million in 2014/15 and R67 million in 2015/16 will be added to the new OSD for Education Sector Therapists grant. From 2016/17, the baseline of R72 million will be added to the PES.

The School Infrastructure Backlogs grant is an indirect grant to provinces. The DBE uses this grant to build and upgrade schools on behalf of provinces to address inappropriate structures. The grant is allocated R7.982 billion over the 2014/15 MTEF.

Co-operative Governance

The Provincial Disaster grant is administered by the National Disaster Management Centre under the Department of Co-operative Governance. This grant is unallocated for provincial government at the start of a financial year and is released when a disaster is declared. Over the MTEF, R616.890 million is available for disbursement through this grant.

Table 4.9 : Conditional grants to provinces 2013/14 – 2016/17

R million	Revised Est.	Medium-term Estimates			MTEF total
	2013/14	2014/15	2015/16	2016/17	
Agriculture, Forestry and Fisheries	2 152	2 389	2 238	2 336	6 963
Comprehensive Agricultural Support Programme grant	1 604	1 861	1 688	1 757	5 306
Ilima/Letsema Projects grant	438	461	482	507	1 450
Land Care grant	109	68	68	72	208
Arts and Culture	598	1 016	1 341	1 412	3 768
Community Library Services grant	598	1 016	1 341	1 412	3 768
Basic Education	11 836	13 170	15 827	16 662	45 659
Dinaledi Schools grant	109	111	116	122	350
Education Infrastructure grant	6 160	6 929	9 469	10 038	26 436
HIV and AIDS (Life-Skills education) grant	204	221	226	238	686
National School Nutrition Programme grant	5 173	5 462	5 704	6 006	17 172
Technical Secondary Schools Recapitalisation grant	190	233	244	257	735
Occupational-Specific Dispensation for Education Sector Therapists grant	-	213	67	-	280
Cooperative Governance and Traditional Affairs	38	197	204	215	617
Provincial Disaster grant	38	197	204	215	617
Health	27 686	30 111	32 484	35 184	97 780
Comprehensive HIV and AIDS grant	10 534	12 311	13 957	15 697	41 965
Health Facility Revitalisation grant	5 291	5 240	5 389	5 652	16 281
Health Professions Training and Development grant	2 190	2 322	2 429	2 557	7 308
National Tertiary Services grant	9 620	10 168	10 636	11 200	32 004
National Health Insurance grant	51	70	74	78	222
Higher Education and Training	2 454	2 631	2 819	2 974	8 424
Further Education and Training College Sector grant	2 454	2 631	2 819	2 974	8 424
Human Settlements	17 028	17 084	18 533	20 410	56 027
Human Settlements Development grant	17 028	17 084	18 533	20 410	56 027
Public Works	614	607	624	786	2 017
Expanded Public Works Programme Integrated Grant for Provinces	357	349	357	412	1 117
Social Sector Expanded Public Works Programme Incentive Grant for Provinces	258	258	268	375	900
Social Development	-	29	48	48	124
Substance Abuse Treatment grant	-	29	48	48	124
Sport and Recreation South Africa	498	526	550	579	1 654
Mass Participation and Sport Development grant	498	526	550	579	1 654
Transport	13 090	14 194	15 005	15 610	44 809
Provincial Roads Maintenance grant	8 538	9 362	9 952	10 292	29 606
Public Transport Operations grant	4 553	4 833	5 053	5 318	15 203
Total direct conditional grants	75 995	81 955	89 672	96 215	267 842
Indirect transfers	2 693	5 413	5 044	4 127	14 583
Basic Education	1 956	2 939	2 433	2 611	7 982
School Infrastructure Backlogs grant	1 956	2 939	2 433	2 611	7 982
Health	737	1 575	1 635	1 516	4 726
National Health grant	731	1 575	1 635	1 516	4 726
2014 African Nations Championship: Health and Medical Services grant	6	-	-	-	-
Human Settlements	-	899	975	-	1 875
Human Settlements Development grant	-	899	975	-	1 875

Health

The Comprehensive HIV and AIDS grant supports prevention programmes and specific interventions, including voluntary counselling and testing, anti-retroviral treatment (ARV), etc. An additional R1 billion

is added to the grant in 2016/17 to cover the increased ARV take-up rate. This brings the baseline over the MTEF to R41.965 billion.

The Health Facility Revitalisation grant funds the construction and maintenance of health infrastructure. Funds for the repair and replacement of damaged health infrastructure are included in this grant over the 2014/15 MTEF for provinces affected by disasters (KZN and MP). This grant reduces to zero for provinces in line with the new bidding process which is discussed in detail in Vote 7's chapter in the *EPRE*.

The National Tertiary Services Grant provides strategic funding to enable provinces to plan, modernise and transform tertiary hospital service delivery in line with national policy objectives. This grant is allocated R32.004 billion over the MTEF period.

The Health Professions Training and Development Grant funds the training of health professionals, and the development and recruitment of medical specialists. It enables the shifting of teaching activities from central to regional and district hospitals. The grant is allocated R7.308 billion over the medium term.

The National Health Insurance grant funds the national health insurance pilots introduced in 2012/13, which aim to strengthen primary healthcare for the implementation of national health insurance. Over the 2014/15 MTEF, the grant has been allocated R221.850 million.

The National Health grant is an indirect grant introduced in 2013/14, in terms of which the Department of Health (DOH) spends on behalf of provinces. The grant is allocated R4.726 billion over the MTEF.

Higher Education

The FET College Sector grant was introduced in 2010/11 to safeguard provincial spending on the FET Colleges while the legislative processes required to shift this function to national government are completed. The total value of this grant to R8.424 billion over the MTEF period.

Human Settlements

The HSDG seeks to establish habitable, stable and sustainable human settlements in which all citizens have access to social and economic amenities.

Amounts of R899.2 million in 2014/15 and R975.4 million in 2015/16 have been shifted into an indirect HSDG so that the DOHS can complete infrastructure on behalf of provinces. This indirect grant will focus on improving sanitation in areas where housing projects did not adequately provide for decent sanitation systems.

Public Works

Allocations in respect of the Expanded Public Works Programme (EPWP) Integrated Grant for Provinces are made available upfront, based on meeting job targets in the preceding financial year, rather than using in-year performance measures. This grant is allocated R1.117 billion over the MTEF.

The Social Sector EPWP Incentive Grant for Provinces rewards provinces for creating jobs in the preceding year in home-based care, early childhood development, adult literacy and numeracy, community safety and security, and sports programmes. This grant is allocated R900.160 million over the MTEF.

Social Development

A Substance Abuse Treatment grant has been created for the provision of public substance abuse treatment facilities. An amount of R124 million has been allocated over the 2014/15 MTEF, after which the grant will be incorporated in to the PES.

Sport and Recreation

The Mass Participation and Sport Development grant aims to increase and sustain mass participation in sport and recreational activities in provinces, with greater emphasis on provincial and district academies. This grant is allocated R1.654 billion over the MTEF period.

Transport

The Provincial Roads Maintenance grant consists of three components, of which the largest component enables provinces to expand their maintenance activities. The other components allow provinces to repair roads damaged by floods and rehabilitate roads that are heavily used in support of electricity production. The total allocation for the MTEF is R29.606 billion. This includes allocations in 2014/15 and 2015/16 for the repair of infrastructure damaged by floods.

The Public Transport Operations grant subsidises commuter bus services. The grant is allocated R15.203 billion over the MTEF period.

4.1.5 The local government equitable share (LES) and conditional grants

Local government is entitled to an equitable share of revenue raised nationally in terms of Section 227 of the Constitution. This share of national revenue is divided among the 278 municipalities through a formula using objective data. The framework refers to all resources available to municipalities to meet their expenditure responsibilities. National transfers, made up of conditional and unconditional grants, account for a relatively small proportion of the local government fiscal framework, with the majority of local government revenues being raised by municipalities themselves through their substantial revenue-raising powers, including property rates and service charges.

Changes to local government allocations

After accounting for all reductions and additions, transfers to local government decrease by a net amount of R1.572 billion. A new conditional grant to fund capacity in cities to manage the development of human settlements is introduced in 2014/15. The human settlements and public transport functions may be assigned to selected metropolitan municipalities during 2014/15. This will result in the funds for these functions, currently allocated to provinces, being transferred directly to affected municipalities.

Government's commitment to the expenditure limits set out in the 2013/14 budget means that some items have to be reduced to make funding available for national priorities. As a result, the baselines of several conditional grants have been revised downward. No reductions were made to the LES.

Transfers to local government

Over the 2014/15 MTEF, R296.049 billion will be transferred directly to local government and a further R27.414 billion has been allocated as indirect grants. Direct transfers to local government in 2014/15 account for 8.9 per cent of national government's non-interest expenditure. When indirect transfers are added to this, total spending on local government rises to 9.5 per cent of national non-interest expenditure. The value of direct transfers to local government grows at an average annual rate of 7.9 per cent over the MTEF period, which is above projected inflation. Table 4.10 shows the direct and indirect transfers made to local government from 2010/11 to 2016/17.

Table 4.10 : Transfers to local government, 2010/11 – 2016/17

R million	Outcome			Revised Est. 2013/14	Medium-term Estimates		
	2010/11	2011/12	2012/13		2014/15	2015/16	2016/17
Direct transfers	60 905	68 251	76 430	83 670	90 815	100 047	105 187
Equitable share and related	30 541	33 173	37 139	39 789	44 490	50 208	52 869
Equitable share formula ¹	26 761	29 289	32 747	35 093	39 410	44 895	47 282
RSC levy replacement	3 492	3 544	3 733	3 930	4 146	4 337	4 567
Support for councillors	288	340	659	766	935	976	1 020
General fuel levy sharing	7 542	8 573	9 040	9 613	10 190	10 659	11 224
Conditional grants	22 822	26 505	30 251	34 268	36 135	39 181	41 094
Infrastructure	20 871	24 643	27 923	31 053	32 582	35 324	36 722
Capacity building and other	1 951	1 862	2 329	3 214	3 553	3 857	4 372
Indirect transfers	2 939	2 770	4 956	5 697	7 726	9 467	10 221
Infrastructure	2 682	2 553	4 823	5 558	7 584	9 316	10 062
Capacity building and other	257	217	133	139	142	151	159
Total	63 844	71 021	81 386	89 367	98 541	109 514	115 408

1. Outcome figures for the equitable share reflect amounts transferred after funds have been withheld to offset under-spending by municipalities on conditional grants

The local government equitable share (LES)

Local government is entitled to an equitable share of nationally raised revenue to enable it to provide basic services and perform its allocated functions. The LES is an unconditional transfer that supplements the revenue that municipalities can raise themselves (including property rates and service charges). The LES provides funding for municipalities to deliver free basic services to poor households and subsidises the cost of administration and other core services for those municipalities that have the least potential to cover these costs from their own revenues.

Over the 2014/15 MTEF, the LES and related transfers, including the RSC Levy Replacement grant and Special Support for Councillor Remuneration and Ward Committees, amounts to R44.490 billion in 2014/15, R50.208 billion in 2015/16 and R52.869 billion in 2016/17.

Formula for allocating the LES

The share of national revenue allocated to local government through the equitable share is determined in the national budget process and endorsed by Cabinet (the vertical division). Local government's equitable share is divided among the country's 278 municipalities using a formula (the horizontal division) to ensure objectivity. A new formula for the LES was introduced in 2013/14, based on data from the 2011 Census, which resulted in major changes to some allocations. As a result, new allocations are being phased in over a five year period, ending in 2017/18. It is made up of five components: $LES = BS + (I + CS) \times RA \pm C$

Basic services component (B)

This component helps municipalities provide free basic water, sanitation, electricity and refuse removal services to households that fall below an affordability threshold. A monthly household income of R2 300 per month (in 2011) has therefore been used to define the formula's affordability threshold. Stats SA has calculated that 59 per cent of all households in South Africa fall below this income threshold. To account for the growth in households each year, the number of households per municipality is updated.

Institutional component (I)

To provide basic services to households, municipalities need to be able to run a basic administration. This component consists of a base allocation of R5.3 million, which goes to every municipality, and an additional amount that is based on the number of Council seats in each municipality. The institutional component accounts for 8.9 per cent of the LES and amounts to R3.5 billion in 2014/15.

Community services component (CS)

This component funds services that benefit communities rather than individual households (which are provided for in the basic services component). It includes funding for municipal health services, fire services, municipal roads, cemeteries, planning, storm water management, street lighting and parks. The community services component accounts for 13.4 per cent of the LES and amounts to R5.3 billion in 2014/15.

Revenue adjustment factor (RA)

The Constitution gives local government substantial own-revenue-raising powers (particularly through property rates and surcharges on services). Municipalities are expected to fund most of their own administrative costs and cross-subsidise some services for indigent residents. To account for the varying fiscal capacities of municipalities, this component is based on a per capita index of the 2011 Census data on the total income of all individuals/households in a municipality, property values, number of households on traditional land, unemployment rate and proportion of poor households as a percentage of the total number of households in the municipality.

Correction and stabilisation factor (C)

Providing municipalities with predictable and stable equitable allocations is one of the principles of the LES formula. Indicative allocations are published for the second and third years of the MTEF period to ensure predictability. To provide stability for municipal planning, while giving national government flexibility to account for overall budget constraints and amend the formula, municipalities are guaranteed to receive at least 90 per cent of the indicative allocation for the middle year of the MTEF.

Local government conditional grants

National government allocates funds to local government through a variety of conditional grants. These grants fall into two main groups: infrastructure and capacity building.

The largest infrastructure transfer is made through the Municipal Infrastructure Grant, which supports government's aim to expand service delivery and alleviate poverty. The grant funds the provision of infrastructure for basic services, roads and social infrastructure for poor households in all non-metropolitan municipalities. The total allocations for this grant increase to R14.684 billion in 2014/15, R15.098 billion in 2015/16 and R15.767 billion in 2016/17.

The Urban Settlements Development grant is an integrated source of funding to upgrade urban informal settlements in the eight metropolitan municipalities. Municipalities are expected to use a combination of grant funds and their own revenue to upgrade informal settlements. The Urban Settlements Development grant is allocated a total of R32.171 billion over the 2014/15 MTEF.

The Public Transport Infrastructure grant is administered by the DOT. The grant aims to help cities create new and improve existing public transport and non-motorised transport infrastructure. This includes the provision of infrastructure for bus rapid transit systems. The grant allocates R15.170 billion over the MTEF.

4.2 Provincial receipts

4.2.1 Overall provincial position

Table 4.11 shows the actual and projected total revenue for the seven-year period, 2010/11 to 2016/17.

National transfers to the province, which comprise equitable share and conditional grants, make up 97.2 per cent of provincial revenue in 2013/14, falling to 97 per cent in 2016/17. Provincial own revenue makes up the balance of the total provincial funding, and is at 2.8 per cent in 2013/14 growing to 3 per cent in 2016/17.

Table 4.11 : Analysis of total receipts

	Audited Outcome			Adjusted Appropriation	Medium-term Estimates			Average Annual Growth	
	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2010/11-2013/14	2013/14-2016/17
R thousand									
Transfers from national	69 985 468	77 007 095	83 449 022	88 510 566	94 079 925	100 671 247	103 286 051		
Equitable share	57 632 201	63 584 195	68 638 663	73 926 587	78 138 477	83 347 554	87 887 479		
Conditional grants	12 353 267	13 422 900	14 810 359	14 583 979	15 941 448	17 323 693	15 398 572		
Own revenue	2 041 364	2 726 959	2 642 483	2 505 415	2 783 644	2 994 279	3 188 784		
Total receipts	72 026 832	79 734 054	86 091 505	91 015 981	96 863 569	103 665 526	106 474 835		
% of total revenue									
Transfers from national	97.2	96.6	96.9	97.2	97.1	97.1	97.0		
Equitable share	80.0	79.7	79.7	81.2	80.7	80.4	82.5		
Conditional grants	17.2	16.8	17.2	16.0	16.5	16.7	14.5		
Own revenue	2.8	3.4	3.1	2.8	2.9	2.9	3.0		
Nominal growth (%)									
Transfers from national		10.0	8.4	6.1	6.3	7.0	2.6	8.1	5.3
Equitable share		10.3	7.9	7.7	5.7	6.7	5.4	8.7	5.9
Conditional grants		8.7	10.3	(1.5)	9.3	8.7	(11.1)	5.7	1.8
Own revenue		33.6	(3.1)	(5.2)	11.1	7.6	6.5	7.1	8.4
Total		10.7	8.0	5.7	6.4	7.0	2.7	8.1	5.4
Real growth (%)									
Transfers from national		6.0	2.5	0.4	0.8	1.5	(2.6)	3.0	(0.1)
Equitable share		6.3	2.1	2.0	0.3	1.2	0.1	3.5	0.5
Conditional grants		4.7	4.4	(6.8)	3.7	3.1	(15.6)	0.6	(3.4)
Own revenue		28.7	(8.3)	(10.2)	5.4	2.1	1.1	1.9	2.9
Total receipts		6.6	2.2	0.1	1.0	1.5	(2.5)	2.9	0.0

The total provincial receipts are R96.864 billion, R103.666 billion and R106.475 billion, over the 2014/15 MTEF. The share of national transfers increased from R69.985 billion in 2010/11 to R88.511 billion in 2013/14, accelerating to R103.286 billion in 2016/17. The Equitable share is the largest portion of national transfers to the province, at R78.138 billion, R83.348 billion and R87.887 billion over the

MTEF. Conditional grant funding provides a further R15.941 billion, R17.324 billion and R15.399 billion over the MTEF. The balance of the total receipts comes from provincial own revenue, which forms a small proportion of the total provincial revenue. This grows from R2.784 billion to R3.189 billion over the 2014/15 MTEF.

Table 4.9 also shows the analysis of total provincial receipts in terms of percentage shares, as well as nominal and real average annual growth rates from 2010/11 to 2013/14, and 2013/14 to 2016/17. In real terms, total provincial revenue growth is projected to fall to 0 per cent over the 2014/15 MTEF, which is far lower than 2.9 per cent experienced between 2010/11 and 2013/14. This is largely impacted by the decline to zero in 2016/17 of both the Education Infrastructure grant and the Hospital Facility Revitalisation grant, as these grants have had incentives built into them by National Treasury. The province will have to bid for the 2016/17 allocation in 2014/15. On the other hand, provincial own revenue shows a contrasting trend. Its real average annual growth is 1.9 per cent between 2010/11 and 2013/14, and rises significantly to an average of 2.9 per cent over the MTEF.

In nominal terms, total receipts grow at an average of 8.1 per cent between 2010/11 and 2013/14 before slowing down to an average of 5.4 per cent over the MTEF. Provincial own revenue, on the contrary, reflects an upward trend. Its annual nominal growth averages at 7.1 per cent between 2010/11 and 2013/14, and increases to 8.4 per cent over the MTEF.

4.2.2 Provincial equitable share (PES)

The equitable share formula has evolved since its inception in 1998/99. The weighting of the various components is a policy decision that takes a number of factors into account, including the historical expenditure patterns and relative demand for particular services. The six components of the formula are updated annually with the release of official data.

The equitable share received by KZN is based on demographic and economic statistics that attempt to capture the relative demand for public services. The largest portion of funds available to provinces is aimed at meeting Constitutional mandates, and at delivering a wide variety of public services. The 2011 Census data saw provinces such as GP and WC realising positive net migration, while KZN and EC's population declined. Consequently, the lower national transfers as a result of the adjusted PES have a negative impact on service delivery. The province continues to implement cost-cutting measures, and is also looking into novel ways of generating own revenue in an attempt to cushion the impact of the fiscal shock to the province emanating from the revised PES formula using the 2011 Census data results, with these cuts being effected from the 2013/14 MTEF onward.

The PES is formula-based, and is the main source of revenue that enables the province to deliver on its statutory obligations. Table 4.11 shows the equitable share allocation to the province for the 2014/15 MTEF, which grow by an annual average of 0.5 per cent in real terms. This is a decrease from the annual average of 3.5 per cent between 2010/11 and 2013/14. The equitable share allocation to the province increases from 80 per cent of total provincial revenue in 2010/11, to 81.2 per cent in 2013/14 rising to 82.5 in 2016/17. The real effect of the fiscal shock to the province is noted in the decline of the equitable share, in real terms, from an annual average of 3.5 per cent between 2010/11 and 2013/14 to 0.5 per cent over the 2014/15 MTEF.

4.2.3 National conditional grants

When national conditional grants were introduced in 1998/99, their objective was to promote national priorities and to compensate provinces for the provision of specialised services across provincial boundaries. Subsequent to this phase, several conditional grants were introduced with varying purposes, conditions and outcomes. A number of changes were made to the conditional grant framework over time and some grants were merged. Relative to the equitable share, conditional grants are used for more specific purposes, *inter alia*, infrastructure provision, institutional capacity building, and the implementation of various national priorities (e.g. HIV and AIDS and school nutrition programmes).

As Table 4.11 shows, KZN's conditional grant allocation grew at a nominal average annual rate of 5.7 per cent between 2010/11 and 2013/14 and slows down to 1.8 per cent over the MTEF. As a share of total revenue, the conditional grant allocation decreases from 17.2 per cent in 2010/11 to 16 per cent in 2013/14. This share then falls from 16.5 per cent in 2014/15 to 14.5 per cent in 2016/17, largely as a result of the Health Facility Revitalisation grant and Education Infrastructure grant decreasing to zero in 2016/17, as mentioned above. In real terms, the conditional grant allocation grew at an average annual rate of 0.6 per cent between 2010/11 and 2013/14, and shows negative growth of 3.4 per cent over the 2014/15 MTEF for this reason.

Table 4.12 summarises conditional grant transfers per vote.

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation 2013/14	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Vote 3: Agriculture, Enviro. Affairs and Rural Dev.	174 525	242 251	272 676	287 586	287 586	287 586	311 587	287 433	284 566
Land Care grant	8 721	9 244	16 242	18 746	18 746	18 746	10 854	10 867	11 407
Comprehensive Agricultural Support Programme grant	135 804	164 691	183 726	202 522	202 522	202 522	212 632	205 017	207 203
Ilima/Letsema Projects grant	30 000	60 000	63 000	65 768	65 768	65 768	69 093	71 549	65 956
EPWP Integrated Grant for Provinces	-	8 316	9 708	550	550	550	19 008	-	-
Vote 4: Economic Development and Tourism	-	536	1 000	-	-	-	2 000	-	-
EPWP Integrated Grant for Provinces	-	536	1 000	-	-	-	2 000	-	-
Vote 5: Education	2 598 423	3 180 057	3 529 349	2 943 633	2 952 739	2 952 739	3 138 130	3 689 699	1 878 094
Educator Infrastructure grant	1 035 501	1 175 956	1 413 001	1 298 847	1 306 421	1 306 421	1 385 781	1 893 881	-
HIV and AIDS (Life-Skills Education) grant	42 686	45 114	46 806	48 634	48 634	48 634	52 261	51 255	54 035
National School Nutrition Programme (NSNP) grant	855 285	1 144 368	1 151 644	1 206 190	1 206 190	1 206 190	1 237 534	1 287 034	1 355 247
FET College Sector grant	649 177	765 537	858 862	325 736	327 268	327 268	351 475	376 483	397 242
Technical Secondary Schools Recapitalisation grant	15 274	36 762	40 490	42 717	42 717	42 717	45 280	47 499	50 017
EPWP Integrated Grant for Provinces	500	-	1 000	3 000	3 000	3 000	2 070	-	-
Dinaledi Schools grant	-	12 320	17 546	18 509	18 509	18 509	19 568	20 468	21 553
OSD for Education Therapists	-	-	-	-	-	-	41 581	13 079	-
Social Sector EPWP Incentive Grant for Provinces	-	-	-	-	-	-	2 580	-	-
Vote 6: Provincial Treasury	1 634	-	-	-	-	-	-	-	-
Education and Health Infrastructure grants	1 634	-	-	-	-	-	-	-	-
Vote 7: Health	3 924 609	4 435 205	5 023 849	5 319 234	5 429 296	5 429 296	6 228 886	6 850 880	6 343 324
Health Professions Training and Development grant	235 771	249 917	261 860	276 262	276 262	276 262	292 837	306 308	322 542
Health Facility Revitalisation grant	901 053	906 169	1 176 452	962 469	1 072 531	1 072 531	1 162 469	1 090 431	-
National Tertiary Services grant	1 102 585	1 201 831	1 323 114	1 415 731	1 415 731	1 415 731	1 496 427	1 565 263	1 648 222
Comprehensive HIV and AIDS grant	1 518 811	1 889 427	2 225 423	2 652 072	2 652 072	2 652 072	3 257 992	3 874 085	4 356 983
Forensic Pathology Services grant	152 406	161 550	-	-	-	-	-	-	-
Social Sector EPWP Incentive Grant for Provinces	2 676	25 775	-	-	-	-	2 581	-	-
EPWP Integrated Grant for Provinces	11 307	536	1 000	3 000	3 000	3 000	2 580	-	-
National Health Insurance grant	-	-	33 000	9 700	9 700	9 700	14 000	14 793	15 577
AFCON: Medical Services grant	-	-	3 000	-	-	-	-	-	-
Vote 8: Human Settlements	2 768 502	2 801 547	2 915 297	3 238 428	3 278 584	3 278 584	3 273 045	3 313 983	3 547 298
Human Settlements Development grant	2 634 109	2 769 871	2 915 297	3 235 428	3 275 584	3 275 584	3 273 045	3 313 983	3 547 298
Housing Disaster Relief grant	133 800	31 140	-	-	-	-	-	-	-
EPWP Integrated Grant for Provinces	593	536	-	3 000	3 000	3 000	-	-	-
Vote 9: Community Safety and Liaison	-	-	1 673	5 369	5 369	5 369	2 580	-	-
Social Sector EPWP Incentive Grant for Provinces	-	-	1 673	5 369	5 369	5 369	2 580	-	-
Vote 11: Co-op. Governance and Traditional Affairs	-	-	-	-	-	-	3 471	-	-
EPWP Integrated Grant for Provinces	-	-	-	-	-	-	3 471	-	-
Vote 12: Transport	2 040 505	2 157 272	2 373 740	2 619 732	2 464 340	2 464 340	2 752 384	2 932 722	3 082 273
Transport Disaster Management grant	-	29 736	-	-	-	-	-	-	-
Public Transport Operations grant	714 587	773 473	808 279	852 325	852 325	852 325	904 783	945 972	995 610
EPWP Integrated Grant for Provinces	153 130	117 415	64 290	88 487	88 487	88 487	59 443	-	-
Provincial Roads Maintenance grant	958 390	1 236 648	1 501 171	1 678 920	1 523 528	1 523 528	1 788 158	1 986 750	2 086 663
Provincial Disaster Relief grant	214 398	-	-	-	-	-	-	-	-
Vote 13: Social Development	2 700	3 821	-	14 610	14 610	14 610	5 746	-	-
Social Sector EPWP Incentive Grant for Provinces	2 700	3 821	-	14 610	14 610	14 610	3 746	-	-
EPWP Integrated Grant for Provinces	-	-	-	-	-	-	2 000	-	-
Vote 14: Public Works	713 331	465 546	552 608	3 000	3 000	3 000	3 168	-	-
Devolution of Property Rate Funds grant	709 891	463 585	551 100	-	-	-	-	-	-
EPWP Integrated Grant for Provinces	3 440	1 961	1 508	3 000	3 000	3 000	3 168	-	-
Vote 15: Arts and Culture	38 282	48 971	48 619	63 695	63 695	63 695	124 856	159 696	169 273
Community Library Services grant	38 282	48 971	48 619	63 145	63 145	63 145	122 754	159 696	169 273
EPWP Integrated Grant for Provinces	-	-	-	550	550	550	2 102	-	-
Vote 16: Sport and Recreation	90 756	87 694	91 548	84 760	84 760	84 760	95 595	89 280	93 744
Mass Participation and Sport Development grant	90 256	87 694	90 548	79 883	79 883	79 883	85 435	89 280	93 744
EPWP Integrated Grant for Provinces	500	-	1 000	550	550	550	2 102	-	-
Social Sector EPWP Incentive Grant for Provinces	-	-	-	4 327	4 327	4 327	8 058	-	-
Total	12 353 267	13 422 900	14 810 359	14 580 047	14 583 979	14 583 979	15 941 448	17 323 693	15 398 572

Relative to other provincial departments, the DOH is the largest recipient of grant allocation. The Comprehensive HIV and AIDS grant was increased substantially over the 2014/15 MTEF. Such efforts are in line with national government's commitment of fighting the scourge of HIV and AIDS in the

country. These include the lowering of the CD4 threshold for TB sufferers and pregnant women, and providing triple therapy to all children born with HIV and AIDS.

DOHS is the second largest recipient of grant allocation. This allocation shows a steady nominal increase over the 2014/15 MTEF. The bulk of this grant allocation relates to the HSDG. The department was allocated the Housing Disaster Relief grant between 2010/11 and 2011/12, aimed at repairing houses ravaged by storms.

The Department of Education (DOE) receives the third largest recipient of grant funding in 2014/15. The total grant decreases from R3.529 billion in 2012/13 to R2.953 billion in the 2013/14 Revised Estimate and, falls to R1.878 billion in 2016/17. The decrease is mainly due to reduced grant allocation to the FET College Sector grant from R858.862 million in 2012/13 to R327.268 million in the 2013/14 Revised Estimate, due to the DHET having taken over the function of disbursement of funds to the FET colleges. The budget that remains will be used to fund the salaries of employees that opted to remain in state employment as opposed to being employed by the college councils. The decrease in the outer year is due to the Education Infrastructure grant being reduced to zero, as mentioned above.

In the 2013/14 Adjusted Appropriation, an amount of R2.464 billion was allocated to DOT and increases to R3.082 billion in 2016/17. This allocation comprises of the Provincial Roads Maintenance grant, Public Transport Operations grant and the EPWP Integrated Grant for Provinces. The Provincial Roads Maintenance grant is aimed at accelerating the construction, maintenance, upgrading and rehabilitation of new and existing transport infrastructure.

DOPW previously received the Devolution of Property Rate Funds grant from 2010/11 to 2012/13. This grant is discontinued from 2013/14 onward due to the grant being phased into the equitable share.

The EPWP Integrated Grant for Provinces is allocated to provincial departments in line with schedules to the DORA. Allocations are made to departments based on the previous year's performance. The 2014/15 EPWP allocations are made to DOT at R59.443 million, DAEARD at R19.008 million, DOE at R2.070 million, DOH at R2.580 million, Social Development (DSD) at R2 million, DOPW at R3.168 million, Arts and Culture (DAC) at R2.102 million and Sport and Recreation (DOSR) at R2.102 million.

4.2.4 Total provincial own receipts (own revenue)

Table 4.13 summarises provincial own revenue by economic classification.

The bulk of provincial own revenue is collected against *Tax receipts* which comprises of *Motor vehicle licences, Casino taxes, Horse racing taxes* and *Liquor licences*. The next largest revenue category is *Sale of goods and services other than capital assets*, particularly Health patient fees, followed by *Interest, dividends and rent on land, Transactions in financial assets and liabilities, Fines, penalties and forfeits* and *Sale of capital assets*.

Table 4.13 : Summary of provincial own receipts

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14		
Tax receipts	1 439 970	1 637 846	1 771 278	1 802 409	1 802 409	1 871 166	1 998 720	2 164 519	2 309 353
Casino taxes	305 583	337 435	383 056	385 479	385 479	404 531	490 803	556 890	630 869
Horse racing taxes	45 857	68 422	64 674	68 203	68 203	69 097	81 902	91 337	101 859
Liquor licences	5 023	465	4 927	5 727	5 727	5 650	6 015	6 292	6 625
Motor vehicle licences	1 083 507	1 231 524	1 318 621	1 343 000	1 343 000	1 391 888	1 420 000	1 510 000	1 570 000
Sale of goods and services other than capital assets	326 565	383 949	405 979	394 090	394 090	410 903	420 744	443 084	467 523
Transfers received	1 255	459	1 060	-	-	-	-	-	-
Fines, penalties and forfeits	50 989	45 352	51 127	45 121	45 121	40 949	25 617	28 123	30 630
Interest, dividends and rent on land	34 598	303 685	274 118	201 270	201 270	251 921	267 419	284 778	303 277
Sale of capital assets	18 296	18 109	44 100	20 840	20 840	21 686	19 516	19 536	20 596
Transactions in financial assets and liabilities	169 691	337 559	94 821	41 685	41 685	59 766	51 628	54 238	57 406
Total receipts	2 041 364	2 726 959	2 642 483	2 505 415	2 505 415	2 656 391	2 783 644	2 994 279	3 188 784

Table 4.13 includes *Tax receipts* which exhibit notable growth between 2010/11 and 2016/17. In nominal terms, *Tax receipts* increase from R1.440 billion in 2010/11 to R1.871 billion in the 2013/14 Revised

Estimate with the main revenue collection category being *Motor vehicle licences*. Over the MTEF, *Tax receipts* are projected to rise from R1.999 billion in 2014/15 to R2.309 billion in 2016/17.

Sale of goods and services other than capital assets escalated from R326.565 million in 2010/11 to R467.523 million in 2016/17. The 2013/14 Revised Estimate is projected to over-collect mainly due to DOT, as a result of higher than anticipated increases in the applications for learners' licences and renewal of drivers' licences, as well as the conversion of drivers' licences. *Sale of goods and services other than capital assets* increases steadily over the MTEF, and the growth is attributable to inflationary increments.

Interest, dividends and rent on land increased substantially from R34.598 million in 2010/11 to R303.685 million in 2011/12. This is largely due to the interest earned from the IGCC and PMG accounts. The revenue accrued from this source depends on cash balances and the prevailing interest rates, hence the fluctuating trend over the entire period. The province has had a positive cash balance since May 2010 due to cost-cutting measures implemented by departments. The increment over the MTEF is mainly due to the projected interest rate along with the cash balances.

Transactions in financial assets and liabilities decreased from R169.691 million in 2010/11 to R59.766 million in the 2013/14 Revised Estimate. This is due to once-off revenue collections, mainly in 2010/11 and 2011/12, which resulted from funds paid into the Provincial Revenue Fund in relation to housing projects which did not go ahead as planned in previous financial years. More detail in this regard is included in the Human Settlements chapter of the *EPRE*. The nature of collections against this category makes it difficult to budget for it accurately, hence the budget over the MTEF is fairly conservative.

Fines, penalties and forfeits reflects a fluctuating trend from 2010/11 to the 2013/14 Revised Estimate. This trend can be attributed to the difficulty in projecting with certainty the collection of these receipts. Revenue from this category consists mainly of traffic fines resulting from road traffic infringements. Although the revenue collected over the 2014/15 MTEF is lower than previous years' collections, the trend is projected to increase steadily. The lower growth is due to the implementation of Administrative Adjudication of Road Traffic Offences (AARTO).

The lowest category by value is *Sale of capital assets*. The growth trend reflects conservative projections over the 2014/15 MTEF. In order to get more accurate projections, the revenue units within departments have been urged to work closely with their asset management sections. This revenue category is driven largely by the sale of redundant vehicles and equipment, with the largest contributor being DOH. Generally, the fluctuating growth is due to the number of redundant assets sold, and the price attained at the auctions.

The following section is a detailed analysis of revenue per vote and is summarised in Table 4.14.

Table 4.14 : Summary of provincial own receipts by vote

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
1. Office of the Premier	352 612	406 662	448 553	453 754	453 754	473 856	573 184	648 752	733 131
2. Provincial Legislature	4 076	1 554	2 331	663	663	1 110	703	735	774
3. Agric, Environmental Affairs and Rural Development	18 534	22 687	22 103	19 484	19 484	22 640	23 836	25 162	26 535
4. Economic Development and Tourism	105 494	1 293	10 457	5 932	5 932	6 481	6 236	6 524	6 870
5. Education	63 864	89 105	85 812	60 999	60 999	60 999	73 199	76 566	81 389
6. Provincial Treasury	30 826	289 253	270 446	200 504	200 504	250 740	266 765	284 105	302 572
7. Health	191 221	207 998	238 489	243 481	243 481	241 244	246 161	257 958	271 630
8. Human Settlements	8 117	269 168	15 096	1 539	1 539	7 413	1 830	2 050	2 156
9. Community Safety and Liaison	105	70	75	57	57	75	85	92	97
10. The Royal Household	513	154	99	103	103	695	109	110	117
11. Co-operative Governance and Traditional Affairs	5 622	3 959	7 578	3 012	3 012	6 569	3 203	3 404	3 731
12. Transport	1 245 979	1 409 482	1 502 265	1 503 900	1 503 900	1 561 290	1 572 160	1 672 070	1 741 980
13. Social Development	7 017	16 417	13 270	5 448	5 448	6 238	6 931	7 372	7 841
14. Public Works	6 608	6 116	23 642	6 034	6 034	15 422	8 252	8 321	8 846
15. Arts and Culture	609	2 647	1 755	405	405	917	715	758	799
16. Sport and Recreation	167	394	512	100	100	702	275	300	317
Total provincial own receipts	2 041 364	2 726 959	2 642 483	2 505 415	2 505 415	2 656 391	2 783 644	2 994 279	3 188 784
Provincial Legislature receipts not to be surrendered to the Provincial Revenue Fund	4 076	1 554	2 331	663	663	1 110	703	735	774
Total adjusted provincial own receipts	2 037 288	2 725 405	2 640 152	2 504 752	2 504 752	2 655 281	2 782 941	2 993 544	3 188 010

The most significant revenue contributors in the province are DOT, OTP, PT, DOH and DEDT. Other departments remain small contributors even though, in nominal terms, their collections have exhibited growth.

Transport

In Table 4.14, Transport continues to be the main contributor to total provincial own revenue. The department's revenue has shown strong growth rising from R1.246 billion in 2010/11 to R1.561 billion in the 2013/14 Revised Estimate. This increase is set to continue over the MTEF period.

Revenue generated from *Motor vehicle licences* increased from R1.084 billion in 2010/11 to R1.392 billion in the 2013/14 Revised Estimate, and is projected to maintain a steady increase over the MTEF to R1.570 billion in 2016/17. These increases are linked to the net growth of the motor vehicle population, coupled with the annual increase in motor vehicle licence fees. The projected revenue growth can also be attributed to the initiatives of DOT to improve service delivery at the various registering authorities, for the registration and licensing of motor vehicles. Presently, the variances between motor vehicle licence fees charged across all provinces in the various fee categories are significant. This has been discussed at national and provincial levels for quite some time, with the view of equalising the fee variances across provinces (as is the case with the Health patient fee structure). The main idea behind 'fee equalisation' is that there will be a unified motor vehicle licence fee structure that will be determined at a national level. The provinces with higher motor vehicle licence fees, such as KZN and WC, face the dilemma of people migrating to register their motor vehicles in provinces where the motor vehicle licence fees are lower. To avoid the loss of revenue through this migration to cheaper provinces, KZN moderated its licence fees.

Office of the Premier

OTP is another major own revenue contributor. The department's main sources of revenue are *Casino taxes* (including tax revenue from Limited Payout Machines) and *Horse racing taxes*. Revenue generated from *Casino taxes* increased from R305.583 million in 2010/11 to R404.531 million in the 2013/14 Revised Estimate, as reflected in Table 4.13. It is projected to further increase over the MTEF to R630.869 million in 2016/17.

Revenue generated from *Horse racing taxes* increased from R45.857 million in 2010/11 to R69.097 million in the 2013/14 Revised Estimate. *Horse racing taxes* continues to show positive growth over the 2014/15 MTEF, growing to R101.859 million in 2016/17. Revenue generated from gambling is unpredictable, as it largely depends on changes in disposable income of the population.

Health

The receipts of the DOH rose from R191.221 million in 2010/11 to R238.489 million in 2012/13. In nominal terms, the department expects to increase its collections from R241.244 million in 2013/14 to R271.630 million in 2016/17. Health's largest proportion of revenue is from patient fees and boarding fees for staff accommodation.

The department is focusing on increasing efficiencies in patient billing and revenue collection. One of the major objectives is to eliminate leakages in the system, and to shorten patient payment intervals. Historically, patient fee collections have under-performed due to there being no concise strategy to enhance collections from medical aid schemes, Road Accident Fund (RAF) and other statutory accounts, such as SAPS and Correctional Services. More attention is being paid to the assessment of patients' ability to pay, the correct billing of patients and the timeous recovery of debts from patients and other third parties, such as medical aids. The department needs to continue to focus on clearing, *inter alia*, all medical aid and RAF invoices that are accumulating in the back offices of institutions. Revenue collection processes are also affected by the use of manual billing systems, with only six hospitals currently operating a computerised patient billing system. The system will be implemented in the remaining hospitals as part of the plan of the Hospital Facility Revitalisation grant.

The National Health Chief Financial Officer Forum has reiterated the need for revenue officials to be employed at provincial, district and site levels. Improving revenue generation is now a key output of all provincial health CFOs. Another concerted drive will be to fully roll-out a computerised billing system

across all provinces. Also, PT has deployed contract employees to the department to assist in the setting up of RAF and medical aid accounts.

Provincial Treasury

PT generates a significant portion of own revenue through interest earned on positive cash balances in the IGCC and the PMG accounts, which is reflected against *Interest, dividends and rent on land*. The trend over the seven-year period is directly linked to the amount of cash on hand and changes in interest rates. The substantial increase in 2011/12 was due to the improvement in the level of funds available in the IGCC and PMG accounts, which resulted from the collective implementation of cost-cutting measures by provincial departments and improved cash management by the province. The department has significantly increased its projections over the 2014/15 MTEF based on current positive balances.

Economic Development and Tourism

Total revenue collection for the department declines from R105.494 million in 2010/11 to R6.481 million in the 2013/14 Revised Estimate. The substantially high collection in 2010/11 was due to a once-off amount of R100 million returned to the Provincial Revenue Fund by the Ithala Development Finance Corporation (Ithala). The major source of revenue collected by the department is *Liquor licences*. The department's contribution to KZN's Own Revenue will increase once the provisions of the new KZN Liquor Licensing Act take full effect. This Act aims to bring unlicensed traders from historically disadvantaged communities into the tax net, enabling them to do business in a free and conducive environment, without barriers to entry. The Act also provides for the determination of application fees, annual licence renewals and penalties. The income generated will accrue to the Provincial Revenue Fund. It is anticipated that this increased revenue will be collected from 2015/16, but will only be included in the province's revenue budget once there is absolute certainty around this.

4.2.5 Donor funding and agency receipts

Table 4.15 indicates donor funding and agency receipts, per department, over the 2014/15 MTEF.

Table 4.15 : Donor funding and agency receipts

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Donor Funding	114 389	28 260	29 033	29 293	47 772	56 397	65 076	57 692	48 700
Office of the Premier	19 841	9 066	24 079	26 829	26 829	34 553	20 492	18 492	9 500
Agriculture, Enviro Affairs and Rural Development	14 588	1 315	1 850	1 315	19 342	20 243	2 984	-	-
Economic Development and Tourism	42 626	-	-	-	-	-	-	-	-
Education	31 709	4 616	-	-	-	-	-	-	-
Provincial Treasury	2 388	8 462	1 768	766	766	766	41 600	39 200	39 200
Health	1 194	4 231	884	383	383	383	-	-	-
Human Settlements	-	-	-	-	-	-	-	-	-
Co-operative Governance and Traditional Affairs	2 043	570	452	-	452	452	-	-	-
Agency Receipt	17 454	8 517	7 585	8 290	8 290	-	8 500	8 800	9 200
Office of the Premier	10 034	-	-	-	-	-	-	-	-
Transport	7 420	8 517	7 585	8 290	8 290	-	8 500	8 800	9 200
Total	131 843	36 777	36 618	37 583	56 062	56 397	73 576	66 492	57 900

This funding is not voted for, and is relatively small in value. The funding gives an indication of additional local and international resources available to the province. Each department receiving donor funding and/or agency receipts has a table in the departmental chapter in the *EPRE*, which indicates how the donor funding and agency receipts have been spent over the seven-year period.

It is crucial to monitor the quality and quantity of services being provided with regard to donor funding and agency receipts. To this extent, PT requires departments to report on donor funding and agency receipts on a quarterly basis. This is done mainly because, in some instances, departments commit themselves to projects and, when the donor funding ceases, these commitments continue and have to be funded through voted funds in order to reach completion.

4.2.5.1 Donor funding

The recipients of donor funding over the 2014/15 MTEF are the OTP, DAEARD and PT amounting to R65.076 million in 2014/15 and declining to R48.700 million in 2016/17.

The Office of the Premier receives funding from the National Skills Fund. The department receives R20.492 million in 2014/15 and it declines to R9.500 million in 2016/17. OTP, through the Provincial Public Service Training Academy, will fund the following learning programmes:

- Learnerships in the construction sector.
- Automotive apprenticeships.
- Manufacturing and engineering apprenticeships and learnerships.
- NYS skills programmes implemented by the DOPW.

DAEARD will only receive R2.984 million in 2014/15. The agreement with the World Health Organisation (WHO) provided funding over five years from 2009/10, aimed at human rabies prevention through dog rabies control and eventual elimination in KZN. This funding has been made available by the Bill and Melinda Gates Foundation and is scheduled to end in 2014/15.

PT receives a total of R120 million over the MTEF, from the European Union through the General Budget Support initiative for the funding of KZN Science Parks. The main aim of the science parks is the commercialisation of innovative ideas through which products, processes, strategies and services are formulated to create job opportunities and to create business synergies.

4.2.5.2 Agency receipts

DOT receives funding from the South African National Roads Agency Limited (SANRAL), to cater for an extended overload control function on the national road network in KZN. These agency receipts increase from R8.500 million in 2014/15 to R9.200 million in 2016/17.

5. PAYMENTS

5.1 Overall position

Total provincial payments increased from R67.663 billion in 2010/11 to an estimated R91.849 billion in 2013/14. This positive growth is set to continue over the 2014/15 MTEF, with the aggregated estimates of R96.718 billion in 2014/15 growing to R105.703 billion in 2016/17.

The additional funding over and above the existing (2013/14 MTEF) growth within the various departments' baselines caters for, among others:

- Carry-through of the 2013/14 Adjustments Estimate, such as the war-room intervention programme, Richmond Community Development programme, Integrity Management unit, etc.
- The budget allocation is characterised by once-off funding for various provincial priorities such as improved Hansard production, Makhathini irrigation scheme, Rural Development projects, operational costs of St. Mary's Hospital, Community Service Centres (CSCs) (new construction at Bulwer and rehabilitation of three others), NYS programme, etc. These are funded from provincial cash resources and are discussed in detail under each departmental chapter in the *EPRE*.
- The budget allocation is also characterised by additional funding, over the 2014/15 MTEF, for personnel spending pressures in Education, increase in the Strategic Cabinet Initiatives Fund, and road maintenance and construction projects.
- Funding for the carry-through costs of previous wage agreements (including the 2013 wage agreement), as well as funding for the re-grading of clerical staff allocated to DOE, DOH, RHH and DOT as the impact on the other departments was fairly minor, and they should therefore be in a position to absorb the amounts from within their baselines.

The 2014/15 MTEF is also characterised by the baseline cuts of various conditional grant funding due to changes in the allocation process of some grants. The Education Infrastructure and Health Facility Revitalisation grants have no allocations in 2016/17 due to the reforms that were made to the provincial infrastructure grant system that are intended to institutionalise proper planning for infrastructure. Provinces were informed in 2012/13 by NT that they will be required to bid for their infrastructure allocation two years in advance and financial incentives will be built into the infrastructure grant for provinces that implement best practices. The HSDG was reduced as part of the national co-ordination in respect of eradicating the bucket system in the provinces.

The 2014/15 budget process also sees shifting of various functions between departments, such as the centralisation of parts of the communications budget under OTP in order to procure media space using the bulk-buying process, thus realising savings, and also the centralisation of external bursaries. The oversight role over the ADA was shifted from DEDT to DAEARD and the remainder of learner transport funding was shifted from DOE to DOT.

5.2 Payments by vote

Table 5.1 below illustrates the summary of provincial payments by vote.

The trend analysis reveals that most departments' budgets are set to increase from the 2013/14 Main Appropriation to 2014/15. However, it must be noted that allocations for some departments (OTP, DEDT and RHH) reflect a decrease from the 2013/14 Adjusted Appropriation to 2014/15 due to once-off funding allocated during the 2013/14 Adjustments Estimate, such as funding for the RTI Commission, Africa Expansion Summit, Ithala capital adequacy ratio and roll-overs in respect of infrastructure projects.

More detail of the payments and estimates is given under each vote's chapter in the *EPRE*.

Table 5.1 : Summary of provincial payments and estimates by vote

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
1. Office of the Premier	423 807	485 600	675 821	620 854	762 405	762 405	741 291	723 826	756 894
2. Provincial Legislature	310 909	380 588	431 718	417 120	454 820	454 820	491 186	455 994	480 352
3. Agriculture, Enviro. Affairs and Rural Development	2 045 856	2 475 378	2 849 212	2 862 582	2 850 023	2 850 023	3 070 155	3 093 537	3 241 463
4. Economic Development and Tourism	1 624 311	1 534 168	1 685 848	1 837 015	1 979 851	2 107 641	1 946 940	2 037 191	2 102 627
5. Education	28 746 616	33 799 217	35 588 285	37 008 579	37 596 762	37 715 377	39 446 920	42 572 680	42 881 812
6. Provincial Treasury	388 936	390 325	518 340	684 929	653 971	637 693	834 183	758 215	759 449
Operational budget	364 300	352 604	480 023	551 788	594 126	577 848	647 873	632 056	644 923
Growth and Development	24 636	37 721	38 317	133 141	59 845	59 845	186 310	126 159	114 526
7. Health	20 734 986	24 791 118	27 390 533	28 647 877	29 141 344	29 508 508	30 914 196	32 881 579	33 821 764
8. Human Settlements	3 089 237	3 042 495	3 377 771	3 550 676	3 591 370	3 591 370	3 600 282	3 656 033	3 907 814
9. Community Safety and Liaison	129 186	145 239	135 892	172 347	171 347	167 521	181 295	186 069	198 470
10. The Royal Household	50 627	59 409	61 367	63 330	68 746	68 804	54 211	56 536	59 549
11. Co-operative Governance and Traditional Affairs	1 002 589	1 106 349	1 314 550	1 247 696	1 246 342	1 246 342	1 348 076	1 362 669	1 435 607
12. Transport	5 958 923	6 639 855	7 650 308	8 066 335	8 046 081	8 046 081	9 060 595	9 504 027	10 001 955
13. Social Development	1 416 423	1 934 257	1 985 386	2 325 185	2 315 947	2 263 207	2 497 952	2 627 481	2 767 560
14. Public Works	1 114 209	1 182 268	1 133 311	1 261 366	1 313 731	1 316 396	1 369 361	1 372 793	2 046 221
15. Arts and Culture	349 369	369 752	479 744	644 964	691 026	711 165	705 112	806 706	805 982
16. Sport and Recreation	276 740	307 836	364 151	381 349	401 524	401 524	456 379	413 293	435 024
Total	67 662 724	78 643 854	85 642 236	89 792 204	91 285 290	91 848 877	96 718 134	102 508 629	105 702 539

The allocation over the 2014/15 MTEF reflects steady growth due to the increase in equitable share relating to the carry-through of previous wage agreements and the re-grading of clerical staff. Notwithstanding this steady growth, there are reductions, especially in 2016/17, in conditional grant funding, such as the Education Infrastructure and the Health Facility Revitalisation grants, relating to the bidding process for these funds, as mentioned previously, explaining the low growth in 2016/17. The baseline cuts implemented during the 2013/14 MTEF will continue to have an impact on service delivery in departments although the impact will be minimised by the implementation of extended cost-cutting.

The reduction in OTP in 2014/15 when compared to the 2013/14 Adjusted Appropriation relates to once-off additional funding allocated in respect of the RTI Commission and the Africa Expansion Summit. The reduction from 2014/15 to 2015/16 also relates to once-off additional funding for the Integrity Management unit, security strengthening during the upcoming general elections and application for World Heritage status for the Emakhosini Valley by Amafa. It must be noted that funding for the Integrity Management unit from 2015/16 onward is sourced from the funds that were allocated for the Luwamba Wellness Centre project in Ntambanana, which comes to an end in 2014/15, rendering the funds available for re-allocation.

DEDT reflects a substantial reduction from the 2013/14 Adjusted Appropriation and Revised Estimate to 2014/15 due to various once-off additional funding for provincial strategic events such as the Manchester United Tour, Nelson Mandela Golf Tournament, Volvo European Golf Championship, SA Women's Golf Championship, EduSport East Coast Festival, Metro FM Awards, etc. It must be noted that ADA was shifted from the department to DAEARD with effect from 2013/14. In the 2013/14 Adjusted Appropriation, only the portion that was not already transferred to the entity was moved to DAEARD, with full operational costs and project funding moved over the 2014/15 MTEF.

DOE reflects a significant increase from 2011/12 to the 2013/14 Adjusted Appropriation and over the 2014/15 MTEF due to additional funding (from NT) allocated for the various higher than budget wage agreements, re-grading of clerical staff, as well as additional funding (from PT) for personnel spending pressures relating to previous years' higher than budget wage agreements and shortfalls in funding for OSD for educators. The department reflects a significant increase in 2015/16 due to additional funding for the appointment of additional Grade R teachers and for increasing the number of teachers in Quintile 1 schools, allocated from 2015/16. A large portion of the FET College Sector grant was removed from the province in 2013/14 to the National Department of Higher Education and Training, who took over the function of transferring funds to the College Councils. The allocation for the Education Infrastructure grant was removed in 2016/17 in line with the new bidding process for infrastructure spending. This accounts for the low growth in 2016/17.

DOH reflects a steady increase over the 2014/15 MTEF. The department received additional funding for the carry-through of previous wage agreements and the re-grading of clerical staff. It must be noted that

the low growth in 2016/17 is due to the reduction of the Health Facility Revitalisation grant in line with the new bidding process for infrastructure spending. Despite the reduction mentioned above, the Comprehensive HIV and AIDS grant, on the other hand, reflects significant growth in 2016/17 which should assist the department in dealing with the higher costs of rendering HIV and AIDS services such as anti-retroviral medicines. The province has succeeded in motivating for an increase in funding based on the fact that historical funding saw KZN receive 25 per cent of the national grant funding, while carrying approximately 31 per cent of the national case-load.

The Social Sector, comprising Education, Health and Social Development, reflects positive growth over the 2014/15 MTEF, although lower in 2016/17 for the former two, mainly due to the reduction in the infrastructure grants, as mentioned. Also contributing to the growth, are higher than anticipated wage agreements, including the 2013 wage agreement, for which funding was allocated by NT.

Table 5.2 below shows an analysis of payments and estimates by major votes.

Table 5.2 : Analysis of payments and estimates by major vote

	Audited Outcome			Adjusted Appropriation	Medium-term Estimates			Average Annual Growth	
	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2010/11-2013/14	2013/14-2016/17
R thousand									
Education	28 746 616	33 799 217	35 588 285	37 596 762	39 446 920	42 572 680	42 881 812		
Health	20 734 986	24 791 118	27 390 533	29 141 344	30 914 196	32 881 579	33 821 760		
Social Development	1 416 423	1 934 257	1 985 386	2 315 947	2 497 952	2 627 481	2 767 560		
Other Functions	16 764 699	18 119 262	20 678 033	22 231 237	23 859 066	24 426 889	26 231 407		
Total expenditure	67 662 724	78 643 854	85 642 236	91 285 290	96 718 134	102 508 629	105 702 539		
% of total expenditure									
Education	42.5	43.0	41.6	41.2	40.8	41.5	40.6		
Health	30.6	31.5	32.0	31.9	32.0	32.1	32.0		
Social Development	2.1	2.5	2.3	2.5	2.6	2.6	2.6		
Other Functions	24.8	23.0	24.1	24.4	24.7	23.8	24.8		
Nominal growth (%)									
Education		17.6	5.3	5.6	4.9	7.9	0.7	9.4	4.5
Health		19.6	10.5	6.4	6.1	6.4	2.9	12.0	5.1
Social Development		36.6	2.6	16.6	7.9	5.2	5.3	17.8	6.1
Other Functions		8.1	14.1	7.5	7.3	2.4	7.4	9.9	5.7
Total expenditure		16.2	8.9	6.6	6.0	6.0	3.1	10.5	5.0
Real growth (%)									
Education		13.3	(0.4)	0.0	(0.5)	2.4	(4.3)	4.1	(0.8)
Health		15.2	4.5	0.8	0.6	0.9	(2.3)	6.6	(0.3)
Social Development		31.6	(2.9)	10.5	2.3	(0.2)	0.0	12.2	0.7
Other Functions		4.1	8.0	1.8	1.8	(2.9)	2.0	4.6	0.3
Total expenditure		12.0	3.0	0.9	0.5	0.6	(2.1)	5.2	(0.3)

As mentioned above, Social Sector spending reflects positive growth, in nominal terms over the 2014/15 MTEF, with a negative real growth in Education in 2014/15 and Social Development in 2015/16. The sector reflects steady growth from 2010/11 to 2013/14 and a slightly lower growth in allocations over the 2014/15 MTEF due to the removal of infrastructure grant funding in 2016/17 in line with the new bidding process, as mentioned above. The share of total spending fluctuates over the seven years, with 2011/12 being high at 77 per cent, reducing to 75.6 per cent in 2013/14 and staying at an average 75.5 per cent over the 2014/15 MTEF. The share of total expenditure for Other Functions also fluctuates over the seven years, with 2011/12 being lower at 23 per cent, before increasing to an average 24.4 per cent over the 2014/15 MTEF. The percentage share of the Social Sector and Other Functions remains constant over the 2014/15 MTEF, indicative of equivalent growth in both sectors' allocations.

DOE remains the highest spending provincial department, at 41.2 per cent in 2013/14 and decreasing slightly to 40.8 per cent in 2014/15, and further decreasing marginally to 40.6 per cent in 2016/17, attributable to the reduction of the Education Infrastructure grant, as mentioned earlier. The reduction in the percentage share, when compared to previous years, is due to the low growth when compared to other sectors, such as Health. The department received additional funding for the higher than anticipated 2013 wage agreements, re-grading of clerical staff and personnel spending pressures in 2013/14 with carry-through over the 2014/15 MTEF. Education's budget increases by an average annual nominal (real) growth of 9.4 (4.1) per cent between 2010/11 and 2013/14, and 4.5 (-0.8) per cent between 2013/14 and 2016/17. The relatively high positive growth over the first period is largely in respect of OSD for educators and various higher than anticipated wage agreements, as well as funding for various national

priorities such as expansion of examination administration. Although the baseline allocation for the department was cut by a substantial amount in 2015/16, relating to Census data baseline cuts and also the reduction to the FET College Sector grant, 2015/16 still reflects a significant increase due to additional allocations for national priorities such as the increase in number of teachers in Quintile 1 schools and the increase in the number of Grade R teachers. The negative average annual real growth between 2013/14 and 2016/17 is due to the previously mentioned reduction in the Education Infrastructure grant.

DOH remains the second highest spending provincial department, with a generally steady share of 30.6 per cent in 2010/11, increasing to 31.9 per cent in 2013/14 and staying constant at 32.1 per cent in 2015/16 and 2016/17. The budget of the department reflects healthy average annual nominal (real) growth of 12 (6.6) per cent between 2010/11 and 2013/14, and a lower average annual growth of 5.1 (-0.3) per cent between 2013/14 and 2016/17. The latter period reflects reduced growth due to the previously mentioned reduction in the Health Facility Revitalisation grant. The annual nominal (real) growth of 19.6 (15.2) per cent in 2011/12 relates to the higher than budget 2011 wage increase. The higher growth of 10.5 per cent in 2012/13 can be attributable to additional funding allocated to the Health Facility Revitalisation grant to assist with infrastructure spending pressures. Also contributing, is additional funding from provincial cash resources for the same purpose.

DSD reflects an increase in the share of total expenditure, from 2.1 per cent in 2010/11 to 2.3 per cent in 2012/13 (although 2011/12 was higher, at 2.5 per cent due to the implementation of various national priorities, discussed briefly below), and remains steady at 2.6 per cent over the 2014/15 MTEF. The department enjoys the largest average nominal (real) growth of 17.8 (12.2) per cent between 2010/11 and 2013/14 due to additional funding for existing infrastructure assets. This growth declines to 6.1 (0.7) per cent between 2013/14 and 2016/17. The department reflects substantial nominal (real) growth of 36.6 (31.6) per cent in 2011/12 which can be attributable to allocations for national priorities such as OSD for social workers, Early Childhood Development (ECD), Home/Community-Based Care (HCBC) and Children in Conflict with the Law, which commenced in 2008/09 and grew strongly in 2011/12. The department shows significant annual nominal (real) growth of 16.6 per cent in 2013/14 due to additional funding for Child and Youth Care and Victim Empowerment, allocated during the 2012/13 MTEF process but commencing in 2013/14. The growth stabilises in 2014/15, with an average annual nominal (real) growth of 7.9 (2.3) per cent.

Other Functions reflect higher average annual nominal (real) growth of 9.9 (4.6) between 2010/11 and 2013/14 when compared to 5.7 (0.3) per cent between 2013/14 and 2016/17. The higher annual growth of 14.1 per cent in 2012/13 can be attributable to additional funding, during the 2012/13 Adjustments Estimate, allocated to various departments, especially DEDT for various strategic events, such as the Nelson Mandela Golf Tournament, Metro FM Awards, Volvo European Golf Championship, Women's Golf Championship, etc. Also contributing was additional funding to the DAEARD for various programmes, such as the Makhathini development, EPWP job creation, Rhino Security Intervention plan (for transfer to EKZNW), control of rabies outbreak, etc. OTP also received additional funding for various initiatives such as the hosting of the 2013 AFCON tournament, Youth Ambassadors programme, etc. Over the 2014/15 MTEF, additional funding was allocated, mainly as once-off allocations in 2014/15, for various initiatives such as the improvement of Hansard production (PL), livestock identification (RFID), Makhathini irrigation scheme (DAEARD), KZNLA operational costs (DEDT), rural development projects (PT), operational costs of St. Mary's Hospital (DOH), Uthukela *Amakhosi* programme and Msinga *Asisukume* Co-operative, construction and rehabilitations of CSCs (COGTA), NYS and Richmond Community Development programmes (DOPW) and the construction of the Hoy Park Sports Development Centre (DOSR). This also accounts for the low annual nominal growth of 2.4 per cent in 2015/16.

5.3 Payments by economic classification

5.3.1 Provincial summary of payments and estimates by economic classification

Table 5.3 below presents a summary of payments and estimates by economic classification for the period 2010/11 and 2016/17.

Table 5.3 : Summary of provincial payments and estimates by economic classification

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Current payments	52 487 313	61 912 638	66 761 885	72 214 908	72 331 275	72 736 985	77 580 813	82 473 175	86 886 664
Compensation of employees	39 312 068	46 035 829	49 717 567	52 761 916	54 188 164	54 624 595	58 348 963	62 403 830	65 970 185
Goods and services	13 159 096	15 875 246	17 043 635	19 444 084	18 140 152	18 108 426	19 224 082	20 059 113	20 905 705
Interest and rent on land	16 149	1 563	683	8 908	2 959	3 965	7 768	10 232	10 774
Transfers and subsidies to:	9 228 387	9 529 723	10 279 444	10 105 357	10 607 364	10 656 684	10 884 345	10 992 188	11 446 812
Provinces and municipalities	1 447 500	1 160 371	1 310 668	1 096 213	1 360 262	1 365 260	1 225 106	1 245 389	1 374 515
Departmental agencies and accounts	1 301 072	1 338 110	1 564 133	1 857 178	1 825 637	1 838 427	1 892 288	1 885 053	2 006 737
Higher education institutions	-	-	57	-	2 780	3 250	-	-	-
Foreign governments and international organisations	410	173	233	189	803	803	198	207	217
Public corporations and private enterprises	1 238 657	1 160 670	1 212 552	1 248 305	1 267 054	1 328 072	1 243 730	1 322 056	1 338 373
Non-profit institutions	2 569 130	2 903 181	3 169 560	2 885 520	2 905 373	2 808 183	3 121 422	3 038 323	3 051 251
Households	2 671 618	2 967 218	3 022 241	3 017 952	3 245 455	3 312 689	3 401 601	3 501 160	3 675 719
Payments for capital assets	5 438 903	7 109 627	8 522 689	7 393 357	8 268 090	8 376 089	8 142 008	8 954 251	7 280 273
Buildings and other fixed structures	4 973 729	5 893 494	7 510 422	6 271 741	7 414 222	7 619 108	7 393 372	8 139 906	6 251 658
Machinery and equipment	449 348	1 159 438	953 271	1 108 078	832 153	733 935	730 902	799 032	1 012 672
Heritage assets	323	1 819	10 794	4 865	8 815	8 815	5 000	4 000	4 212
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	222	7 354	9 542	553	553	553	586	609	641
Land and sub-soil assets	798	26 455	7 018	-	71	71	-	-	-
Software and other intangible assets	14 483	21 067	31 642	8 152	12 276	13 607	12 148	10 704	11 090
Payments for financial assets	445 440	26 265	11 058	2 500	2 511	3 069	2 500	4 694	-
Total	67 600 043	78 578 253	85 575 076	89 716 154	91 209 240	91 772 827	96 609 666	102 424 308	105 613 749
Statutory payments	62 681	65 601	67 160	76 050	76 050	76 050	108 468	84 321	88 790
Total economic classification (incl. stat. payment)	67 662 724	78 643 854	85 642 236	89 792 204	91 285 290	91 848 877	96 718 134	102 508 629	105 702 539

The category *Current payments* consumes the bulk of the total provincial spending, at an average of 81 per cent and is set to increase from R72.737 billion in the 2013/14 Revised Estimate to R86.887 billion in 2016/17. The largest portion of this category and the entire budget relates to *Compensation of employees*, which is set to increase from R54.625 billion in the 2013/14 Revised Estimate to R65.970 billion in 2016/17. The increase from the 2013/14 Revised Estimate to 2014/15 is attributable to the anticipated filling of critical vacant posts by various departments, while taking into consideration the moratorium on the filling of non-critical vacant posts, and the inflationary wage adjustment. The bulk of the budget under *Compensation of employees* is allocated to Education and Health, due to the high number of employees in these departments.

Transfers and subsidies shows steady growth between 2010/11 and 2016/17. A substantial portion of *Transfers and subsidies* is allocated against *Transfers and subsidies to: Non-profit institutions*, of which a large portion relates to transfers to public schools for norms and standards. Also included are transfers to public entities such as the Dube TradePort Corporation (DTPC) under DEDT, and EKZNW under DAEARD. *Transfers and subsidies to: Provinces and municipalities*, which relates mainly to transfers to municipalities for housing projects, fluctuates over the seven-year period. The decrease in 2011/12 is due to delays in the approval process of projects under the Community Residential Units (CRU) programme within municipalities. The increase from the 2013/14 Main to the Adjusted Appropriation relates to the reclassification of funding for Small Town Rehabilitation, Corridor Development, Massification and the LED programmes under COGTA. It must be noted that the 2013/14 Main Appropriation did not include the transfers mentioned above as the funding was reclassified only in the 2013/14 Adjustments Estimate, accounting for the decrease from 2012/13.

Payments for capital assets reflects good growth over the seven-year period, growing from R5.439 billion in 2010/11 to R8.523 billion in 2012/13 and R8.954 billion in 2015/16, before declining to R7.280 billion in 2016/17 due to the bidding process for infrastructure grants funding, as mentioned earlier. *Buildings and other fixed structures*, which consumes a larger portion of the allocation, reflects good growth over the seven-year period, indicative of the province's contribution to public infrastructure development with the aim of boosting the economy and, subsequently, job creation. The spending grows from R4.974 billion in 2010/11 to R7.510 billion in 2012/13, due to DOT resuming construction projects that were put on hold in 2011/12 and the acceleration of projects due to favourable weather conditions, and R8.140 billion in 2015/16. The decrease in 2016/17 is due to the previously mentioned bidding process for infrastructure grant funding relating to Education and Health. The bulk of the infrastructure spending is under DOE, DOH and DOT. These departments receive substantial funding, in addition to the

provincial allocation, through various infrastructure grants from NT. These grants, especially the Education Infrastructure grant, have seen substantial increases in funding over the period under review, to deal with backlogs in infrastructure. However, the Education Infrastructure and the Health Facility Revitalisation grants receive no allocation in 2016/17 at this stage, due to the bidding process for infrastructure grant funding. A substantial portion of *Buildings and other fixed structures* relates to the DOE (inclusive of the Education Infrastructure grant) for the upgrading and major repairs to existing public schools infrastructure, as well as provision of much needed infrastructure such as ECD classrooms. The infrastructure budget of DOT increases substantially in 2013/14 due to additional funding for the maintenance of the provincial road network allocated during previous MTEF periods, as well as over the 2014/15 MTEF. Health reflects substantial spending in 2012/13 due to the acceleration of various health facilities projects, such as the Dannhauser and Pomeroy Community Health Centres.

The spending against the category *Payments for financial assets* in 2010/11 reflects the first charge amounts (in line with Section 34(2) of the PFMA) in respect of unauthorised expenditure under DAEARD, DOE, DOHS, DOT and RHH. Also included, although to a lesser extent, are the write-offs of irrecoverable debts by various departments. The amounts reflected over the 2014/15 MTEF relate to the first charge instalments under the RHH.

Table 5.4 below provides an analysis of payments and estimates by economic classification, looking at nominal and real average annual growth, and percentage share of various categories when compared to total expenditure.

Table 5.4 : Analysis of payments and estimates by economic classification

	Audited Outcome			Adjusted Appropriation	Medium-term Estimates			Average Annual Growth	
	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2010/11-2013/14	2013/14-2016/17
R thousand									
Current	52 549 994	61 978 239	66 829 045	72 407 325	77 689 281	82 557 496	86 975 454		
Transfers	9 228 387	9 529 723	10 279 444	10 607 364	10 884 345	10 992 188	11 446 812		
Capital	5 438 903	7 109 627	8 522 689	8 268 090	8 142 008	8 954 251	7 280 273		
Financial assets	445 440	26 265	11 058	2 511	2 500	4 694	-		
Compensation	39 374 749	46 101 430	49 784 727	54 264 214	58 457 431	62 488 151	66 058 975		
Non-compensation	28 287 975	32 542 424	35 857 509	37 021 076	38 260 703	40 020 478	39 643 564		
Non-compensation (excl. transfers)	19 059 588	23 012 701	25 578 065	26 413 712	27 376 358	29 028 290	28 196 752		
Non-compensation non-capital (NCNC)	22 849 072	25 432 797	27 334 820	28 752 986	30 118 695	31 066 227	32 363 291		
NCNC (excl. transfers)	13 620 685	15 903 074	17 055 376	18 145 622	19 234 350	20 074 039	20 916 479		
Total expenditure	67 662 724	78 643 854	85 642 236	91 285 290	96 718 134	102 508 629	105 702 539		
% of total expenditure									
Current	77.7	78.8	78.0	79.3	80.3	80.5	82.3		
Transfers	13.6	12.1	12.0	11.6	11.3	10.7	10.8		
Capital	8.0	9.0	10.0	9.1	8.4	8.7	6.9		
Financial assets	0.7	0.0	0.0	0.0	0.0	0.0	-		
Compensation	58.2	58.6	58.1	59.4	60.4	61.0	62.5		
Non-compensation	41.8	41.4	41.9	40.6	39.6	39.0	37.5		
Non-compensation (excl. transfers)	28.2	29.3	29.9	28.9	28.3	28.3	26.7		
Non-compensation non-capital (NCNC)	33.8	32.3	31.9	31.5	31.1	30.3	30.6		
NCNC (excl. transfers)	20.1	20.2	19.9	19.9	19.9	19.6	19.8		
Nominal growth (%)									
Current		17.9	7.8	8.3	7.3	6.3	5.4	11.3	6.3
Transfers		3.3	7.9	3.2	2.6	1.0	4.1	4.8	2.6
Capital		30.7	19.9	(3.0)	(1.5)	10.0	(18.7)	15.0	(4.2)
Financial assets		(94.1)	(57.9)	(77.3)	(0.4)	87.8	(100.0)	(82.2)	(100.0)
Compensation		17.1	8.0	9.0	7.7	6.9	5.7	11.3	6.8
Non-compensation		15.0	10.2	3.2	3.3	4.6	(0.9)	9.4	2.3
Non-compensation (excl. transfers)		20.7	11.1	3.3	3.6	6.0	(2.9)	11.5	2.2
Non-compensation non-capital (NCNC)		11.3	7.5	5.2	4.7	3.1	4.2	8.0	4.0
NCNC (excl. transfers)		16.8	7.2	6.4	6.0	4.4	4.2	10.0	4.9
Real growth (%)									
Current		13.6	2.0	2.6	1.8	0.8	0.0	5.9	0.9
Transfers		(0.5)	2.1	(2.3)	(2.6)	(4.2)	(1.1)	(0.3)	(2.7)
Capital		25.9	13.4	(8.1)	(6.6)	4.3	(22.8)	9.5	(9.0)
Financial assets		(94.3)	(60.2)	(78.5)	(5.5)	78.1	(100.0)	(83.1)	(100.0)
Compensation		12.8	2.2	3.2	2.2	1.4	0.4	6.0	1.3
Non-compensation		10.8	4.2	(2.2)	(1.9)	(0.8)	(5.9)	4.1	(2.9)
Non-compensation (excl. transfers)		16.3	5.2	(2.2)	(1.7)	0.6	(7.8)	6.2	(3.0)
Non-compensation non-capital (NCNC)		7.2	1.7	(0.4)	(0.6)	(2.1)	(1.1)	2.8	(1.3)
NCNC (excl. transfers)		12.5	1.5	0.8	0.6	(1.0)	(1.0)	4.8	(0.5)

Current expenditure is the largest, as a percentage of total expenditure, growing from 77.7 per cent in 2010/11 to 82.3 per cent in 2016/17. This category reflects average annual nominal (real) growth of 11.3 (5.9) per cent between 2010/11 and 2013/14 and declines to 6.3 (0.9) per cent between 2013/14 and 2016/17, which can be attributable to various once-off additional allocations in the period up to 2013/14.

The share of total expenditure for *Transfers* reflects a declining trend, from 13.6 per cent in 2010/11 to 10.8 per cent in 2016/17. The decrease from 2010/11 to 2011/12 is mainly due to the reduction in funding for DTPC, as major projects such as the construction of the airport had been completed. This category reflects fluctuations in the annual nominal and real growth over the period under review, with high annual nominal (real) growth of 7.9 (2.1) per cent in 2012/13. The average nominal (real) growth decreases from 4.8 (-0.3) per cent between 2010/11 and 2013/14 to 2.6 (-2.7) per cent between 2013/14 and 2016/17 due to the anticipated withdrawal of Section 21 functions from schools that are continuously non-compliant with transfer requirements.

The expenditure trend for *Capital* reflects fluctuations over the period under review, as does the share of total expenditure, with an increase to 9 per cent in 2011/12 and 10 per cent in 2012/13, before declining to 8.4 per cent in 2014/15 and further declining to 6.9 per cent in 2016/17. The decline in 2016/17 is attributable to the non-allocation of infrastructure grants in line with the new process of bidding for infrastructure grants funding, as mentioned earlier. This category reflects fluctuations in the annual nominal and real growth rates over the period under review, with high annual nominal (real) growth of 30.7 (25.9) per cent in 2011/12 and 19.9 (13.4) per cent in 2012/13 relating to the increase in infrastructure grants, especially the Provincial Roads Maintenance grant, and also equitable share funding allocated mainly in respect of acceleration of Health infrastructure projects, respectively. The average annual nominal (real) growth decreases substantially from 15 (9.5) per cent between 2010/11 and 2013/14 to negative 4.2 (-9) per cent between 2013/14 and 2016/17.

The declining share of total expenditure for *Transfers* and *Capital* is indicative of the fact that major increases have been in respect of *Compensation of employees* due to the various higher than anticipated wage agreements and the various OSDs affecting mainly DOE and DOH.

The high negative average annual nominal (real) growth of 82.2 (83.1) per cent between 2010/11 and 2013/14 against *Financial assets* is due to the fact that the larger portion of first charge amounts were paid in 2010/11.

Compensation's share of total expenditure shows an increase from 58.2 per cent in 2010/11 to 62.5 per cent in 2016/17. This category shows an average annual nominal (real) growth of 11.3 (6) per cent between 2010/11 and 2013/14 (resulting from additional funding for personnel spending pressures, especially under DOE) declining to 6.8 (1.3) per cent between 2013/14 and 2016/17 (reflecting stable funding for personnel expenditure). *Non-compensation* shows a decline in the share of total expenditure from 41.8 per cent in 2010/11 to 37.5 per cent in 2016/17. This declining trend is indicative of the fact that *Compensation* has slightly crowded out the allocation of resources toward service delivery spending. The non-allocation of infrastructure grants in 2016/17 in line with the new bidding process contributes to the lower share in 2016/17. It must be noted that the province was fully funded for the wage agreements in 2010/11 and 2012/13, with funding made available by NT and topped up by PT using provincial cash resources, to ensure that the wage agreement was fully funded. PT also allocated additional funding from provincial cash resources to assist in dealing with the personnel spending pressures in DOE. The allocation for *Compensation of employees* is above inflation as it includes funding for the re-grading of clerical staff in line with a directive issued by the DPSA.

The share of total expenditure for *Non-compensation (excl. transfers)* reflects a steady increase from 28.2 per cent in 2010/11 to 29.9 per cent in 2012/13, with a decline to 28.9 per cent in 2013/14. This category reflects a significant reduction in its share of total expenditure in 2016/17 due to the bidding process for infrastructure grant funding.

The percentage share of *Non-compensation non-capital (NCNC)* decreases from 33.8 per cent in 2010/11 to 30.3 per cent in 2015/16 before increasing to 30.6 per cent in 2016/17. The category *Non-compensation non-capital (excluding transfers)* reflects a fluctuating trend over the seven-year period.

5.3.2 Analysis of payments and estimates by economic classification – Education

Table 5.5 shows DOE’s summary of payments and estimates by economic classification.

Table 5.5 : Analysis of payments and estimates summary by economic classification - Education

	Audited Outcome			Adjusted Appropriation	Medium-term Estimates			Average Annual Growth	
	2010/11	2011/12	2012/13		2013/14	2014/15	2015/16	2016/17	2010/11-2013/14
R thousand									
Current	24 880 844	29 784 902	30 848 480	33 375 078	35 009 454	37 440 146	39 248 604		
Transfers	1 724 719	1 892 934	2 159 343	1 744 369	1 831 579	1 812 534	1 742 319		
Capital	1 920 880	2 121 381	2 580 462	2 477 315	2 605 887	3 320 000	1 890 890		
Financial assets	220 173	-	-	-	-	-	-		
Compensation	22 609 337	26 639 394	27 976 652	29 865 345	31 973 947	34 008 908	35 954 005		
Non-compensation	6 137 279	7 159 823	7 611 633	7 731 417	7 472 973	8 563 772	6 927 808		
Non-compensation (excl. transfers)	4 412 560	5 266 889	5 452 290	5 987 048	5 641 394	6 751 238	5 185 489		
Non-compensation non-capital (NCNC)	4 216 399	5 038 442	5 031 171	5 254 102	4 867 086	5 243 772	5 036 918		
NCNC (excl. transfers)	2 491 680	3 145 508	2 871 828	3 509 733	3 035 507	3 431 238	3 294 599		
Total expenditure	28 746 616	33 799 217	35 588 285	37 596 762	39 446 920	42 572 680	42 881 812		
% of total expenditure									
Current	86.6	88.1	86.7	88.8	88.8	87.9	91.5		
Transfers	6.0	5.6	6.1	4.6	4.6	4.3	4.1		
Capital	6.7	6.3	7.3	6.6	6.6	7.8	4.4		
Financial assets	0.8	-	-	-	-	-	-		
Compensation	78.7	78.8	78.6	79.4	81.1	79.9	83.8		
Non-compensation	21.3	21.2	21.4	20.6	18.9	20.1	16.2		
Non-compensation (excl. transfers)	15.3	15.6	15.3	15.9	14.3	15.9	12.1		
Non-compensation non-capital (NCNC)	14.7	14.9	14.1	14.0	12.3	12.3	11.7		
NCNC (excl. transfers)	8.7	9.3	8.1	9.3	7.7	8.1	7.7		
Nominal growth (%)									
Current		19.7	3.6	8.2	4.9	6.9	4.8	10.3	5.6
Transfers		9.8	14.1	(19.2)	5.0	(1.0)	(3.9)	0.4	(0.0)
Capital		10.4	21.6	(4.0)	5.2	27.4	(43.0)	8.8	(8.6)
Financial assets		(100.0)	-	-	-	-	-	(100.0)	-
Compensation		17.8	5.0	6.8	7.1	6.4	5.7	9.7	6.4
Non-compensation		16.7	6.3	1.6	(3.3)	14.6	(19.1)	8.0	(3.6)
Non-compensation (excl. transfers)		19.4	3.5	9.8	(5.8)	19.7	(23.2)	10.7	(4.7)
Non-compensation non-capital (NCNC)		19.5	(0.1)	4.4	(7.4)	7.7	(3.9)	7.6	(1.4)
NCNC (excl. transfers)		26.2	(8.7)	22.2	(13.5)	13.0	(4.0)	12.1	(2.1)
Real growth (%)									
Current		15.3	(2.0)	2.5	(0.5)	1.5	(0.4)	5.0	0.2
Transfers		5.7	7.9	(23.5)	(0.4)	(6.1)	(8.7)	(4.4)	(5.1)
Capital		6.4	15.1	(9.1)	(0.2)	20.9	(45.9)	3.6	(13.3)
Financial assets		(100.0)	(5.4)	(5.3)	(5.1)	(5.1)	(5.0)	(100.0)	-
Compensation		13.5	(0.6)	1.1	1.6	0.9	0.4	4.5	1.0
Non-compensation		12.4	0.6	(3.8)	(8.3)	8.7	(23.2)	2.8	(8.5)
Non-compensation (excl. transfers)		15.0	(2.1)	4.0	(10.6)	13.5	(27.1)	5.4	(9.5)
Non-compensation non-capital (NCNC)		15.1	(5.5)	(1.1)	(12.1)	2.2	(8.8)	2.5	(6.4)
NCNC (excl. transfers)		21.6	(13.6)	15.7	(17.9)	7.2	(8.8)	6.7	(7.1)

More than 86 per cent of DOE’s budget is allocated under *Current*. The share of total expenditure for *Current* declined in 2012/13, as a result of cost-cutting effected against *Goods and services*. *Current* reflects minimal real growth of 0.2 per cent over the 2014/15 MTEF, largely ascribed to the baseline cuts that were effected against the department. The department has focused on correcting the *Compensation of employees* baseline, but has had to cut back on *Goods and services* and *Transfers* to achieve this.

The share of total expenditure under *Transfers* declines from 6 per cent to 4.1 per cent between 2010/11 and 2016/17, mainly due to the reduction relating to *Transfers and subsidies to: Non-profit institutions* allocations, which was due to the reprioritisation exercise undertaken to increase *Compensation of employees* to provide for the increased stipends payable to ECD practitioners, carry-through of various unfunded wage agreements, among others. *Transfers* shows negative real growth of 5.1 per cent from 2013/14 to 2016/17, which is mainly attributed to the anticipated revocation of S21 functions from schools that continue to not comply with the transfer requirements.

Capital as a share of total expenditure fluctuates between 2010/11 to 2013/14 and declines significantly over the 2014/15 MTEF. There is no allocation for the Education Infrastructure grant in the outer year due to the fact that NT requires provincial departments to bid for their infrastructure allocation two years in advance, with financial incentives built into the infrastructure grant to reward provinces that implement best practices. The bidding processes for 2016/17 will commence in 2014/15, accounting for the reduction in share of total expenditure to 4.4 per cent in 2016/17 and negative real growth of 13.3 per

cent. In the 2013/14 Adjusted Appropriation, funds were reduced against *Machinery and equipment* to address spending pressures against *Compensation of employees*. This reduction was carried through over the 2014/15 MTEF, and also contributing to the lower trends.

The amount against *Financial assets* in 2010/11 is largely the second instalment of the first charge in terms of S34 (2) of the PFMA, as well as the irrecoverable staff debts written off.

Compensation comprises the highest proportion of DOE's budget. The share of total expenditure reflects an increasing trend from 78.7 per cent to 83.8 per cent over the seven-year period. The decrease in the share of total expenditure in 2012/13 is an indication that other spending categories are increasing at a faster rate, indicative of increased focus on other service delivery areas, especially infrastructure spending and transfers to schools. Despite this, the 2013/14 Revised Estimate reflected that the amount reprioritised during the 2013/14 Adjustments Estimate was not sufficient to fully deal with the pressures. Hence, a comprehensive reprioritisation exercise was undertaken over the 2014/15 MTEF against *Goods and services*, *Machinery and equipment* and *Transfers*. The 2014/15 MTEF allocations include carry-through of previous wage agreements, however, the real growth percentage share is minimal at 1 per cent from 2013/14 to 2016/17. It is noted that the allocations do not make provision for the filling of any new posts.

Non-compensation's share of total expenditure decreases from 21.3 per cent in 2010/11 to 16.2 per cent in 2016/17. The decrease in the share of total expenditure is an indication that other spending categories are increasing at a faster rate. *Non-compensation* shows negative real growth of 8.5 per cent from 2013/14 to 2016/17, which is ascribed to the reduction in *Capital* relating to the Education Infrastructure grant with no allocation in the outer year, as explained earlier. Also contributing to the negative real growth, are funds reprioritised from *Goods and services*, *Transfers* and *Capital* to cushion projected over-expenditure in *Compensation of employees*.

Non-compensation (excluding transfers) fluctuates over the seven years. The share of total expenditure drops from 15.3 per cent in 2010/11 to 12.1 per cent in 2016/17 and reflects negative real growth of 9.5 per cent between 2013/14 and 2016/17. This is attributed to a reduction of funds, with carry-through to cater for the shortfall in *Compensation of employees*, as well as a significant decrease in 2016/17 relating to the Education Infrastructure grant, with no allocation, at this stage, as mentioned previously.

NCNC which includes *Goods and services* and *Transfers and subsidies* reflects negative real growth of 6.4 per cent, and the share of total expenditure declines from 14.7 per cent to 11.7 per cent between 2010/11 and 2016/17. This decline is a result of cost-cutting effected against *Goods and services* and the reduction to address pressures in personnel over the MTEF. The reprioritisation exercise was undertaken from *Transfers and subsidies to: Non-profit institutions* to cater for the increased stipends payable to ECD practitioners. In addition, the decrease was due to the anticipated revocation of S21 functions from schools that continue to not comply with the transfer requirements.

5.3.3 Analysis of payments and estimates by economic classification – Health

Table 5.6 below shows DOH's expenditure by economic classification. As was the case in previous years, the largest share of total expenditure is in respect of *Current* payments, where the percentage decreases from 92.5 per cent in 2010/11 to 90.3 per cent in 2011/12 and 2012/13. The share climbs to 91.1 per cent in 2013/14, rising to 96.5 per cent in 2016/17. The higher share in 2010/11 relates to under-spending against *Capital* in that year. The drop in share in 2011/12 is due to a significant increase in budget of R1.110 billion in 2011/12 with regard to *Capital* payments, largely because of significant increases in the Health Facility Revitalisation grant. This trend continued in 2012/13, with further additional funding for this grant, with R200 million allocated in the 2012/13 Adjustments Estimate. In addition, the department received a further R185.963 million in equitable share funding for infrastructure pressures in that year. From 2013/14 onward, the department has reduced funding for *Capital* due to the budget cuts resulting from the Census 2011, as well as reprioritising funding away from *Capital* payments to *Maintenance and repairs*, thus boosting the share of *Current* payments to over 93 per cent. Also affecting the share in the outer year is the fact that the Health Facility Revitalisation grant declines to zero in the outer year due to the reforms that were made to the provincial infrastructure grant system that are intended to

institutionalise proper planning for infrastructure. This is discussed in more detail in the Vote 7 chapter in Part 2 of the *EPRE*. In addition, the carry-through costs of the various higher than anticipated wage agreements impact on the share of *Current* payments in the outer years of the MTEF. The major share of *Current* payments is *Compensation of employees* which, although showing an erratic trend similar to *Current* payments, reflects a steady increase as a proportion of total expenditure from 2013/14, increasing from 64 per cent to 67.8 per cent in 2016/17.

Table 5.6 : Analysis of payments and estimates summary by economic classification - Health

	Audited Outcome			Adjusted Appropriation	Medium-term Estimates			Average Annual Growth	
	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2010/11-2013/14	2013/14-2016/17
R thousand									
Current	19 186 343	22 374 653	24 746 845	26 553 971	28 624 542	30 769 781	32 650 686		
Transfers	562 374	515 845	486 764	748 981	692 479	676 450	739 608		
Capital	980 640	1 900 011	2 156 923	1 838 385	1 597 175	1 435 348	431 466		
Financial assets	5 629	609	1	7	-	-	-		
Compensation	12 935 381	15 118 307	16 886 345	18 652 036	20 188 402	21 700 138	22 919 325		
Non-compensation	7 799 605	9 672 811	10 504 188	10 489 308	10 725 794	11 181 441	10 902 435		
Non-compensation (excl. transfers)	7 237 231	9 156 966	10 017 424	9 740 327	10 033 315	10 504 991	10 162 827		
Non-compensation non-capital (NCNC)	6 818 965	7 772 800	8 347 264	8 650 923	9 128 619	9 746 093	10 470 969		
NCNC (excl. transfers)	6 256 591	7 256 955	7 860 501	7 901 942	8 436 140	9 069 643	9 731 361		
Total expenditure	20 734 986	24 791 118	27 390 533	29 141 344	30 914 196	32 881 579	33 821 760		
% of total expenditure									
Current	92.5	90.3	90.3	91.1	92.6	93.6	96.5		
Transfers	2.7	2.1	1.8	2.6	2.2	2.1	2.2		
Capital	4.7	7.7	7.9	6.3	5.2	4.4	1.3		
Financial assets	0.0	0.0	0.0	0.0	-	-	-		
Compensation	62.4	61.0	61.7	64.0	65.3	66.0	67.8		
Non-compensation	37.6	39.0	38.3	36.0	34.7	34.0	32.2		
Non-compensation (excl. transfers)	34.9	36.9	36.6	33.4	32.5	31.9	30.0		
Non-compensation non-capital (NCNC)	32.9	31.4	30.5	29.7	29.5	29.6	31.0		
NCNC (excl. transfers)	30.2	29.3	28.7	27.1	27.3	27.6	28.8		
Nominal growth (%)									
Current		16.6	10.6	7.3	7.8	7.5	6.1	11.4	7.1
Transfers		(8.3)	(5.6)	53.9	(7.5)	(2.3)	9.3	10.0	(0.4)
Capital		93.8	13.5	(14.8)	(13.1)	(10.1)	(69.9)	23.3	(38.3)
Financial assets		(89.2)	(99.8)	600.0	(100.0)	-	-	(89.2)	(100.0)
Compensation		16.9	11.7	10.5	8.2	7.5	5.6	13.0	7.1
Non-compensation		24.0	8.6	(0.1)	2.3	4.2	(2.5)	10.4	1.3
Non-compensation (excl. transfers)		26.5	9.4	(2.8)	3.0	4.7	(3.3)	10.4	1.4
Non-compensation non-capital (NCNC)		14.0	7.4	3.6	5.5	6.8	7.4	8.3	6.6
NCNC (excl. transfers)		16.0	8.3	0.5	6.8	7.5	7.3	8.1	7.2
Real growth (%)									
Current		12.3	4.6	1.6	2.3	2.0	0.8	6.1	1.7
Transfers		(11.6)	(10.7)	45.7	(12.3)	(7.3)	3.8	4.8	(5.5)
Capital		86.7	7.4	(19.3)	(17.6)	(14.7)	(71.5)	17.4	(41.5)
Financial assets		(89.6)	(99.8)	562.9	(100.0)	(5.1)	(5.0)	(89.8)	(100.0)
Compensation		12.6	5.7	4.6	2.7	2.0	0.3	7.6	1.7
Non-compensation		19.5	2.7	(5.4)	(3.0)	(1.1)	(7.4)	5.1	(3.9)
Non-compensation (excl. transfers)		21.9	3.5	(7.9)	(2.3)	(0.7)	(8.1)	5.1	(3.7)
Non-compensation non-capital (NCNC)		9.8	1.6	(1.9)	0.1	1.3	2.0	3.1	1.1
NCNC (excl. transfers)		11.7	2.5	(4.8)	1.3	2.0	1.9	2.9	1.7

Compensation also shows a positive trend from 2013/14 to 2016/17, with an average annual real growth of 1.7 per cent. This will allow the department to continue the implementation of the various OSDs begun in 2007/08. This area has been under-funded, particularly with regard to the OSD for nurses and doctors, although additional funding was received in each year from 2008/09 to 2011/12. There is also pressure in the new MTEF to provide additional staff for the re-engineering of primary health care services through ward-based teams, in line with NHI requirements.

The share of *Transfers* fluctuates from 2010/11 to 2013/14, largely due to delays with regard to transfers to municipal clinics. These were caused by problems in finalising SLAs with municipalities, and finalisation of a number of SLAs is linked to the peak of 2.7 per cent in 2010/11. Thereafter, the share reduces to a low of 1.8 per cent in 2012/13, before recovering to 2.6 per cent in 2013/14, mainly as a result of municipal clinics and other institutions being transferred to the department, resulting in these costs now being catered for under *Current*, rather than as a subsidy transfer. The peak in 2013/14 is largely due to higher than expected medico-legal claims and an increase in the number of students in the Cuban Doctors' programme. The legal costs are once-off, hence the decrease in share to an average of 2.2 per cent over the 2014/15 MTEF.

The share of total expenditure on *Capital* increases from 4.7 per cent in 2010/11, to 7.9 per cent in 2012/13, before decreasing to 6.3 per cent in 2013/14 and dropping to 1.3 per cent 2016/17. The reasons for the erratic trend were discussed under *Current* payments above. The declining share thereafter is due to the previously mentioned baseline cuts, reprioritisation of funding away from *Capital* payments to *Current* payments (*Maintenance and repairs*), as well as the previously mentioned reforms that were made to the provincial infrastructure grant system.

In both nominal and real terms, the department is showing average annual growth from 2013/14 to 2016/17 in *Current* only. The growth rate for *Current* is lower than it was from 2010/11 to 2013/14, due to the effects of the Census-based baseline cuts which were first introduced in the 2013/14 MTEF.

The negative growth rates for *Transfers* from 2013/14 to 2016/17 relate to the previously mentioned once-off costs for legal claims in 2013/14.

The negative real average annual growth in *Capital* from 2013/14 to 2016/17 is attributable to the previously mentioned baseline cuts, reprioritisation to *Current* payments (*Maintenance and repairs*), as well as the reforms that were made to the provincial infrastructure grant system.

5.3.4 Analysis of payments and estimates by economic classification – Social Development

Table 5.7 below shows Social Development's expenditure by economic classification.

Table 5.7 : Analysis of payments and estimates summary by economic classification - Social Development

	Audited Outcome			Adjusted Appropriation 2013/14	Medium-term Estimates			Average Annual Growth	
	2010/11	2011/12	2012/13		2014/15	2015/16	2016/17	2010/11- 2013/14	2013/14- 2016/17
R thousand									
Current	846 623	1 033 142	1 200 137	1 392 072	1 492 215	1 620 860	1 700 703		
Transfers	476 927	732 326	591 367	707 806	839 119	828 928	887 129		
Capital	83 905	167 912	190 439	216 069	166 618	177 693	179 728		
Financial assets	8 968	877	3 443	-	-	-	-		
Compensation	576 981	692 531	848 598	1 048 107	1 093 582	1 197 215	1 256 257		
Non-compensation	839 442	1 241 726	1 136 787	1 267 840	1 404 370	1 430 266	1 511 303		
Non-compensation (excl. transfers)	362 515	509 400	545 420	560 034	565 251	601 338	624 174		
Non-compensation non-capital (NCNC)	830 474	1 240 849	1 133 344	1 267 840	1 404 370	1 430 266	1 511 303		
NCNC (excl. transfers)	353 547	508 523	541 977	560 034	565 251	601 338	624 174		
Total expenditure	1 416 423	1 934 257	1 985 386	2 315 947	2 497 952	2 627 481	2 767 560		
% of total expenditure									
Current	59.8	53.4	60.4	60.1	59.7	61.7	61.5		
Transfers	33.7	37.9	29.8	30.6	33.6	31.5	32.1		
Capital	5.9	8.7	9.6	9.3	6.7	6.8	6.5		
Financial assets	0.6	0.0	0.2	-	-	-	-		
Compensation	40.7	35.8	42.7	45.3	43.8	45.6	45.4		
Non-compensation	59.3	64.2	57.3	54.7	56.2	54.4	54.6		
Non-compensation (excl. transfers)	25.6	26.3	27.5	24.2	22.6	22.9	22.6		
Non-compensation non-capital (NCNC)	58.6	64.2	57.1	54.7	56.2	54.4	54.6		
NCNC (excl. transfers)	25.0	26.3	27.3	24.2	22.6	22.9	22.6		
Nominal growth (%)									
Current		22.0	16.2	16.0	7.2	8.6	4.9	18.0	6.9
Transfers		53.6	(19.2)	19.7	18.6	(1.2)	7.0	14.1	7.8
Capital		100.1	13.4	13.5	(22.9)	6.6	1.1	37.1	(6.0)
Financial assets		(90.2)	292.6	(100.0)	-	-	-	(100.0)	-
Compensation		20.0	22.5	23.5	4.3	9.5	4.9	22.0	6.2
Non-compensation		47.9	(8.5)	11.5	10.8	1.8	5.7	14.7	6.0
Non-compensation (excl. transfers)		40.5	7.1	2.7	0.9	6.4	3.8	15.6	3.7
Non-compensation non-capital (NCNC)		49.4	(8.7)	11.9	10.8	1.8	5.7	15.1	6.0
NCNC (excl. transfers)		43.8	6.6	3.3	0.9	6.4	3.8	16.6	3.7
Real growth (%)									
Current		17.6	9.9	9.8	1.7	3.1	(0.4)	12.4	1.5
Transfers		47.9	(23.6)	13.3	12.5	(6.3)	1.6	8.6	2.3
Capital		92.8	7.3	7.4	(26.8)	1.2	(3.9)	30.5	(10.7)
Financial assets		(90.6)	271.4	(100.0)	(5.1)	(5.1)	(5.0)	(100.0)	-
Compensation		15.6	15.9	17.0	(1.0)	3.9	(0.3)	16.2	0.8
Non-compensation		42.5	(13.4)	5.6	5.1	(3.4)	0.3	9.2	0.6
Non-compensation (excl. transfers)		35.4	1.3	(2.8)	(4.2)	0.9	(1.4)	10.1	(1.6)
Non-compensation non-capital (NCNC)		43.9	(13.6)	5.9	5.1	(3.4)	0.3	9.6	0.6
NCNC (excl. transfers)		38.6	0.8	(2.1)	(4.2)	0.9	(1.4)	11.0	(1.6)

As a share of the department's total expenditure, *Current* decreases from 59.8 per cent in 2010/11 to 53.4 per cent in 2011/12, increasing to an average of 61 per cent over the 2014/15 MTEF. This category

shows an average annual real growth of 12.4 per cent between 2010/11 and 2013/14 and 1.5 per cent between 2013/14 and 2016/17, largely due to additional funding for the absorption of social work graduates, as well infrastructure maintenance, with this coming to an end in 2013/14, accounting for the lower growth rate over the MTEF. The slight decrease in the share of *Current* payments to total budget from 61.7 per cent in 2015/16 to 61.5 per cent in 2016/17 relates to growth in *Transfers* mainly due to additional funding for national priorities such as child and youth care, victim empowerment, improvement of the quality of services provided by NGOs, as well as their financial sustainability, provision of shelter for gender-based violence victims etc. *Transfers* real average annual growth is at 8.6 per cent from 2010/11 to 2013/14 due to this additional national priority funding. Also, *Capital* reflects a high nominal average annual growth rate of 37.1 per cent from 2010/11 to 2013/14 due to additional funding for existing infrastructure development, which comes to an end in 2013/14, accounting for the negative average annual growth from 2013/14 to 2016/17.

The rising trend against *Transfers* in the first two years of the period under review is largely due to a declining trend in *Current*, mainly attributable to an increase in national priority funding and decrease in *Goods and services* due to cost-cutting. The significant growth in national priority funding in 2010/11 and 2011/12 (in respect of ECD, HCBC and children in conflict with the law) sees the share of *Transfers* reaching 33.7 per cent in 2010/11 and 37.9 per cent in 2011/12. *Transfers* experience real average growth of 8.6 per cent from 2010/11 to 2013/14, declining to 2.3 per cent from 2013/14 to 2016/17. The decline relates to delays in the signing of SLAs between the department and NPOs due to strict application of Section 38(1)(j) of the PFMA.

Capital spending as a percentage of total expenditure increased from 5.9 per cent in 2010/11 to 9.6 per cent in 2012/13, due to additional funding for existing infrastructure development, as well as the purchase of Microsoft licences, fire walls for the server, etc. The category shows a decrease from 2013/14 to 2014/15 due to the fact additional funding relating to existing infrastructure development comes to an end in 2013/14, as well as the non-purchase of office equipment and furniture as a result of delays in infrastructure projects, such as the construction of service offices. The decrease in the share of *Capital* payments to total budget from 2015/16 relates to increases in *Transfers* due to additional funding for national priorities such as provision of shelter for victims of gender-based violence, etc.

In 2010/11, *Compensation* accounted for 40.7 per cent of total budget, due to the effects of the 2010 wage agreement, as well as the implementation of the OSD for social workers, which included back-pay to 2008. In 2011/12, *Compensation* decreased to 35.8 per cent due to the non-filling of vacant posts, as well as the increase in *Transfers* due to funding for national priorities such as ECD and HCBC, as well as once-off transfers to NPOs for the improvement of quality of services. *Compensation* increases to an average of 44.5 per cent from 2012/13 and over the 2014/15 MTEF largely due to the various wage agreements, as well as additional funding received for national priorities, such as the absorption of social work graduates. Also contributing to the increase in 2013/14 is the appointment of community care-givers on PERSAL and re-grading of posts in line with DPSA requirements. The average annual nominal growth of 6.2 per cent from 2013/14 to 2016/17 relates to the anticipated filling of vacant posts and absorption of social work graduates over the MTEF.

5.3.5 Analysis of payments and estimates by economic classification – Other departments

Table 5.8 below shows the remaining departments' payments and estimates by economic classification (i.e. all departments excluding Education, Health and Social Development).

The share of *Current* payments to total budget is set to increase from 45.5 per cent in 2010/11, to 51 per cent in 2016/17. The growth from 2010/11 to 2011/12 can be attributed to the continuation of cost-cutting which reduced spending related to *Goods and services* in 2011/12, accounting for the marked increase in 2012/13. The positive growth over the 2014/15 MTEF is mainly in *Compensation of employees*.

Compensation reflects an average annual real growth rate of 2.6 per cent for the period 2013/14 to 2016/17. This can be ascribed to the carry-through costs of previous wage agreements, allocated over the MTEF period.

Table 5.8 : Analysis of expenditure summary by classification - Other

	Audited Outcome			Adjusted Appropriation	Medium-term Estimates			Average Annual Growth	
	2010/11	2011/12	2012/13		2013/14	2014/15	2015/16	2016/17	2010/11-2013/14
R thousand									
Current	7 636 184	8 785 542	10 033 584	11 086 204	12 563 070	12 726 709	13 375 462		
Transfers	6 464 367	6 388 618	7 041 970	7 406 208	7 521 168	7 674 276	8 077 756		
Capital	2 453 478	2 920 233	3 594 865	3 736 321	3 772 328	4 021 210	4 778 189		
Financial assets	210 670	24 779	7 614	2 504	2 500	4 694	-		
Compensation	3 253 050	3 651 198	4 073 132	4 698 726	5 201 500	5 581 890	5 929 389		
Non-compensation	13 511 649	14 468 064	16 604 901	17 532 511	18 657 566	18 844 999	20 302 019		
Non-compensation (excl. transfers)	7 047 282	8 079 446	9 562 931	10 126 303	11 136 398	11 170 723	12 224 263		
Non-compensation non-capital (NCNC)	13 300 979	14 443 285	16 597 287	17 530 007	18 655 066	18 840 305	20 302 019		
NCNC (excl. transfers)	6 836 612	8 054 667	9 555 317	10 123 799	11 133 898	11 166 029	12 224 263		
Total expenditure	16 764 699	18 119 262	20 678 033	22 231 237	23 859 066	24 426 889	26 231 407		
% of total expenditure									
Current	45.5	48.5	48.5	49.9	52.7	52.1	51.0		
Transfers	38.6	35.3	34.1	33.3	31.5	31.4	30.8		
Capital	14.6	16.1	17.4	16.8	15.8	16.5	18.2		
Financial assets	1.3	0.1	0.0	0.0	0.0	0.0	-		
Compensation	19.4	20.2	19.7	21.1	21.8	22.9	22.6		
Non-compensation	80.6	79.8	80.3	78.9	78.2	77.1	77.4		
Non-compensation (excl. transfers)	42.0	44.6	46.2	45.5	46.7	45.7	46.6		
Non-compensation non-capital (NCNC)	79.3	79.7	80.3	78.9	78.2	77.1	77.4		
NCNC (excl. transfers)	40.8	44.5	46.2	45.5	46.7	45.7	46.6		
Nominal growth (%)									
Current		15.1	14.2	10.5	13.3	1.3	5.1	13.2	6.5
Transfers		(1.2)	10.2	5.2	1.6	2.0	5.3	4.6	2.9
Capital		19.0	23.1	3.9	1.0	6.6	18.8	15.1	8.5
Financial assets		(88.2)	(69.3)	(67.1)	(0.2)	87.8	(100.0)	(77.2)	(100.0)
Compensation		12.2	11.6	15.4	10.7	7.3	6.2	13.0	8.1
Non-compensation		7.1	14.8	5.6	6.4	1.0	7.7	9.1	5.0
Non-compensation (excl. transfers)		14.6	18.4	5.9	10.0	0.3	9.4	12.8	6.5
Non-compensation non-capital (NCNC)		8.6	14.9	5.6	6.4	1.0	7.8	9.6	5.0
NCNC (excl. transfers)		17.8	18.6	5.9	10.0	0.3	9.5	14.0	6.5
Real growth (%)									
Current		10.8	8.0	4.6	7.5	(3.9)	(0.2)	7.8	1.0
Transfers		(4.8)	4.3	(0.4)	(3.7)	(3.2)	(0.0)	(0.4)	(2.3)
Capital		14.7	16.5	(1.6)	(4.2)	1.1	12.8	9.5	3.0
Financial assets		(88.7)	(70.9)	(68.9)	(5.3)	78.1	(100.0)	(78.3)	(100.0)
Compensation		8.1	5.5	9.2	5.0	1.8	0.9	7.6	2.6
Non-compensation		3.2	8.6	(0.0)	1.0	(4.2)	2.3	3.8	(0.3)
Non-compensation (excl. transfers)		10.4	12.0	0.3	4.3	(4.8)	3.9	7.4	1.1
Non-compensation non-capital (NCNC)		4.6	8.7	0.0	1.0	(4.2)	2.3	4.4	(0.3)
NCNC (excl. transfers)		13.5	12.2	0.3	4.3	(4.8)	4.0	8.5	1.1

The share of total expenditure in *Non-compensation* is expected to decrease from 80.6 per cent in 2010/11 to 77.4 per cent in 2016/17, largely due to *Transfers* and *Financial assets*, as explained below. The former shows negative real growth of 2.3 per cent from 2013/14 to 2016/17, with the share of total expenditure decreasing from 33.3 per cent in 2013/14 to 30.8 per cent in 2016/17, mainly due to the following:

- PT reflected high amounts from 2010/11 to 2012/13 against *Transfers and subsidies to: Provinces and municipalities* for the development of the Pietermaritzburg, Prince Mangosuthu Buthelezi, Richards Bay, and Margate airports. The significant decrease in 2014/15 can be ascribed to the completion of these airport projects.
- COGTA reflected decreasing amounts over the MTEF against *Transfers and subsidies to: Provinces and municipalities* largely due to reprioritisation undertaken to *Goods and services* in respect of tools of trade for the additional CDWs that will be appointed over the MTEF. The department was requested to appoint CDWs in all 828 wards in terms of a Cabinet resolution. According to the department, an additional 359 CDWs need to be appointed. The department intends appointing 100 CDWs for the next three years, until all the wards have a CDW.
- DOSR shows a significant increase in 2014/15 against *Transfers and subsidies to: Provinces and municipalities* due to once-off additional funding allocated for the Hoy Park Sports Development Centre. The department reflects a substantial decrease in 2016/17, compared to 2015/16 due to the completion of infrastructure projects by municipalities.

Capital payments reflect real growth of 3 per cent from 2013/14 to 2016/17, with the share of total expenditure increasing from 14.6 per cent in 2010/11 to 18.2 per cent in 2016/17, mainly due to the following:

- OTP in conjunction with DOPW, have identified a site in Westville to build the new Provincial Public Service Training Academy, and construction is anticipated to commence in 2014/15, hence the increase over the 2014/15 MTEF allocations under OTP.
- COGTA showed an increase in the 2013/14 Adjusted Appropriation against *Buildings and other fixed structures* as a result of the completion of the Mkondeni Provincial Disaster Management Centre and the construction of Community Service Centres (CSCs) in Jozini (Ingwenya CSC), uMlalazi (Biyela CSC) and Abaqulusi (Xulu CSC) to incorporate a wide spectrum of government, commercial, local economic development, educational and private sector services and ensure localised integrated service delivery for communities. The further increase over the MTEF includes allocations for the construction of Traditional Administrative Centres *Imizi Yesizwe*, etc. Additional funding was also allocated for the construction and rehabilitation of CSCs in 2014/15 only.
- DOT reflected a substantial increase over the MTEF against *Machinery and equipment* due to the computerised licence testing system, as well as the replacement of equipment and vehicles.
- DOPW showed a substantial increase in 2016/17 under *Buildings and other fixed structures*, emanating from additional funding of R600 million for the government office precinct project, with construction being planned to commence in that year.
- With regard to DAC, the increase over the 2014/15 MTEF in *Buildings and other fixed structures* caters for new and continued construction of libraries such as Vulamehlo, Maphumulo and Newcastle, as well as once-off funding allocated for the Arts and Culture Academy, in 2015/16. The increase in the allocations from 2012/13 and over the 2014/15 MTEF against *Machinery and equipment* are for the further upgrading of computer equipment in public libraries.

The 2010/11 and 2012/13 *Financial assets* show a significant increase due to the implementation of the first charge against some departments' votes, in line with Section 34(2) of the PFMA. The bulk of the first charge payment was effected against DOT (2010/11) and DHS (2010/11 and 2011/12) in line with the unauthorised expenditure incurred by the department, and also RHH where the last tranche will be effected in 2015/16. DEDT and DOPW wrote-off various losses in 2011/12 and 2012/13. In 2013/14, DOT wrote off various losses. This category shows a significant negative average real growth of 100 per cent between 2013/14 and 2016/17.

5.4 Payments and estimates by district municipal area

Table 5.9 below provides a summary of payments and estimates per district municipal area from 2012/13 to 2016/17. The detail of departmental spending within each district municipal area is provided in the departmental chapters in the *EPRE*.

Table 5.9 : Summary of payments and estimates by district municipal area

District Municipal Area	Audited Outcome	Revised Estimate	Medium-term Estimates			Percentage share					Ave. annual growth
	2012/13	2013/14	2014/15	2015/16	2016/17	2012/13	2013/14	2014/15	2015/16	2016/17	2013/14 - 2016/17
R thousand											
eThekweni	22 337 615	24 008 394	25 462 732	27 174 716	27 878 922	28.1	28.2	28.5	28.5	28.5	5.1
Ugu	4 631 152	4 850 230	5 094 290	5 350 841	5 379 026	5.8	5.7	5.7	5.6	5.5	3.5
uMgungundlovu	20 219 466	22 062 358	22 576 789	23 715 930	24 986 316	25.4	25.9	25.2	24.9	25.5	4.2
Uthukela	3 894 014	4 093 767	4 302 369	4 605 358	4 621 626	4.9	4.8	4.8	4.8	4.7	4.1
Umzinyathi	3 270 362	3 537 831	3 845 075	4 172 142	4 175 865	4.1	4.2	4.3	4.4	4.3	5.7
Amajuba	2 998 044	3 186 195	3 375 635	3 646 721	3 757 586	3.8	3.7	3.8	3.8	3.8	5.7
Zululand	5 068 688	5 361 587	5 708 867	6 133 150	6 277 204	6.4	6.3	6.4	6.4	6.4	5.4
Umkhanyakude	4 184 730	4 395 214	4 987 569	5 318 110	5 446 310	5.3	5.2	5.6	5.6	5.6	7.4
uThungulu	6 130 291	6 447 602	6 687 291	7 161 349	7 314 174	7.7	7.6	7.5	7.5	7.5	4.3
Ilembe	3 539 993	3 686 210	3 776 587	4 101 130	4 135 868	4.5	4.3	4.2	4.3	4.2	3.9
Sisonke	3 229 892	3 457 611	3 602 549	3 889 076	3 964 990	4.1	4.1	4.0	4.1	4.0	4.7
Total	79 504 247	85 087 000	89 419 752	95 268 523	97 937 886	100.0	100.0	100.0	100.0	100.0	4.8

While most departments exclude administrative costs from this table, the spending per district municipal area by the DOE and the DOSR includes administrative costs, such as compensation and travel and subsistence, as the functions of their personnel impact directly on service delivery in the respective

municipal area. OTP and PT also include administrative costs. These two departments' spending mainly occurs within the uMgungundlovu District Municipality, where they are based. Although they do provide support services to all provincial departments and municipalities, it is impractical to allocate their budgets at this level.

Despite the inclusion of a regional identifier in BAS, departments still found it difficult to quantify their operations by district municipality in 2013/14. However, this approach is still considered to be important and, therefore, continues to receive attention in the 2014/15 MTEF. The 2014/15 budget process places emphasis on accuracy in breaking down budgets in terms of spending in district municipalities, ensuring alignment with the PGDP and Integrated Development Plans (IDPs), and reviewing departmental budgets and service delivery in spatial terms. Emphasis was placed on departments' contributions to the objectives of the PGDS, PGDP and national priorities, in particular, the NDP.

There is a significant increase in overall provincial spending from 2013/14 to 2016/17. Spending per district municipal area fluctuates, due to varying projects undertaken by departments at different intervals, and is also distorted by head office costs in uMgungundlovu.

Spending in the eThekweni Metro increased significantly from R22.338 billion in 2012/13 to R27.879 billion in 2016/17. This can be ascribed to the allocation of province-wide projects such as:

- The Training Academy and a transfer of R15 million that was transferred to the Metro to host the AFCON tournament (OTP).
- The funding for DTPC, KZNSB, TKZN, etc., as these entities are situated in that area. Also, many of the department's events are held in Durban (DEDT).
- The high number of schools and training institutions in the Metro (DOE).
- High level health services, including central hospital services, to the rest of the province. Currently, eThekweni has a third of the population of KZN, many of whom are indigent and are living in informal settlements (DOH).
- High demand for housing in the Metro, as it has the highest population in the province. Some of the major projects which take place in the Metro include Cornubia, *eTafuleni*, Lamontville Slums Clearance, *Ntuzuma* and Sunhills. Most hostels that are being upgraded are also in the Metro. There is also extensive rehabilitation of former R293 towns in the Metro (DOHS).
- Construction of roads providing access to the DTPC and the KSIA, the construction of the P577 (Duffs Road to KwaDabeka) and the upgrading of access roads and pedestrian bridges, as well as the Public Transport Operations grant (DOT).
- Substantial funds are spent in the area to cater for Child and Youth Care and Victim Empowerment national priorities, as well as the provision for the absorption of social work graduates and support to the NGO sector (DSD).
- The provincialisation of public libraries and museums also impacts on the Metro, as well as transfers to The Playhouse Company and the KZN Philharmonic Orchestra. The allocation to the Metro also provides for a new mega-library building project (DAC).

The increase against uMgungundlovu from R20.219 billion in 2012/13 to R24.986 billion in 2016/17 relates to the fact that the head offices of most departments are based in this area. Also, a number of their activities, events or projects are managed and co-ordinated centrally, and hence the expenditure and budgets are recorded in this region. Besides this, the spending is also attributable to the following:

- The increase is partly caused by the increase in the CASP grant and other agricultural projects, which are centralised in this area, as well as the fact that public entities, such as EKZNW and ADA are based in the area (DAEARD).
- The spending is also affected by the increase in the allocation to DOE over time where the bulk of the department's expenditure is comprised of *Compensation of employees*, as well as subsistence and travel costs due to the fact that all departments are based in this district.

- Spending in this area is further affected by the allocation of funding to the Pietermaritzburg airport and major projects such as the Infrastructure Crack Team, Operation Clean Audit, the e-Procurement Tool, contract management, Municipal Bid Appeals Tribunal, Municipal Support Programme, special audits, forensic investigations, Msunduzi electricity-related developments, etc. (PT).
- The main psychiatric, regional and tertiary services for the Midlands region (DOH).
- Provincialisation of public libraries and museums (DAC).
- Learner transport (DOT).
- The demand for housing where projects, such as the *Vulindlela* housing project, are undertaken in this area (DOHS).

The Umkhanyakude District shows the fastest growth in the province, with an average annual growth rate of 7.4 per cent between 2013/14 and 2016/17. The largest contributors to the spending in the area are DAEARD, DEDT, DOE, DOH, DOHS, DOT and DSD. The growth in spending over the period is in line with the baseline growth of these departments and the demand for services that exist in this area.

The lowest growth in spending is in the Ugu District, with an average growth of 3.5 per cent between 2013/14 and 2016/17, which is well below inflationary growth. While the growth against this district is low, the amount allocated in this area remains at a healthy level, in excess of R5 billion per year over the 2014/15 MTEF.

5.5 Payments and estimates by functional area

Table 5.10 shows the summary of payments and estimates by policy area, details of which are shown in Table 1.E (b) of the *Annexure to OPRE*. There is noticeable growth in the payments and estimates relating to the policy areas in KZN over the seven-year period. The level of provincial spending and budget reflects healthy growth from 2010/11 to 2016/17, despite the Census-based baseline cuts which commenced in the 2013/14 MTEF.

Table 5.10 : Summary of payments and estimates by functional area

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
General Public Services	3 688 260	3 835 919	4 409 701	4 485 659	4 749 680	4 736 224	4 972 093	4 928 312	5 765 206
Public Order and Safety	129 186	145 239	135 892	172 347	171 347	167 521	181 295	186 069	198 470
Economic Affairs	8 564 093	9 629 745	10 990 306	11 599 412	11 667 843	11 798 495	12 874 133	13 377 997	14 003 440
Environmental Protection	634 476	712 613	808 377	847 607	828 095	828 095	932 978	915 199	964 546
Housing and Community Amenities	3 089 237	3 042 495	3 377 771	3 550 676	3 591 370	3 591 370	3 600 282	3 656 033	3 907 814
Health	19 888 255	23 915 046	26 468 193	27 637 212	28 099 658	28 476 828	29 843 298	31 756 054	32 636 582
Recreation, Culture and Religion	652 550	708 760	894 387	1 080 750	1 151 937	1 172 076	1 220 459	1 278 097	1 302 183
Education	29 613 148	34 734 920	36 585 894	38 108 596	38 725 653	38 828 959	40 611 722	43 800 205	44 174 442
Social Protection	1 403 519	1 919 117	1 971 715	2 309 945	2 299 707	2 249 309	2 481 874	2 610 663	2 749 857
Total	67 662 724	78 643 854	85 642 236	89 792 204	91 285 290	91 848 877	96 718 134	102 508 629	105 702 539

Table 5.10 shows that the highest expenditure is on *Education*, and is anticipated to grow from R40.612 billion in 2014/15 to R44.174 billion in 2016/17. The growth is an indication of the province's commitment to the development of human capability and is ascribed to the increase in various national priorities, such as the increase in the number of teachers in Quintile 1 schools, as well as the increase in the number of Grade R teachers in order to reach the target for the universalisation of Grade R by 2014. The growth is also attributed to the increase in the funding to the department to deal with the personnel spending pressures, re-grading of clerical staff, carry-through of various wage agreements and the OSD for Education therapists.

The second largest expenditure is on *Health*, and is expected to increase from R29.843 billion in 2014/15 to R32.637 billion in 2016/17. This reflects the province's commitment to provide effective and efficient health care services to the people of the province. The growth can be attributed to the carry-through costs of various wage agreements, the re-grading of clerical staff, the take-over costs for the McCord Hospital, operational costs at St. Mary's Hospital, as well as the inclusion of a few new national priorities, such as

the OSD for doctors and therapists, maternal and child health, ARV 350 threshold, improved diagnostic tests for TB (GeneXpert), the roll-out of the HPV vaccine commencing in 2016/17, among others.

Economic Affairs comprises DOT, DAEARD, DEDT and a portion of PT. The category shows an increasing trend over the seven-year period under review. This can be attributed to road maintenance and construction projects, as well as learner transport services (DOT), the function shift of ADA from DEDT to DAEARD, and carry-through costs of previous wage agreements for both the department and EKZNW, as well as provision of sheds for the department's tractors in districts, livestock identification, and irrigation equipment for the Makhathini irrigation scheme (DAEARD). Also contributing to the increase are the carry-through costs by KZNSB for MCOE operational costs, TIK for the TAF and marketing, KZNLA for the procurement of an IT system, as well as the carry-through of previous wage agreements (DEDT) and additional funding for projects such as Infrastructure Delivery Improvement Programme (IDIP) Technical Assistants (TAs), Operation Pay-on-Time, Operation Clean Audit, e-Procurement Tool, floor repairs to the Inkosi Albert Luthuli Central Hospital (IALCH), as well as various once-off projects such as special audits, forensic investigations, contract management, among others (PT).

The category *General Public Services* includes the Legislature and administrative departments such as PT, OTP, COGTA, Public Works, and portion of DOT and DAEARD. This category shows steady growth over the period under review, mainly due to the improvement in the department's capacity for infrastructure support (Public Works), the centralisation of parts of the communications budget and the external bursaries budget, the running of the Integrity Management unit, the construction of the new Training Academy as a site has been identified in Westville, the administrative requirements of the horse racing regulator which has been merged into the KwaZulu-Natal Gaming and Betting Board (KZNGBB), the Youth Ambassadors programme, as well as OSS for the equipping of war-rooms throughout the province, etc. (OTP). The increase can also be attributed to the funding provided for Strategic Cabinet Initiatives (PT) and learner transport services (DOT), among others.

The growth against *Housing and Community Amenities* (DOHS) can mainly be attributed to the increase in the HSDG, which is used to promote the provision of low income housing using different programmes, such as project linked subsidies, people's housing programmes, integrated residential development programmes, rural housing subsidies, informal settlement upgrades, social housing, etc. The growth is largely a result of additional funding allocated in respect of the HSDG for the informal settlements upgrade in rapidly urbanising mining towns to support the implementation of the Strategic Infrastructure Projects (SIPs) identified by the Presidential Infrastructure Co-ordinating Committee (PICC).

The growth against *Social Protection* (DSD) can mainly be attributed to funding for the child and youth care and victim empowerment national priorities, the absorption of social work graduates, support to the NGO sector, as well as the maintenance of existing infrastructure assets (with the latter funding ending in 2013/14, in line with project requirements).

The growth against *Environmental Protection* can be ascribed to DAEARD and includes fencing and irrigation scheme programmes. The fencing programme is aimed at addressing the backlog in fencing communal/traditional agricultural areas in KZN, while the irrigation scheme programme is aimed at establishing reliable irrigation production sites in rural areas. The public entity EKZNW under DAEARD received additional funding for protected area expansion, in line with the SA Protected Area Expansion Strategy which aims to safeguard land for the present and future socio-economic needs of the people. The entity also received additional funds for road maintenance, aimed at improving the condition of the roads in its reserves. The drop in the 2013/14 Adjusted Appropriation was due to the suspension of funds from 2013/14 and re-allocated in 2014/15 for the EKZNW's road maintenance programme due to slower than planned implementation, explaining the peak in 2014/15.

The high growth in *Recreation, Culture and Religion* from 2013/14 is largely in respect of the substantial additional allocation relating to the provincialisation of public libraries and museums in KZN (DAC), and the Mass Participation and Sport Development (MPSD) grant comprising of school sport, community mass participation and club development, as well as various once-off funding for war-room packages, in line with a resolution taken by Cabinet, and the Hoy Park Sports Development Centre for the construction of an international sports development centre with a football academy in Durban, etc. (DOSR).

The category *Public Order and Safety* (DCSL) reflects steady growth over the period, with the exception of 2012/13. The department substantially under-spent in that year due to non-filling of vacant posts pending the finalisation of the organisational structure, delays in the roll-out of the decentralisation strategy, and the discontinuation of the call-centre, which was a pilot study, whereby volunteers were linked, via two-way radios, to a central point under the VSCPP. The growth can be ascribed to the establishment of community safety structures, the implementation of the new structure to roll-out the Civilian Secretariat for Police Services Act, and the implementation of the new organisational structure, in line with the decentralisation strategy which supports the implementation of the Civilian Secretariat for Police Services Act.

5.6 Infrastructure

5.6.1 Infrastructure management

Infrastructure Delivery Management System (IDMS)

For the province to achieve its goals in terms of infrastructure development, the Infrastructure Delivery Management System (IDMS) was introduced. The objective of IDMS is to promote the effective and efficient delivery of infrastructure and to directly support rendering services to communities. This includes encouraging sector departments and implementing agents to implement efficient and effective construction procurement processes with clear delineation of accountability and responsibilities of the various role-players, and the assurance of transparency. Therefore, KZN approved the implementation of the KZN-IDMS for the Health and Education sectors. The KZN-IDMS contains the governance and infrastructure principles that are applicable to the core infrastructure roles of the Health and Education sectors. It also incorporates the capacitation plan of Public Works as government's infrastructure implementing agent.

The KZN-IDMS is structured according to four core infrastructure business roles namely:

- Portfolio management.
- Programme management.
- Project management (including all infrastructure projects e.g. capital expenditure and scheduled maintenance).
- Operations (including day-to-day maintenance and emergency repairs).

The implementation has started in DOE, DOH and DOPW and will also be rolled out to the other departments, and in municipalities.

Infrastructure Crack Team

During 2011/12, an initiative to improve the return on infrastructure investment and to realise value for the money spent in KZN was launched, with the formation of the Infrastructure Crack Team. PT appointed a panel of 18 consultants from the built environment to form the Infrastructure Crack Team, and the aim is to assist in increasing the delivery capacity at project implementation level and to identify bottlenecks that prohibit successful implementation of infrastructure projects in both provincial and local government. PT plays a monitoring and evaluation role for certain infrastructure related projects in respect of spending, output performance, effectiveness and efficiency of methods utilised. The deployment of the members of the panel is intended to provide necessary expertise and hands-on management of projects that are in various stages of the project cycle. The programme has run its three-year cycle (trial period) and is currently in the process of evaluation. The plan is to continue with the programme for another three years, commencing in June 2014, given the nature and success thereof. The programme will continue to focus on departments and municipalities.

Currently, teams are deployed in various municipalities, EKZNW and the Ndumo Regeneration project *via* Education. These will continue until the end of the current financial year.

5.6.2 Trends in infrastructure payments and estimates

It is indisputable that investment in infrastructure contributes to the economic development and growth of a country and hence, KZN has made infrastructure one of its key priorities. For a better standard of living and improved service delivery, adequate infrastructure is needed. Infrastructure does not only contribute to economic growth, but also improves people's lives. By the same token, inadequate and unreliable infrastructure has a negative impact on the economic development of a country. It is for this reason that the construction and maintenance of infrastructure is a priority in the province to enhance job creation, which is at the heart of government's social and economic development programmes.

Government has realised that there is a need for major public infrastructure investment to stimulate and sustain growth and development, both in the urban and rural areas. KZN has positively contributed towards the national vision of poverty eradication, reducing income inequality and creating employment through infrastructure development.

Transport infrastructure facilitates economic growth by providing the required network to link various nodes of economic activity. The success of economic activities is therefore dependent on transport infrastructure. The construction and maintenance of roads by DOT will enhance the provincial contribution towards the economic development of this country. Without transport infrastructure, KZN will not achieve the growth levels that are both expected and required. Social infrastructure, including education and health facilities has a direct impact on the quality of life of the citizens, hence investments in these two sectors are essential.

KZN has made substantial progress in recent years in contributing toward addressing poverty through investment in the provision of essential public infrastructure such as schools, roads, health facilities etc.

Table 5.11 provides the summary of infrastructure payments and estimates from 2010/11 to 2016/17.

Table 5.11 : Summary of infrastructure payments and estimates by category

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
New and replacement assets	1 362 979	2 218 933	2 408 191	1 945 202	1 887 372	1 861 030	2 390 633	2 678 768	1 454 096
Existing infrastructure assets	6 078 145	6 978 266	8 754 827	8 722 571	9 094 916	9 060 815	9 336 146	9 702 051	9 172 716
Upgrades and additions	2 323 165	2 518 920	3 804 837	2 964 419	3 771 129	3 964 503	3 340 802	3 825 024	3 646 244
Rehabilitation, renovations and refurbishments	1 337 877	1 463 262	1 503 341	1 639 900	1 901 074	1 915 661	1 789 716	1 623 407	1 134 993
Maintenance and repairs	2 417 103	2 996 084	3 446 649	4 118 252	3 422 713	3 180 651	4 205 627	4 253 620	4 391 479
Infrastructure transfers	845 980	645 685	655 401	828 802	774 511	774 511	783 878	826 833	890 714
Current	60 000	71 559	64 950	56 950	17 800	17 800	54 181	71 912	151 600
Capital	785 980	574 126	590 451	771 852	756 711	756 711	729 697	754 921	739 114
<i>Capital infrastructure</i>	<i>5 810 001</i>	<i>6 775 241</i>	<i>8 306 820</i>	<i>7 321 373</i>	<i>8 316 286</i>	<i>8 497 905</i>	<i>8 250 849</i>	<i>8 882 120</i>	<i>6 974 447</i>
<i>Current infrastructure</i>	<i>2 477 103</i>	<i>3 067 643</i>	<i>3 511 599</i>	<i>4 175 202</i>	<i>3 440 513</i>	<i>3 198 451</i>	<i>4 259 808</i>	<i>4 325 532</i>	<i>4 543 079</i>
Total	8 287 104	9 842 884	11 818 419	11 496 575	11 756 799	11 696 356	12 510 657	13 207 652	11 517 526

The payments and estimates are categorised as *New and replacement assets*, *Existing infrastructure assets* and *Infrastructure transfers*. The category *Existing infrastructure assets* is divided into three sub-categories, namely *Upgrades and additions*, *Rehabilitation, renovations and refurbishments* and *Maintenance and repairs*.

Table 5.11 indicates that there has been an increase in the infrastructure allocations for the period under review, with the budget growing from R8.287 billion in 2010/11 to R11.518 billion in 2016/17. This increase indicates a commitment to infrastructure development by the province. The development of infrastructure has been informed by the reduction of infrastructure backlogs across the province, thus positively contributing to economic growth.

The bulk of the infrastructure funding is reflected against *Existing infrastructure assets*, through *Upgrades and additions*, *Rehabilitation, renovations and refurbishments* and *Maintenance and repairs*. The proportion of funding allocated to *Existing infrastructure assets* has substantially increased from R6.078 billion in 2010/11 to R9.173 billion in 2016/17 indicating a shift in focus to maintaining assets before deterioration requires a more expensive intervention.

The reduction in the infrastructure budget in 2016/17 relates to the Education Infrastructure grant and the Hospital Facility Revitalisation grant reducing to zero in that year. These grants have become incentive-based with Education and Health having to bid for their 2016/17 allocation in 2014/15

Table 5.12 below shows an increase in the provincial allocations for infrastructure from R8.287 billion in 2010/11 to R11.518 billion in 2016/17. This positive growth over the year shows government's commitment to infrastructure development and the related economic growth of the province.

Table 5.12 : Summary of infrastructure payments and estimates by vote

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
1. Office of the Premier	700	1 905	4 347	13 300	9 001	9 001	17 097	17 881	18 829
2. Provincial Legislature	2 652	1 514	4 796	4 419	11 224	11 224	4 685	4 900	4 990
3. Agriculture, Environmental Affairs and Rural Developpr	64 365	118 607	176 718	167 697	167 697	173 421	164 886	163 654	172 328
4. Economic Development and Tourism	652 668	470 529	415 613	599 655	559 655	559 655	655 747	722 459	718 629
5. Education	1 920 243	2 198 083	2 696 029	2 591 418	2 598 992	2 558 680	2 722 349	3 493 814	1 780 408
6. Provincial Treasury	5 435	31 264	28 012	20 677	39 754	39 754	8 000	10 062	-
7. Health	1 082 210	1 795 794	2 349 724	1 576 129	1 919 014	1 917 103	1 541 776	1 277 043	209 995
8. Human Settlements	241 477	119 915	186 223	244 864	185 257	185 257	166 067	97 586	177 604
9. Community Safety and Liaison	-	-	-	-	-	312	-	-	-
10. The Royal Household	997	4 027	16 266	13 366	16 832	17 281	1 563	1 642	1 733
11. Co-operative Governance and Traditional Affairs	12 377	22 625	24 225	20 250	36 488	36 488	59 903	60 664	78 612
12. Transport	4 063 294	4 763 652	5 567 450	5 817 828	5 805 436	5 807 177	6 706 878	6 976 556	7 421 400
13. Social Development	79 647	179 977	173 546	211 782	195 876	169 430	122 312	127 938	123 401
14. Public Works	73 978	51 593	87 999	90 839	92 639	92 639	87 034	87 373	685 118
15. Arts and Culture	68 908	52 490	53 636	70 319	64 219	64 219	94 012	137 152	95 692
16. Sport and Recreation	18 153	30 909	33 835	54 032	54 715	54 715	90 378	44 755	45 218
Total	8 287 104	9 842 884	11 818 419	11 496 575	11 756 799	11 696 356	12 442 687	13 223 479	11 533 957

Most departments contribute to the positive growth in the infrastructure allocations shown in Table 5.12, especially departments such as DOT, DOE, DOH and DEDT. DOT's infrastructure investments continue to increase due to the demand in the construction of new, and maintenance of existing roads. The department is also responsible for the construction of roads around the Dube TradePort and the KSIA. The construction of P318-Sani Pass is one of KZN's major projects, linking Lesotho and KZN in support of tourism in the province and the associated link in GDP growth.

DEDT has invested in the construction of Dube TradePort and the RBIDZ. Dube TradePort is a multi-nodal development of the air logistics industry. Dube TradePort includes a cargo terminal, Trade Zone, KSIA, Dube City, among others. The RBIDZ includes major projects which will be implemented in line with its 50-year Master Plan, and includes negotiations with Transnet regarding a container terminal, as well as several potential tenants to establish manufacturing plants in the RBIDZ.

DOH's infrastructure includes focusing on the revitalisation of hospitals, nursing colleges, community health centres and clinics. The hospital revitalisation programme includes major hospitals, including King Dinuzulu and Edendale Hospitals. Health's baseline for infrastructure decreases over the MTEF due to the Census data cuts which were implemented from 2013/14, as well as the reduction of the Health Facility Revitalisation grant to zero in 2016/17.

Education infrastructure expenditure has experienced growth, and this relates to renovations of existing assets, repairs due to storm damage, as well as the construction of new school facilities. The strong growth from 2013/14 corresponds with the increase in demand, particularly in respect of the roll-out of Grade R, building of special schools, and non-school building. The Education Infrastructure grant reduces to zero in 2016/17 in line with reforms to this grant which now requires provinces to bid for these funds two years in advance. The department will bid for its 2016/17 allocation in 2014/15.

5.6.3 Public Private Partnerships (PPP)

The following gives an update on the PPPs in KZN.

KZN Provincial Government – New Office Park

The provincial government initiated a government office precinct project in 2009/10, which was aimed at

reducing the shortage of office space in Pietermaritzburg for departments' head offices. The project was suspended in 2010 due to the financial difficulties faced by KZN at the time, which made it unaffordable. In June 2013, the province took a decision to resuscitate the project and mandated both the DOPW and PT to update the feasibility study. The update of the feasibility study was completed by the end of June 2013. In preparation for Treasury Approval 1 (TA1) and taking into account the fiscal position of the country, the province had to assess various funding options in order to obtain optimum value for money for the project. This process is currently ongoing.

King Edward VIII Hospital

The revitalisation of King Edward VIII hospital was identified through a review and business plan undertaken and drafted in 2006, and approved by the National Department of Health (NDOH) in April 2009. The objective of the project is to establish a framework for PPP in financing, designing, constructing and operating suitable hospital facilities for the delivery of health services. NDOH took a decision to go to the procurement stage process for all the five pilot hospitals. It was indicated that NT has given an exemption in relation to the feasibility study and TA1, however it is expected and desired that the feasibility study be finalised before the Request for Proposals (RFP) is issued.

Education's schools and office project

The DOE is experiencing a substantial infrastructure backlog for both schools and related administrative and support spaces and facilities. The DOE appointed transaction advisors to assist in investigating the feasibility and affordability of the different procurement options which will provide the best technical, financial and legal solution in delivering in terms of these backlogs in the shortest and most equitable way, including the option of a PPP. The feasibility study is scheduled to be completed by the end of 2014.

Hibiscus Coast Municipality – John Mason Park project

The Hibiscus Coast Municipality, through the Hibiscus Coast Development Agency, appointed a TA to undertake a feasibility study to determine the possibility of developing a prime section of beachfront land, in the town of Umhlangeni. The feasibility study was finalised, Treasury Views and Recommendations 1 were received, and negotiations commenced with the preferred bidder. The negotiation process has stopped and a different view has been expressed by the Agency on how the land will be developed.

KwaDukuza Municipality – Solid Waste Management PPP project

The KwaDukuza Municipality identified the need to procure the most cost effective service delivery mechanism in respect of refuse removal. A team of TAs was appointed to assist the municipality in undertaking Section 78 investigations. The feasibility study report is complete but there are challenges with the report and surrounding factors which have led to project delays and slow progress. It is expected that the challenges will be addressed next year and possibly proceed to procurement phase thereafter.

Greater Kokstad Municipality – Office Accommodation and Commercial Development PPP

The Greater Kokstad Municipality intended to provide office accommodation and commercial development for the town of Kokstad. A RFP was issued and the response from the market was inadequate as only one bidder responded and the bid was non-compliant. The municipality has requested the transaction adviser and PT to prepare a report advising the municipality in terms of the reasons and financial and legal implications of termination of the project as a PPP. It is expected that, in the next financial year, this project will officially be terminated and de-registered as a potential PPP.

Ilembe District Municipality – Water and Sanitation

In January 1999, the Borough of Dolphin Coast (now Ilembe District Municipality) and Siza Water Company entered into a concession agreement whereby Siza Water Company would oversee, manage and implement the provision of water and sanitation services within the municipal boundary on a concession basis. This is a closed project, with a concession period of 30 years and a contract reviewable on a five-yearly basis. The municipality is in the process of finalising its third five-year review plan.

Inkosi Albert Luthuli Central Hospital (IALCH)

The IALCH, located in Durban, was built on behalf of the DOH through a PPP transaction. A 15-year concession contract, ending in December 2016, was signed in December 2001 between DOH and the

Impilo consortium. The department is in the process of appointing specialist consultants to undertake the contract review and final works as required by Section 18.5 of the contract between the parties, in preparation for the exit strategy.

5.7 Transfers

5.7.1 Transfers to public entities listed in terms of Schedule 3 of the PFMA

Table 5.13 shows the summary of provincial transfers to public entities by department. Transfers to public entities reflect a fluctuating trend from 2010/11 to 2012/13, largely attributable to various once-off allocations to public entities, as well as reprioritisation by the transferring departments in line with strategic priorities and spending trends. These are discussed in greater detail below.

Table 5.13 : Summary of provincial transfers to public entities by transferring department

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation 2013/14	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Vote 1: Office of the Premier	36 688	41 394	62 235	65 026	70 976	70 976	71 289	70 641	74 385
KwaZulu-Natal Gaming and Betting Board	16 356	17 337	35 775	37 431	41 881	41 881	39 276	40 664	42 819
Amafa aKwaZulu-Natali	20 332	24 057	26 460	27 595	29 095	29 095	32 013	29 977	31 566
Vote 3: Agric., Enviro. Affairs and Rural Dev.	561 924	638 759	684 052	715 641	715 523	715 523	825 121	808 418	851 989
Ezemvelo KwaZulu-Natal Wildlife	431 382	491 317	549 893	606 034	586 522	586 522	657 895	646 819	681 825
Agri-business Development Agency	104 072	100 761	65 760	63 000	82 394	82 394	106 410	111 093	116 981
Mjindi Farming (Pty) Ltd	26 470	46 681	68 399	46 607	46 607	46 607	60 816	50 506	53 183
Vote 4: Economic Development and Tourism	1 141 434	1 007 191	1 073 815	1 210 273	1 194 191	1 199 883	1 202 406	1 254 111	1 266 731
Ithala Development Finance Corporation	280 000	280 000	249 500	280 000	300 000	300 000	185 000	185 000	185 000
of which									
SMMEs Fund	180 000	-	-	-	-	-	-	-	-
Enterprise Development Fund	-	180 000	189 500	185 000	185 000	185 000	148 000	148 000	148 000
Ithala Share Capital	40 000	-	-	-	105 000	105 000	-	-	-
Ndumo Regeneration Programme	-	-	-	-	10 000	10 000	-	-	-
Growth Fund	60 000	100 000	60 000	95 000	-	-	-	-	-
Small Business Development Agency	-	-	-	-	-	-	37 000	37 000	37 000
Agri-business Development Agency	24 051	26 000	74 974	38 150	18 756	18 756	-	-	-
Dube TradePort Corporation	526 905	448 334	392 308	575 402	575 402	575 402	630 375	656 053	690 824
Ezemvelo KwaZulu-Natal Wildlife	-	970	-	-	2 500	2 500	4 500	4 500	4 500
KwaZulu-Natal Liquor Authority	-	-	55 699	43 920	43 920	43 920	77 282	53 214	56 046
KwaZulu-Natal Tourism Authority	71 444	89 381	118 292	90 912	95 724	98 067	103 628	107 512	112 203
KwaZulu-Natal Sharks Board	25 551	41 334	55 371	49 485	59 985	59 985	56 109	56 678	59 364
Richards Bay Industrial Development Zone	156 975	59 636	62 618	65 164	25 164	25 164	68 170	110 947	74 707
Trade and Investment KwaZulu-Natal	56 508	61 536	65 053	67 240	72 740	76 089	77 342	80 207	84 087
Vote 8: Human Settlements	-	-	134 477	220 408	175 447	175 447	20 000	25 000	30 000
National Housing Finance Corporation	-	-	-	100 000	100 000	100 000	20 000	25 000	30 000
Social Housing Regulatory Authority	-	-	134 477	120 408	75 447	75 447	-	-	-
Vote 10: Royal Household	5 857	11 300	10 500	20 393	15 393	15 300	22 393	23 415	24 656
Royal Household Trust	5 857	11 300	10 500	20 393	15 393	15 300	22 393	23 415	24 656
Vote 11: COGTA	-	1 700	1 000	-	-	3 571	18 850	-	-
Agri-business Development Agency	-	1 700	-	-	-	3 571	18 850	-	-
KwaZulu-Natal Tourism Authority	-	-	1 000	-	-	-	-	-	-
Vote 15: Arts and Culture	6 096	6 401	6 721	4 755	7 057	7 057	7 445	7 787	8 183
The Playhouse Company	6 096	6 401	6 721	4 755	7 057	7 057	7 445	7 787	8 183
Total	1 751 999	1 706 745	1 972 800	2 236 496	2 178 587	2 187 757	2 167 504	2 189 372	2 255 944

From 2012/13 onward, transfers to public entities reflect an increasing trend.

Vote 1: Office of the Premier

- The KZNGBB was established in 2011/12, to ensure that all gambling authorised in terms of the KZN Gaming and Betting Act, is conducted in a manner that promotes the integrity of the horse racing, betting and gaming industry. This entity embodies the merger of the KZN Gambling Board and the KZN Bookmaker's Control Committee. Prior to 2011/12, a transfer was made to the KZN Gambling Board to fund operations, and the Bookmaker's Control Committee operations were funded by a portion of revenue that it was permitted to retain in terms of the previous gambling and betting legislation. With the advent of the new KZN Gaming and Betting Act, no legislative provision was made for the retention of revenue to fund the operational overheads of the horse racing regulator, and provision is thus made for this in the allocation to the KZNGBB from 2012/13

onward. This is being financed through additional revenue collected by the newly amalgamated entity. During the 2013/14 Adjusted Appropriation, the entity received an additional once-off amount of R4.450 million for a new IT system. KZNGBB's 2014/15 MTEF allocations continue to be affected by the Census-based baseline cuts.

- Amafa aKwaZulu-Natali (Amafa) is responsible for administering heritage conservation and supporting cultural tourism in the province. Additional funding was received in 2011/12 for various heritage projects, including the operational costs of the Emakhosini Multi-Media Centre. In the 2013/14 Adjusted Appropriation, the entity received R1.500 million for the procurement of once-off capital requirements associated with their turnaround strategy. In 2014/15, Amafa receives additional once-off funding of R3.059 million for applying for World Heritage status for the Emakhosini Valley, to upgrade its research and education facilities, to upgrade various heritage sites and to purchase support equipment. The effect of the Census-based baseline cuts is therefore only evident from 2015/16 onward.

Vote 3: Agriculture, Environmental Affairs and Rural Development

- EKZNW directs the management of biodiversity conservation within KZN, including protected areas. This includes the development and promotion of ecotourism facilities. The transfers to this entity show a steady increase over the seven-year period despite the Census-based baseline cuts. The growth is partly due to the carry-through costs of the annual wage agreements and improved terms and conditions of employment, as well as additional once-off allocations for various projects. The increase in 2011/12 caters for the higher than anticipated 2011 wage agreement, as well as a once-off amount of R17.850 million to enable the entity to reduce its high leave liability. The increase in 2012/13 relates to additional funding for protected area expansion aimed at safeguarding land for the present and future socio-economic needs of the people. The entity also received additional funds for road maintenance in the protected areas, aimed at improving the conditions of roads in its reserves, for which carry-through costs were provided from 2013/14 onwards. In addition, in 2012/13, the entity received additional funding of R9.814 million to fund the higher than budgeted 2012 wage agreement (with no carry-through provided over the outer years of the MTEF) and R28.137 million toward its Rhino Security Intervention plan. The additional funding in respect of the Rhino Security Intervention plan was carried through to 2013/14 (although at a reduced amount), accounting for the lower growth from 2013/14 to 2014/15. The 2013/14 MTEF allocations were affected by the Census-based baseline cuts. In the 2013/14 Adjusted Appropriation, the entity received additional funding of R20 million toward the Rhino Security Intervention plan. The decrease from the 2013/14 Main to Adjusted Appropriation is due to the suspension of R39.512 million relating to the unspent and uncommitted portion of the road maintenance budget. This has been re-allocated back to the department for transfer to EKZNW in 2014/15.
- With effect from 2010/11, DAEARD commenced transferring funds to ADA. This public entity was established under the control of the DEDT, in line with a Cabinet decision to support emerging farmers and rural communities, particularly those that have acquired land through the restitution programme, to ensure that they have the required farming skills and experience to maintain their farms. The allocations in 2010/11 and 2011/12 were high due to the large number of projects implemented by ADA on behalf of the department. The decrease from 2012/13 can be ascribed to the department aligning its transfer to the project implementation capacity of the entity. The transfers from 2010/11 to 2012/13 reflect costs in respect of project implementation only, and exclude administrative and operational costs. As from the 2013/14 Adjusted Appropriation, the oversight of the entity was shifted to DAEARD in line with the Agri-business Development Agency Bill. In the 2013/14 Adjusted Appropriation, R19.394 million (the balance of the 2013/14 allocation in respect of administrative and operational costs, not yet transferred by DEDT) was suspended to DAEARD for allocation to ADA, since the entity is now fully under the auspices of DAEARD. The increase in the allocation from the 2013/14 Adjusted Appropriation and over the MTEF is as a result of the inclusion of project costs, as well as the full administrative and operational costs in the allocation.
- Mjindi, which is listed as a provincial government business enterprise, was finally reconstituted in 2010/11 with a new Board of Directors and board members and a new mandate. Accordingly, the

increase from 2011/12 onward provided for increased operational costs to assist the entity to become fully functional, as well as some funding for specific projects. The increase from 2012/13 relates to additional funds to assist Mjindi with repairs to the irrigation scheme. These funds were once-off, accounting for the decrease from 2012/13 to 2013/14. In addition, the entity receives a further once-off allocation of R12.286 million in 2014/15 for irrigation equipment. From 2015/16 onward, the entity's baseline shows slow growth due to the Census-based baseline cuts.

Vote 4: Economic Development and Tourism

- Ithala is a provincial development finance institution, which is wholly owned by the KZN provincial government. Ithala focuses on economic development through the provision of financial and non-financial services to businesses and individuals. DEDT transfers funds on a project-specific funding basis to Ithala, who then oversees the financing and control of the projects. During 2010/11, DEDT transferred an amount of R180 million to the SMMEs Fund. The funds were reprioritised and the Enterprise Development Fund was introduced in 2012/13, replacing the former SMMEs Fund. The allocation to the Enterprise Development Fund from 2013/14 onwards is at slightly lower levels compared to 2012/13, due to the Census-based baseline cuts. The 2014/15 budget sees a reduction in the Enterprise Development Fund, as R37 million is earmarked for the incubation of the Small Business Development Agency (SBDA) under Ithala. This agency will be responsible to provide both non-financial and financial support (micro-finance services) to all SMMEs and co-operatives.

Ithala received a once-off amount of R40 million in 2010/11 in respect of Ithala share capital, to assist it with its capital adequacy ratios, which had fallen below that required by the South African Reserve Bank (SARB), which could have resulted in the loss of their banking licence. An additional amount of R105 million was also allocated in the 2013/14 Adjusted Appropriation to ensure compliance with the minimum capital adequacy ratio set by the SARB. The allocation to the Growth Fund grows from R60 million to R100 million from 2010/11 to 2011/12. In 2012/13, the allocation to the Growth Fund was reduced to R60 million, due to the actual pipeline of qualifying projects being less than expected. During 2013/14, the Growth Fund was restructured and the KZN Growth Fund Trust was established. The unspent portion of the funds was transferred to the newly created Trust and hence, no transfer is reflected via Ithala from the 2013/14 Adjusted Appropriation onward. The Trust is still in the process of being listed as a provincial public entity. During the 2013/14 Adjusted Appropriation, Ithala received R10 million for the Ndumo Regeneration programme whereby the entity is commissioned to champion this integrated multi-purpose and multi-sectoral project which aimed at revitalising the Ndumo area.

- ADA received funding from DEDT for establishment, administration and operational costs. The 2012/13 allocation shows a substantial increase from 2011/12, to cover additional operational costs not provided for in the original set-up costs, such as audit fees, travel costs, additional staff, telephone and fleet costs, to fund business growth and expansion, specifically focusing on farmer support, capacity building and on-and-off farm infrastructure interventions. In addition, the entity received a once-off amount of R4 million for a cut-flower project, as well as R34 million in additional funds for feasibility studies to be undertaken, business plans, capacity building and project management support to aspiring commercial farmers in KZN. During the 2013/14 Adjusted Appropriation, R19.394 million was suspended from DEDT in line with the function shift of ADA moving to DAEARD. The entity will receive all project, administration and operational funding from DAEARD from 2014/15 onward and hence no further allocation is reflected against DEDT.
- DTPC is a Schedule 3C public entity established for the strategic planning, establishment, design, construction, operation, management and control of Dube TradePort. The significant transfer allocated over the seven-year period covers the operational costs of the entity, capital costs for the acquisition of land at the new airport site, as well as the roll-out of capital projects. The allocation to this project decreased significantly from 2010/11, due to the completion of the airport portion of the project. The 2012/13 allocation was reduced by R40 million in order to fund other areas of critical need within the department, such as the MTV Awards and the Project Tour Mentor Partnerships, Integrated Craft Hubs, etc. The entity was able to absorb the reduction by phasing in capital

developments over a longer period. The steady growth from 2013/14 onward caters for operational costs and capital developments as per the DTPC 60-year Master Plan.

- In 2011/12, funding was provided for DEDT to partner with EKZNW (which falls under the auspices of DAEARD) with regard to a corporate social investment project, where EKZNW was used as the implementing agent to build dams for communities in drought-stricken areas in KZN. In 2012/13, DEDT allocated funds to EKZNW for the development and funding of the management of community-based projects. The funding, managed by EKZNW, was allocated toward Bhambatha/Ngome Lodge, Ingodini Border Caves and for the Ntsikeni and May Lodge in the Ntsikeni Reserve. In the 2013/14 Adjusted Appropriation, EKZNW received R2 million for Ingodini Border Caves and R500 000 for Ntsikeni and May Lodge projects which was incorrectly placed under DEDT and was shifted to EKZNW as an implementing agent for the department. The allocation in 2014/15 is a provision for continuation of projects, namely Ingodini Border Caves (R2 million) and Ntsikeni and May Lodge (R500 000), as well as the development of Bhambatha Lodge (R2 million).
- KZNLA was established in August 2012 as a Schedule 3C public entity, with a legislative mandate to control and regulate the retail sale and micro manufacture of liquor in KZN. The liquor regulatory function in the past resided directly with DEDT. The high allocation in 2012/13 can be ascribed to the once-off additional funding provided for the establishment costs. Hence, the entity reflects a decrease in 2013/14. Further once-off additional funding for the entity's operational costs is allocated in 2014/15, including the carry-through allocation for the procurement of an IT system, which explains the decrease in the 2014/15 MTEF. From 2015/16 onward, the entity's budget will be supplemented through revenue generated from liquor licences.
- TKZN is responsible directly and indirectly for the development, promotion and marketing of tourism into and within KZN. The vision of TKZN is to position KZN as Africa's leading tourism destination, nationally and internationally. The transfer to TKZN was increased by R7.120 million in 2011/12 to provide for, among others, the promotion of the East 3 Route, which is a promotion of northern KZN, Mozambique and Swaziland. In addition, funding of R3.150 million was allocated for the UCI/BMX events held in KZN. During 2012/13, the entity received additional funding through internal reprioritisation by the department, to host the Tourism *Indaba*, East 3 Route and KZN Summer Campaign, which is a marketing strategy to increase tourism in KZN. It also received an additional allocation for its SAP and VIP payroll system. In the 2013/14 Adjusted Appropriation, TKZN's allocation was reduced by R8.700 million for the Cycling Championship event, which was moved to the department. However, the entity gained R4.812 million for the Convention Bureau, Tourism *Indaba* and the Durban International Film Festival and Exhibition, among others, as well as R3.349 million in respect of the East 3 Route project. The entity's budget reflects steady growth over the 2014/15 MTEF.
- The core function of the KZNSB is the protection of bathers against shark attacks. This mandate is fulfilled through the installation and maintenance of shark safety gear to prevent shark attacks at 38 protected beaches along the KZN coastline. The allocation to the KZNSB rises steadily over the seven-year period. The allocation to KZNSB increased in 2011/12, to cater for once-off costs in respect of critical roof repairs at the entity's headquarters in Umhlanga and the purchase and installation of a biometric access control system, explaining the slight increase in 2012/13. In addition, the entity received funding in 2011/12 to investigate more environmentally friendly shark safety gear and to fill critical vacancies in its SCM unit. In 2012/13, R14.433 million was provided to the KZNSB largely for once-off capital requirements, which included the replacement of boats, outboard motors and vehicles, as well as Caseware licence fees and legal fees. In addition, the entity received a once-off amount of R5 million, through reprioritisation by DEDT, toward activities of the MCOE, including learning materials, accreditation of courses, conversion of workshops to classrooms, etc. This explains the apparent reduction in the allocation in 2013/14. In the 2013/14 Adjusted Appropriation, R10.500 million was provided to the KZNSB for land purchases in Durban. Furthermore, KZNSB receives an additional R6 million for each year of the 2014/15 MTEF for the operational costs of the MCOE.

- RBIDZ is a Schedule 3D public entity established to undertake the development of industrial land in the Richards Bay area. The entity was listed as a provincial business enterprise in 2012/13, whereas it reported to Ithala prior to the listing. The transfers to RBIDZ in 2010/11 included capital and establishment costs. The allocation in 2010/11 includes land purchases, estimated at R100 million. In the 2013/14 Adjusted Appropriation, RBIDZ's allocation was decreased by R40 million to fund DEDT's projects such as the Co-operatives Incubator programme, Ndumo Regeneration programme, uMphithi Spring Music Festival and SMMEs Conference, MTV Awards, as well as various tourism promotion events. In 2015/16, the entity receives a once-off allocation of R40 million for infrastructure development in line with its 50-year Master Plan.
- TIK is a trade and investment promotion agency, whose mandate it is to attract foreign and domestic investment and to generate exports and export capacity within KZN. The allocation to TIK grows steadily from 2010/11 to 2013/14. In the 2013/14 Adjusted Appropriation, a once-off amount of R2.343 million was allocated toward investment seminars hosted by TIK. TIK receives an additional R7 million for each year of the 2014/15 MTEF for the Technical Assistance Fund and marketing.

Vote 8: Human Settlements

- The department transferred funds to a national public entity, the National Housing Finance Corporation (NHFC) in 2013/14, for the implementation of the Finance Linked Individual Subsidy Programme (FLISP). The allocation to the NHFC in 2014/15 was reduced significantly due to challenges that were experienced with the identified pilot projects which did not meet the policy requirements, thereafter steadily rising to provide for inflationary increments.
- The allocation to the national public entity, Social Housing Regulatory Authority (SHRA) in 2012/13, relates to the transfers made to SHRA for the implementation of the social housing programme. The transfer to SHRA was reduced by R44.961 million in the 2013/14 Adjusted Appropriation, resulting from delays in the implementation of social housing projects, as the department had not received the Record of Decision (ROD) for the Environmental Impact Assessment (EIA) from DAEARD for the Hampshire social project, as well as the Phoenix project.

Vote 10: Royal Household

- The Royal Trust was established in 2010/11 as an entity in terms of the KZN Royal Household Trust Act and registered as a Schedule 3C provincial public entity during 2012/13. In 2010/11 and 2011/12, funds were transferred to the Royal Trust to cater for the set-up costs of the Royal Trust, the remuneration of the Trustees, as well as various costs of the RHH which were administered by the Royal Trust. This included municipal costs, fuel, food supplies, etc., relating to His Majesty's Queens and other members of the Royal Family. In 2011/12, according to a Cabinet resolution, the Royal Trust received seed funding of R5 million for establishment costs. The decrease in 2012/13 relates to the fact that the department continued to perform many of the functions which were anticipated to be performed by the Royal Trust, such as paying for expenditure relating to His Majesty's Queens, municipal and maintenance costs, etc., as the Royal Trust was not yet fully functional. Also, not all outstanding matters, such as a fully functional organisational structure, transfer of staff, SCM capacity, internal controls, etc., within the Royal Trust, have been resolved. It was envisaged that the Royal Trust would assume its functions from 2013/14, hence the substantial increase in the 2013/14 Main Appropriation. To this end, the transfer of palace support staff in Programme 2 and farm staff from Programme 3 was envisaged to take place in 2013/14. However, in the 2013/14 Adjusted Appropriation the RHT's baseline was reduced by R5 million and moved to the department to cater for staff salaries who were performing functions on behalf of the RHT. The transfer over the 2014/15 MTEF shows limited growth, due to uncertainties pertaining to the transfer of staff and functions from the department.

Vote 11: Co-operative Governance and Traditional Affairs

- The department made a once-off transfer in 2011/12 to ADA in respect of a communal vegetable farming project at KwaSani, and an agri-processing facility at Middlerus in Mpofana. The amount in the 2013/14 Revised Estimate is to commence with the implementation of the Uthukela *Amakhosi* Programme and the Msinga *Asisukume* Co-operative, with full implementation being in 2014/15,

hence the high amount in 2014/15. Prior to 2014/15, the department budgeted for various projects under *Goods and services* during the budget process, and then shifted the funds to *Transfers and subsidies to: Provinces and municipalities* during the Adjusted Appropriation. However, due to capacity constraints in the municipalities in 2013/14, the department appointed ADA to implement these projects. But ADA indicated that the projects would only commence late in 2013/14, with the full implementation being in 2014/15, and also taking into account the seasonal nature of the agriculture projects. As a result, the department and ADA agreed to suspend the proposed transfer of funds to 2014/15.

- The once-off amount in 2012/13 relates to a transfer to TKZN for the erection of tourism signage.

Vote 15: Arts and Culture

- The Playhouse Company is a cultural institution promulgated under the Cultural Institutions Act, No. 119 of 1998. Its primary mandate is to develop and promote artistic works that are representative of the diverse South African artistic and cultural heritage. The department entered into an agreement with the entity based on projects which The Playhouse Company embarked on and which are linked to the mandate of the department. The decrease in the 2013/14 Main Appropriation represents the department's decision to implement the baseline cuts against this entity related to the effects of the Census data on the equitable share formula. The increase from the 2013/14 Adjusted Appropriation onward is due to additional funding allocated back to this category in order to increase its budget to its original allocation, as well as inflationary increments.

5.7.2 Transfers to other entities

Table 5.14 below shows the summary of departmental transfers to other entities, other than public entities, by vote.

Eight departments will make transfer payments to these entities over the 2014/15 MTEF period, with 11 departments having made transfers sometime over the period 2010/11 to 2013/14. Details of these are provided within each department's chapter in the *EPRE. Transfers to other entities* increases from R3.264 billion in 2010/11 to R4.007 billion in 2016/17.

Table 5.14 : Summary of departmental transfers to other entities by Vote

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14		
1. Office of the Premier	-	12 000	8 030	-	-	-	-	-	-
2. Provincial Legislature	-	-	-	-	-	-	-	-	-
3. Agriculture, Environmental Affairs and Rural Develop	62 986	10 175	17 870	9 812	9 812	9 812	10 376	10 835	11 335
4. Economic Development and Tourism	50 967	41 036	57 095	42 629	165 858	170 724	166 468	169 711	182 958
5. Education	1 648 247	1 764 214	2 063 554	1 753 308	1 685 443	1 559 010	1 769 706	1 736 336	1 662 082
6. Provincial Treasury	-	-	-	-	-	-	-	-	-
7. Health	289 009	273 487	277 586	274 168	252 168	279 243	250 647	212 110	224 022
8. Human Settlements	-	-	-	-	-	-	-	-	-
9. Community Safety and Liaison	-	289	-	-	-	-	-	-	-
10. The Royal Household	-	-	-	-	-	-	-	-	-
11. Co-operative Governance and Traditional Affairs	-	-	658	-	-	-	-	-	-
12. Transport	715 294	773 473	808 877	852 325	852 325	913 343	904 783	945 972	995 610
13. Social Development	472 605	691 989	587 278	672 563	687 849	684 763	816 511	805 281	861 214
14. Public Works	-	-	-	-	-	-	-	-	-
15. Arts and Culture	19 349	21 901	29 105	19 236	36 672	38 570	28 879	30 293	31 457
16. Sport and Recreation	6 000	8 600	18 960	21 650	26 842	26 842	36 881	35 680	37 951
Total	3 264 457	3 597 164	3 869 013	3 645 691	3 716 969	3 682 307	3 984 251	3 946 218	4 006 629

Vote 1: Office of the Premier

In 2011/12 and 2012/13, amounts of R12 million and R8 million, respectively, were transferred to the LIV Orphanage. The funds were transferred to assist the orphanage with building a holistic village, both to house vulnerable and orphaned children, as well as to empower them to be self employed and to sustain a reasonable livelihood by learning basic skills. These funds were once-off in line with the Premier's undertaking to provide R20 million to this project, over two years.

In 2012/13, a donation of R30 000 was made to Khulani Production Artist Theatre for a graduation ceremony to honour their students that completed the Arts and Skills courses.

Vote 3: Agriculture, Environmental Affairs and Rural Development

In 2010/11, R62.986 million was transferred to various entities. Included in this is R57.463 million being a once-off transfer to the SA Sugar Association for the provision of specialist extension services to assist small-scale farmers affected by drought. The partnership with the SA Sugarcane Research Institute, which was formed in 2010/11, continues over the seven-year period with R963 000 transferred in 2010/11, rising to R1.604 million in 2016/17. Also in 2010/11, the department reached an agreement with the KZN Agricultural Union (KWANALU) to facilitate the development of a help-desk. However, following a review of the successfulness of this help-desk, the agreement was cancelled and no transfers took place after 2010/11. The department also transferred funds as a grant-in-aid in respect of the SA Association for Marine Biological Research (SAAMBR). Transfers towards SAAMBR continue over the 2014/15 MTEF.

In 2011/12, a transfer of R400 000 per annum was introduced to the Wildlife and Environmental Society of South Africa (WESSA), relating to environmental education programmes. The two-year partnership with the Pmb SPCA, in terms of which the entity will assist with implementing the KZN Outreach programme, commenced in 2011/12. This transfer ends in 2013/14, hence the decrease in that year.

The spending in 2012/13 relates primarily to the department's drive to actively market its soil conservation subsidy to business and farming industries for sub-surface drainage works. This is a national initiative in response to the Conservation of Agricultural Resources Act (CARA). The demand for this service in 2013/14 and over the 2014/15 MTEF relates to the department's drive to actively market this service to business and farming enterprises. Also, the department makes annual contributions to various agricultural show societies, which are aimed at showcasing the latest developments in agriculture.

Vote 4: Economic Development and Tourism

Over the 2014/15 MTEF, the department transfers funds to various entities, namely the Moses Kotane Institute (MKI), KZN Film Commission, Cycling SA, Growth Fund Trust and the Tourism Enterprise Partnership. The Growth Fund Trust is in the process of registering as a separate public entity and fell under Ithala up until now. The 2010/11 spending includes the transfer to MKI for operational costs. The department also transferred funds to the Durban Film Festival and the KZN Music Studio in that year.

In 2012/13, transfers to various entities were made relating to the department funding partnerships and for major events, the details of which are provided in Vote 4's chapter in Part 2 of the *EPRE*. The substantial increase in the 2013/14 Adjusted Appropriation also included the transfers paid to various private enterprises mainly for events, as well as to small enterprise development agencies such as SEDA eThekweni which received R3 million to assist with the day-to-day operation of the entity, subsequent to the termination of the funding by National SEDA.

Vote 5: Education

The largest portion of transfers is in respect of Section 21 schools, relating to the transfers of norms and standards funding. The slight decline in 2016/17 is due to the anticipated withdrawal of Section 21 functions from schools that continue to not comply with transfer requirements. From 2010/11 to 2012/13, the department transferred funds to FET colleges to cater for officials employed by the college councils. In 2013/14, R14.525 million was transferred in respect of a commitment from 2012/13. No funds will be transferred to FET colleges over the MTEF, as the transferring of funds to the colleges has been taken over by the DHET as of 2013/14.

The fluctuations from 2011/12 onward are due to transfers made to ECD centres to ensure that schools with Grade R classes are able to run their own affairs in line with the Norms and Standards for Grade R.

Vote 7: Health

The transfers under this vote relate mainly to entities that receive funding for the provision of general clinic services, HIV and AIDS services, district and general hospital services, and TB services. The varying trend across the seven years relates mainly to the inclusion/exclusion of entities, as well as to the implementation of OSD for doctors in certain institutions which qualify. The decrease from 2010/11 to 2011/12 is caused by the closure of the HIV and AIDS NIP sites and the incorporation of these services into the department's operations, whereby these amounts are now included under *Current payments*. The decrease from the 2013/14 Main to Adjusted Appropriation relates to the decision to reassess all NGOs,

which resulted in a reduction in allocations to some NGOs. The significant decrease in funding in 2014/15 is due to the ceasing of funding for McCord Hospital as it has been taken over as a provincial hospital and funding will be from other categories. In addition, the funding for the KZN Children's Hospital Trust for the development and refurbishment of this hospital in the eThekweni Metro ceases due to the completion of the contract.

Vote 9: Community Safety and Liaison

In 2011/12, the department transferred R289 000 for the procurement and transfer of a park-home in Umlazi to a community policing NGO.

Vote 11: Co-operative Governance and Traditional Affairs

The amount in 2012/13 relates to donations to the South African Planning Institute in respect of the Planning Africa Conference, and to the KZN Top Business Portfolio for the update of promotional DVDs to showcase successful growth in the province.

Vote 12: Transport

The transfers under this vote relate to the Public Transport Operations Grant (PTOG) for the payment of bus subsidies to bus operators. The increase over the 2014/15 MTEF in comparison to the 2013/14 Adjusted Appropriation relates mainly to additional funding allocated in respect of the grant, which is particularly high in 2016/17.

Vote 13: Social Development

The transfers under this vote relate mainly to funding given to various NPOs, NGOs and Faith-based Organisations. The increase in 2011/12 from 2010/11 was mainly due to allocations for national priorities such as ECD and HCBC. The decrease in 2012/13 is due to strict application of Section 38(1)(j) of the PFMA, which largely affected ECD and partial care.

New transfers relating to community-based care for children drop-in centres and women development are introduced from 2014/15 onward, in line with the new budget structure. The growth over the 2014/15 MTEF relates to additional national priority funding relating to the improvement of the quality of services provided by NGOs and their financial sustainability, youth development, as well as provision of shelters for victims of gender-based violence.

Vote 15: Arts and Culture

The transfers under this vote relate mainly to community art centres, Art Councils and museums, as explained in detail below:

- *KZN Philharmonic Orchestra:* Funding is provided to the KZN Philharmonic Orchestra, which is a non-profit institution committed to ensuring the development of artists through nurturing local talent and skills and providing cultural entertainment. From 2012/13 to the 2013/14 Main Appropriation there was a reduction in the allocation due to the Census-based baseline cuts. However, in the 2013/14 Adjusted Appropriation, additional funding was allocated back to it in order to increase its budget to its original allocation. Furthermore, the department was allocated R4.500 million in respect of the KZN Philharmonic Orchestra's participation in the SA French Season.
- *Community art centres:* The department funds community art centres, which contribute to the development and training of artists. Art centres which are funded by the department include, among others, the Jambo, BAT, Indonsa and Ewushini Centres. In 2012/13, the transfer to the BAT Centre was increased by R1.100 million for the development and training of artists in poetry, spoken word, folk music, etc. The department will continue funding all existing transfers to art centres with inflationary increases over the 2014/15 MTEF.
- *Arts and culture support:* This funding is provided to various organisations to assist with providing a platform for emerging artists. It should be noted that funding towards *Arts and culture support* constitutes the biggest portion of spending and budget to other entities. The department enters into MOUs with these institutions and detailed business plans are provided for the funds that are allocated. In 2012/13, the transfer payment in respect of Ugu Jazz Festival was increased, and a

once-off transfer in respect of the South African Library for the Blind was introduced. In the 2013/14 Adjusted Appropriation, various once-off transfers were introduced and increased such as Ushaka Marine, The King and Us, Royalty Soapie Awards, Dolosfees festival etc., thus accounting for the decrease in transfers in 2014/15.

- *Arts councils:* Funding is provided to properly constituted arts, culture and craft organisations that develop and preserve arts and culture in the province. The allocation rises steadily over the seven-year period and shows an inflationary increase over the 2014/15 MTEF.
- *Museum subsidies:* Funding is provided to NPOs to cover operational and staffing costs. Museums are managed by a Board of Trustees and a large portion of the funding transferred to them is utilised to cover the salaries paid to curators. In 2012/13, a substantial once-off allocation of R2.245 million was made toward the construction of the Mpophomeni community museum. In the 2013/14 Adjusted Appropriation there was an increase in transfers to the DCO Matiwane, Mpophomeni community museum and the 1860 Heritage Centre: Documentation Centre.

Vote 16: Sport and Recreation

Transfers made by the department are largely in respect of sporting organisations from different sporting codes, for the promotion and development of sport and recreation in KZN. Funding is only allocated once the organisation has met all the requirements. The substantial increase in transfers from 2011/12 to 2012/13 is due to funds reprioritised from *Compensation of employees* as a result of an increase in transfers made to some of the sporting federations and sporting bodies who assist with the promotion and development of sport and recreation, such as KZN Cycling, KZN Athletics and Netball Umzinyathi. The increase over the 2013/14 Adjusted Appropriation is due to funds moved from *Goods and services*. The Mass Participation and Sport Development (MPSD) grant business plan stipulates that the department should assist provincial sport academies and confederations with the setting up, capacitation and purchase of sport equipment, attire and kits.

5.7.3 Transfers to local government

Provincial government, as part of its Constitutional obligation, supports and strengthens the capacity of municipalities to manage their own affairs, exercise their powers and perform their functions. As a result, departments transfer funds to municipalities for various purposes. This section provides details of departmental transfers to local government, indicating transfers per department and per grant type to each municipality. A summary of this information is given in Table 5.15. Details are given in the *Annexure to OPRE* (Tables 1.G (i), (ii) and (iii)), and in the detailed departmental information in the *EPRE*.

Table 5.15 provides a summary of provincial transfers to local government by category, as defined in the Constitution. It should be noted that the amounts reflected in these tables are in terms of the provincial financial year running from 1 April to 31 March. The table does not include funding in respect of motor vehicle licences, as this funding is not transferred to any municipality.

Table 5.15 : Summary of provincial transfers to local government by category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation 2013/14	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
	Category A	614 085	356 930	495 122	652 609	694 568	694 568	648 506	668 623
Category B	436 498	496 474	581 630	408 737	620 378	626 355	447 878	422 133	431 743
Category C	270 479	224 780	223 741	20 793	34 592	34 592	116 874	118 392	122 001
Unallocated	-	-	132	3 256	26	26	1 050	24 910	24 470
Total	1 321 062	1 078 184	1 300 625	1 085 395	1 349 564	1 355 541	1 214 308	1 234 058	1 362 655

The total provincial transfers to local government reflect a fluctuating trend over the period. There are three categories of municipalities in terms of the Constitution. Below is a brief description of each of the categories, and a summary of the provincial transfers to local government by municipal category as contained in Table 5.15 above:

Category A (metropolitan council) refers to municipalities that have exclusive municipal executive and legislative authority within their areas. KZN has only one metropolitan council, namely the eThekweni Metro. As indicated in the table above, the transfer to the Metro shows a fluctuating trend, which can be

attributed to various projects such as the transfers to municipal clinics, the payment of property rates, the provincialisation of public libraries and museums and the maintenance of R293 hostels which are undertaken over varying timeframes. The trend is explained as follows:

- The high spending in 2010/11 was mainly due to increased emphasis on the Community Residential Unit (CRU) programme toward providing public residential accommodation for low income persons in good locations, the maintenance of R293 hostels and the Enhanced Extended Discount Benefit Scheme (EEDBS) (DOHS), as well as arrear rates payments in respect of the Devolution of Property Rate Funds grant (DOPW).
- The subsequent reduction in 2011/12 can be attributed to the fact that no transfers were made due to delays in the approval process of projects within the Metro with regard to the CRU programme. This was resolved and, hence, the growth in 2012/13. The increase in 2012/13 is also due to the spending in respect of the EEDBS programme that was catered for under *Goods and services* as it was anticipated that professionals will be utilised for this programme. However, portion of the funds were transferred to the eThekweni Metro for the facilitation of transfers for R293 properties. This is a function shift, and the purpose of the funds remains unchanged.
- The growth in 2013/14 and over the MTEF relates mainly to the subsidy for primary health care for services provided by local authorities/municipal clinics, the maintenance of R293 hostels in the eThekweni Metro, the EEDBS, the payment of property rates, the provincialisation of libraries and museums, as well as further funding for the continuation of the mega-library.

Category B (local municipality) is a municipality that shares municipal executive and legislative authority with a category C (defined below) municipality within whose area it falls. The trend is as follows:

- The growth in transfers against Category B municipalities in 2011/12 was mainly due to arrear rates payments relating to the Devolution of Property Rate Funds grant (DOPW), and the provincialisation of libraries and museums (DAC). Also, COGTA initially budgeted for the majority of municipal projects such as the Corridor Development, Massification and the Small Town Rehabilitation programmes against *Goods and services*. The department then reclassified the funds in the Adjustments Estimate, when it became evident that the municipalities have the required capacity to implement the projects themselves. This accounts for the decrease in the 2013/14 Main Appropriation and the increase in the 2013/14 Adjusted Appropriation. However, from the 2014/15 MTEF, the department was requested during the budget process to budget for transfers to municipalities against this category in order to gazette the transfers so that the municipalities can plan and budget for the various projects.
- This category also includes funding over the period for various projects and activities such as transfers to municipal clinics in the Metro, additional funds to meet the health funding requirements of the clinics in the Metro, commitment to assist clinics with pressures in the treatment of HIV and AIDS, the extension of hours of services, as well as to cater for increased neonatal services (DOH), the provision for transfers in respect of museums and building of libraries and the provincialisation of public libraries and museums (DAC), payment of property rates (DOPW), Corridor Development, Massification and the Small Town Rehabilitation programmes (COGTA), among others.
- The high amount in 2014/15 in comparison to the two outer years relates to various once-off allocations in 2014/15 in respect of uMhlathuze Water for the Bucket Eradication programme (COGTA). Also, the lower growth over the MTEF compared to the 2013/14 Adjusted Appropriation can be attributed to reprioritisation undertaken to *Goods and services* and *Compensation of employees* in respect of tools of trade and salaries for the additional CDWs that will be appointed over the MTEF (COGTA).

Category C (district municipality) refers to municipalities that have municipal executive and legislative authority in an area that includes more than one local municipality. The decrease in 2011/12 relates to once-off assistance to selected municipalities with the development of Integrated Waste Management Plans (IWMPs), Environmental Management Frameworks (EMFs) and Strategic Environmental Assessments (SEAs) in 2010/11 (DAEARD). The slight decrease in 2012/13 can be ascribed to

DAEARD not transferring the Greenest Municipality Competition funding to the respective municipalities due to non-submission of the required business plans before the end of the financial year. As explained above, COGTA budgeted for some municipal projects against *Goods and services*, pending evidence that the municipalities have the required capacity to implement the projects themselves. This partly explains the decrease in the 2013/14 Main Appropriation and the increase in the 2013/14 Adjusted Appropriation. The amounts over the MTEF are mainly in respect of these projects, as the department is budgeting for these during the budget process in order to gazette the transfers so that the municipalities can plan and budget for the various projects and the operational costs of art centres (DAC).

The amounts against *Unallocated* are usually allocated to specific recipients during the course of the year, and are formalised annually during the Adjustments Estimate. The amounts in the 2013/14 Main Appropriation are in respect of the Greenest Municipality Competition (DAEARD), operational support for *Thusong* Service Centres (TSCs) (COGTA), as well as for property rates for properties owned by KZN but located in other provinces under Public Works. This also explains the amounts in 2012/13 and in the 2013/14 Adjusted Appropriation. The amounts in 2014/15 mainly relate to the Greenest Municipality Competition (DAEARD). The amounts in 2015/16 and 2016/17 are mainly in respect of the construction of sport facilities and the upkeep of sport facilities constructed by DOSR, as well as the Greenest Municipality Competition (DAEARD).

A summary of the transfers to individual local and district municipalities is in the *Annexure to OPRE*.

Table 5.16 below presents a summary of provincial transfers to local government by vote and grant type from 2010/11 to 2016/17. It should be noted that a detailed analysis of these transfers to local government is provided in the individual votes in the *EPRE*. The main transfers are summarised here:

- The once-off amount of R15 million in 2012/13 under OTP was in respect of the province's contribution toward the 2013 AFCON tournament.
- The once-off amount of R6 million in 2010/11 under DAEARD relates to assistance provided to selected municipalities with the development of IWMPs, EMFs and SEAs. The amounts from 2010/11 onward relate to the Greenest Municipality Competition.
- The transfers under DEDT in the 2013/14 Adjusted Appropriation include the Inyoni Craft Centre, the revitalisation of Alkantstrand Beach in the uMhlathuze Municipality, as well as the rehabilitation of South Port Beach in the Hibiscus Coast Municipality. The high amount in the 2013/14 Revised Estimate relates to funding for the Drakensburg Cable Car. The allocations in the first two years of the MTEF relates to the Dundee July event.
- The transfers under PT are mainly in respect of various upgrades of airports. The amount in 2010/11 relates to the transfer to the Msunduzi Municipality for the upgrade of the Pietermaritzburg airport. The amounts in 2011/12 were in respect of the infrastructure development of the Pietermaritzburg, Richards Bay and Prince Mangosuthu Buthelezi airports, which are carried through in 2012/13. The amounts in 2013/14 are in respect of the development of a light industrial park in Bhongweni, which is carried through to 2015/16, as well as the Shayamoya eco-complex in 2013/14 and 2015/16. The increase in the 2013/14 Adjusted Appropriation relates to the upgrades of various airports, as mentioned above. There is a once-off allocation in 2014/15 in respect of the Msunduzi electricity-related development.
- The transfers under DOH show a varying trend, due to the provincialisation of the municipal clinics. The majority of the municipal clinics were taken over by the department in 2011/12. The decrease in 2012/13 was due to a delay in the signing of the SLAs with the eThekweni Metro with regard to the municipal clinics. The substantial increase in 2013/14 and over the MTEF is largely due to the commitment to assist clinics with pressures in the treatment of HIV and AIDS, the extension of hours of services, as well as to cater for an increase in neonatal services. The increase in the 2013/14 Adjusted Appropriation mainly relates to the department's decision to provide additional funding to meet the health funding requirements of the clinics in the Metro. The funding from 2014/15 also provides for the uMhlathuze Municipality. Funding will continue to be provided over the 2014/15 MTEF for the eThekweni Metro and uMhlathuze Municipality.

Table 5.16 : Summary of departmental transfers to local government by department and grant type

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Vote 1: Office of the Premier	-	-	15 000	-	-	-	-	-	-
2013 AFCON Tournament	-	-	15 000	-	-	-	-	-	-
Vote 3: Agriculture, Enviro. Affairs and Rural Dev	6 960	900	-	1 000	1 000	1 000	1 000	1 000	1 000
Dev. of EMFs, SEAs and IWMPs	6 000	-	-	-	-	-	-	-	-
Greenest Municipality Competition	960	900	-	1 000	1 000	1 000	1 000	1 000	1 000
Vote 4: Economic Development and Tourism	100	-	4 244	2 384	3 741	9 718	500	500	-
Newcastle Alliance Summit	100	-	-	-	-	-	-	-	-
Divine Touch FM	-	-	-	-	26	26	-	-	-
Joint Project Funding	-	-	2 953	2 384	2 384	2 384	-	-	-
Inyoni craft centre	-	-	-	-	31	31	-	-	-
Beaches Rehabilitation	-	-	-	-	700	1 200	-	-	-
Dundee July	-	-	-	-	500	-	500	500	-
Sakhisizwe Manag. Agency	-	-	981	-	100	100	-	-	-
Richards Bay Breakfast	-	-	310	-	-	-	-	-	-
Drakensburg Cable Car	-	-	-	-	-	5 977	-	-	-
Vote 6: Provincial Treasury	15 664	31 264	28 012	20 677	39 754	39 754	13 500	10 062	-
Local government levy	10 229	-	-	-	-	-	-	-	-
Pietermaritzburg airport	5 435	17 790	574	-	16 186	16 186	-	-	-
Prince Mangosuthu Buthelezi airport	-	10 015	19 661	-	603	603	-	-	-
Richards Bay airport	-	3 459	7 777	-	-	-	-	-	-
Margate airport	-	-	-	-	2 288	2 288	-	-	-
Shayamoya eco-complex	-	-	-	13 677	13 677	13 677	-	2 062	-
Development of light industrial park	-	-	-	7 000	7 000	7 000	8 000	8 000	-
Msunduzi electricity-related dev	-	-	-	-	-	-	5 500	-	-
Vote 7: Health	123 888	86 040	22 893	143 500	156 313	156 313	132 600	149 400	166 796
Subsidy: Municipal Clinics	123 888	86 040	22 893	143 500	156 313	156 313	132 600	149 400	166 796
Vote 8: Human Settlements	233 525	9 816	221 306	168 126	197 914	197 914	102 070	127 067	202 700
Accreditation of municipalities	-	-	-	-	52 437	52 437	36 689	40 209	37 804
CRU programme	128 000	-	115 000	100 000	100 000	100 000	-	-	-
Transfer of R293 staff	-	1 451	3 111	3 326	3 326	3 326	-	-	-
Municipal rates and taxes	15 525	8 365	19 003	12 800	27 651	27 651	14 500	19 896	19 896
Maintenance of R293 hostels	90 000	-	84 192	52 000	14 500	14 500	50 881	66 962	145 000
Vote 11: COGTA	394 813	348 161	444 444	6 000	210 574	210 574	155 877	135 077	130 876
Mun. Govt. & Fin. Experts: Shared Deployment	5 800	5 600	-	-	-	-	-	-	-
Implementation of Pound Act	12 000	-	-	-	-	-	-	-	-
Inter-Governmental Relations	4 170	-	-	-	-	-	-	-	-
Municipal Governance	-	-	-	-	-	-	-	-	-
Provincial Interventions	1 300	-	-	-	-	-	-	-	-
Umzimkulu Support	36 873	25 320	-	-	-	-	-	-	-
Uthukela Water	-	-	-	-	-	-	-	-	-
Provincial Mgt. Assistance Programme	-	-	-	-	-	-	-	-	-
Public Part. Citizen Satisf. Survey	-	-	2 260	-	-	-	-	-	-
Municipal Excellence award	-	-	3 000	-	3 000	3 000	-	-	-
Schemes Support Programme	-	2 250	-	-	-	-	2 705	-	-
MIG and MIS Grant	-	-	-	-	-	-	-	-	-
Town Settlement Form. Support	800	1 000	-	-	-	-	-	-	-
Corridor Development	114 068	96 447	111 300	-	70 700	70 700	58 500	54 421	52 500
Municipal LED	6 400	12 080	-	-	-	-	-	-	-
Small Town Rehabilitation	92 769	74 220	125 545	-	83 797	83 797	26 300	22 500	17 500
Construction of TSCs	-	6 000	-	-	-	-	-	-	-
Operational Support for TSCs	148	5 000	1 600	2 000	250	250	5 250	-	-
Provisional Security (MPCCs)	-	4 500	-	-	-	-	-	-	-
Urban Development Framework	3 758	-	-	-	-	-	-	-	-
Massification Programme	101 000	102 033	145 800	-	39 827	39 827	31 372	52 956	55 076
uMhlathuze Water	-	-	-	-	-	-	21 000	-	-
Disaster Management	11 500	3 000	17 740	-	8 000	8 000	5 000	-	-
Community participation in IDPs	-	-	2 000	2 000	2 000	2 000	-	-	-
Development Planning and Shared Services	4 227	5 461	2 000	2 000	2 000	2 000	4 750	4 200	4 800
District Growth and Dev. Summit	-	-	4 000	-	-	-	-	-	-
Sustainable Living Exhibition	-	-	-	-	1 000	1 000	1 000	1 000	1 000
Community Development Projects	-	5 250	-	-	-	-	-	-	-
Various	-	-	29 199	-	-	-	-	-	-
Vote 13: Social Development	-	35 000	-	-	-	-	-	-	-
ECD infrastructure development	-	35 000	-	-	-	-	-	-	-
Vote 14: Public Works	515 348	492 767	395 743	465 051	458 219	458 219	484 955	507 062	533 931
Property rates	515 348	492 767	395 743	465 051	458 219	458 219	484 955	507 062	533 931
Vote 15: Arts and Culture	22 567	56 012	150 383	259 287	260 164	260 164	271 606	280 040	303 952
Museum subsidies	1 170	7 168	10 049	8 796	9 593	9 593	10 634	13 168	13 708
Library building projects	421	-	-	-	-	-	-	-	-
Provincialisation of libraries	11 136	31 110	116 004	225 111	225 111	225 111	234 360	249 723	262 958
Community Libr Services grant	9 840	17 334	22 769	23 741	23 821	23 821	24 883	15 334	25 375
Art Centre (Operational costs)	-	400	1 561	1 639	1 639	1 639	1 729	1 815	1 911
Vote 16: Sport and Recreation	8 197	18 224	18 600	19 370	21 885	21 885	52 200	23 850	23 400
Infrastructure	8 197	14 924	13 650	14 420	18 585	18 585	48 900	18 900	16 800
Maintenance grant	-	3 300	4 950	4 950	3 300	3 300	3 300	4 950	6 600
Total	1 321 062	1 078 184	1 300 625	1 085 395	1 349 564	1 355 541	1 214 308	1 234 058	1 362 655

- The transfers under DOHS relate mainly to the maintenance of R293 hostels in eThekweni, the CRU programme and the payment of arrear rates and taxes. The substantial decrease in 2011/12 was due to the fact that no transfers were made as a result of delays in the approval process of projects within municipalities with regard to the CRU programme. The increase in 2012/13 relates to the implementation of the CRU programme. The increase in the 2013/14 Adjusted Appropriation is in respect of the accreditation of municipalities. Funds over the MTEF relate to the accreditation of municipalities, municipal rates and taxes and the maintenance of R293 hostels.
- Prior to the 2014/15 budget process, the bulk of the transfer payments under COGTA were budgeted for under *Goods and services* but were reclassified as *Transfers and subsidies to: Provinces and municipalities* during the Adjustments Estimate pending evidence that the municipalities have the required capacity to implement the projects (Corridor Development, Massification, Small Town Rehabilitation, among others) themselves. This resulted in the low 2013/14 Main Appropriation amount and the high amount in the 2013/14 Adjusted Appropriation. However, in the 2014/15 budget process, the department was requested to budget for these projects against *Transfers and subsidies to: Provinces and municipalities*, hence the high amounts over the MTEF. The high 2010/11 amount in comparison to 2011/12 relates to the number of projects approved in 2010/11 as submitted by municipalities. Hence, the fluctuation in expenditure and allocations over the seven years reflects funding of different departmental projects. The increase in 2012/13 includes additional funding allocated in respect of the Massification programme. The MTEF allocations also include the Development Planning and Shared Services, sustainable Living Exhibition, among others.
- The transfer under DSD in 2011/12 relates to a once-off transfer made to Umkhanyakude District Municipality for the Ndumo Learner Support Centre in respect of ECD infrastructure development.
- The transfers under DOPW relate to the Devolution of Property Rate Funds grant in respect of property rates. The high 2010/11 amount relates to once-off additional funding to provide for shortfalls in funding since the inception of the grant. This explains the decrease from 2011/12 onward. In the 2013/14 Adjusted Appropriation, a roll-over was approved by National Treasury to provide for commitments relating to invoices for property rates in respect of the eThekweni Metro. The reduction in the 2013/14 Adjusted Appropriation was due to savings moved to offset spending pressures in *Goods and services*. There is steadily increasing growth over the 2014/15 MTEF.
- The transfers under DAC reflect provision made to municipalities for library building projects, museum subsidies, and for the provincialisation of public libraries and museums. The increase in 2011/12 relates to a transfer to the eThekweni Metro, portion of the costs of building a mega-library, the purchase of library materials, as well as the provincialisation of public libraries and museums. The substantial increase from 2012/13 onward relates to further funding for the provincialisation of public libraries, which includes funding for eThekweni and Msunduzi, as well as transfers to the eThekweni Metro for the completion of the mega-library. The slight increase in the 2013/14 Adjusted Appropriation is in respect of the increase in the museum subsidies, as well as the Community Library Services grant. The high 2014/15 amount against the Community Library Services grant compared to 2015/16 is due to the additional funding allocated toward the mega-library which will be discontinued in 2014/15 as the Metro anticipates completion of the mega-library in 2014/15.
- The transfers under DOSR are mainly in respect of the construction of sport facilities, and reflect a varying trend over the seven-year period. The low 2010/11 amount was due to delays in respect of transfer payments to municipalities for the construction of sport facilities, as a result of adverse weather conditions which hampered the completion of sport fields by constructors. The increase in 2011/12 related to spending pressures relating to commitments (sport fields) which remained incomplete from 2010/11. The slight increase in 2012/13 relates to funds moved from *Buildings and other fixed structures* due to the termination of a contract between the service provider and the department with regard to the construction of the Cecil Emmett sport field in Vryheid (Abaqulusi). The funds were moved to the maintenance grants that are paid to municipalities for the upkeep of sport facilities constructed by the department. The increase in the 2013/14 Adjusted Appropriation is due to funds reprioritised from *Compensation of employees* for the construction of sport fields and

outstanding 2013/14 commitments. The substantial increase in 2014/15 relates to the once-off additional funding allocated for the Hoy Park Sports Development Centre in eThekweni.

5.8 Personnel numbers and costs

Table 5.17 provides a summary of personnel numbers, by vote, as well as the total personnel costs for the province. As can be seen, the personnel numbers fluctuate over the seven years except for the decrease in 2012/13, although the increase over the last three years is at lower levels. The increase can be attributed to most departments being allocated additional funding in respect of previous year wage agreements, as well as anticipating to fill vacant posts over the MTEF, according to their organisational structures.

Table 5.17 : Summary of personnel numbers and costs by vote

Personnel numbers	As at 31 March 2011	As at 31 March 2012	As at 31 March 2013	As at 31 March 2014	As at 31 March 2015	As at 31 March 2016	As at 31 March 2017
1. Office of the Premier	329	2 047	3 455	2 408	2 408	2 408	2 408
2. Provincial Legislature	155	217	234	244	244	244	244
3. Agriculture, Environmental Affairs and Rural Development	3 385	3 867	3 730	4 045	4 063	4 063	4 063
4. Economic Development and Tourism	303	301	297	391	391	391	391
5. Education	105 742	107 657	106 187	108 497	108 497	108 497	108 497
6. Provincial Treasury	310	473	466	479	542	542	542
7. Health	79 859	77 627	77 726	81 606	82 023	81 687	81 687
8. Human Settlements	857	740	734	861	851	842	842
9. Community Safety and Liaison	115	121	126	154	184	202	202
10. The Royal Household	140	140	141	127	80	80	80
11. Co-operative Governance and Traditional Affairs	1 203	1 332	1 482	1 722	1 791	1 818	1 818
12. Transport	3 995	4 154	4 023	4 645	4 675	4 685	4 685
13. Social Development	2 855	3 398	5 933	6 627	6 568	6 719	6 981
14. Public Works	2 096	2 078	2 062	2 060	2 121	2 121	2 121
15. Arts and Culture	423	458	465	526	582	582	582
16. Sport and Recreation	2 353	1 932	1 586	1 500	1 540	1 540	1 540
Total	204 120	206 542	208 647	215 892	216 560	216 421	216 683
Total personnel cost (R thousand)	39 312 068	46 035 829	49 717 567	52 761 916	54 188 164	54 624 595	58 348 963
Unit cost (R thousand)	193	223	238	244	250	252	269

The personnel numbers and costs against the OTP include youth ambassadors from 2011/12 onward. The number of youth ambassadors has decreased drastically to 1 966 in 2013/14 and over the MTEF in an effort to match the recruitments with the budget available.

In 2012/13, DAEARD commenced implementing the new organisational structure, after lengthy engagements with organised labour. The new structure was proposed in 2010/11 and provides for three regions. However, this new structure was recently reviewed once again, and it is now proposed that there should be five regions, with the aim of improving service delivery. This refined structure is being discussed at the appropriate levels, and it is envisaged that implementation thereof will commence in 2014/15, subject to the moratorium on the filling of non-critical posts. The implementation of the structure will be phased in, funded by reprioritising from within the existing budget allocation.

The 2013/14 financial year started with DOE not being able to afford 1 866 posts, which had been rendered technically unfunded due to the wage agreements and increase in OSD costs, relating to various agreements such as Education Labour Relations Council (ELRC) Agreements No. 3 and 4 of 2009. Prior to the 2013/14 Adjustments Estimate, DOE exercised in-year reprioritisation which did not address the pressures over the MTEF periods. It therefore became clear that a reconfiguration of the budget had to be undertaken in order to deal with the *Compensation of employees* budget, hence the increase of this budget from 2014/15 onward through internal reprioritisation, as well as additional funding from PT.

DOH's personnel numbers exclude employees working at the Provincial Pharmacy Supply Depot and staff occupying the sub-vented (shared costs) posts, whose salaries are claimed from the University of KwaZulu-Natal (UKZN). The increase in personnel numbers in 2011/12 is largely due to the department placing student nurses and community care givers (CCGs) on the payroll. Although the numbers have increased significantly, the cost to the department for CCGs has not increased, as the affected staff were paid through transfers to NGOs previously. In the case of student nurses, the costs are lower as they now

receive a stipend, instead of a full salary. Also affecting the upward trend from 2011/12 was the restructuring of the department, with the focus placed on the less expensive and more efficient primary health care services. This has required the employment of additional professional staff, as well as community health workers.

The personnel numbers of DOHS reflect a decrease from 2011/12 to 2012/13 due to excess staff who took severance packages during these years. The increase in 2013/14 relates to the increase in the number of contract workers as a result of the appointment of staff such as quantity surveyors, planners, and project managers with the technical skills required to oversee various aspects of housing projects. The decrease in 2014/15 and the outer years of the MTEF can be attributed to the decrease in the number of contract workers appointed. These contract workers could not be appointed permanently due to shortage of funds within the equitable share allocation and also due to the restructuring process underway.

The personnel numbers of DCSL reflect an increasing trend over the seven-year period. The increase from 2013/14 onward is due to the department budgeting to fill its full staff complement in line with the new approved organisational structure by 2015/16.

The RHH had anticipated to transfer staff to the Royal Household Trust during 2013/14, however, as reflected in the table above, this did not occur. This was due to negotiations with organised labour taking longer than anticipated. The decrease in personnel in 2014/15 is due to the department projecting to transfer more staff to the Royal Trust.

The increase against COGTA's personnel numbers and cost from 2011/12 onward is largely due to the planned filling of vacant posts according to the new organisational structure, bearing in mind the moratorium on the filling of vacant posts, as well as the implementation of the OSD for technical staff and annual salary increases.

DOT's personnel increases steadily over the seven-year period. The increase over the MTEF is due to the department budgeting for the vote's full structure. Filling of vacant posts will be undertaken in phases over the MTEF, in line with the moratorium on the filling of non-critical posts.

There is an increase in personnel numbers over the seven-year period against DSD, due to the revision of the departmental structure in an attempt to cope with policy changes such as the implementation of SCM and the district municipality model to improve service delivery. This process is not yet completed because of budget constraints, and will be finalised over the MTEF. Also contributing are the increased number of social workers, social worker retention strategy (salary upgrades) and annual wage adjustments.

The decrease against DOPW from 2011/12 to 2013/14 relates to high staff turnover, and non-filling of vacant posts, as well as the moratorium on the filling of non-critical vacant posts.

The total personnel number of staff in DOSR decreases from 2012/13 to 2013/14 due the decrease in the number of volunteers employed resulting from NDOSR's directive to minimise the use of volunteers by training teachers. Also, the implementation of the Census-based baseline cuts against *Compensation of employees* and late appointments contributed to the decrease. The impact of the cuts was that DOSR was not able to renew contracts for all volunteers. The increase over the MTEF relates to the implementation of the organisational structure. The department will adopt a phased-in approach in implementing the organisational structure, which will involve placing the current employees on the structure in the appropriate posts, filling critical vacant posts as well as the unbudgeted posts (after internal reprioritisation has been undertaken to fund these). The department anticipates filling all posts in 2014/15.

5.9 Information on training

Table 5.18 below provides a summary of the amounts spent by department on training. Payments and estimates on training have increased substantially, from R936.633 million in 2010/11 to R1.529 billion in 2016/17, reflecting healthy growth. The main contributors are DOH, DOE and DOT, as discussed in more detail below. Departments are required by the Skills Development Act to budget at least 1 per cent of their salary expenses on staff training, to cater for human resource development. The detail of departmental spending within each vote is provided in the departmental chapters in the *EPRE*.

Table 5.18 : Summary of provincial payments and estimates on training by vote

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
1. Office of the Premier	1 187	873	22 482	3 135	3 135	3 135	3 333	3 487	3 502
2. Provincial Legislature	1 599	3 362	3 576	3 133	3 733	3 733	3 937	4 584	3 466
3. Agriculture, Enviro Affairs and Rural Development	7 829	13 248	12 868	19 254	19 254	19 254	20 024	20 944	21 991
4. Economic Development and Tourism	866	14 350	14 246	2 410	15 309	15 284	16 894	17 556	18 486
5. Education	63 037	29 992	113 425	269 425	269 425	269 425	296 082	274 207	274 207
6. Provincial Treasury	485	2 085	1 572	1 835	1 835	1 885	2 545	2 344	2 448
7. Health	832 279	860 457	901 968	992 246	1 022 270	1 012 752	1 051 400	1 104 853	1 163 410
8. Human Settlements	462	249	437	2 770	2 450	2 450	2 877	2 810	2 770
9. Community Safety and Liaison	1 184	2 843	911	8 352	4 758	4 758	4 820	2 989	3 147
10. The Royal Household	3	44	-	-	-	-	-	-	-
11. Co-operative Governance and Traditional Affairs	2 249	882	1 783	750	1 400	1 400	1 835	1 872	1 965
12. Transport	14 148	6 447	7 792	7 416	7 416	7 416	7 825	8 294	8 734
13. Social Development	1 928	4 521	1 562	8 692	8 722	7 392	9 607	8 083	8 512
14. Public Works	3 526	2 766	4 788	5 533	5 533	4 972	8 376	8 742	8 947
15. Arts and Culture	1 349	1 068	1 040	1 511	1 552	1 700	1 110	1 122	1 135
16. Sport and Recreation	4 502	6 419	3 442	7 006	6 598	6 598	5 365	5 676	5 797
Total	936 633	949 606	1 091 892	1 333 468	1 373 390	1 362 154	1 436 030	1 467 563	1 528 517

The training costs against DOH include the costs of staff and other running costs within its training programme. The training provided is for medical interns, nurses, emergency medical rescue and ambulance personnel and skills development for all occupational categories in the department. The department has several training programmes aimed at developing and retaining skills. These include training at nursing colleges, the Cuban Doctors' programme, as well as registrar training programmes in respect of specialist medical training.

DOE's total training budget comprises the allocations for training and development and employees' bursaries and these increase steadily over the seven-year period.

DOT's costs on training relate to the training of *Zimbabwe* contractors, safety and compliance workers such as road safety education, traffic officers, and learnerships and mentorship for the *Vukuzakhe* projects. The decrease in the training budget in 2011/12 can be attributed to cost-cutting. The department reduced its training budget in order to undertake in-house training and capacity building. The increase from 2012/13 onward is mainly due to inflationary increases.

RHH is the only department that has not made provision for training from 2012/13 onward, pending the full establishment of the Royal Trust. The department spent R3 000 on training in 2010/11 and R44 000 in 2011/12. The high spending in 2011/12 is due to the high demand in that year.

Table 5.19 below provides the number of staff affected by the various training programmes and initiatives, at a provincially aggregated level. It also includes a gender breakdown, an indication of the types of training, as well as details of the number of bursaries and learnerships.

Table 5.19 : Information on training

	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Number of staff	204 120	206 542	208 647	215 616	215 715	215 892	216 560	216 421	216 683
Number of personnel trained	67 204	22 696	33 878	142 324	36 327	36 220	143 890	145 080	146 780
of which									
Male	26 506	7 762	10 622	50 327	12 096	12 039	50 822	53 297	53 757
Female	40 698	14 934	23 256	91 997	24 231	24 181	93 068	91 783	93 023
Number of training opportunities	16 706	19 021	18 581	48 111	19 164	19 136	61 323	73 128	74 168
of which									
Tertiary	2 028	1 970	2 126	5 841	2 348	2 343	6 660	7 125	7 248
Workshops	3 291	3 911	3 760	4 447	3 739	3 736	5 219	5 501	5 590
Seminars	193	286	418	355	429	424	421	543	593
Other	11 194	12 854	12 277	37 468	12 648	12 633	49 023	59 959	60 737
Number of bursaries offered	5 038	1 780	1 601	13 018	2 334	2 605	18 067	21 233	21 352
External	1 089	986	1 078	1 450	1 156	809	1 510	1 559	1 680
Internal	397	526	290	789	754	754	747	754	689
Number of bursaries offered	8 115	8 236	8 605	8 522	8 470	8 423	8 459	8 488	8 560
Number of interns appointed	-	-	-	-	-	-	-	-	-
Number of learnerships appointed	-	-	-	-	-	-	-	-	-
Number of days spent on training	-	-	-	-	-	-	-	-	-

6. MEASURING PERFORMANCE IN GOVERNMENT

Both the national and provincial government continue to place emphasis on the need to understand what the financial resources allocated in a financial year actually end up buying. As a result, measuring performance in government, as well as measuring the costs associated with service delivery, remains a focal point to ensure that value for money is pursued.

6.1 Provincial budget and programme structures and performance plan formats

The uniform budget and programme structures for departments are gazetted each year, as NT fulfils its Constitutional obligation and that of the PFMA to propose uniform budget and programme structures across all nine provinces for approval by the HODs and subsequent political endorsement. The collectively agreed uniform budget and programme structures are a joint project, involving the relevant provincial and national line function departments, and national and provincial treasuries. The agreed uniform budget and programme structures and the development of customised quarterly and annual performance measures, for most sectors, are significant steps toward improving the alignment of planning and budgeting on the one hand, and ensuring uniform reporting and greater comparability of efficiency, effectiveness and value for money between provinces on the other hand.

The availability of budget information according to uniform budget structures also enables national and provincial portfolio committees to improve the quality of their oversight role in provincial legislatures, and hold departments more accountable for performance.

Uniform budget and programme structures for 2014/15 are applicable to DOE, DOH, DSD, PT, Legislature, OTP, DAEARD, DOHS, DCSL, DEDT, COGTA, DOSR, DAC, DOPW and DOT. The budget and programme structures for these remain unchanged, except for DSD. The only department with no current uniform budget and programme structure is the RHH. Note that PT, DCSL and DOPW do not fully comply with the uniform budget and programme structure at this stage, and discussions with NT in this regard are on-going.

It was agreed not to exclude any future amendments to the budget structure, as these are dynamic and subject to policy developments within a sector. However, it was emphasised that any future amendments to the budget and programme structure would only be considered on recommendation of a forum of HODs, representing all line departments and their national counterparts.

The provincial budget reform programme previously outlined the guidelines for the format of provincial budget documents, and formats for Strategic Plans (SP) and Annual Performance Plans (APP) were issued annually and prescribed by NT. This has now changed with the National Department of Performance Monitoring and Evaluation (DPME) taking on this responsibility. For the 2014/15 MTEF however, the guidelines promulgated by NT remain in effect until DPME promulgate amended guidelines, in all probability after the 2014 national elections. The collectively agreed uniform budget and programme structures form the basis for inputs into departmental strategic and performance plans, as they relate to programme performance. The Framework for SPs and APPs was issued in 2009/10 and outlined key concepts to be included by departments and public entities with the preparation of SPs and APPs.

The framework provides a guide on how SPs and APPs should be developed, taking into consideration existing medium- to long-term policies, plans and the budget. The SP is a tool intended to assist departments and public entities to prioritise and plan the progressive implementation of other plans. Departments' SPs and APPs should be developed in line with the framework and it is important for departments and public entities to ensure that their budget plans are linked to different types of medium- and long-term plans, and this should specifically be reflected in the APPs. The focus is on activity-based costing, as a link is provided between budget and performance targets. In addition, from 2013/14 in KZN, the preparation of APPs is now done in alignment with the PGDP, and the co-ordination of this alignment is a joint responsibility between the Provincial Planning Commission, the OTP and PT.

The DOE, DOH, DSD, DOHS, DAEARD, DEDT, DOT, DOPW, DAC, DCSL, and DOSR will report on standardised sector-specific performance measures for 2014/15. These measures have to be included, as a

minimum, in the departments' APPs. The service delivery measures, as prescribed by the sector, are included in the *EPRE*, under the sections in the departmental chapters dealing with service delivery measures per programme. The intention of including such information in the budget is to improve transparency, and provide a basis for holding the provincial government accountable for its use of public resources. Note that there have been some changes made to the sector-specific performance measures in DOH, DSD, DCSL, DEDT, and DOPW.

The Legislature, PT, OTP, RHH, COGTA and the public entities will not report on customised performance measures in 2014/15 as there are no customised measures at this stage. However, the measures contained in these departments' APPs must be reported on.

6.2 Quarterly performance reporting (QPR)

The Framework for Managing Programme Performance Information outlines the links between the different accountability documents that departments are required to produce at each stage of the planning, budgeting, execution, reporting and evaluation cycle. It aims to help accounting officers and managers of departments to produce quality accountability documents that use performance information appropriately.

Previously, NT was the lead institution responsible for managing programme performance information. This function is now shifted to the Department of Performance Monitoring and Evaluation (DPME). SPs and APPs provide a basis for evaluating the organisational performance of public institutions. The QPR provides for monitoring the overall progress made with the implementation of the departments' performance plan, both on a quarterly and an annual basis, with particular reference to monitoring delivery against quarterly performance targets. The report provides the Executive Authority, DPME, NT and Provincial Treasuries with information on performance against plans, and acts as an enabling mechanism that allows the accounting officer to track progress against what has been planned and what is actually achieved in the form of service delivery outputs. The information contained in the QPR is ultimately consolidated into the performance section of the departments' annual reports. The quarterly performance reports for the second and third quarters provide information on the present year's performance to be taken into consideration in the development of the APP and annual budget for the following year. In 2013/14, the QPR data for DOH, DSD and DAEARD is published in a national gazette quarterly. The QPR data for the remaining sectors is published quarterly by PT on its website (www.kzntreasury.gov.za).

6.3 Performance audit of non-financial measures

During 2011/12, the A-G conducted a performance audit of a number of departments' and public entities' non-financial measures in order to determine the state of readiness of the province to comply with audit standards. Since then, the A-G has provided an opinion on non-financial, as well as financial records for each department and public entity as part of the annual audit process, and this will be continued in 2013/14. Part of the findings was that many of the measures did not meet the SMART principles, namely being specific, measurable, attainable, realistic and timely. Departments and public entities are encouraged to revisit all their measures (even sectoral measures) to ensure that they comply, in order to avoid negative audit opinions going forward.

Another area that was found to be weak was the amount of technical support provided by oversight departments such as PT and the OTP. This was addressed in 2012/13 (and carried through to 2013/14) with additional workshops for strategic planning and monitoring and evaluation staff within departments and public entities. The 2013/14 workshop hosted by PT was held in June 2013 and focussed on the technical completion and alignment of the APP with the *EPRE*. NT also attended this workshop and gave guidance on the completion of SPs and APPs. In 2013/14, in a follow up to the introduction of the PPC, the PGDP and Black Balance consortium in 2012/13, the strategic planning and monitoring and evaluation staff in all departments formed a technical committee to plan and evaluate the various steps envisaged in the PGDP related to the province's 30 to 60 year plans, and ensure APP alignment with the goals and objectives of the PGDP. PT continued to provide *ad hoc* support when requested by departments and public entities. NT was also available to assist in adding their support to this activity.

ANNEXURE – OVERVIEW OF PROVINCIAL REVENUE AND EXPENDITURE

Table 1.A : Details of provincial own receipts

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation 2013/14	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Tax receipts	1 439 970	1 637 846	1 771 278	1 802 409	1 802 409	1 871 166	1 998 720	2 164 519	2 309 353
Casino taxes	305 583	337 435	383 056	385 479	385 479	404 531	490 803	556 890	630 869
Horse racing taxes	45 857	68 422	64 674	68 203	68 203	69 097	81 902	91 337	101 859
Liquor licences	5 023	465	4 927	5 727	5 727	5 650	6 015	6 292	6 625
Motor vehicle licences	1 083 507	1 231 524	1 318 621	1 343 000	1 343 000	1 391 888	1 420 000	1 510 000	1 570 000
Sale of goods and services other than capital asset	326 565	383 949	405 979	394 090	394 090	410 903	420 744	443 084	467 523
Sale of goods and services produced by dept. (excl. capital assets)	324 746	382 888	405 426	393 073	393 073	410 022	419 881	442 218	466 612
Sales by market establishments	27 473	28 935	36 416	23 597	23 597	24 474	32 225	33 878	35 542
Administrative fees	36 621	39 548	42 673	42 095	42 095	42 777	50 562	52 840	56 059
Other sales	260 652	314 405	326 337	327 381	327 381	342 771	337 094	355 501	375 011
<i>of which</i>									
Health patient fees	93 452	105 344	118 243	132 021	132 021	131 883	127 906	134 361	141 691
Other	167 200	209 061	208 094	195 360	195 360	210 888	209 188	221 140	233 320
Sale of scrap, waste, arms and other used current goods (excluding capital assets)	1 819	1 061	553	1 017	1 017	881	863	865	911
Transfers received from:	1 255	459	1 060	-	-	-	-	-	-
Other governmental units	-	409	1 000	-	-	-	-	-	-
Universities and technikons	-	-	-	-	-	-	-	-	-
Foreign governments	1 255	-	-	-	-	-	-	-	-
International organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	50	60	-	-	-	-	-	-
Households and non-profit institutions	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	50 989	45 352	51 127	45 121	45 121	40 949	25 617	28 123	30 630
Interest, dividends and rent on land	34 598	303 685	274 118	201 270	201 270	251 921	267 419	284 778	303 277
Interest	33 987	301 022	272 188	200 990	200 990	251 575	267 117	284 452	302 932
Dividends	434	2 495	1 842	190	190	236	204	218	230
Rent on land	177	168	88	90	90	110	98	108	115
Sale of capital assets	18 296	18 109	44 100	20 840	20 840	21 686	19 516	19 536	20 596
Land and subsoil assets	7 581	304	18 520	12 000	12 000	3 830	10 000	10 000	10 530
Other capital assets	10 715	17 805	25 580	8 840	8 840	17 856	9 516	9 536	10 066
Transactions in financial assets and liabilities	169 691	337 559	94 821	41 685	41 685	59 766	51 628	54 238	57 406
Total	2 041 364	2 726 959	2 642 483	2 505 415	2 505 415	2 656 391	2 783 644	2 994 279	3 188 784

Table 1.B : Details of payments and estimates by economic classification

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Current payments	52 487 313	61 912 638	66 761 885	72 214 908	72 331 275	72 736 985	77 580 813	82 473 175	86 886 664
Compensation of employees	39 312 068	46 035 829	49 717 567	52 761 916	54 188 164	54 624 595	58 348 963	62 403 830	65 970 185
Salaries and wages	32 571 132	38 181 636	42 979 465	43 312 009	44 718 242	48 393 691	48 069 703	51 347 156	54 251 911
Social contributions	6 740 936	7 854 193	6 738 102	9 449 907	9 469 922	6 230 904	10 279 260	11 056 674	11 718 274
Goods and services	13 159 096	15 875 246	17 043 635	19 444 084	18 140 152	18 108 426	19 224 082	20 059 113	20 905 705
Administrative fees	29 052	36 800	26 025	17 208	18 620	25 812	19 961	20 505	21 515
Advertising	87 633	144 141	148 172	125 587	158 996	162 758	145 915	152 633	140 385
Assets less than the capitalisation threshold	118 110	218 362	271 305	323 575	224 464	144 435	221 682	229 020	226 234
Audit cost: External	85 989	67 671	62 982	103 476	64 027	125 813	73 670	77 198	80 657
Bursaries: Employees	33 174	28 886	38 447	64 115	43 647	72 558	24 684	14 151	14 955
Catering: Departmental activities	107 787	134 703	133 788	148 783	153 729	122 164	143 412	157 219	145 147
Communication (G&S)	286 215	265 030	292 941	269 830	247 478	279 403	265 803	269 179	292 917
Computer services	370 370	435 445	474 652	555 945	563 872	570 192	551 667	514 412	519 119
Cons & prof serv: Business and advisory services	653 203	588 137	734 431	1 278 595	954 439	1 021 493	1 047 353	942 949	987 380
Cons & prof serv: Infrans and planning	143 514	102 616	179 161	301 497	297 118	293 747	307 950	287 799	284 453
Cons & prof serv: Laboratory services	408 384	568 743	539 951	615 132	613 392	596 525	709 811	720 372	820 392
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	4	-	-
Cons & prof serv: Legal costs	36 437	64 341	49 958	52 862	62 327	64 236	51 666	53 960	57 499
Contractors	1 804 862	1 696 285	1 701 165	2 267 309	1 786 438	1 766 713	2 491 519	2 329 947	2 446 609
Agency and support / outsourced services	1 866 361	2 376 337	2 288 759	2 561 476	2 652 108	2 655 633	2 389 161	2 494 198	2 611 413
Entertainment	1 442	2 372	819	4 543	5 421	6 513	4 676	4 340	4 831
Fleet services (incl. govt motor transport)	150 169	210 172	382 111	120 264	318 457	355 167	382 690	397 589	416 636
Housing	52	36	-	33	33	11 072	50	36	38
Inventory: Clothing material and accessories	-	-	-	-	10 487	11 310	2 152	1 908	1 896
Inventory: Farming supplies	-	-	-	-	42	190	79 589	83 568	87 997
Inventory: Food and food supplies	137 633	143 299	121 002	138 485	126 201	128 157	199 136	208 188	219 046
Inventory: Fuel, oil and gas	208 750	271 622	260 342	485 189	269 752	307 546	250 836	267 274	281 895
Inventory: Learner and teacher support material	454 053	605 793	490 941	881 362	721 187	563 320	723 296	893 790	893 756
Inventory: Materials and supplies	86 083	45 329	75 523	68 494	61 914	55 184	58 845	63 012	67 656
Inventory: Medical supplies	922 870	1 207 823	1 285 569	1 270 948	1 277 474	1 285 911	1 349 894	1 481 819	1 438 589
Inventory: Medicine	1 871 642	1 879 789	2 363 384	2 525 357	2 401 599	2 605 909	2 736 619	3 053 886	3 494 994
Medcass inventory interface	-	-	-	-	6	6	-	-	-
Inventory: Other supplies	23	-	60 887	-	558	25 902	1 500	1 558	1 641
Consumable supplies	509 581	574 295	563 913	657 871	630 501	572 625	538 279	555 837	582 047
Consumable: Stationery, printing and office supplies	192 074	249 756	253 570	286 959	228 039	231 495	262 750	283 507	241 099
Operating leases	388 774	334 396	638 079	336 512	394 682	347 221	410 801	423 157	422 133
Property payments	1 088 981	1 592 829	1 680 510	1 753 307	1 624 020	1 682 551	1 527 147	1 682 092	1 658 757
Transport provided: Departmental activity	88 560	140 324	184 165	280 240	312 087	288 770	317 275	328 956	340 155
Travel and subsistence	538 554	769 389	767 709	687 003	704 069	781 088	708 753	789 315	753 915
Training and development	106 583	118 438	190 545	348 007	277 981	121 989	275 744	307 390	337 866
Operating payments	196 189	228 069	200 612	210 673	189 670	181 844	196 909	194 965	194 045
Venues and facilities	128 292	225 294	199 173	163 280	202 090	209 031	154 678	165 166	176 802
Rental and hiring	57 701	548 725	385 044	540 167	543 227	434 140	598 209	608 218	641 238
Interest and rent on land	16 149	1 563	683	8 908	2 959	3 965	7 768	10 232	10 774
Interest	16 149	1 563	626	8 908	2 959	3 965	7 768	10 232	10 774
Rent on land	-	-	57	-	-	-	-	-	-
Transfers and subsidies to	9 228 387	9 529 723	10 279 444	10 105 357	10 607 364	10 656 684	10 884 345	10 992 188	11 446 812
Provinces and municipalities	1 447 500	1 160 371	1 310 668	1 096 213	1 360 262	1 365 260	1 225 106	1 245 389	1 374 515
Provinces	6 504	6 337	9 989	10 786	10 692	9 706	10 764	11 295	11 823
Provincial Revenue Funds	-	-	1	-	-	-	-	-	-
Provincial agencies and funds	6 504	6 337	9 988	10 786	10 692	9 706	10 764	11 295	11 823
Municipalities	1 440 996	1 154 034	1 300 679	1 085 427	1 349 570	1 355 554	1 214 342	1 234 094	1 362 692
Municipalities	1 440 996	1 119 024	1 281 408	1 083 043	1 345 855	1 345 862	1 213 842	1 233 594	1 362 692
Municipal agencies and funds	-	35 010	19 271	2 384	3 715	9 692	500	500	-
Departmental agencies and accounts	1 301 072	1 338 110	1 564 133	1 857 178	1 825 637	1 838 427	1 892 288	1 885 053	2 006 737
Social security funds	460	512	1	568	568	490	134	118	452
Entities receiving funds	1 300 612	1 337 598	1 564 132	1 856 610	1 825 069	1 837 937	1 892 154	1 884 935	2 006 285
Higher education institutions	-	-	57	-	2 780	3 250	-	-	-
Foreign governments and international organisations	410	173	233	189	803	803	198	207	217
Public corporations and private enterprises	1 238 657	1 160 670	1 212 552	1 248 305	1 267 054	1 328 072	1 243 730	1 322 056	1 338 373
Public corporations	1 238 639	1 160 670	1 190 564	1 248 281	1 244 281	1 305 299	1 242 705	1 320 830	1 337 146
Subsidies on production	715 294	773 473	808 877	852 325	852 325	913 343	904 783	945 972	995 610
Other transfers	523 345	387 197	381 687	395 956	391 956	391 956	337 922	374 858	341 536
Private enterprises	18	-	21 988	24	22 773	22 773	1 025	1 226	1 227
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	18	-	21 988	24	22 773	22 773	1 025	1 226	1 227
Non-profit institutions	2 569 130	2 903 181	3 169 560	2 885 520	2 905 373	2 808 183	3 121 422	3 038 323	3 051 251
Households	2 671 618	2 967 218	3 022 241	3 017 952	3 245 455	3 312 689	3 401 601	3 501 160	3 675 719
Social benefits	151 366	230 021	201 718	149 049	158 482	213 257	167 811	183 776	193 138
Other transfers to households	2 520 252	2 737 197	2 820 523	2 868 903	3 086 973	3 099 432	3 233 790	3 317 384	3 482 581
Payments for capital assets	5 438 903	7 109 627	8 522 689	7 393 389	8 268 090	8 376 089	8 142 008	8 954 251	7 280 273
Buildings and other fixed structures	4 973 729	5 893 494	7 510 422	6 271 741	7 414 222	7 619 108	7 393 372	8 139 966	6 251 658
Buildings	2 851 261	3 405 076	4 445 974	3 654 957	4 203 465	4 228 350	4 213 458	4 806 026	2 751 391
Other fixed structures	2 122 468	2 488 418	3 064 448	2 616 784	3 210 757	3 390 758	3 179 914	3 333 880	3 500 267
Machinery and equipment	449 348	1 159 438	953 271	1 108 078	832 153	733 935	730 902	799 032	1 012 672
Transport equipment	152 387	339 298	341 188	289 814	291 156	263 646	309 582	377 946	391 137
Other machinery and equipment	296 961	820 140	612 083	818 264	540 997	470 289	421 320	421 086	621 535
Heritage assets	323	1 819	10 794	4 865	8 815	8 815	5 000	4 000	4 212
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	222	7 354	9 542	553	553	553	586	609	641
Land and sub-soil assets	798	26 455	7 018	-	71	71	-	-	-
Software and other intangible assets	14 483	21 067	31 642	8 152	12 276	13 607	12 148	10 704	11 090
Payments for financial assets	445 440	26 265	11 058	2 500	2 511	3 069	2 500	4 694	-
Total	67 600 043	78 578 253	85 575 076	89 716 154	91 209 240	91 772 827	96 609 666	102 424 308	105 613 749
Statutory payments	62 681	65 601	67 160	76 050	76 050	76 050	108 468	84 321	88 790
Total (including statutory payments)	67 662 724	78 643 854	85 642 236	89 792 204	91 285 290	91 848 877	96 718 134	102 508 629	105 702 539

Table 1.C : Information relating to conditional grants

Vote and Grant	2010/11		2011/12		2012/13		2013/14		2014/15		2015/16		2016/17	
	Adjusted appropriation	Actual transfer	Adjusted appropriation	Actual transfer	Adjusted appropriation	Actual transfer	Adjusted appropriation	Actual transfer	Adjusted appropriation	Actual transfer	Revised estimate	Revised exp estimate	Medium-term estimates	Medium-term estimates
R thousand														
Vote 3 - Agric, Environ, Affairs and Rural Dev														
Land Care Programme grant	186 090	174 525	185 614	242 251	242 022	274 463	274 976	274 480	287 586	287 586	311 587	287 433	284 566	
Comprehensive Agricultural Support Programme grant	8 721	8 721	8 745	9 244	9 015	21 009	16 242	16 046	18 746	18 746	10 854	10 867	11 407	
Ilmalaisema Projects grant	147 369	135 804	147 369	164 691	164 691	63 000	63 000	63 000	66 768	66 768	69 083	71 549	66 956	
EPWP Integrated Grant for Provinces	30 000	30 000	30 000	8 316	8 316	9 708	9 708	9 708	550	550	19 008	-	-	
Vote 4 - Economic Development and Tourism														
EPWP Integrated Grant for Provinces	-	-	-	536	-	1 000	1 000	1 000	1 000	-	-	-	-	
Vote 5 - Education														
Education Infrastructure grant	2 598 423	2 598 423	2 590 137	3 210 572	3 180 057	3 626 984	3 529 349	3 050 120	3 069 544	3 138 130	3 689 699	1 878 094		
HIV and AIDS (Life-Skills Education) grant	1 035 501	1 035 501	1 035 501	1 175 956	1 175 956	1 413 001	1 413 001	1 247 477	1 306 421	1 365 781	1 893 881	-		
National School Nutrition Programme (NSNP) grant	42 686	42 686	39 998	45 114	45 114	48 806	48 806	48 634	48 634	52 261	51 255	54 035		
FET College Sector grant	855 285	855 285	753 716	1 144 368	1 144 368	1 247 477	1 151 644	1 086 489	1 295 705	1 237 534	1 287 034	1 365 247		
Technical Secondary Schools Recapitalisation grant	649 177	649 177	705 683	765 537	765 537	858 862	869 050	327 268	292 894	351 475	376 483	397 242		
EPWP Integrated Grant for Provinces	15 274	15 274	15 039	38 563	36 762	42 291	40 490	32 976	46 583	45 280	47 499	50 017		
Dinalled Schools grant	500	500	500	1 000	1 000	1 000	895	3 000	3 000	2 070	19 568	20 468	21 563	
OSD for Education Therapists	-	-	-	12 320	12 320	17 547	17 546	17 079	18 509	18 509	41 581	13 079	-	
Social Sector EPWP Incentive Grant for Provinces	-	-	-	536	-	1 000	1 000	1 000	1 000	-	2 980	-	-	
Vote 6 - Provincial Treasury														
Infrastructure Grant to Provinces	1 634	1 634	1 634	-	-	-	-	-	-	-	2 000	-	-	
Vote 7 - Health														
Health Professions Training and Development grant	3 924 609	3 924 609	3 575 732	4 517 043	4 453 090	5 007 983	5 023 849	5 007 983	5 444 245	6 228 886	6 850 880	6 343 324		
Health Facility Revitalisation grant	235 771	235 771	235 771	249 917	249 917	249 917	261 860	261 860	276 262	292 837	306 308	322 542		
National Tertiary Services grant	901 053	901 053	578 019	970 122	906 669	948 318	1 076 512	1 072 531	1 162 469	1 162 469	1 090 431	-		
Comprehensive HIV and AIDS grant	1 102 865	1 102 865	1 102 517	1 201 831	1 201 831	1 323 114	1 323 114	1 415 731	1 415 731	1 496 427	1 565 263	1 648 222		
Forensic Pathology Services grant	1 518 811	1 518 811	1 500 926	1 907 312	1 889 427	2 575	2 225 423	2 226 708	2 652 072	3 257 992	3 874 085	4 366 983		
Social Sector EPWP Incentive Grant for Provinces	152 406	152 406	152 406	161 550	161 550	536	-	-	-	-	-	-		
EPWP Integrated Grant for Provinces	2 676	2 676	2 555	536	536	25 775	25 775	-	-	-	2 581	-		
National Health Insurance grant	11 307	11 307	2 555	-	-	-	33 000	1 000	3 000	2 580	-	-		
AFCON: Medical Services grant	-	-	-	-	536	-	-	17 115	24 649	14 000	14 793	15 577		
Vote 8 - Human Settlements														
Human Settlements Development grant	2 845 526	2 768 502	2 845 033	2 801 547	2 772 654	2 942 934	2 915 297	3 047 414	3 275 584	3 273 045	3 313 983	3 547 298		
Housing Disaster Relief grant	2 711 133	2 634 100	2 711 233	2 769 871	2 770 463	2 915 297	2 915 297	3 049 774	3 275 584	3 273 045	3 313 983	3 547 298		
EPWP Integrated Grant for Provinces	133 800	133 800	133 800	31 140	2 361	27 637	-	-	-	-	-	-		
Vote 9 - Community Safety and Liaison														
Social Sector EPWP Incentive Grant for Provinces	593	593	-	536	-	1 673	-	792	5 369	5 369	3 471	-		
Vote 11 - Co-op Governance and Traditional Affairs														
EPWP Integrated Grant for Provinces	-	-	-	-	-	-	-	-	-	-	-	-		
Vote 12 - Transport														
Transport Disaster Management grant	2 040 937	2 040 905	2 041 644	2 157 273	2 157 272	2 157 272	2 373 740	2 394 259	2 464 340	2 525 358	2 937 722	3 082 273		
Public Transport Operations grant	714 587	714 587	715 294	773 474	773 473	773 473	808 279	808 877	852 325	913 343	945 972	995 610		
EPWP Integrated Grant for Provinces	153 862	153 130	153 862	117 415	117 415	117 415	64 290	84 211	88 487	58 443	59 443	-		
Provincial Roads Maintenance grant	988 990	988 990	988 990	1 236 648	1 236 648	1 174 415	1 501 171	1 501 171	1 523 528	1 523 528	1 788 158	1 986 750		
Provincial Disaster Relief grant	214 398	214 398	214 398	48 971	49 444	1 236 648	-	-	-	-	-	-		
Vote 13 - Social Development														
Social Sector EPWP Incentive Grant for Provinces	2 700	2 700	2 700	4 494	3 821	674	-	674	14 610	14 610	5 746	-		
EPWP Integrated Grant for Provinces	-	-	-	4 494	3 821	674	-	674	14 610	14 610	2 000	-		
Vote 14 - Public Works														
Devolution of Property Rate Funds Grant to Provinces	714 031	713 331	510 352	507 841	494 163	552 608	552 608	407 735	3 000	3 000	3 168	-		
EPWP Integrated Grant for Provinces	710 068	709 891	509 939	505 880	489 480	551 100	551 100	402 443	3 000	3 000	3 168	-		
Vote 15 - Arts and Culture														
Community Library Services grant	43 274	38 282	41 261	48 971	49 444	48 619	48 619	48 633	63 145	63 145	122 754	159 696		
EPWP Integrated Grant for Provinces	43 274	38 282	41 261	48 971	49 444	48 619	48 619	48 633	63 145	63 145	122 754	159 696		
Vote 16 - Sport and Recreation														
Mass Sport and Recreation Participation Programme	94 214	90 756	93 714	87 694	87 694	91 548	91 548	83 760	84 760	84 760	95 595	89 280		
EPWP Integrated Grant for Provinces	93 714	90 256	93 714	87 694	87 694	90 548	90 548	79 883	79 883	79 883	85 435	89 280		
Social Sector EPWP Incentive Grant for Provinces	500	500	-	1 000	1 000	1 000	1 000	1 000	550	550	2 102	8 058		
Total conditional grants	12 451 438	12 353 267	11 847 921	13 578 698	13 440 417	10 925 501	14 806 686	14 606 982	14 695 309	14 584 429	15 184 336	15 941 448	17 323 693	15 938 572

Table 1.D(i) : Summary of provincial infrastructure payments and estimates by category and Vote

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
New and replacement assets									
Vote 1: Office of the Premier	-	-	-	-	-	-	15 697	16 417	17 288
Vote 2: Provincial Legislature	-	-	-	-	-	-	-	-	-
Vote 3: Agric., Enviro. Affairs & Rural Dev	16 002	43 553	95 105	48 096	44 096	49 820	59 481	53 326	56 152
Vote 4: Economic Dev & Tourism	741	-	-	-	-	-	-	-	-
Vote 5: Education	346 774	723 791	1 031 326	830 937	830 937	830 937	1 188 830	1 394 244	127 269
Vote 6: Provincial Treasury	-	-	-	-	-	-	-	-	-
Vote 7: Health	405 893	856 919	654 434	379 082	343 742	343 742	382 023	544 731	-
Vote 8: Human Settlements	27 477	11 099	1 009	15 000	14 892	14 892	64 670	-	-
Vote 9: Community Safety and Liaison	-	-	-	-	-	312	-	-	-
Vote 10: Royal Household	-	-	-	-	-	-	-	-	-
Vote 11: Co-operative Gov and Traditional Affairs	7 764	3 782	18 270	13 250	25 488	25 488	47 730	53 839	70 948
Vote 12: Transport	412 100	392 051	425 951	432 573	432 573	432 573	356 343	368 517	388 048
Vote 13: Social Development	54 192	122 616	132 572	141 021	125 115	93 575	93 127	97 100	90 694
Vote 14: Public Works	31 032	19 606	13 387	16 144	5 495	5 495	15 422	14 109	600 000
Vote 15: Arts and Culture	52 604	34 576	21 059	36 719	32 204	31 366	61 162	115 580	81 879
Vote 16: Sport and Recreation	8 400	10 940	15 078	32 380	32 830	32 830	38 178	20 905	21 818
Sub-total: New infrastructure	1 362 979	2 218 933	2 408 191	1 945 202	1 887 372	1 861 030	2 322 663	2 678 768	1 454 096
Upgrades and additions									
Vote 1: Office of the Premier	-	-	-	-	-	-	-	-	-
Vote 2: Provincial Legislature	-	138	2 853	767	4 067	4 067	813	850	895
Vote 3: Agric., Enviro. Affairs & Rural Dev	-	-	-	-	-	-	-	-	-
Vote 4: Economic Dev & Tourism	-	-	-	-	-	-	-	-	-
Vote 5: Education	819 119	705 124	976 843	1 100 675	1 100 675	1 100 675	795 334	1 460 828	1 542 396
Vote 6: Provincial Treasury	-	-	-	-	-	-	-	-	-
Vote 7: Health	340 102	399 883	1 015 627	438 363	904 757	902 846	758 765	449 385	54 731
Vote 8: Human Settlements	-	-	-	-	-	-	-	-	-
Vote 9: Community Safety and Liaison	-	-	-	-	-	-	-	-	-
Vote 10: Royal Household	-	-	-	-	-	-	-	-	-
Vote 11: Co-operative Gov and Traditional Affairs	-	-	-	-	-	-	-	-	-
Vote 12: Transport	1 121 335	1 390 547	1 739 158	1 326 432	1 648 047	1 842 352	1 704 282	1 843 054	1 962 786
Vote 13: Social Development	18 110	10 115	8 861	36 347	36 347	37 327	12 878	13 781	14 746
Vote 14: Public Works	23 384	11 691	52 057	45 335	60 736	60 736	52 930	54 881	76 993
Vote 15: Arts and Culture	1 115	1 422	9 438	16 500	16 500	16 500	15 800	18 072	10 128
Vote 16: Sport and Recreation	-	-	-	-	-	-	-	-	-
Sub-total: Upgrading and additions	2 323 165	2 518 920	3 804 837	2 964 419	3 771 129	3 964 503	3 340 802	3 840 851	3 662 675
Rehabilitation, renovations and refurbishments									
Vote 1: Office of the Premier	-	-	5	-	5 701	5 701	-	-	-
Vote 2: Provincial Legislature	-	-	-	-	-	-	-	-	-
Vote 3: Agric., Enviro. Affairs & Rural Dev	28 736	53 070	59 974	96 772	96 772	96 772	81 206	85 016	89 522
Vote 4: Economic Dev & Tourism	-	-	-	-	-	-	-	-	-
Vote 5: Education	670 403	668 822	434 306	448 506	456 080	456 080	588 772	431 978	15 190
Vote 6: Provincial Treasury	-	-	-	-	-	-	-	-	-
Vote 7: Health	83 083	105 042	220 027	326 287	322 085	322 085	168 795	85 887	-
Vote 8: Human Settlements	-	-	1 852	60 464	34 253	30 745	40 465	20 464	20 500
Vote 9: Community Safety and Liaison	-	-	-	-	-	-	-	-	-
Vote 10: Royal Household	259	2 527	12 738	12 866	16 332	16 716	1 063	1 112	1 171
Vote 11: Co-operative Gov and Traditional Affairs	4 221	12 843	5 955	7 000	11 000	11 000	12 173	6 825	7 664
Vote 12: Transport	524 907	592 325	736 105	666 645	939 645	939 645	886 660	981 867	1 000 946
Vote 13: Social Development	-	7 178	15 974	-	-	16 873	-	-	-
Vote 14: Public Works	11 500	11 372	11 442	21 360	18 408	18 408	10 582	10 258	-
Vote 15: Arts and Culture	14 768	10 083	4 963	-	798	1 636	-	-	-
Vote 16: Sport and Recreation	-	-	-	-	-	-	-	-	-
Sub-total: Rehabilitation and refurbishment	1 337 877	1 463 262	1 503 341	1 639 900	1 901 074	1 915 661	1 789 716	1 623 407	1 134 993

Table 1.D(ii) : Summary of provincial infrastructure payments and estimates by category and Vote

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Maintenance and repairs									
Vote 1: Office of the Premier	700	1 905	4 342	13 300	3 300	3 300	1 400	1 464	1 541
Vote 2: Provincial Legislature	2 652	1 376	1 943	3 652	7 157	7 157	3 872	4 050	4 095
Vote 3: Agric., Enviro. Affairs & Rural Dev	19 627	13 725	21 639	22 829	22 829	22 829	24 199	25 312	26 654
Vote 4: Economic Dev & Tourism	-	-	-	-	-	-	-	-	-
Vote 5: Education	83 947	100 346	253 554	211 300	211 300	170 988	149 412	206 764	95 553
Vote 6: Provincial Treasury	-	-	-	-	-	-	-	-	-
Vote 7: Health	253 132	423 950	439 636	412 397	328 430	328 430	232 193	197 040	155 264
Vote 8: Human Settlements	34 000	48 816	28 362	17 400	21 612	25 120	10 051	10 160	12 104
Vote 9: Community Safety and Liaison	-	-	-	-	-	-	-	-	-
Vote 10: Royal Household	738	1 500	3 528	500	500	565	500	530	562
Vote 11: Co-operative Gov and Traditional Affairs	392	-	-	-	-	-	-	-	-
Vote 12: Transport	2 004 952	2 388 729	2 666 236	3 392 178	2 785 171	2 592 607	3 759 593	3 783 118	4 069 620
Vote 13: Social Development	7 345	5 068	16 139	34 414	34 414	21 655	16 307	17 057	17 961
Vote 14: Public Works	8 062	8 924	11 113	8 000	8 000	8 000	8 100	8 125	8 125
Vote 15: Arts and Culture	-	-	-	-	-	-	-	-	-
Vote 16: Sport and Recreation	1 556	1 745	157	2 282	-	-	-	-	-
Sub-total: Maintenance and repair	2 417 103	2 996 084	3 446 649	4 118 252	3 422 713	3 180 651	4 205 627	4 253 620	4 391 479
Infrastructure transfers - current									
Vote 1: Office of the Premier	-	-	-	-	-	-	-	-	-
Vote 2: Provincial Legislature	-	-	-	-	-	-	-	-	-
Vote 3: Agric., Enviro. Affairs & Rural Dev	-	8 259	-	-	-	-	-	-	-
Vote 4: Economic Dev & Tourism	-	-	-	-	-	-	-	-	-
Vote 5: Education	-	-	-	-	-	-	-	-	-
Vote 6: Provincial Treasury	-	-	-	-	-	-	-	-	-
Vote 7: Health	-	-	-	-	-	-	-	-	-
Vote 8: Human Settlements	60 000	60 000	60 000	52 000	14 500	14 500	50 881	66 962	145 000
Vote 9: Community Safety and Liaison	-	-	-	-	-	-	-	-	-
Vote 10: Royal Household	-	-	-	-	-	-	-	-	-
Vote 11: Co-operative Gov and Traditional Affairs	-	-	-	-	-	-	-	-	-
Vote 12: Transport	-	-	-	-	-	-	-	-	-
Vote 13: Social Development	-	-	-	-	-	-	-	-	-
Vote 14: Public Works	-	-	-	-	-	-	-	-	-
Vote 15: Arts and Culture	-	-	-	-	-	-	-	-	-
Vote 16: Sport and Recreation	-	3 300	4 950	4 950	3 300	3 300	3 300	4 950	6 600
Sub-total: Infrans transfers - current	60 000	71 559	64 950	56 950	17 800	17 800	54 181	71 912	151 600
Infrastructure transfers - capital									
Vote 1: Office of the Premier	-	-	-	-	-	-	-	-	-
Vote 2: Provincial Legislature	-	-	-	-	-	-	-	-	-
Vote 3: Agric., Enviro. Affairs & Rural Dev	-	-	-	-	4 000	4 000	-	-	-
Vote 4: Economic Dev & Tourism	651 927	470 529	415 613	599 655	559 655	559 655	655 747	722 459	718 629
Vote 5: Education	-	-	-	-	-	-	-	-	-
Vote 6: Provincial Treasury	5 435	31 264	28 012	20 677	39 754	39 754	8 000	10 062	-
Vote 7: Health	-	10 000	20 000	20 000	20 000	20 000	-	-	-
Vote 8: Human Settlements	120 000	-	95 000	100 000	100 000	100 000	-	-	-
Vote 9: Community Safety and Liaison	-	-	-	-	-	-	-	-	-
Vote 10: Royal Household	-	-	-	-	-	-	-	-	-
Vote 11: Co-operative Gov and Traditional Affairs	-	6 000	-	-	-	-	-	-	-
Vote 12: Transport	-	-	-	-	-	-	-	-	-
Vote 13: Social Development	-	35 000	-	-	-	-	-	-	-
Vote 14: Public Works	-	-	-	-	-	-	-	-	-
Vote 15: Arts and Culture	421	6 409	18 176	17 100	14 717	14 717	17 050	3 500	3 685
Vote 16: Sport and Recreation	8 197	14 924	13 650	14 420	18 585	18 585	48 900	18 900	16 800
Sub-total: Infrans transfers - capital	785 980	574 126	590 451	771 852	756 711	756 711	729 697	754 921	739 114
Total	8 287 104	9 842 884	11 818 419	11 496 575	11 756 799	11 696 356	12 442 687	13 223 479	11 533 957

Table 1.E : Summary of transfers to municipalities

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2009/10	2010/11	2011/12				2012/13	2013/14	2014/15
A KZN2000 eThekweni	614 085	356 930	495 122	652 609	694 568	694 568	648 506	668 623	784 441
Total: Ugu Municipalities	86 426	43 323	52 565	25 224	61 571	61 571	40 966	41 301	38 963
B KZN211 Vulamehlo	1 776	2 365	2 114	1 382	2 757	2 757	1 472	1 567	1 669
B KZN212 Umdoni	5 107	13 332	5 435	4 844	20 979	20 979	5 052	5 360	5 866
B KZN213 Umzumbe	2 787	2 580	1 932	1 502	1 502	1 502	4 350	1 701	1 814
B KZN214 uMuziwabantu	6 730	3 693	8 228	2 873	10 590	10 590	2 983	3 012	3 419
B KZN215 Ezingolweni	5 857	438	1 209	748	2 563	2 563	932	828	1 094
B KZN216 Hibiscus Coast	8 893	11 310	20 217	10 406	17 180	17 180	12 867	14 662	14 701
C DC21 Ugu District Municipality	55 276	9 605	13 430	3 469	6 000	6 000	13 310	14 171	10 400
Total: uMgungundlovu Municipalities	139 128	137 020	151 548	105 500	209 788	209 788	162 062	161 064	167 292
B KZN221 uMshwathi	7 822	9 180	7 498	9 788	10 281	10 281	11 022	11 215	12 153
B KZN222 uMngeni	11 036	10 612	11 142	12 629	29 830	29 830	14 493	16 380	16 495
B KZN223 Mpofana	1 704	2 746	1 373	1 720	2 745	2 745	1 961	2 077	2 417
B KZN224 Impendle	1 996	11 818	6 044	989	10 656	10 656	826	874	1 143
B KZN225 Msunduzi	92 859	75 234	97 990	74 712	120 049	120 049	99 799	105 267	101 169
B KZN226 Mkhambathini	2 332	2 161	977	1 411	25 307	25 307	1 493	1 588	1 902
B KZN227 Richmond	10 466	242	2 613	782	9 820	9 820	3 114	913	1 182
C DC22 uMgungundlovu District Municipality	10 913	25 027	23 911	3 469	1 100	1 100	29 354	22 750	30 831
Total: Uthukela Municipalities	63 095	82 237	97 647	32 394	56 226	62 203	39 499	59 063	58 931
B KZN232 Emnambithi/Ladysmith	31 722	36 409	34 234	17 625	35 470	35 470	20 589	20 922	22 525
B KZN233 Indaka	1 474	1 696	1 313	2 099	1 896	1 896	2 277	2 231	2 557
B KZN234 Umfshazi	8 985	13 769	15 821	6 190	14 655	14 655	6 742	6 921	7 477
B KZN235 Okhahlamba	8 244	3 926	14 452	1 826	2 272	8 249	2 021	2 119	2 444
B KZN236 Imbabazane	1 270	1 631	2 093	2 186	1 933	1 933	2 020	2 120	2 442
C DC23 Uthukela District Municipality	11 400	24 806	29 734	2 468	-	-	5 850	24 750	21 486
Total: Umzinyathi Municipalities	60 675	51 431	46 964	29 388	33 839	33 839	37 345	50 165	53 948
B KZN241 Endumeni	22 308	10 923	10 238	13 355	12 774	12 774	13 055	14 684	16 546
B KZN242 Ngquthu	10 026	13 987	9 593	9 058	11 330	11 330	8 896	9 669	10 335
B KZN244 Msinga	10 069	7 163	4 241	2 652	4 318	4 318	3 442	3 449	3 829
B KZN245 Umvoti	3 714	6 650	6 487	4 070	4 917	4 917	4 402	4 613	5 051
C DC24 Umzinyathi District Municipality	14 558	12 708	16 405	253	500	500	7 550	17 750	18 187
Total: Amajuba Municipalities	21 281	26 586	79 502	16 712	21 660	21 660	29 977	31 461	24 111
B KZN252 Newcastle	8 587	20 216	31 456	12 561	16 536	16 536	15 225	24 274	16 146
B KZN253 eMahlangueni	5 077	1 720	2 400	2 216	3 290	3 290	2 043	2 143	2 465
B KZN254 Dannhauser	788	1 235	26 787	1 682	1 834	1 834	1 709	1 794	2 100
C DC25 Amajuba District Municipality	6 829	3 415	18 919	253	-	-	11 000	3 250	3 400
Total: Zululand Municipalities	49 365	73 686	99 950	24 062	57 439	57 439	42 264	33 857	49 477
B KZN261 eDumbe	9 414	4 375	5 331	5 050	3 928	3 928	5 427	5 525	6 002
B KZN262 uPhongolo	2 318	7 017	15 438	4 290	8 821	8 821	4 405	4 462	4 892
B KZN263 Abaqulusi	3 150	15 982	21 161	8 116	20 297	20 297	10 101	6 574	7 118
B KZN265 Nongoma	1 381	604	3 976	1 012	4 818	4 818	3 811	3 834	4 232
B KZN266 Ulundi	8 026	8 309	13 691	1 486	17 333	17 333	11 541	11 397	12 136
C DC26 Zululand District Municipality	25 076	37 399	40 353	4 108	2 242	2 242	6 979	2 065	15 097
Total: Umkhanyakude Municipalities	74 722	73 729	53 135	19 840	20 338	20 338	20 200	24 333	24 413
B KZN271 Umhlabyalingana	12 106	6 986	8 392	5 866	6 185	6 185	8 096	6 286	6 580
B KZN272 Jozini	9 646	3 314	8 255	2 832	5 565	5 565	2 984	2 973	3 114
B KZN273 The Big Five False Bay	1 773	2 665	1 797	1 753	1 931	1 931	1 620	1 702	1 784
B KZN274 Hlabisa	8 446	2 683	2 549	1 742	3 048	3 048	1 950	1 893	1 985
B KZN275 Mtubatuba	12 966	4 396	3 694	3 849	3 359	3 359	5 300	3 379	3 550
C DC27 Umkhanyakude District Municipality	29 785	53 685	28 448	3 798	250	250	250	8 100	7 400
Total: uThungulu Municipalities	56 064	83 039	95 624	99 319	75 746	75 746	98 101	61 183	74 350
B KZN281 Mbonambi	15 911	7 837	3 602	3 961	3 964	3 964	6 522	1 750	2 054
B KZN282 uMhlathuze	22 743	20 069	51 323	34 874	35 614	35 614	64 146	43 855	55 090
B KZN283 Ntambanana	174	1 915	4 049	942	2 943	2 943	3 426	1 237	1 517
B KZN284 Umlalazi	5 002	13 603	6 182	38 200	6 334	6 334	7 661	5 698	6 203
B KZN285 Mthonjaneni	898	17 427	18 026	18 891	3 215	3 215	3 161	2 789	3 140
B KZN286 Nkandla	8 652	12 094	3 542	2 198	2 676	2 676	2 485	2 604	2 946
C DC28 uThungulu District Municipality	2 684	10 094	8 900	253	21 000	21 000	10 700	3 250	3 400
Total: Ilembe Municipalities	89 398	69 117	60 874	38 252	42 034	42 034	55 682	43 782	36 358
B KZN291 Mandeni	4 324	11 459	8 707	14 176	18 511	18 511	4 583	4 237	4 707
B KZN292 KwaDukuza	16 887	16 080	23 449	14 217	12 995	12 995	11 850	13 208	14 123
B KZN293 Ndwedwe	1 399	3 506	6 005	988	2 868	2 868	10 116	1 089	1 382
B KZN294 Mapumulo	3 001	18 567	3 672	6 402	7 160	7 160	8 502	7 042	7 746
C DC29 Ilembe District Municipality	63 787	19 505	19 041	2 469	500	500	20 631	18 206	8 400
Total: Sisonke Municipalities	66 823	81 086	67 562	38 839	76 329	76 329	38 656	34 316	25 902
B KZN431 Ingwe	1 188	11 681	3 045	1 888	3 463	3 463	2 142	2 112	2 456
B KZN432 Kwa Sani	1 376	10 723	770	880	880	880	1 265	1 182	1 470
B KZN433 Greater Kokstad	5 375	15 359	9 493	30 079	38 179	38 179	18 129	20 681	11 508
B KZN434 Ubuhlebezwe	6 780	8 507	18 374	1 277	14 646	14 646	1 346	1 428	1 732
B KZN435 Umzimkulu	1 933	6 280	11 280	4 462	16 161	16 161	4 524	4 813	5 336
C DC43 Sisonke District Municipality	50 171	28 536	24 600	253	3 000	3 000	11 250	4 100	3 400
Unallocated/unclassified	-	-	132	3 256	26	26	1 050	24 910	24 470
Total	1 321 062	1 078 184	1 300 625	1 085 395	1 349 564	1 355 541	1 214 308	1 234 058	1 362 655

Table 1.F(a) : Details of provincial payments and estimates by functional area

R thousand	Outcome			Main appropriation	Adjusted appropriation 2012/13	Revised estimate	Medium-term estimates		
	2009/10	2010/11	2011/12				2013/14	2014/15	2015/16
General Public Services									
Executive and Legislature	535 355	631 261	709 623	714 916	791 707	789 081	793 220	770 201	808 450
Office of the Premier	28 260	35 268	34 619	38 531	62 130	62 130	39 404	40 603	39 500
The Royal Household	50 627	59 409	61 367	63 330	68 746	68 804	54 211	56 536	59 549
Provincial Legislature	456 468	536 584	613 637	613 055	660 831	658 147	699 605	673 062	709 401
Financial and Fiscal Services	349 897	334 082	457 343	523 994	566 962	552 095	619 261	602 288	613 578
Provincial Treasury	349 897	334 082	457 343	523 994	566 962	552 095	619 261	602 288	613 578
General Services (Public Works, Local Government)	2 803 008	2 870 576	3 242 735	3 246 749	3 391 011	3 395 048	3 559 612	3 555 823	4 343 178
Total: General Public Services	3 688 260	3 835 919	4 409 701	4 485 659	4 749 680	4 736 224	4 972 093	4 928 312	5 765 206
Public Order and Safety									
Police Services	129 186	145 239	135 892	172 347	171 347	167 521	181 295	186 069	198 470
Community Safety and Liaison	129 186	145 239	135 892	172 347	171 347	167 521	181 295	186 069	198 470
Total: Public Order and Safety	129 186	145 239	135 892	172 347	171 347	167 521	181 295	186 069	198 470
Economic Affairs									
General Economic Affairs	1 625 554	1 547 912	1 700 700	1 941 344	2 007 414	2 138 066	2 104 154	2 131 097	2 183 204
Economic Development and Tourism	1 600 918	1 510 191	1 662 383	1 808 203	1 947 569	2 078 221	1 917 844	2 004 938	2 068 678
Provincial Treasury	24 636	37 721	38 317	133 141	59 845	59 845	186 310	126 159	114 526
Agriculture	1 342 197	1 646 461	1 889 955	1 852 265	1 858 218	1 858 218	1 964 008	1 996 936	2 085 841
Agriculture, Enviro.Affairs and Rural Dev	1 342 197	1 646 461	1 889 955	1 852 265	1 858 218	1 858 218	1 964 008	1 996 936	2 085 841
Transport	5 596 342	6 435 372	7 399 651	7 805 803	7 802 211	7 802 211	8 805 971	9 249 964	9 734 395
Transport	5 596 342	6 435 372	7 399 651	7 805 803	7 802 211	7 802 211	8 805 971	9 249 964	9 734 395
Total: Economic Affairs	8 564 093	9 629 745	10 990 306	11 599 412	11 667 843	11 798 495	12 874 133	13 377 997	14 003 440
Environmental Protection									
Environmental Affairs and Conservation	634 476	712 613	808 377	847 607	828 095	828 095	932 978	915 199	964 546
Total: Environmental Protection	634 476	712 613	808 377	847 607	828 095	828 095	932 978	915 199	964 546
Housing and Community Amenities									
Housing Development	3 089 237	3 042 495	3 377 771	3 550 676	3 591 370	3 591 370	3 600 282	3 656 033	3 907 814
Human Settlements	3 089 237	3 042 495	3 377 771	3 550 676	3 591 370	3 591 370	3 600 282	3 656 033	3 907 814
Total: Housing and Community Amenities	3 089 237	3 042 495	3 377 771	3 550 676	3 591 370	3 591 370	3 600 282	3 656 033	3 907 814
Health									
Outpatient services	5 449 006	6 437 923	7 494 164	7 942 330	8 455 880	8 706 721	9 287 290	10 184 680	10 896 176
Hospital Services	14 439 249	17 477 123	18 974 029	19 694 882	19 643 778	19 770 107	20 556 008	21 571 374	21 740 406
Total: Health	19 888 255	23 915 046	26 468 193	27 637 212	28 099 658	28 476 828	29 843 298	31 756 054	32 636 582
Recreation, Culture and Religion									
Sporting and Recreational Affairs									
Sport and Recreation	276 740	307 836	364 151	381 349	401 524	401 524	456 379	413 293	435 024
Arts and Culture	339 122	359 530	468 001	634 375	679 437	699 576	692 791	794 163	792 774
Office of the Premier	36 688	41 394	62 235	65 026	70 976	70 976	71 289	70 641	74 385
Total: Recreation, Culture and Religion	652 550	708 760	894 387	1 080 750	1 151 937	1 172 076	1 220 459	1 278 097	1 302 183
Education									
Pre-primary & Primary Phases	13 235 940	15 781 155	16 207 410	16 787 178	17 294 138	17 417 262	18 820 294	20 022 644	20 900 853
Secondary Education Phase	8 920 394	10 275 287	11 306 413	12 030 796	12 130 503	12 205 817	12 554 718	13 142 972	13 819 801
Subsidiary Services to Education	5 105 329	5 944 601	6 226 388	6 853 336	6 765 233	6 691 776	6 599 685	7 878 818	6 549 524
Education not defined by level	2 351 485	2 733 877	2 845 683	2 437 286	2 535 779	2 514 104	2 637 025	2 755 771	2 904 264
Total: Education	29 613 148	34 734 920	36 585 894	38 108 596	38 725 653	38 828 959	40 611 722	43 800 205	44 174 442
Social protection									
Social Services and Population Development	1 403 519	1 919 117	1 971 715	2 309 945	2 299 707	2 249 309	2 481 874	2 610 663	2 749 857
Total: Social protection	1 403 519	1 919 117	1 971 715	2 309 945	2 299 707	2 249 309	2 481 874	2 610 663	2 749 857
Total provincial pmts and est. by functional area	67 662 724	78 643 854	85 642 236	89 792 204	91 285 290	91 848 877	96 718 134	102 508 629	105 702 539

Overview of Provincial Revenue and Expenditure

Table 1.F(b) : Details of function

Function	Category	Department	Programme		
General Public Services	Legislative	Office of the Premier	Administration		
		Provincial Legislature	Administration		
			Parliamentary Business		
			Members Remuneration		
		All departments	Office of the MEC		
		The Royal Household	Support Services - His Majesty the King		
			Royal Household Planning and Development		
			His Majesty, the King's Farms		
	General Services	Office of the Premier		Administration	
				Institutional Development	
			Policy and Governance		
			Administration		
General Policy & Administration	Co-operative Governance and Traditional Affairs		Administration		
			Local Governance		
			Development and Planning		
			Traditional Institutional Management		
Financial & Fiscal Services	Agric, Enviro Affairs & Rural Dev		Conservation		
		Provincial Treasury	Administration		
				Fiscal Resource Management	
				Financial Management	
		Internal Audit			
Public Order & Safety	Police Services	Community Safety & Liaison	Administration		
			Provincial Civilian Secretariat		
Economic Affairs	General Economic Affairs	Economic Development & Tourism	Administration		
				Integrated Econ Dev Services	
				Trade and Sector Development	
			Business Regulation and Governance		
			Economic Planning		
		Growth and Development			
Agriculture	Agric, Enviro Affairs & Rural Dev		Administration		
			Agricultural Development Services		
Transport	Transport		Transport Infrastructure		
			Transport Operations		
			Transport Regulations		
			Community Based Programme		
Environmental Protection	Environmental Protection	Agric, Enviro Affairs & Rural Dev	Environmental Management		
			Conservation		
Housing & Community Amenities	Housing Development	Human Settlements	Administration		
				Housing Needs, Research and Planning	
				Housing Development	
				Housing Asset Management, Property Mgt.	
Health	Outpatient services n.e.c	Health	District Health Services		
				Health Facilities Management	
	Hospital Services	Health		Administration	
				District Health Services	
				Emergency Medical Services	
				Provincial Hospital Services	
		Central Hospital Services			
		Health Sciences & Training			
		Health Care Support Services			
		Health Facilities Management			
Recreational, Culture and Religion	Sporting and recreational affairs services	Sport and Recreation	Administration		
				Sport and Recreation	
		Arts and Culture		Administration	
				Cultural Affairs	
		Libraries and Archive Services			
		Office of the Premier	Institutional Development		
Education	Pre-primary & Primary Phases	Education	Public Ordinary School Education		
				Early Childhood Development	
	Secondary Education Phase	Education		Public Ordinary School Education	
				Further Education & Training	
	Education Services not defined by level	Education		Adult Basic Education & Training	
				Public Special School Education	
				Independent School Subsidies	
				Agric Dev Services (Structured Agric Training)	
Subsidiary services to education	Agric, Enviro Affairs & Rural Dev	Health	Health Sciences & Training		
			Education	Administration	
					Public Ordinary School Education
					Public Special School Education
					Further Education & Training
					Early Childhood Development
	Infrastructure Development				
		Auxiliary & Associated Services			
Social Protection	Social Security Services	Social Development	Administration		
				Social Welfare Services	
	Social Services and Population Development	Social Development		Children and Families	
				Restorative Services	
				Development and Research	

Table 1.G : Donor funding and agency receipts

Name of Donor Organisation	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
R thousand				2013/14					
Donor funding	112 646	27 690	28 581	29 293	47 320	55 945	65 076	57 692	48 700
Office of the Premier	19 841	9 066	24 079	26 829	26 829	34 553	20 492	18 492	9 500
<i>National Skills Fund</i>	19 766	8 991	16 079	16 079	16 079	23 803	9 500	9 500	9 500
MERSETA	-	-	8 000	10 750	10 750	10 750	10 992	8 992	-
PSETA	75	75	-	-	-	-	-	-	-
Agriculture, Enviro Affairs and Rural Development	14 588	1 315	1 850	1 315	19 342	20 243	2 984	-	-
<i>Danish government (Danida)</i>	1 305	-	-	-	-	-	-	-	-
<i>Flemish government</i>	13 283	-	-	-	18 027	18 027	-	-	-
<i>World Health Organisation (Rabies project)</i>	-	1 315	1 850	1 315	1 315	2 216	2 984	-	-
Economic Development and Tourism	42 626	-	-	-	-	-	-	-	-
<i>European Union - Gijima</i>	42 626	-	-	-	-	-	-	-	-
Education	31 709	4 616	-	-	-	-	-	-	-
<i>Royal Netherlands Embassy</i>	31 709	4 616	-	-	-	-	-	-	-
Provincial Treasury	2 588	8 462	1 768	766	766	766	41 600	39 200	39 200
<i>KZN Science Parks</i>	-	-	-	-	-	-	41 600	39 200	39 200
Health	1 294	4 231	884	383	383	383	-	-	-
Aspen	-	3 500	-	-	-	-	-	-	-
Astra Zeneca	-	-	-	-	-	-	-	-	-
Atlantic Philanthropies	-	-	-	-	-	-	-	-	-
Ben Booyesen	1	-	-	-	-	-	-	-	-
CMC DI Ravenna	150	-	-	-	-	-	-	-	-
Comrades Marathon	-	10	-	-	-	-	-	-	-
Conforth Investments	-	151	-	-	-	-	-	-	-
European Union	101	-	-	-	-	-	-	-	-
HWSETA Learnership - Bethesda Sub-Campus	-	121	-	-	-	-	-	-	-
HWSETA Learnership - Edendale Campus	-	-	126	-	-	-	-	-	-
HWSETA Learnership - Head Office	-	-	199	-	-	-	-	-	-
HWSETA Learnership - HIV/AIDS Support	76	-	-	-	-	-	-	-	-
HWSETA Learnership - King Edward Sub-Campus	-	126	262	-	-	-	-	-	-
HWSETA Learnership - Ngwelezane	-	-	-	158	158	158	-	-	-
HWSETA Learnership - Nkandla	-	-	105	-	-	-	-	-	-
HWSETA Learnership - Pharmacy	75	-	-	-	-	-	-	-	-
HWSETA Learnership - Prince Mshiyeni Hospital	28	-	-	-	-	-	-	-	-
HWSETA Learnership - St Aidans	63	323	-	-	-	-	-	-	-
HWSETA Learnership - Social & Aux	-	-	137	-	-	-	-	-	-
HWSETA Learnership - Unemployed Graduates	700	-	-	-	-	-	-	-	-
MRI Novartis Training	-	-	55	-	-	-	-	-	-
PSETA Learnership - Church of Scotland, Ekombe and Nkandla Hospitals	-	-	-	225	225	225	-	-	-
SA Breweries	100	-	-	-	-	-	-	-	-
Agency receipt	17 454	8 517	7 585	8 290	8 290	-	8 500	8 800	9 200
Office of the Premier	10 034	-	-	-	-	-	-	-	-
<i>Department of Labour - Literacy Programme</i>	10 034	-	-	-	-	-	-	-	-
Transport	7 420	8 517	7 585	8 290	8 290	-	8 500	8 800	9 200
<i>South African Road Agency Limited (SANRAL)</i>	7 420	8 517	7 585	8 290	8 290	-	8 500	8 800	9 200
Total	130 100	36 207	36 166	37 583	55 610	55 945	73 576	66 492	57 900

Table 1.H(i) : Details of transfers to local government: 2014/15

Municipality	Vote 3			Vote 4			Vote 6			Vote 7			Vote 8			Vote 11			Vote 14			Vote 15			Vote 16		Total
	3.1	4.1	6.1	6.2	6.3	7.1	8.1	8.2	8.3	8.4	11.1	11.2	11.3	11.4	11.5	11.6	11.7	11.8	11.9	14.1	15.1	15.2	15.3	15.4	16.1		
R thousand																											
6Thekwini																											
Ugu Municipality																											
Yvumetho																											
Umdoni																											
Umkhumbane																											
uMuziwabantu																											
Eziqoleni																											
Hlabisa Coast																											
Ugu District Municipality																											
uMgungundlovu Municipalities																											
uMshwathi																											
uMngeni																											
Mpofana																											
Impendle																											
Msunduzi																											
Mkhambathini																											
Richmond																											
uMgungundlovu District Municipality																											
Uthukela Municipalities																											
Enmambithi/Lady Smith																											
Indaka																											
Umtshezi																											
Okhahlamba																											
Imbabazane																											
Uthukela District Municipality																											
Umzinyathi Municipalities																											
Endumeni																											
Nqutu																											
Misinga																											
Umvoti																											
Umzinyathi District Municipality																											
Amajuba Municipalities																											
Newcastle																											
eMadlangeni																											
Damthauser																											
Amajuba District Municipality																											
Zululand Municipalities																											
eDumbe																											
uPhongolo																											
Abaqulusi																											
Nongoma																											
Ulundi																											
Zululand District Municipality																											
Umkhanyakude Municipalities																											
Umkhanyakude District Municipality																											
Umkhanyakude District Municipality																											
Umkhanyakude District Municipality																											
Jozini																											
The Big 5 False Bay																											
Hlabisa																											
Mthubata																											
Umkhanyakude District Municipality																											

Table 1.H(i) : Details of transfers to local government: 2014/15 (cont.)

Municipality	Vote 3	Vote 4	Vote 6	Vote 7	Vote 8								Vote 11								Vote 14	Vote 15				Vote 16	Total
	3.1	3.1	6.1	6.2	6.3	7.1	8.1	8.2	8.3	8.4	11.1	11.2	11.3	11.4	11.5	11.6	11.7	11.8	11.9	14.1	15.1	15.2	15.3	15.4	16.1		
R thousand	1 000	500	-	8 000	5 500	132 800	14 500	50 981	36 689	-	31 372	26 300	59 500	4 750	5 000	5 250	1 000	21 000	2 705	484 955	10 634	234 360	24 893	1 729	52 200	1 214 308	
uThungulu Municipalities	-	-	-	-	-	23 600	150	-	7 276	-	-	-	9 700	1 000	-	4 000	-	21 000	1 355	12 300	598	11 060	1 562	-	4 500	98 101	
Umbilozi	-	-	-	-	-	23 600	150	-	7 276	-	-	-	9 700	1 000	-	4 000	-	21 000	1 355	12 300	598	11 060	1 562	-	4 500	6 522	
uMhlatuze	-	-	-	-	-	-	135	-	7 276	-	-	-	-	-	-	4 000	-	-	855	1 000	-	535	132	-	-	64 146	
Ntambanana	-	-	-	-	-	-	15	-	-	-	-	-	-	-	-	-	-	21 000	-	5 000	299	6 080	756	-	-	3 426	
uMlalazi	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2 000	299	2 840	272	-	2 250	7 661	
Mthonjaneni	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	500	2 000	-	535	126	-	-	3 161	
Nkandla	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	500	2 000	-	535	150	-	-	2 485	
uThungulu District Municipality	-	-	-	-	-	-	-	-	-	-	-	9 700	1 000	-	-	-	-	-	-	1 800	-	535	150	-	-	10 700	
Ilembe Municipalities	-	-	-	-	-	-	-	-	2 789	-	16 931	4 700	5 000	1 000	-	-	-	-	500	14 982	299	4 755	776	-	4 350	55 682	
Mandeni	-	-	-	-	-	-	-	-	2 789	-	-	-	-	-	-	-	-	-	500	2 135	-	1 420	378	-	150	4 583	
KwaDukuza	-	-	-	-	-	-	-	-	-	-	7 000	-	-	-	-	-	-	-	500	5 710	299	2 800	262	-	-	11 850	
Ndwedwe	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	335	-	535	146	-	2 100	10 116	
Maphumulo	-	-	-	-	-	-	-	-	-	-	9 931	4 700	5 000	1 000	-	-	-	-	-	6 402	-	-	-	-	2 100	8 502	
Sisonke Municipalities	-	-	-	8 000	-	-	-	-	-	-	-	11 000	-	250	-	-	-	-	-	14 450	-	3 710	796	-	450	38 656	
Ingwe	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1 011	-	835	146	-	150	2 142	
Kwa Sani	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	454	-	535	126	-	150	1 265	
Greater Kokstad	-	-	-	8 000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8 457	-	1 270	252	-	150	18 129	
Ubulhebezwe	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	685	-	535	126	-	-	1 346	
Umnzinkulu	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3 843	-	535	146	-	-	4 524	
Sisonke District Municipality	-	-	-	-	-	-	-	-	-	-	11 000	-	-	250	-	-	-	-	-	-	-	-	-	-	-	11 250	
Unallocated/unclassified	1 000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	50	-	-	-	-	-	-	1 050	
Total	1 000	500	-	8 000	5 500	132 800	14 500	50 981	36 689	-	31 372	26 300	59 500	4 750	5 000	5 250	1 000	21 000	2 705	484 955	10 634	234 360	24 893	1 729	52 200	1 214 308	

Key	Grant Name	Key	Grant Name
3.1	Greenest Municipality Competition	11.4	Development Planning and Shared Services
4.1	Dundee July	11.5	Disaster Management
6.1	Shayamoya eco-complex	11.6	Operational Support for TSCs
6.2	Development of a light industrial park	11.7	Sustainable Living Exhibition
6.3	Msunduzi electricity-related developments	11.8	uMhlatuze Water
7.1	Subsidy: Municipal Clinics	11.9	Schemes Support programme
8.1	Municipal rates and taxes	14.1	Property rates
8.2	Maintenance of R293 hostels and EEBDS	15.1	Museum subsidies
8.3	Operational costs for accredited municipalities	15.2	Provincialisation of libraries
11.1	Massification programme	15.3	Community Library Services grant
11.2	Small Town Rehabilitation programme	15.4	Operational costs of art centres
11.3	Corridor Development	16.1	Infrastructure

Table 1.H(ii) : Details of transfers to local government: 2015/16 (cont.)

Municipality	Vote 3		Vote 4		Vote 6		Vote 7		Vote 8			Vote 11			Vote 14			Vote 15			Vote 16	Total							
	3.1	3.1	6.1	6.2	6.3	7.1	8.1	8.2	8.3	8.4	11.1	11.2	11.3	11.4	11.5	11.6	11.7	11.8	11.9	14.1	14.2	14.3	15.1	15.2	15.3	15.4	16.1		
R thousand																													
uThungulu Municipalities																													
Umfazi	-	-	-	-	-	27 000	150	-	3 937	-	-	-	250	-	-	-	-	-	-	12 854	628	11 726	1 638	-	-	-	-	61 183	
uMhlathuze	-	-	-	-	-	27 000	135	3 937	-	-	-	-	-	-	-	-	-	-	-	1 045	567	138	-	-	-	-	-	1 750	
Ntambanana	-	-	-	-	-	-	15	-	-	-	-	-	-	-	-	-	-	-	-	5 225	314	6 450	794	-	-	-	-	43 855	
uMlalazi	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	523	567	132	-	-	-	-	-	1 237	
Mthonjaneni	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2 090	314	3 008	286	-	-	-	-	5 698	
Nkandla	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2 090	567	132	-	-	-	-	-	2 789	
uThungulu District Municipality	-	-	-	-	-	-	-	-	-	-	-	3 000	250	-	-	-	-	-	-	1 881	567	156	-	-	-	-	-	2 604	
Ilembu Municipalities																													
Mandeni	-	-	-	-	-	-	-	-	3 380	-	9 956	5 000	3 000	250	-	-	-	-	-	16 041	314	5 026	815	-	-	-	-	43 782	
KwaDukuza	-	-	-	-	-	-	-	3 380	-	-	-	-	-	-	-	-	-	-	-	2 349	1 491	397	-	-	-	-	-	4 237	
Ndwedwe	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6 281	314	2 968	265	-	-	-	-	13 208	
Maphumulo	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	369	567	153	-	-	-	-	-	1 089	
Ilembu District Municipality	-	-	-	-	-	-	-	-	-	-	9 956	5 000	3 000	250	-	-	-	-	-	7 042	-	-	-	-	-	-	-	7 042	
Sisonke Municipalities																													
Ingeve	-	-	-	-	-	-	2 062	8 000	-	-	-	-	1 100	-	-	-	-	-	-	15 388	-	3 931	835	-	-	-	-	34 316	
Kwa Sani	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1 076	883	153	-	-	-	-	-	2 112	
Greater Kokstad	-	-	-	-	-	-	2 062	8 000	-	-	-	-	-	-	-	-	-	-	-	483	567	132	-	-	-	-	-	1 182	
Ubuhebezwe	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	9 007	-	1 347	265	-	-	-	-	20 681	
Unzinkulu	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	729	567	132	-	-	-	-	-	1 428	
Sisonke District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	1 100	-	-	-	-	-	-	4 093	-	567	153	-	-	-	-	4 813	
Unallocated/unclassified																													
1 000																													
Total	1 000	500	2 062	8 000	-	149 400	19 896	66 962	40 209	-	52 956	22 500	54 421	4 200	-	-	1 000	-	-	507 062	13 168	249 723	15 334	1 815	23 850	23 850	1 234 058		

Key	Grant Name	Key	Grant Name
3.1	Greenest Municipality Competition	11.4	Development Planning and Shared Services
4.1	Dundee July	11.5	Disaster Management
6.1	Shayamoya eco-complex	11.6	Operational Support for TSCs
6.2	Development of a light industrial park	11.7	Sustainable Living Exhibition
6.3	Msunduzi electricity-related developments	11.8	uMhlathuze Water
7.1	Subsidy: Municipal Clinics	11.9	Schemes Support programme
8.1	Municipal rates and taxes	14.1	Property rates
8.2	Maintenance of R293 hostels and EEBDS	15.1	Museum subsidies
8.3	Operational costs for accredited municipalities	15.2	Provincialisation of libraries
11.1	Massification programme	15.3	Community Library Services grant
11.2	Small Town Rehabilitation programme	15.4	Operational costs of art centres
11.3	Corridor Development	16.1	Infrastructure

Table 1.H(iii) - Details of transfers to local government: 2016/17 (cont.)

Municipality	Vote 3	Vote 4	Vote 6	Vote 7	Vote 8			Vote 11			Vote 14			Vote 15			Vote 16	Total									
R thousand	3.1	3.1	6.1	6.2	6.3	7.1	8.1	8.2	8.3	8.4	11.1	11.2	11.3	11.4	11.5	11.6	11.7	11.8	11.9	14.1	15.1	15.2	15.3	15.4	16.1		
uThungulu Municipalities	-	-	-	-	-	28 431	150	-	3 089	-	9 786	-	3 000	400	-	-	-	-	-	13 432	662	12 347	3 043	-	-	-	74 350
Umfolozo	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1 092	-	597	365	-	-	-	2 054
uMhlatuze	-	-	-	-	-	28 431	135	-	3 089	-	9 786	-	-	-	-	-	-	-	-	5 460	331	6 792	1 066	-	-	-	55 090
Ntambanana	-	-	-	-	-	-	15	-	-	-	-	-	-	-	-	-	-	-	-	546	-	597	359	-	-	-	1 517
uMlalazi	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2 184	331	3 167	521	-	-	-	6 203
Mthonjaneni	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2 184	-	597	359	-	-	-	3 140
Nkandla	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1 966	-	597	383	-	-	-	2 946
uThungulu District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	3 000	400	-	-	-	-	-	17 560	331	5 292	1 515	-	-	-	3 400
Ilembe Municipalities	-	-	-	-	-	-	-	-	3 260	-	5 000	3 000	3 000	400	-	-	-	-	-	2 500	331	1 570	637	-	-	-	36 358
Mandeni	-	-	-	-	-	-	-	-	3 260	-	-	-	-	-	-	-	-	-	-	2 500	331	3 125	498	-	-	-	4 707
KwaDukuza	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6 909	-	-	-	-	-	-	14 123
Ndwedwe	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	405	-	597	380	-	-	-	1 382
Mphumulo	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7 746	-	-	-	-	-	-	7 746
Ilembe District Municipality	-	-	-	-	-	-	-	-	-	-	5 000	3 000	3 000	400	-	-	-	-	-	16 389	-	4 139	1 974	-	-	-	25 902
Sisonke Municipalities	-	-	-	-	-	-	-	-	-	-	-	-	3 000	400	-	-	-	-	-	1 146	-	930	380	-	-	-	2 456
Ingwe	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	515	-	597	358	-	-	-	1 470
Kwa Sani	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	9 592	-	1 418	498	-	-	-	11 508
Greater Kokstad	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	777	-	597	358	-	-	-	1 732
Ubuhlebezwe	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4 359	-	597	380	-	-	-	5 336
Unzimkulu	-	-	-	-	-	-	-	-	-	-	-	-	3 000	400	-	-	-	-	-	-	-	-	-	-	-	-	3 400
Sisonke District Municipality	1 000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	70	-	-	-	-	-	-	24 470
Unallocated/unclassified	1 000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	533 831	13 708	262 958	25 375	1 911	23 400	-	1 362 655
Total	1 000	-	-	-	-	166 796	19 896	145 000	37 804	-	55 076	17 500	52 500	4 800	-	-	-	1 000	-	533 831	13 708	262 958	25 375	1 911	23 400	-	1 362 655

Key	Grant Name	Key	Grant Name
3.1	Greenest Municipality Competition	11.4	Development Planning and Shared Services
4.1	Dundee July	11.5	Disaster Management
6.1	Shayamoya eco-complex	11.6	Operational Support for TSCs
6.2	Development of a light industrial park	11.7	Sustainable Living Exhibition
6.3	Msunduzi electricity-related developments	11.8	uMhlatuze Water
7.1	Subsidy: Municipal Clinics	11.9	Schemes Support programme
8.1	Municipal rates and taxes	14.1	Property rates
8.2	Maintenance of R293 hostels and EEEDS	15.1	Museum subsidies
8.3	Operational costs for accredited municipalities	15.2	Provincialisation of libraries
11.1	Massification programme	15.3	Community Library Services grant
11.2	Small Town Rehabilitation programme	15.4	Operational costs of art centres
11.3	Corridor Development	16.1	Infrastructure

**ESTIMATES
OF
PROVINCIAL REVENUE
AND
EXPENDITURE**

VOTE 1

Office of the Premier

Operational budget	R 739 402 685
Remuneration of the Premier	R 1 888 315
Total amount to be appropriated	R 741 291 000
Responsible Executive Authority	The Premier, Mr E. S. Mchunu
Administering department	Office of the Premier
Accounting officer	Director-General: Office of the Premier

1. Overview

Vision

The vision of the Office of the Premier (OTP) is: *To be the centre of governance, providing leadership in creating a better life for all.*

Mission statement

The mission of the department is to support the Premier in carrying out his constitutional and statutory duties. The department fulfils this mission primarily by:

- Mobilising, co-ordinating and integrating the efforts of the provincial government and administration to eradicate various forms of human deprivation in the province.
- Playing a leadership role in mobilising and leveraging public and private sector resources to realise sustainable economic growth with capacity to generate decent jobs and eradicate poverty and inequality.
- Spearheading the efforts of provincial government and all stakeholders aimed at ensuring peace, safety and security for all in the province.
- Professionally executing departmental mandates.
- Co-ordinating and facilitating macro-provincial and other transversal issues and programmes.
- Promoting co-operative and good governance, including the fight against fraud and corruption.
- Providing the highest quality policy management, planning, and monitoring and evaluation services.
- Creating policies relating to regulations, information and legislation.
- Supporting the Executive Branch of the provincial government in initiating and executing provincial laws and policies.

Strategic objectives

The *strategic policy direction* of OTP is directly linked to national government's 12 outcomes and also informs the department's strategic objectives, as listed below:

- Integrate, co-ordinate and facilitate transversal policies, programmes, strategies, plans and systems of the province.
- Lead in macro planning and policy management to achieve the electoral mandate.
- Monitoring and evaluation of provincial government's programmes.

- Provide strategic leadership and direction for provincial government.
- Oversee the development and implementation of legislation.
- Promote inter and intra-governmental relations and good governance.

Based on the mission and mandates, the department identified the following strategic objectives:

- To realise the existence of functional public policy and strategic planning management systems and processes for the provincial government.
- To achieve co-ordinated provincial policies, strategies and programmes.
- To ensure the existence of governance conditions conducive to respect for human rights, promotion of science and technology, and conservation and management of cultural heritage resources.
- To realise enhanced government communication and governance, human resources development, state law advisory services and service delivery in and by the provincial administration.
- To have in place co-ordinated and aligned policies and plans of the three spheres of government and foreign governments and agencies.
- To achieve effectively monitored and evaluated government policies and programmes.
- To have effective policy and regulatory oversight over the gambling, gaming and betting industry, ensuring that all revenue due to the provincial government is duly received.

Core functions

In order to ensure alignment with national and provincial priorities and address the weaknesses identified in service delivery, the roles of the OTP have been defined as follows:

- To support the Premier as the head of the provincial government and the Executive Council and its sub-structures, and ensure constitutional and legal compliance.
- To co-ordinate provincial policy and planning processes.
- To provide provincial leadership and inter-departmental co-ordination.
- To promote co-operative and good governance.
- To provide transversal support services for human resource management, communications, information technology, legal and macro policy advisory services.
- To promote a culture of human rights consciousness and gender sensitivity across the province.

Legislative mandate

The OTP has a pivotal position in the KZN provincial government. The department's key legislative mandates are derived mainly from the following legislation:

- The Constitution of the Republic of South Africa, 1996
- Public Service Act, 1994, as amended
- Public Finance Management Act, 1999, as amended and Treasury Regulations
- Preferential Procurement Policy Framework Act, 2000
- KwaZulu-Natal Provincial Supply Chain Management Policy Framework, 2006
- KwaZulu-Natal Youth Commission Act, 2005
- KwaZulu-Natal Gaming and Betting Act, 2010
- KwaZulu-Natal Gaming and Betting Tax Act, 2010
- KwaZulu-Natal Heritage Act, 1997

- Public Service Regulations, 2001
- Labour Relations Act, 1995
- Employment Equity Act, 1998
- Basic Conditions of Employment Act, 1997
- Promotion of Access to Information Act, 2000
- Electronic Communications and Transactions Act, 2002
- State Information Technology Agency Act, 1999
- Promotion of Administrative Justice Act, 2000
- Promotion of Equality and Prevention of Unfair Discrimination Act, 2000
- Skills Development Act, 1998

2. Review of the 2013/14 financial year

Section 2 provides a review of 2013/14, outlining the main achievements and progress made by the department during the year, as well as giving a brief discussion on challenges and new developments.

Youth Ambassadors programme

The Youth Ambassadors programme aims to develop youth who are unemployed, and empower them to be agents of change among the youth in their communities. This is achieved by encouraging the youth to stay away from social ills and creating activities that will keep young people off the streets. The youth ambassadors continued to populate a database of all the youth in their respective areas of operation, as well as establishing and maintaining youth clubs for in- and out-of-school youth. This database allowed the provincial government to understand the extent of the needs of the youth. They also encourage the youth to create job opportunities. The number of youth ambassadors was reduced from 3 024 in 2012/13 to 1 966 to match the budget.

Provincial Planning Commission (PPC)

The functions of the PPC are similar to those of the National Planning Commission, and are to advise and make recommendations to the Premier and the Provincial Executive on a long-term strategic development perspective and vision of the province. The aim is to ensure coherence in policy development and planning across the provincial government, and strengthen performance monitoring and evaluation to enable assessment of the pace required to deliver on the desired outcomes.

A refined version of the PGDP and the second implementation report was presented to and approved at the August 2013 Cabinet *Lekgotla*. Substantial progress was made with the strengthening of the institutional framework to drive the implementation of the PGDP with the establishment of 18 Action Work Groups reporting to the four Cabinet Clusters on a monthly basis. Support was also rendered to the eThekweni Metro and all 10 district municipalities in the drafting of their District Growth and Development Plans, although progress with drafting has been slow in some districts.

Provincial Information Communication Technology (PICT)

The Provincial Nerve Centre currently provides a complete and comprehensive view of service delivery performance and effectiveness of public sector services. Since its inception, the Nerve Centre has generated a number of critical dashboards for assessing the Medium Term Strategic Framework (MTSF), 12 national outcomes' provincial performance, as well as the PGDP target performance. The Provincial AIDS Council's indicators were monitored and district leadership was supported to have realistic and attainable targets monitoring HIV and AIDS, TB and associated poverty indicators. Inequality and unemployment per district was also assessed. The Heads of Departments' performance assessment tool was developed and is being assessed by the Department of Performance Monitoring and Evaluation.

Front line service delivery site visits were conducted to monitor government facilities. All provincial sector departments participated in the Management Performance Assessment Tool (MPAT). Improvement plans were done on a continual basis.

International relations

The OTP was involved in strengthening international relations by promoting KZN as a preferred destination for trade, investment and tourism with the intention of portraying the province as the gateway to Africa and the world. Extensive liaison was carried out in collaboration with provincial departments, national departments, the diplomatic corps and global stakeholders to promote KZN in the international arena. Some key noteworthy activities in 2013/14 include:

- Engagements with various members of the diplomatic corps throughout the year.
- During the BRICS Summit in Durban, Dube TradePort Corporation (DTPC) and the India-based conglomerate, The Action Group, jointly signed a MOU for the development of a mega industrial integrated township on a 240 hectare site adjacent to the existing Dube TradePort which will cost approximately R12 billion. This project will form part of the future aerropolis (airport city) surrounding Durban's King Shaka International Airport.
- Hosting the 2013 AFCON also contributed to enhancing the province's status on the world map.
- Various inward and outbound visitations were convened. These included the following:
 - Hosting the Special Envoy of HE President Xi Jinping, the President of China.
 - Hosting the Governor of South Sudan and his delegation.
 - Hosting a technical delegation from Bradenburg, Germany.
 - Hosting the Governor of Kinshasa and his delegation.
 - Hosting the Governor of Benguela and his delegation.
 - Outbound expeditions to areas abroad included: Benin, Atlanta, Washington DC, Hamburg, Maputo, Russia, Turkey, Democratic Republic of Congo (DRC) and Poland.

Protection of human rights

A campaign was undertaken to protect and generate respect for human rights by facilitating Gender, Disability, Children and Senior Citizens (GDCSC) rights awareness education campaigns, co-ordinating human rights issues and ensuring compliance with constitutional mandates. The OTP worked closely with district and local municipalities, municipal wards and civil society structures, etc., that deal with human rights and gender equality, including programmes on food security, greening of the environment, active ageing, behavioural change and inter-generational dialogues. Most war-rooms had capacitated focal persons to attend to issues of human rights violations, and food security projects assisted a number of families. Human rights programmes ensured that beneficiaries became active citizens when it came to environmental issues, active ageing, etc. These programmes also aimed at achieving one of government's main goals, namely social cohesion.

Public service transformation

During the year, 3 512 public servants were capacitated on generic, transversal, leadership and management development training programmes at the Provincial Public Service Training Academy (hereafter referred to as the Training Academy). The Department of Education (DOE) claimed back the Training Academy building during 2012/13, and OTP has now found a suitable site in Westville to construct the new Training Academy, and scoping, planning and building will begin in 2014/15.

The training of public servants in seven provincial departments on the Adult Education and Training Programme continued. The first draft of the Leadership and Management Development Strategy was completed and the research findings and draft strategy were presented to COHOD. The second Women in Management Seminar was held. The Public Service Artisan Development programme, whereby tradesman aides will be trained and certified as artisans, commenced. A total of 512 tradesman aides were recruited.

A total of 997 interns were placed in 14 departments. The training of mentors to mentor and coach the interns is ongoing and provided by the Training Academy.

The National Skills Fund (NSF) Project, which implements learnerships, apprenticeships and skill programmes for the training of unemployed youth, has commenced. In this regard, 675 youth were

recruited and are either undergoing classroom or workplace training. The 99 learners that were enrolled in the Building and Civil Construction Learnership NQF Level 3 completed theoretical training and started workplace training. A total of 80 apprentices commenced training in eight different trades. An additional 610 learners were enrolled and have started training in 14 different municipalities. The Rural Youth Skills Development Programmes is in the process of training 25 artisans, 20 interns and 37 learners on learnership programme in public finance, human resource management, public management and Information Technology.

The Training Academy hosted various events, including the second Provincial Public Service Career Exhibition. A total of 7 470 in- and out-of-school youth attended the workshops and exhibitions. The Community Care-Givers (CCGs) Awards Ceremony was also held, during which certificates were awarded by the MEC for Health to 1 928 CCGs who had successfully completed the Integrated CCG Orientation programme.

Identity of the province and heritage

OTP continued its efforts to co-ordinate the transformation and management of the heritage resources in the province. These are some of the notable achievements in this regard:

- Ten heritage events were organised in order to profile previously marginalised heritage sites such as the unveiling of the tombstone on the grave of King Shaka's Prime Minister, Ngomane Mdletshe.
- The roll-over from 2011/12 with regard to the commemoration of the arrival of the Indian indentured labourers in South Africa will be spent during 2013/14. An agreement was reached between all stakeholders regarding the site where monuments should be erected, and the monuments will be erected before year-end.
- With regard to the Heroes Acre and Isandlwana Museum projects, the architectural designs are in place and the department is lobbying for funding from the national Lottery and the National Department of Arts and Culture for both these projects.

Operation Sukuma Sakhe (OSS)

The roll-out of the Integrated CCGs Foundation Course in uThungulu and Ugu Districts was undertaken. CCGs have been certified, and PEPFAR have agreed to fund capacitation in the balance of the districts. With regard to the war-room implementation plan, out of 700 war-rooms that have been established, 500 are deemed fully functional, whereas the other 200 are partially functional. The programme has made significant achievements such as interventions on issuing of IDs, building homes for destitute families, linking beneficiaries to their social wages such as grants, food parcels and medical assistance, etc.

KwaZulu-Natal Gaming and Betting Board (KZNGBB)

The KZNGBB redefined its strategic objectives after the appointment of the Board. One area which continued to receive increased focus was the transformation of the gaming industry. The entity was also in continuous engagements with stakeholders to amend the tax rates for the industry, and is in the annual process of reviewing the fees applicable as per the KwaZulu-Natal Gaming and Betting Tax Act.

Amafa aKwaZulu-Natali (Amafa)

During 2013/14, the Premier appointed the new Amafa Council in terms of the KZN Heritage Act. Amafa delivered in terms of its compliance mandate by assessing and issuing permits in respect of alterations, repairs and maintenance to historically significant sites. The entity conducted school outreach programmes to create awareness among children on the significance and value of cultural heritage resources. The entity was also involved in restoring rock art that was damaged through vandalism and graffiti, while a programme is underway to train rock art monitors, whose function it is to accompany visitors to, and ensure appropriate behaviour, for the protection of the 21 rock art sites which are open to the public.

3. Outlook for the 2014/15 financial year

Section 3 looks at the key focus areas of 2014/15, outlining what the department is hoping to achieve during the year, as well as briefly looking at challenges and proposed new developments. In 2014/15 and over the medium-term, the OTP will focus on the following priorities:

Youth Ambassadors programme

The department will continue with the roll-out of the Youth Ambassadors programme, which includes household surveys and programmes against social ills faced by the youth. The youth ambassadors will also assist in the mass implementation of other government programmes, such as awareness campaigns on HIV and AIDS, healthy lifestyle promotion, and the One Home, One Garden and Back to School campaigns. The number of youth ambassadors will remain at 1 966 over the 2014/15 MTEF, to remain within budget.

Provincial Planning Commission (PPC)

Key focus areas of the PPC will still be on the implementation of the PGDP. The PPC will continue to support the relevant line function departments in pursuing key interventions, such as the formalisation of rural settlements, the establishment of community service centres, the completion of the provincial Human Resource Development Strategy, renewable energy opportunities, to name a few. The PPC will give specific attention to matters related to funding for social services, education and skills development, water services, rural development co-ordination, monitoring and evaluation, as well as policy co-ordination.

Provincial Information Communication Technology (PICT)

The Provincial Performance Management system is fully functional and will be decentralised to allow departments the direct export of data at district level. District information hubs will be established to allow for service delivery information to be managed, analysed and acted upon timeously. Continuous training on data management is being done to ensure good quality data is produced. HIV and AIDS local data will be used to create district dashboards to identify variances, as well as pockets of excellence in service delivery.

The OTP will reinforce the maintenance and development of an automated Monitoring and Evaluation System, to improve levels of accountability, efficiency and quality of reporting on the implementation of all government programmes. This will be guided by the PGDS. Furthermore, the OTP will strengthen the implementation of MPAT, development and monitoring of improvement action plans across all departments.

International relations

For 2014/15, bi-lateral relations with KZN's partners both in the developing and developed world will continue to be utilised by the province to identify opportunities for political co-operation, climate change initiatives, as well as promoting KZN's socio-economic development. KZN will focus on the strengthening of economic diplomacy for the promotion of its trade, investment and tourism potential.

The main focus of KZN's bilateral diplomacy will be to maintain and enhance sound bi-lateral political relations, promote trade and investment, intensify co-operation and capacity building in various fields, implement infrastructure development and promote peace and development.

The years ahead will therefore see the international strategy oriented towards not only ensuring KZN's domestic success but also internationally, as a geopolitical and economic player at the global level.

Identity of the province and heritage

The department will, among other things, seek to strengthen the District Heritage Forum structures in the province and continue with its phased approach in terms of their establishment. A pilot project, consisting of three district heritage forums, (uThungulu, Umzinyathi and Uthukela District Forums) are already in place. The department will also continue with the identification, profiling and preservation of critical tangible and living heritage resources.

Protection of human rights

The OTP will continue to drive a campaign to protect and generate respect for human rights, by facilitating an education campaign, co-ordinating human rights issues and ensuring compliance with constitutional mandates, and the process of forming partnerships with municipalities in this regard will continue. Gender forums, as well as forums relating to rights of persons with disabilities, will be established at district and local municipalities and wards to *isigodi* (village) level. Women empowerment projects will be co-ordinated and critical stakeholders will be capacitated on gender mainstreaming.

The Active Ageing campaign will be promoted throughout KZN and inter-generational programmes will be held. Human rights capacity building among local leadership and communities will be enhanced. The Human Rights Education campaign will be driven among community structures.

Public service transformation

It is envisaged that a professional team will be appointed and the planning and design process completed with regard to the new venue for the Training Academy. The construction of the new building in Westville is anticipated to commence in the third quarter of 2014/15. The Training Academy will focus on ensuring that provincial departments comply with human resource and skills development legislation and prescripts. One of the key priorities will be to train 7 000 public servants on generic transversal courses, as well as leadership and management courses. The Training Academy will continue with the roll-out of mandatory programmes, namely PAJA, PAIA and the Compulsory Induction Programme (CIP).

While continuing to support departments with the normal Adult Education and Training Programme, the AET unit will expand its role in ensuring continuous development through short skills programmes in financial literacy, computer literacy and trade. The training of tradesman aides to become artisans will be expanded to include more departments.

Work will continue on all the learnership, internship and apprenticeship programmes/projects targeting youth not in employment, education and training. Existing projects will be managed and new projects implemented based on funding from SETAs and the NSF.

In 2013, Cabinet pronounced the centralisation of the bursaries budget under OTP. This process commenced with the transfer of funds in 2013/14 from various departments to OTP. The centralisation will assist the province in regulating the Provincial Bursary programme and will ensure that the public and private sector are fed with adequate, relevant and critical skills.

Operation Sukuma Sakhe (OSS)

The 2014/15 priorities and focus will include capacity building for war-room stakeholders by strengthening field worker teams and committees and improving war-room functionality, since only 500 out of 700 are deemed to be fully functional. With regard to the selection of war-rooms to be resourced, focus will be on war-rooms that are in the most deprived wards as per the 2011 Census, to allow the department to address extreme poverty and the burden of disease at household and community level.

Plans are underway to establish and maintain strategic partnerships for spatial distribution and integration of government services, which includes marketing, communication, strategic programmes in food security, women and youth empowerment and healthy lifestyle programmes with all departments.

KwaZulu-Natal Gaming and Betting Board (KZNGBB)

The entity will pursue its mandate by ensuring that all gambling authorised under the Act is conducted in a manner which promotes the integrity of the gambling industry and does not cause harm to the public. In addition, the KZNGBB will ensure that gaming promotes tourism, employment, economic and social development.

The KZNGBB will continue operations, such as to invite, consider and process new applications and/or renewals for any gaming or betting licence, to amend, specify, substitute or rescind any casino licence conditions, as well as to undertake investigations or inspections into gambling operations in KZN. The entity envisages streamlining processes of the amalgamated entity and finalising and implementing new gaming and betting regulations, while continuing its efforts to eradicate illegal gambling and transform the KZN horse racing and betting industry. The entity will proceed with the implementation of current initiatives, as well as new gaming initiatives, such as the roll-out of additional licences for Limited Payout Machines, as it strives to grow the industry in a responsible and socially acceptable manner.

Amafa aKwaZulu-Natali (Amafa)

The focus areas include, among others, further improvements and maintenance to various heritage sites, implementation of water storage projects at Rorke's Drift and Spioenkop, repairs to rock art sites and construction of community memorials and markers. Amafa will continue its outreach programme to

schools and communities, while also implementing new projects to commemorate significant historic struggles and the 1860 (Indian indentured labourers) settlers. New survey work, such as the Emakhosini-Ophathe Heritage Park survey and survey of Sisonke District, will be undertaken to expand the provincial historical knowledge base. Once-off additional funding has been allocated to Amafa in 2014/15 for the entity's application to attain World Heritage status for the Emakhosini Valley.

4. Receipts and financing

4.1 Summary of receipts and financing

Table 1.1 gives the sources of funding of Vote 1 over the seven-year period 2010/11 to 2016/17. The table also compares actual and budgeted receipts against actual and budgeted payments. The department receives a provincial allocation in the form of an equitable share.

Table 1.1 : Summary of receipts and financing

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Equitable share	419 284	471 105	607 600	603 434	652 052	652 052	689 363	718 826	756 894
Conditional grants	-	-	-	-	-	-	-	-	-
Total receipts	419 284	471 105	607 600	603 434	652 052	652 052	689 363	718 826	756 894
Total payments	423 807	485 600	675 821	620 854	762 405	762 405	741 291	723 826	756 894
Surplus/(Deficit) before financing	(4 523)	(14 495)	(68 221)	(17 420)	(110 353)	(110 353)	(51 928)	(5 000)	-
Financing									
of which									
Provincial roll-overs	5 326	8 000	267	4 865	13 876	13 876	-	-	-
Provincial cash resources	26 751	12 000	79 672	12 555	96 477	96 477	51 928	5 000	-
Surplus/(Deficit) before financing	27 554	5 505	11 718	-	-	-	-	-	-

In 2010/11, an amount of R5.326 million was rolled over from 2009/10, comprising R3.283 million for base camp lobbying and hosting fees with regard to the 2010 Soccer World Cup and R2.043 million in respect of the War on Poverty programme. The department's budget allocation was increased by a net amount of R26.751 million, as follows:

- R10 million for the commemoration of 150 years of the arrival of Indian indentured labourers.
- R20 million for the roll-out of the Youth Ambassadors programme.
- This increase was offset by a reduction of R3.249 million in respect of the in-year take-up of Policy on Incapacity Leave and Ill Health Retirement (PILIR) related cases. These funds were surrendered to the Provincial Revenue Fund, as there was no demand for them.

The department under-spent its budget by R27.554 million in 2010/11, as a result of savings because of the moratorium on the filling of non-critical vacant posts, as well as cost-cutting. The amount of R10 million for the Indian indentured labourers was also not fully utilised.

In 2011/12, the department's allocation increased by R20 million due to the following adjustments:

- A roll-over of R8 million in respect of the 150-year commemoration of the arrival of the Indian indentured labourers, as mentioned above.
- Additional funding of R12 million for the provincial partnership agreement with the *Lungisisa Indlela* Village (LIV) Orphanage, a non-profit institution that was established to assist with building a holistic village to house and empower orphaned and vulnerable children.

The 2011/12 budget was under-spent by R5.505 million, largely due to delays in the finalisation of the site for monuments relating to the commemoration of the arrival of Indian indentured labourers.

The department's budget allocation was increased by R79.672 million in 2012/13 (reflected against provincial cash resources), for various purposes including essential rehabilitation and refurbishments at the Premier's Parkside Residence, stipends in respect of the Youth Ambassadors programme, capital

requirements of the Integrity Management unit, the Zimele Developing Community Self-Reliance project (thereafter referred to as Zimele), hosting of the AFCON, LIV Orphanage, etc.

There was also a roll-over of R267 000 in respect of office furniture and equipment that was ordered during 2011/12, but could not be delivered before financial year-end. The above-mentioned additional funds were largely once-off, and this accounts for the substantial reduction from 2012/13 to 2013/14.

In 2012/13, the department under-spent its budget by R11.718 million, mainly due to the following:

- Under-expenditure of R3.310 million in respect of Zimele.
- Under-expenditure of R2.500 million in respect of establishment costs of the Rural Development Co-ordination unit.
- Under-expenditure of R5.701 million in respect of the refurbishment of the Premier's Parkside residence.

In the 2013/14 Main Appropriation, additional funds of R12.555 million were allocated for Zimele (R7.555 million), as well as for the African Renaissance project (R5 million). There was a roll-over of R4.865 million in respect of the commemoration of 150 years of the arrival of Indian indentured labourers in KZN (reflected against provincial roll-overs).

The budget was increased by R116.634 million in the 2013/14 Adjusted Appropriation, as follows:

- R31.603 million as a result of the decision by Cabinet to centralise parts of the communications budget under OTP, with carry-through over the MTEF.
- R6.015 million for the centralisation of some external bursaries (i.e. departments like Health and Education are excluded from this process). This is attributed to a Cabinet decision to centralise external bursaries under OTP, with carry-through over the MTEF.
- R14.234 million for the RTI Commission.
- R5 million for the OSS Diakonia Council of Churches.
- R2 million for spending on OSS initiatives, as identified by the Premier.
- R3.520 million for the launch and roll-out of the Inkululeko Development Programme as part of the OSS initiatives.
- R10 million for the Africa Expansion Summit that will be hosted in KZN during March 2014.
- R31.112 million for the running and staffing costs of the Integrity Management unit. Of this, R5.700 million was suspended from the department and allocated back to it in 2014/15.
- R1.900 million for commemorating the St Helena prisoners of war to celebrate the link between the people of KZN and St Helena, as part of our heritage.
- R4.450 million for a new IT system for the KZNGBB.
- R1.500 million for Amafa for the procurement of once-off capital requirements associated with the entity's turnaround strategy.
- R15.906 million in relation to Madiba's provincial memorial service.
- In line with Cabinet resolutions, the department was allocated funds from the Strategic Cabinet Initiatives Fund held under Vote 6: Provincial Treasury for the following:
 - R5 million for the National Choral Music Awards ceremony.
 - R5 million for the Crown Gospel Awards.
 - R500 000 for the BUNDUMIX Festival.
 - R500 000 for the 4th Annual uThungulu Last Dance Music Festival.

The department receives the following additional funding in 2014/15:

- R33.169 million for the capacitation of the Integrity Management unit. In addition, R5.700 million was suspended from 2013/14, as mentioned.
- An additional R5 million for the OSS Diakonia Council of Churches.
- R5 million was allocated for security strengthening during the upcoming 2014 general elections.
- Amafa was allocated an additional R3.059 million to apply for World Heritage status for the Emakhosini Valley.
- There was a suspension of funds from provincial departments for the centralisation of parts of the communications budget and the external bursaries budget under OTP with carry-through costs over the MTEF.

This additional funding was largely once-off, which accounts for the drop from 2014/15 to 2015/16.

4.2 Departmental receipts

Table 1.2 reflects details of departmental receipts per main category over the seven-year period: 2010/11 to 2016/17. Details of the department's revenue are reflected in *Annexure – Vote 1: Office of the Premier* and are discussed briefly below. The OTP collects revenue mainly from *Casino* and *Horse racing taxes*.

Table 1.2 : Summary of departmental receipts collection

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Tax receipts	351 440	405 857	447 730	453 682	453 682	473 628	572 705	648 227	732 728
Casino taxes	305 583	337 435	383 056	385 479	385 479	404 531	490 803	556 890	630 869
Horse racing taxes	45 857	68 422	64 674	68 203	68 203	69 097	81 902	91 337	101 859
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	223	68	74	72	72	103	148	219	227
Transfers received	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	6	-	5	-	-	4	1	1	1
Sale of capital assets	-	688	180	-	-	-	300	270	135
Transactions in financial assets and liabilities	943	49	564	-	-	121	30	35	40
Total	352 612	406 662	448 553	453 754	453 754	473 856	573 184	648 752	733 131

Tax receipts consists of *Casino taxes* and *Horse racing taxes*. *Casino taxes* include LPMs, and *Horse racing taxes* includes sports betting taxes. These revenue items are collected in accordance with the KZN Gaming and Betting Tax Act, 2010.

Casino taxes shows increased revenue collection from 2010/11 to 2016/17 and this can be attributed to the increased focus on enforcement and surveillance of the operations of casinos, as well as the enactment of the KZN Gaming and Betting Tax Act. *Casino taxes* accelerated from 2012/13 onward following the increase in tax rates effective from November 2012. The anticipated revenue increases from the 2013/14 Revised Estimate to 2016/17 relate to the anticipated faster growth in the gaming industry. The continued effort of the KZNGBB to deal with illegal gambling operators has continued to yield positive results with respect to collections against this category.

Horse racing taxes are collected in respect of horse racing and sports betting taxes, in terms of the KZN Gaming and Betting Tax Act, 2010. The increase in revenue collection from 2010/11 onward is mainly due to the following initiatives, which stimulated demand:

- Consolidation of the national tote, resulting in larger pools and increasing the loyalty of local punters.
- Improved programming and scheduling of racing events.
- Inclusion of sports betting.
- Increased betting on overseas racing.
- Increased exporting of racing products.

Horse racing taxes increases significantly from 2010/11 onward due to the merger of the horse racing regulator into the KZNGBB, which resulted in an increase in tax calculated from gross gaming revenue. In 2012/13, revenue decreased slightly due to constrained global economic circumstances. The estimated revenue increase from the 2013/14 Revised Estimate to 2016/17 results from anticipated faster growth in the sports betting industry and increased tax rates introduced in November 2012. The anticipated revenue increases substantially over the MTEF.

The low revenue collected against *Sale of goods and services other than capital assets* in 2011/12 relates to the fact that this category included bookmakers' licences, commission, publications and rentals received. However, only commission revenue was collected, as the other categories no longer exist since the amalgamation of the bookmakers and the Gambling Board into KZNGBB. The increase in revenue from the 2013/14 Revised Estimate onward results from the introduction of parking fees, as well as fees for tender documents, which were not charged in previous years.

Interest, dividends and rent on land relates to interest on staff debts. It is difficult to project revenue from this category accurately due to its uncertain nature.

Sale of capital assets consist of revenue from the sale of redundant assets, such as land, motor vehicles and equipment. The revenue collected in 2011/12 and 2012/13 relates to the sale of redundant assets. The department is very conservative in terms of budgeting over the MTEF. This is due to the difficulty of anticipating revenue from this category as it depends on the age of the department's assets, as well as price attained at the auction.

The amounts reflected against *Transactions in financial assets and liabilities* relate to recoveries of staff debts from previous financial years. The high collection reflected in 2010/11 was due to recoveries in respect of staff telephone accounts and other staff debts recovered from previous financial years. The 2012/13 revenue represents funds returned from training workshops conducted during 2012/13. In terms of inter-departmental agreements, the amount agreed upon per delegate for training was higher than the actual expenditure incurred. The amount in the 2013/14 Revised Estimate relates to the recovery of staff debts. The revenue grows slightly over the MTEF.

4.3 Donor funding and agency receipts

Tables 1.3 and 1.4 below reflect the details of donor funding and agency receipts for the period 2010/11 to 2016/17.

Table 1.3 : Details of donor funding and agency receipts

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Donor funding	19 841	9 066	24 079	26 829	26 829	34 553	20 492	18 492	9 500
National Skills Fund	19 766	8 991	16 079	16 079	16 079	23 803	9 500	9 500	9 500
MERSETA - Apprenticeships	-	-	8 000	10 750	10 750	10 750	10 992	8 992	-
PSETA	75	75	-	-	-	-	-	-	-
Agency receipt	10 034	-	-	-	-	-	-	-	-
Department of Labour - Literacy Programme	10 034	-	-	-	-	-	-	-	-
Total	29 875	9 066	24 079	26 829	26 829	34 553	20 492	18 492	9 500

Table 1.4 : Details of payments and estimates of donor funding and agency receipts

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Donor funding	19 841	9 066	24 079	26 829	26 829	34 553	20 492	18 492	9 500
National Skills Fund	19 766	8 991	16 079	16 079	16 079	23 803	9 500	9 500	9 500
MERSETA - Apprenticeships	-	-	8 000	10 750	10 750	10 750	10 992	8 992	-
PSETA	75	75	-	-	-	-	-	-	-
Agency receipt	10 034	-	-	-	-	-	-	-	-
Department of Labour - Literacy Programme	10 034	-	-	-	-	-	-	-	-
Total	29 875	9 066	24 079	26 829	26 829	34 553	20 492	18 492	9 500

The OTP, through the Training Academy, submitted a provincial funding proposal to NSF in 2010/11. An amount of R97.149 million was allocated from 2010/11 to 2016/17 to fund the following learning programmes:

- Learnerships in the construction sector.
- Automotive apprenticeships.
- Manufacturing and engineering apprenticeships and learnerships.
- National Youth Service (NYS) skills programmes implemented by the DOPW.

The project has commenced and, of the 720 learners targeted, 675 have been recruited to date. Learners are at various stages of institutional and workplace training.

The department will be receiving R38.734 million from 2012/13 to 2015/16 from the MERSETA for an Artisan Development Project that targets the training of 200 artisans in occupations in the manufacturing and engineering sector, and R8 million for the KZN Short Skills Training project in 2012/13 and 2013/14.

In addition, the department received donor funding of R150 000 in 2010/11 and 2011/12 from PSETA for the development of a policy on accreditation.

The department received agency receipts over the period 2009/10 (not visible in the table) and 2010/11, from the Department of Labour, for the roll-out of a literacy programme targeting illiterate adults in KZN. The funding was utilised for the AET/*Masifundisane* Literacy Programme consisting of learnerships, apprenticeships, skills programme, project management fees and contingency fees. The *Masifundisane* Literacy Programme, in terms of the project plan, was completed in 2010/11. A total of 45 000 adult learners were trained in communication and numeracy in the eThekweni Metro and Zululand District Municipality. A total of 597 unemployed youth were trained in construction skills programmes, manufacturing and engineering apprenticeships and professional driver learnerships.

5. Payment summary

This section provides information pertaining to the vote as a whole at an aggregated level, including payments and budgeted estimates by programme and economic classification. Further details are given in Section 6 below, as well as in the *Annexure – Vote 1: Office of the Premier*.

5.1 Key assumptions

The following general assumptions were made by the department in formulating the 2014/15 budget:

- All inflation related increases are based on CPI projections.
- The department was given funds to provide for the carry-through costs of previous wage agreements. The department has provided for an inflationary wage adjustment of 6.4 per cent, 6.4 per cent and 6.3 per cent for each of the three years of the 2014/15 MTEF, respectively, as well as the annual 1.5 per cent pay progression through internal reprioritisation.
- Provision was made for the filling of vacant posts in terms of the revised organisational structure, taking into account the moratorium on the filling of non-critical vacant posts.
- The expanded cost-cutting measures, as reissued by PT in 2013/14, will continue to be adhered to over the 2014/15 MTEF, in conjunction with National Treasury Instruction 01 of 2013/14: Cost-containment measures.

5.2 Additional allocations for the 2012/13 to 2014/15 MTEF

Table 1.5 shows additional funding received by the department over the three MTEF periods: 2012/13, 2013/14 and 2014/15. Note that the table reflects only the provincial additional allocations, and excludes additional allocations in respect of conditional grants.

The purpose of such a table is two-fold. Firstly, it shows the quantum of additional funding allocated to the department in the past and current MTEF periods. Secondly, it indicates the policies and purposes for which the additional funding was allocated.

The carry-through allocations for the 2012/13 and 2013/14 MTEF periods (i.e. for the financial year 2016/17) are based on the incremental percentage used in the 2014/15 MTEF.

Table 1.5 : Summary of additional provincial allocations for the 2012/13 to 2014/15 MTEF

R thousand	2012/13	2013/14	2014/15	2015/16	2016/17
2012/13 MTEF period	103 831	86 927	100 109	104 714	109 531
Carry-through of 2011 wage agreement	1 260	1 323	1 389	1 453	1 520
LIV Orphanage	8 000	-	-	-	-
Provincial Public Service Training Academy (refurbish and renovate)	10 000	12 000	15 000	15 690	16 412
Merger of horse racing regulator into KZNGBB	17 571	18 604	19 720	20 627	21 576
Youth ambassadors	15 000	17 000	20 000	20 920	21 882
Youth ambassador training by SANDF	20 000	-	-	-	-
Ntambanana - provision for piped water and proper roads to Luwamba Clinic	20 000	25 000	30 000	31 380	32 823
Operation <i>Sukuma Sakhe</i> - equipping of war-rooms	12 000	13 000	14 000	14 644	15 318
2013/14 MTEF period		9 100	(17 368)	(21 544)	(22 535)
Census data update and 1%, 2% and 3% baseline cuts		(8 320)	(17 368)	(21 544)	(22 535)
Zimele Developing Community Self-Reliance		7 555	-	-	-
Roll-over: 150-year commemoration of Indian indentured labourers		4 865	-	-	-
African Renaissance project		5 000	-	-	-
2014/15 MTEF period			100 853	57 278	55 007
Carry-through of previous wage agreements			1 485	2 868	3 315
Suspension of parts of Integrity Mgt funds from 13/14			5 700	-	-
Re-allocation of funding for Luwamba Wellness Centre in Ntambanana			-	(31 380)	(32 823)
Integrity Management unit			33 169	31 380	32 823
OSS Diakonia Council of Churches			5 000	5 000	-
Amafa - World Heritage status for Emakhosini Valley			3 059	-	-
Elections - Security strengthening			5 000	-	-
Centralisation of communications budget under OTP			35 593	37 144	38 862
Centralisation of external bursaries budget under OTP			11 847	12 266	12 830
Total	103 831	96 027	183 594	140 448	142 003

The OTP received additional funding over the 2012/13 MTEF for the refurbishment and renovations to the Training Academy (this will now be utilised for the construction of the new Training Academy as a site has been identified in Westville), the administrative requirements of the horse racing regulator which was merged into the KZNGBB, the Youth Ambassadors programme and its training by the SANDF, LIV Orphanage, the 2011 wage agreement, funding to provide piped water and proper roads at the Luwamba Clinic in the Ntambanana Municipality, as well as OSS for the equipping of war-rooms throughout the province.

The department received once-off additional funding of R7.555 million in the 2013/14 MTEF for Zimele, which is the carry-through allocation from the 2012/13 Adjustments Estimate, as well as a roll-over of R4.865 million for the 150-year commemoration of Indian indentured labourers, and R5 million for the African Renaissance project which is also a carry-through from the 2012/13 Adjustments Estimate.

Also in the 2013/14 MTEF, National Treasury took a decision to impose 1, 2 and 3 per cent baseline cuts on all spheres of government (i.e. National, Provincial and Local) in order to curb the national deficit as public spending is growing faster than revenue collection. In addition, KZN received reduced equitable share allocations as a result of the reduced proportion in terms of population numbers as reported in the 2011 Census data results. The effect of this on OTP was a substantial reduction in the budget over the entire period.

The department receives additional funding in the 2014/15 MTEF for the following:

- The carry-through costs of previous wage agreements, with carry-through over the MTEF.
- Once-off additional funding for the Integrity Management unit. This includes R33.169 million as well as R5.700 million, with the latter being a suspension of parts of the Integrity Management funds from 2013/14. From 2015/16, OTP has agreed to redirect the funds allocated for the development of the Luwamba Wellness Centre toward the running of the Integrity Management unit. The funds will no longer be needed for the Luwamba Wellness Centre beyond 2014/15 but remain in OTP's baseline.

- R5 million was allocated for security strengthening during the upcoming 2014 general elections.
- R5 million for 2014/15 and 2015/16 for the OSS Diakonia Council of Churches.
- Once-off additional funding of R3.059 million for Amafa with regard to the application for World Heritage status for the Emakhosini Valley.
- Carry-through funding for the centralisation of parts of the communications budget under OTP.
- Carry-through funding for the centralisation of the external bursaries budget under OTP.

5.3 Summary by programme and economic classification

Tables 1.6 and 1.7 below summarise payments and estimates by programme and economic classification. The structure of the department consists of three programmes, and is largely in accordance with the uniform programme and budget structure developed for the sector. It is noted, however, that the Heritage sub-programme is included under Vote 1: Office of the Premier in this province, although Heritage forms part of the uniform programme and budget structure for the Sport, Arts and Culture sector.

Table 1.6 : Summary of payments and estimates by programme: Office of the Premier

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
1. Administration	101 738	110 761	156 363	156 954	205 886	205 886	205 990	174 225	180 248
2. Institutional Development	95 275	105 504	144 909	145 209	173 972	173 972	194 158	202 332	215 679
3. Policy and Governance	226 794	269 335	374 549	318 691	382 547	382 547	341 143	347 269	360 967
Total	423 807	485 600	675 821	620 854	762 405	762 405	741 291	723 826	756 894

Table 1.7 : Summary of payments and estimates by economic classification: Office of the Premier

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Current payments	374 345	412 292	539 654	539 712	655 033	655 033	623 229	605 316	632 178
Compensation of employees	112 663	155 307	214 117	207 417	220 417	220 417	243 907	251 963	261 163
Goods and services	261 682	256 985	325 537	332 295	434 616	434 616	379 322	353 353	371 015
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	42 035	61 362	105 527	73 319	85 284	85 284	93 272	93 536	98 418
Provinces and municipalities	18	21	15 035	12	12	12	13	14	14
Departmental agencies and accounts	36 688	41 394	62 235	65 026	70 976	70 976	71 289	70 641	74 385
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and int. organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	12 000	8 030	-	-	-	-	-	-
Households	5 329	7 947	20 227	8 281	14 296	14 296	21 970	22 881	24 019
Payments for capital assets	7 365	11 939	30 612	7 823	22 088	22 088	24 790	24 974	26 298
Buildings and other fixed structures	-	-	5	-	5 701	5 701	15 697	16 417	17 288
Machinery and equipment	6 712	3 949	6 279	2 708	7 572	7 572	4 033	4 233	4 457
Heritage assets	323	1 722	10 794	4 865	8 815	8 815	5 000	4 000	4 212
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	7 018	-	-	-	-	-	-
Software and other intangible assets	330	6 268	6 516	250	-	-	60	324	341
Payments for financial assets	62	7	28	-	-	-	-	-	-
Total	423 807	485 600	675 821	620 854	762 405	762 405	741 291	723 826	756 894

The substantial increase from 2012/13 is attributed to additional funding received for the LIV Orphanage, refurbishment and renovations of the Training Academy, administrative requirements of the horse racing regulator which was merged into the KZNGBB, the Youth Ambassadors programme and the training of the youth ambassadors by SANDF, the Luwamba Clinic, as well as funding toward equipping war-rooms in relation to OSS. The decrease from 2012/13 to the 2013/14 Main Appropriation relates to the substantial once-off funding given to the department in 2012/13, as well as the baseline cuts effected over the 2013/14 MTEF. The department received additional funding in 2014/15 for the Integrity Management unit, as well as OSS and the centralisation of the external bursaries and parts of the communications

budgets under OTP over the 2014/15 MTEF. This accounts for the substantial increase over the 2014/15 MTEF. However, most of the funding received in 2013/14 and even 2014/15 (Integrity Management unit), is largely once-off, which accounts for the decrease from the 2013/14 Revised Estimate to 2014/15, as well as the dip in 2015/16.

The spending against Programme 1: Administration in 2010/11 was reprioritised to provide for the movement of the Integrity Management unit from Programme 2, as well as the centralisation of administrative expenses such as telephones, cleaning services, maintenance and lease commitments. The significant increase in 2012/13 was largely a result of additional funding for the provision of piped water and proper roads to the Luwamba Clinic in the Ntambanana Municipality. The increase in the 2013/14 Adjusted Appropriation is largely ascribed to the additional funding for the hosting of the AFCON tournament and the RTI Commission. The increase in 2014/15 is as a result of additional funding for the capacitation of the Integrity Management unit and for security strengthening during the upcoming 2014 general elections. As previously mentioned, from 2015/16, OTP has agreed to redirect the funds allocated for the development of the Luwamba Wellness Centre toward the running of the Integrity Management unit. The funds will no longer be needed for the Luwamba Wellness Centre beyond 2014/15 but remain in OTP's baseline.

Programme 2: Institutional Development in 2010/11 shows relatively low expenditure due to significant cost-cutting being effected in 2010/11. The significant increase from 2012/13 is attributed to the additional funding received for the refurbishment and renovations of the Training Academy. The minimal growth from 2012/13 to the 2013/14 Main Appropriation is due to the decision by the department to stop spending on the Training Academy in 2012/13, after it had been taken over by the DOE. There is a substantial increase in the 2013/14 Adjusted Appropriation and over the 2014/15 MTEF as a result of the centralisation of parts of the communications and the external bursaries budgets under OTP.

Programme 3: Policy and Governance received additional funding for the Youth Ambassadors programme in 2010/11. The substantial increase from 2011/12 onward is attributable to additional funding for the operational costs of the Emakhosini Multi-Media Centre, the PPC and the Nerve Centre. The increase was also due to once-off additional funding for the LIV Orphanage. In 2012/13, various projects received additional funding, such as the Youth Ambassadors programme, OSS, African Renaissance, etc. Most additional funds in 2012/13 and 2013/14 were largely once-off such as youth ambassador training by SANDF, roll-over of Indian indentured labourer funds, etc., thus explaining the decrease in 2014/15. The 2014/15 amount includes once-off additional funding allocated to Amafa for its application for World Heritage status for the Emakhosini Valley.

Compensation of employees reflects a significant increase from 2011/12 onward as a result of additional funds received for the Youth Ambassadors programme. The decrease from 2012/13 to the 2013/14 Main Appropriation is a result of the decrease in the appointment of youth ambassadors from 3 024 to 1 966, in an effort to match budget, as well as the moratorium on the filling of non-critical vacant posts. The increase in the 2013/14 Adjusted Appropriation caters for staffing costs of the Integrity Management unit. The phasing in of the new organisational structure is anticipated to take place from 2014/15, and hence the steady increase over the MTEF.

Goods and services in 2010/11 is high due to additional funds received for the roll-out of the Youth Ambassadors programme. This accounts for the decrease from 2010/11 to 2011/12. The substantial increase in 2012/13 relates to additional funding received for *Amadelakufa* awards, once-off set-up costs of the Integrity Management unit, Zimele, once-off establishment costs of the HRD Council, 2012 Career Exhibition, Choral Music Awards, Presidential *Imbizo*, establishment of the Rural Development Co-ordination component, establishment of the KZN Climate Change Council, OSS projects, African Renaissance, as well as for the Provincial Prayer day. Most additional funds in 2012/13 and 2013/14 were once-off, such as Zimele, African Renaissance, etc., which accounts for the reduction in 2014/15. In 2014/15, the department receives an additional once-off allocation of R5 million for security strengthening in respect the upcoming 2014 general elections, accounting for the reduction from 2014/15 to 2015/16. Also accounting for the reduction from 2014/15 to 2015/16 is the shifting of funds in respect of the Training Academy that were under this category to *Buildings and other fixed structures*.

Transfers and subsidies decreased from 2012/13 to 2013/14 and stays at a lower level over the MTEF:

- *Provinces and municipalities* generally caters for the payment of motor vehicle licences. The high expenditure in 2012/13 is due to once-off additional funding for hosting AFCON in KZN, with this being undertaken jointly with the eThekweni Metro. There is steady growth over the 2014/15 MTEF.
- The increase in 2012/13 against *Departmental agencies and accounts*, which caters for transfers to KZNGBB and Amafa, is in respect of additional funding that was allocated as a result of the merger of the horse racing regulator into the KZNGBB, as explained above. In 2014/15, Amafa receives additional funding of R3.059 million for its application for World Heritage status for the Emakhosini Valley, accounting for the decrease in 2015/16.
- With regard to *Non-profit institutions*, amounts of R12 million in 2011/12 and R8 million in 2012/13 were allocated for the LIV Orphanage. This was to assist the orphanage with building a holistic village both to house vulnerable and orphaned children, to empower them to be self-employed and to sustain a reasonable livelihood by learning basic skills. An amount of R30 000 in 2012/13 relates to a donation to Khulani Production Artist Theatre for a graduation ceremony to honour students that completed the Arts and Skills courses.
- *Households* consists of staff exit costs, medical aid contributions for ex-parliamentarians (PARMED), the Provincial Bursary programme, etc. This category reflects fluctuations due to staff exit costs, which are difficult to accurately predict. The increase in 2011/12 and 2012/13 is as a result of savings identified from the funds for PILIR and allocated to the Provincial Bursary programme, as well as the funds received from an inter-departmental account (IDA) in respect of the Provincial Bursary programme from other departments. This category reflects a significant increase over the 2014/15 MTEF attributed to the decision by Cabinet to centralise the external bursaries budget under OTP commencing from the 2013/14 Adjustments Estimate.

No expenditure was incurred against *Buildings and other fixed structures* in 2010/11 and 2011/12, while only R5 000 was spent on renovations to the Premier's Parkside Residence in 2012/13. The department received a roll-over of R5.701 million during the 2013/14 Adjusted Appropriation for the balance of the roof renovations to the Premier's Parkside Residence. The Training Academy building was claimed back by DOE in 2012/13 to assist educators with continuous professional development. The Training Academy still continues to function from its current location, and the department, together with DOPW, have identified a site in Westville to build the new Training Academy. The bulk of the 2014/15 MTEF allocations are therefore set aside for the new Training Academy, of which the construction is anticipated to commence in 2014/15.

Machinery and equipment from 2010/11 relates to the purchase of official vehicles and essential office furniture and equipment for new appointments. The decrease in 2012/13 relates to funds reprioritised within *Payments for capital assets* for the Nerve Centre, as indicated below. The low 2014/15 MTEF allocation relates to the completion of Phase 3 of the Nerve Centre, cost-cutting as well as a phased-in approach to the purchasing of machinery and equipment, in an effort to cut back on expenditure.

The 2010/11 and 2011/12 amounts against *Heritage assets* relate to the erection of monuments and plaques, as well as the restoration of Royal graves such as *Inkosi Dingiswayo* and graves of victims of conflict such as that of the Mahhehle and Shobashobane massacres. The 2012/13 amount provides for the building of wax statues and busts to honour former Presidents of the ANC and King Shaka in various sites in KZN. The roll-over of R4.865 million from 2011/12 to 2013/14 for the 150-year commemoration of Indian indentured labourers was allocated to *Heritage assets* in the 2013/14 Adjusted Appropriation for the erection of plaques and monuments. The amounts over the 2014/15 MTEF cater for various tombstones, unveilings and walls of remembrances, as identified by the Premier. The decrease from 2014/15 to 2015/16 relates to reprioritisation that was undertaken to *Households* for internal bursaries.

In 2012/13, an amount of R7.018 million was spent against *Land and subsoil assets* relating to the purchase of land behind the Moses Mabhida Building, procured to provide parking facilities for departmental officials due to new regulations passed by the local municipality that resulted in restricted parking in the Pietermaritzburg Central Business District (CBD).

The costs in respect of the Nerve Centre (SAS Business Intelligence System) account for the significant increase in *Software and other intangible assets* from 2011/12 and 2012/13, as a result of Build 1 and 2 of the system. The amounts over the 2014/15 MTEF cater for Build 3, which is the last stage of the Nerve Centre, as well as other general software upgrades.

5.4 Summary of payments and estimates by district municipal area

Table 1.8 summarises payments and estimates by district municipal area, and reflects the full budget including the department's administration costs due to the fact that its activities are centrally administered from its head office which is situated in uMgungundlovu.

Table 1.8 : Summary of payments and estimates by district municipal area

R thousand	Audited Outcome	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16	2016/17
eThekweni	62 679	50 753	62 662	64 837	68 199
Ugu	-	-	-	-	-
uMgungundlovu	593 142	686 652	648 629	658 989	688 695
Uthukela	-	-	-	-	-
Umzinyathi	-	-	-	-	-
Amajuba	-	-	-	-	-
Zululand	-	-	-	-	-
Umkhanyakude	-	-	-	-	-
uThungulu	20 000	25 000	30 000	-	-
Ilembe	-	-	-	-	-
Sisonke	-	-	-	-	-
Total	675 821	762 405	741 291	723 826	756 894

The department's service delivery takes place within the provincial government in the form of co-ordination and/or support activities, which are mostly centralised. Spending occurs mainly within uMgungundlovu, where the bulk of the provincial departments' head offices are located. The additional funds for the strengthening of security during the 2014 general elections have also been allocated to the head office. The department incurred an unforeseeable and unavoidable expenditure in relation to Madiba's provincial memorial service.

The spending in the eThekweni Metro is mainly due to the fact that the Training Academy and the LIV Orphanage are situated in the area, and a transfer of R15 million was transferred to the Metro to host the AFCON tournament, as previously mentioned. The spending from 2012/13 to 2014/15 against the uThungulu district municipal area relates to the provision of piped water and proper roads to the Luwamba Clinic in the Ntambanana area. There is no allocation from 2015/16 as OTP agreed to redirect the funds allocated for the development of the Luwamba Wellness Centre toward the running of the Integrity Management unit. The funds will no longer be needed for the Luwamba Wellness Centre beyond 2014/15 but remain in OTP's baseline.

5.5 Summary of conditional grant payments and estimates – Nil

5.6 Summary of infrastructure payments and estimates

Table 1.9 below summarises the infrastructure payments and estimates relating to the department.

Table 1.9 : Summary of infrastructure payments and estimates by category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
New and replacement assets	-	-	-	-	-	-	15 697	16 417	17 288
Existing infrastructure assets	700	1 905	4 347	13 300	9 001	9 001	1 400	1 464	1 541
Upgrades and additions	-	-	-	-	-	-	-	-	-
Rehabilitation, renovations and refurbishments	-	-	5	-	5 701	5 701	-	-	-
Maintenance and repairs	700	1 905	4 342	13 300	3 300	3 300	1 400	1 464	1 541
Infrastructure transfers	-	-	-	-	-	-	-	-	-
Current	-	-	-	-	-	-	-	-	-
Capital	-	-	-	-	-	-	-	-	-
Total	700	1 905	4 347	13 300	9 001	9 001	17 097	17 881	18 829

The amounts reflected under *New and replacement assets* relates to funding for the Training Academy, as mentioned previously. These funds will be utilised for the construction of the new Training Academy in Westville where a site has been identified. DOPW is currently doing a site evaluation.

In 2012/13, *Rehabilitation, renovations and refurbishments* shows minor expenditure of R5 000 related to renovations to the Premier’s Parkside Residence. The department received a roll-over of R5.701 million during the 2013/14 Adjusted Appropriation for the balance of the roof renovations to the Premier’s Parkside Residence. There are no allocations against this category over the 2014/15 MTEF

Maintenance and repairs reflects expenditure and allocations that relates to ongoing provision for infrastructure maintenance. The 2010/11 amount relates to the electrical upgrade, and the maintenance of the air-conditioning system at the Training Academy, office partitioning costs at the Moses Mabhida Building, as well as minor renovations at Parkside. The spending in 2011/12 relates to routine maintenance work done at the Training Academy and administration offices. As mentioned, however, the Training Academy building was transferred back to DOE in 2012/13 to assist educators with continuous professional development. The Training Academy will continue to function from its current location, however, all planned maintenance work at the existing Training Academy were put on hold.

5.7 Summary of Public Private Partnerships – Nil

5.8 Transfers to public entities listed in terms of Schedule 3 of the PFMA

The OTP exercises oversight over two public entities, namely the KZNGBB and Amafa. Table 1.10 illustrates transfers made to the public entities over the seven years under review. Financial summaries received from the KZNGBB and Amafa are given in *Annexure – Vote 1: Office of the Premier*.

Table 1.10 : Summary of departmental transfers to public entities

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Amafa aKwaZulu-Natali	20 332	24 057	26 460	27 595	29 095	29 095	32 013	29 977	31 566
KwaZulu-Natal Gaming and Betting Board	16 356	17 337	35 775	37 431	41 881	41 881	39 276	40 664	42 819
Total	36 688	41 394	62 235	65 026	70 976	70 976	71 289	70 641	74 385

Amafa is responsible for administering heritage conservation on behalf of the provincial government. The entity’s main objective is to promote awareness of the significance and value of cultural heritage resources, while ensuring that cultural heritage management is integrated into economic, social and environmental activities in KZN. Additional funding was allocated from 2011/12 for various heritage projects, such as fencing in Emakhosini and heritage markers at Anglo-Zulu sites, as well as the operational costs of the Emakhosini Multi-Media Centre. During the 2013/14 Adjusted Appropriation, a once-off allocation of R1.500 million was allocated for procurement of capital requirements associated with the entity’s turn-around strategy. An amount of R3.059 million is allocated in 2014/15 in order for Amafa to apply for World Heritage status in respect of the Emakhosini Valley, to upgrade its research and education facilities, as well as various heritage sites and to also purchase support equipment.

The main objective of the KZNGBB is to ensure that all gambling authorised in terms of the KZN Gaming and Betting Act is conducted in a manner that promotes the integrity of the horse racing, betting and gaming industry. In addition, the Board promotes the province’s objective to develop the industry as a vehicle for the promotion of tourism, employment creation and economic development. The increase in 2012/13 can be ascribed to additional funding in respect of the merger of the horse racing regulator into KZNGBB. In the 2013/14 Adjusted Appropriation, there is once-off additional funding of R4.450 million for a new IT system. KZNGBB’s 2014/15 MTEF allocations grow steadily.

5.9 Transfers to other entities

Table 1.11 below reflects departmental transfers to other entities.

Table 1.11 : Summary of departmental transfers to other entities

R thousand	Sub-programme	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
		2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
LIV Orphanage	3.1 Special Programmes	-	12 000	8 000	-	-	-	-	-	-
Khulani Production Artist Theatre	3.1 Special Programmes	-	-	30	-	-	-	-	-	-
Total		-	12 000	8 030	-	-	-	-	-	-

In 2011/12 and 2012/13, R12 million and R8 million, respectively, were transferred to the LIV Orphanage, as previously explained.

In 2012/13, a donation of R30 000 was made to Khulani Production Artist Theatre for a graduation ceremony to honour students that completed the Arts and Skills courses.

5.10 Transfers to local government

Table 1.12 provides a summary of transfers to local government by category. It is noted that, although the payment of motor vehicle licences falls under *Transfers and subsidies to: Provinces and municipalities*, these funds will not be transferred to any municipality, and hence these are excluded from Table 1.12.

Table 1.12 : Summary of departmental transfers to local government by category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Category A	-	-	15 000	-	-	-	-	-	-
Category B	-	-	-	-	-	-	-	-	-
Category C	-	-	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	-	-	15 000	-	-	-	-	-	-

The R15 million in 2012/13 against Category A relates to the transfer to the eThekweni Metro, being the province's contribution to hosting AFCON. These funds were spent on public viewing/fan parks, marketing of the event, volunteers, as well as various city and provincial initiatives.

5.11 Transfers and subsidies

Table 1.13 summarises transfers by programme and main category over the seven-year period under review. As reflected in the table, the department made various transfers to entities under each programme.

Table 1.13 : Summary of transfers and subsidies by programme and main category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
1. Administration	5 148	892	16 227	1 290	1 290	1 290	1 333	1 395	1 468
Provinces and municipalities	18	21	15 035	12	12	12	13	14	14
Motor vehicle licences	18	21	35	12	12	12	13	14	14
AFCON (eThekweni Metro)	-	-	15 000	-	-	-	-	-	-
Households	5 130	871	1 192	1 278	1 278	1 278	1 320	1 381	1 454
Social benefits	5 130	871	1 192	1 278	1 278	1 278	1 320	1 381	1 454
2. Institutional Development	93	7 076	19 029	7 003	13 018	13 018	20 650	21 500	22 565
Households	93	7 076	19 029	7 003	13 018	13 018	20 650	21 500	22 565
Social benefits	93	-	-	3	3	3	3	3	3
Provincial Bursary programme	-	7 076	19 029	7 000	13 015	13 015	20 647	21 497	22 562
3. Policy and Governance	36 794	53 394	70 271	65 026	70 976	70 976	71 289	70 641	74 385
Departmental agencies and accounts	36 688	41 394	62 235	65 026	70 976	70 976	71 289	70 641	74 385
KZNGBB	16 356	17 337	35 775	37 431	41 881	41 881	39 276	40 664	42 819
Amafa	20 332	24 057	26 460	27 595	29 095	29 095	32 013	29 977	31 566
Non-profit institutions	-	12 000	8 030	-	-	-	-	-	-
LIV Orphanage	-	12 000	8 000	-	-	-	-	-	-
Khulani Production Artist Theatre	-	-	30	-	-	-	-	-	-
Households	106	-	6	-	-	-	-	-	-
Social benefits	106	-	6	-	-	-	-	-	-
Total	42 035	61 362	105 527	73 319	85 284	85 284	93 272	93 536	98 418

Programme 1 reflects transfers in respect of motor vehicle licences, under *Provinces and municipalities*, as well as social benefits relating to medical aid contributions for ex-parliamentarians (PARMED), and staff exit costs against *Households*. The R15 million against *AFCON (eThekweni Metro)* in 2012/13 relates to the transfer to eThekweni Metro, being the province's contribution to hosting AFCON.

Programme 2 reflects transfers in respect of social benefits and the Provincial Bursary programme. The bursaries are paid directly to the students who receive a monthly stipend and transport funds. The peak in 2012/13 is a result of savings identified from the funds for PILIR and allocated to the bursary programme, as well as funds received from an inter-departmental account (IDA) in respect of the bursary programme from other departments. It must be noted that, during 2013/14, Cabinet approved the centralisation of the bursaries budget under OTP and this explains the increase from the 2013/14 Adjusted Appropriation onward.

Programme 3 houses the bulk of the transfers' budget:

- *Departmental agencies and accounts* relates to transfers made to KZNGBB and Amafa. From 2012/13 onward, the budget includes additional funding for the merger of the horse racing regulator into the KZNGBB, which is being financed through additional revenue collected by the newly amalgamated entity. The increase in the 2013/14 Adjusted Appropriation is due to the additional funding for the KZNGBB IT system. Amafa also received additional funding for the turnaround strategy once-off capital requirements, as well as funds to apply for World Heritage status for the Emakhosini Valley.
- The amounts against *Non-profit institutions* relate to funding of non-profit organisations and donations to other organisations, such as Khulani Production Artist Theatre and the LIV Orphanage.
- The category *Households* caters for staff exit costs.

6. Programme description

The services rendered by this department are, as per the generic sector structure, categorised under three programmes, the details of which are discussed below.

The amounts for each programme are summarised in terms of economic classification, with details given in *Annexure – Vote 1: Office of the Premier*.

6.1 Programme 1: Administration

The purpose of this programme is to provide administrative support to the Premier, Executive Council and the Director-General in fulfilling their legislative and oversight functions and in promoting good corporate governance.

There are four sub-programmes supporting this programme, namely Premier Support, Executive Council Support, Director-General and Financial Management. The objectives are as follows:

- To provide logistical, administrative and advisory support to the Premier in executing the constitutional mandate and statutory duties.
- To render secretariat support services to the Executive Council, clusters, and key provincial committees.
- To provide operational support to the Director-General in strategically managing the province.
- To provide financial management support and advisory services.

Tables 1.14 and 1.15 below reflect a summary of payments and estimates relating to this programme, by sub-programme and economic classification, for the period 2010/11 to 2016/17.

Table 1.14 : Summary of payments and estimates by sub-programme: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
1. Premier Support	21 317	27 416	25 873	30 099	52 598	52 598	29 786	31 074	27 781
2. Executive Council Support	6 943	7 852	8 746	8 432	9 532	9 532	9 618	9 529	11 719
3. Director-General	23 051	18 470	18 491	21 806	19 806	19 806	26 651	23 020	23 398
4. Financial Management	50 427	57 023	103 253	96 617	123 950	123 950	139 935	110 602	117 350
Total	101 738	110 761	156 363	156 954	205 886	205 886	205 990	174 225	180 248

Table 1.15 : Summary of payments and estimates by economic classification: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Current payments	92 926	108 038	137 133	154 078	194 825	194 825	201 468	169 438	175 208
Compensation of employees	43 270	50 837	56 799	62 052	68 172	68 172	78 696	79 016	81 863
Goods and services	49 656	57 201	80 334	92 026	126 653	126 653	122 772	90 422	93 345
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	5 148	892	16 227	1 290	1 290	1 290	1 333	1 395	1 468
Provinces and municipalities	18	21	15 035	12	12	12	13	14	14
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and int. organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	5 130	871	1 192	1 278	1 278	1 278	1 320	1 381	1 454
Payments for capital assets	3 656	1 825	3 003	1 586	9 771	9 771	3 189	3 392	3 572
Buildings and other fixed structures	-	-	5	-	5 701	5 701	697	727	766
Machinery and equipment	3 654	1 825	2 985	1 336	4 070	4 070	2 492	2 403	2 530
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	2	-	13	250	-	-	-	262	276
Payments for financial assets	8	6	-	-	-	-	-	-	-
Total	101 738	110 761	156 363	156 954	205 886	205 886	205 990	174 225	180 248

The amount against the sub-programme: Premier Support in 2010/11 can be ascribed to the newly created Security and Protocol Services unit, which was later moved to the Director-General sub-programme. The substantial increase from 2011/12 onward is to cater for the establishment of a unit to manage the Premier's special projects. The increase from the 2013/14 Main to the Adjusted Appropriation can be ascribed to additional funding for the RTI Commission and Zimele, which accounts for the dip in 2014/15.

The sub-programme: Executive Council Support shows a decrease from 2012/13 to the 2013/14 Main Appropriation largely due to the reprioritisation of funds from this sub-programme to Programme 3 to cater for OSS spending pressures. The significant increase from the 2013/14 Main Appropriation to the Adjusted Appropriation can be ascribed to the higher than anticipated wage agreements. Accounting for the decrease from 2014/15 to 2015/16, is the reprioritisation of funds Financial Management in 2014/15 to this sub-programme, for minor upgrades of the Cabinet office.

The Director-General sub-programme fluctuates from 2010/11 onward mainly as a result of the reprioritisation to different sub-programmes to cater for various spending pressures from time to time. The 2010/11 expenditure relates to funds rolled over from 2009/10 relating to the War on Poverty programme, accounting for the decrease from 2010/11 to 2011/12. The decrease in 2011/12 is also as a result of cost-cutting. In 2014/15, this sub-programme receives additional funding of R5 million for strengthening of security during the upcoming 2014 general elections. There is consistent growth over the 2014/15 MTEF.

The substantial increase from 2011/12 onward against Financial Management is to cater for the newly created Integrity Management unit, in line with the organisational structure of the department. The increase in 2012/13 is due to additional funding of R15 million, being the province's contribution to hosting the AFCON tournament. The significant increase from 2012/13 is a result of additional funding for the provision of piped water and proper roads to the Luwamba Clinic in the Ntambanana Municipality,

which ends in 2014/15, but is then redirected, within the same sub-programme, to funding the operational costs of the Integrity Management unit. The substantial increase in the 2013/14 Adjusted Appropriation and 2014/15 is due to additional funding for the running and staffing costs of the Integrity Management unit until funds from the Luwamba Clinic could be directed to fund these operational costs. This accounts for the decrease from 2014/15 to 2015/16.

The increase against *Compensation of employees* from 2011/12 is a result of the filling of critical vacant posts. It is envisaged that further key positions in terms of the new proposed structure, will be filled from 2013/14 and over the 2014/15 MTEF. The increase in the 2013/14 Adjusted Appropriation can be ascribed to the reprioritisation from Programmes 2 and 3 to cater for spending pressures such as the higher than anticipated 2013 wage agreement.

The amount reflected against *Goods and services* in 2010/11 was a result of the centralisation of administrative costs such as cellular and telephone accounts, stationery, etc. The significant increase from 2011/12 is due to additional funding for the Luwamba Wellness Centre, and the Integrity Management unit, as well as the creation of the Premier's Special Projects unit, which houses projects/initiatives such as the RTI Commission, HIV and AIDS support, etc. This category reflects steady growth over the 2014/15 MTEF due to additional funding for the Luwamba Wellness Centre and for Integrity Management unit, as well as for strengthening security during the 2014 general elections (once-off).

Transfers and subsidies to: Provinces and municipalities relates to motor vehicle licences, as well as funds transferred to the eThekweni Metro in 2012/13, being the province's contribution toward hosting AFCON.

Transfers and subsidies to: Households caters for staff exit costs, as well as provision for medical aid contributions for ex-parliamentarians (PARMED). The 2014/15 MTEF grows steadily.

The amount against *Buildings and other fixed structures* in the 2013/14 Adjusted Appropriation and Revised Estimate is attributed to the roll-over of funds from 2012/13 in respect of urgent repairs and maintenance to the Premier's Parkside residence, such as roof leaks. The amounts over the MTEF mainly cater for the roof renovations in respect of the Premier's Parkside residence.

The amount in 2010/11 against *Machinery and equipment* can be ascribed to provision for additional vehicles. The 2011/12 amount relates to furniture and equipment purchased for the additional staff transferred to the Premier Support sub-programme in respect of the Security and Protocol Services unit, which was later moved to the Director-General sub-programme. The increase in 2012/13 is a result of the purchase of official vehicles. Accounting for the decrease from 2014/15 to 2015/16, is the reprioritisation of funds Financial Management in 2014/15 to this sub-programme, for minor hardware upgrades of the Cabinet office.

The amounts reflected in 2013/14 and over the 2014/15 MTEF against *Software and other intangible assets* mainly relate to the purchase and licences of software for the Nerve Centre and other related systems. It is noted that this category was reduced in the 2013/14 Adjusted Appropriation and Revised Estimate, as well as in 2014/15. This can be ascribed to the reprioritisation to *Machinery and equipment* to cater for the purchase of official vehicles.

Payments for financial assets mainly relate to the write-off of debts.

Service delivery measures – Programme 1: Administration

Table 1.16 illustrates service delivery measures pertaining to Programme 1.

The service delivery outputs were revised in terms of the re-alignment and re-focus to the PGDP. Note that only a few main measures are reflected below, and the full set of measures is detailed in the department's APP.

Table 1.16 : Service delivery measures - Programme 1: Administration

Outputs	Performance indicators	Estimated performance		Medium-term targets		
		2013/14	2014/15	2015/16	2016/17	
1. Premier Support						
1.1	To provide administrative and operational support services to the Premier in the implementation of the Premier's priority projects weekly, monthly and quarterly	Acceptable, supportive and effective administrative support services to the Premier in executing his constitutional mandate weekly, monthly and quarterly	Provision of administrative and operational support services to the Premier in the implementation of the Premier's priority projects weekly, monthly and quarterly	Provision of administrative and operational support services to the Premier in the implementation of the Premier's priority projects weekly, monthly and quarterly	Provision of administrative and operational support services to the Premier in the implementation of the Premier's priority projects weekly, monthly and quarterly	Provision of administrative and operational support services to the Premier in the implementation of the Premier's priority projects weekly, monthly and quarterly
2. Executive Council Support						
2.1	To provide effective and co-ordinated secretariat support services to the Executive Council, Technical and Cabinet Clusters weekly, quarterly and monthly	Acceptable, satisfactory and supportive secretariat and administrative services to the Executive Council, Technical and Cabinet Clusters	Provision of effective and co-ordinated secretariat support services to the Executive Council, Technical and Cabinet Clusters weekly, quarterly and monthly	Provision of effective and co-ordinated secretariat support services to the Executive Council, Technical and Cabinet Clusters weekly, quarterly and monthly	Provision of effective and co-ordinated secretariat support services to Executive Council, Technical and Cabinet Clusters weekly, quarterly and monthly	Provision of effective and co-ordinated secretariat support services to the Executive Council, Technical and Cabinet Clusters weekly, quarterly and monthly
3. Director-General Support						
3.1	To provide all administrative support services to the Director-General (D-G), EXCO and MANCO weekly, monthly and quarterly	Acceptable and efficient administrative support services provided to the D-G, EXCO and MANCO weekly, monthly and quarterly	New	Provision of all administrative support services to the D-G, EXCO and MANCO weekly, monthly and quarterly	Provision of all administrative support services to the D-G, EXCO and MANCO weekly, monthly and quarterly	Provision of all administrative support services to the D-G, EXCO and MANCO weekly, monthly and quarterly
4. Integrity Management						
4.1	To manage anti-fraud and anti-corruption case management system on fraud in the province and report monthly and quarterly	No. of monthly and quarterly reports on the management anti-fraud and anti-corruption case management system	Ensure all provincial departments and all public entities comply with the KZN anti-fraud and anti-corruption strategy by March 2014	To manage the implementation of the KZN anti-fraud and anti-corruption strategy using a case management system	To manage the implementation of the KZN anti-fraud and anti-corruption strategy using a case management system	Full implementation of case management system
4.2	To implement the Fraud Prevention Plan for OTP daily, weekly and monthly	No. of reports on the implementation of OTP Fraud Prevention Plan and Risk Management	To prevent, detect and investigate fraud on a daily basis in the OTP	To prevent, detect and investigate fraud on a daily basis in the OTP	To prevent, detect and investigate fraud on a daily basis in the OTP	To prevent, detect and investigate fraud on a daily basis in the OTP
4.3	To compile and report on citizens' complaints on poor service delivery monthly and weekly	No. of reports on poor service delivery complaints	All the submitted complaints cases on poor service delivery and corruption recorded and reported by 31 March 2014	Implementing citizens' complaints monitoring system	Fully functional service delivery complaints system	Maintenance of service delivery complaints system
4.4	To co-ordinate all activities and 4 meetings of provincial Ombudsman Forum quarterly	No. of co-ordinated meetings of the provincial Ombudsman Persons Forum	Monthly, quarterly and annual reports must be completed by 31 March 2014	12 reports of provincial Ombudsman submitted	12 reports of provincial Ombudsman submitted	12 reports of provincial Ombudsman submitted

6.2 Programme 2: Institutional Development

The purpose of this programme is to improve service delivery through institutional capacity building and transformation management in the province, and the objectives are:

- Providing transversal legal advisory and support services.
- Providing transversal human resource management and systems.
- Co-ordinating the holistic development of public servants as well as the citizenry of KZN in general.
- Providing strategic information communication technology, science and technology management, leadership and support.
- Providing strategic communication leadership and support.

There are four sub-programmes supporting Programme 2, namely Strategic Human Resources, Information Communication Technology, Legal Services and Communication Services. Tables 1.17 and 1.18 below summarise payments and estimates relating to this programme, by sub-programme and economic classification, for the period 2010/11 to 2016/17.

Table 1.17 : Summary of payments and estimates by sub-programme: Institutional Development

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
1. Strategic Human Resources	51 811	59 308	94 065	90 881	86 539	86 539	102 035	106 139	113 796
2. Information Communication Technology (ICT)	21 016	20 393	18 778	25 729	25 491	25 491	25 366	26 092	29 581
3. Legal Services	8 512	8 594	8 892	11 456	11 746	11 746	12 156	12 714	13 388
4. Communication Services	13 936	17 209	23 174	17 143	50 196	50 196	54 601	57 387	58 914
Total	95 275	105 504	144 909	145 209	173 972	173 972	194 158	202 332	215 679

Table 1.18 : Summary of payments and estimates by economic classification: Institutional Development

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Current payments	92 629	97 524	115 870	136 874	158 134	158 134	157 258	163 855	175 237
Compensation of employees	43 171	48 156	55 791	60 644	61 644	61 644	65 230	68 092	72 543
Goods and services	49 458	49 368	60 079	76 230	96 490	96 490	92 028	95 763	102 694
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	93	7 076	19 029	7 003	13 018	13 018	20 650	21 500	22 565
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	93	7 076	19 029	7 003	13 018	13 018	20 650	21 500	22 565
Payments for capital assets	2 533	903	10 005	1 332	2 820	2 820	16 250	16 977	17 877
Buildings and other fixed structures	-	-	-	-	-	-	15 000	15 690	16 522
Machinery and equipment	2 205	903	2 981	1 332	2 820	2 820	1 250	1 287	1 355
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	7 018	-	-	-	-	-	-
Software and other intangible assets	328	-	6	-	-	-	-	-	-
Payments for financial assets	20	1	5	-	-	-	-	-	-
Total	95 275	105 504	144 909	145 209	173 972	173 972	194 158	202 332	215 679

The expenditure against Strategic Human Resources in 2010/11 included the movement of the Service Delivery unit to Programme 3, as well as the in-year take-up of PILIR related funds, whereby the funds that were not utilised in 2010/11 were surrendered to the Provincial Revenue Fund. The increase from 2011/12 relates to the entire allocation being received for PILIR (although a portion of it was redirected to the Provincial Bursary programme) and funding was allocated from other programmes, for the filling of various vacant posts. The substantial increase from 2012/13 is attributed to additional funding for the refurbishment and renovations to the Training Academy, which will now be utilised to fund the construction of the new Training Academy in Westville. As previously mentioned, in 2013/14, Cabinet approved the centralisation of the bursaries budget under OTP. Although the department further received a once-off amount of R7.555 million in the 2013/14 Main Appropriation for Zimele, these funds were later shifted to Programme 1 against the Premier Support sub-programme. Also accounting for the decrease in this sub-programme from the 2013/14 Main to Adjusted Appropriation, was the virement of funds to *Compensation of employees* in Programmes 2 and 3 for the higher than anticipated 2013 wage agreements.

Information Communication Technology (ICT) in 2010/11 reflected an amount which was inclusive of the Nerve Centre budget, which was later moved to Programme 3. The decrease in 2012/13 can be ascribed to the restructuring process which saw the Nerve Centre funds being moved to Programme 3 under the Provincial Policy Management sub-programme. The decrease from the 2013/14 Revised Estimate to 2014/15 can be ascribed to the reprioritisation of funds from this sub-programme to Strategic Human Resources to cater for spending pressures. This sub-programme grows steadily over the MTEF.

The increase against the Legal Services sub-programme from 2011/12 was due to additional funds made available, through reprioritisation from other sub-programmes, to cater for costs relating to the OSD for legal practitioners. The substantial increase in 2013/14 was to cater for the second phase of OSDs for legal practitioners.

The amounts against the Communication Services sub-programme in 2010/11 take into account the movement of the Community Liaison unit to Programme 3 under the Premier's Priority Programme sub-programme, in line with the realignment process that was undertaken. The increase from 2011/12 onward relates to the increased demand for communication publications, such as *Simama*. The substantial increase in 2012/13 was a result of funds received from the IDA from other departments in respect of *Simama*. As previously mentioned, during 2013/14, Cabinet approved the centralisation of parts of the communications budget under OTP, explaining the increase from that year.

The amount against *Compensation of employees* in 2010/11 was due to the movement of the Community Liaison unit to Programme 3, in line with the realignment process that was undertaken, as previously mentioned. Due to lack of records, the department could not adjust the prior year's figures accordingly. The increase from 2011/12 onward relates to the filling of critical vacant posts in line with the moratorium on the filling of non-critical posts. The increase from 2012/13 to the 2013/14 Main Appropriation is due to the substantial additional funding to fully cater for the costs relating to the OSD for legal practitioners, as well as a virement of funds from Strategic Human Resources to cater for the higher than anticipated 2013 wage agreements. There is steady growth over the 2014/15 MTEF.

Goods and services reflects a significant increase from 2010/11 to 2013/14, except for a minor decrease in 2011/12, largely because of additional funding received for renovations of the Training Academy, which will now be utilised for the construction of the new Training Academy in Westville. The substantial increase from 2013/14 is attributed to the centralisation of parts of the communications budget under OTP.

The amounts against *Transfers and subsidies to: Households* from 2011/12 cater for the high demand of the Provincial Bursary programme. The substantial increase from the 2013/14 Adjusted Appropriation onward is attributed to the suspension of funds from other departments to the Provincial Bursary programme, which is now centralised under OTP.

Spending against *Buildings and other fixed structures* over the 2014/15 MTEF relates to the refurbishment of the Training Academy. As previously explained, the Training Academy will continue to function from its current location for the time being, while the renovation funds are redirected to the construction of a new Training Academy in Westville. The budget was initially under *Goods and services* in 2012/13, as the department had not decided whether to lease or construct a new building at the time. However it was since moved to this category from 2014/15 onward, as a result of the decision to construct a new Training Academy.

The high spending against *Machinery and equipment* in 2010/11 and 2012/13 can be ascribed to the acquisition of office furniture and equipment in line with the recruitment plan. The high amount in 2010/11 is also a result of the purchase of office furniture and equipment for newly leased office space in the Invesco Centre. The department is planning to spend less on *Machinery and equipment* over the 2014/15 MTEF, due to the phasing in of the purchase of office furniture and equipment, in line with the moratorium on the filling of non-critical vacant posts.

In 2012/13, an amount of R7.018 million was spent against *Land and subsoil assets* to provide for the purchase of land behind the Moses Mabhida Building, procured to provide parking facilities for departmental officials due to new regulations passed by the local municipality that resulted in restricted parking in the Pietermaritzburg CBD.

The spending reflected against *Software and other intangible assets* in 2010/11 relates to the purchase of software for the Nerve Centre. Although the Nerve Centre is housed under Programme 1, in 2010/11 part of the Nerve Centre funding was included under the Information Communication Technology sub-programme for the purchasing of software and other assets.

The department wrote off various losses against *Payments for financial assets* from 2010/11 to 2013/14.

Service delivery measures – Programme 2: Institutional Development

Table 1.19 illustrates service delivery measures pertaining to Programme 2. The service delivery outputs were revised and streamlined in terms of the re-alignment and re-focus to fall in line with the PGDP. Note that only a few main measures are reflected below, and the full set of measures is detailed in the department's APP.

Table 1.19 : Service delivery measures - Programme 2: Institutional Development

Outputs	Performance indicators	Estimated performance		Medium-term targets		
		2013/14	2014/15	2015/16	2016/17	
1. Strategic Human Resources						
1.1	To facilitate the transformation of the provincial govt to be a professional, high performing, responsive, non-sexist and representative public service by 2015	No. of HR policies approved/reviewed by COHOD Governance and Administration Cluster and provincial Cabinet	5 HR policies approved/ reviewed by COHOD Governance and Administration Cluster and provincial Cabinet	5 HR policies approved/reviewed by COHOD Governance and Administration Cluster and provincial Cabinet	4 HR policies approved/ reviewed by COHOD Governance and Administration Cluster and provincial Cabinet	4 HR policies approved/reviewed by COHOD Governance and Administration Cluster and provincial Cabinet
1.2	To facilitate and co-ordinate the activities of the HRD Council	To facilitate and co-ordinate the activities of the HRD Council	Establishment of Council approved and Council launched by 31 March 2013	4 meetings of the Council	4 meetings of the Council	4 meetings of the Council
2. Information Communication Technology						
2.1	To provide ICT technical and policy advisory services to the province through the provincial government IT Officers Council (PGITOC)	No. of PGITOC meetings held annually and ICT policies implemented in the province	Revised provincial security policy, provincial e-gov strategy in place Revised and signed provincial SITA business agreement	Co-ordinate 4 PGITOC meetings	Co-ordinate 4 PGITOC meetings	Co-ordinate 4 PGITOC meetings
3. Legal Services						
3.1	To oversee and monitor the Provincial Legislative programme from the perspective of the Executive	No. of provincial laws (Bills, Regulations and Proclamations) certified	10 provincial laws (Bills, Regulations and Proclamations) certified for introduction in the Provincial Legislature 1 quarterly report on Provincial Legislative programme to be submitted within 15 days of end of each quarter	10 provincial laws (Bills, Regulations and Proclamations) certified for introduction in the Provincial Legislature 1 quarterly report on Provincial Legislative programme to be submitted within 15 days of end of each quarter	10 provincial laws (Bills, Regulations and Proclamations) certified for introduction in the Provincial Legislature 1 quarterly report on Provincial Legislative programme to be submitted within 15 days of end of each quarter	10 provincial laws (Bills, Regulations and Proclamations) certified for introduction in the Provincial Legislature 1 quarterly report on Provincial Legislative programme to be submitted within 15 days of end of each quarter
4. Communication Services						
4.1	To provide co-ordinated government communication services within the province, weekly, monthly and quarterly	Effective and co-ordinated government communication services week	36 Cabinet statements, 11 HoC/PCF meetings, 48 Simama publications, 12 Radio Ukhozi slots	36 Cabinet statements, 11 HoC/PCF meetings, 48 Simama publications, 12 Radio Ukhozi slots	36 Cabinet statements, 11 HoC/PCF meetings, 48 Simama publications, 12 Radio Ukhozi slots	36 Cabinet statements, 11 HoC/PCF meetings, 48 Simama publications, 12 Radio Ukhozi slots

6.3 Programme 3: Policy and Governance

The purpose of this programme is to initiate province-wide development and implementation of policies and strategies to achieve a co-ordinated approach toward sustainable provincial growth and development, and the objectives are as follows:

- To capacitate the provincial government and administration on governance and public policy management.
- To manage and co-ordinate strategic projects as mandated by the Premier and the Cabinet.
- To promote and co-ordinate human rights programmes in KZN.
- To promote and co-ordinate the mainstreaming of human rights in public policy and planning processes in the provincial administration.

- To co-ordinate the implementation of gender equality programmes.
- To conserve, manage and promote awareness of the cultural heritage resources of KZN.
- To promote, facilitate and spread the acquisition and application of scientific knowledge in KZN.
- To ensure a regulated gambling, gaming and betting industry.
- To ensure a co-ordinated approach with respect to provincial policy management.
- To co-ordinate and implement a comprehensive response to the socio-economic impact of HIV and AIDS.
- To ensure successful implementation of priority socio-economic programmes and projects in KZN.
- To ensure the effectiveness of policy, planning and programme interventions through evaluation of strategic policy outcomes.
- To design and utilise a functional monitoring and evaluation system for the provincial government and administration and local government.

Five sub-programmes support this programme over the 2014/15 MTEF, namely Special Programmes, Intergovernmental Relations, Provincial Policy Management, Premier's Priority Programmes and Heritage. The funding of the Provincial 2010 Co-ordination ended in 2010/11.

Tables 1.20 and 1.21 below provide a summary of payments and estimates for these six sub-programmes for the period 2010/11 to 2016/17.

Table 1.20 : Summary of payments and estimates by sub-programme: Policy and Governance

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
1. Special Programmes	70 486	76 611	75 584	75 349	80 769	80 769	84 818	85 824	88 131
2. Intergovernmental Relations	4 628	8 444	13 167	6 218	9 198	9 198	10 936	12 445	9 946
3. Provincial Policy Management	27 983	43 834	50 343	57 049	66 559	66 559	57 588	59 548	65 863
4. Premier's Priority Programmes	23 565	86 596	177 924	112 796	155 172	155 172	120 230	124 819	128 968
5. Heritage	52 504	53 850	57 531	67 279	70 849	70 849	67 571	64 633	68 059
6. Provincial 2010 Co-ordination	47 628	-	-	-	-	-	-	-	-
Total	226 794	269 335	374 549	318 691	382 547	382 547	341 143	347 269	360 967

Table 1.21 : Summary of payments and estimates by economic classification: Policy and Governance

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Current payments	188 790	206 730	286 651	248 760	302 074	302 074	264 503	272 023	281 733
Compensation of employees	26 222	56 314	101 527	84 721	90 601	90 601	99 981	104 855	106 757
Goods and services	162 568	150 416	185 124	164 039	211 473	211 473	164 522	167 168	174 976
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	36 794	53 394	70 271	65 026	70 976	70 976	71 289	70 641	74 385
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	36 688	41 394	62 235	65 026	70 976	70 976	71 289	70 641	74 385
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	12 000	8 030	-	-	-	-	-	-
Households	106	-	6	-	-	-	-	-	-
Payments for capital assets	1 176	9 211	17 604	4 905	9 497	9 497	5 351	4 605	4 849
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	853	1 221	313	40	682	682	291	543	572
Heritage assets	323	1 722	10 794	4 865	8 815	8 815	5 000	4 000	4 212
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	6 268	6 497	-	-	-	60	62	65
Payments for financial assets	34	-	23	-	-	-	-	-	-
Total	226 794	269 335	374 549	318 691	382 547	382 547	341 143	347 269	360 967

The Special Programmes sub-programme includes the HIV and AIDS, Human Rights, Gaming and Betting units, etc. The increase from 2011/12 is a result of additional funding received for the LIV Orphanage, as mentioned. OSS was previously included in the sub-programme: Special Programmes, but moved to the Premier's Priority Programmes sub-programme, hence the decrease in 2012/13. From 2012/13 onward, the budget includes additional funding for the merger of the horse racing regulator into the KZNGBB, which is being financed through additional revenue collected by the newly amalgamated entity. The increase in the 2013/14 Adjusted Appropriation is due to the additional funding for the KZNGBB IT system. This sub-programme grows steadily over the 2014/15 MTEF.

The increase in the Intergovernmental Relations sub-programme in 2011/12 was due to an increase in international visits that were undertaken by the Premier to promote KZN as an investment destination. The significant growth in 2012/13 is mainly attributed to once-off additional funding for the establishment of the KZN Climate Change Council, and accounts for the decrease in the 2013/14 Main Appropriation. The increase from the 2013/14 Main to the Adjusted Appropriation was due to reprioritisation to cater for increased international visits by the Premier, Director-General and officials.

The growth against the Provincial Policy Management sub-programme relates to the phasing in of the PPC, as mentioned above. The substantial increase in the 2013/14 Adjusted Appropriation is as a result of an additional R10 million that was received for the Africa Expansion Summit that will be hosted in KZN during March 2014. This accounts for the reduction from 2013/14 to 2014/15. There is constant growth over the 2014/15 MTEF.

The sub-programme: Premier's Priority Programmes in 2010/11 includes the movement of the Gaming and Betting unit to the Special Programmes sub-programme. The increase in 2011/12 is in respect of additional funding for the roll-out of the Youth Ambassadors programme. The substantial increase in 2012/13 is as a result of additional funding of R5 million for OSS projects, R5 million for the African Renaissance project, R34.080 million for the stipends of the youth ambassadors and a once-off R20 million in respect of the SANDF training of the youth ambassadors. This explains the lower allocation in the 2013/14 Main Appropriation. However, there was also an increase in the 2013/14 Adjusted Appropriation as a result of additional funding received for the African Renaissance project, which is a carry-through from 2012/13, the OSS Diakonia Council of Churches, as well as the Inkululeko Development programme as part of the OSS initiatives. The budget grows steadily over the 2014/15 MTEF.

The spending against the sub-programme: Heritage in 2010/11 includes a once-off additional allocation of R18.885 million for the construction and operational costs of the Emakhosini Multi-Media Centre. In 2011/12, the department reprioritised substantial funding to the sub-programme: Premier's Priority Programmes for once-off OSS projects, resulting in the substantial increase from 2011/12 to 2012/13 in respect of the Heritage sub-programme. An amount of R1.500 million was allocated in the 2013/14 Adjusted Appropriation for Amafa for the procurement of once-off capital requirements associated with their turnaround strategy. A further once-off of R3.059 million was allocated to Amafa in 2014/15 for its application to attain World Heritage status for the Emakhosini Valley. This accounts for the dip in 2015/16.

The 2010/11 spending against the sub-programme: Provincial 2010 Co-ordination relates to the marketing of the 2010 Soccer World Cup and the establishment of a soccer academy in KZN. The budget was shifted to the Department of Sport and Recreation. No funding has been allocated from 2011/12 onward.

The substantial increase in *Compensation of employees* from 2011/12 onward is due to the additional funding received for the Youth Ambassadors programme. The decrease from 2012/13 to 2013/14 is as a result of the reduction in the appointment of youth ambassadors, which will see their numbers being brought down from 3 024 to 1 966 over the MTEF in an effort to remain within budget.

The spending against *Goods and services* include the carry-through of additional funding for the Youth Ambassadors programme, as well as additional funding for the PPC and the Nerve Centre. The decrease in 2011/12 was due to cost-cutting. The increase in 2012/13 is a result of additional funding for the youth ambassadors' training by SANDF. The increase in the 2013/14 Adjusted Appropriation is as a result of

additional funding for the National Choral Music Awards ceremony, Crown Gospel Awards, OSS Diakonia Council of Churches, Africa Expansion summit, OSS and Zimele. This accounts for the significant reduction from 2014/15 and onward.

The transfers to KZNGBB and Amafa account for the amounts against *Transfers and subsidies to: Departmental agencies and accounts* from 2010/11 onward. From 2012/13 onward, the budget includes additional funding for the merger of the horse racing regulator into the KZNGBB, which is being financed through additional revenue collected by the newly amalgamated entity. The increase in the 2013/14 Adjusted Appropriation is due to additional funding for the KZNGBB IT system. In 2014/15, Amafa also receives additional funding for the turnaround strategy, once-off capital requirements, as well as funds to apply for World Heritage status for the Emakhosini Valley. This accounts for the reduction in 2015/16.

The spending against *Transfers and subsidies to: Non-profit institutions* of R12 million and R8 million in 2011/12 and 2012/13, respectively, relates to the LIV Orphanage. Also in 2012/13, a donation of R30 000 was made to Khulani Production Artist Theatre for a graduation ceremony, as previously explained.

The amounts against *Machinery and equipment* from 2010/11 onward are attributable to the purchase of office furniture and computer equipment for newly appointed staff. The decrease in 2012/13 is as a result of funds reprioritised within *Payments for capital assets* for the Nerve Centre. The substantial decrease over the 2014/15 MTEF is due to the phased-in approach of the department with regard to purchasing machinery and equipment.

The amount in 2010/11 against *Heritage assets* relates to the erection of a memorial of *Inkosi* Dingiswayo, the erection of a memorial commemorating the arrival of the Indian indentured labourers in KZN, the erection of a tombstone and the reburial of the remains of Johnny Makhathini, as well as the erection of a wall of remembrance and a tombstone for the victims of the Donnybrook Massacre. The amount in 2011/12 relates to the erection of 10 plaques in all districts in KZN commemorating the arrival of the Indian indentured labourers in KZN, and the erection of a wall of remembrance and tombstones for the victims of the Mahhehle Massacre. The increase in 2012/13 is a result of the building of wax statues to honour former ANC Presidents and King Shaka in various sites in KZN. The amount in 2013/14 caters for the erection of 18 historical graves and the building of six memorials or monuments. The 2014/15 MTEF amounts include the roll-over in respect of the commemoration of the arrival of the Indian indentured labourers, heritage events, as well as the unveilings, walls of remembrances and erection of tombstones, as identified by the Premier. The budget grows steadily over the seven-year period except a dip in 2015/16, which was caused by reprioritisation to Programme 2 against *Households* to cater for internal bursaries.

The 2011/12 and 2012/13 amounts against *Software and other intangible assets* relate to funds allocated for the Nerve Centre. Minimal funds have been allocated over the 2014/15 MTEF because, at this stage, all the required software has been purchased for the Nerve Centre. The necessary adjustments will be made in-year should any further purchases be required.

Payments for financial assets relates to losses written-off.

Service delivery measures – Programme 3: Policy and Governance

Table 1.22 below provides information on the service delivery measures pertaining to Programme 3: Policy and Governance.

The OTP reworded some existing measures and also introduced several new performance indicators from 2013/14 onward.

Note that only a few main measures are reflected below, and the full set of measures is detailed in the department's APP.

Table 1.22 : Service delivery measures – Programme 3: Policy and Governance

Outputs	Performance indicators	Estimated performance		Medium-term targets		
		2013/14	2014/15	2015/16	2016/17	
1	Special Programmes					
1.1	To ensure representation of women and persons with disabilities at all levels of govt. work-force by 15% and 1.5% respectively by 31 March 2015	No. of sustainable programmes and projects, and no. of forums for vulnerable groups	Increase in no. of women and persons with disabilities in the public sector	Increase in no. of women and persons with disabilities in the public sector	Increase in no. of women and persons with disabilities in the public sector	Increase in no. of women and persons with disabilities in the public sector
1.2	To develop and monitor 4 annual plans and programmes on human rights for the provincial government of KZN	Level of Compliance Human Rights framework for co-ordinating policy issues affecting vulnerable groups	Annual review of provincial multi-sectoral plans for gender equality, disability, women, children and senior citizens' rights	Annual review of provincial multi-sectoral plans for gender equality, disability, women, children and senior citizens' rights	Annual review of provincial multi-sectoral plans for gender equality, disability, women, children and senior citizens' rights	Annual review of provincial multi-sectoral plans for gender equality, disability, women, children and older person's rights
2	Provincial Policy Management					
2.1	Determine the level of satisfaction of KZN citizens bi-annually	Determine the level of satisfaction of KZN citizens regularly bi-annually	Pilot survey completed	Analysis of pilot and feasibility	Roll out of citizens' survey	Annual citizen survey undertaken
2.2	To implement an automated PGDP M&E reporting framework by 31 September 2014	No. of automated PGDP M&E reports compiled by 31 March 2015	Government reviewed report of the 12 outcomes by October 2013	A fully functional automated PGDP M&E reporting framework by 31 September 2014	Continued maintenance of the automated M&E reporting framework	Review of the automated M&E framework
2.3	To monitor implementation of Management Performance Assessment (MPAT) improvement plans of 14 depts quarterly	No. of consolidated MPAT improvement reports tabled at the Governance and Administrative Cluster by 31 March 2015	14 MPAT improvement plans monitored and reported	14 MPAT assessments completed	14 MPAT assessments reports completed	MPAT impact-analytical reports completed
2.4	To provide professional secretarial and administrative support services to the Provincial Planning Commission (PPC)	Acceptable and informative planning secretariat support services to the PPC	Provided technical planning and secretariat support services to 8 PPC meetings	Provided technical planning and secretariat support services to 8 PPC meetings	Provided technical planning and secretariat support services to 8 PPC meetings	Provided technical planning and secretariat support services to 8 PPC meetings
3	Premier's Priority Programmes					
3.1	Stakeholder Co-ordination					
3.1.1	To establish one Provincial Government Stakeholder Forum by 31 July 2015	No. of meetings for integrated Provincial Intra Governmental Stakeholder Forum by 31 March 2015	Establish, support and facilitate the Provincial Intra Governmental Stakeholder Forum	Concept development and adoption	Implementation of the Provincial Intra Governmental Stakeholder Forum	Review of the Provincial Intra Governmental Stakeholder Forum
3.1.2	To develop and implement the Provincial Govt. Stakeholder Engagement and Management Strategy by 31 March 2015	Adopted Stakeholder Engagement and Management Strategy by March 2015	Devised Provincial Govt. Stakeholder Engagement and Management Strategy	Devised Provincial Govt. Stakeholder Engagement and Management Strategy	Devised Provincial Govt. Stakeholder Engagement and Management Strategy	Devised Provincial Govt. Stakeholder Engagement and Management Strategy
3.2	Youth					
3.2.1	To enhance youth skills development through effectively Implementation of the Youth Ambassadors programme annually	No. of implemented Youth Ambassadors programme annually	1 966 youth ambassadors in the province	Enhanced Youth Ambassadors programme	Enhanced Youth Ambassadors programme	Enhanced Youth Ambassadors programme
3.2.2	To co-ordinate and facilitate strategic events and projects annually	No. of events and projects annually	Youth month celebrations, incl. June 16 commemoration and 14 special projects	Youth month celebrations, incl. June 16 commemoration and 14 special projects	Youth month celebrations, incl. June 16 commemoration and 14 special projects	Youth month celebrations, incl. June 16 commemoration and 14 special projects
4	Heritage					
4.1	To co-ordinate the management, promotion and protection of heritage resources of KZN	No. of heritage events co-ordinated to profile previously marginalised resources	12	12	12	12
		No. of monuments or memorials erected	4	6	8	10
		No. of graves and burial grounds preserved and conserved	16	18	20	22
		No. of Premier's priority heritage projects	5	7	9	11
		No. of reports compiled or received from Amafa	4	4	4	4
		No. of research reports on family genealogies	4	14	16	18
		No. of research reports on liberation heritage	4	6	6	6

7. Other programme information

7.1 Personnel numbers and costs

Tables 1.23 and 1.24 reflect the personnel estimates for OTP, per programme, as well as a further breakdown of categories of personnel, as at 31 March 2011 to 31 March 2017.

The Finance component incorporates financial and management accounting services, supply chain management, integrity management and auxiliary and associated services. The personnel numbers for the 2014/15 MTEF show a department that is consistent, in an effort to match budget. As previously mentioned, the number of youth ambassadors have decreased to 1 966 in 2013/14 and over the MTEF.

Contract workers consist of the Premier's special advisors, as well as other employees employed on a contractual basis, including personnel required for special programmes. From 2011/12, the youth ambassadors are also included under contract workers.

Table 1.23 : Personnel numbers and costs by programme

Personnel numbers	As at 31 March 2011	As at 31 March 2012	As at 31 March 2013	As at 31 March 2014	As at 31 March 2015	As at 31 March 2016	As at 31 March 2017
1. Administration	127	125	156	167	166	167	167
2. Institutional Development	123	149	157	157	157	157	157
3. Policy and Governance	79	1 773	3 142	2 084	2 085	2 084	2 084
of which							
Youth ambassadors	-	1 607	3 024	1 966	1 966	1 966	1 966
Total	329	2 047	3 455	2 408	2 408	2 408	2 408
Total personnel cost (R thousand)	112 663	155 307	214 117	220 417	243 907	251 963	261 163
Unit cost (R thousand)	342	76	62	92	101	105	108

Table 1.24 : Summary of departmental personnel numbers and costs by component

	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Total for the department									
Personnel numbers (head count)	329	2 047	3 455	2 408	2 408	2 408	2 408	2 408	2 408
Personnel cost (R thousands)	112 663	155 307	214 117	207 417	220 417	220 417	243 907	251 963	261 163
Human resources component									
Personnel numbers (head count)	29	27	19	29	114	114	114	114	114
Personnel cost (R thousands)	4 805	4 805	4 474	48 017	48 017	48 017	52 090	55 424	58 361
Head count as % of total for department	8.81	1.32	0.55	1.20	4.73	4.73	4.73	4.73	4.73
Personnel cost as % of total for department	4.26	3.09	2.09	23.15	21.78	21.78	21.36	22.00	22.35
Finance component									
Personnel numbers (head count)	99	101	105	105	105	105	105	105	105
Personnel cost (R thousands)	20 781	22 926	62 725	26 295	26 295	26 295	35 273	37 531	39 520
Head count as % of total for department	30.09	4.93	3.04	4.36	4.36	4.36	4.36	4.36	4.36
Personnel cost as % of total for department	18.45	14.76	29.29	12.68	11.93	11.93	14.46	14.90	15.13
Full time workers									
Personnel numbers (head count)	329	440	431	442	442	442	442	442	442
Personnel cost (R thousands)	112 663	155 307	210 628	164 960	207 417	207 417	233 116	233 095	245 448
Head count as % of total for department	100.00	21.49	12.47	18.36	18.36	18.36	18.36	18.36	18.36
Personnel cost as % of total for department	100.00	100.00	98.37	79.53	94.10	94.10	95.58	92.51	93.98
Part-time workers									
Personnel numbers (head count)	-	-	-	-	-	-	-	-	-
Personnel cost (R thousands)	-	-	-	-	-	-	-	-	-
Head count as % of total for department	-	-	-	-	-	-	-	-	-
Personnel cost as % of total for department	-	-	-	-	-	-	-	-	-
Contract workers									
Personnel numbers (head count)	-	1 607	3 024	1 966	1 966	1 966	1 966	1 966	1 966
Personnel cost (R thousands)	-	25 900	62 354	42 457	46 638	46 638	47 141	55 966	55 966
Head count as % of total for department	-	78.51	87.53	81.64	81.64	81.64	81.64	81.64	81.64
Personnel cost as % of total for department	-	16.68	29.12	20.47	21.16	21.16	19.33	22.21	21.43

The department anticipates filling vacant posts in 2013/14 and over the 2014/15 MTEF. This also corresponds with the increase in the allocation for *Compensation of employees* over the period. Also, as mentioned, from 2011/12 onward, the Youth Ambassadors programme is catered for. This accounts for

the drop in the unit cost from 2010/11 to 2011/12, and the low unit cost when compared to other provincial departments from 2011/12 onward.

It must be noted that the number of youth ambassadors has decreased drastically to 1 966 in 2013/14 and over the 2014/15 MTEF in an effort to match the recruitments with the budget available.

7.2 Training

Tables 1.25 and 1.26 reflect payments and estimates on training per programme, providing actual and estimated expenditure on training for the period 2010/11 to 2013/14 and budgeted expenditure for the period 2014/15 to 2016/17. The department is required by the Skills Development Act to budget at least one per cent of its salary expense for staff training. The department has set aside one per cent of the total personnel costs in this regard. The training needs will be reviewed on an ongoing basis. This requirement gives credence to government policy on human resource development.

The budget increases steadily over the MTEF, as it is deemed necessary to train new appointees, as well as to develop and re-skill existing staff in line with the department's revised strategies, where appropriate. The peak in 2012/13 includes the R20 million allocated for the youth ambassador training by SANDF.

Table 1.25 : Payments on training by programme

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
1. Administration	102	53	207	200	200	200	262	274	279
Subsistence and travel	-	-	-	-	-	-	-	-	-
Payments on tuition	-	-	-	-	-	-	-	-	-
Other	102	53	207	200	200	200	262	274	279
2. Institutional Development	996	639	1 535	1 825	1 825	1 825	1 946	2 036	2 041
Subsistence and travel	-	-	-	-	-	-	-	-	-
Payments on tuition	-	-	-	-	-	-	-	-	-
Other	996	639	1 535	1 825	1 825	1 825	1 946	2 036	2 041
3. Policy and Governance	89	181	20 740	1 110	1 110	1 110	1 125	1 177	1 182
Subsistence and travel	-	-	-	-	-	-	-	-	-
Payments on tuition	-	-	-	-	-	-	-	-	-
Other	89	181	20 740	1 110	1 110	1 110	1 125	1 177	1 182
Total	1 187	873	22 482	3 135	3 135	3 135	3 333	3 487	3 502

Table 1.26 : Information on training: Office of the Premier

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Number of staff	440	1 877	3 464	2 408	2 408	2 408	2 408	2 408	2 408
Number of personnel trained	178	225	106	180	240	240	160	150	160
of which									
Male	69	90	39	80	70	70	55	45	50
Female	109	135	67	100	170	170	105	105	110
Number of training opportunities	192	212	18	19	14	14	20	22	32
of which									
Tertiary	-	-	-	-	-	-	-	-	-
Workshops	12	12	12	14	10	10	14	14	19
Seminars	8	15	6	5	4	4	6	8	13
Other	172	185	-	-	-	-	-	-	-
Number of bursaries offered	45	30	45	-	45	45	-	-	-
Number of interns appointed	22	24	38	36	38	38	36	38	43
Number of learnerships appointed	-	-	-	-	-	-	-	-	-
Number of days spent on training	-	-	-	-	-	-	-	-	-

It must be noted that, due to the effects of cost-cutting, there were no tertiary training opportunities provided to employees in 2010/11. A number of other training opportunities reflect an increase from 2010/11 to 2011/12 due to the appointment of a skills development facilitator who ensured that training gaps identified in the Personal Development Plans were dealt with, resulting in increased training opportunities. This is also reflected over the 2014/15 MTEF.

ANNEXURE – VOTE 1: OFFICE OF THE PREMIER

Table 1.A : Details of departmental receipts: Office of the Premier

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Tax receipts	351 440	405 857	447 730	453 682	453 682	473 628	572 705	648 227	732 728
Casino taxes	305 583	337 435	383 056	385 479	385 479	404 531	490 803	556 890	630 869
Horse racing taxes	45 857	68 422	64 674	68 203	68 203	69 097	81 902	91 337	101 859
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	223	68	74	72	72	103	148	219	227
Sale of goods and services produced by dept. (excl. capital assets)	223	68	74	72	72	103	148	219	227
Sales by market establishments	-	1	-	-	-	2	37	99	99
Administrative fees	-	-	-	-	-	-	-	-	-
Other sales	223	67	74	72	72	101	111	120	128
<i>Of which</i>									
<i>Bookmakers licences</i>	19	-	-	-	-	-	-	-	-
<i>Housing rent recoveries</i>	147	8	-	-	-	-	-	-	-
<i>Serv rend: Commission Insurance</i>	20	59	74	72	72	72	76	80	84
<i>Sales: Dept publications</i>	37	-	-	-	-	-	35	40	44
Sale of scrap, waste, arms and other used current goods (excl. capital assets)	-	-	-	-	-	-	-	-	-
Transfers received from:	-	-	-	-	-	-	-	-	-
Other governmental units	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments	-	-	-	-	-	-	-	-	-
International organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households and non-profit institutions	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	6	-	5	-	-	4	1	1	1
Interest	6	-	5	-	-	4	1	1	1
Dividends	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	688	180	-	-	-	300	270	135
Land and sub-soil assets	-	-	180	-	-	-	-	-	-
Other capital assets	-	688	-	-	-	-	300	270	135
Transactions in financial assets and liabilities	943	49	564	-	-	121	30	35	40
Total	352 612	406 662	448 553	453 754	453 754	473 856	573 184	648 752	733 131

Estimates of Provincial Revenue and Expenditure

Table 1.B : Payments and estimates by economic classification: Office of the Premier

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Current payments	374 345	412 292	539 654	539 712	655 033	655 033	623 229	605 316	632 178
Compensation of employees	112 663	155 307	214 117	207 417	220 417	220 417	243 907	251 963	261 163
Salaries and wages	99 769	141 131	198 212	190 789	203 889	203 889	224 706	231 444	242 120
Social contributions	12 894	14 176	15 905	16 628	16 528	16 528	19 201	20 519	19 043
Goods and services	261 682	256 985	325 537	332 295	434 616	434 616	379 322	353 353	371 015
Administrative fees	2 039	1 664	2 041	1 669	2 053	2 053	2 849	3 130	3 313
Advertising	17 365	20 889	17 945	13 331	39 789	39 789	32 416	34 541	36 301
Assets less than the capitalisation threshold	1 051	955	782	12 333	2 783	2 783	16 928	18 108	19 101
Audit cost: External	2 842	2 668	2 969	3 000	3 100	3 100	2 300	2 250	2 369
Bursaries: Employees	390	287	127	290	480	480	680	835	880
Catering: Departmental activities	15 783	7 604	6 818	6 721	13 123	13 123	16 663	15 601	17 835
Communication (G&S)	19 337	8 389	9 545	16 224	12 391	12 391	11 735	11 998	12 693
Computer services	19 617	24 797	36 717	52 058	52 497	52 497	52 565	56 244	60 645
Cons & prof serv: Business and advisory services	9 736	25 551	74 121	66 800	72 325	72 325	77 750	53 357	54 627
Cons & prof serv: Infras and planning	-	-	-	4 700	4 700	4 700	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	983	358	74	1 771	1 342	1 342	461	386	459
Contractors	84 816	35 548	24 776	26 502	90 964	90 964	59 732	46 910	46 139
Agency and support / outsourced services	199	21 375	17 491	11 506	9 535	9 535	7 210	2 080	3 243
Entertainment	-	-	-	304	304	304	-	-	-
Fleet services (incl. govt motor transport)	11	2 286	2 965	-	2 856	2 856	3 165	3 337	3 512
Housing	52	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	920	1 230	1 294	1 765	1 765	1 765	-	-	-
Inventory: Fuel, oil and gas	23	7	11	144	144	144	-	-	-
Inventory: Leamer and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	197	234	69	1 954	1 954	1 954	-	-	-
Inventory: Medical supplies	5	35	13	259	259	259	-	-	-
Inventory: Medicine	-	55	-	-	-	-	-	-	-
Medasas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	5	-	-	-	-	-	-
Consumable supplies	256	1 962	356	736	1 734	1 734	2 775	2 604	2 663
Consumable: Stationery, printing and office supplies	6 638	7 934	8 200	16 742	9 269	9 269	6 369	7 328	7 962
Operating leases	13 612	13 804	11 432	9 609	10 559	10 559	10 852	14 618	15 324
Property payments	10 448	11 443	15 454	21 030	11 356	11 356	11 143	12 025	12 662
Transport provided: Departmental activity	6 868	8 923	7 188	10 151	16 071	16 071	9 275	9 695	10 103
Travel and subsistence	26 338	33 426	28 953	38 046	37 819	37 819	38 820	41 866	43 920
Training and development	6 031	909	28 548	3 135	4 954	4 954	6 821	5 746	6 115
Operating payments	1 023	1 922	1 352	1 860	822	822	207	226	336
Venues and facilities	15 102	22 678	26 198	9 655	29 668	29 668	8 606	10 468	10 813
Rental and hiring	-	52	93	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	42 035	61 362	105 527	73 319	85 284	85 284	93 272	93 536	98 418
Provinces and municipalities	18	21	15 035	12	12	12	13	14	14
Provinces	18	21	35	12	12	12	13	14	14
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	18	21	35	12	12	12	13	14	14
Municipalities	-	-	15 000	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	15 000	-	-	-	-	-	-
Departmental agencies and accounts	36 688	41 394	62 235	65 026	70 976	70 976	71 289	70 641	74 385
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	36 688	41 394	62 235	65 026	70 976	70 976	71 289	70 641	74 385
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	12 000	8 030	-	-	-	-	-	-
Households	5 329	7 947	20 227	8 281	14 296	14 296	21 970	22 881	24 019
Social benefits	-	-	-	3	3	3	3	3	3
Other transfers to households	5 329	7 947	20 227	8 278	14 293	14 293	21 967	22 878	24 016
Payments for capital assets	7 365	11 939	30 612	7 823	22 088	22 088	24 790	24 974	26 298
Buildings and other fixed structures	-	-	5	-	5 701	5 701	15 697	16 417	17 288
Buildings	-	-	-	-	5 701	5 701	15 697	16 417	17 288
Other fixed structures	-	-	5	-	-	-	-	-	-
Machinery and equipment	6 712	3 949	6 279	2 708	7 572	7 572	4 033	4 233	4 457
Transport equipment	-	1 234	1 721	-	2 000	2 000	1 000	1 500	1 580
Other machinery and equipment	6 712	2 715	4 558	2 708	5 572	5 572	3 033	2 733	2 877
Heritage assets	323	1 722	10 794	4 865	8 815	8 815	5 000	4 000	4 212
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	7 018	-	-	-	-	-	-
Software and other intangible assets	330	6 268	6 516	250	-	-	60	324	341
Payments for financial assets	62	7	28	-	-	-	-	-	-
Total	423 807	485 600	675 821	620 854	762 405	762 405	741 291	723 826	756 894

Table 1.C : Payments and estimates by economic classification: Administration

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Current payments	92 926	108 038	137 133	154 078	194 825	194 825	201 468	169 438	175 208
Compensation of employees	43 270	50 837	56 799	62 052	68 172	68 172	78 696	79 016	81 863
Salaries and wages	38 421	45 470	51 014	55 954	61 663	61 663	69 800	69 089	74 203
Social contributions	4 849	5 367	5 785	6 098	6 509	6 509	8 896	9 927	7 660
Goods and services	49 656	57 201	80 334	92 026	126 653	126 653	122 772	90 422	93 345
Administrative fees	661	599	456	463	566	566	574	651	664
Advertising	582	1 354	1 306	1 203	732	732	502	800	921
Assets less than the capitalisation threshold	437	373	287	1 181	1 160	1 160	773	1 152	1 212
Audit cost: External	2 683	2 668	2 969	3 000	3 100	3 100	2 300	2 250	2 369
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	3 284	1 919	2 703	2 340	3 183	3 183	3 017	3 211	4 354
Communication (G&S)	3 919	4 804	3 800	5 867	5 234	5 234	5 233	5 462	5 751
Computer services	491	36	1 869	1 102	8 299	8 299	8 065	9 929	7 137
Cons & prof serv: Business and advisory services	864	1 454	24 710	32 690	18 336	18 336	38 941	9 007	11 033
Cons & prof serv: Infras and planning	-	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	983	333	2	1 372	1 100	1 100	106	112	118
Contractors	8 057	5 862	2 408	1 841	38 322	38 322	20 319	12 727	12 198
Agency and support / outsourced services	-	2 171	1 679	3 339	1 180	1 180	5 000	-	-
Entertainment	-	-	-	154	154	154	-	-	-
Fleet services (incl. govt motor transport)	11	2 286	2 964	-	2 956	2 956	3 163	3 335	3 512
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	285	370	552	777	777	777	-	-	-
Inventory: Fuel, oil and gas	23	7	10	44	44	44	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	68	56	28	70	70	70	-	-	-
Inventory: Medical supplies	-	2	1	28	28	28	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	156	64	209	476	417	417	961	1 242	1 180
Consumable: Stationery, printing and office supplies	1 687	1 725	2 152	3 194	1 971	1 971	2 138	3 158	3 228
Operating leases	7 736	8 370	9 568	8 058	8 217	8 217	8 574	12 065	12 636
Property payments	5 891	7 782	8 500	6 729	8 346	8 346	7 942	8 283	8 722
Transport provided: Departmental activity	816	135	392	300	320	320	170	270	179
Travel and subsistence	9 397	10 005	11 342	13 145	9 950	9 950	13 155	14 656	15 843
Training and development	102	54	148	200	577	577	802	1 014	1 131
Operating payments	133	328	222	143	22	22	37	48	51
Venues and facilities	1 390	4 392	2 040	4 310	11 592	11 592	1 000	1 050	1 106
Rental and hiring	-	52	17	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	5 148	892	16 227	1 290	1 290	1 290	1 333	1 395	1 468
Provinces and municipalities	18	21	15 035	12	12	12	13	14	14
Provinces	18	21	35	12	12	12	13	14	14
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	18	21	35	12	12	12	13	14	14
Municipalities	-	-	15 000	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	15 000	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	5 130	871	1 192	1 278	1 278	1 278	1 320	1 381	1 454
Social benefits	-	-	-	-	-	-	-	-	-
Other transfers to households	5 130	871	1 192	1 278	1 278	1 278	1 320	1 381	1 454
Payments for capital assets	3 656	1 825	3 003	1 586	9 771	9 771	3 189	3 392	3 572
Buildings and other fixed structures	-	-	5	-	5 701	5 701	697	727	766
Buildings	-	-	-	-	5 701	5 701	697	727	766
Other fixed structures	-	-	5	-	-	-	-	-	-
Machinery and equipment	3 654	1 825	2 985	1 336	4 070	4 070	2 492	2 403	2 530
Transport equipment	-	1 234	1 721	-	2 000	2 000	1 000	1 500	1 580
Other machinery and equipment	3 654	591	1 264	1 336	2 070	2 070	1 492	903	950
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	2	-	13	250	-	-	-	262	276
Payments for financial assets	8	6	-	-	-	-	-	-	-
Total	101 738	110 761	156 363	156 954	205 886	205 886	205 990	174 225	180 248

Table 1.D : Payments and estimates by economic classification: Institutional Development

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Current payments	92 629	97 524	115 870	136 874	158 134	158 134	157 258	163 855	175 237
Compensation of employees	43 171	48 156	55 791	60 644	61 644	61 644	65 230	68 092	72 543
Salaries and wages	37 947	42 391	49 199	55 003	55 970	55 970	59 397	61 928	66 053
Social contributions	5 224	5 765	6 592	5 641	5 674	5 674	5 833	6 164	6 490
Goods and services	49 458	49 368	60 079	76 230	96 490	96 490	92 028	95 763	102 694
Administrative fees	273	207	128	259	223	223	322	351	369
Advertising	3 838	12 422	12 379	4 591	25 185	25 185	27 944	29 236	30 636
Assets less than the capitalisation threshold	468	407	387	958	726	726	1 077	1 023	1 077
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	390	285	127	220	220	220	400	500	527
Catering: Departmental activities	714	722	946	893	2 536	2 536	941	1 255	1 322
Communication (G&S)	4 770	3 579	5 272	6 044	5 602	5 602	5 576	5 586	5 882
Computer services	9 355	7 418	10 832	17 917	17 231	17 231	17 740	18 451	21 535
Cons & prof serv: Business and advisory services	4 166	2 490	8 482	12 556	540	540	20	5	5
Cons & prof serv: Infras and planning	-	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	-	25	72	249	205	205	205	224	236
Contractors	2 030	2 528	2 057	4 102	18 583	18 583	17 994	19 133	20 047
Agency and support / outsourced services	25	481	1 681	135	1 050	1 050	450	320	337
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	-	-	-	-	-	-	2	2	-
Housing	36	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	21	22	113	145	145	145	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	95	175	28	64	64	64	-	-	-
Inventory: Medical supplies	4	31	10	19	19	19	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	58	153	144	135	216	216	366	401	423
Consumable: Stationery, printing and office supplies	2 876	2 960	2 120	2 962	3 486	3 486	1 589	1 798	1 894
Operating leases	5 454	4 943	1 279	738	1 312	1 312	1 429	1 646	1 734
Property payments	4 527	3 655	6 947	14 301	4 770	4 770	3 201	3 742	3 940
Transport provided: Departmental activity	191	6	387	-	2 250	2 250	-	300	316
Travel and subsistence	3 210	4 615	4 016	7 150	7 233	7 233	7 154	7 543	7 941
Training and development	5 840	674	1 203	1 825	3 710	3 710	5 038	3 788	3 990
Operating payments	127	712	89	187	84	84	20	20	21
Venues and facilities	990	858	1 380	780	1 100	1 100	560	439	462
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	93	7 076	19 029	7 003	13 018	13 018	20 650	21 500	22 565
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	93	7 076	19 029	7 003	13 018	13 018	20 650	21 500	22 565
Social benefits	-	-	-	3	3	3	3	3	3
Other transfers to households	93	7 076	19 029	7 000	13 015	13 015	20 647	21 497	22 562
Payments for capital assets	2 533	903	10 005	1 332	2 820	2 820	16 250	16 977	17 877
Buildings and other fixed structures	-	-	-	-	-	-	15 000	15 690	16 522
Buildings	-	-	-	-	-	-	15 000	15 690	16 522
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	2 205	903	2 981	1 332	2 820	2 820	1 250	1 287	1 355
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	2 205	903	2 981	1 332	2 820	2 820	1 250	1 287	1 355
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	7 018	-	-	-	-	-	-
Software and other intangible assets	328	-	6	-	-	-	-	-	-
Payments for financial assets	20	1	5	-	-	-	-	-	-
Total	95 275	105 504	144 909	145 209	173 972	173 972	194 158	202 332	215 679

Table 1.E : Payments and estimates by economic classification: Policy and Governance

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Current payments	188 790	206 730	286 651	248 760	302 074	302 074	264 503	272 023	281 733
Compensation of employees	26 222	56 314	101 527	84 721	90 601	90 601	99 981	104 855	106 757
Salaries and wages	23 401	53 270	97 999	79 832	86 256	86 256	95 509	100 427	101 864
Social contributions	2 821	3 044	3 528	4 889	4 345	4 345	4 472	4 428	4 893
Goods and services	162 568	150 416	185 124	164 039	211 473	211 473	164 522	167 168	174 976
Administrative fees	1 105	858	1 457	947	1 264	1 264	1 953	2 128	2 280
Advertising	12 945	7 113	4 260	7 537	13 872	13 872	3 970	4 505	4 744
Assets less than the capitalisation threshold	146	175	108	10 194	897	897	15 078	15 933	16 812
Audit cost: External	159	-	-	-	-	-	-	-	-
Bursaries: Employees	-	2	-	70	260	260	280	335	353
Catering: Departmental activities	11 785	4 963	3 169	3 488	7 404	7 404	12 705	11 135	12 159
Communication (G&S)	10 648	6	473	4 313	1 555	1 555	926	950	1 060
Computer services	9 771	17 343	24 016	33 039	26 967	26 967	26 760	27 864	31 973
Cons & prof serv: Business and advisory services	4 706	21 607	40 929	21 554	53 449	53 449	38 789	44 345	43 589
Cons & prof serv: Infras and planning	-	-	-	4 700	4 700	4 700	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	-	-	-	150	37	37	150	50	105
Contractors	74 729	27 158	20 311	20 559	34 059	34 059	21 419	15 050	13 894
Agency and support / outsourced services	174	18 723	14 131	8 032	7 305	7 305	1 760	1 760	2 906
Entertainment	-	-	-	150	150	150	-	-	-
Fleet services (incl. govt motor transport)	-	-	1	-	(100)	(100)	-	-	-
Housing	16	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	614	838	629	843	843	843	-	-	-
Inventory: Fuel, oil and gas	-	-	1	100	100	100	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	34	3	13	1 820	1 820	1 820	-	-	-
Inventory: Medical supplies	1	2	2	212	212	212	-	-	-
Inventory: Medicine	-	55	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	5	-	-	-	-	-	-
Consumable supplies	42	1 745	3	125	1 101	1 101	1 448	961	1 060
Consumable: Stationery, printing and office supplies	2 075	3 249	3 928	10 586	3 812	3 812	2 642	2 372	2 840
Operating leases	422	491	585	813	1 030	1 030	849	907	954
Property payments	30	6	7	-	(1 760)	(1 760)	-	-	-
Transport provided: Departmental activity	5 861	8 782	6 409	9 851	13 501	13 501	9 105	9 125	9 608
Travel and subsistence	13 731	18 806	13 595	17 751	20 636	20 636	18 511	19 667	20 136
Training and development	89	181	27 197	1 110	667	667	981	944	994
Operating payments	763	882	1 041	1 530	716	716	150	158	264
Venues and facilities	12 722	17 428	22 778	4 565	16 976	16 976	7 046	8 979	9 245
Rental and hiring	-	-	76	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	36 794	53 394	70 271	65 026	70 976	70 976	71 289	70 641	74 385
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	36 688	41 394	62 235	65 026	70 976	70 976	71 289	70 641	74 385
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	36 688	41 394	62 235	65 026	70 976	70 976	71 289	70 641	74 385
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	12 000	8 030	-	-	-	-	-	-
Households	106	-	6	-	-	-	-	-	-
Social benefits	-	-	-	-	-	-	-	-	-
Other transfers to households	106	-	6	-	-	-	-	-	-
Payments for capital assets	1 176	9 211	17 604	4 905	9 497	9 497	5 351	4 605	4 849
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	853	1 221	313	40	682	682	291	543	572
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	853	1 221	313	40	682	682	291	543	572
Heritage assets	323	1 722	10 794	4 865	8 815	8 815	5 000	4 000	4 212
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	6 268	6 497	-	-	-	60	62	65
Payments for financial assets	34	-	23	-	-	-	-	-	-
Total	226 794	269 335	374 549	318 691	382 547	382 547	341 143	347 269	360 967

Table 1.F : Office of the Premier - Payments of infrastructure by category

No.	Project name	Municipality/Region	Type of infrastructure		Project duration		Source of funding	Budget programme name	Targeted number of jobs for 2014/15	Total project cost	Expenditure to date from previous years	Total available	MTEF Forward estimates	
			Project/admin block; water; electricity, sanitation; etc	Units	Date: Start	Date: Finish								
R thousands														
New and replacement assets														
1	Provincial Public Service training Academy	eThekweni	Admin Block	1	01 April 2014	31 March 2016	Equitable share	Programme 2	-	-	-	15 697	16 417	17 288
Total New and replacement assets														
Upgrades and additions														
Rehabilitation, renovations and refurbishments														
Maintenance and repairs														
1	Provincial Public Service Training Academy	eThekweni	Admin Block	1	01 April 2011	01 March 2016	Equitable share	Programme 2	-	89 550	-	-	-	-
2	Moses Mabhida Building	Msunduzi	Maintenance and repairs	3	01 April 2011	01 March 2016	Equitable share	Programme 1	-	4 164	-	1 400	1 464	1 541
Total Maintenance and repairs														
Infrastructure transfers - current														
Infrastructure transfers - capital														
Total Office of the Premier Infrastructure														
											17 097	17 881	18 829	

Table 1.G : Summary of transfers to local government

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
A KZN2000 eThekweni	-	-	15 000	-	-	-	-	-	-
Total: Ugu Municipalities	-	-	-	-	-	-	-	-	-
B KZN211 Vulamehlo	-	-	-	-	-	-	-	-	-
B KZN212 Umdoni	-	-	-	-	-	-	-	-	-
B KZN213 Umzumbe	-	-	-	-	-	-	-	-	-
B KZN214 uMuziwabantu	-	-	-	-	-	-	-	-	-
B KZN215 Ezingoleni	-	-	-	-	-	-	-	-	-
B KZN216 Hibiscus Coast	-	-	-	-	-	-	-	-	-
C DC21 Ugu District Municipality	-	-	-	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	-	-	-	-	-	-	-	-	-
B KZN221 uMshwathi	-	-	-	-	-	-	-	-	-
B KZN222 uMngeni	-	-	-	-	-	-	-	-	-
B KZN223 Mpfofana	-	-	-	-	-	-	-	-	-
B KZN224 Impendle	-	-	-	-	-	-	-	-	-
B KZN225 Msunduzi	-	-	-	-	-	-	-	-	-
B KZN226 Mkhambathini	-	-	-	-	-	-	-	-	-
B KZN227 Richmond	-	-	-	-	-	-	-	-	-
C DC22 uMgungundlovu District Municipality	-	-	-	-	-	-	-	-	-
Total: Uthukela Municipalities	-	-	-	-	-	-	-	-	-
B KZN232 Emnambithi/Ladysmith	-	-	-	-	-	-	-	-	-
B KZN233 Indaka	-	-	-	-	-	-	-	-	-
B KZN234 Umtshezi	-	-	-	-	-	-	-	-	-
B KZN235 Okhahlamba	-	-	-	-	-	-	-	-	-
B KZN236 Imbabazane	-	-	-	-	-	-	-	-	-
C DC23 Uthukela District Municipality	-	-	-	-	-	-	-	-	-
Total: Umzinyathi Municipalities	-	-	-	-	-	-	-	-	-
B KZN241 Endumeni	-	-	-	-	-	-	-	-	-
B KZN242 Nqutu	-	-	-	-	-	-	-	-	-
B KZN244 Msinga	-	-	-	-	-	-	-	-	-
B KZN245 Umvoti	-	-	-	-	-	-	-	-	-
C DC24 Umzinyathi District Municipality	-	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities	-	-	-	-	-	-	-	-	-
B KZN252 Newcastle	-	-	-	-	-	-	-	-	-
B KZN253 eMadlangeni	-	-	-	-	-	-	-	-	-
B KZN254 Dannhauser	-	-	-	-	-	-	-	-	-
C DC25 Amajuba District Municipality	-	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	-	-	-	-	-	-	-	-	-
B KZN261 eDumbe	-	-	-	-	-	-	-	-	-
B KZN262 uPhongolo	-	-	-	-	-	-	-	-	-
B KZN263 Abaqulusi	-	-	-	-	-	-	-	-	-
B KZN265 Nongoma	-	-	-	-	-	-	-	-	-
B KZN266 Ulundi	-	-	-	-	-	-	-	-	-
C DC26 Zululand District Municipality	-	-	-	-	-	-	-	-	-
Total: Umkhanyakude Municipalities	-	-	-	-	-	-	-	-	-
B KZN271 Umhlabuyalingana	-	-	-	-	-	-	-	-	-
B KZN272 Jozini	-	-	-	-	-	-	-	-	-
B KZN273 The Big 5 False Bay	-	-	-	-	-	-	-	-	-
B KZN274 Hlabisa	-	-	-	-	-	-	-	-	-
B KZN275 Mtubatuba	-	-	-	-	-	-	-	-	-
C DC27 Umkhanyakude District Municipality	-	-	-	-	-	-	-	-	-
Total: uThungulu Municipalities	-	-	-	-	-	-	-	-	-
B KZN281 Umfolozi	-	-	-	-	-	-	-	-	-
B KZN282 uMhlathuze	-	-	-	-	-	-	-	-	-
B KZN283 Ntambanana	-	-	-	-	-	-	-	-	-
B KZN284 uMlalazi	-	-	-	-	-	-	-	-	-
B KZN285 Mthonjaneni	-	-	-	-	-	-	-	-	-
B KZN286 Nkandla	-	-	-	-	-	-	-	-	-
C DC28 uThungulu District Municipality	-	-	-	-	-	-	-	-	-
Total: Ilembe Municipalities	-	-	-	-	-	-	-	-	-
B KZN291 Mandeni	-	-	-	-	-	-	-	-	-
B KZN292 KwaDukuza	-	-	-	-	-	-	-	-	-
B KZN293 Ndwedwe	-	-	-	-	-	-	-	-	-
B KZN294 Maphumulo	-	-	-	-	-	-	-	-	-
C DC29 Ilembe District Municipality	-	-	-	-	-	-	-	-	-
Total: Sisonke Municipalities	-	-	-	-	-	-	-	-	-
B KZN431 Ingwe	-	-	-	-	-	-	-	-	-
B KZN432 Kwa Sani	-	-	-	-	-	-	-	-	-
B KZN433 Greater Kokstad	-	-	-	-	-	-	-	-	-
B KZN434 Ubuhlebezwe	-	-	-	-	-	-	-	-	-
B KZN435 Umzimkulu	-	-	-	-	-	-	-	-	-
C DC43 Sisonke District Municipality	-	-	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	-	-	15 000	-	-	-	-	-	-

Estimates of Provincial Revenue and Expenditure

Table 1.H : Financial summary for KZN Gaming and Betting Board (KZNGBB)

R thousand	Audited outcome			Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
Revenue	-	-	-	-	-	-	-
Tax revenue	-	-	-	-	-	-	-
Non-tax revenue	12 969	13 251	14 255	12 805	20 073	21 619	22 320
Sale of goods and services other than capital assets	11 396	11 397	12 610	11 305	18 837	20 321	20 957
Of which:							
Other sales	11 396	11 397	12 610	11 305	18 837	20 321	20 957
Fines penalties and forfeits	-	-	-	-	-	-	-
Interest, dividends and rent on land	-	1 854	1 645	1 500	1 236	1 298	1 363
Other non-tax revenue	1 573	-	-	-	-	-	-
Transfers received	16 356	17 337	35 775	41 881	39 276	40 664	42 819
Sale of capital assets	-	379	-	-	-	-	-
Total revenue	29 325	30 967	50 030	54 686	59 349	62 283	65 139
Expenses							
Current expense	21 867	35 143	43 158	49 736	57 849	60 533	63 139
Compensation of employees	14 014	21 579	26 824	33 283	36 693	39 024	41 461
Use of goods and services	7 554	12 480	15 445	15 823	20 166	20 519	20 688
Depreciation	299	1 084	889	630	990	990	990
Interest, dividends and rent on land	-	-	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-	-	-
Total expenses	21 867	35 143	43 158	49 736	57 849	60 533	63 139
Surplus / (Deficit)*	7 458	(4 176)	6 872	4 950	1 500	1 750	2 000
Cash flow summary							
Adjust surplus / (deficit) for accrual transactions	299	757	816	630	1 990	1 990	1 990
Adjustments for:							
Depreciation	299	1 084	889	630	1 990	1 990	1 990
Interest	-	-	-	-	-	-	-
Net (profit) / loss on disposal of fixed assets	-	(380)	(73)	-	-	-	-
Other	-	53	-	-	-	-	-
Operating surplus / (deficit) before changes in working capital	7 757	(3 419)	7 688	5 580	3 490	3 740	3 990
Changes in working capital	537	4 509	703	35	94	194	349
(Decrease) / increase in accounts payable	186	3 121	958	(20)	198	300	400
Decrease / (increase) in accounts receivable	117	1 696	(166)	(45)	(184)	(126)	(91)
(Decrease) / increase in provisions	234	(308)	(89)	100	80	20	40
Cash flow from operating activities	8 294	1 090	8 391	5 615	3 584	3 934	4 339
Transfers from government	16 356	17 337	35 775	41 881	39 276	40 664	42 819
Capital	-	-	-	4 450	-	-	-
Current	16 356	17 337	35 775	37 431	39 276	40 664	42 819
Cash flow from investing activities	(381)	42 764	(685)	(4 950)	(1 500)	(1 750)	(2 000)
Acquisition of assets	(381)	(979)	(685)	(4 950)	(1 500)	(1 750)	(2 000)
Computer equipment	(148)	(235)	(517)	(4 700)	(1 100)	(1 200)	(1 250)
Furniture and office equipment	-	(30)	(69)	(100)	(150)	(200)	(250)
Transport assets	-	(361)	-	-	-	-	-
Computer software	(233)	(353)	(99)	(150)	(250)	(350)	(500)
Other flows from investing activities	-	43 743	-	-	-	-	-
Cash flow from financing activities	-	(9 782)	-	-	-	-	-
Net increase / (decrease) in cash and cash equivalents	7 913	34 072	7 706	665	2 084	2 184	2 339
Statement of financial position							
Carrying value of assets	379	2 396	2 265	6 585	6 095	5 855	5 865
Computer equipment	99	839	940	5 768	5 168	4 668	4 218
Furniture and office equipment	94	550	511	485	560	685	860
Transport assets	-	451	350	195	145	95	45
Computer software	186	556	464	137	222	407	742
Investments	-	-	13 020	13 020	13 020	13 020	13 020
Current	-	-	13 020	13 020	13 020	13 020	13 020
Cash and cash equivalents	37 090	34 072	28 758	29 423	31 507	33 691	36 030
Bank	37 090	34 071	28 757	29 422	31 506	33 690	36 029
Cash on hand	-	1	1	1	1	1	1
Receivables and prepayments	594	723	890	935	1 119	1 245	1 336
Trade receivables	594	100	31	150	270	324	341
Other receivables	-	504	477	385	424	466	490
Prepaid expenses	-	119	382	400	425	455	505
Inventory	-	-	-	-	-	-	-
Total assets	38 063	37 191	44 933	49 963	51 741	53 811	56 251
Capital and reserves	25 817	20 906	27 778	32 728	34 228	35 978	37 978
Accumulated reserves	18 359	25 082	20 906	27 778	32 728	34 228	35 978
Surplus / (Deficit)	7 458	(4 176)	6 872	4 950	1 500	1 750	2 000
Borrowings	-	-	-	-	-	-	-
Post retirement benefits	-	-	-	-	-	-	-
Trade and other payables	2 797	1 868	3 796	3 776	3 974	4 274	4 674
Trade payables	682	972	1 074	1 254	1 374	1 574	1 824
Other	2 115	896	2 722	2 522	2 600	2 700	2 850
Deferred income	8 153	13 310	12 341	12 341	12 341	12 341	12 341
Provisions	1 296	1 107	1 018	1 118	1 198	1 218	1 258
Leave pay provision	1 296	1 107	1 018	1 118	1 198	1 218	1 258
Funds managed (e.g. Poverty alleviation fund)	-	-	-	-	-	-	-
Contingent liabilities	-	-	-	-	-	-	-
Total equity and liabilities	38 063	37 191	44 933	49 963	51 741	53 811	56 251

*Note: The surplus reflected is as a result of the accounting treatment of the purchase of capital items.

Table 1.1 : Financial summary for Amafa aKwaZulu-Natali (Amafa)

R thousand	Audited outcome			Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
Revenue	-	-	-	-	-	-	-
Tax revenue	-	-	-	-	-	-	-
Non-tax revenue	2 663	3 087	3 733	1 765	1 260	1 300	1 340
Sale of goods and services other than capital assets	1 519	1 950	884	720	760	800	840
Of which:							
Other sales	1 519	1 950	884	720	760	800	840
Interest, dividends and rent on land	1 144	1 137	2 849	1 045	500	500	500
Other non-tax revenue	-	-	-	-	-	-	-
Transfers received	20 332	24 057	26 460	29 095	32 013	29 977	31 566
Sale of capital assets	-	-	-	-	-	-	-
Total revenue	22 995	27 144	30 193	30 860	33 273	31 277	32 906
Expenses							
Current expense	25 399	25 543	30 241	30 860	34 873	32 877	34 506
Compensation of employees	15 611	17 168	17 928	19 214	22 108	23 523	25 005
Use of goods and services	7 960	6 839	10 758	10 046	11 165	7 754	7 901
Depreciation	1 828	1 536	1 555	1 600	1 600	1 600	1 600
Transfers and subsidies	-	-	-	-	-	-	-
Total expenses	25 399	25 543	30 241	30 860	34 873	32 877	34 506
Surplus / (Deficit)*	(2 404)	1 601	(48)	-	(1 600)	(1 600)	(1 600)
Cash flow summary							
Adjust surplus / (deficit) for accrual transactions	1 846	1 546	1 539	1 600	1 600	1 600	1 600
Adjustments for:							
Depreciation	1 828	1 536	1 555	1 600	1 600	1 600	1 600
Net (profit) / loss on disposal of fixed assets	18	10	(16)	-	-	-	-
Operating surplus / (deficit) before changes in working capital	(558)	3 147	1 491	1 600	-	-	-
Changes in working capital	160	(223)	603	-	(150)	-	-
(Decrease) / increase in accounts payable	(135)	33	133	-	(150)	-	-
Decrease / (increase) in accounts receivable	256	(302)	781	-	-	-	-
(Decrease) / increase in provisions	39	46	(311)	-	-	-	-
Cash flow from operating activities	(398)	2 924	2 094	1 600	(150)	-	-
Transfers from government	20 332	24 057	26 460	29 095	32 013	29 977	31 566
Capital	-	-	-	-	-	-	-
Current	20 332	24 057	26 460	29 095	32 013	29 977	31 566
Cash flow from investing activities	(1 972)	(823)	(376)	(1 990)	-	-	-
Acquisition of assets	(1 972)	(823)	(376)	(1 990)	-	-	-
Non-residential buildings	(894)	(122)	(48)	(58)	-	-	-
Computer equipment	(18)	(106)	(22)	(127)	-	-	-
Furniture and office equipment	(840)	(595)	(306)	(305)	-	-	-
Transport assets	(220)	-	-	(1 500)	-	-	-
Other flows from investing activities	-	-	-	-	-	-	-
Cash flow from financing activities	74	8	31	300	-	-	-
Net increase / (decrease) in cash and cash equivalents	(2 296)	2 109	1 749	(90)	(150)	-	-
Statement of financial position							
Carrying value of assets	33 201	32 470	31 247	30 951	29 417	27 903	26 389
Non-residential buildings	24 772	24 371	23 897	23 432	22 909	22 386	21 863
Computer equipment	28	74	55	20	-	-	-
Furniture and office equipment	6 422	6 281	5 820	4 749	3 983	3 217	2 451
Transport assets	1 979	1 744	1 475	2 750	2 525	2 300	2 075
Investments	-	-	-	-	-	-	-
Cash and cash equivalents	16 243	18 352	20 101	20 386	20 170	20 084	19 998
Bank	16 243	18 352	20 101	20 386	20 170	20 084	19 998
Receivables and prepayments	384	346	94	-	-	-	-
Trade receivables	105	113	94	-	-	-	-
Prepaid expenses	182	233	-	-	-	-	-
Accrued income	97	-	-	-	-	-	-
Inventory	971	1 311	813	850	850	850	850
Trade	971	1 311	813	850	850	850	850
Total assets	50 799	52 479	52 255	52 187	50 437	48 837	47 237
Capital and reserves	49 421	51 022	50 974	50 974	49 374	47 774	46 174
Accumulated reserves	52 393	49 421	51 022	50 974	50 974	49 374	47 774
Surplus / (deficit)	(2 404)	1 601	(48)	-	(1 600)	(1 600)	(1 600)
Other	(568)	-	-	-	-	-	-
Borrowings	-	-	-	-	-	-	-
Post retirement benefits	-	-	-	-	-	-	-
Trade and other payables	49	83	218	150	-	-	-
Trade payables	49	83	218	150	-	-	-
Deferred income	-	-	-	-	-	-	-
Provisions	1 329	1 374	1 063	1 063	1 063	1 063	1 063
Leave pay provision	944	963	657	657	657	657	657
Bonus pay provision	385	411	406	406	406	406	406
Funds managed (e.g. Poverty alleviation fund)	-	-	-	-	-	-	-
Contingent liabilities	-	-	-	-	-	-	-
Total equity & liabilities	50 799	52 479	52 255	52 187	50 437	48 837	47 237

*Note: The deficit is as a result of the accounting treatment of depreciation and has no bearing on the cash position of the entity.

Table 1.J : Personnel summary for KZNGBB

	Audited outcome			Revised Estimate 2013/14	Medium-term Estimates		
	2010/11	2011/12	2012/13		2014/15	2015/16	2016/17
A. Permanent and full-time-contract employees							
Personnel cost (R thousand)	18 158	21 579	26 824	33 283	36 693	39 024	41 461
Personnel numbers (head count)	35	58	71	76	76	76	76
Unit cost	519	372	378	438	483	513	546
B. Part-time and temporary contract employees							
Personnel cost (R thousand)	-	-	-	-	-	-	-
Personnel numbers (head count)	-	-	-	-	-	-	-
Unit cost	-	-	-	-	-	-	-
C. Interns							
Personnel cost (R thousand)	-	-	-	-	-	-	-
Personnel numbers (head count)	-	-	-	-	-	-	-
Unit cost	-	-	-	-	-	-	-
Total for entity							
Personnel cost (R thousand)	18 158	21 579	26 824	33 283	36 693	39 024	41 461
Personnel numbers (head count)	35	58	71	76	76	76	76
Unit cost	519	372	378	438	483	513	546
D. Learnerships							
Personnel cost (R thousand)	-	-	-	-	-	-	-
Personnel numbers (head count)	-	-	-	-	-	-	-
Unit cost	-	-	-	-	-	-	-
Details of personnel numbers according to salary level							
Salary level							
Board members	-	8	9	9	9	9	9
Executive Management	-	1	1	1	1	1	1
Senior Management	-	3	4	5	5	5	5
Middle Management	-	7	10	10	10	10	10
Professionals	-	37	46	48	48	48	48
Semi-skilled	-	9	9	11	11	11	11
Very low skilled	-	1	1	1	1	1	1
Total	-	66	80	85	85	85	85

Table 1.K : Personnel summary for Amafa

	Audited outcome			Revised Estimate 2013/14	Medium-term Estimates		
	2010/11	2011/12	2012/13		2014/15	2015/16	2016/17
A. Permanent and full-time-contract employees							
Personnel cost (R thousand)	14 931	16 468	17 361	18 511	21 240	22 599	24 023
Personnel numbers (head count)	100	100	98	98	99	99	99
Unit cost	149	165	177	189	215	228	243
B. Part-time and temporary contract employees							
Personnel cost (R thousand)	680	700	567	703	868	924	982
Personnel numbers (head count)	150	150	150	150	150	150	150
Unit cost	5	5	4	5	6	6	7
C. Interns							
Personnel cost (R thousand)	-	-	-	-	-	-	-
Personnel numbers (head count)	-	-	-	-	-	-	-
Unit cost	-	-	-	-	-	-	-
Total for entity							
Personnel cost (R thousand)	15 611	17 168	17 928	19 214	22 108	23 523	25 005
Personnel numbers (head count)	250	250	248	248	249	249	249
Unit cost	62	69	72	77	89	94	100
D. Learnerships							
Personnel cost (R thousand)	-	-	-	-	-	-	-
Personnel numbers (head count)	-	-	-	-	-	-	-
Unit cost	-	-	-	-	-	-	-
Details of personnel numbers according to salary level							
Salary level							
Board members	6	6	6	14	14	14	14
Executive Management	1	1	1	-	1	1	1
Senior Management	3	3	3	3	3	3	3
Middle Management	7	7	7	7	8	8	8
Semi-skilled	34	34	32	33	32	32	32
Very low skilled	55	55	55	55	55	55	55
Total	106	106	104	112	113	113	113

VOTE 2

Provincial Legislature

Operational budget	R379 465 000
Remuneration of the Speaker and Deputy Speaker	R 3 253 000
Statutory amount (Members' remuneration)	R108 468 000
Total budget	R491 186 000
Total to be appropriated (excl. Members' remuneration)	R382 718 000
Responsible MEC	Ms. L. Johnson, Speaker of the Provincial Legislature
Administering department	Provincial Legislature
Accounting officer	Secretary: Provincial Legislature

1. Overview

Vision

The vision of the Provincial Legislature (hereafter referred to as the Legislature) is: *To be a people-centred, activist Legislature.*

Mission statement

The Legislature's mission statement is: *To deepen democracy and activism in KwaZulu-Natal through robust oversight, effective public participation and efficient law-making.*

Strategic objectives

Strategic policy direction: By focussing on its oversight role and by encouraging public participation, the Legislature seeks to align its operations and strategic position with the overall aim of government to achieve accountability and effective service delivery for all citizens of the province in the following areas: access to quality education and health care, prevention of crime and eradication of corruption, creation of decent work and expansion of work opportunities, and agrarian reform and rural development.

Law-making

To be an effective, efficient and visible law-maker through:

- Improved capacity of the Legislature to initiate legislation.
- Improved processing of subordinate legislation.
- Enhanced enactment of quality and legally compliant legislation.

Oversight

To ensure effective execution of oversight on service delivery, governance and implementation of laws (and conventions) by the Provincial Executive Council through:

- Improved oversight over governance within departments and agencies (organs of state).
- Improved oversight over the implementation and impact of passed legislation and conventions.
- Improved oversight over service delivery by provincial organs of state.
- Improved mechanisms and capacity for oversight.

Public participation

To ensure enhanced public participation in all legislative processes of the Legislature through:

- Improved public participation and involvement in the law-making and oversight processes.
- Improved mechanisms of engagement with the public.
- Improved public education.

Leadership and governance

To ensure improved leadership and governance of the Legislature through:

- Enhanced performance of the Legislature.
- Increasing efficiency and effectiveness of administrative services.
- Improved internal and external stakeholder services and relations of the Legislature.

Co-operative governance and inter-governmental relations

To ensure improved international and inter-governmental relations through:

- Improved inter-governmental liaison and protocol management.
- Enhanced processing of correspondence and petitions from communities.

Core functions

In order to achieve the above strategic objectives, the Legislature is responsible for carrying out the following core functions:

- To maintain the highest standards in drafting, amending and passing legislation.
- To timeously consider, pass, amend or reject legislation referred to the Legislature by the Executive Council or the National Council of Provinces (NCOP).
- To maintain oversight over the provincial executive authority in the province, including the implementation of legislation.

Legislative mandates

The following mandates clearly define the duties and the requirements of the Legislature:

- Constitution of the Republic of South Africa (Act No. 108 of 1996)
- Public Finance Management Act (Act No. 1 of 1999, as amended) and Treasury Regulations
- Promotion of Access to Information Act (Act No. 2 of 2000)
- Labour Relations Act (Act No. 66 of 1995)
- Basic Conditions of Employment Act (Act No. 75 of 1997)
- Employment Equity Act (Act No. 55 of 1998)
- Preferential Procurement Policy Framework Act (Act No. 5 of 2000)
- Broad-Based Black Economic Empowerment Act (Act No. 53 of 2002)
- State Information Technology Agency Act (Act No. 38 of 2002)
- KZN Petitions Act (Act No. 3 of 2004)
- KZN Funding of Political Parties' Act (Act No. 7 of 2008)
- Financial Management of Parliament Act (Act No. 10 of 2009)

In addition to the above, the functions of the Legislature are governed by the Standing Rules and the Resolutions of the Rules Committee of the Legislature. Also, it is envisaged that the new financial management bill, which will include all Legislatures, will be passed by Parliament by 30 April 2014. This is commented on in further detail in Section 2 below.

2. Review of the 2013/14 financial year

Section 2 provides a review of 2013/14, outlining the main achievements and progress made by the Legislature, as well as providing a brief discussion on challenges and new developments.

Financial Management Framework

In 2013/14, the flow of appropriated funds into the Legislature's account, and the application of GRAP as an accrual basis of accounting, continued to be issues of discussion with both Provincial and National Treasuries. Following the uncertainty regarding the issue of separate legislation for the financial management of provincial legislatures, the Legislature took a decision to draft its own financial management policies. The Financial Management Framework was accordingly drafted by the Legislature in 2012/13, and was on course to be approved in March 2013, for implementation in 2013/14. However, during the course of the year, there was clear indication from Parliament that it would pass a financial management bill, which would encompass all Legislatures, by 30 April 2014. Accordingly, the Legislature decided to wait for adoption of Parliament's legislation and implement its provisions in 2014/15, rather than proceed with its own Financial Management Framework.

Roll-out of the SAP ERP system

The Legislature purchased the Systems, Applications and Products in Data Processing Enterprise Resource Planning system (hereafter referred to as SAP) in March 2012, with the intention that SAP would replace PERSAL, BAS and HARDCAT. Following a year of intense training and change management, the Legislature accordingly went live on SAP on 1 April 2013 for all transactions, except for salary payments, which continued to be paid from PERSAL (BAS) for four months. In this regard, the uploading of PERSAL data onto SAP took longer than anticipated and, as a result, the salaries were only paid on SAP from August 2013. The new system was functioning smoothly by the end of 2013/14, although the move to the accrual basis of reporting is still receiving attention.

Organisational structure

A review of the Legislature's organisational structure was finalised and approved by the Rules Committee in November 2012. The revised new structure will ensure that the Legislature has sufficient capacity to implement the new financial management arrangements of provincial legislatures. This new structure, in terms of which the current post establishment of 244 will increase by 120 posts, also takes into account the roll-out of all SAP modules, as well as full implementation of the sector oversight model, aimed at strengthening the administrative support provided to the Members, particularly the various portfolio committees. The reviewing of job descriptions and the job evaluation process commenced in 2013/14. However, taking into account financial constraints, only those posts that are deemed to be critical will be filled over the 2014/15 MTEF, in a phased-in process. The required budget adjustments will be made in-year by the Legislature to fund the filling of these critical posts and associated costs.

Public participation

Public participation initiatives continued to receive greater focus in 2013/14. The public participation unit engaged actively with community structures like ward committees, community policing forums, etc., as extensions to its public participation efforts, and greater use was made of community radio slots to educate members of the public about the Legislature's roles and functions. In this regard, a Legislature programme was conducted every Thursday on seven community radio stations, with the focus on oversight activities, sector parliaments, as well as on issues pertaining to law-making, including public hearings on bills.

During 2013/14, two Taking Legislature to the People (TLTP) events were successfully hosted in eThekweni and Umzinyathi in April and October 2013, respectively. In addition, the Legislature successfully held the following main public participation events:

- Workers' Parliament: uThungulu District Municipality (May 2013).
- Youth Parliament: Zululand District Municipality (June 2013).
- Women's Parliament: Uthukela District Municipality (August 2013).
- Learners' Parliament: Ilembe District Municipality (August 2013).
- Peoples' Assembly: Umkhanyakude District Municipality (September 2013).
- Senior Citizens' Parliament: Sisonke District Municipality (October 2013).
- People with Disability Parliament: Zululand District Municipality (December 2013).
- Interfaith Symposium: uMgungundlovu District Municipality (May 2013).
- The proposed Civil Organisations' Symposium was rescheduled to 2014/15 by the Legislature's Public Participation Committee.

Revamping of the Legislature buildings

The Legislature continued with the next phase of the Legislature building revamping projects, and commenced with the revamping of the Speaker's cottage during 2013/14. It is anticipated that the Speaker's cottage project will be completed at the end of the financial year, whereafter the remaining phases of the building revamping projects will be undertaken. This includes the upgrading of the Legislature toilets, as well as the improvement of the sound system in the main chamber.

3. Outlook for the 2014/15 financial year

Section 3 looks at the key focus areas of 2014/15, outlining what the Legislature is hoping to achieve, as well as briefly looking at challenges and proposed new developments.

2014 general elections

The Legislature will be prorogued ahead of the 2014 general elections, which are scheduled to take place on 7 May 2014. There will also be preparations for the winding up of the Fourth Legislature. It is anticipated that the 2014 general elections may result in a 'new' leadership, which is likely to introduce new approaches that will have an impact on the Legislature's current business processes. Accordingly, the routine programme of the Legislature will continue, until the Fifth Legislature has drafted and tabled a five-year strategic plan for the 'new' Legislature, in August 2014.

Organisational structure

As mentioned, the implementation of the revised new structure will be phased in over the 2014/15 MTEF. The focus will be on the filling of critical positions, taking into consideration available funds (which will be reprioritised in-year from areas of identified savings), as well as the provincial moratorium on the filling of non-critical posts.

Public participation

Public participation initiatives will continue in 2014/15, and the Legislature will also continue with its active use of community radio slots to educate members of the public about its roles and functions. The Public Participation unit is also planning to hold a stakeholder engagement summit in November 2014, aimed at engaging with stakeholders to enhance public participation. The following public participation events are scheduled to be held in 2014/15:

- Workers' Parliament.
- Youth Parliament.
- Women's Parliament.
- Learners' Parliament.
- Peoples' Assembly.

- Senior Citizens' Parliament.
- People with Disability Parliament.
- Two TLTP events.
- Civil Organisations' Symposium (rescheduled from 2013/14).

Revamping of the Legislature buildings

As it is anticipated that the revamping of the Speaker's cottage will only be completed at the end of the financial year, the remaining revamping projects, being the upgrading of the Legislature's toilets and improvement of the sound system in the main chamber, are scheduled to be undertaken in 2014/15. However, progress is largely dependent on the implementing agent, namely the Department of Public Works (DOPW), as well as Amafa aKwaZulu-Natali (Amafa), who has granted preliminary approval at this stage for these projects to proceed.

Revival of the Legislature complex feasibility study

The Legislature is currently experiencing accommodation constraints in the CBD, both in terms of office space, as well as limitations in respect of the main chamber. For instance, Amafa has indicated that some of the Legislature's requests for alteration, such as changing the main chamber seating arrangements, cannot be accommodated in terms of the National Heritage Resources Act. Accordingly, in line with the revival of the feasibility study of the government office precinct project, the Legislature has been allocated a once-off R5 million in 2014/15 to resuscitate the Legislature complex project. This project was put on hold in 2009, when the province went into significant overdraft, thereby rendering the project unaffordable. It is intended for the feasibility study to be updated (preferably by the original transaction advisor, to ensure cost effectiveness) so as to reflect the current environment in terms of the market, costs, etc. The Legislature will "piggyback" its procurement processes onto those of the government office precinct project, but will have its own project manager (employed on contract), as well as separate procurement committees chaired by Legislature personnel.

Improved Hansard production

Although the Legislature has a fully functional Hansard and Language services unit, it requires a more efficient and effective system that will be used for recording/transcription processes of proceedings and live debates in the main chamber. Currently, the turn-around time is very slow, taking one to one-and-a-half weeks for one debate. However, there is technology available (such as that used by the Rwanda United Nations Criminal Court in Tanzania) which can produce unedited versions of Hansard at the end of a meeting or sitting, and edited versions within 24 hours. Accordingly, the Legislature has been allocated additional once-off funding of R14 million in 2014/15 to improve its Hansard production and distribution. The estimated cost of the project is R21 million, but the Legislature has undertaken to fund a third of the costs. Further research has shown that there is now vastly improved technology available in South Africa, hence the Legislature will first explore suitable local service providers through a call for proposals. It is anticipated that hardware and software will be purchased and installed toward the end of 2014/15.

4. Receipts and financing

4.1 Summary of receipts and departmental receipts collection

Table 2.1 below shows the sources of funding and own receipts of Vote 2 over the seven-year period 2010/11 to 2016/17.

The table also compares actual and budgeted receipts against actual and budgeted payments. Details of departmental receipts are presented in *Annexure – Vote 2: Provincial Legislature*.

Table 2.1 : Summary of receipts and financing

R thousand	Audited Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Treasury funding									
Equitable share	321 626	374 732	401 748	416 457	416 457	416 457	436 628	455 259	479 578
Total receipts: Treasury funding	321 626	374 732	401 748	416 457	416 457	416 457	436 628	455 259	479 578
Departmental receipts									
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sales of goods and services other than capital assets	68	77	73	46	46	61	49	51	54
Transfers received	1 255	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	1 632	920	449	390	390	859	413	432	455
Sales of capital assets	-	437	564	-	-	-	-	-	-
Transactions in financial assets and liabilities	1 121	120	1 245	227	227	190	241	252	265
Total departmental receipts	4 076	1 554	2 331	663	663	1 110	703	735	774
Total receipts	325 702	376 286	404 079	417 120	417 120	417 567	437 331	455 994	480 352
Total payments	310 909	380 588	431 718	417 120	454 820	454 820	491 186	455 994	480 352
Surplus/(Deficit) before financing	14 793	(4 302)	(27 639)	-	(37 700)	(37 253)	(53 855)	-	-
Financing									
of which									
Provincial roll-overs	6 657	-	-	-	-	-	-	-	-
Surplus own revenue surrendered	(3 509)	(953)	(1 702)	-	-	-	-	-	-
Surplus own revenue from prior year	-	3 509	953	-	1 702	1 702	-	-	-
Provincial cash resources	16 311	22 531	27 712	-	35 998	35 998	53 855	-	-
Surplus/(Deficit) after financing	34 252	20 785	(676)	-	-	447	-	-	-

Summary of departmental receipts

The Legislature collects revenue in the form of interest earned on positive cash balances in the bank against *Interest, dividends and rent on land*, commission on insurance, waste paper in respect of *Sale of goods and services other than capital assets*, as well as recoveries of debts and other miscellaneous items reflected against *Transactions in financial assets and liabilities*.

Section 22(1) of the PFMA states that provincial legislatures are permitted to retain any monies received (i.e. revenue collected). Therefore, in contrast to provincial departments, the Legislature retains its own departmental receipts, and is thus funded from two sources, namely Treasury funding and departmental receipts. In accordance with this legislation, the Legislature is allocated any surplus revenue collected in the prior year during the next year's Adjustments Estimate. This explains the surplus own revenue surrendered and surplus own revenue from the prior year reflected in the *Financing* section in Table 2.1.

Sale of goods and services other than capital assets comprises revenue collected from items such as the sale of old printer cartridges and commission on deductions such as insurance and garnishees. This revenue is difficult to predict, accounting for the fluctuations over the seven-year period.

The once-off revenue against *Transfers received* in 2010/11 relates to a sponsorship received from the Association of Public Accounts Committees of South Africa (APAC) toward the APAC conference held in October 2010, which was hosted by the KZN Legislature.

The fairly high revenue in 2010/11 and 2011/12 against *Interest, dividends and rent on land* was due to low spending by the Legislature during that period, and the fact that the Legislature retained unspent funding in its bank account relating to previous years, both of which resulted in more cash in the bank than anticipated. Similarly, the revenue projected in the 2013/14 Revised Estimate is fairly high due to substantial additional funding allocated to the Legislature in the 2013/14 Adjustments Estimate. This full additional allocation was transferred to the Legislature in December 2013, again resulting in more cash in the bank than anticipated. This category is difficult to predict with accuracy, accounting for the conservative amounts reflected over the 2014/15 MTEF.

Revenue against *Sale of capital assets* in 2011/12 and 2012/13 relates to auction sales of redundant assets (mainly vehicles). Such auction sales are difficult to predict, and therefore no revenue budget is provided for this category in 2013/14 and over the 2014/15 MTEF.

Revenue collected against *Transactions in financial assets and liabilities* cannot be accurately estimated, as it relates to the collection of amounts owing from previous financial years, such as debts relating to both staff and Members, and this accounts for the fluctuating trend. The 2010/11 amount includes a refund of R1 million, being a deposit/indemnity for the venue in respect of the above-mentioned APAC conference. The amount reflected in 2012/13 includes a refund of R1.180 million from the Office of the Premier in respect of shared costs for certain events held in 2011/12, including Women's Parliament, People with Disability Parliament, and the International Day of Disabled Persons.

Summary of receipts and financing

Table 2.1 also compares total receipts and total payments. The Legislature substantially under-spent in prior years (reflected against 2010/11 and 2011/12), although partly due to circumstances beyond its control, and required a substantial "roll-over" of funds each year. The situation was reversed in 2012/13, when the Legislature slightly over-spent at year-end.

In 2010/11, the Legislature received a provincial roll-over of R6.657 million from 2009/10 toward outstanding commitments that could not be paid before year-end, largely in respect of public participation events. The Legislature also received provincial cash resources of R16.311 million, mainly to fund the statutory increase in Members' salaries and the 2010 wage agreement for the Legislature staff, as well as to cater for an outstanding payment for the feasibility study of the proposed new Legislature complex (which was subsequently put on hold in view of the financial position of the province at the time). In 2010/11, the Legislature budget was substantially under-spent by R34.252 million. Of this, R11.721 million related to the Members' remuneration (which forms a direct charge on the Provincial Revenue Fund), which was inadvertently over-provided for. In terms of the operating budget (i.e. excluding the Members' remuneration), the Legislature under-spent by R22.531 million due to cost-cutting, slow progress on the enterprise content management system (a document management system aimed at enhancing business operations), and late claims in respect of public participation events.

In 2011/12, the Legislature received provincial cash resources of R22.531 million. This relates to the Legislature's unspent operational budget from 2010/11, which was allocated back in terms of Resolutions 7/2011 and 8/2011 of the Finance Portfolio Committee (FPC). These resolutions stated that "support be given by the House that any savings or under-expenditure the Legislature effected in 2010/11 be used to contribute to the funding of critical services and infrastructure needs of the Legislature", including the procurement of an enterprise resource planning system (i.e. SAP) and the Legislature building revamping projects. The 2011/12 budget was again substantially under-spent, by R20.785 million. Of this amount, R3.036 million related to the Members' remuneration, which continued to be slightly over-provided for. The operational budget was under-spent by R17.749 million, largely due to the following:

- Outstanding travel claims were not paid before year-end, pending a full reconciliation thereof. There were also delays in the submission of claims by political parties in respect of the Political Parties' Fund, specifically with regard to the allowances paid to political party researchers.
- There was slow progress on the building revamping projects due to delays in approval of plans by Amafa and delays by DOPW in appointing a service provider.
- The SAP system was ordered in 2011/12, but delivery and payment was only made in May 2012. Also, two generators were purchased and installed in the Legislature buildings in February 2012, but DOPW failed to timeously submit the source documentation required for payment.

In 2012/13, the Legislature received provincial cash resources of R27.712 million as follows:

- The operational budget of R17.749 million that was unspent in 2011/12 was allocated back for spending in 2012/13. This was in line with a decision taken by Provincial Treasury and the FPC, that the Legislature be allowed to retain its surplus voted funds every year from 2012/13 onward, without having to submit a request for roll-over like provincial departments do.
- R2.755 million was allocated toward the higher than anticipated 2012 wage agreement for the Legislature staff.
- A once-off R7.208 million was allocated to assist with the implementation and roll-out of SAP.

For the first time in several years, the 2012/13 year-end spending of the Legislature was largely on track, with minimal over-spending of R676 000. This improved rate of spending compared to previous years, together with the above-mentioned once-off additional funding, account for the peak in 2012/13 actual payments, when compared to 2011/12 and the 2013/14 Main Appropriation.

In the 2013/14 Adjusted Appropriation, the Legislature received provincial cash resources of R35.998 million as follows:

- R2.998 million, being the interest earned on the Political Parties' Fund since its inception in 2005, was paid into the Provincial Revenue Fund by the Legislature so that this amount could be formally appropriated back to them in the 2013/14 Adjustments Estimate. This amount was then used to increase the Political Parties' Fund allocation for 2013/14 only.
- R33 million, relating to funds that remained in the Legislature's bank account over the years. A detailed reconciliation from 2003/04 to date was done by Provincial Treasury and the Legislature, and it was agreed to formally appropriate the R33 million to the Legislature in the 2013/14 Adjustments Estimate. This is in keeping with the previously mentioned decision that the Legislature be allowed to retain its surplus voted funds every year. This R33 million was utilised to offset in-year spending pressures, including outstanding 2012/13 commitments, an increase in constituency and secretarial allowances, the continuation of the building revamping projects, as well as the upgrading and filling of several critical posts in terms of the sector oversight model, including back-pay.

Taking into account the above-mentioned once-off additional funding, the Legislature is anticipating to end 2013/14 with a balanced budget. The surplus of R447 000 in the 2013/14 Revised Estimate relates to the fact that the Legislature is anticipating to over-collect revenue by this amount in 2013/14, largely in respect of *Interest, dividends and rent on land*, as explained above.

The Legislature's budget shows a steady increase over the 2014/15 MTEF, with a substantial peak in 2014/15 due to a once-off allocation of R53.855 million reflected against provincial cash resources. This amount consists of R7 million to assist the Legislature with regard to observing and monitoring the 2014 general elections, R27.855 million to provide for the special allowance to be paid to those Members whose tenure of office may be affected by these elections, R5 million for the feasibility study in respect of the proposed new Legislature complex (in line with the revival of the government office precinct project), and R14 million for improved Hansard production, as explained in Section 3 above.

4.2 Donor funding

The Legislature receives funding in respect of the Legislature Support programme, which is funded by the European Union (EU), aimed at contributing to the strengthening of democracy and good governance. The specific purpose is to support South African Legislatures to fulfil their constitutional mandates in a citizen-oriented manner. The allocation of any EU funding and the payment and monitoring thereof is undertaken centrally at a national level on behalf of the nine provinces. Legislatures are allowed to use the EU funding to offset spending related to public participation events, hence no table is included here.

5. Payment summary

This section summarises the expenditure and budgeted estimates for the vote in terms of programmes and economic classification. Details of the economic classification per programme are given in *Annexure – Vote 2: Provincial Legislature*.

5.1 Key assumptions

The Legislature applied the following broad assumptions when compiling the budget:

- All inflation related increases are based on CPI projections.
- Additional funding was allocated to provide for the inflationary wage adjustment of 6.4, 6.4 and 6.3 per cent for each of the three years of the 2014/15 MTEF, respectively.

- No provision was made for the filling of vacant posts in terms of the revised new organisational structure of the Legislature. As mentioned, taking into account financial constraints, as well as bearing in mind the moratorium on the filling of non-critical vacant posts, only those posts that are deemed to be critical will be filled over the MTEF, in a phased-in process. The required budget adjustments will be made in-year to fund the filling of these critical posts as well as associated costs.
- Provision was made for ongoing training and change management relating to the roll-out of SAP. SAP training will have to be provided to any new staff members. It is also likely that there will be close to 40 per cent turnover in Members after the 2014 general elections. As such, SAP training will have to be provided to new Members, as well.
- With regard to public participation, two TLTP sittings were catered for, as well as six sectoral parliaments and one symposium. The cost of each of these events will vary slightly, depending on location and the population of the area.
- Although the Legislature is not bound by Cabinet decisions, they have indicated that they will try and follow, as far as possible, the expanded cost-cutting measures, as reissued by Provincial Treasury in 2013/14. They will also abide by National Treasury Instruction 01 of 2013/14: Cost-containment measures.

5.2 Additional allocations for the 2012/13 to 2014/15 MTEF

Table 2.2 shows additional funding received by the Legislature over the three MTEF periods: 2012/13, 2013/14 and 2014/15. The purpose of such a table is two-fold. Firstly, it shows the quantum of additional funding allocated to the Legislature in the past and current MTEF periods. Secondly, it indicates the policies and purposes for which the additional funding was allocated. The carry-through allocations for the 2012/13 and 2013/14 MTEF periods (i.e. for the financial year 2016/17) are based on the incremental percentage used in the 2014/15 MTEF.

Table 2.2 : Summary of additional provincial allocations for the 2012/13 to 2014/15 MTEF

R thousand	2012/13	2013/14	2014/15	2015/16	2016/17
2012/13 MTEF period	1 546	1 624	1 705	1 783	1 865
Carry-through of 2010/11 Adjustments Estimate - 2011 wage agreement (staff)	1 546	1 624	1 705	1 783	1 865
2013/14 MTEF period		(5 751)	22 996	(14 711)	(15 388)
Census data update and 1%, 2% and 3% baseline cuts		(5 751)	(11 859)	(14 711)	(15 388)
Observing and monitoring the 2014 elections		-	7 000	-	-
Exit packages for MPLs		-	27 855	-	-
2014/15 MTEF period			19 963	1 860	2 149
Legislature complex - feasibility study			5 000	-	-
Improved Hansard production			14 000	-	-
Carry-through of previous wage agreements			963	1 860	2 149
	1 546	(4 127)	44 664	(11 068)	(11 373)

It is noted that, over the 2011/12 MTEF (not evident in the table), additional funding was allocated for the Financial Management Bill of the KZN Legislature. Also, in line with a Cabinet resolution, the Political Parties' Fund was capped at R30 million from 2010/11 onward. Cabinet approved that the amounts released from capping this fund must be used to implement the above-mentioned Financial Management Bill of the KZN Legislature. It is further noted that the Financial Management Bill of the KZN Legislature funding was subsequently "unringfenced", in view of the uncertainty surrounding the legislation for the financial management of provincial legislatures. The Legislature was permitted to redirect this funding toward other spending pressures, including the purchase of SAP, the building revamping projects, and the sector oversight model, as explained later in this chapter.

In the 2012/13 MTEF, additional funding was allocated for the carry-through costs of the 2011 wage agreement for Legislature staff.

In the 2013/14 MTEF, a once-off amount of R34.855 million was allocated in 2014/15, comprising R7 million toward observing and monitoring the 2014 general elections, and R27.855 million to provide for the special allowance to Members whose tenure of office may be affected by these elections. Also in the 2013/14 MTEF, National Treasury took a decision to impose 1, 2 and 3 per cent baseline cuts on all

spheres of government (i.e. National, Provincial and Local) in order to curb the national deficit as public spending is growing faster than revenue collection. In addition, KZN received reduced equitable share allocations as a result of the reduced proportion in terms of population numbers as reported in the 2011 Census data results. The effect of this on the Legislature was a substantial reduction over the entire period.

In the 2014/15 MTEF, additional funding was allocated for the carry-through costs of the 2013 wage agreement for Legislature staff. Also, a once-off amount of R19 million was allocated in 2014/15, comprising R5 million for the revived feasibility study in respect of the proposed new Legislature complex and R14 million for improved Hansard production.

5.3 Summary by programme and economic classification

Tables 2.3 and 2.4 below provide a summary of the vote's expenditure and budgeted estimates over the seven-year period, by programme and economic classification, respectively.

The uniform budget and programme structure for all Provincial Legislatures was revised with effect from 2013/14. Previously, the budget was divided into three programmes, whereas the newly revised budget structure consists of only two programmes, namely Programme 1: Administration and Programme 2: Parliamentary Business. The information relating to the prior years was adjusted accordingly as far as possible, to facilitate comparison.

Table 2.3 : Summary of payments and estimates by programme: Provincial Legislature

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
1. Administration	84 747	123 066	148 503	126 153	157 843	157 843	152 395	137 216	139 583
2. Parliamentary Business	163 481	191 921	216 055	214 917	220 927	220 927	230 323	234 457	251 979
Direct charge on the Provincial Revenue Fund	62 681	65 601	67 160	76 050	76 050	76 050	108 468	84 321	88 790
Members' remuneration	62 681	65 601	67 160	76 050	76 050	76 050	108 468	84 321	88 790
Total	310 909	380 588	431 718	417 120	454 820	454 820	491 186	455 994	480 352
of which:									
Departmental receipts	4 076	1 554	2 331	663	663	1 110	703	735	774

Table 2.4 : Summary of payments and estimates by economic classification: Provincial Legislature

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Current payments	171 234	227 427	262 322	252 874	276 478	276 478	280 672	277 324	291 687
Compensation of employees	75 053	95 707	130 132	136 695	142 897	142 897	144 280	151 269	159 826
Goods and services	96 181	131 720	132 083	116 179	133 581	133 581	136 392	126 055	131 861
Interest and rent on land	-	-	107	-	-	-	-	-	-
Transfers and subsidies to:	73 064	73 872	78 199	80 157	86 155	86 155	83 464	87 372	92 528
Provinces and municipalities	27	40	10	32	32	32	34	36	38
Departmental agencies and accounts	-	-	276	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	410	173	233	189	803	803	198	207	217
Public corporations and private enterprises	18	-	-	24	24	24	25	26	27
Non-profit institutions	72 355	73 028	77 456	79 170	85 168	85 168	82 920	86 780	91 379
Households	254	631	224	742	128	128	287	323	867
Payments for capital assets	3 930	13 688	24 037	8 039	16 137	16 137	18 582	6 977	7 347
Buildings and other fixed structures	-	138	2 853	767	4 067	4 067	813	850	895
Machinery and equipment	3 723	5 150	15 352	5 085	9 883	9 883	15 391	4 639	4 885
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	207	8 400	5 832	2 187	2 187	2 187	2 378	1 488	1 567
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	248 228	314 987	364 558	341 070	378 770	378 770	382 718	371 673	391 562
of which:									
Departmental receipts	4 076	1 554	2 331	663	663	1 110	703	735	774
Adjusted total	248 228	314 987	364 558	341 070	378 770	378 770	382 718	371 673	391 562
Members' remuneration	62 681	65 601	67 160	76 050	76 050	76 050	108 468	84 321	88 790
Adjusted total (incl. Members' remuneration)	310 909	380 588	431 718	417 120	454 820	454 820	491 186	455 994	480 352

The Members' remuneration forms a direct charge on the Provincial Revenue Fund, and so is not included as a programme, but is reflected as *Direct charge on the Provincial Revenue Fund*. The 2010/11 and 2011/12 amounts include once-off amounts of R1.796 million and R2.037 million, respectively, for the payment of Members' exit packages. It is noted that, in prior years, there was a substantial over-provision in the baseline for the Members' remuneration, largely due to the final increase allocated to Members in 2010/11 being far lower than budgeted for. Although this over-provision was largely corrected in 2011/12, the Members' remuneration continues to be slightly over-provided for. There still appears to be some over-provision in 2013/14, and this explains why no additional funding was allocated in the 2013/14 Adjusted Appropriation to provide for the annual increase in Members' salaries. The significant peak in 2014/15 can be ascribed to a once-off allocation of R27.855 million to provide for the special allowance to Members whose tenure of office may be affected by the 2014 elections.

Apart from several fluctuations, the Legislature's operational budget (i.e. the two programmes excluding the Members' remuneration), reflects a generally consistent and substantial increase over the seven-year period. The fluctuations relate in part to the substantial under-spending of the Legislature in 2010/11 and 2011/12, which resulted in the "roll-over" of outstanding commitments to the ensuing year. Also, the Legislature embarked on several major projects during the period under review, including the roll-out of SAP, the Legislature building revamping projects, and the implementation of the sector oversight model. These were largely funded by the additional allocation for the Financial Management Bill of the KZN Legislature which was "unringfenced" from 2011/12, the unspent 2011/12 surplus voted funds of R22.531 million that were allocated back for spending in 2012/13, the surplus funds of R33 million that remained in the Legislature's bank account over the years, and were formally appropriated back to them for spending in 2013/14, as well as several once-off additional allocations outlined in Section 5.2 above. All of these additional, largely once-off sources of funding contributed to the fluctuations. The paragraphs below summarise the trends at programme and economic level, while further detail is given in Section 6.

Programme 1: Administration fluctuates over the seven years, largely because of costs of various once-off projects that are centralised under this programme, such as the building revamping projects and the purchase and roll-out of SAP. Both of these projects commenced in 2011/12, but were largely paid for from the above-mentioned additional funding allocated in 2012/13, accounting for the high spending in that year. There is a further peak in the 2013/14 Adjusted Appropriation, because of the payment of outstanding 2012/13 commitments, as well as the continued implementation of the sector oversight model and the building revamping projects. The 2014/15 amount includes the once-off R5 million for the revived feasibility study for the proposed new Legislature complex, as well as a portion (R8 million) of the once-off R14 million allocated for improved Hansard production, specifically the procurement costs of the new Hansard system. The 2014/15 amount also includes provision for tools of trade (such as lap-tops) for all new Members, as well as motor vehicles (e.g. for the Speaker and Deputy Speaker), following the 2014 general elections. These once-off allocations account for 2014/15 being far higher than the outer years.

Apart from a slight dip in the 2013/14 Main Appropriation, Programme 2: Parliamentary Business shows reasonable growth over the seven-year period. This programme includes substantial funding for public participation events, overseas study tours undertaken by portfolio committees, as well as support for political parties in the form of constituency and secretarial allowances and the Political Parties' Fund. It is noted, too, that the implementation of the sector oversight model impacts mainly on this programme. The 2012/13 amount was fairly high as it included the payment of outstanding 2011/12 commitments, largely relating to public participation events. The 2013/14 Adjusted Appropriation includes additional funding for outstanding 2012/13 commitments, largely relating to late claims from service providers. The 2013/14 Adjusted Appropriation also includes an additional R3 million allocated to the constituency and secretarial allowances ahead of the 2014 general elections, as well as interest of R2.998 million earned on the Political Parties' Fund since its inception in 2005, which was formally appropriated back to the Legislature to increase the 2013/14 transfer to the Political Parties' Fund. Programme 2 shows good growth from 2014/15 onward, largely to cater for support to political parties in the form of constituency and secretarial allowances, public participation events, and the continued implementation of the sector oversight model. The 2014/15 amount includes a once-off R7 million for observing and monitoring the 2014 general elections, as well as the balance (R6 million) of the once-off allocation for improved Hansard production, specifically for the roll-out of the system by the appointed service provider.

Compensation of employees in Table 2.4 relates to the Legislature staff only, and excludes the Members' remuneration, which has already been explained above. *Compensation of employees* shows reasonable growth over the seven-year period as a result of the annual wage adjustments for the Legislature staff. The high growth in 2012/13 relates to the implementation of the Job Evaluation (JE) review results (for which additional funding was allocated in the 2010/11 MTEF, but with a substantial increase from 2012/13 onward). Also, the Legislature commenced implementing the sector oversight model in 2012/13, as mentioned above. The 2013/14 Adjusted Appropriation includes provision for the continued roll-out of the sector oversight model, including backpay relating to the upgrading of posts. The growth over the 2014/15 MTEF is quite low, especially taking into account that the roll-out of the revised new structure will commence, and additional capacity is needed to cater for the change in operations brought about by SAP and the new financial management arrangements of legislatures. However, as mentioned, only those posts that are deemed to be critical will be filled over the MTEF, and the required budget adjustments will be made in-year by the Legislature to fund these critical posts.

The fluctuations in *Goods and services* can be ascribed to the previously mentioned "roll-overs" to ensuing financial years, as well as the fact that the roll-out of SAP and the building revamping projects are largely catered for under this category. The high 2011/12 amount includes payment of outstanding travel claims and prior year commitments in respect of public participation events. The high spending continued in 2012/13, due to outstanding commitments relating to public participation events, the building revamping projects, as well as costs relating to the SAP implementing agent. These were funded from the additional funds allocated to the Legislature during that period, as mentioned previously, and this accounts for the reduction from 2012/13 to the 2013/14 Main Appropriation. The 2013/14 Adjusted Appropriation includes provision for outstanding 2012/13 commitments (including outstanding costs for the Tatham Gallery parking), as well as for the remaining phases of SAP. The 2014/15 allocation is fairly high compared to 2015/16, as it includes an additional once-off R7 million for observing and monitoring the 2014 general elections, the once-off R5 million for the revived feasibility study for the proposed new Legislature complex, as well as R6 million of the funding allocated for improved Hansard production.

Apart from a peak in the 2013/14 Adjusted Appropriation, the category *Transfers and subsidies* increases steadily over the seven-year period, as follows:

- *Provinces and municipalities* caters for the payment of motor vehicle licences. The fluctuations in the prior years relates to the erratic submission of invoices by the Department of Transport.
- The amount reflected against *Departmental agencies and accounts* in 2012/13 relates to an unanticipated transfer to SARS in respect of overdue PAYE dating back to prior years. When the Legislature moved from the VIP system to PERSAL in 2003, a new SARS account was allocated, but the old account balance was inadvertently not cleared.
- *Foreign governments and international organisations* caters mainly for subscription fees in respect of the Commonwealth Parliamentary Association (CPA). The 2010/11 amount includes the once-off cost of hosting a CPA conference in KZN. The increase in the 2013/14 Adjusted Appropriation was necessary to provide for higher than budgeted travel and subsistence costs relating to CPA conferences. The MTEF amounts are based on the actual fees paid in 2013/14.
- The amounts against *Public corporations and private enterprises* cater for insurance claims for motor vehicle accidents relating to the Legislature's official vehicles.
- *Non-profit institutions*, which comprises the secretarial and constituency allowances, as well as the Political Parties' Fund, shows a steady increase over the seven-year period, despite the capping of the Political Parties' Fund at R30 million, as agreed to by Cabinet. The 2013/14 Adjusted Appropriation makes provision for an increase of R3 million in respect of the constituency and secretarial allowances, and also includes interest of R2.998 million earned on the Political Parties' Fund since its inception in 2005, as mentioned previously. This was formally appropriated back to the Legislature to increase the 2013/14 transfer to the Political Parties' Fund.
- *Households* caters for donations made as part of the Speaker's Social Responsibility programme, as well as staff exit costs, both of which are difficult to predict.

Buildings and other fixed structures, which relates to the various Legislature building revamping projects,

fluctuates depending on the nature of the work required – i.e. whether the work is classified as current maintenance and repairs, rather than capital renovations. There was no capital infrastructure spending in 2010/11, pending the outcome of the infrastructure needs assessment report compiled by DOPW. This report was finalised in 2011/12, and the Legislature commenced with the revamping projects in that year. The 2012/13 expenditure related to the Tatham Art Gallery parking for Members, which was completed by the end of December 2012. The 2013/14 Adjusted Appropriation includes additional funding allocated for the continuation of the building revamping projects, including the payment of outstanding claims relating to the Tatham Art Gallery parking, as well as the revamping of the Speaker’s cottage. Although various other revamping projects (such as the upgrading of the Legislature toilets and improvement of the sound system in the main chamber) are continuing, the MTEF allocations are preliminary, as the extent and nature of the work to be done (i.e. capital/current) is still under review. At this stage, the bulk of the revamping budget is reflected as current infrastructure under *Goods and services*.

Machinery and equipment fluctuates due to the once-off and cyclical nature of purchases made under this category. The 2011/12 amount included the purchase of new computers and furniture for the staff appointed in terms of the JE review. The peak in 2012/13 can largely be ascribed to the purchase and installation of SAP. The increase in the 2013/14 Adjusted Appropriation caters for the purchase of pool vehicles, as well as computers and furniture (both replacement and for new staff). The high 2014/15 allocation includes provision for the purchase of tools of trade (i.e. lap-tops) for all new Members and motor vehicles for the Speaker and Deputy Speaker, following the 2014 general elections. Also included is R8 million toward improved Hansard production, specifically in respect of the procurement costs of the system. These various once-off amounts account for the reduction from 2014/15 to 2015/16.

Software and other intangible assets shows a fluctuating trend, largely due to the roll-out of the various modules of SAP, which went live in 2013/14 (accounting for the high expenditure in 2011/12 and 2012/13). There is a decrease from 2014/15 to 2015/16, as the SAP roll-out will be in its final stages.

5.4 Summary of payments and estimates by district municipal area

Table 2.5 provides a summary of spending by district municipal area. The amounts reflected all pertain to the public participation programme, but exclude the costs of public hearings, public education, multi-party initiatives and the official opening of the Legislature. The table also excludes events held at the Legislature buildings, as the information is distorted by both service delivery and administrative costs.

The aim of the public participation programme is for the Legislature to cover as wide an area as possible in conducting its activities, thereby complying with Section 118 of the Constitution. The targeted population is thus predominantly in remote rural areas, and the Legislature is aiming to reach most district municipal areas by hosting public participation events across the province, as explained below.

Table 2.5 : Summary of payments and estimates by district municipal area

R thousand	Audited Outcome	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16	2016/17
eThekwini	3 771	4 035	-	-	-
Ugu	2 023	-	-	-	-
uMgungundlovu	5 945	771	33 949	35 511	39 062
Uthukela	2 538	4 018	-	-	-
Umzinyathi	-	4 665	-	-	-
Amajuba	-	-	-	-	-
Zululand	4 384	5 500	-	-	-
Umkhanyakude	3 971	3 707	-	-	-
uThungulu	3 819	3 407	-	-	-
Ilembe	3 191	3 400	-	-	-
Sisonke	8 652	3 457	-	-	-
Total	38 294	32 960	33 949	35 511	39 062

In 2012/13, two TLTP sittings were held in Zululand and Sisonke. The Workers’ Parliament was held in Ilembe, Youth Parliament in Umkhanyakude, Women’s Parliament in uThungulu, Senior Citizens’ Parliament in the eThekwini Metro and People with Disability Parliament in Ugu. The People’s Assembly was held in Uthukela, while the Interfaith Symposium was again held in uMgungundlovu. It is noted that

the 2012/13 spending is fairly high when compared to the ensuing years, as it includes the payment of outstanding commitments from 2011/12.

In 2013/14, two TLTP sittings were held in the eThekweni Metro and Umzinyathi. The Workers' Parliament was held in uThungulu, Youth Parliament in Zululand, Women's Parliament in Uthukela, Learners' Parliament in Ilembe, Senior Citizens' Parliament in Sisonke and People with Disability Parliament in Zululand. The Peoples' Assembly was held in Umkhanyakude, while the Interfaith Symposium was again held in uMgungundlovu.

The public participation allocations for the MTEF are reflected against uMgungundlovu at this stage, because the programme has not yet been finalised. Although the number and nature of events has been planned (see Section 3 above), a decision has not yet been made regarding the venues, and this is dependent on the available budget, as well as political office-bearers and other stake-holders. This is particularly true for 2014/15, as there is always the likelihood a 'new' leadership may emerge following the holding of general elections.

5.5 Summary of conditional grant payments and estimates – Nil

5.6 Summary of infrastructure payments and estimates

Table 2.6 below provides a summary of infrastructure payments and estimates, reflecting the cost of renovations and repairs to the Legislature buildings over the seven-year period, based on input received from DOPW. It is noted that the additional R5 million allocated for the revival of the Legislature complex feasibility study is excluded from this table. Further infrastructure details are given in *Annexure – Vote 2: Provincial Legislature*.

Table 2.6 : Summary of infrastructure payments and estimates by category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
New and replacement assets	-	-	-	-	-	-	-	-	-
Existing infrastructure assets	2 652	1 514	4 796	4 419	11 224	11 224	4 685	4 900	4 990
Upgrades and additions	-	138	2 853	767	4 067	4 067	813	850	895
Rehabilitation, renovations and refurbishments	-	-	-	-	-	-	-	-	-
Maintenance and repairs	2 652	1 376	1 943	3 652	7 157	7 157	3 872	4 050	4 095
Infrastructure transfers	-	-	-	-	-	-	-	-	-
Current	-	-	-	-	-	-	-	-	-
Capital	-	-	-	-	-	-	-	-	-
Total	2 652	1 514	4 796	4 419	11 224	11 224	4 685	4 900	4 990

Infrastructure spending fluctuates markedly over the seven years, as it is dependent on the nature of the work required to be done to the Legislature buildings. *Maintenance and repairs* spending in the prior years relates mainly to routine office repairs, including projects such as partitioning in the Administration building to accommodate new staff, etc. From 2013/14 onward, the building revamping projects are included under both *Upgrades and additions* and *Maintenance and repairs*, although the bulk of the revamping budget is reflected as current infrastructure under *Maintenance and repairs*.

There was no *Upgrades and additions* spending in 2010/11, pending the outcome of the infrastructure needs assessment report compiled by DOPW. This needs assessment was necessary in view of the fact that the proposed new Legislature complex was put on hold in 2009, as mentioned previously. Although the needs assessment report was finalised in 2011/12, there was slow progress on the Legislature building revamping projects in 2011/12 due to delays by Amafa and DOPW. These delays have largely been resolved, and Amafa granted preliminary approval for the projects to proceed.

The bulk of the *Upgrades and additions* spending in 2012/13 relates to the Tatham Art Gallery parking for Members. This project was completed by the end of December, but DOPW did not submit all of the invoices by year-end. The total cost of the parking project was approximately R5.776 million, and the balance was paid in 2013/14, accounting for the increase in the 2013/14 Adjusted Appropriation.

Maintenance and repairs also reflects an increase in the Adjusted Appropriation to provide for the next phase of the revamping of the Legislature buildings, including the revamping of the Speaker's cottage. It is anticipated that the Speaker's cottage project will be completed at the end of the financial year, whereafter the remaining phases of the revamping of the Legislature buildings will be undertaken. This includes the upgrading of the Legislature toilets, as well as improvement of the sound system in the main chamber, explaining the MTEF allocations in respect of both *Upgrades and additions* and *Maintenance and repairs*. As mentioned previously, though, these MTEF allocations are preliminary at this stage, as the extent and nature of the work to be done (i.e. capital/current) is still under review.

5.7 Summary of Public Private Partnerships – Nil

5.8 Transfers to public entities listed in terms of Schedule 3 of the PFMA – Nil

5.9 Transfers to other entities – Nil

5.10 Transfers to local government – Nil

The Legislature makes no transfer payments to local government. Although the payment of motor vehicle licences falls under *Transfers and subsidies to: Provinces and municipalities*, these funds will not be transferred to any municipality, and hence the table reflecting transfers to local government is excluded.

5.11 Transfers and subsidies

Table 2.7 below is a summary of spending on *Transfers and subsidies* by programme and main category. The table reflects a generally steady increase from 2010/11 to 2016/17 for the category as a whole, details of which are provided below the table.

Table 2.7 : Summary of transfers and subsidies by programme and main category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
1. Administration	709	793	743	987	987	987	544	592	1 149
Provinces and municipalities	27	40	10	32	32	32	34	36	38
Motor vehicle licences	27	40	10	32	32	32	34	36	38
Departmental agencies and accounts	-	-	276	-	-	-	-	-	-
Transfer to SARS	-	-	276	-	-	-	-	-	-
Foreign government and international organisations	410	173	233	189	803	803	198	207	217
Commonwealth Parliamentary Association	410	173	233	189	803	803	198	207	217
Public corporations and private enterprises	18	-	-	24	24	24	25	26	27
Insurance companies	18	-	-	24	24	24	25	26	27
Households	254	580	224	742	128	128	287	323	867
Social benefits	-	-	63	-	-	-	-	-	-
Other transfers to households	254	580	161	742	128	128	287	323	867
2. Parliamentary Business	72 355	73 079	77 456	79 170	85 168	85 168	82 920	86 780	91 379
Non-profit institutions	72 355	73 028	77 456	79 170	85 168	85 168	82 920	86 780	91 379
Funding for political parties (e.g. Const. allow.)	42 355	43 028	47 456	49 170	52 170	52 170	52 920	56 780	61 379
Political Parties' Fund	30 000	30 000	30 000	30 000	32 998	32 998	30 000	30 000	30 000
Households	-	51	-	-	-	-	-	-	-
Other transfers to households	-	51	-	-	-	-	-	-	-
Total	73 064	73 872	78 199	80 157	86 155	86 155	83 464	87 372	92 528

The category *Transfers and subsidies* under Programme 1: Administration includes the following:

- *Provinces and municipalities* caters for the payment of motor vehicle licences, as mentioned above.
- The 2012/13 amount against *Departmental agencies and accounts* relates to a transfer to SARS for overdue PAYE dating back to prior years. When the Legislature moved from VIP to PERSAL in 2003, a new SARS account was allocated, but the old account balance was inadvertently not cleared.

- *Foreign governments and international organisations* caters mainly for subscription fees in respect of the CPA. The 2010/11 amount includes the once-off cost of hosting a CPA conference in KZN. The increase in the 2013/14 Adjusted Appropriation caters for higher than budgeted travel and subsistence costs relating to CPA conferences. The MTEF amounts are based on the actual fees paid in 2013/14.
- The amounts against *Public corporations and private enterprises* cater for insurance claims for motor vehicle accidents relating to the Legislature's official vehicles.
- *Households* caters for donations made as part of the Speaker's Social Responsibility programme, as well as staff exits, both of which are difficult to predict.

The category *Transfers and subsidies* under Programme 2: Parliamentary Business includes the following:

- *Non-profit institutions*, which comprises the secretarial and constituency allowances, as well as the Political Parties' Fund, shows a steady increase over the seven-year period, despite the capping of the Political Parties' Fund at R30 million. The 2013/14 Adjusted Appropriation provides for an increase of R3 million in respect of the constituency and secretarial allowances, and also includes interest of R2.998 million earned on the Political Parties' Fund which was formally appropriated back to the Legislature for increasing the 2013/14 transfer to the Political Parties' Fund.
- *Households* caters for staff exit costs, which are difficult to predict.

6. Programme description

As mentioned, the uniform budget and programme structure for all Provincial Legislatures was revised in 2013/14. The newly revised budget structure now consists of two programmes, namely Programme 1: Administration and Programme 2: Parliamentary Business. As far as possible, prior year information was adjusted in the tables, to facilitate comparison.

The payments and budgeted estimates for these two programmes are summarised in terms of economic classification below, details of which are given in *Annexure – Vote 2: Provincial Legislature*.

6.1 Programme 1: Administration

Programme 1 consists of four sub-programmes, as follows:

- Office of the Speaker provides political and administrative leadership to the Legislature, and ensures the provision of protocol services to Members. This sub-programme caters for the running costs of the Office of the Speaker, as well as the Speaker's Responsibility programme.
- Office of the Secretary co-ordinates planning, performance monitoring, evaluation and reporting, and ensures effectiveness of internal control, risk management and governance processes.
- Financial Management aims to provide efficient and effective financial management, and includes the CFO's office, financial management services, as well as SCM services. The main purpose is to plan the departmental budget, as well as to monitor and evaluate expenditure and revenue collection. In addition, various costs relating to the vote as a whole are centralised here, such as cell-phone, land-line and all current maintenance costs.
- Corporate Services renders corporate services through ICT, communication, human resources management and institutional support (i.e. records management, library services, fleet services, security services, etc). Capital building renovation costs and other major procurement costs are centralised here, accounting for the size of the budget, as well as the fluctuations in trends.

Tables 2.8 and 2.9 below summarise payments and estimates for Programme 1: Administration for the financial years 2010/11 to 2016/17. As mentioned in Section 5.3, Programme 1 fluctuates over the seven years, largely because the costs of various once-off projects are centralised here, such as the building revamping projects and SAP. The reasons for the fluctuations are given below.

Table 2.8 : Summary of payments and estimates by sub-programme: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
1. Office of the Speaker	10 582	19 824	29 855	22 020	27 610	27 610	23 500	22 617	24 008
2. Office of the Secretary	8 839	11 854	13 437	11 140	13 740	13 740	13 564	13 248	13 975
3. Financial Management	37 384	44 330	52 260	43 032	52 359	52 359	52 650	47 597	49 038
4. Corporate Services	27 942	47 058	52 951	49 961	64 134	64 134	62 681	53 754	52 562
Total	84 747	123 066	148 503	126 153	157 843	157 843	152 395	137 216	139 583

Table 2.9 : Summary of payments and estimates by economic classification: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Current payments	80 108	108 585	123 723	117 127	140 719	140 719	133 269	129 647	131 087
Compensation of employees	39 631	49 105	64 971	65 359	77 561	77 561	69 999	73 669	78 015
Goods and services	40 477	59 480	58 645	51 768	63 158	63 158	63 270	55 978	53 072
Interest and rent on land	-	-	107	-	-	-	-	-	-
Transfers and subsidies to:	709	793	743	987	987	987	544	592	1 149
Provinces and municipalities	27	40	10	32	32	32	34	36	38
Departmental agencies and accounts	-	-	276	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	410	173	233	189	803	803	198	207	217
Public corporations and private enterprises	18	-	-	24	24	24	25	26	27
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	254	580	224	742	128	128	287	323	867
Payments for capital assets	3 930	13 688	24 037	8 039	16 137	16 137	18 582	6 977	7 347
Buildings and other fixed structures	-	138	2 853	767	4 067	4 067	813	850	895
Machinery and equipment	3 723	5 150	15 352	5 085	9 883	9 883	15 391	4 639	4 885
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	207	8 400	5 832	2 187	2 187	2 187	2 378	1 488	1 567
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	84 747	123 066	148 503	126 153	157 843	157 843	152 395	137 216	139 583

The substantial increase in the sub-programme: Office of the Speaker from 2011/12 onward pertains to the building of capacity in anticipation of the functions that will be allocated to the Office of the Speaker in line with the proposed separate legislation for the financial management of provincial legislatures. The 2012/13 amount and the 2013/14 Adjusted Appropriation include provision for outstanding commitments from prior years (relating to public participation events), as well as for further establishing the Speaker's Treasury functions, including largely once-off costs such as establishing systems and skills development. This accounts for the dip in the 2013/14 Main Appropriation and again in 2014/15.

Similarly, the Office of the Secretary sub-programme increases in 2012/13 and the 2013/14 Adjusted Appropriation to cater for outstanding commitments from prior years (again relating to public participation events).

As mentioned, various costs relating to the vote as a whole, including current maintenance costs, are centralised under the Financial Management sub-programme, while the Corporate Services sub-programme caters for capital and other major procurement projects. Substantial under-spending in respect of major procurement projects with largely once-off costs, and the subsequent roll-over of these unspent funds, accounts for the fluctuating trend. In 2012/13 and again in the 2013/14 Adjusted Appropriation, the substantial increases in respect of the Financial Management sub-programme relate to the Legislature building revamping projects, while the increases in Corporate Services can be ascribed to the purchase and roll-out of SAP. Also contributing to the increases in those years in respect of both sub-programmes was the annual wage agreements for the Legislature staff, as well as the implementation of the sector oversight model. Financial Management continues to be high in 2014/15, as it includes the once-off R5 million for the revival of the Legislature complex feasibility study. Similarly, the Corporate Services allocation in 2014/15 is higher than 2015/16 as it includes provision for the purchase of tools of trade for all new Members and motor vehicles for the Speaker and Deputy Speaker, following the 2014 general elections. Also included is the once-off allocation of R8 million toward the procurement of the new Hansard system.

Compensation of employees increases substantially in the prior years, largely due to the annual wage agreements for the Legislature staff, as well as the implementation of the JE review results and the sector oversight model. The increase in the 2013/14 Adjusted Appropriation includes some provision toward the roll-out of the sector oversight model (including once-off backpay), as well as a shift of R6 million from Programme 2: Parliamentary Business (affecting the 2013/14 Adjusted Appropriation of all four sub-programmes in Programme 1). When the Legislature amended its budget structure from three to two programmes in the 2013/14 Main Appropriation in line with the revised budget structure for the Legislature sector, the salaries of some administrative staff were incorrectly budgeted for under Programme 2. This classification of salaries at programme level is still under review, though, and has been made more difficult by the fact that salary payments in 2013/14 were made on both PERSAL (BAS) and SAP, making reconciliation difficult. It is therefore likely that the MTEF allocations for *Compensation of employees* in respect of both Programmes 1 and 2 will have to be adjusted going forward. As such, the growth over the 2014/15 MTEF is quite low, especially taking into account that the roll-out of the new structure will continue, and additional capacity is needed to cater for SAP and the new financial management arrangements of legislatures. However, as mentioned, the required budget adjustments will be made in-year to fund these critical posts.

The fluctuations in *Goods and services* can be ascribed to the previously mentioned “roll-overs” to ensuing financial years, as well as the fact that the roll-out of SAP and the building revamping projects are largely catered for under this category. The high 2011/12 amount includes payment of outstanding travel claims and prior year commitments in respect of public participation events. The high spending continued in 2012/13, due to outstanding public participation commitments, the building revamping projects, as well as costs relating to the SAP implementing agent. These were funded from the additional funds allocated to the Legislature during that period, as mentioned, and this accounts for the reduction from 2012/13 to the 2013/14 Main Appropriation. The 2013/14 Adjusted Appropriation includes provision for outstanding 2012/13 commitments, (including outstanding costs for the Tatham Art Gallery parking), as well as for the remaining phases of SAP. The 2014/15 allocation is fairly high compared to 2015/16, as it includes the once-off R5 million for the revived feasibility study for the proposed new Legislature complex.

The category *Transfers and subsidies* includes the following:

- *Provinces and municipalities* reflects the payment of motor vehicle licences, as mentioned.
- The 2012/13 amount reflected against *Departmental agencies and accounts* relates to a transfer to SARS in respect of overdue PAYE dating back to prior years, as explained earlier.
- *Foreign governments and international organisations* caters mainly for subscription fees in respect of the CPA. The 2010/11 amount includes the once-off cost of hosting a CPA conference in KZN, while the increase in the 2013/14 Adjusted Appropriation caters for higher than budgeted travel and subsistence costs relating to CPA conferences.
- *Public corporations and private enterprises* caters for insurance claims for motor vehicle accidents relating to the Legislature’s official vehicles.
- *Households* caters for donations made as part of the Speaker’s Social Responsibility programme, as well as staff exits, both of which are difficult to predict.

Buildings and other fixed structures, which relates to the various Legislature building revamping projects, fluctuates depending on the nature of the work required. There was no capital infrastructure spending in 2010/11, pending the outcome of the infrastructure needs assessment report being compiled by DOPW. The 2012/13 expenditure relates to the Tatham Art Gallery parking for Members. The 2013/14 Adjusted Appropriation includes additional funding for the continuation of the building revamping projects, including outstanding claims relating to the Tatham Art Gallery parking, as well as the revamping of the Speaker’s cottage. Although various other revamping projects (such as the upgrading of the Legislature toilets and improvement of the sound system in the main chamber) are continuing, the MTEF allocations are preliminary, as the extent and nature of the work to be done (i.e. capital/current) is still under review.

Machinery and equipment fluctuates due to the once-off and cyclical nature of purchases made under this category. The 2011/12 amount included the purchase of new computers and furniture for the staff

appointed in terms of the JE review. The peak in 2012/13 can largely be ascribed to the purchase and installation of SAP. The increase in the 2013/14 Adjusted Appropriation caters for the purchase of pool vehicles, as well as computers and furniture (both replacement and for new staff). The peak in 2014/15 caters for the purchase of tools of trade for all new Members, as well as motor vehicles for the Speaker and Deputy Speaker, following the 2014 general elections. Also included is R8 million toward improved Hansard production. These once-off amounts account for the reduction from 2014/15 to 2015/16.

Software and other intangible assets shows a fluctuating trend, largely due to the roll-out of the various modules of SAP, which went live in 2013/14 (accounting for the high expenditure in 2011/12 and 2012/13). There is a decrease from 2014/15 to 2015/16, as the SAP roll-out will be in its final stages.

Service delivery measures – Programme 1: Administration

Table 2.10 illustrates the main service delivery measures pertaining to Programme 1: Administration. It is noted that the Legislature held a strategic plan workshop in January 2014, where they undertook a thorough review of their service delivery information. As a result of this review, a decision was taken to introduce several new performance indicators which will be included in their 2014/15 APP and AOPs. These performance indicators are shown as “New” in the table below.

Table 2.10 : Service delivery measures – Programme 1: Administration

Outputs	Performance indicators	Estimated performance	Medium term targets		
		2013/14	2014/15	2015/16	2016/17
1. Improved performance monitoring and reporting	• No. of performance targets against AOP and APP targets	4	9	9	9
2. Improved monitoring of institutional performance as reflected in Annual Oversight Plans (AOPs) and APPs	• No. of reports on performance against AOPs and APPs	4	4	4	4
3. Improved functioning of the Legislature Executive Committee (LexCo)	• No. of reports detailing levels of implementation of LexCo decisions	New	4	4	4
4. Sustained clean audit by 2014	• Quarterly review reports on key controls, audits and risk issues	New	4	4	4
5. Improved risk management function and compliance	• No. of reports on all risk management matters including findings, risk positions and recommendations to relevant stakeholders	New	4	4	4
6. Developed and implemented Employment Equity (EE) Plan	• No. of progress reports on the development and implementation of the EE plan	New	4	n/a	n/a
7. Developed transformation plan/ policy	• No. of reports on the development of the transformation plan/policy	New	4	n/a	n/a
8. Improved public image and profile of the Legislature	• Approved and implemented marketing plan to promote and popularise the new logo	New	1 plan and 10 roadshows by March 2015	n/a	n/a
9. Improved operational efficiency (SAP implementation)	• No. of reports on SAP implementation	100%	4	4	4
10. Improved human resources management and development	• No. of reports on implementation of performance management and development system	New	4	4	4

6.2 Programme 2: Parliamentary Business

This programme consists of six sub-programmes, conforming to the customised budget structure for the sector. The main objectives and services of these sub-programmes are as follows:

- Law-making: To pass effective and relevant laws in the province. This sub-programme also incorporates the functions of House Proceedings and Hansard.
- NCOP: To facilitate NCOP liaison services.
- Oversight: To execute and conduct effective oversight of the Executive Committees, and to provide research and legal services.

- **Public Participation:** To address complaints through the petitions' system, and to create awareness of legislative processes through public education and the promotion of public involvement. This sub-programme combines both staff and sectoral public participation costs.
- **Members' Facilities:** To provide benefits and facilities in respect of Members and to offer support to political parties. This sub-programme makes provision for the constituency and secretarial allowances, as well as the Political Parties' Fund.
- **Co-operative Governance:** To strengthen inter-parliamentary relations.

Tables 2.11 and 2.12 below summarise payments and estimates for Programme 2: Parliamentary Business for the financial years 2010/11 to 2016/17.

Table 2.11 : Summary of payments and estimates by sub-programme: Parliamentary Business

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
1. Law Making	15 382	24 494	25 881	20 508	26 208	26 208	28 207	23 519	27 791
2. NCOP	767	1 001	1 058	1 072	1 182	1 182	1 700	1 962	2 066
3. Oversight	20 827	27 200	46 518	66 195	65 195	65 195	66 768	70 057	71 001
4. Public Participation	23 486	28 669	30 182	34 589	31 589	31 589	36 080	36 784	39 758
5. Members' Facilities	100 537	105 908	107 684	87 811	95 811	95 811	92 640	97 272	106 219
6. Co-operative Governance	2 482	4 649	4 732	4 742	942	942	4 928	4 863	5 144
Total	163 481	191 921	216 055	214 917	220 927	220 927	230 323	234 457	251 979

Table 2.12 : Summary of payments and estimates by economic classification: Parliamentary Business

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Current payments	91 126	118 842	138 599	135 747	135 759	135 759	147 403	147 677	160 600
Compensation of employees	35 422	46 602	65 161	71 336	65 336	65 336	74 281	77 600	81 811
Goods and services	55 704	72 240	73 438	64 411	70 423	70 423	73 122	70 077	78 789
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	72 355	73 079	77 456	79 170	85 168	85 168	82 920	86 780	91 379
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	72 355	73 028	77 456	79 170	85 168	85 168	82 920	86 780	91 379
Households	-	51	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	163 481	191 921	216 055	214 917	220 927	220 927	230 323	234 457	251 979

Apart from a slight dip in the 2013/14 Main Appropriation, Programme 2: Parliamentary Business shows reasonable growth over the seven-year period. This programme includes substantial funding for public participation events, overseas study tours undertaken by portfolio committees, as well as support for political parties in the form of constituency and secretarial allowances and the Political Parties' Fund. It is noted, too, that the implementation of the sector oversight model impacts mainly on this programme, particularly the sub-programmes: Oversight and Members' Facilities.

The sub-programme: Law-making shows steady growth in the prior years. This sub-programme was inadvertently under-budgeted for in the 2013/14 Main Appropriation, partly accounting for the increase in the 2013/14 Adjusted Appropriation. This increase was funded by the reprioritisation of funds from the sub-programme: Co-operative Governance, largely due to this new unit not being fully established yet. The 2013/14 Adjusted Appropriation also includes provision for outstanding 2012/13 public participation

commitments. The 2014/15 amount is quite high as it includes R6 million of the once-off allocation for improved Hansard production, specifically for the roll-out of the system by the service provider.

The NCOP sub-programme shows a steady increase over the seven-year period, largely due to the annual wage agreements for Legislature staff.

The sub-programme: Oversight reflects significant increases from 2011/12 onward, in line with the implementation of the sector oversight model. Also contributing to the high spending, particularly in 2012/13, were roll-overs from the previous year to fund outstanding public participation commitments and outstanding travel claims. This sub-programme increases substantially from 2013/14 onward to provide for the full roll-out of the sector oversight model. The slight reduction in the 2013/14 Adjusted Appropriation relates to the previously mentioned shifting of funds to Programme 1, to correct the salaries of some of the administrative staff which were incorrectly budgeted for when the Legislature amended its budget structure from three to two programmes in the 2013/14 Main Appropriation.

Apart from a reduction in the 2013/14 Adjusted Appropriation, the sub-programme: Public Participation, which combines both staff and sectoral public participation costs, reflects a steady increase over the seven years. The 2011/12 and 2012/13 amounts are fairly high, as they include payment of outstanding public participation commitments relating to prior years. The reduction in the 2013/14 Adjusted Appropriation once again relates to the previously mentioned shifting of funds to Programme 1, to correct Legislature staff salaries which were incorrectly budgeted for.

The Members' Facilities sub-programme makes provision for the constituency and secretarial allowances, as well as the Political Parties' Fund, which is capped at R30 million. The prior years are high because they include payment of outstanding travel claims and prior year commitments in respect of public participation events. These were funded from the additional funds allocated to the Legislature during that period, as mentioned previously. This accounts for the reduction in the 2013/14 Main Appropriation. The increase in the 2013/14 Adjusted Appropriation again includes the payment of outstanding commitments relating to public participation events. Also included is the additional R3 million allocated to the constituency and secretarial allowances ahead of the 2014 general elections, as well as interest of R2.998 million earned on the Political Parties' Fund since its inception in 2005, which was formally appropriated back to the Legislature to increase the 2013/14 transfer to the Political Parties' Fund. The 2014/15 amount includes a once-off R7 million for observing and monitoring the 2014 general elections. This sub-programme shows good growth in the outer years of the MTEF, largely to cater for support to political parties in the form of constituency and secretarial allowances, public participation events, and the continued implementation of the sector oversight model.

The Co-operative Governance sub-programme increases fairly steadily, apart from the reduction in the 2013/14 Adjusted Appropriation, again relating to the above-mentioned shifting of funds to Programme 1, to correct Legislature staff salaries which were incorrectly budgeted for. In addition, as mentioned, funds were reprioritised from Co-operative Governance, largely due to this new unit not being fully established yet, to Law-making which was inadvertently under-budgeted for in the 2013/14 Main Appropriation.

Compensation of employees shows reasonable growth over the seven-year period as a result of the annual wage adjustments for the Legislature staff. The high growth from 2012/13 relates to the fact that the Legislature commenced implementing the sector oversight model in that year, as mentioned above. The dip in the 2013/14 Adjusted Appropriation can be explained by the previously mentioned shifting of R6 million to Programme 1, to correct the salaries of some of the administrative staff which were incorrectly budgeted for when the Legislature amended its budget structure from three to two programmes in the 2013/14 Main Appropriation. As mentioned, though, this classification of salaries at programme level is still under review, and further adjustments may need to be made to *Compensation of employees* at sub-programme level going forward. There is healthy growth over the 2014/15 MTEF, largely to cater for the continued implementation of the sector oversight model.

The fluctuations in *Goods and services* can be ascribed to the previously mentioned "roll-overs" to ensuing financial years. For instance, 2011/12, 2012/13 and the 2013/14 Adjusted Appropriation are fairly high, as they include payment of outstanding travel claims and prior year commitments in respect of

public participation events. These were funded from the additional funds (including “roll-overs”) allocated to the Legislature during that period, as mentioned previously, and this accounts for the reduction from 2012/13 to the 2013/14 Main Appropriation. The 2014/15 amount is fairly high compared to 2015/16, as it includes the additional once-off R7 million for observing and monitoring the 2014 general elections.

Transfers and subsidies to: Non-profit institutions comprises the secretarial and constituency allowances payable to political parties, as well as the Political Parties’ Fund. Apart from a reduction from the 2013/14 Adjusted Appropriation to 2014/15, the category shows a steady increase over the seven years, despite the capping of the Political Parties’ Fund at R30 million. The 2013/14 Adjusted Appropriation is high as it provides for an increase of R3 million in respect of the constituency and secretarial allowances, and includes interest of R2.998 million earned on the Political Parties’ Fund which was formally appropriated back to the Legislature for increasing the 2013/14 transfer to the Political Parties’ Fund.

Transfers and subsidies to: Households caters for staff exits, which are difficult to predict.

Service delivery measures – Programme 2: Parliamentary Business

Table 2.13 below illustrates the main service delivery measures relating to Programme 2. As mentioned, the Legislature held a strategic plan workshop in January 2014, where they undertook a thorough review of their service delivery information. As a result of this review, a decision was taken to introduce several new performance indicators which will be included in their 2014/15 APP and AOPs. These performance indicators are shown as “New” in the table below.

Table 2.13 : Service delivery measures – Programme 2: Parliamentary Business

Outputs	Performance indicators	Estimated performance	Medium term targets		
		2013/14	2014/15	2015/16	2016/17
1. Increased level of awareness and knowledge of the Legislature and its core business	• No. of public education campaigns/workshops	11	20	20	20
2. Enhanced oversight, law-making and accountability	• No. of sittings facilitated	26	26	26	26
3. Improved oversight over departmental planning	• Final draft AOPs adopted by target date	New	19 by Feb 2015	19 by Feb 2016	19 by Feb 2017
4. Improved input into the departmental APPs and budgets	• No. of analysis reports on 2015/16 APPs and budgets tabled at Committee meetings	16	16	16	16
5. Improved oversight over the departmental performance against their APPs and budgets	• No. of analysis reports on quarterly and annual reports	New	5 per Committee	5 per Committee	5 per Committee
6. Improved tracking of resolutions	• Quarterly reports on resolutions	New	4	4	4
7. Improved oversight over financial management and performance of departments and public entities	• No. of reports on Finance Committee hearings conducted	3	3	3	3
8. Improved oversight over departments and public entities in respect of the attainment of clean audit reports	• No. of SCOPA hearings conducted	New	2	2	2
9. Enhanced oversight through focused intervention studies and oversight visits	• No. of focused intervention studies conducted	8	8	16	16
	• No. of oversight visits conducted	16	48	48	48
10. Empowerment of committees to perform oversight	• No. of study tours	New	1	5	5
11. Improved processing of legislation before committees	• Percentage of Bills processed	New	100%	100%	100%

7. Other programme information

7.1 Personnel numbers and costs

Tables 2.14 and 2.15 reflect personnel information pertaining to the Legislature for the seven-year period. Note that the tables relate to the Legislature staff only, and exclude information relating to the Members of the Legislature.

Table 2.14 : Personnel numbers and costs by programme

Personnel numbers	As at	As at	As at	As at	As at	As at	As at
	31 March 2011	31 March 2012	31 March 2013	31 March 2014	31 March 2015	31 March 2016	31 March 2017
1. Administration	93	129	130	131	131	131	131
2. Parliamentary Business	62	88	104	113	113	113	113
Total	155	217	234	244	244	244	244
Total personnel cost (R thousand)	75 053	95 707	130 132	142 897	144 280	151 269	159 826
Unit cost (R thousand)	484	441	556	586	591	620	655

Table 2.15 : Summary of departmental personnel numbers and costs by component

	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Total for the department									
Personnel numbers (head count)	155	217	234	234	244	244	244	244	244
Personnel cost (R thousands)	75 053	95 707	130 132	136 695	142 897	142 897	144 280	151 269	159 826
Human resources component									
Personnel numbers (head count)	5	7	8	8	10	10	10	10	10
Personnel cost (R thousands)	2 779	3 983	4 917	5 335	5 335	5 335	5 628	5 887	6 199
Head count as % of total for department	3.23	3.23	3.42	3.42	4.10	4.10	4.10	4.10	4.10
Personnel cost as % of total for department	3.70	4.16	3.78	3.90	3.73	3.73	3.90	3.89	3.88
Finance component									
Personnel numbers (head count)	18	19	23	23	24	24	24	24	24
Personnel cost (R thousands)	9 146	9 139	14 236	15 448	15 448	15 448	16 298	17 047	17 950
Head count as % of total for department	11.61	8.76	9.83	9.83	9.84	9.84	9.84	9.84	9.84
Personnel cost as % of total for department	12.19	9.55	10.94	11.30	10.81	10.81	11.30	11.27	11.23
Full time workers									
Personnel numbers (head count)	141	203	204	213	223	223	223	223	223
Personnel cost (R thousands)	68 241	83 318	120 227	121 712	121 712	121 712	127 510	132 875	139 917
Head count as % of total for department	90.97	93.55	87.18	91.03	91.39	91.39	91.39	91.39	91.39
Personnel cost as % of total for department	90.92	87.06	92.39	89.04	85.17	85.17	88.38	87.84	87.54
Part-time workers									
Personnel numbers (head count)	-	-	-	-	-	-	-	-	-
Personnel cost (R thousands)	-	-	-	-	-	-	-	-	-
Head count as % of total for department	-	-	-	-	-	-	-	-	-
Personnel cost as % of total for department	-	-	-	-	-	-	-	-	-
Contract workers									
Personnel numbers (head count)	14	14	30	21	21	21	21	21	21
Personnel cost (R thousands)	6 812	12 389	13 809	14 983	14 983	14 983	15 807	16 534	17 410
Head count as % of total for department	9.03	6.45	12.82	8.97	8.61	8.61	8.61	8.61	8.61
Personnel cost as % of total for department	9.08	12.94	10.61	10.96	10.49	10.49	10.96	10.93	10.89

There is a substantial increase in personnel numbers from 2011/12 onward, due to the full implementation of the JE review results and the implementation of the sector oversight model, coupled with the allocation of additional resources.

It is noted that the unit cost in 2010/11 is higher than the outer years, due to the upgrading of filled posts in terms of the JE review results, and the once-off payment of back-pay relating to this review.

As mentioned previously, although the recently reviewed structure makes provision for a further 120 posts (in addition to the 244 reflected over the MTEF), only those posts that are deemed to be critical will be filled, in a phased-in process, over the 2014/15 MTEF. The required budget adjustments will be made in-year to fund the filling of these critical posts, pending the finalisation of the prerequisite job descriptions, as well as the JE review. As such, the MTEF allocations do not, at this stage, make provision for implementing the revised new structure of 364 posts.

The information provided in Table 2.15 in respect of contract workers relates to the officials that work in the Offices of the Speaker and the Deputy Speaker. It is noted that the contract of these employees is aligned to the political term of office of political office-bearers (i.e. these officials are on contract for a period of five years).

The increase in 2012/13 relates to provision for drivers for the MPLs. This policy is currently undergoing review, and hence no provision has been made in this regard over the MTEF period.

7.2 Training

Tables 2.16 and 2.17 give a summary of the Legislature's spending and information on training for the period 2010/11 to 2016/17. Table 2.17 illustrates the number of staff affected by the various training programmes and initiatives. It also includes a gender breakdown, the types of training, as well as details of the number of bursaries and learnerships.

It is noted that all training for the Legislature is now centralised under Programme 1: Administration. It is also noted that the Skills Development Act is not applicable to provincial legislatures.

Table 2.16 : Payments on training by programme

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
1. Administration	1 599	3 362	3 576	3 133	3 733	3 733	3 937	4 584	3 466
Subsistence and travel	329	961	967	895	895	895	1 125	1 170	1 232
Payments on tuition	1 270	2 401	2 609	2 238	2 838	2 838	2 812	3 414	2 234
Other	-	-	-	-	-	-	-	-	-
2. Parliamentary Business	-	-	-	-	-	-	-	-	-
Subsistence and travel	-	-	-	-	-	-	-	-	-
Payments on tuition	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total	1 599	3 362	3 576	3 133	3 733	3 733	3 937	4 584	3 466

Table 2.17 : Information on training: Provincial Legislature

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Number of staff	155	217	234	234	244	244	244	244	244
Number of personnel trained	108	203	137	166	166	166	176	184	194
of which									
Male	50	89	68	83	83	83	88	92	97
Female	58	114	69	83	83	83	88	92	97
Number of training opportunities	62	44	38	38	38	38	38	41	44
of which									
Tertiary	30	12	12	12	12	12	13	14	15
Workshops	13	13	15	15	15	15	13	14	15
Seminars	2	-	-	-	-	-	-	-	-
Other	17	19	11	11	11	11	12	13	14
Number of bursaries offered	30	12	17	20	20	20	21	22	23
Number of interns appointed	20	-	-	-	-	-	-	-	-
Number of learnerships appointed	10	12	17	20	20	20	21	22	23
Number of days spent on training	15	4	3	3	3	3	3	3	3

The amounts reflected relate mainly to computer training, as well as other specific training courses that will assist in capacitating the various components of the Legislature. The increase from 2012/13 onward relates to the training that was conducted to ensure the smooth implementation of SAP and the sector oversight model. The increase continues over the MTEF to provide for the training of new members of staff and new Members (following the 2014 general elections) in respect of SAP.

ANNEXURE – VOTE 2: PROVINCIAL LEGISLATURE

Table 2.A : Details of departmental receipts: Provincial Legislature

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	68	77	73	46	46	61	49	51	54
Sale of goods and services produced by dept. (excl. capital assets)	-	-	-	-	-	-	-	-	-
Sales by market establishments	-	-	-	-	-	-	-	-	-
Administrative fees	-	-	-	-	-	-	-	-	-
Other sales	-	-	-	-	-	-	-	-	-
Sale of scrap, waste, arms and other used current goods (excl. capital assets)	68	77	73	46	46	61	49	51	54
Transfers received from:	1 255	-	-	-	-	-	-	-	-
Other governmental units	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments	1 255	-	-	-	-	-	-	-	-
International organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households and non-profit institutions	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	1 632	920	449	390	390	859	413	432	455
Interest	1 632	920	449	390	390	859	413	432	455
Dividends	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	437	564	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Other capital assets	-	437	564	-	-	-	-	-	-
Transactions in financial assets and liabilities	1 121	120	1 245	227	227	190	241	252	265
Total	4 076	1 554	2 331	663	663	1 110	703	735	774

Table 2.B : Payments and estimates by economic classification: Provincial Legislature

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Current payments	171 234	227 427	262 322	252 874	276 478	276 478	280 672	277 324	291 687
Compensation of employees	75 053	95 707	130 132	136 695	142 897	142 897	144 280	151 269	159 826
Salaries and wages	65 751	85 217	116 522	119 615	125 830	125 830	125 496	131 621	140 842
Social contributions	9 302	10 490	13 610	17 080	17 067	17 067	18 784	19 648	18 984
Goods and services	96 181	131 720	132 083	116 179	133 581	133 581	136 392	126 055	131 861
Administrative fees	351	64	3 960	652	652	652	685	719	880
Advertising	5 546	10 436	6 529	8 149	8 599	8 599	8 479	10 007	8 460
Assets less than the capitalisation threshold	156	927	1 282	1 202	1 202	1 202	1 688	1 727	1 285
Audit cost: External	2 022	1 822	1 425	2 121	2 621	2 621	2 248	2 251	2 019
Bursaries: Employees	185	282	549	541	741	741	597	643	756
Catering: Departmental activities	6 023	12 902	13 431	11 918	13 512	13 512	12 112	12 265	11 392
Communication (G&S)	8 215	8 117	8 150	8 150	9 152	9 152	8 284	8 660	9 277
Computer services	3 756	4 506	3 617	3 782	5 826	5 826	3 839	1 129	3 494
Cons & prof serv: Business and advisory services	3 296	2 379	1 137	3 572	4 172	4 172	16 954	3 681	2 909
Cons & prof serv: Infras and planning	-	-	-	-	-	-	3 000	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	127	209	27	265	265	265	281	294	290
Contractors	8 390	7 433	7 556	5 517	8 317	8 317	5 881	6 186	7 913
Agency and support / outsourced services	3 006	2 925	1 586	1 092	1 092	1 092	1 296	1 361	1 797
Entertainment	147	420	71	522	552	552	556	582	889
Fleet services (incl. govt motor transport)	497	1 113	1 666	1 222	1 822	1 822	1 577	1 711	1 558
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	1	550	9	251	601	601	266	278	27
Inventory: Fuel, oil and gas	1	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	296	452	329	360	360	360	382	400	-
Inventory: Materials and supplies	29	95	39	122	122	122	129	135	84
Inventory: Medical supplies	-	-	-	5	5	5	5	5	7
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	23	-	111	-	250	250	-	-	-
Consumable supplies	264	293	541	344	344	344	364	381	1 101
Consumable: Stationery, printing and office supplies	763	679	776	965	995	995	1 035	1 092	1 279
Operating leases	4 980	4 284	5 857	4 351	5 351	5 351	4 662	4 758	6 105
Property payments	3 262	3 921	6 181	4 032	5 732	5 732	4 243	4 300	3 501
Transport provided: Departmental activity	2 777	5 036	5 996	5 269	5 078	5 078	3 365	3 624	8 153
Travel and subsistence	29 002	40 998	47 175	31 237	33 380	33 380	33 170	33 664	33 942
Training and development	1 270	2 401	2 609	2 238	2 838	2 838	2 812	3 414	2 732
Operating payments	4 703	6 439	3 295	7 732	7 882	7 882	7 148	7 959	8 586
Venues and facilities	7 093	13 037	8 179	10 568	12 118	12 118	11 334	14 829	13 425
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	107	-	-	-	-	-	-
Interest	-	-	107	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	73 064	73 872	78 199	80 157	86 155	86 155	83 464	87 372	92 528
Provinces and municipalities	27	40	10	32	32	32	34	36	38
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	27	40	10	32	32	32	34	36	38
Municipalities	27	40	10	32	32	32	34	36	38
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	276	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	-	-	276	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	410	173	233	189	803	803	198	207	217
Public corporations and private enterprises	18	-	-	24	24	24	25	26	27
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	18	-	-	24	24	24	25	26	27
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	18	-	-	24	24	24	25	26	27
Non-profit institutions	72 355	73 028	77 456	79 170	85 168	85 168	82 920	86 780	91 379
Households	254	631	224	742	128	128	287	323	867
Social benefits	-	-	63	-	-	-	-	-	-
Other transfers to households	254	631	161	742	128	128	287	323	867
Payments for capital assets	3 930	13 688	24 037	8 039	16 137	16 137	18 582	6 977	7 347
Buildings and other fixed structures	-	138	2 853	767	4 067	4 067	813	850	895
Buildings	-	-	-	767	4 067	4 067	813	850	895
Other fixed structures	-	138	2 853	-	-	-	-	-	-
Machinery and equipment	3 723	5 150	15 352	5 085	9 883	9 883	15 391	4 639	4 885
Transport equipment	1 550	1 827	1 340	1 560	2 560	2 560	3 654	2 039	2 147
Other machinery and equipment	2 173	3 323	14 012	3 525	7 323	7 323	11 737	2 600	2 738
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	207	8 400	5 832	2 187	2 187	2 187	2 378	1 488	1 567
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	248 228	314 987	364 558	341 070	378 770	378 770	382 718	371 673	391 562
of which:									
Departmental receipts	-	-	-	-	-	-	-	-	-
Adjusted total	248 228	314 987	364 558	341 070	378 770	378 770	382 718	371 673	391 562
Members' remuneration	62 681	65 601	67 160	76 050	76 050	76 050	108 468	84 321	88 790
Adjusted total (incl. Members' remuneration)	310 909	380 588	431 718	417 120	454 820	454 820	491 186	455 994	480 352

Table 2.C : Payments and estimates by economic classification: Administration

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Current payments	80 108	108 585	123 723	117 127	140 719	140 719	133 269	129 647	131 087
Compensation of employees	39 631	49 105	64 971	65 359	77 561	77 561	69 999	73 669	78 015
Salaries and wages	35 386	44 094	57 335	55 593	67 158	67 158	59 647	62 841	68 172
Social contributions	4 245	5 011	7 636	9 766	10 403	10 403	10 352	10 828	9 843
Goods and services	40 477	59 480	58 645	51 768	63 158	63 158	63 270	55 978	53 072
Administrative fees	351	60	3 834	616	616	616	646	678	616
Advertising	2 371	2 699	3 286	2 692	3 142	3 142	3 016	3 077	3 515
Assets less than the capitalisation threshold	156	927	1 282	1 202	1 202	1 202	1 688	1 727	1 279
Audit cost: External	2 022	1 822	1 425	2 121	2 621	2 621	2 248	2 251	2 019
Bursaries: Employees	168	262	219	391	591	591	414	433	346
Catering: Departmental activities	430	1 175	2 813	2 015	2 309	2 309	2 017	2 058	1 683
Communication (G&S)	3 581	4 301	5 786	5 550	5 550	5 550	5 641	5 766	4 620
Computer services	3 756	4 506	3 617	3 782	5 826	5 826	3 839	1 129	3 494
Cons & prof serv: Business and advisory services	3 153	2 379	344	2 191	2 791	2 791	4 768	2 082	2 362
Cons & prof serv: Infras and planning	-	-	-	-	-	-	3 000	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	-	1	-	-	-	-	-	-	-
Contractors	4 094	3 794	4 205	3 817	5 417	5 417	4 082	4 183	2 299
Agency and support / outsourced services	1 142	2 698	955	1 092	1 092	1 092	1 296	1 361	1 797
Entertainment	42	224	64	382	412	412	407	426	445
Fleet services (incl. govt motor transport)	497	1 113	1 666	1 222	1 822	1 822	1 577	1 711	1 558
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	1	550	9	251	601	601	266	278	27
Inventory: Fuel, oil and gas	1	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	296	452	329	-	-	-	-	-	-
Inventory: Materials and supplies	29	93	34	122	122	122	129	135	82
Inventory: Medical supplies	-	-	-	5	5	5	5	5	7
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	(9)	-	-	250	250	-	-	-
Consumable supplies	241	284	541	323	323	323	342	358	1 039
Consumable: Stationery, printing and office supplies	608	679	659	816	846	846	865	905	975
Operating leases	4 952	4 284	5 857	4 351	5 351	5 351	4 662	4 758	6 105
Property payments	3 262	3 916	6 181	4 032	5 032	5 032	4 243	4 300	3 491
Transport provided: Departmental activity	10	146	(4)	80	289	289	85	89	94
Travel and subsistence	4 719	14 911	8 993	6 337	7 770	7 770	7 900	7 460	7 295
Training and development	1 270	2 401	2 609	2 238	2 838	2 838	2 812	3 414	2 234
Operating payments	3 290	4 974	2 742	5 000	5 150	5 150	5 478	4 539	4 614
Venues and facilities	35	838	1 199	1 140	1 190	1 190	1 844	2 855	1 076
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	107	-	-	-	-	-	-
Interest	-	-	107	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	709	793	743	987	987	987	544	592	1 149
Provinces and municipalities	27	40	10	32	32	32	34	36	38
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	27	40	10	32	32	32	34	36	38
Municipalities	27	40	10	32	32	32	34	36	38
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	276	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	-	-	276	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	410	173	233	189	803	803	198	207	217
Public corporations and private enterprises	18	-	-	24	24	24	25	26	27
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	18	-	-	24	24	24	25	26	27
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	18	-	-	24	24	24	25	26	27
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	254	580	224	742	128	128	287	323	867
Social benefits	-	-	63	-	-	-	-	-	-
Other transfers to households	254	580	161	742	128	128	287	323	867
Payments for capital assets	3 930	13 688	24 037	8 039	16 137	16 137	18 582	6 977	7 347
Buildings and other fixed structures	-	138	2 853	767	4 067	4 067	813	850	895
Buildings	-	-	-	767	4 067	4 067	813	850	895
Other fixed structures	-	138	2 853	-	-	-	-	-	-
Machinery and equipment	3 723	5 150	15 352	5 085	9 883	9 883	15 391	4 639	4 885
Transport equipment	1 550	1 827	1 340	1 560	2 560	2 560	3 654	2 039	2 147
Other machinery and equipment	2 173	3 323	14 012	3 525	7 323	7 323	11 737	2 600	2 738
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	207	8 400	5 832	2 187	2 187	2 187	2 378	1 488	1 567
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	84 747	123 066	148 503	126 153	157 843	157 843	152 395	137 216	139 583

Estimates of Provincial Revenue and Expenditure

Table 2.D : Payments and estimates by economic classification: Parliamentary Business

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Current payments	91 126	118 842	138 599	135 747	135 759	135 759	147 403	147 677	160 600
Compensation of employees	35 422	46 602	65 161	71 336	65 336	65 336	74 281	77 600	81 811
Salaries and wages	30 365	41 123	59 187	64 022	58 672	58 672	65 849	68 780	72 670
Social contributions	5 057	5 479	5 974	7 314	6 664	6 664	8 432	8 820	9 141
Goods and services	55 704	72 240	73 438	64 411	70 423	70 423	73 122	70 077	78 789
Administrative fees	-	4	126	36	36	36	39	41	264
Advertising	3 175	7 737	3 243	5 457	5 457	5 457	5 463	6 930	4 945
Assets less than the capitalisation threshold	-	-	-	-	-	-	-	-	6
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	17	20	330	150	150	150	183	210	410
Catering: Departmental activities	5 593	11 727	10 618	9 903	11 203	11 203	10 095	10 207	9 709
Communication (G&S)	4 634	3 816	2 364	2 600	3 602	3 602	2 643	2 894	4 657
Computer services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Business and advisory services	143	-	793	1 381	1 381	1 381	12 186	1 599	547
Cons & prof serv: Infras and planning	-	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	127	208	27	265	265	265	281	294	290
Contractors	4 296	3 639	3 351	1 700	2 900	2 900	1 799	2 003	5 614
Agency and support / outsourced services	1 864	227	631	-	-	-	-	-	-
Entertainment	105	196	7	140	140	140	149	156	444
Fleet services (incl. govt motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	360	360	360	382	400	-
Inventory: Materials and supplies	-	2	5	-	-	-	-	-	2
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	23	9	111	-	-	-	-	-	-
Consumable supplies	23	9	-	21	21	21	22	23	62
Consumable: Stationery, printing and office supplies	155	-	117	149	149	149	170	187	304
Operating leases	28	-	-	-	-	-	-	-	-
Property payments	-	5	-	-	700	700	-	-	10
Transport provided: Departmental activity	2 767	4 890	6 000	5 189	4 789	4 789	3 280	3 535	8 059
Travel and subsistence	24 283	26 087	38 182	24 900	25 610	25 610	25 270	26 204	26 647
Training and development	-	-	-	-	-	-	-	-	498
Operating payments	1 413	1 465	553	2 732	2 732	2 732	1 670	3 420	3 972
Venues and facilities	7 058	12 199	6 980	9 428	10 928	10 928	9 490	11 974	12 349
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	72 355	73 079	77 456	79 170	85 168	85 168	82 920	86 780	91 379
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	72 355	73 028	77 456	79 170	85 168	85 168	82 920	86 780	91 379
Households	-	51	-	-	-	-	-	-	-
Social benefits	-	-	-	-	-	-	-	-	-
Other transfers to households	-	51	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	163 481	191 921	216 055	214 917	220 927	220 927	230 323	234 457	251 979

Table 2.E : Provincial Legislature - Payments of infrastructure by category

No.	Project name	Municipality/Region	Type of infrastructure		Project duration		Source of funding	Budget programme name	Targeted number of jobs for 2014/15	Total project cost	Expenditure to date from previous years	Total available		MTEF Forward estimates
			Project/admin block; water; electricity; sanitation; etc.	Units	Date: Start	Date: Finish						2014/15	MTEF 2015/16	
R thousands														
New and replacement assets														
Upgrades and additions														
1	Capital revamping of PL building	uMngeni	Legislature building	1	01 April 2012	01 March 2015	Equitable share	Programme 1	-	-	-	813	850	895
Total Upgrades and additions														
Rehabilitation, renovations and refurbishments														
Maintenance and repairs														
1	PL ground maintenance	uMngeni	Legislature building	1	01 April 2012	01 March 2015	Equitable share	Programme 1	-	-	-	93	98	100
2	Fumigation - PL building	uMngeni	Legislature building	1	01 April 2012	01 March 2015	Equitable share	Programme 1	-	-	-	100	110	120
3	Fumigation - Admin building	uMngeni	Admin. building	1	01 April 2012	01 March 2015	Equitable share	Programme 1	-	-	-	112	115	120
4	Lift maintenance - PL building	uMngeni	Legislature building	1	01 April 2012	01 March 2015	Equitable share	Programme 1	-	-	-	18	22	25
5	Lift maintenance - Admin building	uMngeni	Admin. building	2	01 April 2012	01 March 2015	Equitable share	Programme 1	-	-	-	-	-	-
6	Maintenance - fire alarms	uMngeni	Legislature & Admin.	2	01 April 2012	01 March 2015	Equitable share	Programme 1	-	-	-	38	45	50
7	Maintenance - generators	uMngeni	Legislature & Admin.	2	01 April 2012	01 March 2015	Equitable share	Programme 1	-	-	-	34	38	40
8	Maintenance - air conditioners	uMngeni	Legislature & Admin.	2	01 April 2012	01 March 2015	Equitable share	Programme 1	-	-	-	348	360	370
9	Day-to-day maintenance	uMngeni	Legislature & Admin.	2	01 April 2012	01 March 2015	Equitable share	Programme 1	-	-	-	3 129	3 262	3 270
Total Maintenance and repairs														
Infrastructure transfers - current														
Infrastructure transfers - capital														
Total Provincial Legislature Infrastructure														
												3 872	4 050	4 095
												-	-	-
												-	-	-
												-	-	-
												4 685	4 900	4 990

VOTE 3

Agriculture, Environmental Affairs and Rural Development

Operational budget	R 3 068 420 165
MEC remuneration	R 1 734 835
Total amount to be appropriated	R 3 070 155 000

Responsible MEC	Dr. B. M. Radebe, MEC for Agriculture, Environmental Affairs and Rural Development
Administering department	Agriculture, Environmental Affairs and Rural Development
Accounting officer	Head: Agriculture, Environmental Affairs and Rural Development

1. Overview

Vision

The vision of the Department of Agriculture, Environmental Affairs and Rural Development (DAEARD) is: *Optimum agricultural land use, sustainable food security, sound environmental management and comprehensive, integrated rural development.*

Mission statement

The department's mission is that: *The department, together with its partners and communities, champions quality agricultural, environmental and conservation services, and drives integrated comprehensive rural development for all the people of KZN.*

Strategic objectives

Strategic policy direction: The department seeks to align its operations and strategic position with the overall aim of government to achieve accountability and effective service delivery for all citizens of the province. By working in partnership with other government departments and key stakeholders, the department will strive to address poverty and food insecurity through maximising the use and management of natural resources, and will explore strategies to improve social and economic livelihoods of rural communities to fulfil its mandate, rural development.

The department has set the following goals and strategic objectives in order to achieve this:

Rural development, agrarian reform and social and economic infrastructure development

- Provide technical support, extension, specialist advisory services and progressive training and mentorship to households and farmers.
- Provide and develop support systems and infrastructure for sustainable land use, agricultural development and comprehensive rural development.
- Ensure the prevention, control and/or eradication of animal diseases.
- Create and facilitate improved access to a stable and diversified food supply for improved nutritional well-being and improvement in household income.
- Undertake appropriate adaptive agricultural research and technology development and transfer, to advance agriculture.

Sustainable natural resource management

- Ensure environmentally sustainable development.
- Mitigate impact on and promote a safe, healthy environment.
- Ensure the management of invasive alien species.
- Conserve the indigenous biodiversity of KZN.

Creation of decent work opportunities and ensuring economic growth and infrastructure development

- Create access to local and international markets for local agricultural products.
- Develop commercial farming entrepreneurs and agri-business.
- Enhance linkages with international entities, partners, stakeholders and all spheres of government.

Core functions

In order to achieve the above strategic objectives, the department is responsible for carrying out the following core functions:

- Crop production.
- Livestock production.
- Rural development.
- Environmental management.
- Conservation services.

Legislative mandate

The core functions are governed by various Acts and regulations, falling under the following categories:

- Transversal legislation.
- Agriculture legislation.
- Environmental affairs legislation.
- Conservation legislation.

Because the Acts, rules and regulations are too expansive to include here, a comprehensive list is given in the *Annexure – Vote 3: Agriculture, Environmental Affairs and Rural Development* (Table 3(vii)).

2. Review of the 2013/14 financial year

Section 2 provides a review of 2013/14, outlining the main achievements and progress made by the department during the year, as well as providing a brief discussion on challenges and new developments.

Crop production

The crop production programme continued to be implemented through the department's mechanisation programme. This programme is mainly intended for indigent households and subsistence farmers, where the department provides the ploughing, planting and production inputs. The programme is, however, also geared to assist larger scale farmers, where the department provides the ploughing and planting service only (the beneficiary has to secure the required production inputs). The department also procured the services of the private sector for ploughing and planting to expand the reach of this programme. In terms of planting and ploughing, the department has achieved 15 786 ha thus far and is confident that it will achieve the full target of 19 000 ha at year-end.

The department also continued with the liming programme, with 4 200 ha of land limed in addition to the 4 900 ha in 2012/13. Research has shown that liming the land improves soil fertility, and thereby increases the yields in these areas. Since 2011/12, a total of 18 300 ha of land have been limed under this programme.

With the focus on ensuring ongoing commercial sustainability, the department began engaging with foreign investors during and after the BRICS Summit held in the province on 27 March 2013. Interest to invest and assist in poverty alleviation has been shown by China, India and Argentina. Catalytic projects that commenced in 2012/13 and continued in 2013/14 are as follows:

- Tugela Estates Irrigation Revitalisation project, in partnership with local farmers, investors from India, the Office of the Premier (OTP) and the Department of Co-operative Governance and Traditional Affairs (COGTA). This project is aimed at profit sharing between the land recipients at Sahlumbe and the Indian investors. The project has 500 beneficiaries, and includes crop production (pulses, vegetables, groundnuts), as well as a dairy.
- Midlands Vegetable Initiative, in partnership with a commercial farmer in Middelrus and surrounding land reform beneficiaries, as well as the Department of Rural Development and Land Reform (DRDLR), the Department of Economic Development and Tourism (DEDT) and COGTA. This project is aimed at maximising vegetable and fruit production and processing in the midlands.
- Estcourt Chicory Initiative, in partnership with Nestlé, a local co-operative in Weenen and commercial farmers, whereby the production of chicory is maximised. The beneficiary was the local co-operative made up of 30 members.
- Besides the projects mentioned above, there were also further catalytic projects that the department focused on, such as Makhathini and Groundnuts (both Umkhanyakude District), Jikijela/Masibumbane (uThungulu District), Nongoma Poultry (Zululand District), Makhoba Dairy (Sisonke District), Besters Beef (Uthukela District), Yellow Maize (Amajuba District), etc., spread over 40 000 ha and benefiting a number of communities.

In addition to the above, the department continued to play an active role in supporting the Dube TradePort, providing training and infrastructure support in the form of agricultural expertise to 26 projects, with 166 beneficiaries. The aim is to assist previously disadvantaged farmers to be in a position to export their produce using Dube TradePort as a gateway to the world.

Livestock development

The department continued implementing its livestock development programme. This programme is focussed on providing the required infrastructure, ensuring sound breeding practices and building strategic partnerships with communities and relevant stakeholders. The provision of stock-watering dams forms a critical part of this programme and, in 2013/14, the department completed 102 stock watering dams throughout KZN and equipped 165 boreholes with hand pumps to provide water for cattle. The increase in the number of dams will mean that livestock will not have to walk such long distances to access water and this has a direct impact on the condition of the herd. The department also focused on the awareness of animal identification and commenced with the roll-out of this campaign in 2013/14. Additional funding has been allocated to fast-track this activity in 2014/15. The department also continued to focus on primary animal health care by providing vaccinations against diseases, deworming and treatment of wounds. Almost 2 million livestock were treated in 2013/14 in this regard. A number of farmers and livestock associations were empowered on veterinary matters, an initiative which imparted skills to recipients who were subsequently able to administer certain vaccines to their livestock. Livestock auction sales continued and linked more farmers to markets. This led to significant income generation and sustainable livestock farming.

Land reform

The department continued to provide post-settlement support to commercial farms transferred to new farmers. This assistance was provided by departmental officials, as well as through the Agri-business Development Agency (ADA), a public entity established to support land reform farmers in KZN. The reassignment of ADA to DAEARD, as per a Cabinet resolution, was finalised in 2013/14. This entity is currently being regulated in terms of a trust deed. The process to change the status from a trust to a public entity is currently underway and will in all likelihood be finalised during 2014/15. The much awaited ADA Bill has been tabled at the Legislature and it is anticipated that its finalisation will not be delayed further as all the impediments have been resolved, and the department is now solely responsible for the

entity. The benefit of this direct link between the entity and the department is improved turnaround time of programmes undertaken by ADA on behalf of the department.

Food security

Through the food security programme, an estimated 700 000 households were supported with seed, 56 947 gardens were established (108 communities, 56 635 households and 204 institutions), 365 tunnels were established and 50 000 beneficiaries were trained.

Development of the Makhathini Flats

The department continued implementing the Makhathini Integrated Master Development Plan (IMDP) through its own operations, as well as through the public entity, Mjindi Farming (Pty) Ltd (henceforth referred to as Mjindi). Major projects that were implemented in 2013/14 included the construction of an abattoir, stock-watering dams, fencing, drainage block, reticulation, roads, etc. The rehabilitation of the existing irrigation scheme in the Ndumo area was also undertaken. The bulk of the projects were funded by the additional funding of R20 million allocated to the department in the 2013/14 Adjusted Appropriation for Makhathini Flats development.

Environmental affairs

The department continued to focus on environmental issues, including the following areas:

- In keeping with the commitment to continue to strive for further improvement in the number of applications for environmental authorisation finalised within legislated timeframes, the percentage improved from 86 per cent in 2012/13 to 89 per cent in 2013/14.
- Using the existing Invasive Alien Species Programme (IASP), which includes the engagement with the *Amakhosi*, as a conduit, the department created approximately 9 000 jobs in 2013/14 using EPWP principles and the department's land care programme. The department is continuing to create job opportunities, but will be utilising the existing approach managed within the department rather than outsourcing to IDT. The reduction in the EPWP Integrated Grant for Provinces in 2013/14 has had a negative impact on the number of jobs created and the extent to which the department was able to support the Wildlands Trust partnership.
- The department assisted with compiling 35 Integrated Waste Management Plans (IWMPs) at local government level to improve waste management.

Ezemvelo KZN Wildlife (EKZNW)

EKZNW is a public entity that directs the management of biodiversity conservation within KZN, including protected areas. This encompasses the development and promotion of ecotourism facilities within the protected areas.

During 2013/14, EKZNW continued to focus on community levy projects, implementing projects using EPWP principles, which are expected to benefit the communities greatly and contribute to rural development. The entity also continued with the successful management of two World Heritage sites, namely the iSimangaliso Wetland Park and the uKhahlamba Drakensberg Park.

The road network in the reserves is currently in a state of disrepair. Any improvements to the roads will have the dual benefit of attracting more visitors to the entity's parks and also reducing the wear-and-tear on its vehicles. In 2013/14, the entity continued to work with the Department of Transport to assist with assessing and planning the upgrading and maintenance of the road network, and improvements were completed at Hluhluwe-Imfolozi and Royal Natal, with further work initiated at Cathedral Peak and Ntsikeni.

Also, Provincial Treasury's Infrastructure Crack Team was appointed during 2013/14, to assist the entity with an audit assessment of the entity's infrastructure and facilities, and to cost the upgrade, rehabilitation and maintenance in respect thereof. The entity focussed on major upgrading projects in 2013/14, namely the Mpila, Ntshondwe, Umlalazi, Centenary Centre, Didima, Thendele, Midmar and Chelmsford camps. Subsequent to the assessment, the entity prioritised electrical engineering maintenance projects in various areas as a key focus area at the end of 2013/14.

Rhino poaching remained a serious challenge. The entity's Rhino Security Intervention plan, for which substantial additional funding was allocated in 2013/14, provided for training of community ambassadors, specialised training for additional staff (employed in the control room, anti-poaching response unit, horse patrol units and to provide additional security of corridor roads), purchase of vehicles, firearms, thermal imaging and security equipment and mobile units for the additional staff, as well as installation of long range cameras, etc.

Despite the decrease in staff numbers, payroll costs continued to climb in 2013/14 due to the implementation of notch increases, the partial implementation of the new structure and improved terms and conditions of service as negotiated with organised labour. These higher payroll costs put immense pressure on funds available for operating costs. The organisation has not been able to achieve its income targets for 2013/14 and this, compared with high staff and energy costs, have meant that there were serious financial constraints facing the entity.

Mjindi Farming (Pty) Ltd (Mjindi)

Mjindi is a provincial government business enterprise, mandated to provide farming support to farmers in the Makhathini area. The productivity of the farmers in the area depends on the availability of services such as water, and therefore a proper functioning irrigation scheme is critical. The main focus in 2013/14 was on the maintenance and/or repairs of the irrigation infrastructure and equipment. In this regard, the rehabilitation of five pump stations continued. Eight new pumps were installed and all faulty motors were refurbished, and 24 centre pivots were repaired after they were vandalised for copper. The distribution of irrigation pipes continued and 45 plots received irrigation pipes during the period. The day-to-day maintenance, including repairs of leaking pipes, was carried out successfully and the supply of water to farmers was uninterrupted.

The entity was also engaged in farmer development initiatives, which included the training of farmers on various aspects of crop production, book-keeping and marketing. Both theoretical and practical demonstrations in farming were conducted by extension officers. A total of 745 farmers were trained.

The procurement and recruitment processes were severely affected by the internal moratorium put in place on the filling of posts and purchases while a forensic investigation was ongoing into Mjindi. A lack of capacity in terms of human resources remained a challenge, impacting negatively on advisory services to farmers, as well as the launch of farmer capacity building programmes. Major projects like the installation of bulk water meters, infield water meters, and replacement of old valves have also been hampered as a result of delays in procurement processes due to the forensic investigation, as mentioned above.

Land disputes among land users are still an obstacle in terms of utilising land. Theft and vandalism of the irrigation infrastructure continued to be a problem during 2013/14.

Agri-business Development Agency (ADA)

ADA was created in 2009 to ensure that emerging farmers and rural communities, particularly those that acquired land through the restitution programme, have the required farming skills and experience to maintain their farms. The year 2013/14 was characterised by a number of changes which had an impact on the functioning of the entity. These included, among others, the reassignment of ADA from DEDT to DAEARD, the resignation of the entity's CEO and CFO, and the expiry of the term of the Board of Trustees. Despite the changes, ADA was able to function normally, with little impact on its operations.

The finalisation of the reassignment of ADA to DAEARD is viewed as an important development as it reduces the level of uncertainty with regard to the principal department. As mentioned, the much awaited ADA Bill was tabled at the Legislature and it is anticipated that its finalisation will not be delayed further as all impediments have been resolved. Furthermore, the appointment of the new Board of Trustees will also go a long way towards strengthening the strategic position of the entity. ADA is currently in negotiations with the department for a more stable, sustainable and efficient funding instrument that will enable it to plan properly and to design projects that have a greater probability for success.

During 2013/14, ADA continued to increase its scope to become fully operational in all of its programmes. ADA rendered support to emerging farmers and partnered with DAEARD and DRDLR and supported 65 projects throughout the province. In line with the provincial strategy to implement agri-parks

(agricultural centres that produce agricultural products and value-add, marketing etc.) in all districts, ADA implemented an agri-park in Zululand, and feasibility studies were conducted at Ugu and Ilembe. These projects include infrastructure development, capacity building and linking farmers to formal markets. Some of the highlights include the construction of three poultry structures with a capacity of 1 500 each, construction and equipping of abattoirs, supply of farming equipment, tools and production inputs to various farming projects, completion of cattle roads, stock watering and water purification plants, irrigation design and installation and construction of a milling structure, etc.

Challenges remained the dependence on other government structures and conditional grants (such as the Comprehensive Agricultural Support Programme (CASP)) for funding. This dependence often resulted in project funding coming with conditions which limited the scope within which ADA could implement the project at its discretion. Coupled with the conditionality of the funding is the fact that ADA, through the department, is funded on a year-to-year basis with regard to the projects rather than through a multi-year funding approach. The lack of funding security for projects rendered proper planning difficult.

3. Outlook for the 2014/15 financial year

Section 3 looks at the key focus areas of 2014/15, outlining what the department is hoping to achieve during the year, as well as briefly looking at challenges and proposed new developments.

Crop production

The department will continue in its efforts to unlock the potential of agricultural land through its mechanisation programme, with the aim of ploughing and planting more than 20 000 ha. The department will continue to ensure that its current mechanisation fleet will be optimally utilised and, hence, only replacement tractors and implements will be acquired. The department will also continue with the liming programme that commenced in 2011/12, with more than 4 000 ha to be limed in 2014/15.

Various catalytic projects, such as Just Veggies Initiative (Zululand District), Sizuzimpilo Essential Oils (Ugu District), Isithumba Crop Production (eThekweni Metro), etc., that commenced in 2012/13 and 2013/14 will also continue in 2014/15, with the focus on sustainable agricultural projects together with strategic partners, both government and private investors.

Livestock development

The livestock intervention programme is a long-term programme, focusing on primary animal health care and provision of basic infrastructure. In 2014/15, the focus will be on animal identification due to the increased number of incidents in respect of stock theft, and livestock wandering around causing accidents, etc. Further activities will include provision of water (i.e. scooping of dams), drilling and equipping of boreholes, rehabilitation and building of new diptanks, training of farmers and Livestock Associations, deworming and vaccination of animals, livestock auction sales, etc.

Land reform

The department will continue to provide post settlement support to commercial farms transferred to new farmers. The transfer of ADA to the department has been concluded and will result in a more effective and efficient co-ordination and implementation strategy. Key among ADA's programmes is the development and broadening of access to the value chain of black commercial farmers, whereby it seeks to integrate the previously disadvantaged farmers into the mainstream economy.

Food security

The department will continue to support households through a range of food security interventions including seed distribution, establishing tunnels, training communities and establishing gardens at institution, community and household levels.

Environmental affairs

The department will focus on promoting sound environmental management practices as follows:

- The department will strive to further improve the percentage of applications for environmental authorisation finalised within legislated timeframes.

- The department will monitor compliance with environmental legislation and authorisations such as climate change, waste management, air quality management, etc. and carry out enforcement actions where required.
- Using the existing IASP as a conduit, the department will continue to clear alien plants using the EPWP principles and creating job opportunities. The partnership with EKZMW will ensure that the control of alien species within the protected areas is maintained.

Ezemvelo KZN Wildlife (EKZMW)

In 2014/15, the entity will continue with the roads upgrade programme, with the focus being on the Hluhluwe-Imfolozi Park, which is the reserve that attracts the highest number of visitors, as well as Ithala Game Reserve. Furthermore, the entity anticipates purchasing plant to maintain its own gravel roads over the MTEF, which will reduce the cost considerably.

The entity will continue with the phasing in of the infrastructure maintenance programme, with the priority being set in respect of tourism facilities, staff accommodation and fencing. The first area of focus will be on upgrading electrical installations, in order to address non-compliance to health and safety standards.

The entity will continue to carry out community-levy projects, as these are beneficial in managing the human-wildlife conflict with neighbouring communities. These projects were implemented using EPWP principles, which are expected to benefit the communities greatly and contribute to rural development, because of employment creation.

EKZMW will also continue with the successful management of the World Heritage sites, such as the iSimangaliso Wetland Park, and address the challenges in respect of tenure with the iSimangaliso Wetland Park Authority. In relation to the uKhahlamba Drakensberg Park, the entity will seek to address a funding gap with the National Department of Environmental Affairs, as no funding was provided to manage this site at the implementation of the management agreement.

The entity will continue to migrate staff to the new post establishment structure of the organisation. As the entity is already under severe pressure to be able to cover existing costs, largely due to decreasing own revenue and increasing personnel costs, careful consideration will be given as to how the structure is to be phased in over the MTEF.

Mjindi Farming (Pty) Ltd (Mjindi)

The rehabilitation of the irrigation infrastructure will remain a major priority for Mjindi, to ensure that farmers receive an efficient uninterrupted supply of water. This will enable the scheme to operate at optimal capacity and improve the quality of life of the farmers and the people of Umkhanyakude. This will also improve the province's food security.

In the 2014/15 MTEF, although the forensics are still continuing and the moratorium not lifted yet, Mjindi will continue to install bulk water meters to measure the actual water usage by the farmers. This will assist in negotiations with the Department of Water Affairs and Forestry, to be charged only for water that is used by the farmers. It is envisaged that the rehabilitation of all pump stations will be completed in 2013/14, and the focus will then divert to in-field pipes and hydrants. Mjindi will continue to engage stakeholders to ensure that all fallow lands are rehabilitated and reclaimed back to production. Mjindi also plans to provide mechanisation services that will assist farmers to prepare their lands and plant on time. These services will be charged at nominal rates.

Also, the MTEF priorities include increasing the crop production per unit area of land through improved agriculture practices by farmers. The entity will also attempt to source markets for the vegetable farmers and encourage partnerships and joint ventures with big companies and co-operatives to assist in financing and skills transfer. Mjindi also intends to continue with the maintenance of the buildings, pumps, motor and control valves, pipe network and fence around the scheme, removal of vegetation along the irrigation and drainage canals, as well as maintenance of in-field roads.

Agri-business Development Agency (ADA)

For 2014/15, ADA will continue to expand its efforts in capacity building, technical assistance and on-and-off farm infrastructure and inputs and will focus on attracting leverage funding for farmers, as well as implement enterprise and value-chain development initiatives. Strategic partnerships are imperative if ADA is to extend its work while retaining a lean organisational structure. Commodity organisations play an important role among their membership in sharing information and expertise, linking the businesses across the value-chain and possibly in sharing resources like machinery.

ADA's 2014/15 MTEF strategic goals include improving agricultural productivity and competitiveness of previously disadvantaged commercial farmers, and increasing income and employment in commercial agriculture. ADA will continue to focus on three sectors along the value chain, namely livestock development, sugarcane and fruits and crop production.

The main focus of ADA is ensuring that commercial farmers are afforded equal access to a wide range of economic opportunities in order to participate in the mainstream economy. These include promoting knowledge transfer through sharing of ideas among strategic partners of the Agri-business Development Hub, investing in human capital by working with DAEARD, Agri-SETA and commodity organisations to develop suitable, enterprise specific training courses, as well as financing the costs of educating and training new commercial farmers and agri-business managers, investing in research to develop and pilot robust models of institutional and organisational arrangements, facilitating investment in physical capital and infrastructure and new agri-business enterprises and promoting market access. The entity will also develop a project management system that will enable it to evaluate, implement, monitor, report and exit projects in a sustainable manner.

4. Receipts and financing

4.1 Summary of receipts and financing

Table 3.1 indicates the sources of funding for Vote 3 for the period 2010/11 to 2016/17. The department will receive a budget of R3.070 billion for 2014/15, including conditional grants of R311.587 million made up of the Land Care Programme (Land Care) grant, the Comprehensive Agricultural Support Programme (CASP), the Ilima/Letsema Projects grant, and the EPWP Integrated Grant for Provinces, details of which are provided in Section 5.5 below. It is noted that there are no allocations against the EPWP Integrated Grant for Provinces in the two outer years of the 2014/15 MTEF at this stage.

Table 3.1 : Summary of receipts

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Equitable share	2 032 821	2 239 262	2 377 096	2 535 993	2 502 434	2 502 434	2 688 070	2 806 104	2 956 897
Conditional grants	174 525	242 251	272 676	287 586	287 586	287 586	311 587	287 433	284 566
<i>Land Care Programme grant</i>	8 721	9 244	16 242	18 746	18 746	18 746	10 854	10 867	11 407
<i>Comprehensive Agricultural Support Programme grant</i>	135 804	164 691	183 726	202 522	202 522	202 522	212 632	205 017	207 203
<i>Ilima/Letsema Projects grant</i>	30 000	60 000	63 000	65 768	65 768	65 768	69 093	71 549	65 956
<i>EPWP Integrated Grant for Provinces</i>	-	8 316	9 708	550	550	550	19 008	-	-
Total receipts	2 207 346	2 481 513	2 649 772	2 823 579	2 790 020	2 790 020	2 999 657	3 093 537	3 241 463
Total payments	2 045 856	2 475 378	2 849 212	2 862 582	2 850 023	2 850 023	3 070 155	3 093 537	3 241 463
Surplus/(Deficit) before financing	161 490	6 135	(199 440)	(39 003)	(60 003)	(60 003)	(70 498)	-	-
Financing									
<i>of which</i>									
Provincial roll-overs	20 494	476	5 610	-	-	-	-	-	-
Provincial cash resources	1 000	-	194 776	39 003	60 003	60 003	70 498	-	-
Surplus/(Deficit) after financing	182 984	6 611	946	-	-	-	-	-	-

The table shows that, in 2010/11, the department under-spent its budget allocation by R182.984 million. This is made up of both the department's pledge of R67.026 million toward the Provincial Recovery Plan, as well as several factors beyond the department's control. For instance, several lengthy tender appeals delayed the implementation of food security and fencing projects. The onset of late rains had a negative impact on seasonal agricultural projects, such as the planting of summer crops. Also, progress on some

agricultural infrastructure projects was slower than anticipated, largely due to capacity constraints and slow procurement processes. The roll-over of R20.494 million from 2009/10 to 2010/11 catered for the back-pay portion of the OSD for artisans, engineers, environmental officers, scientists, researchers and technicians (of which the first phase was implemented in 2010/11, backdated to July 2009), as well as outstanding commitments in respect of CASP. With regard to provincial cash resources, the 2010/11 amount of R1 million relates to additional funding for the SA Association for Marine Biological Research (SAAMBR).

The level of under-expenditure in 2011/12 and 2012/13 reduced significantly compared to prior years. The 2011/12 surplus of R6.611 million was mainly in respect of a transfer payment to the Pmb SPCA in respect of the KZN Outreach programme. The under-expenditure in 2012/13 is in respect of the Land Care grant that was not fully utilised due to late delivery of fencing material which resulted in the projects not all being completed by 31 March 2013. The roll-over of R476 000 from 2010/11 to 2011/12 was in respect of the Land Care grant.

The unspent amounts in respect of the KZN Outreach programme and the Land Care grant were rolled over to 2012/13, accounting for the roll-over of R5.610 million in 2012/13. The provincial cash resources of R194.776 million comprise additional funding allocated as follows:

- R18.426 million and R9.814 million were allocated for the higher than anticipated 2012 wage agreement in respect of the department and EKZNW, respectively.
- R20 million to assist with spending pressures resulting from the urgent need to control the outbreak of rabies in the province.
- R40 million toward expanding the department's EPWP job creation initiative, whereby EPWP job opportunities would be provided through the expansion of existing departmental programmes.
- R30 million toward the further development of the Makhathini area in line with the Makhathini IMDP, to enable the department to accelerate the completion of projects in terms of the master plan, such as repairs to drainage canals, infield sub-surface drainage, electrical and mechanical repairs, etc.
- R25 million to enable the department to fast-track the provision of stock watering dams, which forms a crucial part of the department's livestock intervention programme.
- R28.137 million was allocated to EKZNW for the entity's Rhino Security Intervention plan, and includes provision for thermal imaging, helicopter time, field rangers, vehicles, etc.
- R23.399 million was allocated to Mjindi to assist with repairs to the Mjindi irrigation scheme, such as the replacement of pumps and valves at pump stations, repairing of pump motors, etc.

The budget was slightly under-spent by R946 000, mainly caused by under-expenditure on the Land Care grant, largely due to delays encountered with the procurement of fencing for land care projects, and also the procurement of supplies for the nurseries which form part of the land care awareness programme. The fencing material was largely delivered and paid for by 31 March 2013. However, there was inadequate time to install the fencing and, hence, the budget allocated for the payment of stipends for the installation through the EPWP principles was not spent.

In 2013/14, provincial cash resources of R60.003 million were allocated as follows:

- R39.003 million, which consists of R20 million toward the further development of the Makhathini area, and R19.003 million for EKZNW's Rhino Security Intervention plan, being the carry-through of the amounts allocated in 2012/13.
- Additional funding for EKZNW for the Rhino Security Intervention Programme of R20 million.
- R1 million was allocated to fund Operation *Sukuma Sakhe* (OSS) initiatives, as identified by the MEC. The funds will be used at the MEC's discretion, but must be aimed at improving the daily lives of our people.

In respect of the equitable share, the department received a portion of ADA's operational costs from DEDT in the 2013/14 Adjusted Appropriation. However, this was offset by the centralisation of parts of

the communications and external bursaries budgets under OTP. Also, R39.152 million was suspended from the transfer to EKZWN relating to the unspent and uncommitted portion of the entity's road maintenance budget. This amount will be allocated back to the department in 2014/15.

In 2014/15, provincial cash resources of R70.498 million were allocated for the following, among others

- Re-allocation of R39.512 million relating to road maintenance projects by EKZWN that was suspended from 2013/14.
- R8.500 million to provide for sheds in various districts for the department's mechanisation equipment (tractors and implements).
- R10.200 million for the livestock identification programme.
- R12.286 million to Mjindi for irrigation equipment for the Makhathini irrigation scheme.

Although the equitable share is offset by the centralisation of parts of the communications and external bursaries budgets under OTP, the 2014/15 MTEF grows steadily, and is inclusive of the operational and project costs of ADA, which was moved from DEDT.

4.2 Departmental receipts collection

The estimated departmental receipts for Vote 3 are reflected in Table 3.2 below. Further details are provided in *Annexure – Vote 3: Agriculture, Environmental Affairs and Rural Development*.

Table 3.2 : Summary of departmental receipts collection

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	13 716	15 984	16 806	15 724	15 724	16 088	19 015	20 165	21 300
Transfers received	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	1 487	111	705	-	-	868	500	500	500
Interest, dividends and rent on land	24	44	27	20	20	233	20	21	22
Sale of capital assets	733	5 218	2 730	3 240	3 240	3 750	3 801	3 976	4 187
Transactions in financial assets and liabilities	2 574	1 330	1 835	500	500	1 701	500	500	527
Total	18 534	22 687	22 103	19 484	19 484	22 640	23 836	25 162	26 535

Sale of goods and services other than capital assets is the major source of revenue for the department. This category comprises student fees at the two agricultural colleges, soil and veterinary analytical services offered at the department's laboratories, as well as the levy collected in respect of the oil pipeline that runs through the department's property. The fluctuations over the seven-year period are largely driven by demand which is difficult to predict. The growth over the MTEF relates to inflationary increments.

Fines, penalties and forfeits can be ascribed to the once-off payment of fines by companies or individuals that contravene the Environmental Impact Assessment (EIA) regulations. Such fines are nearly impossible to predict, and hence the department is very conservative in terms of budgeting for this category over the MTEF period.

The revenue collected against *Interest, dividends and rent on land* mainly relates to interest charged on staff debts. The high revenue reflected in the 2013/14 Revised Estimate relates to the interest accrued from overpayments to suppliers. The suppliers that fail to refund the overpayment are therefore charged interest on the outstanding amount while the debt is being repaid, and legal processes to recover the funds are underway. It is difficult to budget for this category, hence the department's projections are conservative over the MTEF.

Sale of capital assets caters for the sale of redundant assets, including items such as farming equipment, official vehicles, etc. The fluctuations relate to the type of items sold at the auction sales, as well as the demand at the time.

Transactions in financial assets and liabilities mainly relates to recoveries of staff debts and receipts that were allocated to claims recoverable in the department's suspense accounts. The department is conservative when budgeting for this category due to its uncertain nature, as reflected over the MTEF.

4.3 Donor funding

Tables 3.3 and 3.4 below reflect information relating to donor funding that the department receives. In 2012/13, the department had agreements with the Flemish government (Flanders) and the World Health Organisation (WHO). Only the WHO funding continues into the 2014/15 MTEF, *albeit* only for one year.

Table 3.3 : Details of donor funding and agency receipts

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Donor funding	14 588	1 315	1 850	1 315	19 342	20 243	2 984	-	-
Danish government (Danida)	1 305	-	-	-	-	-	-	-	-
Flemish government	13 283	-	-	-	18 027	18 027	-	-	-
World Health Organisation (Rabies project)	-	1 315	1 850	1 315	1 315	2 216	2 984	-	-
Total	14 588	1 315	1 850	1 315	19 342	20 243	2 984	-	-

Table 3.4 : Details of payments and estimates of donor funding and agency receipts

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Donor funding	7 440	20 772	2 701	1 315	1 315	2 216	2 984	-	-
Danish government (Danida)	718	-	-	-	-	-	-	-	-
Dutch funding (NUFFIC)	604	-	-	-	-	-	-	-	-
Flemish government	4 959	20 064	-	-	-	-	-	-	-
World Health Organisation (Rabies project)	1 159	708	2 701	1 315	1 315	2 216	2 984	-	-
Total	7 440	20 772	2 701	1 315	1 315	2 216	2 984	-	-

In prior years, the department received Danish government (Danida) funding for urban environmental management programmes, including a study on norms and standards for sugar-cane burning, and the development of IWMPs in various districts. Although the funding commenced in 2006/07 (not evident in the tables), project implementation was very slow at first. The department fully utilised these funds by the end of 2010/11, when the funding came to an end.

From 2007/08 to 2009/10 (not evident in the tables), the department received funds from a Dutch donor organisation called NUFFIC (Netherlands Organisation for International Co-operation in Higher Education) for capacity building at Cedara Agricultural College. The department fully utilised these funds by the end of 2010/11.

The Flemish government co-funded two programmes with the department, namely the Sustainable Natural Resource Management programme, which ended in 2009/10 (not evident in the tables), and the Empowerment for Food Security programme, which was a five-year programme ending in 2011/12. The Flemish government has indicated that they will not make any further transfers. This is a matter that the department does not accept and have engaged the Provincial and National Treasury to assist in resolving the dispute. The department pre-financed the project in anticipation that it would receive the funding once the audit has been done. The department indicated that there has been no formal response yet from National Treasury in this regard.

The Empowerment for Food Security programme is aimed at improving livelihoods for poor families through improved food security. The focus was on increased integration with other role-players, in order to ensure a collective effort in reducing food insecurity and increasing food production in KZN. The programme came to an end in January 2012.

The agreement with WHO provides funding over five years from 2009/10, aimed at human rabies prevention through dog rabies control and eventual elimination in KZN. This funding has been made available by the Bill and Melinda Gates Foundation. The project got off to a slow start, with spending only commencing in 2010/11, but is now on track, and is scheduled to come to an end in 2014/15.

5. Payment summary

Section 5 reflects payments and budgeted estimates in terms of programmes and economic classification. Details are given in *Annexure – Vote 3: Agriculture, Environmental Affairs and Rural Development*.

5.1 Key assumptions

The department applied the following broad assumptions when compiling the budget:

- The expanded cost-cutting measures, as reissued by PT in 2013/14, will continue to be adhered to over the 2014/15 MTEF, in conjunction with National Treasury Instruction 01 of 2013/14: Cost-containment measures.
- Provision was made for an inflationary wage adjustment of 6.4, 6.4 and 6.3 per cent for each of the three years of the 2014/15 MTEF, respectively. The department also provided for the 1.5 per cent pay progression. In addition, provision was made for the re-grading of clerical staff over the 2014/15 MTEF in line with DPSA requirements.
- Provision has been made for the filling of vacant posts, while taking into account the moratorium on the filling of non-critical vacant posts.
- The incremental budgeting approach was used for the 2014/15 MTEF, as was the case in the 2013/14 MTEF.
- All inflation related increases are based on CPI projections.

5.2 Additional allocations for the 2012/13 to 2014/15 MTEF

Table 3.5 shows additional funding received by the department over the three MTEF periods: 2012/13, 2013/14 and 2014/15. Note that the table reflects only the provincial additional allocations, and excludes additional allocations in respect of conditional grants.

The purpose of such a table is two-fold. Firstly, it shows the quantum of additional funding allocated to the department in the past and current MTEF periods. Secondly, it indicates the policies and purposes for which the additional funding was allocated.

The carry-through allocations for the 2012/13 and 2013/14 MTEF periods (i.e. for the financial year 2016/17) are based on the incremental percentage used in the 2014/15 MTEF.

Table 3.5 : Summary of additional provincial allocations for the 2012/13 to 2014/15 MTEF

R thousand	2012/13	2013/14	2014/15	2015/16	2016/17
2012/13 MTEF period	46 961	101 356	108 613	113 609	118 835
Carry-through of 2011/12 Adjustments Estimate - 2011 wage agreement	9 408	9 878	10 371	10 848	11 347
Fencing programme	11 000	12 000	13 000	13 598	14 224
Irrigation scheme programme	9 000	10 000	11 000	11 506	12 035
EKZNW - Road maintenance and protected area expansion	-	50 000	60 000	62 760	65 647
EKZNW - Road maintenance	12 513	14 186	8 685	9 085	9 502
Carry-through of 2011/12 Adjustments Estimate - EKZNW - 2011 wage agreement	5 040	5 292	5 557	5 813	6 080
2013/14 MTEF period		4 035	136 482	(1 925)	2 739
Census data update and 1%, 2% and 3% baseline cuts		(34 968)	(72 134)	(89 483)	(93 599)
Makhathini development		20 000	-	-	-
EKZNW - Rhino Security Intervention plan		19 003	-	-	-
2014/15 MTEF period			104 308	43 779	48 169
EKZNW - Suspension of parts of road maintenance funds from 13/14			39 512	-	-
Provision of sheds for dept's tractors in districts			8 500	-	-
Livestock identification (RFID)			10 200	-	-
Mjindi - irrigation equipment for Makhathini irrigation scheme			12 286	-	-
Function shift: ADA from DEDT			39 945	41 571	43 774
Carry-through of previous wage agreements - DAEARD			6 195	11 962	13 823
Carry-through of previous wage agreements - EKZNW			3 661	7 069	8 168
Centralisation of communications budget under OTP			(9 568)	(10 104)	(10 568)
Centralisation of external bursaries budget under OTP			(6 423)	(6 719)	(7 028)
Total	46 961	105 391	349 403	155 463	169 743

In the 2012/13 MTEF, additional funds were allocated for the carry-through of the 2011 wage agreement for both the department and EKZNW. The department also received additional funding for its fencing and irrigation scheme programmes. The fencing programme is aimed at addressing the backlog in fencing communal/traditional agricultural areas in KZN, while the irrigation scheme programme is aimed at establishing reliable irrigation production sites in rural areas. EKZNW received additional funding for protected area expansion, in line with the SA Protected Area Expansion Strategy (PAES) which aims to safeguard land for the present and future socio-economic needs of the people. The entity also received additional funds for road maintenance, aimed at improving the condition of the roads in its reserves.

In the 2013/14 MTEF, additional funds were allocated, in 2013/14 only, toward the further development of the Makhathini area in line with the IMDP, and for EKZNW's Rhino Security Intervention plan, being the carry-through of the amounts allocated in the 2012/13 Adjusted Appropriation.

Also in the 2013/14 MTEF, National Treasury took a decision to impose 1, 2 and 3 per cent baseline cuts on all spheres of government (i.e. National, Provincial and Local) in order to curb the national deficit as public spending is growing faster than revenue collection. In addition, KZN received reduced equitable share allocations as a result of the reduced proportion in terms of population numbers as reported in the 2011 Census data results. The effect of this on the department, and its entities, was a substantial reduction in the budget over the entire period.

In the 2014/15 MTEF, additional funds were allocated, in 2014/15 only, toward EKZNW road maintenance (being funds that were suspended from 2013/14), provision of sheds for the department's tractors in districts, livestock identification (Radio Frequency Identification (RFID)), and irrigation equipment for the Makhathini irrigation scheme. Also in the 2014/15 MTEF, additional funds with carry-through were allocated for the function shift of ADA from DEDT to the department, and carry-through costs of previous wage agreements for both the department and EKZNW. Offsetting the growth is the centralisation of parts of the communications and external bursaries budgets under OTP.

5.3 Summary by programme and economic classification

The department's budget structure, in particular Programme 1: Administration and Programme 2: Agriculture, largely conforms to the uniform programme structure prescribed for the Agriculture sector, which was revised in 2011.

Programme 3: Environmental Affairs largely conforms to the uniform programme structure for the Environmental Affairs sector, as revised in 2011.

The department's budget structure remains with four programmes as in previous budget documentation, with Programmes 2 and 3 giving the required information by sub-programme and sub-sub-programme, because of the level of detail required by the two sectors. It is noted, however, that the names of programmes 2 and 3 now conform to the sector structure. Previously, they were Agricultural Development Services and Environmental Management.

Tables 3.6 and 3.7 reflect a summary per programme and per economic classification for the vote, details of which are given in *Annexure – Vote 3: Agriculture, Environmental Affairs and Rural Development*.

Table 3.6 : Summary of payments and estimates by programme: Agriculture, Environmental Affairs and Rural Development

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
1. Administration	249 324	257 151	334 887	327 530	315 089	315 089	331 883	347 892	366 635
2. Agriculture	1 158 970	1 501 624	1 701 348	1 682 218	1 701 612	1 701 612	1 799 754	1 824 651	1 904 179
3. Environmental Affairs	203 094	221 296	258 484	241 573	241 573	241 573	275 083	268 380	282 722
4. Conservation	434 468	495 307	554 493	611 261	591 749	591 749	663 435	652 614	687 927
Total	2 045 856	2 475 378	2 849 212	2 862 582	2 850 023	2 850 023	3 070 155	3 093 537	3 241 463

Table 3.7 : Summary of payments and estimates by economic classification: Agriculture, Environmental Affairs and Rural Development

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Current payments	1 309 684	1 570 439	1 883 302	1 931 870	1 917 165	1 917 165	2 029 984	2 068 949	2 161 901
Compensation of employees	673 107	784 502	846 583	923 226	919 191	919 191	984 815	1 035 600	1 091 767
Goods and services	636 534	785 883	1 036 692	1 008 644	997 974	997 974	1 045 169	1 033 349	1 070 134
Interest and rent on land	43	54	27	-	-	-	-	-	-
Transfers and subsidies to:	639 291	661 883	714 839	732 920	738 936	738 936	843 247	827 108	871 616
Provinces and municipalities	7 268	1 548	1 224	1 472	1 472	1 472	1 533	1 602	1 634
Departmental agencies and accounts	535 454	592 078	615 653	669 034	668 916	668 916	764 305	757 912	798 805
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	86 370	47 561	71 008	50 792	54 792	54 792	65 252	55 146	58 069
Non-profit institutions	3 086	9 295	15 291	5 627	6 627	6 627	5 940	6 195	6 523
Households	7 113	11 401	11 663	5 865	7 129	7 129	6 217	6 253	6 584
Payments for capital assets	96 881	242 634	251 071	197 922	193 922	193 922	196 924	197 408	207 946
Buildings and other fixed structures	44 738	96 623	155 083	144 868	140 868	140 868	140 687	138 342	145 674
Machinery and equipment	51 616	138 414	85 768	52 017	52 017	52 017	55 138	57 994	61 068
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	138	7 354	9 542	553	553	553	586	609	641
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	389	243	678	484	484	484	513	535	563
Payments for financial assets	-	422	-	-	-	-	-	-	-
Total	2 045 856	2 475 378	2 849 212	2 862 582	2 850 023	2 850 023	3 070 155	3 093 537	3 241 463

All four programmes show a steady increase, with a few minor fluctuations, particularly in Programme 1, as explained below.

With regard to Programme 1: Administration, the spending in 2010/11 and 2011/12 was affected by cost-cutting and an internal moratorium on the filling of posts, pending the finalisation of the department's proposed new organisational structure. The healthy growth in 2012/13 is mainly due to shifting of funds from Programme 2, continued over the MTEF, to fund the department's enhanced marketing strategy, aimed at creating awareness among communities, especially in view of the outbreak of rabies in the province in 2012/13. The decrease in the 2013/14 Adjusted Appropriation relates to the external bursaries budget being centralised under OTP, which is carried through over the 2014/15 MTEF. These movements account for the substantial increase over the 2014/15 MTEF.

Programme 2: Agriculture shows healthy growth over the seven-year period, largely due to substantial additional funding allocated in prior years, with carry-through costs, for developing the Makhathini Flats area, agricultural infrastructure, CASP and the Ilima/Letsema Projects grant. Programme 2 was most affected by the department's consistent under-spending up to and including 2010/11, explaining the apparent increase from 2010/11 to 2011/12 (when the year-end under-spending was far lower). Also included from 2011/12 onward are additional funds received for implementing the OSD for various designations such as scientists, engineers, environmental officers, as well as for assistant extension officers and fencing and irrigation scheme programmes. The increase from the 2013/14 Main to Adjusted Appropriation is due to the function shift (including operational costs) for ADA from DEDT. ADA's transfer from DEDT to DAEARD was only finalised in the 2013/14 Adjustments Estimate, hence a portion of the operational costs remained under DEDT for 2013/14. The full operational costs moved from DEDT are included over the MTEF. There is a sharp increase from 2013/14 to 2014/15 due to once-off additional funds in 2014/15 in respect of the provision of sheds in the districts for the department's tractors and implements, livestock identification, and irrigation equipment for the Makhathini irrigation scheme, as mentioned. Programme 2's budget shows slow but steady growth over the 2014/15 MTEF.

Programme 3: Environmental Affairs fluctuates over the seven years, partly due to the funding allocated for IASP, which is continued in the baseline. The high expenditure for 2012/13 relates to the additional once-off funding of R40 million allocated toward expanding the department's EPWP job creation initiative. This also explains the decrease in 2013/14. The increase from 2013/14 to 2014/15 relates to the EPWP Integrated Grant for Provinces, where the department's allocation in 2013/14 was a mere R550 000 compared to R19.008 million in 2014/15. This was as a result of an incorrect allocation by the

National Department of Public Works (NDOPW) in 2013/14, which has been rectified in 2014/15. This grant has no allocation in the two outer years of the MTEF at this stage, hence the decrease in 2015/16.

The bulk of Programme 4: Conservation comprises the subsidy paid to EKZNW, which shows good growth due to the carry-through costs of the annual wage agreements as well as substantial additional funding allocated for various projects. The decrease in the 2013/14 Adjusted Appropriation is due to the suspension of R39.512 million from 2013/14 and re-allocated in 2014/15 for the entity's road maintenance programme due to slower than planned implementation, explaining the peak in 2014/15. This reduction was offset by an additional allocation of R20 million in the 2013/14 Adjusted Appropriation for the Rhino Security Intervention plan. Also included under Programme 4 is the grant-in-aid to SAAMBR, which was increased by R1 million from 2010/11 onward. There is steady growth over the 2014/15 MTEF.

Compensation of employees shows a significant increase from 2010/11 to 2011/12 due to the above-mentioned implementation of the OSD for various designations such as scientists, engineers, environmental officers, as well as filling of vacant posts. From 2011/12 onward, the expenditure increases steadily in line with the annual wage agreements. The slight decrease in the 2013/14 Adjusted Appropriation can be attributed to funds reprioritised out of this category, as a result of delays in filling vacant posts. The 2014/15 MTEF provides for the annual wage agreements, as well as the filling of critical vacant posts in terms of the department's revised organisational structure (which is yet to be finalised), taking into account the departmental moratorium on the filling of non-critical vacant posts.

Goods and services shows good growth between 2010/11 and 2012/13, largely due to substantial additional funding allocated in prior years (with carry-through costs) as mentioned under Programme 2. The relatively low spending on 2010/11 reflects the department's pledge toward the Provincial Recovery Plan, as well as under-spending due to lengthy tender appeals and the late onset of rains which impacted on seasonal agricultural projects. Also, R100 million was moved from *Goods and services* to *Transfers and subsidies to: Departmental agencies and accounts* for transfer to ADA (2010/11 being the first year that the department commenced utilising ADA). In 2011/12 and 2012/13, some *Goods and services* funds were reprioritised to *Machinery and equipment* for the mechanisation programme and acquisition of additional/replacement departmental vehicles. The decrease from the 2013/14 Main to Adjusted Appropriation is mainly due to the centralisation of parts of the communications and external bursaries budgets under OTP. The increase in 2014/15 includes once-off additional funding in respect of livestock identification (RFID), explaining the decrease in 2015/16.

The bulk of *Transfers and subsidies to: Provinces and municipalities* relates to the Greenest Municipality Competition, which is kept constant at R1 million per annum over the MTEF. In 2010/11 only, the department entered into once-off agreements with selected municipalities for IWMPs, EMFs and Strategic Environmental Assessments (SEAs), as explained in Section 5.10, explaining the high amount in that year. The category also provides for the payment of motor vehicle licences, and the increase over the MTEF is aligned to the number of vehicles and tractors in the department.

The growth in *Transfers and subsidies to: Departmental agencies and accounts* relates to the transfers made to the public entities EKZNW and ADA (where the transfer of project costs commenced in 2010/11). The slight decrease from the 2013/14 Main to Adjusted Appropriation is due to the suspension of funds to 2014/15 in respect of EKZNW because of slow progress on the road maintenance programme. This is re-allocated in 2014/15, accounting for the peak in that year, as well as the reduction in 2015/16. This reduction in the 2013/14 Adjusted Appropriation was offset by the increase in the Rhino Security Intervention plan, as well as the untransferred portion of the operational costs to ADA, following the transfer of this entity from DEDT. There is a steady increase over the 2014/15 MTEF period, which includes the full operational costs of ADA.

Transfers and subsidies to: Public corporations and private enterprises comprises transfers to several entities, the main one being Mjindi. The high expenditure in 2010/11 relates to a once-off transfer of R57.463 million to the SA Sugar Association to assist small-scale farmers affected by the drought, accounting for the reduction from 2010/11 to 2011/12. The increase from 2011/12 to 2012/13 is due to additional once-off funding allocated to Mjindi to assist with repairs to the irrigation scheme and acquisition of farming equipment, hence the decline in 2013/14. The increase in the 2013/14 Adjusted

Appropriation is due to a transfer of R4 million for People's Bio Oil (Pty) Ltd in respect of the Moringa Project which was introduced during the year. The 2014/15 allocation includes a once-off amount of R12.286 million for the irrigation scheme at Mjindi, hence the decrease in 2015/16, and then inflationary increase in 2016/17. Also included in the MTEF are ongoing transfers to the SA Sugarcane Research Institute, the soil conservation subsidy and agricultural show societies, as explained in Section 5.11 below.

Transfers and subsidies to: Non-profit institutions is largely made up of transfers to SAAMBR, the Wildlife and Environmental Society of South Africa (WESSA), and the Pmb SPCA. The department entered into a two-year partnership with the Pmb SPCA relating to the KZN Outreach programme, commencing in 2011/12 and continuing in 2012/13, accounting for the increase in this category in those years. The transfer to WESSA commenced in 2011/12, and continues over the MTEF, set at R400 000 per annum and is used for environmental education. As mentioned previously, the annual grant-in-aid paid to SAAMBR provides for marine biological research along the KZN coasts.

Transfers and subsidies to: Households caters for staff exit costs.

Buildings and other fixed structures shows a sharp increase from 2010/11 to 2011/12, reflective of the procurement delays and other challenges that the department experienced in implementing agricultural related infrastructure such as poultry houses, piggeries, fencing, etc., which resulted in significant under-expenditure in 2010/11. This included late receipt of claims and late delivery of goods by service providers, as well as tender appeals. The 2013/14 amount includes a once-off allocation of R20 million for the development of the Makhathini area and therefore there is low growth in 2014/15, despite once-off funding for sheds for tractors at district offices in that year. The reduction in the 2013/14 Adjusted Appropriation can be ascribed to reprioritisation of R4 million from this category to *Public corporations and private enterprises*, as a result of delays in some agricultural infrastructure projects due to changes in the framework of CASP and other conditional grants.

Machinery and equipment shows high expenditure in 2011/12 due to the reprioritisation of funds from *Compensation of employees* and *Goods and services* to fund additional tractors and implements for the mechanisation programme. The decrease from 2012/13 to 2013/14 is due to the department not acquiring additional tractors and implements in line with a decision taken by the department to take stock of the current mechanisation fleet, to ensure optimal utilisation thereof before further purchases were made, and therefore no additional tractors and implements were acquired in 2012/13. Also, a large number of the ageing departmental fleet was replaced in 2012/13, explaining the decrease in the 2013/14 Main Appropriation. The department increased the number of vehicles that needed to be replaced in the vehicle fleet to address the shortage of vehicles. There is a steady increase over the 2014/15 MTEF period.

Biological assets increases sharply in 2011/12 and 2012/13, to make provision for the department's Nguni breed initiative, aimed at revitalising the Nguni breed in KZN. This explains the reduction in the 2013/14 Main Appropriation and over the 2014/15 MTEF, where the allocation is for animal research purposes.

Software and other intangible assets spending is inconsistent as it makes provision for software upgrades as and when required.

Payments for financial assets only reflects expenditure in 2011/12 and relates to the approved write-off of thefts and losses.

5.4 Summary of payments and estimates by district municipal area

Table 3.8 provides a summary of spending within district municipal areas, excluding administrative costs. The department continues to focus on recording spending against the municipal area where each project takes place, and hopes to improve the quality of the spatial distribution of the budget moving forward.

As with the total budget allocation, the estimates for service delivery show a steady increase over the 2014/15 MTEF across all district municipal areas. The bulk of the funds are spent in uMgungundlovu, because CASP and other agricultural projects are centralised at head office which is situated in this district municipal area. Also, the public entity EKZNW and the South region are based in this area.

Table 3.8 : Summary of payments and estimates by district municipal area

R thousand	Audited Outcome	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16	2016/17
eThekweni	32 630	34 649	36 554	38 236	40 263
Ugu	39 433	41 831	46 323	48 454	51 022
uMgungundlovu	1 808 881	1 955 457	2 071 364	2 143 642	2 257 255
Uthukela	32 429	34 248	36 132	37 795	39 798
Umzinyathi	52 210	54 978	58 002	60 669	63 884
Amajuba	41 796	45 116	47 597	49 786	52 425
Zululand	63 673	66 945	70 627	73 875	77 790
Umkhanyakude	86 667	99 243	114 176	109 416	115 215
uThungulu	152 703	161 706	170 599	178 446	187 904
Ilembé	32 558	42 640	36 423	38 098	40 117
Sisonke	41 889	43 985	46 404	48 538	51 111
Total	2 384 869	2 580 798	2 734 201	2 826 955	2 976 784

The North region is situated in uThungulu, and this accounts for the fairly high spending in this area. The fluctuations and fairly high spending against the Umkhanyakude District relates to the additional funding allocated for the Makhathini development project, as well as the transfers made to Mjindi, accounting for the high allocation in 2014/15 to 2015/16.

5.5 Summary of conditional grant payments and estimates

Tables 3.9 and 3.10 illustrate conditional grant payments and estimates from 2010/11 to 2016/17. Further details are given in *Annexure – Vote 3: Agriculture, Environmental Affairs and Rural Development*. Note that the conditional grant figures reflected in Table 3.1 for the period 2010/11 to 2015/16 indicate the actual receipts for each grant as well as other technical adjustments, and therefore should not be compared to the figures reflected in Table 3.9 below.

Table 3.9 : Summary of conditional grants payments and estimates by name

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Land Care grant	8 245	9 015	16 046	18 746	18 746	18 746	10 854	10 867	11 407
CASP	147 369	164 691	183 726	202 522	202 522	202 522	212 632	205 017	207 203
Ilima/Letsema Projects grant	30 000	60 000	63 000	65 768	65 768	65 768	69 093	71 549	65 956
EPWP Integrated Grant for Provinces	-	8 316	9 708	550	550	550	19 008	-	-
Total	185 614	242 022	272 480	287 586	287 586	287 586	311 587	287 433	284 566

Table 3.10 : Summary of conditional grants payments and estimates by economic classification

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Current payments	64 083	111 681	142 781	216 991	216 991	201 491	221 832	207 080	203 475
Compensation of employees	-	-	-	14 745	14 745	14 745	15 703	15 703	16 535
Goods and services	64 083	111 681	142 781	202 246	202 246	186 746	206 129	191 377	186 940
Other	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	104 072	100 761	65 760	63 000	63 000	63 000	66 465	69 522	73 207
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	104 072	100 761	65 760	63 000	63 000	63 000	66 465	69 522	73 207
Universities and technikons	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Payments for capital assets	17 459	29 580	63 939	7 595	7 595	23 095	23 290	10 831	7 884
Buildings and other fixed structures	14 892	17 230	50 289	-	-	15 500	15 285	3 394	-
Machinery and equipment	2 567	12 350	13 563	7 595	7 595	7 595	8 005	7 437	7 884
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	87	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	185 614	242 022	272 480	287 586	287 586	287 586	311 587	287 433	284 566

The department is responsible for the following four national conditional grants:

- The Land Care grant is aimed at optimising the sustainable use of natural resources to ensure greater productivity, food security, job creation, and better quality of life for all. The 2011/12 amount includes a roll-over of R476 000 from 2010/11, relating to the completion of an irrigation scheme in Zululand which was delayed due to late delivery by the service provider. The amount in 2012/13 includes a roll-over of R705 000 from 2011/12. Again, the supplier was unable to deliver fencing supplies before year-end. The significant increase in 2012/13 and 2013/14 (although to a lesser extent) is in respect of additional funding for fencing which ends in 2013/14, hence the drop in the 2014/15 MTEF.
- CASP is aimed at enhancing the capacity of the Agriculture sector by providing support to beneficiaries of land and agrarian reform programmes. This programme also focuses on the revival of agricultural extension services. This grant increases steadily from 2011/12 onward, continuing over the 2014/15 MTEF. It must be noted that, with effect from 2010/11, the department commenced transferring a portion of CASP funding to ADA, who assists the department to implement land reform projects.
- The Ilima/Letsema Projects grant, which falls under the Ilima/Letsema campaign driven by the national Department of Agriculture, Forestry and Fisheries, is aimed at unlocking the potential of currently 'dead' land and other assets, particularly in communal areas. In KZN, this grant is utilised for various projects, including the food security and mechanisation programme and the Makhathini development project. The allocations show a significant increase in 2011/12, continuing over the 2014/15 MTEF.
- The department received funds for the EPWP Integrated Grant for Provinces for the first time in 2011/12, with further funding in 2012/13, and a substantially reduced allocation in 2013/14. The national DOPW used wrong performance data and DAEARD should have been allocated R11.618 million in 2013/14. This was an error by the national DOPW, and this has now been rectified in 2014/15, with the grant allocation increasing substantially to R19.008 million. The grant funding is used for the department's Greening Programme which is undertaken in partnership with the Wildlands Trust, as well as for other projects undertaken using EPWP principles. As mentioned, there are no allocations for this grant in the two outer years of the 2014/15 MTEF at this stage.

All grant funding for the Land Care grant, Ilima/Letsema Projects grant, and the EPWP Integrated Grant for Provinces is allocated to *Goods and services*. While the bulk of CASP funding had been transferred to ADA (2010/11 and 2011/12), some is allocated to *Goods and services*, and a small portion to *Machinery and equipment*. From 2010/11, the department commenced making use of ADA to implement land reform projects, reflected against *Transfers and subsidies to: Departmental agencies and accounts*.

5.6 Summary of infrastructure payments and estimates

Table 3.11 below illustrates infrastructure payments and estimates for the period 2010/11 to 2016/17. Further details of the department's infrastructure payments and estimates are presented in *Annexure – Vote 3: Agriculture, Environmental Affairs and Rural Development*.

Table 3.11 : Summary of infrastructure payments and estimates by category

	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
R thousand									
New and replacement assets	16 002	43 553	95 105	48 096	44 096	49 820	59 481	53 326	56 152
Existing infrastructure assets	48 363	66 795	81 613	119 601	119 601	119 601	105 405	110 328	116 176
Upgrades and additions	-	-	-	-	-	-	-	-	-
Rehabilitation, renovations and refurbishments	28 736	53 070	59 974	96 772	96 772	96 772	81 206	85 016	89 522
Maintenance and repairs	19 627	13 725	21 639	22 829	22 829	22 829	24 199	25 312	26 654
Infrastructure transfers	-	8 259	-	-	4 000	4 000	-	-	-
Current	-	8 259	-	-	-	-	-	-	-
Capital	-	-	-	-	4 000	4 000	-	-	-
Total	64 365	118 607	176 718	167 697	167 697	173 421	164 886	163 654	172 328

The department's infrastructure budget fluctuates markedly over the seven years, largely due to the type of projects undertaken, as well as the rate of spending (especially in respect of the prior years).

The low 2010/11 amount reflected against *New and replacement assets* relates to the under-spending on certain infrastructure projects such as satellite mushroom bases, and this contributed to the under-spending of the vote as a whole in that year. The peak in 2012/13 is attributed to additional funding toward the further development of the Makhathini area in line with the Makhathini IMDP. The funding catered for repairs to drainage canals, infield sub-surface drainage, electrical and mechanical repairs, etc. This explains the reduction in the 2013/14 Main Appropriation. A further reduction of R4 million was undertaken in the 2013/14 Adjusted Appropriation, where savings emanated from delays in some agricultural infrastructural projects due to the changes in CASP and other conditional grant frameworks, and were moved to *Infrastructure transfers: Capital*, to provide for infrastructure requirements in respect of the Moringa project undertaken by People's Bio Oil (Pty) Ltd, as previously mentioned. The amounts in the 2014/15 MTEF cater for the new projects such as fencing, irrigation, etc., to be undertaken at Makhathini and in other areas.

The low spending in 2010/11 against *Rehabilitation, renovations and refurbishments* reflects the challenges that the department had in implementing projects, which resulted in significant under-expenditure in that year. Subsequently the department improved processes and has put strategies in place, which is evident from the increased expenditure from 2011/12 onward. The increase in 2012/13 is largely in respect of once-off additional funding for several high priority projects, such as the upgrading of the Makhathini Flats infrastructure, particularly the irrigation scheme. The peak in 2013/14 relates to the carry-through amount allocated for the development of the Makhathini Flats, as mentioned above, which accounts for the decrease in 2014/15. The 2014/15 MTEF allocation grows steadily and provides for continued work at the Makhathini Flats, office accommodation, as well as Cedara facilities and other farm structures, such as main and satellite mushroom bases.

Maintenance and repairs increases at a generally steady rate over the seven-year period, except for the dip in 2011/12. The maintenance is for all the department's buildings, which is mostly outsourced to DOPW and forms part of the department's asset management plan.

The amount reflected against *Infrastructure transfers: Current* in 2011/12 was to enable Mjindi to buy irrigation pipes and new pumps, undertake repairs to centre pivots, etc. The bulk of the transfers to Mjindi are for operational costs.

5.7 Summary of Public Private Partnerships – Nil

5.8 Transfers to public entities listed in terms of Schedule 3 of the PFMA

Table 3.12 shows transfers made by the department to public entities that are listed in terms of Schedule 3 of the PFMA.

The financial summaries received from EKZNW, Mjindi and ADA are provided in *Annexure – Vote 3: Agriculture, Environmental Affairs and Rural Development*.

Table 3.12 : Summary of departmental transfers to public entities

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Agri-business Development Agency	104 072	100 761	65 760	63 000	82 394	82 394	106 410	111 093	116 981
Ezemvelo KwaZulu-Natal Wildlife	431 382	491 317	549 893	606 034	586 522	586 522	657 895	646 819	681 825
Mjindi Farming (Pty) Ltd	26 470	46 681	68 399	46 607	46 607	46 607	60 816	50 506	53 183
Total	561 924	638 759	684 052	715 641	715 523	715 523	825 121	808 418	851 989

ADA

With effect from 2010/11, the department commenced transferring funds to ADA, a public entity that was established under the control of DEDT, in line with a Cabinet decision to support land reform farmers in

KZN. The years 2010/11 and 2011/12 were high due to the fact that more projects were handed to the entity during these two years. The transfers from 2010/11 to 2012/13 therefore are for project implementation only. As from the 2013/14 Adjusted Appropriation, the oversight of the entity was shifted to the department in respect of the ADA Bill, and hence the increase in allocation from the 2013/14 Main Appropriation to the 2013/14 Adjusted Appropriation. The decrease in transfer to ADA in 2012/13 takes into account progress on projects that are implemented by ADA on behalf of DAEARD, as per their Service Level Agreement (SLA) then. Since then, a decision was made by Cabinet for the entity to fully fall under the auspices of DAEARD, and therefore an amount of R19.394 million (the balance of the 2013/14 allocation not yet transferred at the time of the 2013/14 Adjusted Appropriation) was allocated to the department from DEDT in respect of ADA's operational and project costs. The 2014/15 MTEF allocations include the full amount from DEDT, hence the increase.

EKZNW

The largest share of funding is allocated to EKZNW, to subsidise its efforts in respect of nature conservation. The transfers to this entity show a steady increase over the seven-year period, in spite of the fact that part of the baseline cuts were effected against the entity's MTEF allocations relating to 1, 2 and 3 per cent baseline cuts by National Treasury and the Census data updates. The growth is partly due to the carry-through costs of the annual wage agreements, as well as substantial largely once-off additional funding allocated for various projects. The 2011/12 amount is high as it includes additional funding for the improved terms and conditions of employment negotiated with organised labour, as well as a once-off amount of R17.850 million to enable the entity to reduce its high leave liability. The 2012/13 year includes specific funding for protected area expansion and road maintenance (increasing substantially from 2013/14 onward) and Rhino Security Intervention plan. The decrease from the 2013/14 Main to Adjusted Appropriation is due to the suspension of the unspent and uncommitted road maintenance budget of R39.512 million for re-allocation in 2014/15. This decrease was offset by an additional allocation of R20 million for the Rhino Security Intervention plan. The decrease from 2014/15 to 2015/16 is due to the once-off re-allocation of the road maintenance budget of R39.512 million in 2014/15, as mentioned previously.

Mjindi

The increase from 2011/12 onward provided for increased operational costs to assist the newly reconstituted entity to become fully functional, as well as some funding for specific projects that the entity implemented. The peak in 2012/13 relates to additional funds allocated to assist Mjindi with repairs to the irrigation scheme, as mentioned previously. These funds were once-off, accounting for the dip from 2012/13 to 2013/14. Similarly, the entity receives a further once-off allocation in 2014/15 for the irrigation scheme, and hence the decrease in 2015/16.

5.9 Transfers to other entities

Table 3.13 below indicates departmental transfers to other entities. The transfers fluctuate markedly over the seven years, as explained below the table.

Table 3.13 : Summary of departmental transfers to other entities

R thousand	Sub-programme	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
		2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Soil conservation subsidy	2.1. Sust. Resource	-	-	1 121	1 657	1 657	1 657	1 756	1 837	1 898
Agricultural show societies	2.2. Farmer Supp.	100	-	20	1 133	1 133	1 133	1 201	1 256	1 310
KWANALU	2.2. Farmer Supp.	1 369	-	-	-	-	-	-	-	-
SA Sugar Association	2.2. Farmer Supp.	57 463	-	-	-	-	-	-	-	-
SA Sugarcane Research Institute	2.2. Farmer Supp.	968	880	1 439	1 395	1 395	1 395	1 479	1 547	1 604
Pmb SPCA	2.3. Veterinary Serv.	-	4 905	10 290	-	-	-	-	-	-
WESSA	3.5. Enviro. Empower	-	400	400	400	400	400	400	400	421
SAAMBR	4.1. Grant-in-aid	3 086	3 990	4 600	5 227	5 227	5 227	5 540	5 795	6 102
Total		62 986	10 175	17 870	9 812	9 812	9 812	10 376	10 835	11 335

The soil conservation subsidy is a provision to business and farming enterprises for sub-surface drainage works, and is a national initiative in response to the Conservation of Agricultural Resources Act (CARA). The demand for this service was well below expectations in 2010/11 and 2011/12, with very few

applications made. The spending in 2012/13 and allocations in 2013/14 and over the MTEF relate to the department's drive to actively market this service to business and farming enterprises.

The department makes an annual contribution to various agricultural show societies, which are aimed at showcasing the latest developments in agriculture. This transfer shows a fairly steady increase from 2012/13 onward, but is dependent on the number of applications received from agricultural societies, accounting for the fluctuations in the prior years.

In 2010/11, the department reached an agreement with KWANALU to facilitate the development of a helpdesk. However, following a review of the success of the helpdesk, this agreement was not continued.

The department transferred substantial funding to the SA Sugar Association in 2010/11 to assist small-scale farmers affected by the drought. This was a once-off assistance programme.

The partnership with the SA Sugarcane Research Institute, which was formed in 2010/11, continues and grows steadily over the three years of the new MTEF. This partnership ensures the provision of specialist extension services to assist small scale extension farmers.

The two-year partnership with the Pmb SPCA, relating to the KZN Outreach programme, commenced in 2011/12 and was completed in 2012/13.

In 2011/12, an annual transfer of R400 000 was introduced to WESSA, relating to environmental education programmes.

In prior years, the department paid an annual inflationary linked grant-in-aid to SAAMBR. Additional funding was allocated to this entity from 2010/11, continued over the MTEF, as explained previously.

5.10 Transfers to local government

Tables 3.14 and 3.15 illustrate transfers to local government, by category and by grant name. Details are given in *Annexure – Vote 3: Agriculture, Environmental Affairs and Rural Development*. It is noted that, although the payment of motor vehicle licences falls under *Transfers and subsidies to: Provinces and municipalities*, these funds are not transferred to any municipality, and so are excluded from the tables.

Table 3.14 : Summary of departmental transfers to local government by category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Category A	-	-	-	-	-	-	-	-	-
Category B	960	900	-	-	1 000	1 000	-	-	-
Category C	6 000	-	-	-	-	-	-	-	-
Unallocated	-	-	-	1 000	-	-	1 000	1 000	1 000
Total	6 960	900	-	1 000	1 000	1 000	1 000	1 000	1 000

Table 3.15 : Summary of departmental transfers to local government by grant name

R thousand	Sub-programme	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
		2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
1. Dev of EMFs, SEAs & IWMPs	3.1 & 3.3 Enviro Mngmnt	6 000	-	-	-	-	-	-	-	-
2. Greenest Munic Comp	3.3 Enviro Quality Mngmnt	960	900	-	1 000	1 000	1 000	1 000	1 000	1 000
Total		6 960	900	-	1 000	1 000	1 000	1 000	1 000	1 000

The department assisted selected municipalities with the development of IWMPs, EMFs and SEAs (Category C), as well as various other projects, such as addressing waste management readiness in time for the 2010 World Cup (Categories B and C) in 2010/11. These were once-off allocations, and hence there is no provision from 2011/12 onward.

Each year, the department presents awards to municipalities in terms of the Greenest Municipality Competition, and this largely accounts for the fluctuating trends across Category B. This competition is based on business plans submitted by municipalities in the year prior to funding. Accordingly, it is not possible to identify the recipient municipalities for ensuing years, and hence the allocation is classified

against *Unallocated* in the 2013/14 Main Appropriation and over the 2014/15 MTEF. In 2012/13, there is no expenditure recorded in respect of the Greenest Municipality award. The respective municipalities that received the awards did not submit the required business plans before financial year-end and hence the transfer did not take place.

5.11 Transfers and subsidies

Table 3.16 gives a summary of spending on *Transfers and subsidies* by programme and main category. The total amount transferred shows a generally steady increase from 2010/11 to 2016/17, except a slight decrease in 2015/16, as explained in the paragraphs below the table.

Table 3.16 : Summary of transfers and subsidies by programme and main category

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
1. Administration	554	3 356	2 227	290	745	745	307	322	339
Provinces and municipalities	263	291	701	290	290	290	307	322	339
Motor vehicle licences	263	291	701	290	290	290	307	322	339
Non-profit institutions	-	-	30	-	-	-	-	-	-
SA Nat. Committee on Irrigation and Drainage	-	-	30	-	-	-	-	-	-
Households	291	3 065	1 496	-	455	455	-	-	-
Social benefits	291	3 065	1 496	-	455	455	-	-	-
2. Agriculture	197 296	161 852	157 182	119 839	145 011	145 011	178 105	172 772	181 929
Provinces and municipalities	45	357	506	182	182	182	226	280	295
Motor vehicle licences	45	357	506	182	182	182	226	280	295
Departmental agencies and accounts	104 072	100 761	65 760	63 000	82 394	82 394	106 410	111 093	116 981
ADA	104 072	100 761	65 760	63 000	82 394	82 394	106 410	111 093	116 981
Public corporations and private enterprises	86 370	47 561	70 979	50 792	54 792	54 792	65 252	55 146	58 069
Agric show societies	100	-	20	1 133	1 133	1 133	1 201	1 256	1 310
People's Bio Oil (Pty) Ltd	-	-	-	-	4 000	4 000	-	-	-
KWANALU	1 369	-	-	-	-	-	-	-	-
Mjindi	26 470	46 681	68 399	46 607	46 607	46 607	60 816	50 506	53 183
SA Sugarcane Research Institute	968	880	1 439	1 395	1 395	1 395	1 479	1 547	1 678
Soil conservation subsidy	-	-	1 121	1 657	1 657	1 657	1 756	1 837	1 898
SA Sugar Association	57 463	-	-	-	-	-	-	-	-
Non-profit institutions	-	4 905	10 290	-	1 000	1 000	-	-	-
Pmb SPCA	-	4 905	10 290	-	-	-	-	-	-
Zakhe Agricultural College	-	-	-	-	1 000	1 000	-	-	-
Households	6 809	8 268	9 647	5 865	6 643	6 643	6 217	6 253	6 584
Social benefits	6 809	8 268	9 647	5 865	6 643	6 643	6 217	6 253	6 584
3. Environmental Affairs	6 973	1 368	937	1 400	1 431	1 431	1 400	1 400	1 421
Provinces and municipalities	6 960	900	17	1 000	1 000	1 000	1 000	1 000	1 000
Development of EMFs, SEAs and IWMPs	6 000	-	-	-	-	-	-	-	-
Greenest Municipality Competition	960	900	-	1 000	1 000	1 000	1 000	1 000	1 000
Motor vehicle licences	-	-	17	-	-	-	-	-	-
Non-profit institutions	-	400	400	400	400	400	400	400	421
WESSA	-	400	400	400	400	400	400	400	421
Households	13	68	520	-	31	31	-	-	-
Social benefits	13	68	520	-	31	31	-	-	-
4. Conservation	434 468	495 307	554 493	611 261	591 749	591 749	663 435	652 614	687 927
Departmental agencies and accounts	431 382	491 317	549 893	606 034	586 522	586 522	657 895	646 819	681 825
EKZNW	431 382	491 317	549 893	606 034	586 522	586 522	657 895	646 819	681 825
Non-profit institutions	3 086	3 990	4 600	5 227	5 227	5 227	5 540	5 795	6 102
SAAMBR	3 086	3 990	4 600	5 227	5 227	5 227	5 540	5 795	6 102
Total	639 291	661 883	714 839	732 790	738 936	738 936	843 247	827 108	871 616

The category *Transfers and subsidies* under Programme 1 fluctuates over the seven-year period, largely due to the nature of transfers made. For example:

- *Provinces and municipalities* is for the payment of motor vehicle licences. The increase from 2013/14 onward is in line with the planned number of vehicles to be licensed.
- *Non-profit institutions* caters for a once-off payment in respect of the SA National Committee on Irrigation and Drainage symposium that was held in the province in 2012/13.
- *Households* cater for staff exits, which are difficult to predict, hence the fluctuating trend.

Transfers and subsidies under Programme 2 also fluctuate markedly over the seven years, as follows:

- *Provinces and municipalities* provides for the payment of motor vehicle licences. The increase from 2013/14 onward is in line with the planned number of vehicles to be licensed.
- *Departmental agencies and accounts* reflect the transfers made to ADA from 2010/11 onward, as mentioned. The fluctuations take into account the projects undertaken by ADA, while the increase from the 2013/14 Adjusted Appropriation takes into account the function shift from DEDT to DAEARD, who are now responsible for transferring the entity's operational and project budget.
- *Public corporations and private enterprises* relates mainly to transfers made by the department to Mjindi, as explained in more detail in Section 5.8 above. This category also includes transfers to various other entities, as detailed in Section 5.9. For instance, the agreement with KWANALU was cancelled in 2011/12, as the help-desk was not successful. From 2012/13 onward, this category provides for increased transfers to Mjindi, as well as transfers for the soil conservation subsidy, agricultural show societies, SA Sugarcane Research Institute and the SA Sugar Association (ended in 2010/11). Also, as previously mentioned, there was an increase of R4 million from the 2013/14 Main Appropriation to Adjusted Appropriation as a result of a transfer to People's Bio Oil Pty (Ltd) to provide for their infrastructure requirements in terms of the Moringa project undertaken by the company.
- The 2011/12 and 2012/13 amounts reflected against *Non-profit institutions* provide for a two-year agreement with the Pmb SPCA for the KZN Outreach programme, as mentioned previously. The 2013/14 transfer of R1 million to Zakhe Agricultural College in Richmond provides for a new partnership. This is a new venture and the funds will be utilised to further develop the college farm to enable the college to effectively conduct quality practicals for learners. No funding is provided beyond 2013/14 due to the funds being once-off.
- *Households* caters for staff exit costs, which are difficult to predict, hence the fluctuating trend.

With regard to Programme 3, the fluctuations against *Transfers and subsidies* relate to the following:

- *Provinces and municipalities* reflects transfers to various municipalities in respect of the Greenest Municipality Competition, and to address waste management and to develop IWMPs, EMFs and SEAs in 2010/11 only, as well as motor vehicle licences.
- *Non-profit institutions* reflects a transfer of R400 000 per annum that was introduced in 2011/12 to WESSA, relating to environmental education programmes.
- *Households* cater for staff exit costs, which are difficult to predict, as mentioned above.

Programme 4 includes *Transfers and subsidies* made to the following entities:

- *Departmental agencies and accounts* reflects the annual subsidy made to EKZNW, which shows a substantial increase over the seven-year period, as explained in Section 5.8 above.
- *Non-profit institutions* relates to the annual grant-in-aid paid to SAAMBR, which shows healthy growth over the seven-year period, as mentioned above.

6. Programme description

The services rendered by the department are categorised under four programmes, which largely conform to the uniform budget and programme structures of the Agriculture and the Environmental Affairs sectors, as explained previously.

6.1 Programme 1: Administration

Tables 3.17 and 3.18 summarise payments and estimates relating to Programme 1 for the period 2010/11 to 2016/17. The primary role of Programme 1 is to support the line function components of the department in achieving their goals.

Table 3.17 : Summary of payments and estimates by sub-programme: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
1. Office of the MEC	13 606	15 608	26 938	22 192	23 192	23 192	24 239	25 420	26 782
2. Senior Management	26 075	32 778	28 806	50 135	50 135	50 135	53 339	55 965	58 969
3. Corporate Support Services	134 311	128 462	167 180	141 975	137 594	137 594	144 443	151 416	159 561
4. Financial Management	60 455	61 151	79 817	79 113	79 113	79 113	84 114	88 208	92 934
5. Communication	14 877	19 152	32 146	34 115	25 055	25 055	25 748	26 883	28 389
Total	249 324	257 151	334 887	327 530	315 089	315 089	331 883	347 892	366 635

Table 3.18 : Summary of payments and estimates by economic classification: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Current payments	224 802	221 814	277 769	285 150	272 254	272 254	287 051	300 821	317 070
Compensation of employees	102 392	118 785	129 938	136 330	135 875	135 875	145 453	154 423	162 794
Goods and services	122 410	102 975	147 804	148 820	136 379	136 379	141 598	146 398	154 276
Interest and rent on land	-	54	27	-	-	-	-	-	-
Transfers and subsidies to:	554	3 356	2 227	290	745	745	307	322	339
Provinces and municipalities	263	291	701	290	290	290	307	322	339
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	30	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	291	3 065	1 496	-	455	455	-	-	-
Payments for capital assets	23 968	31 559	54 891	42 090	42 090	42 090	44 525	46 749	49 227
Buildings and other fixed structures	17 230	6 448	21 466	17 980	17 980	17 980	18 969	19 917	20 973
Machinery and equipment	6 590	25 111	32 950	24 037	24 037	24 037	25 479	26 753	28 171
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	148	-	475	73	73	73	77	79	83
Payments for financial assets	-	422	-	-	-	-	-	-	-
Total	249 324	257 151	334 887	327 530	315 089	315 089	331 883	347 892	366 635

Programme 1 fluctuates throughout the seven-year period. The peak in 2012/13 is mainly due to the additional replacement and new vehicles acquired against *Machinery and equipment* and their associated licence fees against *Provinces and municipalities*, as well as renovations of offices at head office against *Buildings and other fixed structures*. The significant decrease in the 2013/14 Adjusted Appropriation is mainly in respect of the centralisation of parts of the communications budget under the OTP.

The sub-programme: Office of the MEC increased substantially in 2012/13 due to restructuring of the Ministry and the department's new marketing strategy whereby an integrated internal and external communication service is provided. This accounts for the reduction in the 2013/14 Main Appropriation. There is steady growth over the 2014/15 MTEF.

The low spending from 2010/11 to 2012/13 in respect of the sub-programme: Senior Management can be ascribed to the high vacancy rate at senior management level within the department. As of January 2014, the vacancy rate of this sub-programme still remains at 35 per cent. The budget for 2014/15 is based on the organisational structure of the department, and increases steadily over the MTEF period.

The Corporate Support Services sub-programme, which includes Human Resource Management and Development, Legal Services, Security Services, Facilities, etc., fluctuates, with the peak in 2012/13 attributed to the increase in number of bursaries offered for the 2012 academic year being processed after April 2012. The decrease in the 2013/14 Adjusted Appropriation relates to the transfer of the external bursaries to the OTP, with carry-through over the MTEF. Despite this, the sub-programme increases steadily over the 2014/15 MTEF.

The sub-programme: Financial Management shows a steady increase over the seven-year period. The increase in 2012/13 is due to additional vehicles for the departmental fleet under Programme 1 that was

acquired through reprioritisation, as well as additional funding in respect of the Makhathini irrigation scheme. This is also reflective against *Machinery and equipment* and *Buildings and other fixed structures* and explains the decrease to the 2013/14 Main Appropriation.

The growth against the sub-programme: Communication over the seven-year period is generally steady, apart from the substantial growth in 2012/13 which can be ascribed to the KZN Outreach programme and the Rhino Security Intervention plan. The communication campaign relating to the KZN Outreach programme was previously housed under Programme 2 and the sub-programme: Farmer Support Services but was re-located to the Communication sub-programme from 2012/13, as the co-ordinating component in the department. The decrease in the 2013/14 Adjusted Appropriation is in respect of the centralisation of parts of the communications budget under the OTP. There is steady growth over the 2014/15 MTEF.

Compensation of employees shows steady growth over the seven-year period. In this regard, savings identified due to the internal moratorium on the filling of posts were reprioritised in 2010/11 and shifted to Programme 2 for the mechanisation programme, as mentioned previously. The MTEF allocations provide for the filling of Senior Management posts and other vacancies in Programme 1.

Goods and services in 2011/12 is low due to cost-cutting, as well as a reduction in legal fees and reliance on consultants within Financial Management, compared to the prior year. The sharp increase in 2012/13 is in respect of the department's marketing strategy, as mentioned above. The decrease in the 2013/14 Adjusted Appropriation is due to the centralisation of parts of the communications functions and external bursaries under OTP. The category shows steady growth thereafter.

With regard to *Transfers and subsidies*:

- The expenditure and estimates against *Provinces and municipalities* is in respect of motor vehicle licence fees. The increase in 2012/13 can be ascribed to the increased licences relating to the increase in the department's vehicle fleet in that year. The reduction in 2013/14 and over the 2014/15 MTEF is attributable to the disposal of old departmental motor vehicles.
- *Public corporations and private enterprise* caters for a once-off payment in respect of the SA National Committee on Irrigation and Drainage symposium that was held in the province in 2012/13.
- *Households* caters for staff exit costs, which are difficult to predict, hence the fluctuating trend.

Buildings and other fixed structures under Programme 1 relates mainly to the renovations of office buildings at the head office, as well as district offices, and the fluctuations in the prior years can be ascribed to the nature of the work undertaken.

Machinery and equipment increases sharply in 2011/12 and 2012/13 as the department increased its departmental vehicle fleet and replaced a large number of vehicles. The decrease in 2013/14 is due to the department now providing mainly for the replacement of vehicles and not increasing the number of vehicles. There is steady growth over the 2014/15 MTEF.

The high expenditure in 2012/13 in respect of *Software and other tangible assets* is a result of 2011/12 software licence fees only being paid in 2012/13 due to administrative delays. The amount provided over the MTEF is for existing licence fees that need to be renewed on an annual basis.

Payments for financial assets provides for the approved write-off of thefts and losses in 2011/12.

6.2 Programme 2: Agriculture

Programme 2: Agriculture has two main core functions, namely Agriculture and Veterinary Services. Agriculture encompasses crop production, livestock farming, land use and land reform (a national priority run by DAEARD at provincial level). Veterinary Services entails animal disease control, prevention of zoonotic diseases, and ensuring safety of food products of animal origin.

Tables 3.19 and 3.20 summarise information relating to Programme 2, providing detail at sub-sub-programme level, conforming to the uniform budget and programme structure for the Agriculture sector.

Programme 2 was most affected by the department's consistent under-spending up to 2010/11, explaining the significant increase in spending in 2011/12. Also included from 2011/12 onward are the additional funds allocated for the OSD for various designations such as scientists, engineers, as well as assistant extension officers and fencing and irrigation scheme programmes, among others. In 2012/13, the department received substantial additional funding for the rabies campaign, stock watering dams, further development of the Makhathini area, and to assist Mjindi with repairs to the irrigation scheme. The bulk of this additional funding was largely once-off, accounting for the slight decrease in 2013/14. The increase in the 2013/14 Adjusted Appropriation is largely due to the function shift of the remainder of the operational budget for ADA from DEDT, as previously explained. There is steady growth over the 2014/15 MTEF.

Table 3.19 : Summary of payments and estimates by sub-programme: Agriculture

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Sustainable Resource Management	61 465	64 315	90 794	98 414	116 504	116 504	95 351	99 462	105 319
Engineering Services	27 815	35 836	47 162	58 157	58 157	58 157	61 800	62 852	66 213
Land Care	33 650	28 479	43 632	40 257	58 347	58 347	33 551	36 610	39 107
Farmer Support and Development	810 895	1 094 373	1 179 346	1 155 658	1 156 962	1 156 962	1 249 299	1 248 028	1 296 109
Farmer-settlement and Development	136 066	137 472	120 500	140 182	140 182	140 182	142 393	113 916	119 969
Extension and Advisory Services	626 602	895 688	1 012 691	953 596	950 120	950 120	1 044 938	1 077 820	1 116 860
Food Security	48 227	61 213	46 155	61 880	66 660	66 660	61 968	56 292	59 279
Veterinary Services	119 086	115 491	154 386	133 470	133 470	133 470	142 061	149 111	157 129
Animal Health	119 086	115 491	154 386	133 470	133 470	133 470	142 061	149 111	157 129
Research and Technology Development Services	113 535	129 118	155 249	156 102	156 102	156 102	166 192	174 227	183 598
Research	113 535	129 118	155 249	156 102	156 102	156 102	166 192	174 227	183 598
Agricultural Economic Services	1 498	1 621	2 231	3 283	3 283	3 283	3 461	3 636	3 832
Agri-Business Support and Development	1 498	1 621	2 231	3 283	3 283	3 283	3 461	3 636	3 832
Structured Agricultural Education and Training	52 491	96 706	119 342	135 291	135 291	135 291	143 390	150 187	158 193
Higher Education and Training	52 491	96 706	119 342	135 291	135 291	135 291	143 390	150 187	158 193
Total	1 158 970	1 501 624	1 701 348	1 682 218	1 701 612	1 701 612	1 799 754	1 824 651	1 904 179

Table 3.20 : Summary of payments and estimates by economic classification: Agriculture

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Current payments	891 522	1 129 632	1 360 440	1 408 477	1 406 699	1 406 699	1 471 296	1 503 726	1 566 246
Compensation of employees	506 267	594 076	633 135	697 047	695 269	695 269	743 530	780 394	822 678
Goods and services	385 212	535 556	727 305	711 430	711 430	711 430	727 766	723 332	743 568
Interest and rent on land	43	-	-	-	-	-	-	-	-
Transfers and subsidies to:	197 296	161 852	157 182	119 839	145 011	145 011	178 105	172 772	181 929
Provinces and municipalities	45	357	506	182	182	182	226	280	295
Departmental agencies and accounts	104 072	100 761	65 760	63 000	82 394	82 394	106 410	111 093	116 981
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	86 370	47 561	70 978	50 792	54 792	54 792	65 252	55 146	58 069
Non-profit institutions	-	4 905	10 291	-	1 000	1 000	-	-	-
Households	6 809	8 268	9 647	5 865	6 643	6 643	6 217	6 253	6 584
Payments for capital assets	70 152	210 140	183 726	153 902	149 902	149 902	150 353	148 153	156 005
Buildings and other fixed structures	27 237	90 175	133 617	126 888	122 888	122 888	121 718	118 425	124 702
Machinery and equipment	42 683	112 368	40 387	26 050	26 050	26 050	27 613	28 663	30 182
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	138	7 354	9 542	553	553	553	586	609	641
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	94	243	180	411	411	411	436	456	480
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	1 158 970	1 501 624	1 701 348	1 682 218	1 701 612	1 701 612	1 799 754	1 824 651	1 904 179

The Sustainable Resource Management sub-programme, which includes the Engineering Services and Land Care sub-sub-programmes, shows a significant increase in 2012/13 mainly due to increased spending in respect of the diptank rehabilitation programme, which was low in prior years, as well as a roll-over of the Land Care grant. The increase in the 2013/14 Adjusted Appropriation relates to Land Care in respect of savings that were identified from the Extension and Advisory Services sub-sub programme under the Farmer Support and Development sub-programme. These funds were to provide for increased activities in 32 land care projects, such as alien weed clearing, bush encroachment, de-stumping, conservation works,

etc., within the Ilembe, Umzinyathi and uThungulu District Municipalities. Funding was reprioritised from the Farmer Support and Development sub-programme. This accounts for the reduction in the Land Care sub-sub-programme in 2014/15, before increasing steadily over the MTEF.

The Farmer Support and Development sub-programme houses the bulk of the conditional grants, additional provincial funding for the Makhathini development project, extension services, the fencing and irrigation scheme programmes, as well as the above-mentioned OSD. This sub-programme was most affected by the department's consistent under-spending in prior years, and hence the sharp increase in the level of spending in 2011/12. Also contributing was the focus on extension services, as well as the mechanisation programme and interventions such as fertilizer, fencing, seeds and chemicals in support of small scale farmers. In respect of the Farmer-settlement and Development sub-sub-programme, since ADA is now fully under the auspices of DAEARD, the balance of the funds (R19.394 million) were suspended from DEDT and were allocated to DAEARD in the 2013/14 Adjustments Estimate. This amount includes operational costs and some DEDT project funding.

Veterinary Services fluctuates over the seven years. There was substantial under-spending in 2011/12 due to cost-cutting, as well as the non-filling of posts due to lack of suitably qualified candidates, partly explaining the high growth from 2011/12 to 2012/13. Also contributing was the lower transfer to the Pmb SPCA for the KZN Outreach programme in 2011/12. The high expenditure in 2012/13 is due to the substantial once-off additional funding of R20 million for the rabies awareness campaign and vaccination drive, as well as the roll-over of R4.905 million in respect of the KZN Outreach programme, accounting for the dip in 2013/14. There is steady growth over the 2014/15 MTEF.

The sub-programme: Research and Technology Development Services increases steadily over the seven-year period, due to the achievement of targets by implementing agents relating to the main mushroom building at Cedara and its various satellite bases. There is steady growth over the 2014/15 MTEF.

The purpose of the Agricultural Economic Services sub-programme is to market information and facilitate marketing and provide agricultural economic services to clients. This sub-programme increases steadily over the seven-year period under review.

The substantial increase in Structured Agricultural Education and Training from 2011/12 relates to the assistant extension officers and CASP mentorship programmes. The infrastructure improvement at the department's two colleges accounts for the further increase in 2012/13 and 2013/14. There is steady growth over the 2014/15 MTEF.

Compensation of employees indicates a marked increase over the seven-year period, due to the filling of posts and implementation of the above-mentioned OSD and annual wage agreements. The sharp increase in 2011/12 relates to the assistant extension officer programme being rolled out from that year. There is steady growth over the 2014/15 MTEF.

Goods and services include the bulk of the conditional grant funding, as well as portion of the Makhathini funding. The low 2010/11 amount relates to the department's pledge toward the Provincial Recovery Plan, as well as under-spending due to lengthy tender appeals and the late onset of rains. Also, R100 million was shifted to *Transfers and subsidies to: Departmental agencies and accounts* for transfer to ADA, as mentioned. The increase in 2012/13 relates to the substantial additional funding allocated for the rabies campaign, stock watering dams and the further development of the Makhathini area. This was largely once-off, accounting for the dip in 2013/14. The increase in 2014/15 includes once-off additional funding in respect of livestock identification (RFID), explaining the decrease in 2015/16.

With regard to *Transfers and subsidies*:

- The peak in 2011/12 and 2012/13 in respect of *Provinces and municipalities* relates to the higher than budgeted costs in respect of motor vehicle licences, as well as additional tractors. There is steady growth over the 2014/15 MTEF.
- *Departmental agencies and accounts* comprises transfers made to ADA, which are dependent on the projects to be undertaken by the entity each year, and hence the reduction in 2012/13. The increase in

the 2013/14 Adjusted Appropriation and over the MTEF is in respect of the operational costs of the entity that have been shifted from DEDT in line with the function shift, as mentioned previously.

- *Public corporations and private enterprises* relates mainly to transfers to Mjindi, but also includes transfers to various other entities, as detailed in Section 5.9. For instance, a once-off transfer was made in 2010/11 to the SA Sugar Association to assist small-scale farmers affected by the drought. The increase in 2012/13 is due to once-off additional funding for Mjindi for irrigation and farming equipment. There was an increase of R4 million from the 2013/14 Main to the Adjusted Appropriation as a result of a transfer to People's Bio Oil (Pty) Ltd to provide for infrastructure requirements in respect of the Moringa project, which is a community upliftment based private business. A further once-off allocation in 2014/15 to Mjindi was to provide for the purchase of irrigation equipment for the Makhathini irrigation scheme and this accounts for the decrease in 2015/16. This category also provides for transfers for the soil conservation subsidy, agricultural show societies, and the SA Sugarcane Research Institution over the 2014/15 MTEF.
- *Non-profit institutions* provides for the transfer to the Pmb SPCA for the KZN Outreach programme in 2011/12 and 2012/13, as mentioned previously. The R1 million in the 2013/14 Adjusted Appropriation is in respect of a new partnership with the Zakhe Agricultural College in Richmond to improve its agricultural facilities which will enhance the quality of the practicals for learners, as previously mentioned.
- *Households* caters for staff exit costs, which are difficult to predict, hence the fluctuating trend.

Buildings and other fixed structures shows low expenditure in 2010/11, reflective of the procurement delays and other challenges that the department experienced with regard to agricultural infrastructure such as poultry houses, piggeries, fencing, etc., resulting in under-spending in that year. The increase from 2012/13 onward is largely in respect of once-off additional funding for several high priority projects, such as the upgrading of the Makhathini Flats infrastructure, particularly the irrigation scheme. The reduction in the 2013/14 Adjusted Appropriation was due to reprioritisation of R4 million, which was moved to *Transfers and subsidies to: Public corporations and private enterprises* to provide for infrastructure requirements in respect of the Moringa project undertaken by People's Bio Oil (Pty) Ltd. There is a further minor reduction in 2014/15, but the MTEF grows steadily.

The fluctuations in *Machinery and equipment*, particularly the significant increase in 2011/12, can largely be ascribed to the department's focus on the mechanisation programme, and the increasing demand for this service, as mentioned previously. In 2012/13, savings of R90 million were identified in this category when the department took a decision not to acquire additional tractors and implements during that year, pending a review of the utilisation and effective management of the existing mechanisation fleet. Most of these savings were redirected to *Goods and services* and *Payments for capital assets: Biological assets* to provide for the department's ploughing and planting project and the Nguni breed initiative, respectively. The decrease in 2013/14 is due to the department reviewing the utilisation and effective management of the existing mechanisation fleet before further acquisitions will be made. The budget increases steadily over the 2014/15 MTEF.

Biological assets increases sharply in 2011/12 and 2012/13 to fund the department's Nguni breed initiative, which is aimed at revitalising the Nguni breed in KZN. This accounts for the significant drop in the 2013/14 Main Appropriation onward.

Software and other intangible assets fluctuate in the prior years, as this category is dependent on the need for updated software.

Service delivery measures – Programme 2: Agriculture

Table 3.21 shows service delivery measures pertaining to Programme 2, which are largely aligned to the customised measures prescribed for the Agriculture sector. It is noted that the department reports on only those customised measures that are relevant and quantifiable. In addition, the department reports on several measures which are not prescribed by the sector.

Table 3.21 : Service delivery measures – Programme 2: Agriculture

Outputs	Performance indicators	Estimated performance	Medium-term targets			
		2013/14	2014/15	2015/16	2016/17	
1. Sustainable Resource Management						
1.1	Engineering services	<ul style="list-style-type: none"> No. of agricultural engineering advisory reports prepared No. of designs with specification for agricultural engineering solutions provided No. of clients provided with engineering advice during official visits No. of final certificates issued for infrastructure constructed 	12 250 272 240	12 250 280 200	12 250 280 200	12 250 280 200
1.2	Infrastructure	<ul style="list-style-type: none"> No. of dip tanks rehabilitated No. of new dip tanks established No. of new agricultural structures established No. of boreholes established 	40 10 27 50	60 10 30 70	80 10 30 70	80 10 30 70
1.3	Land use	<ul style="list-style-type: none"> No. of recommendations made on subdivision/rezoning/change of agricultural land use 	280	280	280	280
1.4	Disaster risk management	<ul style="list-style-type: none"> No. of early warning advisory reports issued No. of disaster relief schemes managed 	12 3	12 3	12 3	12 3
1.5	Land care	<ul style="list-style-type: none"> No. of awareness campaigns conducted on land care No. of capacity building exercises conducted within approved land care projects No. of beneficiaries trained within capacity building skills transfer No. of farm land ha improved through conservation measures No. of beneficiaries adopting/practising sustainable production technologies and practices No. of degraded ha rehabilitated No. of green jobs created through land care No. of km of fencing erected under land care 	10 6 650 30 100 2 500 7 500 430	10 6 650 30 100 2 500 7 500 440	10 7 650 35 110 2 500 7 500 450	10 7 650 35 110 2 500 7 500 450
2. Farmer Support and Development						
2.1	Farmer-settlement and development	<ul style="list-style-type: none"> No. of farm assessments completed No. of farm plans completed 	20 20	60 30	65 35	65 35
2.2	Specialist agricultural advisory services	<ul style="list-style-type: none"> No. of scientific evaluation reports on commodity based projects No. of cultivar trials conducted No. of scientific value adding reports on diversified crops 	88 22 60	40 40 30	41 43 35	41 43 35
2.3	Mentorship	<ul style="list-style-type: none"> No. of projects mentored 	55	60	60	60
2.4	Value adding and product handling	<ul style="list-style-type: none"> No. of agri-processing courses presented No. of clients trained in agri-processing 	28 420	30 420	35 420	35 420
2.5	Extension and advisory services	<ul style="list-style-type: none"> No. of agricultural demonstrations facilitated No. of farmers' days held No. of functional commodity groups supported No. of consultations to farmers No. of farmers reached through consultation No. of smallholder farmers supported 	11 526 308 10 92 700 32 352 5 500	12 500 408 10 93 000 35 000 6 500	13 500 508 10 93 300 35 000 7 000	13 500 508 10 93 300 35 000 7 000
2.6	Crop production	<ul style="list-style-type: none"> No. of ha of maize established under the mechanisation prog. No. of ha of beans established under the mechanisation prog. No. of ha of sugarcane rehabilitated No. of ha of other crops established No. of ha limed 	14 375 5 850 705 1 365 4 272	14 500 5 850 700 1 365 4 000	15 000 6 000 750 1 400 4 000	15 000 6 000 750 1 400 4 000
2.7	Infrastructure	<ul style="list-style-type: none"> No. of earth dams constructed 	50	75	75	75
2.8	Irrigation	<ul style="list-style-type: none"> No. of irrigation schemes established No. of irrigation schemes revitalised 	48 23	50 30	55 40	55 40
2.9	Food security	<ul style="list-style-type: none"> No. of verified food insecure households supported No. of food security status reports compiled No. of community gardens established No. of household gardens established No. of tunnels established No. of institutional gardens supported No. of people trained within the food security programme 	300 000 4 100 80 000 350 212 40 000	300 000 4 100 80 000 350 200 40 000	300 000 4 110 80 000 350 200 40 000	300 000 4 110 80 000 350 200 40 000
3. Veterinary Services						
3.1	Animal health	<ul style="list-style-type: none"> No. of animal vaccinations against controlled animal diseases No. of animals vaccinated against Anthrax No. of animals vaccinated against Rabies No. of cattle vaccinated against Brucellosis No. of poultry vaccinated against New Castle Disease No. of primary animal health care (PAHC) interactions held No. of animals attended to during PAHC sessions No. of official veterinary movement documents issued No. of animals surveyed for diseases 	1 300 000 400 000 500 000 20 000 200 000 2 000 130 000 15 000 20 000	1 300 000 400 000 500 000 20 000 200 000 2 000 130 000 15 000 20 000	1 300 000 400 000 500 000 20 000 200 000 2 000 130 000 15 000 20 000	1 300 000 400 000 500 000 20 000 200 000 2 000 130 000 15 000 20 000

Table 3.21 : Service delivery measures – Programme 2: Agriculture

Outputs	Performance indicators	Estimated performance		Medium-term targets	
		2013/14	2014/15	2015/16	2016/17
	• No. of animal health information days held (knowledge transfer/extension)	500	500	500	500
	• No. of animals tested with skin TB test	40 000	40 000	40 000	40 000
	• No. of CA samples collected	60 000	60 000	60 000	60 000
	• No. of dipping sessions	18 000	18 000	18 000	18 000
	• No. of inspections for regulatory purposes	200 000	200 000	200 000	200 000
3.2 Primary animal health care	• No. of cattle de-wormed	300 000	300 000	300 000	300 000
	• No. of sheep/goats de-wormed	100 000	100 000	100 000	100 000
3.3 Export control	• No. of veterinary export certificates issued	1 500	1 500	1 500	1 500
	• No. of export establishments registered	60	40	40	40
3.4 Veterinary public health	• No. of abattoir inspections conducted	1 300	1 350	1 400	1 450
	• No. of facilities processing animal product and by-product inspected	500	550	600	650
	• No. of public awareness sessions held	8	10	12	14
	• No. of illegal slaughtering investigations held	24	24	26	16
	• No. of contact sessions (days) held with all role-players	20	25	30	35
3.5 Veterinary laboratory services	• No. of control audit reports	24	6	8	25
	• No. of external quality control reports	30	32	33	50
	• No. of specimens tested	180 000	110 000	120 000	120 000
	• No. of food safety specimens tested	200	230	250	250
	• No. of abattoir hygiene monitoring specimens tested	50	55	50	50
	• No. of specimens tested for controlled/notifiable diseases	80 000	68 000	70 000	70 000
	• No. of specimens tested for non-controlled/notifiable diseases	73 000	45 600	45 000	45 000
	• No. of tests performed	263 000	400 000	440 000	170 000
	• No. of epidemiological studies conducted	4	2	2	2
	• No. of necropsy specimens processed	1 100	600	600	600
3.6 Animal identification	• No. of animals subjected to identification measures	62 000	40 000	40 000	40 000
3.7 Veterinary empowerment	• No. of farmers supported in veterinary matters	21 000	22 000	50 000	50 000
	• No. of veterinary facilities supported	50	60	70	30
4. Research and Technology Development Services					
4.1 Research and technology development services	• No. of research projects plans approved which address specific commodity's production constraints	17	11	12	13
	• No. of research projects implemented which address specific commodity's production constraints	69	70	75	80
	• No. of research projects completed which address specific commodity's production constraints	6	6	6	6
	• No. of scientific papers published	9	10	10	10
	• No. of presentations made at scientific events	4	4	4	4
	• No. of samples analysed	34 200	35 000	35 500	34 500
	• No. of mushroom packs produced	245 000	250 000	260 000	270 000
4.2 Infrastructure and support services	• No. of research infrastructure provided	11	5	6	6
	• No. of research infrastructure maintained	11	11	11	11
4.3 Technology transfer services	• No. of presentations made at technology transfer events	4	4	4	4
	• No. of demonstration trials conducted	11	12	15	17
	• No. of popular articles in media	8	10	10	10
	• No. of information packs disseminated (developed)	5	6	6	6
	• No. of technology transfer events conducted	25	27	30	33
5. Agricultural Economic Services					
5.1 Agri-business support and development	• No. of agri-businesses supported with agricultural economics advice toward accessing markets	36	20	40	42
	• No. of agricultural economic studies conducted	1 200	1 320	1 440	1 440
	• No. of clients supported with agricultural economic advice	1 200	2 000	1 440	1 540
	• No. of smallholder farmers/producers accessing marketing info	200	1 500	1 000	1 000
	• No. of new enterprise budgets developed	5	4	5	5
	• No. of enterprise budgets updated	36	98	90	90
	• No. of marketing/statistical reports developed	6	6	6	6
5.2 Macro-economic support	• No. of macro-economic information requests responded to	1 000	1 500	1 500	1 500
	• No. of macro-economic reports developed	5	4	4	4
6. Structured Agricultural Education and Training					
6.1 Further education and training	• No. of trained farmers receiving certification	2 500	2 500	4 400	4 200
	• No. of learners completing accredited skills programmes	20	40	40	40
	• No. of learners completing accredited short courses	360	400	360	360
	• No. of learners completing non-accredited short courses	300	450	450	450
6.2 Higher education and training (HET)	• No. of students registered into accredited HET qualifications	310	350	350	350
	• No. of students completing accredited HET qualifications	90	150	150	150

6.3 Programme 3: Environmental Affairs

This programme aims to ensure effective compliance and governance in respect of environmental management. The strategic objectives are as follows:

- To ensure integrated sustainable environmental planning.
- To mitigate the impact of and manage waste and pollutants.
- To empower communities with regard to sustainable resource utilisation.
- To prevent and control the spread of invasive alien species.

Tables 3.22 and 3.23 summarise payments and estimates for Programme 3, providing detail at sub-sub-programme level to largely conform to the uniform budget structure for the Environmental Affairs sector. It is noted that, in prior years, the department found it difficult to provide consistent information for all of the sub-sub-programmes prescribed by the sector. Accordingly, the department reviewed and rationalised the use of the various sub-sub-programmes and, from 2011/12, only reports on the sub-sub-programmes listed in Table 3.22, for which reliable information is readily available.

Table 3.22 : Summary of payments and estimates by sub-programme: Environmental Affairs

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Environmental Policy Planning and Co-ordination	9 332	3 069	3 311	5 780	6 151	6 151	6 140	6 466	6 811
Intergovt. Co-ordination, Spatial and Dev Planning	9 332	3 069	2 717	4 862	4 591	4 591	5 167	5 417	5 707
Climate Change Management	-	-	594	918	1 560	1 560	973	1 049	1 105
Compliance and Enforcement	48 279	29 682	28 659	32 234	26 999	26 999	34 322	35 997	37 933
Enviro. Quality Managemt Compliance and Enforcemnt	48 279	29 682	28 659	32 234	26 999	26 999	34 322	35 997	37 933
Environmental Quality Management	14 410	27 820	47 625	43 475	44 064	44 064	46 296	48 622	51 243
Impact Management	5 303	27 820	29 623	20 429	21 117	21 117	21 757	22 847	24 079
Air Quality Management	3 577	-	2 391	3 356	4 293	4 293	3 571	3 751	3 953
Pollution and Waste Management	5 530	-	15 611	19 690	18 654	18 654	20 968	22 024	23 211
Biodiversity Management	123 836	127 838	147 535	134 097	133 697	133 697	160 642	148 213	156 083
Biodiversity and Protected Area Plan. and Managemt	122 378	127 838	145 776	130 467	129 888	129 888	156 783	144 185	151 840
Coastal Management	1 458	-	1 759	3 630	3 809	3 809	3 859	4 028	4 242
Environmental Empowerment Services	7 237	32 887	31 354	25 987	30 662	30 662	27 683	29 082	30 651
Environmental Capacity Development and Support	7 237	32 887	31 354	25 987	30 662	30 662	27 683	29 082	30 651
Total	203 094	221 296	258 484	241 573	241 573	241 573	275 083	268 380	282 722

Table 3.23 : Summary of payments and estimates by economic classification: Environmental Affairs

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Current payments	193 360	218 993	245 093	238 243	238 212	238 212	271 637	264 402	278 586
Compensation of employees	64 448	71 641	83 510	89 849	88 047	88 047	95 832	100 783	106 295
Goods and services	128 912	147 352	161 583	148 394	150 165	150 165	175 805	163 619	172 291
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	6 973	1 368	937	1 400	1 431	1 431	1 400	1 400	1 421
Provinces and municipalities	6 960	900	17	1 000	1 000	1 000	1 000	1 000	1 000
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	400	400	400	400	400	400	400	421
Households	13	68	520	-	31	31	-	-	-
Payments for capital assets	2 761	935	12 454	1 930	1 930	1 930	2 046	2 578	2 715
Buildings and other fixed structures	271	-	-	-	-	-	-	-	-
Machinery and equipment	2 343	935	12 431	1 930	1 930	1 930	2 046	2 578	2 715
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	147	-	23	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	203 094	221 296	258 484	241 573	241 573	241 573	275 083	268 380	282 722

Programme 3 fluctuates over the seven years, with the bulk of the allocation being for IASP under the Biodiversity Management sub-programme.

As mentioned, the department found it extremely difficult to report expenditure accurately at the level required, and this accounts for the fluctuating trend across sub-programmes and sub-sub-programmes from 2010/11 to 2011/12. Also contributing to the fluctuating trend was the OSD for environmental officers, the internal moratorium on the filling of posts, as well as cost-cutting. In 2011/12, savings resulting from delays in the filling of posts and cost-cutting were moved to the sub-programmes: Environmental Policy Planning and Co-ordination under the sub-sub-programme: Climate Change Management, and Environmental Empowerment Services under the sub-sub-programme: Environmental Capacity Development and Support, to offset spending pressures relating to the events leading up to the COP 17 climate change conference. This accounts for the increase in the 2013/14 Adjusted Appropriation, as well as the decrease in the 2014/15 MTEF.

The sub-programme: Biodiversity Management under the sub-sub-programme Biodiversity and Protected Area Planning and Management houses IASP, and the additional funding allocated in this regard (with carry-through costs) accounts for the fluctuation in this sub-programme. The sharp increase in 2012/13 is largely due to additional funding for expanding the department's EPWP job creation initiative. This additional funding was once-off, accounting for the reduction in 2013/14. Also accounting for the decrease in 2013/14 is the reduction in the EPWP Integrated Grant for Provinces. The significant allocation in 2014/15 can be ascribed to the rectification of the EPWP Integrated Grant for Provinces allocation by the NDOPW, as previously mentioned.

The budgets of all sub-sub-programmes within Programme 3 fluctuate over the 2014/15 MTEF, contributing to the fluctuation of the sub-programmes as well.

Compensation of employees indicates a steady increase over the seven-year period, due to the implementation of the above-mentioned OSD and annual wage agreements. The slight reduction in the 2013/14 Adjusted Appropriation relates to delays in the filling of posts, as mentioned above.

Goods and services shows a steady increase over the seven-year period, largely due to additional funding for IASP. The increase in 2011/12 is attributable to the EPWP Integrated Grant for Provinces. The increase in 2012/13 is due to once-off additional funding of R40 million allocated toward expanding the department's EPWP job creation initiative, as well as the further increase in the EPWP Integrated Grant for Provinces allocation. This also explains the decrease in 2013/14. The increase from 2013/14 to 2014/15 relates to the EPWP Integrated Grant for Provinces, where the department's allocation in 2013/14 was a mere R550 000 compared to R19.008 million in 2014/15. This was as a result of an incorrect allocation by the NDOPW in 2013/14, which has been rectified in 2014/15. This grant has no allocation in the two outer years of the MTEF at this stage, and hence the decrease in 2015/16

With regard to *Transfers and subsidies*:

- *Provinces and municipalities* reflects transfers to various municipalities to address waste management and to develop IWMPs, EMFs and SEAs (in 2010/11 only), motor vehicle licences, as well as in respect of the Greenest Municipality Competition from 2011/12 and 2013/14 onward.
- *Non-profit institutions* reflects a new transfer of R400 000 per annum that was introduced in 2011/12 to WESSA, relating to environmental education programmes.
- *Households* caters for staff exit costs, which are difficult to predict, hence the fluctuating trend.

The 2010/11 amount against *Buildings and other fixed structures* includes provision for the acquisition of shipping containers that were required for storing inputs (such as herbicide chemicals) for IASP.

The fluctuations in *Machinery and equipment* are linked to the filling of vacant posts and the related purchase of office and computer equipment. The increase in 2012/13 was due to the increase in the department's vehicle fleet. The budget grows steadily over the 2014/15 MTEF.

The amounts against *Software and other intangible assets* relate to the purchase of environmental software, particularly in 2010/11.

Service delivery measures: Programme 3: Environmental Affairs

Table 3.24 shows service delivery pertaining to Programme 3. The information reflected largely complies with the customised measures prescribed for the Environmental Affairs sector, as revised in 2011. It is noted that the department reports on only those customised measures that are relevant and quantifiable, but also reports on several measures which are not prescribed by the sector.

Table 3.24 : Service delivery measures – Programme 3: Environmental Affairs

Outputs	Performance indicators	Estimated performance		Medium-term targets	
		2013/14	2014/15	2015/16	2016/17
1. Environmental Policy Planning and Co-ordination					
1.1 Policy Co-ordination and Environmental Planning	<ul style="list-style-type: none"> No. of intergovernmental sector tools reviewed No. of legislative tools developed No. of environmental research projects undertaken No. of functional environmental information management systems No. of climate change response tools developed 	80 10 11 12 1	80 12 2 12 1	80 14 3 12 1	80 16 4 12 1
2. Compliance and Enforcement					
2.1 Compliance and enforcement	<ul style="list-style-type: none"> No. of criminal enforcements actions finalised for non-compliance with environmental management legislation No. of administrative enforcement actions taken for non-compliance with environmental management legislation No. of compliance inspections conducted No. of received S24G applications finalised 	4 370 700 24	6 370 750 20	8 370 800 20	10 390 800 25
3. Environmental Quality Management					
3.1 Air Quality Management (AQM)	<ul style="list-style-type: none"> No. of designated state organs with approved AQM plans 	1	1	1	1
3.2 Impact management	<ul style="list-style-type: none"> No. of EIA finalised within legislated timeframes 	320	320	320	320
3.3 Pollution and waste management	<ul style="list-style-type: none"> No. of air emissions licence applications finalised within legislated timeframes No. of waste licence applications within legislated timeframes 	1 14	1 20	1 25	1 25
4. Biodiversity Management					
4.1 Biodiversity management	<ul style="list-style-type: none"> No. of ha of land under conservation (both private and public) No. of provincial protection areas with approved management plans No. of Biodiversity Spatial (sector) Plans published No. of coastal management programmes adopted 	822 347 30 6 6	852 275 36 8 2	870 000 40 10 2	870 000 40 12 2
5. Environmental Empowerment Services					
5.1 Capacity building and support	<ul style="list-style-type: none"> No. of job opportunities created through environmental programmes No. of environmental capacity building activities conducted No. of environmental awareness activities conducted 	16 000 44 1 000	16 000 44 1 000	20 000 50 1 000	20 000 50 1 000

6.4 Programme 4: Conservation

This programme consists of two sub-programmes, namely Grant-in-Aid, paid to SAAMBR, and Subsidy, comprising the payment to the public entity, EKZNW.

Tables 3.25 and 3.26 below show the payments and estimates relating to these two organisations.

Table 3.25 : Summary of payments and estimates by sub-programme: Conservation

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Grant-in-aid	3 086	3 990	4 600	5 227	5 227	5 227	5 540	5 795	6 102
SA Association for Marine Biological Research	3 086	3 990	4 600	5 227	5 227	5 227	5 540	5 795	6 102
Subsidy	431 382	491 317	549 893	606 034	586 522	586 522	657 895	646 819	681 825
Ezemvelo KZN Wildlife	431 382	491 317	549 893	606 034	586 522	586 522	657 895	646 819	681 825
Total	434 468	495 307	554 493	611 261	591 749	591 749	663 435	652 614	687 927

Table 3.26 : Summary of payments and estimates by economic classification: Conservation

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Current payments	-	-	-	-	-	-	-	-	-
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
	434 468	495 307	554 493	611 261	591 749	591 749	663 435	652 614	687 927
Transfers and subsidies to:									
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	431 382	491 317	549 893	606 034	586 522	586 522	657 895	646 819	681 825
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	3 086	3 990	4 600	5 227	5 227	5 227	5 540	5 795	6 102
Households	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	434 468	495 307	554 493	611 261	591 749	591 749	663 435	652 614	687 927

The bulk of Programme 4: Conservation comprises the subsidy paid to EKZNW, reflected against *Transfers and subsidies to: Departmental agencies and accounts*. The annual transfer to EKZNW shows good growth due to the carry-through costs of the annual wage agreements as well as substantial additional funding allocated for various projects. The 2011/12 amount is high as it includes additional funding for the improved terms and conditions of employment negotiated with organised labour, as well as a once-off amount of R17.850 million to enable the entity to reduce its high leave liability. The 2012/13 transfer includes additional funding for protected area expansion and road maintenance (increasing substantially from 2013/14 onward), as well as the Rhino Security Intervention plan. The road maintenance programme progressed much slower than planned, and this resulted in the suspension of R39.512 million of unspent and uncommitted funds in the 2013/14 Adjusted Appropriation with these funds re-allocated in 2014/15. This accounts for the decrease in 2015/16. The suspension in 2013/14 was partly offset by a once-off additional allocation of R20 million for the entity's Rhino Security Intervention plan (the entity received R19.152 million in 2012/13 for this purpose).

Also included under Programme 4 is the grant-in-aid to SAAMBR, which was increased by R1 million in 2010/11, with carry-through costs. This grant-in-aid is reflected under *Transfers and subsidies to: Non-profit institutions* and is transferred to the entity for marine biological research.

7. Other programme information

7.1 Personnel numbers and costs

Tables 3.27 and 3.28 above illustrate personnel estimates for the department by programme as at 31 March 2011 to 31 March 2017. It is noted that, in Table 3.27, Programme 4: Conservation reflects no personnel information, as this programme comprises the transfers made to two entities, namely EKZNW and SAAMBR. The table caters only for the staff employed by DAEARD, and not by these entities.

In 2012/13, after lengthy engagement with organised labour, the department commenced implementing the new organisational structure that was proposed in 2010/11, which provides for three regions. However, this new structure was recently reviewed once again, and it is now proposed that there should be five regions, with the aim of improving service delivery. This refined structure is being discussed at the appropriate levels, and it is envisaged that implementation thereof will commence in 2014/15, subject to the moratorium on the filling of non-critical posts. Once the structure is approved internally and

provincially, then the department will approach DPSA for ratification and approval. This refined structure will be phased in, and will be funded by reprioritising from within the existing budget allocation. For instance, in recent years, partly due to the internal moratorium as well as difficulty in recruiting suitably qualified candidates (prior to the OSD), substantial funds were vired from *Compensation of employees* to other areas. These funds remain in the baseline and will be redirected back to *Compensation of employees*.

Also, from the end of 2010/11, the assistant extension officer programme is catered for, accounting for the significant increase in personnel numbers under Programme 2: Agriculture. The number of assistant extension officers appointed increases substantially from 2012/13, in line with additional funding allocated for this purpose.

As a result of the agricultural functions carried out by the department, DAEARD is fairly labour intensive, with levels 1 to 6 comprising more than half of the total number of posts in the department. These levels include laboratory assistants, farm assistants, etc. Also, as mentioned, the assistant extension officer programme is catered for from 2010/11 onward. This accounts for the fairly low unit cost when compared to other provincial departments.

Table 3.27 : Personnel numbers and costs by programme

Personnel numbers	As at	As at	As at	As at	As at	As at	As at
	31 March 2011	31 March 2012	31 March 2013	31 March 2014	31 March 2015	31 March 2016	31 March 2017
1. Administration	380	386	409	409	409	409	409
2. Agriculture	2 792	3 265	3 062	3 401	3 417	3 417	3 417
of which							
Assistant extension officers	165	448	686	727	727	727	727
3. Environmental Affairs	213	216	259	235	237	237	237
4. Conservation	-	-	-	-	-	-	-
Total	3 385	3 867	3 730	4 045	4 063	4 063	4 063
Total personnel cost (R thousand)	673 107	784 502	846 583	919 191	984 815	1 035 600	1 091 767
Unit cost (R thousand)	199	203	227	227	242	255	269

Table 3.28 : Summary of departmental personnel numbers and costs by component

	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Total for department									
Personnel numbers (head count)	3 385	3 867	3 730	4 056	4 045	4 045	4 063	4 063	4 063
Personnel cost (R thousands)	673 107	784 502	846 583	923 226	919 191	919 191	984 815	1 035 600	1 091 767
Human resources component									
Personnel numbers (head count)	166	166	166	166	166	166	166	166	166
Personnel cost (R thousands)	23 286	24 421	25 518	26 794	26 794	26 794	28 214	29 709	31 284
Head count as % of total for department	4.90	4.29	4.45	4.09	4.10	4.10	4.09	4.09	4.09
Personnel cost as % of total for department	3.46	3.11	3.01	2.90	2.91	2.91	2.86	2.87	2.87
Finance component									
Personnel numbers (head count)	290	295	295	295	295	295	295	295	295
Personnel cost (R thousands)	50 248	53 686	56 687	59 521	59 521	59 521	62 676	65 997	69 495
Head count as % of total for department	8.57	7.63	7.91	7.27	7.29	7.29	7.26	7.26	7.26
Personnel cost as % of total for department	7.47	6.84	6.70	6.45	6.48	6.48	6.36	6.37	6.37
Full time workers									
Personnel numbers (head count)	3 086	3 097	3 044	3 256	3 318	3 318	3 336	3 336	3 336
Personnel cost (R thousands)	668 493	668 493	668 493	884 922	891 664	891 664	955 890	1 011 552	1 066 445
Head count as % of total for department	91.17	80.09	81.61	80.28	82.03	82.03	82.11	82.11	82.11
Personnel cost as % of total for department	99.31	85.21	78.96	95.85	97.01	97.01	97.06	97.68	97.68
Part-time workers									
Personnel numbers (head count)	-	-	-	-	-	-	-	-	-
Personnel cost (R thousands)	-	-	-	-	-	-	-	-	-
Head count as % of total for department	-	-	-	-	-	-	-	-	-
Personnel cost as % of total for department	-	-	-	-	-	-	-	-	-
Contract workers									
Personnel numbers (head count)	299	770	686	800	727	727	727	727	727
Personnel cost (R thousands)	4 614	20 920	35 966	38 304	27 527	27 527	28 925	24 048	25 322
Head count as % of total for department	8.83	19.91	18.39	19.72	17.97	17.97	17.89	17.89	17.89
Personnel cost as % of total for department	0.69	2.67	4.25	4.15	2.99	2.99	2.94	2.32	2.32

7.2 Training

Tables 3.29 and 3.30 give a summary of departmental spending and information on training per programme over the seven-year period.

The amounts reflected pertain to capacitating and improving the skills of the staff of the department. As required by the Skills Development Act, the department budgets at least 1 per cent of its salary expense for staff training. This requirement gives credence to government policy on human resource development.

It is noted that Programme 4: Conservation reflects no training statistics, as any training undertaken by EKZNW or SAAMBR is paid for by the relevant entity, and therefore is included in the subsidy/grant-in-aid transferred to these entities.

Table 3.29 : Payments on training by programme

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
1. Administration	3 758	1 143	5 005	6 999	6 999	6 999	7 384	7 723	8 109
Subsistence and travel	-	-	-	-	-	-	-	-	-
Payments on tuition	-	-	-	-	-	-	-	-	-
Other	3 758	1 143	5 005	6 999	6 999	6 999	7 384	7 723	8 109
2. Agriculture	3 898	11 339	6 935	9 901	9 901	9 901	10 157	10 624	11 155
Subsistence and travel	-	-	-	-	-	-	-	-	-
Payments on tuition	-	-	-	-	-	-	-	-	-
Other	3 898	11 339	6 935	9 901	9 901	9 901	10 157	10 624	11 155
3. Environmental Affairs	173	766	928	2 354	2 354	2 354	2 483	2 597	2 727
Subsistence and travel	-	-	-	-	-	-	-	-	-
Payments on tuition	-	-	-	-	-	-	-	-	-
Other	173	766	928	2 354	2 354	2 354	2 483	2 597	2 727
4. Conservation	-	-	-	-	-	-	-	-	-
Subsistence and travel	-	-	-	-	-	-	-	-	-
Payments on tuition	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total	7 829	13 248	12 868	19 254	19 254	19 254	20 024	20 944	21 991

The substantial increase against Programme 2 in 2011/12, continuing over the MTEF, relates to the assistant extension officer programme.

Table 3.30 illustrates the number of staff affected by the various training programmes and initiatives. It also includes a gender breakdown, an indication of the types of training, as well as details of the number of bursaries and learnerships. The department will continue to enhance the skills and development of its human capital.

Table 3.30 : Information on training: Agriculture, Environmental Affairs and Rural Development

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Number of staff	3 523	4 061	3 709	4 045	4 045	4 045	4 063	4 063	4 063
Number of personnel trained	3 100	3 200	3 300	3 340	3 340	3 340	3 360	3 380	3 390
of which									
Male	1 450	1 500	1 550	1 560	1 560	1 560	1 565	1 580	1 585
Female	1 650	1 700	1 750	1 780	1 780	1 780	1 795	1 800	1 805
Number of training opportunities	2 711	2 714	2 714	2 739	2 739	2 739	2 739	2 779	2 794
of which									
Tertiary	200	200	200	210	210	210	210	230	230
Workshops	2 500	2 500	2 500	2 510	2 510	2 510	2 510	2 510	2 520
Seminars	7	10	10	15	15	15	15	35	40
Other	4	4	4	4	4	4	4	4	4
Number of bursaries offered	200	200	200	200	200	200	200	200	200
Number of interns appointed	175	175	175	175	175	175	175	175	175
Number of learnerships appointed	-	-	-	-	-	-	-	-	-
Number of days spent on training	6 790	6 790	6 820	6 900	6 900	6 900	6 900	6 900	6 900

ANNEXURE – VOTE 3: AGRICULTURE, ENVIRONMENTAL AFFAIRS AND RURAL DEVELOPMENT

Table 3.A : Details of departmental receipts: Agriculture, Environmental Affairs and Rural Development

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	13 716	15 984	16 806	15 724	15 724	16 088	19 015	20 165	21 300
Sale of goods and services produced by dept. (excl. capital assets)	12 355	15 976	16 806	15 724	15 724	16 088	19 015	20 165	21 300
Sales by market establishments	3 288	4 364	4 843	4 217	4 217	4 217	3 642	3 660	3 679
Administrative fees	1 504	1 581	1 530	1 605	1 605	1 605	1 638	1 634	1 636
Other sales	7 563	10 031	10 433	9 902	9 902	10 266	13 735	14 871	15 985
<i>Of which</i>									
<i>Tuition fees</i>	3 448	4 188	2 973	4 005	4 005	4 005	6 684	7 339	7 933
<i>Laboratory services (soil and animal testing)</i>	1 608	2 007	2 050	2 647	2 647	2 647	2 642	2 826	3 024
<i>Sale of surplus agricultural produce</i>	1 315	1 027	1 430	1 450	1 450	1 450	1 575	1 685	1 803
<i>Other</i>	330	393	186	400	400	400	503	549	598
Sale of scrap, waste, arms and other used current goods (excl. capital assets)	1 361	8	-	-	-	-	-	-	-
Transfers received from:	-	-	-	-	-	-	-	-	-
Other governmental units	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments	-	-	-	-	-	-	-	-	-
International organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households and non-profit institutions	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	1 487	111	705	-	-	868	500	500	500
Interest, dividends and rent on land	24	44	27	20	20	233	20	21	22
Interest	16	30	19	20	20	233	20	21	22
Dividends	-	-	-	-	-	-	-	-	-
Rent on land	8	14	8	-	-	-	-	-	-
Sale of capital assets	733	5 218	2 730	3 240	3 240	3 750	3 801	3 976	4 187
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Other capital assets	733	5 218	2 730	3 240	3 240	3 750	3 801	3 976	4 187
Transactions in financial assets and liabilities	2 574	1 330	1 835	500	500	1 701	500	500	527
Total	18 534	22 687	22 103	19 484	19 484	22 640	23 836	25 162	26 535

Table 3.B : Payments and estimates by economic classification: Agriculture, Environmental Affairs and Rural Development

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Current payments	1 309 684	1 570 439	1 883 302	1 931 870	1 917 165	1 917 165	2 029 984	2 068 949	2 161 901
Compensation of employees	673 107	784 502	846 583	923 226	919 191	919 191	984 815	1 035 600	1 091 767
Salaries and wages	577 524	679 833	734 071	800 427	796 392	796 392	854 651	899 276	948 165
Social contributions	95 583	104 669	112 512	122 799	122 799	122 799	130 164	136 324	143 602
Goods and services	636 534	785 883	1 036 692	1 008 644	997 974	997 974	1 045 169	1 033 349	1 070 134
Administrative fees	238	127	102	1 842	1 842	1 842	1 941	2 030	2 138
Advertising	8 706	15 042	22 278	12 120	12 120	12 120	12 895	12 540	13 205
Assets less than the capitalisation threshold	6 904	8 634	6 692	16 028	16 028	16 028	16 985	17 766	18 708
Audit cost: External	4 472	3 961	4 295	4 627	4 627	4 627	4 869	5 093	5 363
Bursaries: Employees	5 286	6 486	12 369	6 046	1 665	1 665	620	649	683
Catering: Departmental activities	7 691	11 661	8 962	4 515	4 515	4 515	4 131	4 322	4 598
Communication (G&S)	31 645	27 208	31 815	37 079	28 019	28 019	28 306	30 984	32 698
Computer services	20 952	14 263	18 750	24 568	24 568	24 568	25 453	26 125	27 510
Cons & prof serv: Business and advisory services	12 351	3 071	941	8 884	8 884	8 884	9 334	9 763	10 280
Cons & prof serv: Infras and planning	57 019	49 845	125 030	247 415	247 415	247 415	258 756	236 403	230 831
Cons & prof serv: Laboratory services	138	1	5	894	894	894	944	989	1 041
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	8 881	4 874	4 410	7 227	7 227	7 227	7 625	7 975	8 398
Contractors	11 864	31 675	62 167	28 097	28 097	28 097	29 277	30 625	32 248
Agency and support / outsourced services	137 788	134 711	150 679	153 202	154 973	154 973	178 212	166 027	174 826
Entertainment	86	139	-	382	382	382	403	421	443
Fleet services (incl. govt motor transport)	18 000	23 046	29 782	24 584	24 584	24 584	28 658	28 455	29 963
Housing	-	36	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	79 589	83 568	87 997
Inventory: Food and food supplies	123	123	258	1 907	2 907	2 907	2 011	2 104	2 216
Inventory: Fuel, oil and gas	8 556	24 966	12 188	2 638	2 638	2 638	2 784	2 912	3 066
Inventory: Learner and teacher support material	1 471	1 366	1 150	2 558	2 558	2 558	2 700	2 824	2 974
Inventory: Materials and supplies	3 452	4 521	7 901	3 484	3 484	3 484	3 677	3 858	4 062
Inventory: Medical supplies	2 930	1 179	327	8 948	8 948	8 948	9 439	9 873	10 396
Inventory: Medicine	13 694	10 873	42 122	-	-	-	-	-	-
Medias inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	141 077	242 816	283 808	245 805	245 805	245 805	161 301	164 739	173 470
Consumable: Stationery, printing and office supplies	8 194	10 668	10 483	12 200	12 200	12 200	12 902	13 499	14 214
Operating leases	16 260	12 469	25 544	16 456	16 456	16 456	17 358	18 157	19 119
Property payments	31 833	30 567	48 698	36 541	36 541	36 541	38 541	40 314	42 451
Transport provided: Departmental activity	2 421	5 490	1 169	2 220	2 220	2 220	2 341	2 449	2 579
Travel and subsistence	59 755	74 361	93 803	73 258	73 258	73 258	77 791	81 350	85 662
Training and development	7 829	14 350	12 867	19 254	19 254	19 254	20 024	20 943	22 053
Operating payments	836	5 839	8 064	2 122	2 122	2 122	2 289	2 395	2 522
Venues and facilities	6 082	11 515	8 324	3 743	3 743	3 743	4 013	4 197	4 419
Rental and hiring	-	-	1 709	-	-	-	-	-	-
Interest and rent on land	43	54	27	-	-	-	-	-	-
Interest	43	54	27	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	639 291	661 883	714 839	732 790	738 936	738 936	843 247	827 108	871 616
Provinces and municipalities	7 268	1 548	1 224	1 472	1 472	1 472	1 533	1 602	1 634
Provinces	308	648	1 207	472	472	472	533	602	634
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	308	648	1 207	472	472	472	533	602	634
Municipalities	6 960	900	17	1 000	1 000	1 000	1 000	1 000	1 000
Municipalities	6 960	900	17	1 000	1 000	1 000	1 000	1 000	1 000
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	535 454	592 078	615 653	669 034	668 916	668 916	764 305	757 912	798 805
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	535 454	592 078	615 653	669 034	668 916	668 916	764 305	757 912	798 805
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	86 370	47 561	71 008	50 792	54 792	54 792	65 252	55 146	58 069
Public corporations	86 370	47 561	69 569	50 792	50 792	50 792	65 252	55 146	58 069
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	86 370	47 561	69 569	50 792	50 792	50 792	65 252	55 146	58 069
Private enterprises	-	-	1 439	-	4 000	4 000	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	1 439	-	4 000	4 000	-	-	-
Non-profit institutions	3 086	9 295	15 291	5 627	6 627	6 627	5 940	6 195	6 523
Households	7 113	11 401	11 663	5 865	7 129	7 129	6 217	6 253	6 584
Social benefits	7 113	8 307	10 989	5 865	7 129	7 129	6 217	6 253	6 584
Other transfers to households	-	3 094	674	-	-	-	-	-	-
Payments for capital assets	96 881	242 634	251 071	197 922	193 922	193 922	196 924	197 480	207 946
Buildings and other fixed structures	44 738	96 623	155 083	144 868	140 868	140 868	140 687	138 342	145 674
Buildings	17 230	7 158	21 466	17 980	17 980	17 980	18 969	19 917	20 973
Other fixed structures	27 508	89 465	133 617	126 888	122 888	122 888	121 718	118 425	124 702
Machinery and equipment	51 616	138 414	85 768	52 017	52 017	52 017	55 138	57 994	61 068
Transport equipment	4 016	27 266	50 065	17 523	17 523	17 523	18 305	19 147	20 162
Other machinery and equipment	47 600	111 148	35 703	34 494	34 494	34 494	36 833	38 847	40 906
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	138	7 354	9 542	553	553	553	586	609	641
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	389	243	678	484	484	484	513	535	563
Payments for financial assets	-	422	-	-	-	-	-	-	-
Total	2 045 856	2 475 378	2 849 212	2 862 582	2 850 023	2 850 023	3 070 155	3 093 537	3 241 463

Table 3.C : Payments and estimates by economic classification: Administration

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
				2013/14					
Current payments	224 802	221 814	277 769	285 150	272 254	272 254	287 051	300 821	317 070
Compensation of employees	102 392	118 785	129 938	136 330	135 875	135 875	145 453	154 423	162 794
Salaries and wages	89 882	105 278	113 887	122 403	121 948	121 948	130 690	138 833	146 378
Social contributions	12 510	13 507	16 051	13 927	13 927	13 927	14 763	15 590	16 416
Goods and services	122 410	102 975	147 804	148 820	136 379	136 379	141 598	146 398	154 276
Administrative fees	18	16	-	33	33	33	35	37	39
Advertising	7 376	11 273	20 330	9 128	9 128	9 128	9 740	9 240	9 730
Assets less than the capitalisation threshold	2 325	2 552	712	2 054	2 054	2 054	2 167	2 267	2 387
Audit cost: External	4 472	3 961	4 295	4 276	4 276	4 276	4 511	4 719	4 969
Bursaries: Employees	5 286	4 273	9 973	5 500	1 119	1 119	-	-	(0)
Catering: Departmental activities	1 585	921	1 926	1 891	1 891	1 891	1 375	1 438	1 562
Communication (G&S)	13 095	11 788	14 295	16 949	7 889	7 889	7 015	8 693	9 225
Computer services	18 880	13 449	18 077	20 437	20 437	20 437	21 150	22 021	23 188
Cons & prof serv: Business and advisory services	10 115	1 315	436	4 017	4 017	4 017	4 238	4 433	4 668
Cons & prof serv: Infras and planning	3 843	29	553	1 550	1 550	1 550	1 635	1 710	1 801
Cons & prof serv: Laboratory services	-	-	5	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	8 604	4 863	4 410	7 105	7 105	7 105	7 496	7 841	8 257
Contractors	1 390	3 690	7 400	920	920	920	971	1 016	1 070
Agency and support / outsourced services	9 082	8 103	353	19 846	19 846	19 846	19 333	19 722	20 767
Entertainment	-	-	-	90	90	90	95	99	104
Fleet services (incl. govt motor transport)	2 307	2 362	6 766	6 826	6 826	6 826	10 336	9 291	9 783
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	46	61	78	201	1 201	1 201	212	222	234
Inventory: Fuel, oil and gas	-	-	84	84	84	84	89	93	98
Inventory: Learner and teacher support material	-	84	9	244	244	244	257	269	283
Inventory: Materials and supplies	405	90	79	150	150	150	158	165	174
Inventory: Medical supplies	37	8	-	6	6	6	6	6	6
Inventory: Medicine	87	37	67	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	809	664	741	853	853	853	897	938	988
Consumable: Stationery, printing and office supplies	2 551	4 385	5 306	3 452	3 452	3 452	3 652	3 820	4 022
Operating leases	1 158	985	1 366	1 746	1 746	1 746	1 842	1 927	2 029
Property payments	9 211	10 884	21 524	10 124	10 124	10 124	10 670	11 161	11 753
Transport provided: Departmental activity	1 304	287	594	-	-	-	-	-	-
Travel and subsistence	12 806	13 438	21 269	23 454	23 454	23 454	25 328	26 494	27 898
Training and development	3 758	2 245	5 005	6 999	6 999	6 999	7 384	7 724	8 133
Operating payments	174	619	1 082	375	375	375	396	414	436
Venues and facilities	1 686	593	1 069	510	510	510	610	638	672
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	54	27	-	-	-	-	-	-
Interest	-	54	27	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	554	3 356	2 227	290	745	745	307	322	339
Provinces and municipalities	263	291	701	290	290	290	307	322	339
Provinces	263	291	701	290	290	290	307	322	339
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	263	291	701	290	290	290	307	322	339
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	30	-	-	-	-	-	-
Public corporations	-	-	30	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	30	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	291	3 065	1 496	-	455	455	-	-	-
Social benefits	291	1 630	822	-	455	455	-	-	-
Other transfers to households	-	1 435	674	-	-	-	-	-	-
Payments for capital assets	23 968	31 559	54 891	42 090	42 090	42 090	44 525	46 749	49 227
Buildings and other fixed structures	17 230	6 448	21 466	17 980	17 980	17 980	18 969	19 917	20 973
Buildings	17 230	6 448	21 466	17 980	17 980	17 980	18 969	19 917	20 973
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	6 590	25 111	32 950	24 037	24 037	24 037	25 479	26 753	28 171
Transport equipment	4 016	19 232	19 381	15 287	15 287	15 287	15 935	16 668	17 551
Other machinery and equipment	2 574	5 879	13 569	8 750	8 750	8 750	9 544	10 085	10 620
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	148	-	475	73	73	73	77	79	83
Payments for financial assets	-	422	-	-	-	-	-	-	-
Total	249 324	257 151	334 887	327 530	315 089	315 089	331 883	347 892	366 635

Table 3.D : Payments and estimates by economic classification: Agriculture

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Current payments	891 522	1 129 632	1 360 440	1 408 477	1 406 699	1 406 699	1 471 296	1 503 726	1 566 246
Compensation of employees	506 267	594 076	633 135	697 407	695 269	695 269	743 530	780 394	822 678
Salaries and wages	431 997	512 680	546 565	598 885	597 107	597 107	639 481	671 534	708 048
Social contributions	74 270	81 396	86 570	98 522	98 162	98 162	104 049	108 860	114 630
Goods and services	385 212	535 556	727 305	711 430	711 430	711 430	727 766	723 332	743 568
Administrative fees	142	83	71	1 512	1 512	1 512	1 592	1 665	1 753
Advertising	898	1 340	1 425	2 364	2 364	2 364	2 492	2 606	2 744
Assets less than the capitalisation threshold	2 976	3 966	4 721	13 168	13 168	13 168	13 967	14 609	15 383
Audit cost: External	-	-	-	12	12	12	-	-	-
Bursaries: Employees	-	2 213	2 396	505	505	505	577	604	636
Catering: Departmental activities	5 875	8 730	6 439	2 005	2 005	2 005	2 103	2 200	2 317
Communication (G&S)	17 181	14 259	16 400	19 040	19 040	19 040	20 141	21 068	22 185
Computer services	1 837	676	595	3 221	3 221	3 221	3 342	3 495	3 680
Cons & prof serv: Business and advisory services	207	447	43	486	486	486	474	496	522
Cons & prof serv: Infras and planning	52 665	49 661	124 477	245 865	245 865	245 865	257 121	234 693	229 031
Cons & prof serv: Laboratory services	138	1	-	839	839	839	886	928	977
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	277	4	-	-	-	-	-	-	-
Contractors	9 220	26 994	50 441	24 293	24 293	24 293	25 264	26 427	27 828
Agency and support / outsourced services	24 268	28 460	17 496	23 094	23 094	23 094	24 125	25 235	26 572
Entertainment	86	139	-	272	272	272	287	300	316
Fleet services (incl. govt motor transport)	15 343	19 920	22 461	17 702	17 702	17 702	18 263	19 102	20 114
Housing	-	36	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	79 589	83 568	87 997
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	69	47	162	1 666	1 666	1 666	1 757	1 838	1 935
Inventory: Fuel, oil and gas	3 774	6 697	8 638	2 534	2 534	2 534	2 674	2 797	2 945
Inventory: Learner and teacher support material	1 165	834	1 141	2 110	2 110	2 110	2 227	2 329	2 452
Inventory: Materials and supplies	2 842	4 406	7 733	3 305	3 305	3 305	3 489	3 660	3 854
Inventory: Medical supplies	2 728	175	327	8 878	8 878	8 878	9 366	9 797	10 316
Inventory: Medicine	13 607	10 836	42 055	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	138 312	240 161	280 570	237 162	237 162	237 162	151 469	154 455	162 641
Consumable: Stationery, printing and office supplies	4 535	5 423	4 245	7 077	7 077	7 077	7 486	7 833	8 248
Operating leases	14 952	11 137	23 975	14 057	14 057	14 057	14 827	15 509	16 331
Property payments	22 622	19 683	27 174	26 219	26 219	26 219	27 662	28 935	30 469
Transport provided: Departmental activity	1 096	4 014	526	-	-	-	-	-	-
Travel and subsistence	40 347	52 180	63 258	40 334	40 334	40 334	42 369	44 313	46 662
Training and development	3 898	11 339	6 934	9 901	9 901	9 901	10 157	10 623	11 186
Operating payments	593	4 478	5 941	1 499	1 499	1 499	1 631	1 707	1 797
Venues and facilities	3 559	7 217	5 952	2 310	2 310	2 310	2 429	2 540	2 675
Rental and hiring	-	-	1 709	-	-	-	-	-	-
Interest and rent on land	43	-	-	-	-	-	-	-	-
Interest	43	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	197 296	161 852	157 182	119 839	145 011	145 011	178 105	172 772	181 929
Provinces and municipalities	45	357	506	182	182	182	226	280	295
Provinces	45	357	506	182	182	182	226	280	295
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	45	357	506	182	182	182	226	280	295
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	104 072	100 761	65 760	63 000	82 394	82 394	106 410	111 093	116 981
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	104 072	100 761	65 760	63 000	82 394	82 394	106 410	111 093	116 981
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	86 370	47 561	70 978	50 792	54 792	54 792	65 252	55 146	58 069
Public corporations	86 370	47 561	69 539	50 792	50 792	50 792	65 252	55 146	58 069
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	86 370	47 561	69 539	50 792	50 792	50 792	65 252	55 146	58 069
Private enterprises	-	-	1 439	-	4 000	4 000	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	1 439	-	4 000	4 000	-	-	-
Non-profit institutions	-	4 905	10 291	-	1 000	1 000	-	-	-
Households	6 809	8 268	9 647	5 865	6 643	6 643	6 217	6 253	6 584
Social benefits	6 809	6 615	9 647	5 865	6 643	6 643	6 217	6 253	6 584
Other transfers to households	-	1 653	-	-	-	-	-	-	-
Payments for capital assets	70 152	210 140	183 726	153 902	149 902	149 902	150 353	148 153	156 005
Buildings and other fixed structures	27 237	90 175	133 617	126 888	122 888	122 888	121 718	118 425	124 702
Buildings	-	710	-	-	-	-	-	-	-
Other fixed structures	27 237	89 465	133 617	126 888	122 888	122 888	121 718	118 425	124 702
Machinery and equipment	42 683	112 368	40 387	26 050	26 050	26 050	27 613	28 663	30 182
Transport equipment	-	8 034	19 563	2 236	2 236	2 236	2 370	2 479	2 610
Other machinery and equipment	42 683	104 334	20 824	23 814	23 814	23 814	25 243	26 184	27 572
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	138	7 354	9 542	553	553	553	586	609	641
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	94	243	180	411	411	411	436	456	480
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	1 158 970	1 501 624	1 701 348	1 682 218	1 701 612	1 701 612	1 799 754	1 824 651	1 904 179

Table 3.E : Details of payments and estimates by economic classification - Sub-programme: Sustainable Resource Management

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
				2013/14					
Current payments	55 596	63 209	88 890	94 068	112 158	112 158	90 745	94 644	100 246
Compensation of employees	22 204	23 359	24 183	22 863	22 863	22 863	24 386	25 642	27 030
Salaries and wages	19 330	20 354	21 062	21 323	21 323	21 323	22 754	23 935	25 233
Social contributions	2 874	3 005	3 121	1 540	1 540	1 540	1 632	1 707	1 797
Goods and services	33 392	39 850	64 707	71 205	89 295	89 295	66 359	69 002	73 216
Administrative fees	78	-	-	50	50	50	50	52	55
Advertising	-	-	-	40	40	40	40	42	44
Assets less than the capitalisation threshold	77	56	62	495	495	495	595	622	655
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	100	100	100	150	157	165
Catering: Departmental activities	-	213	208	235	235	235	235	246	259
Communication (G&S)	243	266	394	483	483	483	564	587	618
Computer services	223	337	358	496	496	496	527	551	580
Cons & prof serv: Business and advisory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Infras and planning	21 836	22 094	44 185	45 788	63 878	63 878	39 416	40 823	43 543
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	-	-	-	-	-	-	-	-	-
Contractors	100	927	111	504	504	504	668	699	736
Agency and support / outsourced services	14	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	-	2	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	109	5	1	80	80	80	86	90	95
Inventory: Medical supplies	-	-	-	16	16	16	16	17	18
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	7 725	10 757	12 931	17 190	17 190	17 190	18 171	19 007	20 014
Consumable: Stationery, printing and office supplies	59	75	74	394	394	394	406	425	448
Operating leases	-	62	8	78	78	78	78	82	86
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	2 862	4 598	5 930	4 529	4 529	4 529	4 593	4 803	5 058
Training and development	66	174	69	482	482	482	464	485	511
Operating payments	-	182	213	95	95	95	150	157	165
Venues and facilities	-	30	163	150	150	150	150	157	165
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to	4 045	163	1 510	2 060	2 060	2 060	2 183	2 284	2 405
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	3 344	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving funds	3 344	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	1 121	1 657	1 657	1 657	1 756	1 837	1 934
Public corporations	-	-	1 121	1 657	1 657	1 657	1 756	1 837	1 934
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	1 121	1 657	1 657	1 657	1 756	1 837	1 934
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	701	163	389	403	403	403	427	447	471
Social benefits	701	163	389	403	403	403	427	447	471
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	1 824	943	394	2 286	2 286	2 286	2 423	2 534	2 668
Buildings and other fixed structures	1 311	182	-	-	-	-	-	-	-
Buildings	-	182	-	-	-	-	-	-	-
Other fixed structures	1 311	-	-	-	-	-	-	-	-
Machinery and equipment	478	761	394	2 222	2 222	2 222	2 355	2 463	2 594
Transport equipment	-	-	93	-	-	-	-	-	-
Other machinery and equipment	478	761	301	2 222	2 222	2 222	2 355	2 463	2 594
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	35	-	-	64	64	64	68	71	75
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	61 465	64 315	90 794	98 414	116 504	116 504	95 351	99 462	105 319

Table 3.F : Details of payments and estimates by economic classification - Sub-programme: Farmer Support and Development

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Current payments	556 528	746 796	890 815	921 135	902 267	902 267	962 300	970 238	1 003 596
Compensation of employees	297 210	329 834	354 890	407 986	407 208	407 208	435 601	456 798	481 601
Salaries and wages	252 094	280 251	302 359	347 224	346 446	346 446	371 193	389 427	410 660
Social contributions	45 116	49 583	52 531	60 762	60 762	60 762	64 408	67 371	70 942
Goods and services	259 318	416 962	535 925	513 149	495 059	495 059	526 699	513 440	521 995
Administrative fees	19	-	10	1 040	1 040	1 040	1 097	1 148	1 209
Advertising	831	1 082	1 420	1 574	1 574	1 574	1 661	1 737	1 829
Assets less than the capitalisation threshold	1 644	2 474	2 775	9 578	9 578	9 578	10 105	10 570	11 130
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	2 396	405	405	405	427	447	471
Catering: Departmental activities	5 477	8 431	6 083	1 647	1 647	1 647	1 738	1 818	1 914
Communication (G&S)	14 980	12 713	14 479	17 165	17 165	17 165	18 105	18 943	19 947
Computer services	1 568	160	27	2 556	2 556	2 556	2 697	2 821	2 971
Cons & prof serv: Business and advisory services	207	447	43	474	474	474	474	496	522
Cons & prof serv: Infras and planning	29 180	24 897	72 220	173 520	155 430	155 430	188 731	163 587	153 600
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	277	4	-	-	-	-	-	-	-
Contractors	5 696	20 089	41 765	18 507	18 507	18 507	19 025	19 900	20 955
Agency and support / outsourced services	11 114	14 496	6 139	5 099	5 099	5 099	5 379	5 626	5 924
Entertainment	86	139	-	272	272	272	287	300	316
Fleet services (incl. govt motor transport)	14 281	18 295	20 514	15 515	15 515	15 515	15 956	16 690	17 575
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	79 589	83 568	87 997
Inventory: Food and food supplies	64	40	142	1 527	1 527	1 527	1 611	1 685	1 774
Inventory: Fuel, oil and gas	2 570	5 135	6 123	828	828	828	874	914	962
Inventory: Learner and teacher support material	230	1	15	104	104	104	110	115	121
Inventory: Materials and supplies	232	2 327	6 736	1 488	1 488	1 488	1 570	1 642	1 729
Inventory: Medical supplies	7	12	55	122	122	122	129	135	142
Inventory: Medicine	13 607	6 144	23 047	-	-	-	-	-	-
Medas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	85 921	215 049	237 721	193 693	193 693	193 693	105 356	106 218	111 848
Consumable: Stationery, printing and office supplies	2 704	2 344	2 574	4 158	4 158	4 158	4 387	4 589	4 832
Operating leases	14 098	9 846	22 222	12 469	12 469	12 469	13 155	13 760	14 489
Property payments	20 740	18 277	16 874	22 724	22 724	22 724	23 974	25 077	26 406
Transport provided: Departmental activity	1 096	4 014	526	-	-	-	-	-	-
Travel and subsistence	25 349	29 714	34 130	22 933	22 933	22 933	24 194	25 307	26 648
Training and development	3 550	11 010	6 786	3 285	3 285	3 285	3 466	3 625	3 817
Operating payments	231	2 882	4 158	981	981	981	1 035	1 083	1 140
Venues and facilities	3 559	6 940	5 352	1 485	1 485	1 485	1 567	1 639	1 726
Rental and hiring	-	-	1 593	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to	191 805	154 196	142 913	117 336	141 508	141 508	175 452	170 002	179 012
Provinces and municipalities	45	355	418	182	182	182	226	280	295
Provinces	45	355	418	182	182	182	226	280	295
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	45	355	418	182	182	182	226	280	295
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	100 728	100 761	65 760	63 000	82 394	82 394	106 410	111 093	116 981
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving funds	100 728	100 761	65 760	63 000	82 394	82 394	106 410	111 093	116 981
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	86 370	47 561	69 857	49 135	53 135	53 135	63 496	53 309	56 134
Public corporations	86 370	47 561	68 418	49 135	49 135	49 135	63 496	53 309	56 134
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	86 370	47 561	68 418	49 135	49 135	49 135	63 496	53 309	56 134
Private enterprises	-	-	1 439	-	4 000	4 000	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	1 439	-	4 000	4 000	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	4 662	5 519	6 878	5 019	5 797	5 797	5 320	5 320	5 602
Social benefits	4 662	5 472	6 878	5 019	5 797	5 797	5 320	5 320	5 602
Other transfers to households	-	47	-	-	-	-	-	-	-
Payments for capital assets	62 562	193 381	145 618	117 187	113 187	113 187	111 547	107 788	113 501
Buildings and other fixed structures	23 577	83 073	104 801	104 296	100 296	100 296	97 882	93 494	98 449
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	23 577	83 073	104 801	104 296	100 296	100 296	97 882	93 494	98 449
Machinery and equipment	38 985	102 956	31 423	12 852	12 852	12 852	13 624	14 251	15 006
Transport equipment	-	6 564	17 460	2 236	2 236	2 236	2 370	2 479	2 610
Other machinery and equipment	38 985	96 392	13 963	10 616	10 616	10 616	11 254	11 772	12 396
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	7 196	9 394	24	24	24	25	26	27
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	156	-	15	15	15	16	17	18
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	810 895	1 094 373	1 179 346	1 155 658	1 156 962	1 156 962	1 249 299	1 248 028	1 296 109

Table 3.G : Details of payments and estimates by economic classification - Sub-programme: Veterinary Services

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Current payments	118 213	109 228	142 311	130 539	130 539	130 539	138 954	145 862	153 708
Compensation of employees	69 956	83 879	85 725	87 490	87 490	87 490	93 322	98 130	103 446
Salaries and wages	59 944	72 725	73 578	77 111	77 111	77 111	82 320	86 622	91 328
Social contributions	10 012	11 154	12 147	10 379	10 379	10 379	11 002	11 508	12 118
Goods and services	48 257	25 349	56 586	43 049	43 049	43 049	45 632	47 732	50 262
Administrative fees	36	79	21	345	345	345	364	380	400
Advertising	-	182	-	195	195	195	206	215	226
Assets less than the capitalisation threshold	28	87	145	957	957	957	1 010	1 056	1 112
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	11	53	29	71	71	71	75	78	82
Communication (G&S)	524	415	484	537	537	537	567	593	624
Computer services	2	11	6	112	112	112	118	123	130
Cons & prof serv: Business and advisory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Infras and planning	-	-	4 603	26	26	26	27	28	29
Cons & prof serv: Laboratory services	132	1	-	505	505	505	533	558	588
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	-	-	-	-	-	-	-	-	-
Contractors	377	2 358	2 922	393	393	393	415	434	457
Agency and support / outsourced services	355	367	689	4 111	4 111	4 111	4 337	4 537	4 777
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	-	60	167	465	465	465	491	513	540
Housing	-	36	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	1	-	16	25	25	25	26	27	28
Inventory: Fuel, oil and gas	130	177	457	653	653	653	689	721	759
Inventory: Learner and teacher support material	5	8	10	251	251	251	265	277	292
Inventory: Materials and supplies	1 471	50	224	289	289	289	305	319	336
Inventory: Medical supplies	2 255	163	256	7 856	7 856	7 856	8 288	8 669	9 128
Inventory: Medicine	-	4 060	18 451	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	35 624	5 738	14 196	15 287	15 287	15 287	16 341	17 096	18 002
Consumable: Stationery, printing and office supplies	463	1 751	498	1 087	1 087	1 087	1 147	1 200	1 264
Operating leases	69	74	145	266	266	266	281	294	310
Property payments	20	44	406	415	415	415	438	458	482
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	6 627	8 833	11 970	7 361	7 361	7 361	7 766	8 124	8 555
Training and development	43	103	-	1 190	1 190	1 190	1 255	1 313	1 383
Operating payments	84	699	865	294	294	294	310	324	341
Venues and facilities	-	-	26	358	358	358	378	395	416
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to	736	5 380	11 476	276	276	276	293	306	322
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving funds	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	4 905	10 291	-	-	-	-	-	-
Households	736	475	1 185	276	276	276	293	306	322
Social benefits	736	469	1 185	276	276	276	293	306	322
Other transfers to households	-	6	-	-	-	-	-	-	-
Payments for capital assets	137	883	599	2 655	2 655	2 655	2 814	2 943	3 099
Buildings and other fixed structures	-	883	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	883	-	-	-	-	-	-	-
Machinery and equipment	119	-	599	2 655	2 655	2 655	2 814	2 943	3 099
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	119	-	599	2 655	2 655	2 655	2 814	2 943	3 099
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	18	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	119 086	115 491	154 386	133 470	133 470	133 470	142 061	149 111	157 129

Table 3.H : Details of payments and estimates by economic classification - Sub-programme: Research and Technology Development Services

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Current payments	108 244	118 729	131 804	130 668	130 668	130 668	139 336	146 357	154 250
Compensation of employees	86 953	93 035	99 586	112 076	112 076	112 076	119 490	125 596	132 389
Salaries and wages	74 828	79 986	85 860	92 650	92 650	92 650	98 898	104 057	109 709
Social contributions	12 125	13 049	13 726	19 426	19 426	19 426	20 592	21 539	22 681
Goods and services	21 248	25 694	32 218	18 592	18 592	18 592	19 846	20 761	21 861
Administrative fees	9	1	1	10	10	10	10	11	12
Advertising	-	-	-	76	76	76	80	84	88
Assets less than the capitalisation threshold	221	861	298	773	773	773	816	854	899
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	18	20	87	52	52	52	55	58	61
Communication (G&S)	418	247	318	116	116	116	123	128	135
Computer services	23	22	59	-	-	-	-	-	-
Cons & prof serv: Business and advisory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Infras and planning	4	82	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	6	-	-	13	13	13	14	15	16
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	-	-	-	-	-	-	-	-	-
Contractors	1 819	2 545	3 025	1 062	1 062	1 062	1 120	1 172	1 234
Agency and support / outsourced services	5 616	6 048	67	3 135	3 135	3 135	3 308	3 460	3 643
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	214	246	344	1 203	1 203	1 203	1 269	1 327	1 397
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	4	7	3	3	3	3	3	4	4
Inventory: Fuel, oil and gas	1 069	1 294	1 783	558	558	558	589	616	649
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	440	913	598	1 026	1 026	1 026	1 083	1 133	1 193
Inventory: Medical supplies	238	-	9	556	556	556	586	613	645
Inventory: Medicine	-	293	286	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	6 958	5 951	9 726	7 558	7 558	7 558	8 205	8 582	9 037
Consumable: Stationery, printing and office supplies	449	366	512	305	305	305	321	336	354
Operating leases	117	215	627	153	153	153	161	168	177
Property payments	385	616	6 892	309	309	309	326	341	359
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	3 087	5 623	7 007	1 621	1 621	1 621	1 710	1 789	1 884
Training and development	82	1	11	50	50	50	53	55	58
Operating payments	71	343	463	13	13	13	14	15	16
Venues and facilities	-	-	2	-	-	-	-	-	-
Rental and hiring	-	-	100	-	-	-	-	-	-
Interest and rent on land	43	-	-	-	-	-	-	-	-
Interest	43	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to	685	453	602	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving funds	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	685	453	602	-	-	-	-	-	-
Social benefits	685	453	602	-	-	-	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	4 606	9 936	22 843	25 434	25 434	25 434	26 856	27 870	29 347
Buildings and other fixed structures	2 349	5 509	20 626	20 792	20 792	20 792	21 936	22 945	24 161
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	2 349	5 509	20 626	20 792	20 792	20 792	21 936	22 945	24 161
Machinery and equipment	2 225	4 328	2 051	4 490	4 490	4 490	4 759	4 760	5 012
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	2 225	4 328	2 051	4 490	4 490	4 490	4 759	4 760	5 012
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	32	99	148	152	152	152	161	165	174
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	18	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	113 535	129 118	155 249	156 102	156 102	156 102	166 192	174 227	183 598

Table 3.1 : Details of payments and estimates by economic classification - Sub-programme: Agricultural Economic Services

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation 2013/14	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Current payments	1 498	1 620	2 182	3 231	3 231	3 231	3 406	3 576	3 769
Compensation of employees	1 385	1 514	1 987	2 741	2 741	2 741	2 920	3 071	3 237
Salaries and wages	1 247	1 370	1 765	2 414	2 414	2 414	2 577	2 712	2 859
Social contributions	138	144	222	327	327	327	343	359	378
Goods and services	113	106	195	490	490	490	486	505	532
Administrative fees	-	-	-	-	-	-	-	-	-
Advertising	-	-	-	-	-	-	-	-	-
Assets less than the capitalisation threshold	1	-	-	-	-	-	-	-	-
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	-	-	-	-	-	-	-	-	-
Communication (G&S)	-	-	-	6	6	6	7	7	7
Computer services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Business and advisory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Infrast and planning	1	-	-	299	299	299	282	295	311
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	-	-	-	-	-	-	-	-	-
Contractors	-	-	-	-	-	-	-	-	-
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	-	-	-	-	-	-	-	-	-
Consumable: Stationery, printing and office supplies	33	23	21	21	21	21	22	25	26
Operating leases	-	-	-	-	-	-	-	-	-
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	78	83	174	164	164	164	175	178	187
Training and development	-	-	-	-	-	-	-	-	-
Operating payments	-	-	-	-	-	-	-	-	-
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to	-	1	-	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving funds	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	1	-	-	-	-	-	-	-
Social benefits	-	1	-	-	-	-	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	49	52	52	52	55	60	63
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	49	52	52	52	55	60	63
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	-	-	49	52	52	52	55	60	63
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	1 498	1 621	2 231	3 283	3 283	3 283	3 461	3 636	3 832

Table 3.J : Details of payments and estimates by economic classification - Sub-programme: Structured Agricultural Education and Training

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Current payments	51 443	90 050	104 438	128 836	127 836	127 836	136 555	143 049	150 676
Compensation of employees	28 559	62 455	66 764	63 891	62 891	62 891	67 811	71 157	74 974
Salaries and wages	24 554	57 994	61 941	58 163	57 163	57 163	61 739	64 781	68 260
Social contributions	4 005	4 461	4 823	5 728	5 728	5 728	6 072	6 376	6 714
Goods and services	22 884	27 595	37 674	64 945	64 945	64 945	68 744	71 892	75 702
Administrative fees	-	3	39	67	67	67	71	74	78
Advertising	67	4	5	479	479	479	505	528	556
Assets less than the capitalisation threshold	1 005	488	1 441	1 365	1 365	1 365	1 441	1 507	1 587
Audit cost: External	-	-	-	12	12	12	-	-	-
Bursaries: Employees	-	2 213	-	-	-	-	-	-	-
Catering: Departmental activities	369	13	32	-	-	-	-	-	-
Communication (G&S)	1 016	618	725	733	733	733	775	810	853
Computer services	21	146	145	57	57	57	-	-	-
Cons & prof serv: Business and advisory services	-	-	-	12	12	12	-	-	-
Cons & prof serv: Infrast and planning	1 644	2 588	3 469	26 232	26 232	26 232	28 665	29 960	31 548
Cons & prof serv: Laboratory services	-	-	-	321	321	321	339	355	374
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	-	-	-	-	-	-	-	-	-
Contractors	1 228	1 075	2 618	3 827	3 827	3 827	4 036	4 222	4 446
Agency and support / outsourced services	7 169	7 549	10 601	10 749	10 749	10 749	11 101	11 612	12 227
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	848	1 317	1 436	519	519	519	547	572	602
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	1	111	111	111	117	122	128
Inventory: Fuel, oil and gas	5	91	275	495	495	495	522	546	575
Inventory: Learner and teacher support material	930	825	1 116	1 755	1 755	1 755	1 852	1 937	2 040
Inventory: Materials and supplies	590	1 111	174	422	422	422	445	476	501
Inventory: Medical supplies	228	-	7	328	328	328	347	363	382
Inventory: Medicine	-	339	271	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	2 084	2 666	5 996	3 434	3 434	3 434	3 396	3 552	3 740
Consumable: Stationery, printing and office supplies	827	864	566	1 112	1 112	1 112	1 203	1 258	1 325
Operating leases	668	940	973	1 091	1 091	1 091	1 152	1 205	1 269
Property payments	1 477	746	3 002	2 771	2 771	2 771	2 924	3 059	3 221
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	2 344	3 329	4 047	3 726	3 726	3 726	3 931	4 112	4 330
Training and development	157	51	68	4 894	4 894	4 894	4 919	5 145	5 418
Operating payments	207	372	242	116	116	116	122	128	135
Venues and facilities	-	247	409	317	317	317	334	349	367
Rental and hiring	-	-	16	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to	25	1 659	681	167	1 167	1 167	177	180	190
Provinces and municipalities	-	2	88	-	-	-	-	-	-
Provinces	-	2	88	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	2	88	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving funds	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	1 000	1 000	-	-	-
Households	25	1 657	593	167	167	167	177	180	190
Social benefits	25	57	593	167	167	167	177	180	190
Other transfers to households	-	1 600	-	-	-	-	-	-	-
Payments for capital assets	1 023	4 997	14 223	6 288	6 288	6 288	6 658	6 958	7 327
Buildings and other fixed structures	-	528	8 190	1 800	1 800	1 800	1 900	1 986	2 091
Buildings	-	528	-	-	-	-	-	-	-
Other fixed structures	-	-	8 190	1 800	1 800	1 800	1 900	1 986	2 091
Machinery and equipment	876	4 323	5 871	3 779	3 779	3 779	4 006	4 186	4 408
Transport equipment	-	1 470	2 010	-	-	-	-	-	-
Other machinery and equipment	876	2 853	3 861	3 779	3 779	3 779	4 006	4 186	4 408
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	88	59	-	377	377	377	400	418	440
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	59	87	162	332	332	332	352	368	388
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	52 491	96 706	119 342	135 291	135 291	135 291	143 390	150 187	158 193

Table 3.K : Payments and estimates by economic classification: Environmental Affairs

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
				2013/14					
Current payments	193 360	218 993	245 093	238 243	238 212	238 212	271 637	264 402	278 586
Compensation of employees	64 448	71 641	83 510	89 849	88 047	88 047	95 832	100 783	106 295
Salaries and wages	55 645	61 875	73 619	79 139	77 337	77 337	84 480	88 909	93 739
Social contributions	8 803	9 766	9 891	10 710	10 710	10 710	11 352	11 874	12 556
Goods and services	128 912	147 352	161 583	148 394	150 165	150 165	175 805	163 619	172 291
Administrative fees	78	28	31	297	297	297	314	328	345
Advertising	432	2 429	523	628	628	628	663	694	731
Assets less than the capitalisation threshold	1 603	2 116	1 259	806	806	806	851	890	937
Audit cost: External	-	-	-	339	339	339	358	374	394
Bursaries: Employees	-	-	-	41	41	41	43	45	47
Catering: Departmental activities	231	2 010	597	619	619	619	653	684	720
Communication (G&S)	1 369	1 161	1 120	1 090	1 090	1 090	1 150	1 223	1 288
Computer services	235	138	78	910	910	910	961	609	641
Cons & prof serv: Business and advisory services	2 029	1 309	462	4 381	4 381	4 381	4 622	4 834	5 090
Cons & prof serv: Infras and planning	511	155	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	55	55	55	58	61	64
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	-	7	-	122	122	122	129	134	141
Contractors	1 254	991	4 326	2 884	2 884	2 884	3 042	3 182	3 351
Agency and support / outsourced services	104 438	98 148	132 830	110 262	112 033	112 033	134 754	121 070	127 487
Entertainment	-	-	-	20	20	20	21	22	23
Fleet services (incl. govt motor transport)	350	764	555	56	56	56	59	62	65
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	8	15	18	40	40	40	42	44	46
Inventory: Fuel, oil and gas	4 782	18 269	3 466	20	20	20	21	22	23
Inventory: Learner and teacher support material	306	448	-	204	204	204	216	226	238
Inventory: Materials and supplies	205	25	89	29	29	29	30	33	35
Inventory: Medical supplies	165	996	-	64	64	64	67	70	74
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	1 956	1 991	2 497	7 790	7 790	7 790	8 935	9 346	9 841
Consumable: Stationery, printing and office supplies	1 108	860	932	1 671	1 671	1 671	1 764	1 846	1 944
Operating leases	150	347	203	653	653	653	689	721	759
Property payments	-	-	-	198	198	198	209	218	230
Transport provided: Departmental activity	21	1 189	49	2 220	2 220	2 220	2 341	2 449	2 579
Travel and subsistence	6 602	8 743	9 276	9 470	9 470	9 470	10 094	10 543	11 102
Training and development	173	766	928	2 354	2 354	2 354	2 483	2 596	2 734
Operating payments	69	742	1 041	248	248	248	262	274	289
Venues and facilities	837	3 705	1 303	923	923	923	974	1 019	1 073
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	6 973	1 368	937	1 400	1 431	1 431	1 400	1 400	1 421
Provinces and municipalities	6 960	900	17	1 000	1 000	1 000	1 000	1 000	1 000
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	6 960	900	17	1 000	1 000	1 000	1 000	1 000	1 000
Municipalities	6 960	900	17	1 000	1 000	1 000	1 000	1 000	1 000
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	400	400	400	400	400	400	400	421
Households	13	68	520	-	31	31	-	-	-
Social benefits	13	62	520	-	31	31	-	-	-
Other transfers to households	-	6	-	-	-	-	-	-	-
Payments for capital assets	2 761	935	12 454	1 930	1 930	1 930	2 046	2 578	2 715
Buildings and other fixed structures	271	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	271	-	-	-	-	-	-	-	-
Machinery and equipment	2 343	935	12 431	1 930	1 930	1 930	2 046	2 578	2 715
Transport equipment	-	-	11 121	-	-	-	-	-	-
Other machinery and equipment	2 343	935	1 310	1 930	1 930	1 930	2 046	2 578	2 715
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	147	-	23	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	203 094	221 296	258 484	241 573	241 573	241 573	275 083	268 380	282 722

Table 3.L : Details of payments and estimates by economic classification - Sub-programme: Environmental Policy Planning & Co-ordination

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Current payments	2 646	2 847	2 717	5 780	6 151	6 151	6 140	6 466	6 811
Compensation of employees	1 492	1 835	1 924	3 152	3 523	3 523	3 354	3 521	3 710
Salaries and wages	1 312	1 613	1 687	2 912	3 283	3 283	3 100	3 255	3 430
Social contributions	180	222	237	240	240	240	254	266	280
Goods and services	1 154	1 012	793	2 628	2 628	2 628	2 786	2 945	3 101
Administrative fees	-	-	-	-	-	-	-	-	-
Advertising	-	-	-	110	110	110	116	121	127
Assets less than the capitalisation threshold	5	50	-	-	-	-	-	-	-
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	35	54	35	165	165	165	174	182	192
Communication (G&S)	37	29	27	97	97	97	102	138	145
Computer services	105	138	66	100	100	100	106	111	117
Cons & prof serv: Business and advisory services	-	114	133	867	867	867	915	957	1 008
Cons & prof serv: Infras and planning	409	155	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	-	-	-	-	-	-	-	-	-
Contractors	-	-	-	-	-	-	-	-	-
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	-	-	-	-	-	-	-	-	-
Consumable: Stationery, printing and office supplies	277	-	11	299	299	299	329	344	362
Operating leases	1	-	-	-	-	-	-	-	-
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	251	351	447	910	910	910	960	1 004	1 057
Training and development	-	-	-	-	-	-	-	-	-
Operating payments	-	44	19	-	-	-	-	-	-
Venues and facilities	34	77	55	80	80	80	84	88	93
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to	6 000	-	-	-	-	-	-	-	-
Provinces and municipalities	6 000	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	6 000	-	-	-	-	-	-	-	-
Municipalities	6 000	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving funds	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Social benefits	-	-	-	-	-	-	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	539	222	-	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	539	222	-	-	-	-	-	-	-
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	539	222	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	9 185	3 069	2 717	5 780	6 151	6 151	6 140	6 466	6 811

Table 3.M : Details of payments and estimates by economic classification - Sub-programme: Compliance and Enforcement

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Current payments	48 133	29 384	27 953	32 036	26 801	26 801	34 112	35 777	37 702
Compensation of employees	43 837	24 171	23 511	25 485	20 250	20 250	27 157	28 532	30 073
Salaries and wages	37 832	20 996	20 343	22 533	17 298	17 298	24 028	25 259	26 626
Social contributions	6 005	3 175	3 168	2 952	2 952	2 952	3 129	3 273	3 446
Goods and services	4 296	5 213	4 442	6 551	6 551	6 551	6 955	7 245	7 629
Administrative fees	-	-	-	68	68	68	72	75	79
Advertising	17	63	41	10	10	10	11	12	13
Assets less than the capitalisation threshold	9	36	86	375	375	375	396	414	436
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	3	282	26	10	10	10	11	12	13
Communication (G&S)	871	584	664	315	315	315	332	337	355
Computer services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Business and advisory services	-	-	-	699	699	699	737	770	811
Cons & prof serv: Infras and planning	-	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	-	7	-	50	50	50	53	54	57
Contractors	1	-	41	57	57	57	60	62	65
Agency and support / outsourced services	-	53	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	92	96	38	18	18	18	19	20	21
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	1	-	-	1	1	1	1	1	1
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	51	51	51	54	56	59
Inventory: Materials and supplies	1	-	1	9	9	9	9	9	9
Inventory: Medical supplies	1	-	-	1	1	1	1	1	1
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	13	44	266	245	245	245	289	302	318
Consumable: Stationery, printing and office supplies	146	173	168	282	282	282	298	312	329
Operating leases	149	138	172	280	280	280	295	309	325
Property payments	-	-	-	65	65	65	69	72	76
Transport provided: Departmental activity	-	391	-	475	475	475	512	536	564
Travel and subsistence	2 980	2 754	2 708	3 395	3 395	3 395	3 583	3 731	3 929
Training and development	-	-	-	50	50	50	53	55	58
Operating payments	-	203	231	54	54	54	57	60	63
Venues and facilities	12	389	-	41	41	41	43	45	47
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to	-	33	446	-	-	-	-	-	-
Provinces and municipalities	-	-	17	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	17	-	-	-	-	-	-
Municipalities	-	-	17	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving funds	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	33	429	-	-	-	-	-	-
Social benefits	-	27	429	-	-	-	-	-	-
Other transfers to households	-	6	-	-	-	-	-	-	-
Payments for capital assets	146	265	260	198	198	198	210	220	232
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	146	265	260	198	198	198	210	220	232
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	146	265	260	198	198	198	210	220	232
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	48 279	29 682	28 659	32 234	26 999	26 999	34 322	35 997	37 933

Table 3.N : Details of payments and estimates by economic classification - Sub-programme: Environmental Quality Management

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Current payments	12 265	26 506	36 221	41 041	41 599	41 599	43 776	45 594	48 108
Compensation of employees	7 702	19 575	32 181	30 344	30 902	30 902	32 388	34 076	35 979
Salaries and wages	6 612	16 816	29 252	26 489	27 047	27 047	28 302	29 802	31 426
Social contributions	1 090	2 759	2 929	3 855	3 855	3 855	4 086	4 274	4 554
Goods and services	4 563	6 931	4 040	10 697	10 697	10 697	11 388	11 518	12 128
Administrative fees	78	28	30	138	138	138	146	153	161
Advertising	-	845	-	155	155	155	164	172	181
Assets less than the capitalisation threshold	71	23	145	36	36	36	38	40	42
Audit cost: External	-	-	-	339	339	339	358	374	394
Bursaries: Employees	-	-	-	41	41	41	43	45	47
Catering: Departmental activities	83	24	32	77	77	77	81	85	90
Communication (G&S)	42	256	117	130	130	130	137	143	151
Computer services	-	-	12	810	810	810	855	498	524
Cons & prof serv: Business and advisory services	1 776	824	-	1 415	1 415	1 415	1 493	1 562	1 645
Cons & prof serv: Infras and planning	-	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	55	55	55	58	61	64
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	-	-	-	72	72	72	76	80	84
Contractors	458	131	667	567	567	567	598	626	659
Agency and support / outsourced services	868	516	55	377	377	377	398	416	438
Entertainment	-	-	-	20	20	20	21	22	23
Fleet services (incl. govt motor transport)	6	4	6	24	24	24	25	26	27
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	20	20	20	21	22	23
Inventory: Learner and teacher support material	6	-	-	14	14	14	15	16	17
Inventory: Materials and supplies	35	3	-	11	11	11	12	13	14
Inventory: Medical supplies	-	-	-	63	63	63	66	69	73
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	1	14	421	319	319	319	394	412	434
Consumable: Stationery, printing and office supplies	73	165	160	288	288	288	304	318	335
Operating leases	-	-	-	319	319	319	337	353	372
Property payments	-	-	-	133	133	133	140	146	154
Transport provided: Departmental activity	-	65	-	1 745	1 745	1 745	1 829	1 913	2 014
Travel and subsistence	953	1 602	1 897	1 321	1 321	1 321	1 449	1 516	1 596
Training and development	-	68	-	1 822	1 822	1 822	1 922	2 010	2 117
Operating payments	48	230	241	67	67	67	71	74	78
Venues and facilities	65	2 133	257	319	319	319	337	353	372
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to	960	914	67	1 000	1 031	1 031	1 000	1 000	1 000
Provinces and municipalities	960	900	-	1 000	1 000	1 000	1 000	1 000	1 000
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	960	900	-	1 000	1 000	1 000	1 000	1 000	1 000
Municipalities	960	900	-	1 000	1 000	1 000	1 000	1 000	1 000
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving funds	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	14	67	-	31	31	-	-	-
Social benefits	-	14	67	-	31	31	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	1 185	400	11 931	1 434	1 434	1 434	1 520	2 028	2 135
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	1 185	400	11 931	1 434	1 434	1 434	1 520	2 028	2 135
Transport equipment	-	-	11 121	-	-	-	-	-	-
Other machinery and equipment	1 185	400	810	1 434	1 434	1 434	1 520	2 028	2 135
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	14 410	27 820	48 219	43 475	44 064	44 064	46 296	48 622	51 243

Table 3.0 : Details of payments and estimates by economic classification - Sub-programme: Biodiversity Management

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Current payments	123 106	127 794	147 285	133 997	133 597	133 597	160 536	148 103	155 967
Compensation of employees	7 933	8 964	8 664	12 531	12 131	12 131	13 357	14 037	14 795
Salaries and wages	6 937	7 813	7 509	11 354	10 954	10 954	12 109	12 732	13 421
Social contributions	996	1 151	1 155	1 177	1 177	1 177	1 248	1 305	1 374
Goods and services	115 173	118 830	138 621	121 466	121 466	121 466	147 179	134 066	141 171
Administrative fees	-	-	1	30	30	30	32	33	35
Advertising	119	14	12	25	25	25	26	27	28
Assets less than the capitalisation threshold	1 504	1 419	984	185	185	185	195	204	215
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	1	63	19	-	-	-	-	-	-
Communication (G&S)	370	263	285	47	47	47	50	52	55
Computer services	130	-	-	-	-	-	-	-	-
Cons & prof serv: Business and advisory services	253	371	329	1 400	1 400	1 400	1 477	1 545	1 627
Cons & prof serv: Infras and planning	102	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	-	-	-	-	-	-	-	-	-
Contractors	795	471	3 618	2 200	2 200	2 200	2 321	2 428	2 557
Agency and support / outsourced services	103 570	92 908	125 667	109 885	109 885	109 885	134 356	120 654	127 049
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	252	658	491	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	4 782	18 269	3 466	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	169	22	85	9	9	9	9	11	12
Inventory: Medical supplies	158	176	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	1 128	1 933	1 070	5 571	5 571	5 571	6 495	6 794	7 154
Consumable: Stationery, printing and office supplies	324	102	156	213	213	213	212	222	234
Operating leases	-	16	31	30	30	30	32	33	35
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	1 495	1 664	1 413	1 776	1 776	1 776	1 874	1 959	2 063
Training and development	-	338	928	25	25	25	26	27	28
Operating payments	21	142	19	70	70	70	74	77	81
Venues and facilities	-	1	47	-	-	-	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to	-	21	21	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving funds	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	21	21	-	-	-	-	-	-
Social benefits	-	21	21	-	-	-	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	730	23	229	100	100	100	106	110	116
Buildings and other fixed structures	271	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	271	-	-	-	-	-	-	-	-
Machinery and equipment	459	23	206	100	100	100	106	110	116
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	459	23	206	100	100	100	106	110	116
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	23	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	123 836	127 838	147 535	134 097	133 697	133 697	160 642	148 213	156 083

Table 3.P : Details of payments and estimates by economic classification - Sub-programme: Environmental Empowerment Services

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Current payments	7 210	32 462	30 914	25 389	30 064	30 064	27 073	28 462	29 998
Compensation of employees	3 484	17 096	17 230	18 337	21 241	21 241	19 576	20 617	21 737
Salaries and wages	2 952	14 637	14 828	15 851	18 755	18 755	16 941	17 861	18 835
Social contributions	532	2 459	2 402	2 486	2 486	2 486	2 635	2 756	2 902
Goods and services	3 726	15 366	13 684	7 052	8 823	8 823	7 497	7 845	8 261
Administrative fees	-	-	-	61	61	61	64	67	71
Advertising	296	1 507	470	328	328	328	346	362	381
Assets less than the capitalisation threshold	14	588	44	210	210	210	222	232	244
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	109	1 587	485	367	367	367	387	405	426
Communication (G&S)	49	29	27	501	501	501	529	553	582
Computer services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Business and advisory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Infras and planning	-	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	-	-	-	-	-	-	-	-	-
Contractors	-	389	-	60	60	60	63	66	69
Agency and support / outsourced services	-	4 671	7 108	-	1 771	1 771	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	-	6	20	14	14	14	15	16	17
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	7	15	18	39	39	39	41	43	45
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	300	448	-	139	139	139	147	154	162
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	6	820	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	814	-	740	1 655	1 655	1 655	1 757	1 838	1 935
Consumable: Stationery, printing and office supplies	288	420	437	589	589	589	621	650	684
Operating leases	-	193	-	24	24	24	25	26	27
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	21	733	49	-	-	-	-	-	-
Travel and subsistence	923	2 372	2 811	2 068	2 068	2 068	2 228	2 333	2 457
Training and development	173	360	-	457	457	457	482	504	531
Operating payments	-	123	531	57	57	57	60	63	66
Venues and facilities	726	1 105	944	483	483	483	510	533	561
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to	13	400	403	400	400	400	400	400	421
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving funds	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	400	400	400	400	400	400	400	421
Households	13	-	3	-	-	-	-	-	-
Social benefits	13	-	3	-	-	-	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	14	25	34	198	198	198	210	220	232
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	14	25	34	198	198	198	210	220	232
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	14	25	34	198	198	198	210	220	232
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	7 237	32 887	31 351	25 987	30 662	30 662	27 683	29 082	30 651

Table 3.Q : Payments and estimates by economic classification: Conservation

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Current payments	-	-	-	-	-	-	-	-	-
Compensation of employees	-	-	-	-	-	-	-	-	-
Salaries and wages	-	-	-	-	-	-	-	-	-
Social contributions	-	-	-	-	-	-	-	-	-
Goods and services	-	-	-	-	-	-	-	-	-
Administrative fees	-	-	-	-	-	-	-	-	-
Advertising	-	-	-	-	-	-	-	-	-
Assets less than the capitalisation threshold	-	-	-	-	-	-	-	-	-
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	-	-	-	-	-	-	-	-	-
Communication (G&S)	-	-	-	-	-	-	-	-	-
Computer services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Business and advisory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Infras and planning	-	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	-	-	-	-	-	-	-	-	-
Contractors	-	-	-	-	-	-	-	-	-
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	-	-	-	-	-	-	-	-	-
Consumable: Stationery, printing and office supplies	-	-	-	-	-	-	-	-	-
Operating leases	-	-	-	-	-	-	-	-	-
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	-	-	-	-	-	-	-	-	-
Training and development	-	-	-	-	-	-	-	-	-
Operating payments	-	-	-	-	-	-	-	-	-
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	434 468	495 307	554 493	611 261	591 749	591 749	663 435	652 614	687 927
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	431 382	491 317	549 893	606 034	586 522	586 522	657 895	646 819	681 825
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	431 382	491 317	549 893	606 034	586 522	586 522	657 895	646 819	681 825
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	3 086	3 990	4 600	5 227	5 227	5 227	5 540	5 795	6 102
Households	-	-	-	-	-	-	-	-	-
Social benefits	-	-	-	-	-	-	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	434 468	495 307	554 493	611 261	591 749	591 749	663 435	652 614	687 927

Table 3.R : Payments and estimates by economic classification: Conditional grants

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Current payments	64 083	111 681	142 781	216 991	216 991	201 491	221 832	207 080	203 475
Compensation of employees	-	-	-	14 745	14 745	14 745	15 703	15 703	16 535
Salaries and wages	-	-	-	14 745	14 745	14 745	15 703	15 703	16 535
Social contributions	-	-	-	-	-	-	-	-	-
Goods and services	64 083	111 681	142 781	202 246	202 246	186 746	206 129	191 377	186 940
Administrative fees	-	-	-	-	-	-	-	-	-
Advertising	5	299	70	-	30	30	32	34	36
Assets less than the capitalisation threshold	193	958	35	-	5 139	5 139	5 417	5 710	5 813
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	202	2 396	-	2 000	2 000	2 108	2 222	2 340
Catering: Departmental activities	254	439	521	-	1 910	2 091	2 204	2 293	2 446
Communication (G&S)	1 513	269	62	-	2 514	2 514	2 650	2 793	2 941
Computer services	1 590	182	27	-	2 000	2 000	2 108	2 222	2 340
Cons & prof serv: Business and advisory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Infras and planning	15 679	17 192	24 826	201 696	78 814	54 140	52 498	50 723	47 376
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	-	-	-	-	-	-	-	-	-
Contractors	941	2 295	354	-	340	340	358	377	397
Agency and support / outsourced services	3 056	11 756	13 861	550	4 524	4 524	23 197	4 415	3 349
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	-	-	-	-	60	60	63	66	69
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	296	368	-	-	70	70	74	78	82
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	3	2	558	-	93	93	98	103	108
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	6	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	31 322	62 235	87 493	-	87 602	95 836	96 446	100 479	99 407
Consumable: Stationery, printing and office supplies	490	460	175	-	1 210	1 210	1 275	1 344	1 415
Operating leases	5	51	10	-	-	-	-	-	-
Property payments	-	-	127	-	3 500	3 500	3 689	3 888	3 994
Transport provided: Departmental activity	76	363	-	-	-	-	-	-	-
Travel and subsistence	3 805	6 555	5 178	-	6 690	7 281	7 674	8 062	8 168
Training and development	3 238	4 937	5 499	-	2 000	2 168	2 285	2 402	2 472
Operating payments	63	13	-	-	-	-	-	-	-
Venues and facilities	1 548	3 105	1 099	-	3 750	3 750	3 953	4 166	4 187
Rental and hiring	-	-	490	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to	104 072	100 761	65 760	63 000	63 000	63 000	66 465	69 522	73 207
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	104 072	100 761	65 760	63 000	63 000	63 000	66 465	69 522	73 207
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving funds	104 072	100 761	65 760	63 000	63 000	63 000	66 465	69 522	73 207
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Social benefits	-	-	-	-	-	-	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	17 459	29 580	63 939	7 595	7 595	23 095	23 290	10 831	7 884
Buildings and other fixed structures	14 892	17 230	50 289	-	-	15 500	15 285	3 394	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	14 892	17 230	50 289	-	-	15 500	15 285	3 394	-
Machinery and equipment	2 567	12 350	13 563	7 595	7 595	7 595	8 005	7 437	7 884
Transport equipment	-	8 090	7 087	-	2 170	2 170	2 287	2 410	2 538
Other machinery and equipment	2 567	4 260	6 476	7 595	5 425	5 425	5 718	5 027	5 346
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	87	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	185 614	242 022	272 480	287 586	287 586	287 586	311 587	287 433	284 566

Table 3.S : Payments and estimates by economic classification: Land Care grant

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Current payments	8 245	9 015	15 992	18 746	18 746	18 746	10 854	10 867	11 407
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	8 245	9 015	15 992	18 746	18 746	18 746	10 854	10 867	11 407
Of which									
Advertising	-	72	-	-	-	-	-	-	-
Catering: Departmental activities	-	213	207	-	-	181	191	171	212
Cons & prof serv: Infrast and planning	5 930	5 761	6 250	18 746	18 746	9 572	5 523	5 529	5 655
Consumable supplies	2 315	2 411	8 229	-	-	8 234	4 340	4 357	4 716
Travel and subsistence	-	470	1 102	-	-	591	623	630	642
Training and development	-	58	49	-	-	168	177	180	182
Venues and facilities	-	30	155	-	-	-	-	-	-
Transfers and subsidies to	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	54	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	54	-	-	-	-	-	-
Other machinery and equipment	-	-	54	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	8 245	9 015	16 046	18 746	18 746	18 746	10 854	10 867	11 407

Table 3.T : Payments and estimates by economic classification: CASP grant

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Current payments	39 837	43 223	87 038	131 927	131 927	116 427	122 877	124 664	126 112
Compensation of employees	-	-	-	14 745	14 745	14 745	15 703	15 703	16 535
Salaries and wages	-	-	-	14 745	14 745	14 745	15 703	15 703	16 535
Goods and services	39 837	43 223	87 038	117 182	117 182	101 682	107 174	108 961	109 577
Of which									
Advertising	5	227	70	-	30	30	32	34	36
Assets less than the capitalisation threshold	193	958	35	-	5 139	5 139	5 417	5 710	5 813
Bursaries: Employees	-	202	2 396	-	2 000	2 000	2 108	2 222	2 340
Catering: Departmental activities	254	226	314	-	1 910	1 910	2 013	2 122	2 234
Communication (G&S)	1 513	269	62	-	2 514	2 514	2 650	2 793	2 941
Computer services	1 590	182	27	-	2 000	2 000	2 108	2 222	2 340
Cons & prof serv: Infrast and planning	3 516	1 967	2 038	117 182	35 500	20 000	21 080	18 218	18 375
Contractors	941	2 295	49	-	340	340	358	377	397
Agency and support / outsourced services	3 056	3 440	4 153	-	3 974	3 974	4 189	4 415	3 349
Fleet services (incl. govt motor transport)	-	-	-	-	60	60	63	66	69
Inventory: Fuel, oil and gas	296	368	-	-	70	70	74	78	82
Inventory: Materials and supplies	3	2	558	-	93	93	98	103	108
Inventory: Medicine	6	-	-	-	-	-	-	-	-
Consumable supplies	19 239	18 161	66 064	-	46 402	46 402	48 908	51 549	52 081
Consumable: Stationery, printing and office supplies	490	460	175	-	1 210	1 210	1 275	1 344	1 415
Operating leases	5	51	10	-	-	-	-	-	-
Property payments	-	-	127	-	3 500	3 500	3 689	3 888	3 994
Transport provided: Departmental activity	76	363	-	-	-	-	-	-	-
Travel and subsistence	3 805	6 085	4 076	-	6 690	6 690	7 051	7 432	7 526
Training and development	3 238	4 879	5 450	-	2 000	2 000	2 108	2 222	2 290
Operating payments	63	13	-	-	-	-	-	-	-
Venues and facilities	1 548	3 075	944	-	3 750	3 750	3 953	4 166	4 187
Rental and hiring	-	-	490	-	-	-	-	-	-
Transfers and subsidies to	104 072	100 761	65 760	63 000	63 000	63 000	66 465	69 522	73 207
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	104 072	100 761	65 760	63 000	63 000	63 000	66 465	69 522	73 207
Entities receiving funds	104 072	100 761	65 760	63 000	63 000	63 000	66 465	69 522	73 207
Payments for capital assets	3 460	20 707	30 928	7 595	7 595	23 095	23 290	10 831	7 884
Buildings and other fixed structures	893	8 357	17 332	-	-	15 500	15 285	3 394	-
Other fixed structures	893	8 357	17 332	-	-	15 500	15 285	3 394	-
Machinery and equipment	2 567	12 350	13 599	7 595	7 595	7 595	8 005	7 437	7 884
Transport equipment	-	8 090	7 087	-	2 170	2 170	2 287	2 410	2 538
Other machinery and equipment	2 567	4 260	6 422	7 595	5 425	5 425	5 718	5 027	5 346
Biological assets	-	-	87	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	147 369	164 691	183 726	202 522	202 522	202 522	212 632	205 017	207 203

Table 3.U : Payments and estimates by economic classification: Ilima/Letsema Projects grant

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Current payments	16 001	51 127	30 043	65 768	65 768	65 768	69 093	71 549	65 956
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	16 001	51 127	30 043	65 768	65 768	65 768	69 093	71 549	65 956
<i>Of which</i>									
<i>Cons & prof serv: Infrs and planning</i>	6 233	9 464	16 538	65 768	24 568	24 568	25 895	26 976	23 346
<i>Contractors</i>	-	-	305	-	-	-	-	-	-
<i>Consumable supplies</i>	9 768	41 663	13 200	-	41 200	41 200	43 198	44 573	42 610
Transfers and subsidies to	-	-	-	-	-	-	-	-	-
Payments for capital assets	13 999	8 873	32 957	-	-	-	-	-	-
Buildings and other fixed structures	13 999	8 873	32 957	-	-	-	-	-	-
Other fixed structures	13 999	8 873	32 957	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	30 000	60 000	63 000	65 768	65 768	65 768	69 093	71 549	65 956

Table 3.V : Payments and estimates by economic classification: EPWP Integrated Grant for Provinces

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Current payments	-	8 316	9 708	550	550	550	19 008	-	-
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	-	8 316	9 708	550	550	550	19 008	-	-
<i>Of which</i>									
<i>Agency and support / outsourced services</i>	-	8 316	9 708	550	550	550	19 008	-	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	-	8 316	9 708	550	550	550	19 008	-	-

Table 3.W : Agriculture, Environmental Affairs and Rural Development - Payments of infrastructure by category

No.	Project name	Municipality/Region	Type of infrastructure		Project duration				Source of funding	Budget programme name	Targeted number of jobs for 2014/15	Total project cost	Expenditure to date from previous years	Total available		MTEF 2016/17
			Project/admin block, water, electricity, sanitation; etc	Units	Date: Start	Date: Finish	MTEF 2015/16	MTEF 2016/17								
														Forward estimates		
R thousands																
New and replacement assets																
1	Cedara juncea mushroom base phase 2	ullungundlovu	Construction of ablation block wash bay and parking area	1	01 October 2012	01 March 2014		Equitable share	Programme 2	-	5 700	-	-	-	-	-
2	Dukuduku mushroom project	Umkhanyakude	Construction of mushroom plant	1	01 November 2011	01 March 2014		Equitable share	Programme 2	-	17 500	-	-	-	-	-
3	KwaDweshu/Mehomnyama/P88 mushroom project	Ugu	Construction of mushroom plant	3	31 January 2011	31 March 2014		Equitable share	Programme 2	-	8 450	-	-	-	-	-
4	Maringa mushroom project	Umzinyathi	Construction of mushroom plant	1	01 April 2014	31 March 2016		Equitable share	Programme 2	-	65 000	-	-	-	-	-
5	Farm structures	Various	Fencing, irrigation, poultry, piggyery, etc	8	01 April 2014	31 March 2015		Equitable share	Programme 2	-	3 243	-	-	-	-	22 158
6	Makhatini development	Umkhanyakude	Irrigation, fencing, drainage canal, etc	1	01 April 2012	31 March 2017		Ilima/ES	Programme 2	-	513 000	-	-	-	-	1 140
7	Office accommodation	Various	Offices	5	01 April 2013	31 March 2014		Equitable share	Programme 1	-	59 000	-	-	-	-	28 166
8	Sheds for mechanisation equipment	Various	Sheds	11	01 April 2014	01 April 2015		Equitable share	Programme 2	-	16 500	-	-	-	-	4 688
Total New and replacement assets											688 393	62 533	59 481	56 152		
Upgrades and additions																
Rehabilitation, renovations and refurbishments																
1	Office accommodation (HO & districts)	Various	Office accommodation	38	01 April 2013	31 March 2014		Equitable share	Programme 1	-	107 653	-	-	-	-	11 451
2	Makhatini	Jozini	Irrigation, fencing/drainage canals, etc	1	01 April 2012	31 March 2017		Ilima/ES	Programme 2	-	100 000	-	-	-	-	39 975
3	Irrigation schemes	Various	Irrigation schemes	18	01 April 2014	01 April 2015		Equitable share	Programme 2	-	40 586	-	-	-	-	14 395
4	Farm structures	Various	Handling facilities, poultry, piggyery, etc	88	01 April 2014	31 March 2015		Equitable share	Programme 2	-	54 229	-	-	-	-	18 868
5	Cedara facilities	ullingeni	Access roads, dairy parlour, etc	14	01 April 2014	31 March 2015		Equitable share	Programme 1	-	28 075	-	-	-	-	4 833
Total Rehabilitation, renovations and refurbishments											330 543	-	81 206	89 922		
Maintenance and repairs																
1	Office accommodation	Various	Office accommodation	23	Ongoing	Ongoing		Equitable share	Programme 1	-	24 016	-	-	-	-	8 328
2	Farm structures	Various	Fencing, irrigation, poultry, piggyery, etc	132	Ongoing	Ongoing		Ilima/ES	Programme 2	-	39 118	-	-	-	-	13 747
3	Makhatini	Jozini	Irrigation, fencing, drainage canals, etc	1	Ongoing	Ongoing		Equitable share	Programme 2	-	13 031	-	-	-	-	4 579
Total Maintenance and repairs											76 165	-	24 199	26 654		
Infrastructure transfers - current																
Infrastructure transfers - capital																
Total Agriculture, Environmental Affairs and Rural Development Infrastructure											1 095 101	62 533	164 886	172 328		

Table 3.X : Summary of transfers to local government

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
A KZN2000 eThekweni	-	-	-	-	-	-	-	-	-
Total: Ugu Municipalities	1 515	100	-	-	-	-	-	-	-
B KZN211 Vulamehlo	-	-	-	-	-	-	-	-	-
B KZN212 Umdoni	15	100	-	-	-	-	-	-	-
B KZN213 Umzumbane	-	-	-	-	-	-	-	-	-
B KZN214 uMuziwabantu	-	-	-	-	-	-	-	-	-
B KZN215 Ezinqoleni	-	-	-	-	-	-	-	-	-
B KZN216 Hibiscus Coast	-	-	-	-	-	-	-	-	-
C DC21 Ugu District Municipality	1 500	-	-	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	265	-	-	-	-	-	-	-	-
B KZN221 uMshwathi	-	-	-	-	-	-	-	-	-
B KZN222 uMngeni	265	-	-	-	-	-	-	-	-
B KZN223 Mpofana	-	-	-	-	-	-	-	-	-
B KZN224 Impendle	-	-	-	-	-	-	-	-	-
B KZN225 Msunduzi	-	-	-	-	-	-	-	-	-
B KZN226 Mkhambathini	-	-	-	-	-	-	-	-	-
B KZN227 Richmond	-	-	-	-	-	-	-	-	-
C DC22 uMgungundlovu District Municipality	-	-	-	-	-	-	-	-	-
Total: Uthukela Municipalities	1 500	-	-	-	-	-	-	-	-
B KZN232 Emnambithi/Ladysmith	-	-	-	-	-	-	-	-	-
B KZN233 Indaka	-	-	-	-	-	-	-	-	-
B KZN234 Umshazi	-	-	-	-	-	-	-	-	-
B KZN235 Okhahlamba	-	-	-	-	-	-	-	-	-
B KZN236 Imbabazane	-	-	-	-	-	-	-	-	-
C DC23 Uthukela District Municipality	1 500	-	-	-	-	-	-	-	-
Total: Umzinyathi Municipalities	-	-	-	-	400	400	-	-	-
B KZN241 Endumeni	-	-	-	-	400	400	-	-	-
B KZN242 Nqutu	-	-	-	-	-	-	-	-	-
B KZN244 Msinga	-	-	-	-	-	-	-	-	-
B KZN245 Umvoti	-	-	-	-	-	-	-	-	-
C DC24 Umzinyathi District Municipality	-	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities	150	400	-	-	400	400	-	-	-
B KZN252 Newcastle	150	400	-	-	400	400	-	-	-
B KZN253 eMadlangeni	-	-	-	-	-	-	-	-	-
B KZN254 Dannhauser	-	-	-	-	-	-	-	-	-
C DC25 Amajuba District Municipality	-	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	15	-	-	-	-	-	-	-	-
B KZN261 eDumbe	15	-	-	-	-	-	-	-	-
B KZN262 uPhongolo	-	-	-	-	-	-	-	-	-
B KZN263 Abaqulusi	-	-	-	-	-	-	-	-	-
B KZN265 Nongoma	-	-	-	-	-	-	-	-	-
B KZN266 Ulundi	-	-	-	-	-	-	-	-	-
C DC26 Zululand District Municipality	-	-	-	-	-	-	-	-	-
Total: Umkhanyakude Municipalities	1 500	-	-	-	-	-	-	-	-
B KZN271 Umhlabuyalingana	-	-	-	-	-	-	-	-	-
B KZN272 Jozini	-	-	-	-	-	-	-	-	-
B KZN273 The Big 5 False Bay	-	-	-	-	-	-	-	-	-
B KZN274 Hlabisa	-	-	-	-	-	-	-	-	-
B KZN275 Mtubatuba	-	-	-	-	-	-	-	-	-
C DC27 Umkhanyakude District Municipality	1 500	-	-	-	-	-	-	-	-
Total: uThungulu Municipalities	515	400	-	-	-	-	-	-	-
B KZN281 Umfolozi	-	-	-	-	-	-	-	-	-
B KZN282 uMhlathuze	515	-	-	-	-	-	-	-	-
B KZN283 Ntambanana	-	-	-	-	-	-	-	-	-
B KZN284 uMlalazi	-	400	-	-	-	-	-	-	-
B KZN285 Mthonjaneni	-	-	-	-	-	-	-	-	-
B KZN286 Nkandla	-	-	-	-	-	-	-	-	-
C DC28 uThungulu District Municipality	-	-	-	-	-	-	-	-	-
Total: Ilembe Municipalities	1 500	-	-	-	100	100	-	-	-
B KZN291 Mandeni	-	-	-	-	-	-	-	-	-
B KZN292 KwaDukuza	-	-	-	-	-	-	-	-	-
B KZN293 Ndwedwe	-	-	-	-	-	-	-	-	-
B KZN294 Maphumulo	-	-	-	-	100	100	-	-	-
C DC29 Ilembe District Municipality	1 500	-	-	-	-	-	-	-	-
Total: Sisonke Municipalities	-	-	-	-	100	100	-	-	-
B KZN431 Ingwe	-	-	-	-	-	-	-	-	-
B KZN432 Kwa Sani	-	-	-	-	-	-	-	-	-
B KZN433 Greater Kokstad	-	-	-	-	100	100	-	-	-
B KZN434 Ubuhlebezwe	-	-	-	-	-	-	-	-	-
B KZN435 Umzimkulu	-	-	-	-	-	-	-	-	-
C DC43 Sisonke District Municipality	-	-	-	-	-	-	-	-	-
Unallocated	-	-	-	1 000	-	-	1 000	1 000	1 000
Total	6 960	900	-	1 000	1 000	1 000	1 000	1 000	1 000

Table 3.Y : Transfers to local government - Development of EMFs, SEAs and IWMPs

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
A KZN2000 eThekweni	-	-	-	-	-	-	-	-	-
Total: Ugu Municipalities	1 500	-	-	-	-	-	-	-	-
C DC21 Ugu District Municipality	1 500	-	-	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	-	-	-	-	-	-	-	-	-
Total:Uthukela Municipalities	1 500	-	-	-	-	-	-	-	-
C DC23 Uthukela District Municipality	1 500	-	-	-	-	-	-	-	-
Total: Umzinyathi Municipalities	-	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities	-	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	-	-	-	-	-	-	-	-	-
Total: Umkhanyakude Municipalities	1 500	-	-	-	-	-	-	-	-
C DC27 Umkhanyakude District Municipality	1 500	-	-	-	-	-	-	-	-
Total: uThungulu Municipalities	-	-	-	-	-	-	-	-	-
Total: Ilembe Municipalities	1 500	-	-	-	-	-	-	-	-
C DC29 Ilembe District Municipality	1 500	-	-	-	-	-	-	-	-
Total: Sisonke Municipalities	-	-	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	6 000	-	-	-	-	-	-	-	-

Table 3.Z : Transfers to local government - Greenest Municipality Competition

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
A KZN2000 eThekweni	-	-	-	-	-	-	-	-	-
Total: Ugu Municipalities	15	100	-	-	-	-	-	-	-
B KZN212 Umdoni	15	100	-	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	265	-	-	-	-	-	-	-	-
B KZN222 uMngeni	265	-	-	-	-	-	-	-	-
Total:Uthukela Municipalities	-	-	-	-	-	-	-	-	-
Total: Umzinyathi Municipalities	-	-	-	-	400	400	-	-	-
B KZN241 Endumeni	-	-	-	-	400	400	-	-	-
Total: Amajuba Municipalities	150	400	-	-	400	400	-	-	-
B KZN252 Newcastle	150	400	-	-	400	400	-	-	-
Total: Zululand Municipalities	15	-	-	-	-	-	-	-	-
B KZN261 eDumbe	15	-	-	-	-	-	-	-	-
Total: Umkhanyakude Municipalities	-	-	-	-	-	-	-	-	-
Total: uThungulu Municipalities	515	400	-	-	-	-	-	-	-
B KZN282 uMhlathuze	515	-	-	-	-	-	-	-	-
B KZN284 uMlalazi	-	400	-	-	-	-	-	-	-
Total: Ilembe Municipalities	-	-	-	-	100	100	-	-	-
B KZN294 Maphumulo	-	-	-	-	100	100	-	-	-
Total: Sisonke Municipalities	-	-	-	-	100	100	-	-	-
B KZN433 Greater Kokstad	-	-	-	-	100	100	-	-	-
Unallocated	-	-	-	1 000	-	-	1 000	1 000	1 000
Total	960	900	-	1 000	1 000	1 000	1 000	1 000	1 000

Table 3(i) : Financial summary for Agri-business Development Agency (ADA)

R thousand	Audited Outcome			Revised Estimates	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
Revenue	-	-	-	-	-	-	-
Tax revenue	-	-	-	-	-	-	-
Non-tax revenue	138	67	32	5 505	2 436	2 638	2 840
Sale of goods and services other than capital assets	-	-	-	-	-	-	-
Interest, dividends and rent on land	105	-	-	5 470	2 400	2 600	2 800
Other non-tax revenue	33	67	32	35	36	38	40
Transfers received	128 123	133 380	152 578	104 721	125 260	111 093	116 981
DEDT	24 051	26 000	74 974	18 756	-	-	-
DAEARD	104 072	100 761	65 760	82 394	106 410	111 093	116 981
DRDLR	-	4 919	11 844	-	-	-	-
COGTA	-	1 700	-	3 571	18 850	-	-
Sale of capital assets	-	-	-	-	-	-	-
Total revenue	128 261	133 447	152 610	110 226	127 696	113 731	119 821
Expenses							
Current expense	126 947	132 743	151 701	110 226	127 696	113 731	119 821
Compensation of employees	4 394	10 638	13 816	23 002	23 908	25 462	26 989
Projects expenses	103 157	98 684	100 181	64 010	72 988	-	-
Use of goods and services	19 156	22 796	37 283	22 448	30 000	87 419	91 932
Depreciation	240	625	421	766	800	850	900
Transfers and subsidies							
Total expenses	126 947	132 743	151 701	110 226	127 696	113 731	119 821
Surplus / (deficit)*	1 314	704	909	-	-	-	-
Cash flow summary							
Adjust surplus / (deficit) for accrual transactions	135	363	444	(4 704)	(1 600)	(1 750)	(1 900)
Adjustments for:							
Depreciation	240	625	421	766	800	850	900
Interest	(105)	-	-	(5 470)	(2 400)	(2 600)	(2 800)
Operating leases	-	(262)	23	-	-	-	-
Operating surplus / (deficit) before changes in working capital	1 449	1 067	1 353	(4 704)	(1 600)	(1 750)	(1 900)
Changes in working capital	(1 155)	8 839	28 880	13	14	8	5
(Decrease) / increase in accounts payable	1 665	5 986	29 045	-	-	-	-
Decrease / (increase) in accounts receivable	(2 820)	2 804	(50)	13	14	8	5
(Decrease) / increase in provisions	-	49	(115)	-	-	-	-
Cash flow from operating activities	294	9 906	30 233	(4 691)	(1 586)	(1 742)	(1 895)
Transfers from government	128 123	136 691	152 578	104 721	106 410	111 093	116 981
Capital	1 378	2 073	1 489	2 300	4 500	1 300	1 300
Current	126 745	134 618	151 089	102 421	101 910	109 793	115 681
Cash flow from investing activities	(1 378)	(2 073)	(1 489)	(2 300)	(4 500)	(1 300)	(1 300)
Acquisition of assets	(1 378)	(2 073)	(1 489)	(2 300)	(4 500)	(1 300)	(1 300)
Computer equipment	(206)	(192)	(879)	(1 200)	(2 000)	(1 000)	(1 000)
Furniture and office equipment	(386)	-	(149)	(200)	(400)	(250)	(250)
Other machinery and equipment	(94)	-	-	(150)	(100)	(50)	(50)
Transport assets	(692)	-	-	(750)	(500)	-	-
Computer software	-	(1 881)	(461)	-	(1 500)	-	-
Other flows from investing activities	-	-	-	-	-	-	-
Cash flow from financing activities	61 184	59 924	67 821	-	-	-	-
Deferred income	59 725	-	-	-	-	-	-
Borrowing activities	105	-	-	-	-	-	-
Other	1 354	59 924	67 821	-	-	-	-
Net increase / (decrease) in cash and cash equivalents	60 100	67 757	96 565	(6 991)	(6 086)	(3 042)	(3 195)
Statement of financial position							
Carrying value of assets	1 665	3 050	3 400	5 869	9 344	9 389	9 789
Computer equipment	163	206	916	1 850	3 550	4 250	4 950
Furniture and office equipment	717	409	475	570	820	970	1 120
Other machinery and equipment	94	63	31	125	150	175	200
Transport assets	691	555	417	800	1 100	900	700
Computer software	-	1 817	1 561	2 524	3 724	3 094	2 819
Investments	-	-	-	-	-	-	-
Cash and cash equivalents	59 940	67 837	97 310	60 027	40 027	30 027	25 027
Cash on hand	59 923	67 820	97 283	60 000	40 000	30 000	25 000
Other	17	17	27	27	27	27	27
Receivables and prepayments	2 803	-	40	27	13	5	-
Other receivables	2 803	-	40	27	13	5	-
Inventory	-	-	-	-	-	-	-
Total assets	64 408	70 887	100 750	65 923	49 384	39 421	34 816
Capital and reserves	1 669	1 957	7 861	2 861	2 861	2 861	2 861
Share capital and premium	5	5	5 000	-	-	-	-
Accumulated reserves	-	1 249	1 952	2 861	2 861	2 861	2 861
Surplus / (deficit)	1 664	703	909	-	-	-	-
Borrowings	-	-	-	-	-	-	-
Post retirement benefits	-	-	-	-	-	-	-
Trade and other payables	62 656	68 336	92 412	62 538	43 211	35 926	31 257
Trade payables	1 290	6 233	10 860	12 000	13 200	14 520	15 972
Unspent conditional grant	60 949	61 532	80 958	49 913	29 321	20 686	14 535
Other operating lease liability	417	571	594	625	690	720	750
Deferred income	-	-	-	-	-	-	-
Provisions	83	594	477	524	577	634	698
Leave pay provision	83	335	477	524	577	634	698
Other	-	259	-	-	-	-	-
Funds managed (e.g. Poverty alleviation fund)	-	-	-	-	-	-	-
Contingent liabilities	-	-	-	-	2 735	-	-
Total equity and liabilities	64 408	70 887	100 750	65 923	49 384	39 421	34 816

*Note: The surplus relates to the accounting treatment of capital expenses in terms of IAS20.

Table 3.(ii) : Financial summary for Ezemvelo KZN Wildlife (EKZNW)

R thousand	Audited outcome			Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
Revenue							
Tax revenue	-	-	-	-	-	-	-
Non-tax revenue	180 244	192 277	192 604	207 440	237 731	254 686	257 149
Sale of goods and services other than capital assets	164 638	172 602	167 351	171 142	196 622	211 369	227 221
Fines penalties and forfeits	1 226	1 257	1 427	1 455	1 355	1 457	1 566
Interest, dividends and rent on land	6 922	7 330	8 386	8 696	8 910	9 578	10 297
Other non-tax revenue	7 458	11 088	15 440	26 147	30 844	32 282	18 065
Transfers received	433 658	491 317	551 874	672 177	657 895	646 819	681 825
DAEARD	431 382	491 317	549 893	586 522	657 895	646 819	681 825
DAEARD Projects	2 276	-	-	82 251	-	-	-
DEA	-	-	1 981	3 404	-	-	-
Sale of capital assets	-	-	-	1 874	3 000	6 000	6 000
Total revenue	613 902	683 594	744 478	881 491	898 626	907 505	944 974
Expenses							
Current expense	668 465	746 517	749 854	903 289	893 533	903 188	933 607
Compensation of employees	418 505	460 760	503 436	560 019	596 701	634 853	660 017
Use of goods and services	166 814	177 297	191 182	301 527	251 894	222 545	228 929
Depreciation	54 741	97 508	54 199	41 672	44 865	45 716	46 583
Unauthorised expenditure	28 318	10 754	973	-	-	-	-
Interest, dividends and rent on land	87	198	64	70	72	75	79
Transfers and subsidies	-	-	-	-	-	-	-
Total expenses	668 465	746 517	749 854	903 289	893 533	903 188	933 607
Surplus / (Deficit)	(54 563)	(62 923)	(5 376)	(21 797)	5 093	4 317	11 367
Cash flow summary							
Adjust surplus / (deficit) for accrual transactions	18 227	122 512	54 263	41 742	44 937	45 791	46 662
Depreciation	54 741	97 508	54 199	41 672	44 865	45 716	46 583
Interest	87	198	64	70	72	75	79
Net (profit) / loss on disposal of fixed assets	41 567	24 806	-	-	-	-	-
Other (Impairment reversal)	(78 168)	-	-	-	-	-	-
Operating surplus / (deficit) before changes in working capital	(36 336)	59 589	48 887	19 945	50 031	50 107	58 028
Changes in working capital	62 123	(42 561)	27 779	(3 185)	(2 954)	(2 730)	(2 512)
(Decrease) / increase in accounts payable	37 198	(12 124)	18 136	(3 941)	(3 744)	(3 557)	(3 379)
Decrease / (increase) in accounts receivable	22 059	(8 724)	3 449	231	226	220	214
(Decrease) / increase in provisions	2 866	(21 713)	6 194	525	565	607	652
Cash flow from operating activities	25 787	17 028	76 666	16 760	47 077	47 377	55 516
Transfers from government	433 658	491 317	551 874	672 177	657 895	646 819	681 825
Capital	-	-	-	-	-	-	-
Current	433 658	491 317	551 874	672 177	657 895	646 819	681 825
Cash flow from investing activities	(7 404)	(12 069)	(22 218)	(78 300)	(49 959)	(50 032)	(57 949)
Acquisition of Assets	(7 404)	(12 069)	(22 218)	(78 300)	(49 959)	(50 032)	(57 949)
Land	-	-	-	-	(12 000)	(12 000)	(12 000)
Other structures (Infrastructure assets)	-	(659)	(116)	(16 419)	(21 345)	(25 106)	(32 799)
Other Machinery and equipment	(7 404)	(11 410)	(22 102)	(61 881)	(16 614)	(12 926)	(13 150)
Other flows from investing activities	-	-	-	-	-	-	-
Cash flow from financing activities	74 773	78 659	78 163	(70)	(72)	(75)	(79)
Deferred income	43 142	47 425	55 442	-	-	-	-
Other	31 631	31 234	22 721	(70)	(72)	(75)	(79)
Net increase / (decrease) in cash and cash equivalents	93 156	83 618	132 611	(61 610)	(2 954)	(2 730)	(2 512)
Statement of financial position							
Carrying value of assets	924 210	595 569	563 588	600 216	605 309	609 627	620 994
Land	-	-	-	-	12 000	24 000	36 000
Other structures (Infrastructure assets)	647 864	413 674	365 708	361 027	360 850	364 004	374 411
Other machinery and equipment	276 346	181 895	197 880	232 108	227 738	219 261	210 581
Computer software	-	-	-	7 081	4 721	2 361	1
Investments	82 041	119 568	188 873	138 873	138 873	138 873	138 873
Current	31 603	48 955	113 764	63 764	63 764	63 764	63 764
1<5 Years	50 438	70 613	75 109	75 109	75 109	75 109	75 109
Cash and cash equivalents	87 019	78 631	57 007	45 397	42 443	39 713	37 201
Bank	84 179	76 631	56 258	44 648	41 694	38 964	36 452
Cash on hand	1 475	1 330	298	298	298	298	298
Other	1 365	670	451	451	451	451	451
Receivables and prepayments	32 099	23 375	26 824	26 593	26 367	26 147	25 933
Trade receivables	25 252	17 068	9 255	9 024	8 798	8 578	8 364
Other receivables	6 847	6 307	17 569	17 569	17 569	17 569	17 569
Inventory	8 219	7 498	8 091	8 091	8 091	8 091	8 091
Total assets	1 133 588	824 641	844 383	819 170	821 083	822 450	831 091
Capital and Reserves	831 108	549 009	541 652	519 855	524 948	529 265	540 631
Accumulated reserves	442 149	385 310	322 387	315 030	293 233	298 326	302 643
Surplus / (Deficit)	(56 839)	(62 923)	(7 357)	(21 797)	5 093	4 317	11 367
Other	445 798	226 622	226 622	226 622	226 622	226 622	226 622
Trade and other payables	88 226	76 102	94 238	90 297	86 552	82 955	79 616
Trade payables	60 688	53 291	78 829	74 888	71 143	67 586	64 207
Other	27 538	22 811	15 409	15 409	15 409	15 409	15 409
Deferred income	43 142	47 425	55 442	55 442	55 442	55 442	55 442
Provisions	139 481	120 871	130 330	130 855	131 420	132 027	132 679
Leave pay provision	70 111	56 460	62 147	62 147	62 147	62 147	62 147
Bonus	5 259	5 678	6 083	6 539	7 030	7 557	8 124
Contributory pension	755	818	920	989	1 063	1 143	1 229
Other	10 777	2 233	2 233	2 233	2 233	2 233	2 233
Post retirement medical aid	52 579	55 682	58 947	58 947	58 947	58 947	58 947
Funds managed (e.g. Poverty alleviation fund)	31 631	31 234	22 721	22 721	22 721	22 721	22 721
Trust funds and external projects	31 631	31 234	22 721	22 721	22 721	22 721	22 721
Contingent liabilities	-	-	-	-	-	-	-
Total equity and liabilities	1 133 588	824 641	844 383	819 170	821 083	822 450	831 091

**Note: The surplus relates to the accounting treatment of capital expenses in terms of IAS20.

Estimates of Provincial Revenue and Expenditure

Table 3.(iii) : Financial summary for Mjindi (Pty) Ltd (Mjindi)

R thousand	Audited outcome			Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
Revenue							
Tax revenue	-	-	-	-	-	-	-
Non-tax revenue	5 066	5 618	6 825	3 539	4 151	4 566	5 023
Sale of goods and services other than capital assets	4 901	4 995	5 973	3 115	3 685	4 054	4 459
Of which:							
Other sales	4 901	4 995	5 973	3 115	3 685	4 054	4 459
Interest, dividends and rent on land	165	623	852	424	466	512	564
Transfers received*	26 706	28 593	46 681	68 399	60 816	50 506	53 183
Sale of capital assets	-	-	-	-	-	-	-
Total revenue	31 772	34 211	53 506	71 938	64 967	55 072	58 206
Expenses							
Current expense	32 514	31 268	46 482	53 950	64 760	55 072	58 206
Compensation of employees	3 514	8 193	12 365	20 075	23 991	25 371	26 995
Use of goods and services	26 717	22 441	32 569	31 620	37 894	24 954	29 343
Depreciation	246	615	1 548	2 255	2 875	4 747	1 868
Unauthorised expenditure	2 037	19	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-	-	-
Total expenses	32 514	31 268	46 482	53 950	64 760	55 072	58 206
Surplus / (deficit)**	(742)	2 943	7 024	17 988	207	-	-
Cash flow summary							
Adjust surplus / (deficit) for accrual transactions	320	11	697	1 831	2 409	4 235	1 304
Adjustments for:							
Depreciation	246	615	1 548	2 255	2 875	4 747	1 868
Interest	1 872	(604)	(852)	(424)	(466)	(512)	(564)
Net (profit) / loss on disposal of fixed assets	74	-	1	-	-	-	-
Other	(1 872)	-	-	-	-	-	-
Operating surplus / (deficit) before changes in working capital	(422)	2 954	7 721	19 819	2 616	4 235	1 304
Changes in working capital	9 256	11 196	11 542	(10 543)	(19 409)	1 199	(4 553)
(Decrease) / increase in accounts payable	2 791	10 571	13 284	(8 027)	(16 893)	(116)	(2 432)
Decrease / (increase) in accounts receivable	198	879	(1 812)	(2 555)	(2 557)	1 273	(2 166)
(Decrease) / increase in provisions	6 267	(254)	70	39	41	43	45
Cash flow from operating activities	8 834	14 150	19 263	9 275	(16 793)	5 434	(3 249)
Transfers from government	26 706	28 593	46 681	68 399	60 816	50 506	53 183
Capital	2 097	2 398	6 796	28 992	207	-	-
Current	24 609	26 195	39 885	39 407	60 609	50 506	53 183
Cash flow from investing activities	(2 097)	(2 398)	(6 796)	(28 992)	(207)	-	-
Acquisition of assets	(2 097)	(2 398)	(6 798)	(28 992)	(207)	-	-
Dwellings	(28)	(1 055)	(2 432)	(3 300)	(207)	-	-
Computer equipment	(362)	(477)	(1 240)	-	-	-	-
Furniture and office equipment	(391)	(64)	(85)	-	-	-	-
Other machinery and equipment	(211)	(794)	(3 026)	(2 293)	-	-	-
Transport assets	(1 105)	(8)	(15)	(23 399)	-	-	-
Other flows from investing activities	-	-	2	-	-	-	-
Sale of property, plant and equipment	-	-	2	-	-	-	-
Cash flow from financing activities	-	-	-	-	-	-	-
Net increase / (decrease) in cash and cash equivalents	6 737	11 752	12 467	(19 717)	(17 000)	5 434	(3 249)
Statement of financial position							
Carrying value of assets	4 269	24 183	38 955	65 692	63 024	58 277	56 409
Land	60	-	-	-	-	-	-
Dwellings	1 076	14 407	24 412	27 224	26 886	26 349	25 822
Investment property	-	5 809	6 927	6 788	6 653	6 520	6 389
Computer equipment	370	705	1 679	1 108	731	483	3 186
Furniture and office equipment	409	432	487	438	394	355	320
Other machinery and equipment	310	999	3 820	5 349	4 814	3 851	3 081
Transport assets	2 044	1 831	1 630	24 785	23 545	20 720	17 612
Investments	-	-	-	-	-	-	-
Cash and cash equivalents	11 247	23 603	36 921	28 632	12 098	12 044	9 359
Bank	11 242	23 598	36 919	28 627	12 093	12 039	9 354
Cash on hand	5	5	2	5	5	5	5
Receivables and prepayments	2 399	1 922	3 443	5 720	8 174	6 827	8 911
Trade receivables	1 739	883	1 800	4 519	6 898	5 471	7 465
Other receivables	658	1 038	1 642	1 200	1 275	1 355	1 445
Prepaid expenses	2	1	1	1	1	1	1
Inventory	111	73	364	642	745	820	901
Trade	111	73	364	642	745	820	901
Total assets	18 026	49 781	79 683	100 686	84 041	77 968	75 581
Capital and reserves	(4 251)	16 822	33 371	51 359	51 566	51 566	51 566
Accumulated reserves	(12 908)	(13 650)	(10 707)	(3 683)	14 305	14 512	14 512
Surplus / (deficit)	(742)	2 943	7 024	17 988	207	-	-
Other	9 399	27 529	37 054	37 054	37 054	37 054	37 054
Borrowings	-	-	-	-	-	-	-
Post retirement benefits	-	-	-	-	-	-	-
Trade and other payables	15 658	26 316	39 600	31 573	14 680	14 564	12 132
Trade payables	4 415	2 718	2 683	2 951	2 592	2 530	2 783
Transfers and subsidies	11 243	23 598	36 917	28 622	12 088	12 034	9 349
Deferred income	-	-	-	-	-	-	-
Provisions	6 619	6 643	6 713	6 752	6 792	6 835	6 880
Leave pay provision	619	399	466	491	518	546	575
Salaries provisions	-	244	247	260	274	289	305
Value added tax provisions	6 000	6 000	6 000	6 000	6 000	6 000	6 000
Funds managed (e.g. Poverty alleviation fund)	-	-	-	-	-	-	-
Contingent liabilities	-	-	-	11 002	11 003	5 003	5 003
Total equity and liabilities	18 026	49 781	79 684	100 686	84 041	77 968	75 581

*Note: Some of the amounts reflected as Transfers received do not equal the amounts in Table 4.12, as portion of the transfers is reflected against other items in the statement of financial position.

**Note: The surplus/deficit relates to the accounting treatment of capital expenses in terms of IAS20.

Table 3.(iv) : Personnel summary for ADA

	Audited Outcome			Revised Estimates 2013/14	Medium-term Estimates		
	2010/11	2011/12	2012/13		2014/15	2015/16	2016/17
A. Permanent and full-time-contract employees							
Personnel cost (R thousand)	4 394	10 638	13 816	23 002	23 908	25 462	26 989
Personnel numbers (head count)	11	24	30	35	42	42	42
Unit cost	399	443	461	657	569	606	643
B. Part-time and temporary contract employees							
Personnel cost (R thousand)	-	-	-	-	-	-	-
Personnel numbers (head count)	-	-	-	-	-	-	-
Unit cost	-	-	-	-	-	-	-
C. Interns							
Personnel cost (R thousand)	-	-	-	-	-	-	-
Personnel numbers (head count)	-	-	-	-	-	-	-
Unit cost	-	-	-	-	-	-	-
Total for entity							
Personnel cost (R thousand)	4 394	10 638	13 816	23 002	23 908	25 462	26 989
Personnel numbers (head count)	11	24	30	35	40	40	40
Unit cost	399	443	461	-	-	-	-
D. Learnerships							
Personnel cost (R thousand)	-	-	-	-	-	-	-
Personnel numbers (head count)	-	-	-	-	-	-	-
Unit cost	-	-	-	-	-	-	-
Details of personnel numbers according to salary level							
Salary level							
Board Members	6	6	6	9	9	9	9
Executive Management	1	2	3	3	3	3	3
Senior Management	3	5	5	5	5	5	5
Middle Management	-	6	8	9	12	12	12
Professionals	5	6	12	16	18	18	18
Semi-skilled	2	5	2	2	2	2	2
Very low skilled	-	-	-	-	-	-	-
Total	17	30	36	44	49	49	49

Table 3.(v) : Personnel summary for EKZNW

	Audited outcome			Revised Estimate 2013/14	Medium-term Estimates		
	2010/11	2011/12	2012/13		2014/15	2015/16	2016/17
A. Permanent and full-time-contract employees							
Personnel cost (R thousand)	391 067	429 585	466 499	506 281	546 273	582 408	620 860
Personnel numbers (head count)	2 522	2 470	2 406	2 359	2 359	2 359	2 359
Unit cost	155	174	194	215	232	247	263
B. Part-time and temporary contract employees							
Personnel cost (R thousand)	27 438	31 175	36 937	53 738	50 427	52 445	39 157
Personnel numbers (head count)	599	752	1 014	943	943	943	943
Unit cost	46	41	36	57	53	56	42
C. Interns							
Personnel cost (R thousand)	-	-	-	-	-	-	-
Personnel numbers (head count)	27	37	67	70	70	70	70
Unit cost	-	-	-	-	-	-	-
Total for entity							
Personnel cost (R thousand)	418 505	460 760	503 436	560 019	596 700	634 853	660 017
Personnel numbers (head count)	3 148	3 259	3 487	3 372	3 372	3 372	3 372
Unit cost	133	141	144	166	177	188	196
D. Learnerships							
Personnel cost (R thousand)	-	-	-	-	-	-	-
Personnel numbers (head count)	-	12	19	19	19	19	19
Unit cost	-	-	-	-	-	-	-
Details of personnel numbers according to salary level							
Salary level							
Board Members	9	15	12	16	16	16	16
Executive Management	1	1	1	6	6	6	6
Senior Management	11	10	11	27	27	27	27
Middle Management	199	191	187	166	166	166	166
Professionals	207	209	204	200	200	200	200
Semi-skilled	1 382	1 360	1 328	1 319	1 319	1 319	1 319
Very low skilled	722	699	675	641	641	641	641
Total	2 531	2 485	2 418	2 375	2 375	2 375	2 375

Table 3.(vi) : Personnel summary for Mjindi

	Audited Outcome			Revised Estimate	Medium-term estimates		
	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
A. Permanent and full-time-contract employees							
Personnel cost (R thousand)	3 514	8 148	12 127	19 775	23 768	25 134	26 742
Personnel numbers (head count)	38	49	50	81	81	81	81
Unit cost	92	166	243	244	293	310	330
B. Part-time and temporary contract employees							
Personnel cost (R thousand)	-	45	238	300	223	237	253
Personnel numbers (head count)	-	1	13	4	4	4	4
Unit cost	-	45	18	75	56	59	63
C. Interns							
Personnel cost (R thousand)	-	-	-	-	-	-	-
Personnel numbers (head count)	-	-	-	-	-	-	-
Unit cost	-	-	-	-	-	-	-
Total for entity							
Personnel cost (R thousand)	3 514	8 193	12 365	20 075	23 991	25 371	26 995
Personnel numbers (head count)	38	50	63	85	85	85	85
Unit cost	92	164	196	236	282	298	318
D. Learnerships							
Personnel cost (R thousand)	-	-	-	-	-	-	-
Personnel numbers (head count)	-	-	-	-	-	-	-
Unit cost	-	-	-	-	-	-	-
Details of personnel numbers according to salary level							
Salary level							
Board Members	9	8	8	8	8	8	8
Executive Management	2	2	2	2	2	2	2
Senior Management	-	2	2	3	3	3	3
Middle Management	-	2	1	3	3	3	3
Professionals	6	7	5	10	10	10	10
Semi-skilled	24	28	13	28	28	28	28
Very low skilled	6	8	27	35	35	35	35
Total	47	57	58	89	89	89	89

Table 3.(vii) : Comprehensive list of legislative mandates

Transversal legislation

- Constitution of the Republic of South Africa (Act No. 108 of 1996)
- Public Finance Management Act (Act No. 1 of 1999, as amended) and Treasury Regulations
- KZN Provincial SCM Policy Framework of 2006
- Preferential Procurement Policy Framework Act (Act No. 5 of 2000)
- Companies Act (Act No. 61 of 1973)
- Public Service Act (Act No. 109 of 1994, as amended) and Public Service Regulations of 2001
- Labour Relations Act (Act No. 66 of 1995)
- Basic Conditions of Employment Act (Act No. 75 of 1997)
- Skills Development Act (Act No. 97 of 1998)
- Promotion of Access to Information Act (Act No. 2 of 2000)
- Occupational Health and Safety Act (Act No. 85 of 1993)
- Compensation for Occupational Injuries and Diseases Act (Act No. 130 of 1993)
- Annual Division of Revenue Act
- Employment Equity Act (Act No. 55 of 1998)
- Public Service Commission Act (Act No. 65 of 1984)
- Promotion of Administrative Justice Act (Act No. 3 of 2000)

Agricultural development services legislation

- KwaZulu Animal Protection Act (Act No. 4 of 1987)
- Conservation of Agricultural Resources Act (Act No. 43 of 1983)
- Marketing of Agricultural Products Act (Act No. 47 of 1996)
- Control of Market in Rural Areas Ordinance (No. 38 of 1965)
- Subdivision of Agricultural Land Act (Act No. 10 of 1970)
- Plant Improvement Act (Act No. 53 of 1976)
- Agricultural Pests Act (Act No. 36 of 1983)
- Agriculture Law Extension Act (Act No. of 1996)
- KwaZulu General Law Amendment Act (Act No. 3 of 1987)
- KwaZulu General Law Amendment Act (Act No. 21 of 1988)
- National Veld and Forest Fire Act (Act No. 101 of 1998)
- Veterinary and Para-Veterinary Professions Act (Act No. 19 of 1982)
- Livestock Brands Act (Act No. 87 of 1962)
- Livestock Improvement Act (Act No. 25 of 1977)
- Meat Safety Act, 2000 (Act No. 40 of 2000) (Replacing Abattoir and Co-operation Act)
- South African Medicines and Medical Devices Regulatory Authority Act (Act No. 32 of 1998)
- International Animal Health Code of World Organisation for Animal Health (OIE-Office International des Epizooties)
- Animal Diseases Act (Act No. 35 of 1984)
- International Code for Laboratory Diagnostic Procedure for Animal Diseases of World Organisation for Animal Health
- The Sanitary and Phyto-sanitary Agreement of the World Trade Organisation (WTO)
- Water Service Act (Act No. 108 of 1997)
- Marketing of Agricultural Products Act (Act No. 47 of 1996)
- Agricultural Pests Act (Act No. 36 of 1983)
- Agricultural Research Act (Act No. 86 1990)
- Agricultural Products Standards Act (Act No. 119 of 1990)
- Agricultural Produce Agents Act (Act No. 12 of 1992)
- Agricultural Development Fund Act (Act No. 175 of 1993)
- Perishable Product Export Control Act (Act No. 9 of 1983)
- Fertilizers, Farm Feeds, Agricultural Remedies and Stock Remedies Act (Act No. 36 of 1947)
- Agricultural Credit Act (Act No. 28 of 1966)
- Marketing Act (Act No. 59 of 1958)

- Plant Breeder's Right Act (Act No. 15 of 1976)
- Land Redistribution Policy for Agricultural Development
- Agricultural Debt Management Act (Act No. 45 of 2001)
- Soil User Planning Ordinance (Ordinance No. 15 of 1985)
- Generally Modified Organisms Act (Act No. 15 of 1997)
- Hazardous Substances Act, 1973
- Environment Conservation Act (Act No. 73 of 1989)
- Fertilizers, Farm Feeds, Agricultural Remedies & Stock Remedies Act (Act No. 36 of 1947)
- Agri-business Development Agency Bill

Environmental management legislation

- Environmental Management White Paper, 1997
- Environmental Conservation Amendment Act (Act No. 50 of 2003)
- National Environmental Management Act (NEMA) (Act No. 107 of 1998)
- Atmospheric Pollution Prevention Act (Act No. 45 of 1965)
- Prevention of Environmental Pollution Ordinance (Ordinance No. 21 of 1981)
- NEMA: Air Quality Act (Act No. 39 of 2004)
- Marine Living Resources Act (Act No. 18 of 1998)
- NEMA: Integrated Waste Management Bill
- NEMA: EIA Regulations 2006 and Amendments
- Sea Shore Act (Act No. 21 of 1935)
- Integrated Coastal Management Bill
- Municipal Systems Act (Act No. 32 of 2000)
- Spatial Planning and Land Use Management White Paper 2001

Conservation legislation

- KwaZulu-Natal Conservation Management Act (Act No. 9 of 1997)
- National Environmental Management Act - NEMA (Act No. 107 of 1998)
- NEMA: Protected Areas Management Act (Act No. 57 of 2003)
- NEMA: Biodiversity Act (Act No. 10 of 2004)
- National Water Act (Act No. 36 of 1998)
- Marine Living Resources Act (Act No. 18 of 1998)
- National Heritage Resources Act (Act No. 25 of 1999)
- KwaZulu-Natal Heritage Act (Act No. 10 of 1997)
- National Forest Act (Act No. 84 of 1999)
- World Heritage Convention Act (Act No. 49 of 1999)
- Veld and Forest Fire Act (Act No. 101 of 1998)
- Natal Nature Conservation Ordinance (Act No. 15 of 1974)
- Natural Scientific Professions Act (Act No. 27 of 2003)
- Conservation of Agricultural Resources Act (Act No. 43 of 1983)
- Firearms Control Act (Act No. 60 of 2000)
- Expropriation Act (Act No. 63 of 1957)
- Restitution of Land Rights Act (Act No. 22 of 1994)
- Development Facilitation Act (Act No. 67 of 1995)
- Municipal Demarcation Act (Act No. 27 of 1998)

VOTE 4

Economic Development and Tourism

Operational budget	R 1 945 205 165
MEC remuneration	R 1 734 835
Total amount to be appropriated	R 1 946 940 000
Responsible MEC	Mr. M. Mabuyakhulu, MEC for Economic Development and Tourism
Administrating department	Economic Development and Tourism
Accounting officer	Head: Economic Development and Tourism

1. Overview

Vision

The vision of the Department of Economic Development and Tourism (DEDT) is: *Leading the attainment of inclusive growth for job creation and economic sustenance.*

Mission statement

The department's mission is to: *Develop and implement strategies that drive economic growth, be a catalyst for economic transformation and development, provide leadership and facilitate integrated economic planning and development, and create a conducive environment for investment.*

Strategic goals and objectives

Strategic policy direction: By focusing on driving the economic development strategies of the province, the department seeks to facilitate strategies to enhance the competitiveness of priority sectors of the economy, in line with its industrial development strategy. It also seeks to promote the development of small business and social enterprises, to facilitate economic empowerment programmes, and manage the Enterprise Development and Growth Funds. In addition, it seeks to provide an effective and efficient consumer protection service and to ensure effective and prudent business regulation in the province.

The department has identified the following strategic goals and objectives:

Lead and co-ordinate integrated economic planning and development.

- To facilitate the implementation of B-BBEE strategy and policies.
- To provide macro-economic analysis and develop provincial economic policies/strategies.
- To provide research on priority economic sectors.
- To champion special economic zones (SEZ).
- To drive growth of the provincial economy.
- To facilitate implementation of local economic development strategies.
- To forge strategic partnerships for the development of the provincial economy (leverage resources).
- To develop and maintain an efficient regulatory and governance framework for sustained economic development.

Facilitate sustainable and inclusive economic growth to ensure job creation.

- To promote SMME and entrepreneurial development (informal and social enterprises).
- To facilitate creation of new markets.

- To enhance sector and industrial development through trade, investment and exports logistics, Information Communication Technology (ICT), manufacturing, green economy, agri-business, tourism, creative industries, maritime, aerotropolis and aviation.
- To develop the knowledge base to enhance the knowledge economy.
- To develop the ICT infrastructure.
- To investigate and develop viable alternative energy generation options.

Develop and transform the tourism sector to achieve destination competitiveness.

- To develop and fund the implementation of tourism sector specific products.
- To enhance the contribution of tourism to the KZN economy.
- To implement interventions that drive transformation, diversification and service excellence in the tourism sector.
- To foster strategic linkages (tourism corridors, leverage infrastructure development strategy).
- To promote responsible tourism practices and champion tourism response to climate change.

Core functions

The department's core functions are summarised as follows:

- To drive the economic development strategies of the province.
- To facilitate strategies to enhance the competitiveness of priority sectors of the economy, in line with the industrial development strategy.
- To promote the development of small business and social enterprises.
- To promote and facilitate economic empowerment programmes.
- To manage the Enterprise Development and Growth Funds.
- To provide an effective and efficient consumer protection service.
- To ensure effective and prudent business regulation in the province.

Legislative mandate

The legislative mandate of the department largely stems from the following Acts and Regulations:

- Constitution of the Republic of South Africa (Act No. 108 of 1996)
- Public Service Act 1994 (Act No. 103 of 1994)
- Public Service Regulations, 2001
- Public Finance Management Act 1999 (Act No. 1 of 1999), as amended, and Treasury Regulations
- Labour Relations Act 1995 (Act No. 66 of 1995)
- Promotion of Access to Information Act 2000 (Act No. 2 of 2000)
- Employment Equity Act 1998 (Act No. 55 of 1998)
- Promotion of Administrative Justice Act 2000 (Act No. 3 of 2000)
- Basic Conditions of Employment Act 1997 (Act No. 75 of 1997)
- The Companies Act 2004 (Act No. 20 of 2004)
- Equality and Prevention of Unfair Discrimination Act 2000 (Act No. 4 of 2000)
- KwaZulu-Natal Liquor Licensing Act 2010 (Act No. 6 of 2010)
- KwaZulu-Natal Film Commission Act 2010 (Act No. 3 of 2010)
- Trade and Investment KZN Act 2010 (Act No. 4 of 2010)
- Business Act 1991 (Act No. 71 of 1991)

- South African National Consumer Protection Act 2008 (Act No. 68 of 2008) hereafter referred to as the Consumer Protection Act
- KwaZulu-Natal Dube TradePort Corporation Act 2010 (Act No. 2 of 2010)
- KwaZulu-Natal Liquor Licensing Amendment Act 2013 (Act No. 3 of 2013)
- KwaZulu-Natal Consumer Protection Act 2013 (Act No. 4 of 2013)

The following bills have been promulgated and have been forwarded to the Premier for assenting, and the department awaits notification of the respective Act numbers:

- Agri-business Development Agency Bill
- KwaZulu-Natal Tourism Bill
- Richards Bay Industrial Development Zone Bill
- Ithala Development Finance Corporation Bill
- Special Economic Zones Bill

2. Review of the 2013/14 financial year

Section 2 provides a review of 2013/14, outlining the main achievements and progress made by the department, as well as providing a brief discussion on challenges and new developments.

Integrated economic development

The department continued to support small enterprises. In this regard, a number of students were granted bursaries to pursue careers in Co-operatives Management (Diploma) at the University of Zululand. Similarly, 11 District Co-operative Trainers who completed the UK Co-operatives College “International Co-operative Train-the-Trainer” course were placed at district offices in order to provide business management and co-operative governance training to existing and newly established co-operatives. Furthermore, a total of 436 SMMEs attended pre-finance training which provides knowledge and skills necessary to prepare documentation for business loan financing.

The department successfully verified all departments for compliance with B-BBEE policy implementation, and each department received a B-BBEE verification certificate. The department also organised, co-ordinated and adopted important B-BBEE resolutions with key stakeholders in the maritime, tourism, construction, and property sectors. A total of 1 660 youth were trained in short technical skills covering various critical areas such as hospitality, IT support, project management, plumbing, carpentry, etc. More than 3 000 graduates were registered on the Unemployed Graduates Database. Youth Enterprises continued to be supported through the KZN Youth Designers and KZN Chamber of Commerce. There were 11 B-BBEE awareness and advocacy campaigns organised. There were 500 women trained in business management, and six workshops organised for South African Women in Business. The department continued to handle B-BBEE complaints relating to fronting, late/no payment of suppliers and breach of contracts.

The department offered bursaries to 90 students in terms of both the Post-graduate Diploma and Master of Commerce courses. An additional 412 individuals were recipients of project specific training on various projects. Also, a total of 115 employment opportunities were supported through various LED projects. A successful Regional Local Economic Development Summit was held, involving more than 500 participants. Two Community Economic Development Initiatives (CEDI) were activated and the Call for Proposals for the Gijima KZN Local Competitiveness Fund (LCF) was initiated and five applications are being subjected to a due diligence process. Discussion with the Swiss Economic Co-operation Affairs Department (SECO) for an LED support programme in the Ilembe District is also at an advanced stage.

Trade and sector development

The department continued to stimulate economic growth and job creation through trade, investment promotion and industrial development, concomitantly spearheading the development of the province’s priority sectors. In terms of progress for 2013/14, the following achievements were made:

The signing of Chapter 1 of the Social Accord was achieved in areas of youth employment, local procurement and infrastructure development by the social partners, namely, government, business, organised labour and civil society. The department also developed four District Investment Promotion and Facilitation strategies for Amajuba, Ugu, uThungulu and Uthukela Districts, and also provided export awareness, support and market access to over 100 emerging enterprises through the Durban Tradeport.

The department completed the implementation of the goat commercialisation infrastructure supported projects in Ilembe, Umkhanyakude and Zululand Districts, as well as the eThekweni Metro. The feasibility studies for the Industrial Economic Hubs on agri-processing were completed. With regard to clothing and textiles, the Fashion Council trained 10 designers on "21 steps to retail", 20 designers were supported to showcase at the SA fashion week, and four designers were selected by Edgars to supply the Sandton store.

The KZN Music House recorded 87 musicians and distributed 4 932 CDs to various distribution agencies. More than 50 craft enterprises were trained during the One Village One Product craft project at Amajuba and Sisonke. More than 20 craft enterprises were exposed to various platforms, such as the Indian Trade Exhibition, Latigiano Trade Exhibition, Santa Fe Exhibition and Durban handmade collection. A total of 300 local and international films were showcased during the Durban International Film Festival and KZN African Film Festival. The first Simon Mabhunu Sabela Film Awards were successfully held in 2013, and more than 550 people attended these awards, where 17 veterans, legends and pioneers received awards.

Business regulation and governance

The KZN Consumer Protection Act, 2013 was approved by the Legislature in December 2013. The department, in partnership with SAPS and SARS, successfully ensured that the root causes of consumer dissatisfaction are identified and addressed at root level to ensure compliance by the various businesses. Although, the KZN Consumer Protection Act was approved in 2013, there were delays with the roll-out of the Act as the related Regulations have not yet been finalised.

The department identified challenges in both the formal and informal sector. In order to address these challenges, a collective government intervention with relevant role-players was required. This culminated in the conclusion of a five-year memorandum of understanding (MOU) between the department, South African Local Government Association (SALGA) and the Department of Co-operative Governance and Traditional Affairs (COGTA) for collective interventions in the informal sector. A detailed plan of action was developed and is expected to be rolled out in ensuing years. A concerted effort is now being made to ensure that the KZN Informal Economy Policy imperatives are incorporated into municipalities' IDPs.

The provincial and district Informal Traders' Chambers continued to function and remain an effective vehicle of ensuring the inclusion of informal traders into the economic mainstream. Extensive workshops and awareness programmes continued to be held with municipalities with regard to the implementation of the Business Act, and resulted in all municipalities being fully appointed as licensing authorities.

Economic planning

The feasibility studies were completed and business plans are currently being formulated in respect of initiatives such as the Industrial Economic Hubs, Special Economic Zones (SEZ) and Aerotropolis. The department, in partnership with the Department of Trade and Industry (DTI), finalised the blueprint for the Dube TradePort Corporation (DTPC) and SEZ.

The Aerotropolis strategy for KZN was finalised and approved by the Economic Sector and Infrastructure Development (ESID) Cabinet cluster. The department completed a series of research papers such as the conceptual framework for the Industrial Economic Hubs, industrial support measures and the economic analysis of the Zululand and Umkhanyakude Industrial Economic Hubs. The department has successfully contracted with three leading universities, namely Stellenbosch, Cape Town and Wits, through the Research Chair initiative. The key focus areas of the Research Chairs are agro-processing, mineral beneficiation and the green economy.

Tourism

Tourism continued to position itself as an important sector to achieve economic growth. In an effort to harness this, the department developed the KZN Tourism Master Plan which is a comprehensive long-term strategy for development, promotion, management and monitoring of tourism in the province.

In an effort to implement this plan, the department developed a feasibility study for the Drakensberg Cable Car project to diversify the product offering of KZN, facilitated local government support to encourage policy compliance, and continued to support community-based projects. KZN successfully staged a number of events to enhance the visitor numbers to KZN, including the KZN Summer Festival Campaign.

Ithala Development Finance Corporation (Ithala)

In 2013/14, focus was given to marketing improved product offerings, in order to ensure that Ithala's market share increases and revenue (mainly from transaction fees and interest earned) is enhanced. Ithala Limited continues on its turnaround strategy with the successful launch, in early January, of the hosted banking transactional platform. This in turn will allow customers the ability to transact on mobile and internet banking platforms, to purchase items such as airtime and electricity and, with the launch of targeted bundled product sets, should see a strong improvement in service fee income.

There has been a substantial reduction in profits compared to budgets, due to losses being incurred at Ithala Limited resulting from reduced service fee income attributable to the loss of a large number of SASSA clients who were moved to another financial institution. The transfer of operations, assets and liabilities to the KZN Growth Fund Trust was concluded in 2013/14.

There has also been a substantial improvement in both collection of outstanding loans, rescheduling of loans where businesses have the ability to repay, but are constrained by cashflows, and in advances during the period. The net result of these changes is the strong positive movement in reducing the percentage of non-performing loans to the overall loan book.

Ithala continued to face challenges in balancing the need to upgrade and maintain its infrastructure portfolio, with the cost of the interest in respect of such capital expenditure. If Ithala does not implement an infrastructure maintenance programme, eroding assets will continue to impact on business profitability, as a result of a decrease in occupancy and rental rates. Furthermore, the entity cannot easily rationalise the property portfolio and banking infrastructure by closing uneconomical centres, due to staff obligations and the fact that it renders a service to rural communities, who would not have access to any other economic services/facilities otherwise.

Cabinet approved the establishment of the Small Business Development Agency (SBDA) under Ithala, whose sole mandate is to nurture and sustain small enterprises. The SBDA was launched in November 2013.

KwaZulu-Natal Sharks Board (KZNSB)

The core function of the KZNSB is the protection of bathers against shark attacks. This mandate is fulfilled through the installation and maintenance of shark safety gear, deployed to prevent shark attacks at 38 protected beaches along the KZN coastline. During 2013/14, the KZNSB maintained 23.7 kilometres of shark netting and 79 drum-lines off the KZN coast.

The KZNSB continued research on the biodiversity of sharks. The entity also continued its research work into non-lethal means of protecting bathers in the form of shark repellent technology. The KZNSB also documented all catches, and collected biological information and material to improve understanding of marine animals. The KZNSB addressed capital backlogs, which included the replacement of boats, outboard motors and vehicles.

The Maritime Centre of Excellence (MCOE), which falls under the KZNSB, signed a MOU with the Moses Kotane Institute (MKI) to train 200 educators on the Maritime Educator Development Programme to implement introductory maritime courses at schools. The MCOE introduced a new executive programme in maritime management at post-graduate level. The physical infrastructure for diving modules is at an advanced stage of completion. Furthermore, the MCOE successfully conducted programmes in *Understanding shipping, Boat building and Skippers' licence*.

KZN Tourism Authority (TKZN)

TKZN is directly and indirectly responsible for the development, promotion and marketing of tourism into and within KZN. The vision of TKZN is to position KZN as Africa's leading tourism destination in South Africa, Africa and the world.

In positioning KZN as a global destination, TKZN has increased direct air connectivity and facilitated increased passenger traffic through negotiations with Emirates and SA Express, who selected King Shaka International Airport (KSIA) as its base for expansion into the South African Development Community (SADC) countries. This paves the way for new trade, investment and leisure opportunities. Other highlights for 2013/14 include the Tourism *Indaba* and East 3 Route.

During the Tourism *Indaba*, TKZN held meetings with key tour operators who are responsible for bringing tourism volume to South Africa from different markets.

TKZN collaborated with SA-Express to create a tourism trade workshop in Harare, Zimbabwe, with the aim of promoting KZN tourism, as well as introducing the direct Durban/Harare flight route to enhance Zimbabwean trade and to synchronise future tourism promotion plans for the SADC region.

Air Mauritius's decision to reinstate its direct flight to Durban was highly welcomed, while continued engagements with other airlines are ongoing. Most importantly, the province is confident that the hosting of the World Routes Development Forum in 2015 will contribute to the creation of additional direct long-haul international connectivity.

Agri-business Development Agency (ADA)

In the 2013/14 Adjusted Appropriation, this entity was moved to the Department of Agriculture, Environmental Affairs and Rural Development (DAEARD) in line with the function shift of ADA following a decision taken by Cabinet. An amount R19.394 million, the balance of unspent transfers to ADA relating to operational costs, was moved to DAEARD.

Dube TradePort Corporation (DTPC)

DTPC is a Schedule 3C public entity mandated to develop the trade port by undertaking or investing in associated projects. DTPC plays a multi-faceted role to both enable and drive the development of the air logistics business. On the one hand, it serves as master developer of the precinct, guiding and facilitating the appropriate use of land for property developments, light manufacturing and assembly, agricultural production and ensuring that infrastructure planning and development keeps pace with growth. On the other hand, DTPC plays the role of an investor aimed at enabling strategic economic investments from the private sector that supports volume growth and international connectivity, enhancing the competitive position of the provincial economy in the global supply chain.

In 2013/14, DTPC began putting in place the internal structures necessary to administer a SEZ, in line with the National SEZ programme. In addition, DTPC acquired significant land parcels in support of its long-term plans to develop the area surrounding the KSIA.

One of DTPC's key objectives is to improve air connectivity through KSIA and flights to Lusaka and Mauritius were renewed in 2013/14. Operations at the Dube Cargo Terminal showed steady growth in the tonnages handled, despite the set-back of the AiRoad trucking service being out of operation for the first six months of the year. Demand for space at the TradeZone remained high, attracting both Foreign Direct Investment (FDI) and leading national companies. Interest in Dube City continued in 2013/14 with five development proposals received. Occupation of DTPC's head office, 29 Degrees South, is at 100 per cent. Negotiations are underway regarding a potential split (of the land area) with ACSA, which will enable DTPC to move ahead with converting some of the MOUs already in place into formal lease agreements.

With Phase 1 of the AgriZone coming to an end, focus shifted to supporting existing tenants and improving productivity, Dube iConnect focused on growing its customer base in 2013/14 and improved its data centre revenues, while construction of the Watson Highway link road, which was delayed by environmental problems in the prior year, resumed.

Trade and Investment KwaZulu-Natal (TIK)

TIK is an agency whose mandate is to attract foreign and domestic investment, and to promote exports from, and export capacity within, KZN. In order to position itself correctly and play a vital role in economic development, TIK is required to align its strategy to the National and Provincial Economic Development Plans so as to deliver effective services and support to its clients and stakeholders. Its core activities focus on the promotion and facilitation of fixed investment in KZN, including encouraging and

retaining business. TIK also develops export opportunities and the generation of export leads, which open markets for KZN products. Despite challenges, KZN's unique attributes as an investment location have remained intact and continued to improve. There was strong performance in the level of FDI secured by TIK, amid increased competition globally.

TIK, in conjunction with TKZN and DTPC, facilitated an investment programme in support of the SA-Express DTPC strategy of using KSIA as a hub for new routes into the SADC countries, with the objective of creating a platform which will increase KZN's destination awareness and create trade and investment linkages.

TIK, in conjunction with other stakeholders, successfully hosted the BRICS Summit. TIK was instrumental in hosting the China-SA investment seminar and further engaged with potential investors from India and Russia during the summit.

Richards Bay Industrial Development Zone (RBIDZ)

RBIDZ is a public entity established to undertake the development of industrial land in the Richards Bay area, in line with a 50-year Master Plan.

Planning approval for the rezoning and revision of the layout for Phase 1A was received and the land was registered with the Deeds' Office. Significant progress was achieved with the installation of engineering services and the bulk earthworks project is nearing completion.

The installation of civil engineering services to Stage 1 of Phase 1A progressed well and is expected to be completed in March 2014, whereas the installation of electrical and ICT services is expected to be completed in July 2014.

A planning application for the rezoning and re-layout for Phase 1F was submitted to the local authority and approval is expected at the end of February 2014, which will pave the way for registration and transfer of this phase to the RBIDZ. Consultants were appointed to undertake the detailed design of engineering services for Phase 1F, and this is expected to be completed in June 2014.

The RBIDZ signed recognition agreements with three potential investors in the amount of R4.500 billion, and assistance was given to these investors to obtain various approvals to get to them to establish their plants within the RBIDZ.

KZN Liquor Authority (KZNLA)

The mandate of the KZNLA is to consider, grant or reject liquor licences through a uniform, fair, equitable and transparent process. The KZNLA works with the responsible MEC, department, municipalities and the liquor industry to implement and promote national and provincial liquor policies and norms and standards, as well as to implement and promote initiatives which address the objects of the KZN Liquor Licensing Act.

During 2013/14, the KZNLA finalised setting up all corporate governance structures, systems and policies. The KZNLA also finalised the appointment and capacitation of local committees, enhanced and upgraded the liquor licensing system and set up a new call centre to enable access to traders and communities. Applications continued to be processed in terms of the previous legislations, as the KZN Liquor Licensing Amendment Act was only assented to by the Premier on 15 December 2013, whereas payment for renewals are due on 31 December of each year. Hence the KZNLA did not have adequate time to inform all stakeholders of the new procedures and rates.

The KZNLA increased routine inspections, conducted random inspections, formed district liquor forums and developed a complaints management system that allows the entity to be responsive to complaints from the public and communities where liquor outlets are based. Liquor traders were trained on the new KZN Liquor Licensing Amendment Act, Regulations, policies and compliance requirements. In addition, the general public was made aware of the implications of the new Act through workshops and educational campaigns.

3. Outlook for the 2014/15 financial year

Section 3 looks at the key areas of 2014/15, outlining what the department is hoping to achieve, as well as briefly looking at the challenges facing the department, and proposed new developments.

Integrated economic development

The first cohort of 52 bursary students funded will complete their Diploma in Management of Co-operatives offered by the University of Zululand. These graduates will be placed within co-operatives as part of the internship programme to provide much needed administrative support.

The department will conclude the review of the provincial B-BBEE strategy, as well as the Youth Economic Empowerment strategy. It will further develop the KZN Gender and Women Economic Empowerment strategy for adoption and approval by the necessary structures. It will continue intensifying its B-BBEE awareness campaigns and co-ordination to ensure B-BBEE compliance and prioritisation of target groups.

Trade and sector development

In 2014/15, the department aims to, among others:

- Enhance export-led economic growth through the completion of the KZN Provincial Export strategy.
- Increase domestic and foreign direct investment through the development of six district Investment Promotion and Facilitation strategies for the Ilembe, Sisonke, uMgungundlovu, Umkhanyakude, Umzinyathi and Zululand District Municipalities.
- Facilitate the signing of the KZN Social Accord between the social partners, aimed at developing the green economy, promoting and developing small enterprises and co-operatives, as well as promoting women empowerment, and supporting the development of SEZs and Industrial Economic Hubs.
- Establish and support the KZN Maritime Agency, Richards Bay and Ugu Maritime Clusters, while continuing to support the MCOE.
- Provide relevant accredited training in consultation with the Manufacturing, Engineering and Related Services Sector Education and Training Authority (MERSETA), Transport Education and Training Authority (TETA), South African Maritime Training Authority (SAMTRA), South African Maritime Safety Authority (SAMSA) and South African Qualifications Authority (SAQA) to develop a local partnership between the industry and institutions of higher learning to reduce the shortage of skills to drive economic development.

Business regulation and governance

The following quality improvement measures are planned for 2014/15, among others:

- To continuously monitor the implementation of the Informal Trade Framework policy with municipalities.
- To fully implement the KZN Liquor Licensing Amendment Act, together with its amendments and the applicable regulations.
- To finalise regulations with regard to the KZN Consumer Protection Act and implement the Act.

Economic planning

In 2014/15, the department will continue, among others, to:

- Provide leadership in the implementation of flagship projects such as the Industrial Economic Hubs, SEZs, Aerotropolis and SIPs.
- Track the implementation of key provincial economic strategies such as the PGDS, Industrial Development Strategy (IDS), Export, Investment and Youth Economic Empowerment strategies.
- Enter into structural agreements/partnerships with tertiary institutions to undertake research on identified priority sectors in KZN.

Tourism

The department will continue to focus on the implementation of the KZN Tourism Master Plan with additional programmes toward the realisation of set targets and objectives, namely completing the EIA for the Drakensberg Cable Car, and the finalisation of the KZN Tourism Bill which seeks to develop and promote sustainable tourism. In partnership with the Wildlife Environmental Society South Africa (WESSA), the department will assist to develop beaches in the Ugu and Ilembe District Municipalities which will assist in achieving blue flag status.

Ithala Development Finance Corporation (Ithala)

The 2014/15 financial year represents the third year in Ithala's Repositioning strategy. Ithala will continue on the path toward sustainability and further embed the changes made in focussing on improving top line growth in the business, while minimising expenditure costs.

The main focus in business finance, while fulfilling Ithala's developmental mandate, continues to be an increase in loans to generate increasing levels of interest and fee income, simultaneously reducing the percentage of non-performing loans. As indicated, emphasis is placed on increased collections, as well as greater post investment support to ensure that non-performing loans are kept to a minimum.

A key focus area in the properties' portfolio will be improving rental income through renegotiating non-profitable leases. Rental collections will receive enhanced focus to improve cashflows for Ithala.

Ithala Limited's core focus is to launch enhanced transacting account capabilities in early 2014. Furthermore, Ithala will seek to improve returns through enhanced insurance offerings and will also launch public sector banking capabilities.

The SBDA's purpose is to support and sustain small enterprises, and its funding will be transferred *via* Ithala. The agency will provide both non-financial and financial support (micro-finance services) to small enterprises. The agency will focus and prioritise policy formulation, analyses and co-ordination for the benefit of small enterprise and monitor service delivery by the entity.

KwaZulu-Natal Sharks Board (KZNSB)

KZNSB will continue protecting bathers against shark attacks, while at the same time striving to conserve marine species. It will therefore continue with the research efforts on producing a shark repellent prototype cable which can be installed at various suitable locations, and the efficacy and human safety aspects will be validated, before full-scale production.

The KZNSB will also continue to assist provincial, national and international environmental management agencies and other interested parties through sharing of information. It will also continue to provide an educational service to scholars, media and the public. Increased focus will be placed on marketing the activities of the KZNSB to the public, thereby enhancing coastal tourism and conducting awareness programmes, advocacy and lobbying campaigns.

The entity plans to attend local and international expos and trade shows to vigorously market the activities of KZNSB and the MCOE. In addition, the KZNSB will host the second Sharks International conference in June 2014, which will provide the entity with an international platform to showcase its research efforts.

The MCOE will continue to offer its current development programmes and, after receiving accreditation and authorisation from the Department of Labour, will conduct courses in commercial diving. A MOU has already been entered into with the SA Navy in this regard. In addition, the MCOE will roll out a National Certificate in Freight Forwarding and Customs Compliance learnership for 25 learners.

KZN Tourism Authority (TKZN)

TKZN will continue its current activities, and will focus on the creation of new and strengthening of existing tourism trade platforms, such as packages for special interest groups, tour operators, specific events, etc.

TKZN will continue engaging with airlines and the national air carrier in particular, to increase traffic volumes. TKZN will be in partnership with these airlines by marketing tourism packages. It is envisaged

that the hosting of the World Routes Development Forum in 2015 will contribute to the creation of additional direct long haul connectivity to increase accessibility in and out of KZN.

TKZN will heighten efforts to train and develop the skills of emerging enterprises, drive market access initiatives, as well as focus on strategic product development packaging. In addition, the need to create and appropriately market tourism business opportunities, thereby attracting FDI into the provincial economy, while simultaneously ensuring progress in transforming the sector, is critical. TKZN will assist SMMEs in the tourism sector to access markets. In addition, TKZN will host educational programmes for large tour operators to enhance their knowledge of KZN as the destination of choice.

TKZN will continue to identify other appropriate platforms to secure and engage with audiences and decision-makers, with the aim of putting KZN in the international spotlight. Key to this, TKZN will participate at a number of domestic and international trade and consumer platforms, some of which will be new platforms in line with the Tourism Master Plan and corporate strategy targets.

In hosting the Tourism *Indaba* 2014, the province plans to increase efforts to facilitate greater optimisation of KZN trade, by brokering long-term relationships with international tourism buyers. In addition, billboard advertising will be done as a follow-up activation, promoting the Durban/Harare flight route to Zimbabwe.

Dube TradePort Corporation (DTPC)

In 2014/15, DTPC will create a new programme to deal with establishing and managing the SEZ. Work on the Watson Highway link road is expected to reach completion, while planning approvals and preliminary designs for the expansion of the AgriZone and construction at TradeZone 2 will commence. While no immediate increase in revenue is expected from the establishment of a major electronics manufacturer at the TradeZone, there is expected to be a positive long term impact as complementary manufacturers and suppliers are attracted to the area. Additional land purchases are planned in support of the long term expansion and development of the DTPC precinct.

In line with DTPC's mandate to drive the development of air logistics in KZN, focus will remain on expanding regional and international route networks through partnerships with relevant airlines, while air cargo connectivity will focus on regional routes. Focus at the AgriZone remains on maintenance and the improvement of production yields at the greenhouses, while the tissue culture facility will focus on improving productivity in 2014/15. Dube iConnect aims to improve revenue generation from ICT offerings through the management and retention of customers, with the ultimate goal of profitability in mind for future years.

Trade and Investment KwaZulu-Natal (TIK)

TIK is dedicated to creating an environment in KZN that is conducive to business development and attractive to both local and international investors, as well as traders. TIK's focus will continue to be on its Africa platforms, in terms of which companies will continue being assisted to participate in exhibitions and investment platforms in SADC, West and East African markets.

A robust programme for traditional markets will be implemented for those companies that have products for these. The recruitment of investors is critical and TIK will leverage its relations with agencies such as Brand SA, in order to access investors in key markets. TIK will continue enhancing business linkages within the BRICS countries to market business development programmes and investment opportunities.

The entity will continue to focus on identification, development and packaging of outward investment opportunities. It is also mandated to brand and market the province as an investment destination, as well as to retain and expand trade and export activities.

Richards Bay Industrial Development Zone (RBIDZ)

The emphasis in 2014/15 will be the further roll-out of engineering infrastructure to the existing phases of the RBIDZ to ensure that the entity becomes more investor friendly. Planned projects for Phase 1A include the completion of civil and electrical engineering infrastructure, completion of the entrance gate and customs control area and finalisation of the design of the through-road. The detailed design of engineering infrastructure to Phase 1F will be completed in June 2014, with the issuing of tenders for the

installation of engineering services planned for January 2015. Environmental approval for the installation of engineering services to Phase 1F is only expected in January 2015 and therefore tenders for the installation of engineering services can only be issued once this approval is in place.

Further proposed expansion of the RBIDZ land portfolio as per the 50-year Master Plan will be investigated. Detailed investigations such as geo-technical, geo-hydrological, wetland, flood line and environmental assessments will take place to support development and environmental applications that have to be submitted to the relevant authorities for approval. Facilitation of the signed investors to obtain environmental approvals will continue in 2014/15 and efforts to sign further investors will be intensified. Focus will also be on complying with the requirements of the SEZ Bill, as the IDZ is one of the identified SEZ nodes.

KwaZulu-Natal Liquor Authority (KZNLA)

In 2014/15, the entity will focus on fully implementing the KZN Liquor Licensing Amendment Act, together with the Regulations. As such, the entity will focus on developing and implementing provincial policy and norms and standards pertaining to the retail liquor industry and micro-manufacturing of liquor. In addition, the KZNLA will establish and set guidelines for the conduct of business in the liquor industry and local committees. The KZNLA will also consider applications for licences and conduct inspections of premises of applicants and licence holders to ensure compliance with the Act.

4 Receipts and financing

4.1 Summary of receipts and financing

Table 4.1 shows the sources of funding for the department over the seven-year period 2010/11 to 2016/17. The table also compares actual and budgeted receipts against actual and budgeted payments.

Table 4.1 : Summary of receipts and financing

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Equitable share	1 624 798	1 486 950	1 659 018	1 837 015	1 863 351	1 863 351	1 929 940	2 022 601	2 087 942
Conditional grants	-	536	1 000	-	-	-	2 000	-	-
EPWP Integrated Grant for Provinces	-	536	1 000	-	-	-	2 000	-	-
Total receipts	1 624 798	1 487 486	1 660 018	1 837 015	1 863 351	1 863 351	1 931 940	2 022 601	2 087 942
Total payments	1 624 311	1 534 168	1 685 848	1 837 015	1 979 851	2 107 641	1 946 940	2 037 191	2 102 627
Surplus/(Deficit) before financing	487	(46 682)	(25 830)	-	(116 500)	(244 290)	(15 000)	(14 590)	(14 685)
Financing									
of which									
Provincial roll-overs	-	-	28 256	-	-	-	-	-	-
Provincial cash resources	100 000	90 072	101 411	-	116 500	116 500	15 000	14 590	14 685
Surplus/(Deficit) after financing	100 487	43 390	103 837	-	-	(127 790)	-	-	-

The high allocation in 2010/11 is largely due to the funding requirements of DTPC, particularly the airport project. The department was allocated R100 million from provincial cash resources, which was returned to the Provincial Revenue Fund by Ithala. This funding had been transferred to Ithala in previous years for land purchases relating to RBIDZ. This funding was subsequently transferred to RBIDZ. The department under-spent its budget by R100.487 million due to non-filling of posts, delays in various projects such as uMlalazi and Okhahlamba Development Agency for construction of trading centres, as well as delays in establishing the KZNLA.

The department received conditional grant funding of R536 000 for the EPWP Integrated Grant for Provinces in 2011/12. However, this was not spent, as the department could not find projects which would meet the grant requirements. In 2012/13, the department once again received the EPWP Integrated Grant for Provinces, and this was fully spent on weed eradication at the Dukuduku Resettlement Programme. In addition, the department is allocated R2 million in 2014/15 in respect of this grant, and no allocation for the two outer years of the MTEF at this stage.

An amount of R90.072 million allocated in the form of provincial cash resources in 2011/12 was for DTPC strategic projects such as cargo shed ramp handling facilities, additional AgriZone works and re-capitalisation of the cargo terminal, for the SMME risk sharing fund with Standard Bank, and the transfer to TKZN for the UCI/BMX events. The department under-spent by R43.390 million in 2011/12, which included an amount of R25.423 million which was deemed to be a prepayment relating to the Top Gear Festival and KZN Convention Bureau Bid Fund. As this was a prepayment, the Auditor-General (AG) advised that this amount be reduced from 2011/12 and be allocated in the year the festival and bid fund, took place, hence the expenditure was reduced. Also contributing to this under-spending were delays in the establishment of the KZNLA, as well as non-filling of posts.

In 2012/13, an amount of R28.256 million was rolled over from 2011/12, relating to commitments with regard to the Top Gear Festival, Travel Agents Federation of India (TAFI) events such as the TAFI Convention 2013 and the KZN Convention Bureau Bid Fund.

The department was also allocated R101.411 million from provincial cash resources for major provincial events, such as the North Sea Jazz Festival, Metro FM Awards, BRICS Summit, etc. Additional funding was also allocated to ADA for feasibility studies, capacity building and project management of aspiring commercial farmers, to TKZN for their SAP and VIP payroll system, and to KZNSB, largely for capital requirements.

The budget was under-spent by R103.837 million in 2012/13, due to expenditure that was deemed to be prepayments for events, such as Top Gear Festival and MTV Awards, amounting to R15.896 million and R36.212 million, respectively. These contributed to the under-spending due to the fact that expenditure was only recognised when the events took place in the following year. Also contributing, was expenditure relating to the North Sea Jazz Festival which was moved into a debt account to recover R26.900 million paid to the event organisers, since there were serious contractual problems that emerged involving the promoter. This under-spending also related to delays in finalising SLAs and SCM processes for various projects, including the Integrated Craft Hub, Ekhaya Multi-Art Centre, Tourism Mentorship Partnership, Durban International Airport Plan, Durban Film Festival, Fresh Produce Mentorship, among others.

In the 2013/14 Adjusted Appropriation, the department's allocation was increased by an amount of R116.500 million from provincial cash resources, as explained below:

- KZNSB received once-off additional funding of R10.500 million for land purchases, for erection of new offices, since the current premises are not suitable for expansion including the MCOE.
- R105 million was allocated to Ithala for its capital adequacy ratio.
- The department received R1 million for spending on Operation *Sukuma Sakhe* (OSS) initiatives.

In addition, an amount of R52.550 million was added to the department's allocation from the Strategic Cabinet Initiatives Fund for various events, such as the Manchester United Tour (R3.420 million), SA Women's Golf Championship (R9 million), Nelson Mandela Golf Tournament (R5 million), Metro FM Awards (R10.527 million), Volvo European Golf Championship (R5 million), Take Me Out production (R5 million), the X Factor production (R5 million), EduSport East Coast Festival (R9.100 million) and the Amcor Dam Music Festival (R500 000).

Mitigating this to some extent is an amount of R26.211 million that was reduced from the department's allocation as follows:

- R19.394 million moved from the department relating to the balance of transfers to ADA, in line with the function shift of ADA to DAEARD, following a Cabinet decision.
- The department's allocation was reduced by R6.817 million due to the centralisation of parts of the communications and external bursaries budget to the Office of the Premier (OTP), totalling R6.417 million and R400 000, respectively, with carry-through over the MTEF.

The 2013/14 Revised Estimate reflects anticipated over-spending of R127.790 million due to various events that were approved by Cabinet without funding, such as the Mandela Exhibition Career Expos, MEC initiative support for Co-operatives and SMMEs, etc.

The fairly substantial increase in the provincial allocation from 2013/14 to 2016/17 is due to increased transfers from the provincial fiscus to DTPC for capital projects in terms of the DTPC 60-year Master Plan, as well as increased transfers to KZNLA and TKZN.

The allocation for the 2014/15 MTEF includes carry-through allocations to the KZNSB for MCOE operational costs, TIK for the Technical Assistance Fund (TAF) and marketing, to fund KZNLA for the procurement of an IT system, as well as carry-through of previous wage agreements. Also, once-off funding for operational costs of the KZNLA (in 2014/15 only) as, once the liquor licences revenue stream starts being shown, this will be used to fund the operational costs of the entity from 2015/16 onward. In 2015/16, RBIDZ is allocated additional once-off funding for infrastructure developments relating to the entity's Master Plan. The allocation is reduced due to the carry-through of the function shift in respect of ADA to DAEARD, as well as centralisation of the budget in respect of parts of the communications and external bursaries budget under the OTP.

4.2 Departmental receipts collection

Table 4.2 below gives a summary of the receipts collected by the department. Details of departmental receipts are presented in the *Annexure – Vote 4: Economic Development and Tourism*.

Table 4.2 : Summary of departmental receipts collection

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation 2013/14	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Tax receipts	5 023	465	4 927	5 727	5 727	5 650	6 015	6 292	6 625
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	5 023	465	4 927	5 727	5 727	5 650	6 015	6 292	6 625
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	113	223	233	159	159	299	168	176	185
Transfers received	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	-	-	16	-	-	4	4	5	6
Sale of capital assets	350	304	411	-	-	68	-	-	-
Transactions in financial assets and liabilities	100 008	301	4 870	46	46	460	49	51	54
Total	105 494	1 293	10 457	5 932	5 932	6 481	6 236	6 524	6 870

The main revenue collected by the department is in respect of *Liquor licences*. Due to the delays in the completion of all legal processes relating to the promulgation of the KZN Liquor Licensing Amendment Act, Provincial Treasury advised the department to rather be conservative in their projections. The KZNLA is responsible for the liquor licensing functions. One of its roles includes the surveillance of the industry to ensure that compliance of licencees is enhanced, including the collection of licence fees. Thus far, the KZNLA has reviewed the licence types and their respective tariffs. Once new tariffs are implemented, it is envisaged that revenue from this source will increase substantially. It is, however, likely that the full impact of the new Act on revenue will only be realised in 2015/16 and Provincial Treasury has agreed that some of this will be used to pay for some of the entity's operational costs going forward. The dip in 2011/12 was due to funds being paid over to the department by SARS during the following year.

Revenue from *Sale of goods and services other than capital assets* relates to commission on insurance and parking rental for staff. In 2011/12, revenue increased due to increased parking fees from departmental officials. In addition, as more vacancies were filled, the revenue collections against this category grew. The 2013/14 Revised Estimate reflects an increased amount due to the sale of redundant catering equipment, as well as the collection made from Tourist Guide registration, which was not budgeted for as it is new to the department. The increase over the MTEF is based on inflationary increments.

The 2012/13 and the 2013/14 Revised Estimate amounts against *Interest, dividends and rent on land* relates to interest on staff debts. Over the MTEF, interest collections are anticipated to grow from R4 000 in 2014/15 to R6 000 in 2016/17.

The revenue reflected against *Sale of capital assets* in 2010/11 to 2013/14 relates to the sale of redundant vehicles. Over the MTEF, no vehicle sales are anticipated.

The fluctuating trend against *Transactions in financial assets and liabilities* shows that receipts from this category are difficult to predict. The high 2010/11 figure relates to R100 million which was returned to the Provincial Revenue Fund by Ithala in respect of funding allocated for the purchase of land for the RBIDZ. This money was allocated back to the department in 2010/11 for direct transfer to the RBIDZ. The high collection in 2012/13 is largely attributed to the 2011/12 liquor licence fees that were not paid over in that year to the entity by the licensees, due to challenges in the establishment of the entity. Further contributing to this over-collection was money recovered from a service provider for previous year's expenditure relating to one of the department's Local Economic Development (LED) projects. The 2013/14 Revised Estimate reflects an increased amount due to the revenue collection resulting largely from a refund of unused credit on the Durban ICC account for an event staged by the department.

4.3 Donor funding

Table 4.3 and 4.4 reflects the expenditure in respect of donor funding over the seven-year period.

Table 4.3 : Details of donor funding

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Donor funding	42 626	-	-	-	-	-	-	-	-
European Union - Gijima	42 626	-	-	-	-	-	-	-	-
Total	42 626	-	-	-	-	-	-	-	-

Table 4.4 : Details of payments and estimates of donor funding

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Donor funding	36 364	-	-	-	-	-	-	-	-
European Union - Gijima	36 364	-	-	-	-	-	-	-	-
Total	36 364	-	-	-	-	-	-	-	-

In 2010/11, the department acted as a contracting authority with regard to a local economic development funding partnership with the European Union (EU) and the *Gijima* KZN LED Support Programme, bringing together skilled private and public sector technical teams funded through the EU and the provincial government. The *Gijima* programme concluded its implementation activities in December 2010. However, the certification (close-out audit) of projects is still underway. Once the close-out audit has been finalised by the EU, the donor funds balance as reflected in Table 4.3 will then be returned by the department to the EU. The bulk of this R42.626 million is mainly interest that has been earned over the life of the fund, which will be returned to the EU once the final close-out report is issued.

5. Payment summary

This section provides information pertaining to the vote as a whole at an aggregated level, including payments and budgeted estimates in terms of programmes and economic classification. Further details are given in Section 6 below, as well as in the *Annexure – Vote 4: Economic Development and Tourism*.

The budget structure conforms to the uniform budget and programme structure for the Economic Development sector. The main difference to the budget and programme structure for the sector is that, in KZN, Gambling and Betting falls under Vote 1: Office of the Premier.

5.1 Key assumptions

The department applied the following broad assumptions when compiling the budget:

- The expanded cost-cutting measures, as reissued by PT in 2013/14, will continue to be adhered to over the 2014/15 MTEF, in conjunction with National Treasury Instruction 01 of 2013/14: Cost-containment measures.

- Provision was made for an inflationary wage adjustment of 6.4, 6.4 and 6.3 per cent for each of the three years of the 2014/15 MTEF, respectively. The department also provided for the 1.5 per cent pay progression. In addition, the department receives additional funding over the 2014/15 for the carry-through of previous wage agreements.
- Provision has been made for the filling of vacant posts, while taking into account the moratorium on the filling of non-critical vacant posts.
- All inflation related increases are based on CPI projections.

5.2 Additional allocations for the 2012/13 to 2014/15 MTEF

Table 4.5 shows the additional funding received by the department over the three MTEF periods: 2012/13, 2013/14 and 2014/15. The purpose of the below table is two-fold. Firstly, it shows the quantum of additional funding allocated to the department in the past and current MTEF periods. Secondly, it indicates the policies and purposes for which the additional funding was allocated.

The carry-through allocations for the 2012/13 and 2013/14 MTEF periods (i.e. for the financial years 2016/17) are based on the incremental percentage used in the 2014/15 MTEF.

Table 4.5 : Summary of additional provincial allocations for the 2012/13 to 2014/15 MTEF

R thousand	2012/13	2013/14	2014/15	2015/16	2016/17
2012/13 MTEF period	78 499	211 539	253 442	265 100	277 295
Carry-through of the 2011/12 Adjustments Estimate	4 684	6 352	6 733	7 043	7 367
UCI/BMX cycling events	4 684	6 352	6 733	7 043	7 367
DTP - Infrastructure and development	50 000	180 000	220 000	230 120	240 706
ADA - Operating costs	21 591	22 851	24 257	25 373	26 540
Carry-through of 2011 Adjustments Estimate - 2011 wage agreement	2 224	2 336	2 452	2 565	2 683
2013/14 MTEF period		(25 330)	(63 709)	(50 764)	(138 065)
Census data update and 1%, 2% and 3% baseline cuts		(25 330)	(53 003)	(65 750)	(68 775)
2014/15 MTEF period			(5 353)	7 493	(34 645)
Function shift: ADA to DAEARD			(39 945)	(41 571)	(43 774)
KZNSB - MCOE			6 000	6 000	6 000
TIK - TAF and marketing			7 000	7 000	7 000
KZN Liquor Authority - IT system			2 000	1 590	1 685
KZN Liquor Authority - Operational costs			25 768	-	-
RBIDZ - Infrastructure relating to Master Plan			-	40 000	-
Carry-through of previous wage agreements			1 061	2 048	2 366
Centralisation of communications budget under OTP			(6 737)	(7 074)	(7 399)
Centralisation of external bursaries budget under OTP			(500)	(500)	(523)
Total	78 499	186 209	184 380	221 829	104 585

In the 2012/13 MTEF, an additional allocation for the UCI/BMX cycling events was made. Also, additional funding was allocated for the operational costs of ADA and DTPC to fund strategic projects, such as cargo shed ramp handling facilities, additional AgriZone works and re-capitalisation of the cargo terminal, among others. In addition, the provision for the carry-through costs of the higher than anticipated 2011 wage agreement, was made.

In the 2013/14 MTEF, National Treasury took a decision to impose 1, 2 and 3 per cent baseline cuts on all spheres of government (i.e. National, Provincial and Local) in order to curb the national deficit as public spending is growing faster than revenue collection. In addition, KZN received reduced equitable share allocations as a result of the reduced proportion in terms of population numbers as reported in the 2011 Census data results. The effect of this on the department was a substantial reduction in the budget over the entire period.

The allocation over the 2014/15 MTEF includes the carry-through to KZNSB for MCOE operational costs, TIK for the TAF and marketing, KZNLA for the procurement of an IT system, as well as the carry-through of previous wage agreements. Also, once-off additional funding was added for the operational costs in respect of the KZNLA which is anticipated to be funded from liquor licences revenue from 2015/16 onward. RBIDZ receives once-off additional funding in 2015/16 for infrastructure development in line with the entity's Master Plan in 2015/16. Mitigating this, to some extent, was the function shift in

respect of ADA to DAEARD, as well as centralisation of the budget in respect of parts of the communications and external bursaries under the OTP.

5.3 Summary by programme and economic classification

Tables 4.6 and 4.7 provide a summary of payments and budgeted estimates by programme and economic classification, respectively, for the period 2010/11 to 2016/17.

The budget structure, which largely conforms to the uniform budget and programme structure for the Economic Development sector, is made up of six programmes that are directly linked to the department's core functions, namely Administration, Integrated Economic Development Services, Trade and Sector Development, Business Regulation and Governance, Economic Planning and Tourism. The main difference to the budget and programme structure for the sector is that, in KZN, Gambling and Betting falls under Vote 1: OTP.

Table 4.6 : Summary of payments and estimates by programme: Economic Development and Tourism

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
1. Administration	181 666	209 594	212 465	193 905	222 947	240 375	194 876	209 797	220 756
2. Integrated Economic Development Services	420 361	427 553	407 358	496 187	550 523	579 291	441 576	462 554	484 969
3. Trade and Sector Development	866 727	676 921	674 467	861 428	799 532	795 185	882 294	971 196	978 846
4. Business Regulation and Governance	24 876	37 313	86 092	72 566	69 888	69 337	110 360	87 299	96 378
5. Economic Planning	11 777	18 302	18 546	29 776	22 505	22 438	31 161	32 575	34 088
6. Tourism	118 904	164 485	286 920	183 153	314 456	401 015	286 673	273 770	287 590
Total	1 624 311	1 534 168	1 685 848	1 837 015	1 979 851	2 107 641	1 946 940	2 037 191	2 102 627

Table 4.7 : Summary of payments and estimates by economic classification: Economic Development and Tourism

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Current payments	417 435	471 540	535 438	578 208	592 750	708 518	559 025	595 971	635 144
Compensation of employees	118 136	121 912	130 820	172 109	157 359	149 687	180 910	202 224	217 296
Goods and services	299 299	349 628	404 618	406 099	435 391	558 831	378 115	393 747	417 848
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	1 192 644	1 058 880	1 142 429	1 255 314	1 377 456	1 394 004	1 383 799	1 439 377	1 465 542
Provinces and municipalities	106	14	4 292	2 412	3 769	9 746	520	531	33
Departmental agencies and accounts	680 408	641 555	686 723	826 959	853 271	858 963	949 236	958 164	1 007 024
Higher education institutions	-	-	-	-	2 780	2 780	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	436 975	339 636	332 109	345 164	343 913	343 913	254 170	297 147	260 907
Non-profit institutions	75 019	67 036	112 078	80 779	160 085	164 951	165 468	168 511	181 758
Households	136	10 639	7 227	-	13 638	13 651	14 405	15 024	15 820
Payments for capital assets	13 469	3 746	2 996	3 493	9 645	5 119	4 116	1 843	1 941
Buildings and other fixed structures	741	-	-	-	-	-	-	-	-
Machinery and equipment	5 978	3 363	2 869	3 441	9 148	4 723	3 316	1 843	1 941
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	6 750	383	127	52	497	396	800	-	-
Payments for financial assets	763	2	4 985	-	-	-	-	-	-
Total	1 624 311	1 534 168	1 685 848	1 837 015	1 979 851	2 107 641	1 946 940	2 037 191	2 102 627

The fluctuating trend over the seven-year period can be ascribed to capital requirements of projects undertaken by DTPC and RBIDZ, once-off additional funding largely for increased transfers to public entities such as KZNSB and TKZN and ADA, as well as provision from Strategic Cabinet Initiatives Funds for events such as the SA Women's Golf Championship, Metro FM Awards and the Volvo European Golf Championship. The department's allocation was reduced from the 2013/14 Adjusted Appropriation onward, in line with the function shift of ADA to DAEARD, as well as the centralisation of external bursaries and parts of the communications budget under the OTP. This explains the substantial decrease in 2014/15.

Spending increased significantly in 2011/12 against Programme 1: Administration due to events funded by the Strategic Cabinet Initiatives Fund including the World Golf Championship, and funding reprioritised from other programmes to fund events such as the Top Gear Festival, which were allocated to the office of the HOD. In 2012/13, expenditure increased due to a roll-over of funds relating to the Top Gear Festival and the KZN Convention Bureau Bid Fund, hence the decrease in 2013/14. The peak in the 2013/14 Adjusted Appropriation was due to reprioritisation of projects, and funds moved from other programmes to fund projects, such as the Industrial Economic Hubs, the Royalty Soapie Awards, Ithala Repositioning strategy and the Aerotropolis strategy. This explains the decrease in 2014/15, which was further impacted by a reduction, with carry-through, relating to the centralisation of parts of the communications and external bursaries budgets under the OTP, as previously mentioned. The allocation over the two outer years of the 2014/15 MTEF increases steadily.

The slight increase in 2011/12 against Programme 2: Integrated Economic Development Services is attributed to SMME and co-operatives rehabilitation projects in the bakery, school nutrition and agricultural products sectors. The declining trend in 2012/13 can be ascribed to delays in finalising SLAs and SCM processes for various projects, such as Fresh Produce Mentorship, mentorship of cleaning and sewing co-operatives, Operation *Vuselela*, and Umyezane Awards. The budget increased significantly in the 2013/14 Adjusted Appropriation due to additional once-off funding of R105 million allocated to Ithala for its capital adequacy ratio. Also added to this programme were funds reprioritised from Programme 3 to cater for the Co-operatives Incubator programme that will be conducted by the department in partnership with Mangosuthu University of Technology, and for the Ndumo Regeneration programme which was allocated under Ithala. This was reduced to some extent by R63.444 million relating to several LED and SMME projects that were halted in 2013/14, and these funds were reprioritised to Programmes 1 and 6 to fund projects and events, such as the Industrial Economic Hubs, the World Amateur Golf Championship, SAIFTA, KZN Tourism Train and the MTV Awards. Thus there is negative growth in 2014/15. However, the two outer years of the MTEF increase at an inflationary rate.

The extremely high spending in 2010/11 against Programme 3: Trade and Sector Development is due to the completion of the airport portion at DTPC followed by the lower capital requirements of DTPC, as well as the Industrial Strategy and the Amajuba Tannery project, explaining the decrease in 2011/12 and 2012/13. The significant increase in 2013/14 relates to additional funding to DTPC for infrastructure development, and for ADA operating costs. The 2013/14 Adjusted Appropriation reflects a substantial reduction, largely due to R40 million reduced from the transfer to the RBIDZ to offset spending pressures in other categories and programmes, taking into account the healthy positive cash balance of this entity. Also, the untransferred funds for the operational and project costs for ADA were moved to DAEARD in line with the function shift of this entity, carried through over the MTEF. Despite this, a slight increase over the 2014/15 MTEF is mainly due to additional carry-through funding allocated to TIK for the TAF and marketing. In 2015/16, once-off additional funding is allocated to RBIDZ for infrastructure development relating to the entity's Master Plan. The 2014/15 MTEF allocation increases steadily.

Spending increased substantially from 2012/13 onward against Programme 4: Business Regulation and Governance, after the establishment of the KZNLA. The minimal decline in the 2013/14 Adjusted Appropriation is attributed to reprioritisation of projects undertaken, whereby projects such as SMS consumer education and the Informal Trade project were halted in 2013/14 and these funds were moved from *Goods and services* to other programmes. The sharp growth in 2014/15 is driven by the carry-through allocation for the procurement of an IT system, as well as once-off additional funding to cater for KZNLA's operational costs, which will be funded from 2015/16 using the increased liquor licences revenue which is anticipated to be collected.

In 2011/12, spending increased against Programme 5: Economic Planning due to a five-year review plan of research projects, such as the socio-economic impact of DTPC and inner-city regeneration projects, the development of an Industrial Development strategy, among others. The minimal increase in 2012/13 can be ascribed to the purchase of General Algebraic Modeling System (GAMS) for policy analysis. The trend declined substantially in the 2013/14 Adjusted Appropriation due to the reprioritisation of projects, where identified funds were moved to address spending pressures in other programmes. This explains the sharp increase in 2014/15. The budget increases at an inflationary rate over the 2014/15 MTEF.

Spending increased significantly in 2011/12 against Programme 6: Tourism due to the once-off costs related to critical repairs to the roofing of KZNSB headquarters in Umhlanga, as well as additional funding to investigate more environmentally friendly shark repellent technology and to fill critical vacancies in the entity's SCM unit. In addition, TKZN received additional funding for the Tourism *Indaba* and the UCI/BMX events. Also contributing, was spending relating to several tourism-oriented projects such as Ikhwezi lodge, Tourism *Indaba*, the Provincial Tourism Conference and SAIFTA. The significant increase in 2012/13 is attributed to various events funded from the Strategic Cabinet Initiatives Fund, including the Volvo European Golf Championship, Manchester United Tour, among others. This accounts for the decrease in the 2013/14 Main Appropriation. Also included was once-off additional funding for KZNSB capital requirements, which includes replacement of boats, outboard motors and vehicles, as well as to fund TKZN for their SAP and VIP payroll system. In the 2013/14 Adjusted Appropriation, the programme received once-off additional funding to fund the KZNSB for a land purchase relating to the construction of new offices in Durban, as well as for events funded from the Strategic Cabinet Initiatives Fund, namely the SA Women's Golf Championship, Nelson Mandela Golf Tournament, among others, as mentioned previously. Also contributing were funds reprioritised from other programmes to fund events such as MTV Awards, the uMphithi Spring Music Festival, the Umlazi Festival and Expo, Urban Music Tour and the SMME Conference. This accounts for the decrease in 2014/15. The budget over the 2014/15 MTEF includes carry-through funding for the KZNSB MCOE operational costs and Tourism Enterprise Partnership (this is a non-profit company for strategic partners in tourism that facilitate the growth, development and sustainability of small tourism businesses). The department has reprioritised once-off funding for tourism-related events such as the Volvo European Golf Championship and MTV Awards that are expected to be held in 2014/15, hence the decrease in 2015/16.

The spending trend against *Compensation of employees* increases steadily from 2010/11 to 2012/13. In 2013/14, the department budgeted to fill numerous vacant posts but, due to the difficulty in finding suitable candidates, posts were not filled as planned, accounting for the reduction in the 2013/14 Adjusted Appropriation and Revised Estimate. The funds were moved to other categories to defray spending pressures. The significant increase in 2014/15 relates to the planned filling of posts. The allocation over the two outer years of the 2014/15 MTEF grows at an inflationary rate.

The increase in spending against *Goods and services* in 2011/12 relates to various projects, such as once-off costs in respect of awareness campaigns undertaken to explain the KZN Consumer Protection Act and the KZN Liquor Licensing Amendment Act. In addition, savings were moved mainly from *Compensation of employees* to fund new initiatives such as the Top Gear Festival and the World Golf Championships, as well as for SMME and co-operatives rehabilitation projects in the bakery, school nutrition and agricultural products sectors. The further increase in 2012/13 can also be ascribed to funds rolled over in respect of events such as the Top Gear Festival, TAFI and the KZN Convention Bureau Bid Fund. Also, additional once-off funding was allocated from the Strategic Cabinet Initiatives Fund for the hosting of events such as the Manchester United Tour and the Women's Golf Championship. The significant increase in the 2013/14 Adjusted Appropriation relates to funding allocated from the Strategic Cabinet Initiatives Fund for events such as the Take Me Out production, the X Factor production, EduSport East Coast Festival, and the Amcor Dam Music Festival, accounting for the substantial decrease in 2014/15. The allocation against this category increases at a steady rate over the 2014/15 MTEF.

Transfers and subsidies to: Provinces and municipalities relates to motor vehicle licensing costs and transfers to municipalities for the development of trading centres. The high spending in 2010/11 included a donation to the International Newcastle Alliance Summit. The sharp increase in 2012/13 is attributed to expenditure on the Inyoni craft centre and Ndundulu trading centre in the Mthonjaneni and Mandeni Municipalities, as well as for the Richards Bay Breakfast event which was aimed at tourists and business people, and was used to showcase business opportunities in the Richards Bay area, and for the Sakhisizwe Management Agency for the Ingoma Music Festival. These were held in the uMhlathuze Municipality and Umkhanyakude District Municipality, respectively. The 2013/14 Main Appropriation relates to finalisation of joint project funding in the Mandeni Municipality, explaining the decrease. The significant increase in the 2013/14 Adjusted Appropriation was driven by once-off funding to rehabilitate beach structures which were damaged by storms in the uMhlathuze and Hibiscus Coast Municipalities. The increase in the 2013/14 Revised Estimate can be ascribed to the Drakensburg Cable Car which was

budgeted reclassified from *Goods and services* to this category. The 2014/15 amount includes provision for the Dundee July which is held in Umzinyathi. The allocation in 2016/17 caters for motor licensing costs only, at this stage, explaining the substantial decrease in this year.

The spending against *Transfers and subsidies to: Departmental agencies and accounts* relates to funding provided to TIK, KZNSB, TKZN, KZNLA, DTPC and Ezemvelo KwaZulu-Natal Wildlife (EKZNW) which is an implementing agent for the department. The decrease in 2011/12 is largely attributed to the completion of the airport portion of the DTPC project. The increase in 2012/13 relates to KZNLA establishment costs. The increasing trend in the 2013/14 Adjusted Appropriation can be ascribed to a shift from *Goods and services* to fund various projects and events that will be hosted by TKZN and TIK, as well as once-off additional funding to fund the KZNSB land purchase to construct the new offices in Durban. The allocation substantially increases in 2014/15 due to the additional allocation to TIK for TAF and marketing, as well as to KZNSB to fund MCOE operational costs. In addition, KZNLA receives carry-through allocation for the procurement of an IT system and substantial once-off funding for its operational costs. The allocation over the two outer years of the MTEF increases at a steady rate.

The 2013/14 Adjusted Appropriation against *Transfers and subsidies to: Higher education institutions* relates to the Co-operatives Incubator programme run by the Mangosuthu University of Technology.

Transfers and subsidies to: Public corporations and private enterprises consists of transfers to the Growth and Enterprise Development Funds, Ithala, RBIDZ and various other entities. The high spending in 2010/11 was due to the once-off cost of land purchases, and this explains the declining trend from 2011/12 onward. The trend decreases significantly in 2012/13 due to savings that were reduced from the Growth Fund and moved to *Goods and services* to cater for the KZN Convention Bureau Bid Fund and TAFI, as well as to TKZN to fund the Tourism *Indaba* and to KZNSB for the MCOE. In the 2013/14 Adjusted Appropriation, once-off funding was added for the Ithala capital adequacy ratio. Mitigating this to some extent was the fact that the allocation to RBIDZ was reduced by R40 million, and funding allocated for the Growth Fund was moved to *Transfers and subsidies to: Non-profit institutions*. An agreement was reached between DEDT and the Growth Fund that its transfers will no longer be paid *via* Ithala, but will be transferred directly to the KZN Growth Fund Trust. The fluctuating trend over the 2014/15 MTEF is ascribed to once-off funding allocated for infrastructure development relating to RBIDZ's Master Plan in 2015/16.

The decrease in 2011/12 against *Transfers and subsidies to: Non-profit institutions* can be ascribed to delays in the finalisation of SLAs for the Okhahlamba Development Agency, Ekhaya Multi-Art Centre and Integrated Craft Hub. In 2012/13, the increase relates to once-off additional funds to ADA for feasibility studies, business plans, as well as capacity building and project management support to aspiring commercial farmers in KZN and savings rationalised from DTPC, which were allocated to cater for various projects, including Cycling SA. The significant increase in the 2013/14 Adjusted Appropriation is attributed to the Growth Fund which was reclassified against this category, since the entity is in the process of being registered as a separate entity. It is noted that prior years are not adjusted since transfers were made *via* Ithala. Mitigating this addition to some extent, were ADA transfers which were moved to DAEARD in line with the function shift of ADA, as explained previously. The allocation over the 2014/15 MTEF increases at a steady rate.

Transfers and subsidies to: Households relates to staff exit costs and external bursaries. The increase in 2011/12 relates to external bursaries managed by the OTP. Similarly, the spending in 2012/13 was for external bursaries in respect of Co-operatives Management (Diploma) offered at the University of Zululand. The increase in the 2013/14 Adjusted Appropriation relates to external bursaries to students at UKZN who are studying toward Post-graduate Diplomas and Masters in LED, and for Co-operatives Management (Diploma) at the University of Zululand. These funds were shifted from *Goods and services* to this category. The allocation in 2014/15 includes external bursaries for the carry-through costs of these. These were not centralised under OTP due to the fact that these are one of the core projects of the department.

The spending against *Buildings and other fixed structures* in 2010/11 relates to the costs of establishing a regional office in the Mkhuze area, which entailed the purchase of park homes.

The high spending against *Machinery and equipment* in 2010/11 relates to the purchase of vehicles, the cost of security improvements to the offices of the department as well as the capital equipment for one-stop-shops. Also, the spending relating to capital equipment for the new offices, when the tourism function was transferred to the department from the Department of Arts and Culture. This explains the decrease in 2011/12 and 2012/13. The sharp increase in the 2013/14 Adjusted Appropriation can be ascribed to the once-off costs of purchasing new servers. In 2014/15, provision is made to purchase furniture for the new MEC's offices in Pietermaritzburg. This accounts for the erratic growth over the 2014/15 MTEF.

The high spending against *Software and other intangible assets* in 2010/11 relates to the upgrading of various software licences. Spending in 2012/13 is largely attributed to the purchase of GAMS for policy analysis. The budget in 2013/14 includes funding of Sabinet software subscriptions relating to the department's library information database. The allocation in 2014/15 relates to legal services contract management software, process management software, and software packages for new regional offices.

Payments for financial assets reflect various losses which were written-off from 2010/11 to 2012/13.

5.4 Summary of payments and estimates by district municipal area

Table 4.8 shows payments, excluding operational costs, to be incurred in each district municipality. It should be noted that the figures in the table are merely estimates, as procurement is centralised at head office, therefore it is difficult to project expenditure at district level.

Table 4.8 : Summary of payments and estimates by district municipal area

R thousand	Audited Outcome	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16	2016/17
eThekweni	1 096 094	1 282 024	1 339 465	1 401 080	1 475 337
Ugu	792	1 834	881	922	971
uMgungundlovu	366 101	351 742	343 130	358 912	377 934
Uthukela	3 000	3 150	3 308	3 460	3 643
Umzinyathi	2 492	2 619	2 755	2 882	3 035
Amajuba	2 539	3 199	3 375	3 530	3 717
Zululand	11 246	11 865	12 577	13 156	13 853
Umkhanyakude	5 024	20 288	25 580	5 837	6 146
uThungulu	103 031	30 153	74 343	77 762	81 883
Ilembe	2 216	2 327	2 443	2 555	2 690
Sisonke	992	1 044	1 101	1 151	1 212
Total	1 593 527	1 710 245	1 808 958	1 871 247	1 970 423

As Table 4.8 shows, spending is largely split between the eThekweni Metro and the uMgungundlovu District Municipality. This is due to the allocation of province-wide projects to uMgungundlovu, which is the location of the department's head office. The high allocation to the eThekweni Metro includes funding for DTPC, KZNSB, TKZN, etc., as these entities are situated in that area. Also, many of the department's events are held in Durban. The eThekweni Metro allocation increases steadily over the 2014/15 MTEF.

The spending in the uThungulu District Municipality is mainly due to the development of RBIDZ. The substantial decrease in 2013/14 was due to a reduction in the RBIDZ transfers, taking into account the healthy positive cash balance of this entity. The steady growth over the 2014/15 MTEF relates to additional once-off funds allocated in 2015/16 for infrastructure developments relating to its Master Plan.

The trend increases significantly in 2013/14 and 2014/15 against the Umkhanyakude District Municipality driven by funding allocated to Ithala for the Ndumo Regeneration programme, which is an integrated multi-purpose and multi-sectoral project, aimed to address the needs of and revitalise the Ndumo area. The spending in the Zululand and Ilembe District Municipalities relates to various LED projects, such as the construction of trading centres.

5.5 Summary of conditional grant payments and estimates

Table 4.9 below relates to the summary of conditional grants receipts and payments, by grant name and economic classification. Further details are provided in the *Annexure – Vote 4: Economic Development and Tourism*.

Note that the historical figures set out in Table 4.9 below reflect actual expenditure per grant, and should not be compared to those figures reflected in Table 4.1 which represent the actual receipts for a grant.

Table 4.9 : Summary of conditional grants payments and estimates by name

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
EPWP Integrated Grant for Provinces	-	-	1 000	-	-	-	2 000	-	-
Total	-	-	1 000	-	-	-	2 000	-	-

The spending in 2012/13 relates to the EPWP Integrated Grant for Provinces funding of R1 million which was allocated against *Goods and services*. This funding was utilised for weed eradication at the Dukuduku Resettlement Programme, with the Department of Public Works (DOPW) as the implementing agent. There was no allocation in 2013/14. The department is allocated a further R2 million in 2014/15, with no allocation for the two outer years at this stage.

5.6 Summary of infrastructure payments and estimates

Table 4.10 below summarises the infrastructure payments and estimates by category for the department. A more detailed listing of infrastructure projects to be undertaken by the department can be found in *Annexure – Vote 4: Economic Development and Tourism*.

Table 4.10 : Summary of infrastructure payments and estimates by category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
New and replacement assets	741	-	-	-	-	-	-	-	-
Existing infrastructure assets	-	-	-	-	-	-	-	-	-
Upgrades and additions	-	-	-	-	-	-	-	-	-
Rehabilitation, renovations and refurbishments	-	-	-	-	-	-	-	-	-
Maintenance and repairs	-	-	-	-	-	-	-	-	-
Infrastructure transfers	651 927	470 529	415 613	599 655	559 655	559 655	655 747	722 459	718 629
Current	-	-	-	-	-	-	-	-	-
Capital	651 927	470 529	415 613	599 655	559 655	559 655	655 747	722 459	718 629
Total	652 668	470 529	415 613	599 655	559 655	559 655	655 747	722 459	718 629

The department's infrastructure funding is mostly allocated against *Infrastructure transfers*. The amount against *New and replacement assets* in 2010/11 was in respect of the establishment of the Mkuze regional office. Spending in this respect relates to the purchase of park homes for accommodation.

The allocation to *Infrastructure transfers: Capital* relates to both DTPC and RBIDZ. The decrease from 2011/12 onward was due to decreasing funding requirements of DTPC due to the completion of the airport portion of the project. The further decrease in the 2013/14 Adjusted Appropriation is attributed to a reduction of the RBIDZ allocation due to the entity's healthy positive cash position. The allocation over the 2014/15 MTEF relates to both DTPC and RBIDZ capital projects in line with their Master Plans. The sharp increase in 2015/16 is ascribed to once-off additional funding allocated to RBIDZ for infrastructure projects, as mentioned earlier. This explains the decrease in 2016/17.

5.7 Summary of Public Private Partnerships – Nil

5.8 Transfers to public entities listed in terms of Schedule 3 of the PFMA

Table 4.11 provides a summary of departmental transfers to the public entities that fall under the auspices of the department, as well as ADA and EKZWN which fall under DAEARD.

Financial summaries in respect of the various public entities are presented in the *Annexure – Vote 4: Economic Development and Tourism*.

Table 4.11 : Summary of departmental transfers to public entities

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Agri-business Development Agency	24 051	26 000	74 974	38 150	18 756	18 756	-	-	-
Dube TradePort Corporation	526 905	448 334	392 308	575 402	575 402	575 402	630 375	656 053	690 824
Ezemvelo KwaZulu-Natal Wildlife	-	970	-	-	2 500	2 500	4 500	4 500	4 500
Ithala Development Finance Corporation	280 000	280 000	249 500	280 000	300 000	300 000	185 000	185 000	185 000
of which									
SMMes Fund	180 000	-	-	-	-	-	-	-	-
Enterprise Development Fund	-	180 000	189 500	185 000	185 000	185 000	148 000	148 000	148 000
Ithala Share Capital	40 000	-	-	-	105 000	105 000	-	-	-
Ndumo Regeneration Programme	-	-	-	-	10 000	10 000	-	-	-
Growth Fund	60 000	100 000	60 000	95 000	-	-	-	-	-
Small Business Development Agency	-	-	-	-	-	-	37 000	37 000	37 000
KwaZulu-Natal Liquor Authority	-	-	55 699	43 920	43 920	43 920	77 282	53 214	56 046
KwaZulu-Natal Tourism Authority	71 444	89 381	118 292	90 912	95 724	98 067	103 628	107 512	112 203
KwaZulu-Natal Sharks Board	25 551	41 334	55 371	49 485	59 985	59 985	56 109	56 678	59 364
Richards Bay Industrial Development Zone	156 975	59 636	62 618	65 164	25 164	25 164	68 170	110 947	74 707
Trade and Investment KwaZulu-Natal	56 508	61 536	65 053	67 240	72 740	76 089	77 342	80 207	84 087
Total	1 141 434	1 007 191	1 073 815	1 210 273	1 194 191	1 199 883	1 202 406	1 254 111	1 266 731

The transfer from DEDT to ADA mainly provided for the operational costs of the entity. Spending in 2012/13 shows a substantial increase due to additional operational costs, such as audit fees, travel costs, additional staff, telephone and fleet costs, as well as the costs for a cut-flower project. In addition, funds were provided for feasibility studies, business plans, as well as capacity building and project management support to aspiring commercial farmers in KZN. In the 2013/14 Adjusted Appropriation, funds not transferred, relating to the operational and project costs, were moved to DAEARD in line with the function shift of ADA, which now falls under the auspices of DAEARD following a Cabinet decision in this regard. This also explains why there is no allocation over the 2014/15 MTEF.

The allocation decreases from 2011/12 against DTTPC, due to the completion of the airport portion of the project and some major capital developments, while the remaining amounts relate to the development of the multi-nodal logistics hub at the airport site. In 2012/13, transfers to this entity were reduced by R40 million to fund other areas of critical need within the department, such as the MTV Awards and the Project Tour Mentor Partnerships, Integrated Craft Hubs, etc. The entity was able to absorb the reduction by phasing in capital developments over a longer period. There is positive growth over the 2014/15 MTEF and this provides for operational costs, as well as capital developments as per the DTTPC Master Plan.

EKZWN falls under DAEARD but is used as an implementing agent by DEDT. In 2011/12, funding was provided for the department to partner with EKZWN with regard to a corporate social investment project, where dams were built for communities in drought-stricken areas. In the 2013/14 Adjusted Appropriation, DEDT allocated funds to EKZWN toward the Ingodini Border Caves and for the Ntsikeni and May Lodge in the Ntsikeni Reserve. These funds are for the development and funding of the management of community-based projects managed by EKZWN. The allocation over the 2014/15 MTEF is a provision for continuation of these projects, as well as the development of Bhambatha Lodge (R2 million).

The department transfers funds to Ithala on a project-specific funding basis and Ithala then oversees the financing and control of the projects, as well as the recovery of the loans.

- The allocation from 2010/11 to 2012/13 included the SMMes, Enterprise Development and Growth Funds. The latter became a stand-alone entity from the 2013/14 Adjusted Appropriation, and the transfers from the 2013/14 Adjusted Appropriation and over the MTEF are excluded from this table at this stage as the KZN Growth Fund Trust has not yet been registered as a public entity. The decline in 2012/13 was due to savings in the Growth Fund which were moved to *Goods and services* to cater for the KZN Convention Bureau Bid Fund and TAFI, to TKZN to fund the Tourism *Indaba* and to the KZNSB for the MCOE.
- In the 2013/14 Adjusted Appropriation, Ithala received a substantial once-off allocation of R105 million in respect of Ithala share capital, to assist it with its capital adequacy ratios, as well as an amount of R10 million for the Ndumo Regeneration programme whereby the entity is commissioned to champion this integrated multi-purpose and multi-sectoral project to revitalise the Ndumo area. This explains the decrease in 2014/15.

- The allocation over the 2014/15 MTEF only provides for the Enterprise Development Fund (SMME and Co-operatives), and the newly established SBDA, as explained earlier.

KZNLA was established in 2012/13 to administer the collection of liquor licence fees, as well as the issuing of liquor licences. The high allocation in 2012/13 can be ascribed to the once-off additional funding provided for the entity's establishment costs. Hence, the entity reflects a decrease in 2013/14. Further once-off additional funding for the entity's operational costs is allocated in 2014/15, including the carry-through allocation for the procurement of an IT system, which explains the decrease in the 2014/15 MTEF. Once the liquor licences revenue stream starts being shown, it will be used to fund the operational costs of the entity from 2015/16 onward.

The transfer to TKZN was increased in 2011/12 to provide for, among others, the promotion of the East 3 Route, which is a promotion of northern KZN, Mozambique and Swaziland, and for the UCI/BMX events. In 2012/13, TKZN received additional funding to host the Tourism *Indaba* (R7 million), East 3 Route (R6 million) and KZN Summer Festival Campaign (R1.500 million), which is a marketing strategy to increase tourism in KZN. It also received an additional R2.310 million for its SAP and VIP payroll system. This explains the decrease in the 2013/14 Main Appropriation. The increase in the 2013/14 Adjusted Appropriation catered for projects such as the KZN Convention Bureau Bid Fund, Tourism *Indaba*, Tourism Master Plan Launch, HICA, SMME conference gala dinner (Convention Bureau), KZN Summer Festival Campaign and the East 3 Route project, as well as for hosting of the Durban International Film Festival and Exhibition. The transfers to TKZN were slightly reduced since the department took a decision to transfer funds relating to the Cycling Championship event directly to the event organisers. The increase in the Revised Estimate relates to the East 3 Route project funding which was added to this entity. This entity shows steady growth over the 2014/15 MTEF.

The transfer to KZNSB substantially increased in 2011/12 due to once-off additional funding in respect of critical roof repairs at the entity's headquarters and the purchase and installation of a biometric access control system. In addition, the entity received funding to investigate more environmentally friendly shark repellent technology and to fill critical vacancies in its SCM unit. In 2012/13, R14.433 million was provided to the KZNSB largely for once-off capital requirements, which included the replacement of boats, outboard motors and vehicles, Caseware (software solutions for accounting, auditing, financial, risk and governance) licence fees and legal fees. The entity also received once-off funding of R5 million to fund activities of the MCOE, including learning materials, accreditation of courses, conversion of workshops to classrooms, etc. The significant increase in the 2013/14 Adjusted Appropriation relates to a once-off allocation earmarked for the purchase of land in Durban for erecting new offices, and this explains the decrease in 2014/15. There is steady growth over the 2014/15 MTEF.

The high transfer to RBIDZ in 2010/11 included the once-off costs of land purchase of R100 million, and this explains the declining trend in 2011/12. The substantial reduction in the 2013/14 Adjusted Appropriation is attributed to the reduction in the allocation by the department, due to the healthy positive cash balance of this entity. These funds were moved for projects such as the Co-operatives Incubator programme and the Ndumo Regeneration programme. The entity is allocated once-off additional transfers in 2015/16 for infrastructure relating to its Master Plan, explaining the significant decrease in 2016/17.

The allocation to TIK grows steadily from 2010/11 to 2012/13. The increase in the 2013/14 Adjusted Appropriation relates to once-off additional funding of R5.500 million for Makhaya Arts and Culture Development, as well as in respect of investment seminars, as the entity was assigned to implement these projects. The increase in the 2013/14 Revised Estimate is attributed to an amount of R3.349 million that was re-classified as a transfer payment to this entity, which was allocated for the investment seminars aimed to grow the tourism industry between Swaziland and Mozambique. The entity receives a carry-through allocation of R7 million over the 2014/15 MTEF to cater for the TAF and marketing. The growth remains steady over the MTEF.

5.9 Transfers to other entities

Table 4.12 gives a summary of departmental transfers to other entities, details of which are given below.

Table 4.12 : Summary of departmental transfers to other entities

R thousand	Sub-programme	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
		2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
	Anglican Church - Mothers' Union Natal Diocese	241	-	-	-	-	-	-	-	-
	Sponsorship of choir uniforms	-	24	-	-	-	-	-	-	-
	Co-operative Funding	-	-	-	-	5 886	5 886	-	-	-
	SEDA eThekweni	-	-	-	-	3 000	3 000	-	-	-
	Enterprise Ilembe	-	-	-	-	400	400	-	-	-
	Mangosuthu University of Technology	-	-	-	-	2 780	2 780	-	-	-
	KZN Youth and Women Co-op Bus. Indaba	-	-	-	-	1 500	1 500	-	-	-
	Okhahlamba Dev Agency	-	-	-	5 000	-	-	-	-	-
	Durban Beach Festival	-	-	1 500	-	-	-	-	-	-
	KZN Music Studio	15 229	-	-	-	-	-	-	-	-
	Durban Film Festival	1 200	1 500	-	1 329	1 329	1 329	-	-	-
	Moses Kotane Institute	34 297	39 512	33 000	36 300	36 300	36 300	38 478	40 248	42 381
	Ilembe Chamber of Business	-	-	504	-	-	-	-	-	-
	Annual Maritzburg Corporate Challenge	-	-	500	-	-	-	-	-	-
	KZN Film Commission	-	-	-	-	-	4 866	22 909	23 728	34 337
	Cycling SA	-	-	3 600	-	8 700	8 700	9 081	9 535	10 040
	Midmar Music Festival	-	-	1 500	-	-	-	-	-	-
	King Shaka Fashion Festival	-	-	5 400	-	-	-	-	-	-
	Mhlacu Festival	-	-	1 500	-	-	-	-	-	-
	Fact Durban Rocks	-	-	1 600	-	-	-	-	-	-
	Umgababa New Year's Picnic	-	-	1 500	-	-	-	-	-	-
	Bundu Mix	-	-	900	-	-	-	-	-	-
	Youth Development in Motion	-	-	91	-	-	-	-	-	-
	Umthayi Marula Festival	-	-	5 500	-	-	-	-	-	-
	KZN Growth Fund Trust	-	-	-	-	95 000	95 000	95 000	95 000	95 000
	Township to township marathon	-	-	-	-	1 000	1 000	-	-	-
	Urban Music Tour	-	-	-	-	3 000	3 000	-	-	-
	Umlazi Festival and Expo	-	-	-	-	3 000	3 000	-	-	-
	uMphithi Spring Music Festival	-	-	-	-	1 963	1 963	-	-	-
	SMME Conference	-	-	-	-	2 000	2 000	-	-	-
	Tourism Enterprise Partnership	-	-	-	-	-	-	1 000	1 200	1 200
Total		50 967	41 036	57 095	42 629	165 858	170 724	166 468	169 711	182 958

Cycling SA caters for the UCI/BMX cycling events. The allocation for this event was previously under TKZN but, as from 2013/14, funding was reclassified under Cycling SA, subsequent to a contract that was concluded by the department and event organiser, which stipulates that the transfer be paid directly to the event organisers. The budget increases at an inflationary rate over the 2014/15 MTEF.

The funding against the Okhahlamba Development Agency relates to the construction of trading centres. In the 2013/14 Adjusted Appropriation, this project was terminated due to lack of capacity on the part of the agency. These funds were moved to fund the World Amateur Golf Championship event.

Spending in 2010/11 against the KZN Music Studio included the once-off establishment costs of the entity (i.e. the set up of the actual KZN Music Studio). The management of the KZN Music Studio is undertaken on an outsourced basis through contracts with a specialised service provider and will be disbursed out of *Goods and services*, hence no allocation from 2011/12 onward.

The Durban Film Festival did not take place in 2012/13 due to delays in signing SLAs. The 2013/14 budget was lower than previous transfers due to baseline cuts. The allocation from 2014/15 is included under the KZN Film Commission, as this entity is commissioned to host the festival.

The MKI's purpose is to contribute to a people-centred economic development. The amount transferred to the MKI in 2010/11 was for the first year of their operation, and provided for both the operational and capital costs of the entity. In 2011/12, the increase relates to the establishment of computer laboratories in four additional districts, which explains the lower allocation from 2012/13 onward. The allocation over the 2014/15 MTEF increases at an inflationary rate.

The KZN Film Commission's purpose is to promote the film industry in KZN. This newly established entity is based in Durban. The steadily increasing allocation includes funding for the Durban Film Festival and Simon Mabhunu Sabela Film Awards that will be hosted by this entity over the 2014/15 MTEF.

The KZN Growth Fund Trust was established to lend funds to commercially viable projects. In the 2013/14 Adjusted Appropriation, the Growth Fund was restructured, and the KZN Growth Fund Trust established. Prior to the KZN Growth Fund Trust, the funding was routed *via* Ithala. Its funding was moved from Ithala under *Transfers and subsidies to: Public corporations and private enterprises* and was

reclassified as *Transfers and subsidies to: Non-profit institutions* since the KZN Growth Fund Trust is in the process of being registered as a separate entity.

In 2012/13, transfers to various entities were made relating to the department funding partnerships and for major events, as reflected in Table 4.13. The substantial increase in the 2013/14 Adjusted Appropriation also included the transfers paid to various private enterprises mainly for events, as well as to SEDA eThekweni which received R3 million to assist with the day-to-day operation of the entity, subsequent to the termination of the funding by National SEDA. Over the 2014/15 MTEF, carry-through funding allocated for the Tourism Enterprise Partnership, as explained previously.

5.10 Transfers to municipalities

Tables 4.13 and 4.14 below indicate transfers to municipalities per category. Details of these transfers are given in *Annexure – Vote 4: Economic Development and Tourism*. It is also noted that, although the payment of motor vehicle licences falls under *Transfers and subsidies to: Provinces and municipalities*, these funds will not be transferred to any municipality, and hence these are excluded from the table below.

Table 4.13 : Summary of departmental transfers to local government by category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Category A	-	-	-	-	26	26	-	-	-
Category B	100	-	3 263	2 384	3 115	9 092	-	-	-
Category C	-	-	981	-	600	600	500	500	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	100	-	4 244	2 384	3 741	9 718	500	500	-

Table 4.14 : Summary of departmental transfers to local government by grant name

R thousand	Sub-programme	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
		2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Newcastle Alliance Summit	1.1 Office of the MEC	100	-	-	-	-	-	-	-	-
Divine Touch FM	1.1 Office of the MEC	-	-	-	-	26	26	-	-	-
Joint Project Funding	2.2 Reg/LED	-	-	2 953	2 384	2 384	2 384	-	-	-
Inyoni craft centre	2.2 Reg/LED	-	-	-	-	31	31	-	-	-
Beaches Rehabilitation	6.3 Tourism Growth and Development	-	-	-	-	700	1 200	-	-	-
Dundee July	6.3 Tourism Growth and Development	-	-	-	-	500	-	500	500	-
Sakhisizwe Manag. Agency	6.3 Tourism Growth and Development	-	-	981	-	100	100	-	-	-
Richards Bay Breakfast	6.3 Tourism Growth and Development	-	-	310	-	-	-	-	-	-
Drakensburg Cable Car	6.3 Tourism Growth and Development	-	-	-	-	-	5 977	-	-	-
Total		100	-	4 244	2 384	3 741	9 718	500	500	-

The expenditure in 2010/11 relates to a donation toward the costs of the International Newcastle Alliance Summit, under Category B. In 2013/14, a donation was made to Sakhisizwe Management Agency for the Ingoma Music Festival that was held in the uMgungundlovu District Municipality, as well as to Divine Touch FM in Durban for its transmission fees.

Spending in 2012/13 relates to the construction of trading centres in Mandeni and Mthonjaneni Municipalities, as well as funding to host the Richards Bay Breakfast event, and the Sakhisizwe Management Agency for the Ingoma Music Festival. These were held in the uThungulu District and Umkhanyakude Municipalities, respectively.

In the 2013/14 Adjusted Appropriation, the Category B allocation includes the Inyoni craft centre, for the revitalisation of Alkantstrand Beach in the uMhlathuze Municipality, as well as the rehabilitation of South Port Beach in the Hibiscus Coast Municipality. The high amount in the 2013/14 Revised Estimate relates to the Drakensburg Cable Car. Category C provides for the Dundee July event that is held in the Umzinyathi District Municipality. The allocation under Category C in the two first years of the MTEF relates to the Dundee July event.

5.11 Transfers and subsidies

Table 4.15 below is a summary of spending on *Transfers and subsidies* by programme and main category.

Estimates of Provincial Revenue and Expenditure

Table 4.15 : Summary of transfers and subsidies by programme and main category

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
1. Administration	346	499	795	28	65	65	20	31	33
Provinces and municipalities	106	14	21	28	54	54	20	31	33
Motor vehicle licences	6	14	21	28	28	28	20	31	33
International Newcastle Alliance Summit	100	-	-	-	-	-	-	-	-
Divine Touch FM	-	-	-	-	26	26	-	-	-
Non-profit institutions	242	24	-	-	-	-	-	-	-
Anglican Church - Mothers' Union Natal Diocese	242	-	-	-	-	-	-	-	-
Sponsorship of choir uniforms	-	24	-	-	-	-	-	-	-
Households	(2)	461	774	-	11	11	-	-	-
Social benefits	(2)	461	151	-	11	11	-	-	-
Bursaries	-	-	623	-	-	-	-	-	-
2. Integrated Economic Development Services	280 030	291 098	259 294	287 384	424 180	424 180	294 405	295 024	295 820
Provinces and municipalities	-	-	2 980	2 384	2 415	2 415	-	-	-
Joint project funding	-	-	2 953	2 384	2 415	2 415	-	-	-
Project Gateway	-	-	27	-	-	-	-	-	-
Departmental agencies and accounts	-	970	-	-	3 000	3 000	-	-	-
EKZNW	-	970	-	-	-	-	-	-	-
SEDA eThekweni	-	-	-	-	3 000	3 000	-	-	-
Higher education institutions	-	-	-	-	2 780	2 780	-	-	-
Mangosuthu University of Technology	-	-	-	-	2 780	2 780	-	-	-
Public corporations and private enterprises	280 000	280 000	249 500	280 000	307 386	307 386	185 000	185 000	185 000
Enterprise Development Fund	-	180 000	189 500	185 000	185 000	185 000	148 000	148 000	148 000
Ithala Limited	40 000	-	-	-	105 000	105 000	-	-	-
Ndumo Regeneration programme	-	-	-	-	10 000	10 000	-	-	-
SBDA	-	-	-	-	-	-	37 000	37 000	37 000
SMMEs Fund	180 000	-	-	-	-	-	-	-	-
Growth Fund	60 000	100 000	60 000	95 000	-	-	-	-	-
Co-operative Funding	-	-	-	-	5 886	5 886	-	-	-
KZN Youth and Women Co-ops Bus. <i>indaba</i>	-	-	-	-	1 500	1 500	-	-	-
Non-profit institutions	-	-	504	5 000	95 000	95 000	95 000	95 000	95 000
Ilembe Chamber of Commerce	-	-	504	-	-	-	-	-	-
Okhahlamba Dev Agency	-	-	-	5 000	-	-	-	-	-
KZN Growth Fund Trust	-	-	-	-	95 000	95 000	95 000	95 000	95 000
Households	30	10 128	6 310	-	13 599	13 599	14 405	15 024	15 820
Social benefits	30	-	43	-	-	-	-	-	-
Bursaries	-	10 128	6 267	-	13 599	13 599	14 405	15 024	15 820
3. Trade and Sector Development	815 244	636 518	628 047	783 585	729 715	737 930	837 274	911 183	926 336
Departmental agencies and accounts	583 413	509 870	457 361	642 642	648 142	651 491	707 717	736 260	774 911
TIK	56 508	61 536	65 053	67 240	72 740	76 089	77 342	80 207	84 087
DTPC	526 905	448 334	392 308	575 402	575 402	575 402	630 375	656 053	690 824
Public corporations and private enterprises	156 975	59 636	62 618	65 164	25 164	25 164	68 170	110 947	74 707
RBIDZ	156 975	59 636	62 618	65 164	25 164	25 164	68 170	110 947	74 707
Non-profit institutions	74 777	67 012	107 974	75 779	56 385	61 251	61 387	63 976	76 718
ADA	24 051	26 000	74 974	38 150	18 756	18 756	-	-	-
Durban Film Festival	1 200	1 500	-	1 329	1 329	1 329	-	-	-
KZN Film Commission	-	-	-	-	-	4 866	22 909	23 728	34 337
KZN Music Studio	15 229	-	-	-	-	-	-	-	-
Moses Kotane Institute	34 297	39 512	33 000	36 300	36 300	36 300	38 478	40 248	42 381
Households	79	-	94	-	24	24	-	-	-
Social benefits	79	-	94	-	24	24	-	-	-
4. Business Regulation and Governance	-	-	55 724	43 920	43 920	43 933	77 282	53 214	56 046
Departmental agencies and accounts	-	-	55 699	43 920	43 920	43 920	77 282	53 214	56 046
KZNLA	-	-	55 699	43 920	43 920	43 920	77 282	53 214	56 046
Households	-	-	25	-	-	13	-	-	-
Social benefits	-	-	25	-	-	13	-	-	-
5. Economic Planning	29	50	3	-	-	-	-	-	-
Households	29	50	3	-	-	-	-	-	-
Social benefits	29	50	3	-	-	-	-	-	-
6. Tourism	96 995	130 715	198 566	140 397	179 576	187 896	174 818	179 925	187 307
Provinces and municipalities	-	-	1 291	-	1 300	7 277	500	500	-
Sakhisizwe Management Agency	-	-	981	-	100	100	-	-	-
Richards Bay Breakfast	-	-	310	-	-	-	-	-	-
uMhlatuze Municipality	-	-	-	-	400	400	-	-	-
Hibiscus Coast Municipality	-	-	-	-	300	300	-	-	-
Okhahlamba Drakensburg Cable Car	-	-	-	-	-	5 977	-	-	-
Umzinyathi Municipality	-	-	-	-	500	500	500	500	-
Departmental agencies and accounts	96 995	130 715	173 663	140 397	158 209	160 552	164 237	168 690	176 067
KZNSB	25 551	41 334	55 371	49 485	59 985	59 985	56 109	56 678	59 364
TKZN	71 444	89 381	118 292	90 912	95 724	98 067	103 628	107 512	112 203
EKZNW	-	-	-	-	2 500	2 500	4 500	4 500	4 500
Public corporations and private enterprises	-	-	19 991	-	11 363	11 363	1 000	1 200	1 200
Township to Township Marathon	-	-	-	-	1 000	1 000	-	-	-
King Shaka Memorial site	-	-	-	-	400	400	-	-	-
Tourism Enterprise Partnership	-	-	-	-	-	-	1 000	1 200	1 200
Durban Beach Festival	-	-	1 500	-	-	-	-	-	-
2nd Annual Maritzburg Corporate Challenge	-	-	500	-	-	-	-	-	-
Midmar Music Festival	-	-	1 500	-	-	-	-	-	-
King Shaka Fashion Festival	-	-	5 400	-	-	-	-	-	-
Mhlatu Festival	-	-	1 500	-	-	-	-	-	-
Fact Durban Rocks	-	-	1 600	-	-	-	-	-	-
Umgababa New Year's Picnic	-	-	1 500	-	-	-	-	-	-
Bundu Mix	-	-	900	-	-	-	-	-	-
Youth Development in Motion	-	-	91	-	-	-	-	-	-
Umthayi Marula Festival	-	-	5 500	-	-	-	-	-	-
uMphithi Spring Festival	-	-	-	-	-	-	-	-	-
Umlazi Festival & expo	-	-	-	-	1 963	1 963	-	-	-
Urban Music Tour	-	-	-	-	3 000	3 000	-	-	-
SMME Conferences	-	-	-	-	3 000	3 000	-	-	-
Non-profit institutions	-	-	3 600	-	8 700	8 700	9 081	9 535	10 040
Cycling S.A	-	-	3 600	-	8 700	8 700	9 081	9 535	10 040
Households	-	-	21	-	4	4	-	-	-
Social benefits	-	-	21	-	4	4	-	-	-
Total	1 192 644	1 058 880	1 142 429	1 255 314	1 377 456	1 394 004	1 383 799	1 439 377	1 465 542

The category *Transfers and subsidies* under Programme 1 fluctuates over the seven-year period, largely due to the nature of the transfers made. For example:

- Spending in 2010/11 against *Provinces and municipalities* reflects a donation made to the Newcastle Municipality in respect of the International Newcastle Alliance Summit. Also, in 2013/14 a donation was made to the Divine Touch FM in Durban for its transmission fees. In addition, this category includes motor vehicle licences.
- *Non-profit institutions* relates to a donation made to the Anglican Church – Mothers' Union of the Diocese of Natal, as well as a sponsorship of choir uniforms.
- *Households* relates to staff exit costs, and external bursaries paid in 2012/13, accounting for the increase in this year.

The category *Transfers and subsidies* under Programme 2 provides for the following:

- Funding against *Provinces and municipalities* relates to joint project funding in the Mandeni Municipality for the construction of a trading centre. The transfer of R27 000 in 2012/13 relates to a donation made to Project Gateway in the uMgungundlovu District Municipality. The increase in the 2013/14 Adjusted Appropriation was to cater for the Inyoni craft centre. No allocations were made over the 2014/15 MTEF.
- The 2011/12 amount against *Departmental agencies and accounts* relates to once-off funding transferred to EKZNW with regard to a corporate social investment project, where dams were built for communities in drought-stricken areas. In the 2013/14 Adjusted Appropriation, SEDA eThekweni received once-off funding to assist with the day-to-day operations of the entity, subsequent to the termination of funding by the National SEDA.
- The amount in the 2013/14 Adjusted Appropriation against *Higher education institutions* was allocated to fund the Co-operatives Incubator programme undertaken by the Mangosuthu University of Technology.
- The allocation to *Public corporations and private enterprises* caters for the SMMEs, Enterprise Development, Growth Funds and SBDA. The Enterprise Development Fund was introduced in 2011/12, combining the funding streams of the former Co-operatives and SMMEs Funds. The historical figures have not been restated as, although no new loans are approved in respect of the Co-operatives (not shown in the table) and SMMEs Funds, the funds are still active in so far as loan repayments are concerned. The decrease in 2012/13 can be ascribed to a reduction in the allocation to the Growth Fund which was moved to cater for other funding pressures, as mentioned previously. In the 2013/14 Adjusted Appropriation, once-off additional funding was added for transfer to Ithala to ensure Ithala Limited maintains a certain minimum capital adequacy ratio. Also, once-off funding was allocated to private enterprises, namely, the co-operative funding and KZN Youth and Women Co-operatives Business *Indaba*. The budget remains constant over the 2014/15 MTEF, and is to provide for the transfers to the Enterprise Development Fund and SBDA.
- Spending in 2012/13 against *Non-profit institutions* relates to the once-off transfer to the Ilembe Chamber of Commerce in respect of a support desk project. This category also includes transfers to the Okhahlamba Development Agency for the construction of trading centres. This project was put on hold and, in the 2013/14 Adjusted Appropriation, funds were moved to offset spending pressures in other categories. As mentioned earlier, the KZN Growth Fund Trust is a separate entity and its funding will no longer be transferred *via* Ithala. The allocation over the 2014/15 MTEF remains constant.
- The allocation against *Households* largely relates to external bursaries. The spending in 2010/11 is attributed to staff exit costs. In 2011/12, transfer was made to the OTP in respect of external bursaries. The transfer in 2012/13 was for Co-operatives Management (Diploma) at the University of Zululand. The increase in the 2013/14 Adjusted Appropriation relates to external bursaries to students at UKZN who are studying toward a Post-graduate Diploma and Masters in LED, and for Co-operatives Management (Diploma) offered at the University of Zululand. The allocation over the 2014/15 MTEF is ascribed to external bursaries.

The category *Transfers and subsidies* under Programme 3 provides for the following:

- *Departmental agencies and accounts* covers transfer payments made to TIK and DTPC.
 - The funding allocated to TIK increases steadily over the seven-year period. The trend increases substantially in the 2013/14 Adjusted Appropriation due to funding allocated for the Makhaya Arts and Culture Development which promotes South Africa arts, culture, people and values in the international arena – beyond its borders. The further increase in the Revised Estimate is attributed to funding for investment seminars which was shifted after the Adjustments Estimate from *Goods and services* and re-classified as a transfer payment to TIK.
 - The allocation against DTPC is for the development of the multi-nodal portion of the project, and the reduction in 2010/11 was due to the completion of the airport portion of the project. The allocation over the MTEF relates to the development of additional infrastructure with the DTPC 60-year Master Plan.
- *Public corporations and private enterprises* caters for the RBIDZ transfers. In 2010/11, an additional R100 million was transferred to RBIDZ to finalise the purchase of land for the RBIDZ. This explains the decrease in 2011/12. In the 2013/14 Adjusted Appropriation, RBIDZ was reduced to address spending pressures in other categories. In 2015/16, the entity is allocated once-off additional funding for infrastructure development as mentioned, explaining the significant decrease in 2016/17.
- *Non-profit institutions* includes transfers to various entities as follows:
 - The transfer to ADA caters mainly for the entity's operational costs. The 2010/11 allocation was due to once-off establishment and operating costs. The increase in 2012/13 relates to a cut-flower project, as well as additional funds for feasibility studies to be undertaken, business plans, capacity building and project management support to aspiring commercial farmers in KZN. In the 2013/14 Adjusted Appropriation, the untransferred portion of the entity allocation was moved to DAEARD in line with the function shift of ADA, which now falls under the auspices of DAEARD, hence no allocation over the 2014/15 MTEF.
 - The MKI's purpose is to contribute to people-centred economic development. The amount transferred to the MKI in 2010/11 provided for the first year of its operations and this was for both the operational and capital costs of the entity. In 2011/12, the increase relates to establishment of computer laboratories in four additional districts. This explains the lower spending in 2012/13 and beyond. The allocation over the 2014/15 MTEF increases at an inflationary rate.
 - The transfer to the KZN Music Studio in 2010/11 was due to the set-up costs of the entity, thereafter no allocations were made, as mentioned previously.
 - With regard to the Durban Film Festival, the 2013/14 allocation was reduced due to baseline cuts. In the 2014/15 MTEF, the allocation for this festival is budgeted for under the KZN Film Commission, since this newly established entity is assigned to host the event.
 - The KZN Film Commission is a newly established entity based in Durban. As explained previously, the allocation over the 2014/15 MTEF includes funding for the Durban Film Festival, as well as the Simon Mabhunu Sabela Film Awards. The amount in the Revised Estimate is for expenditure which was incurred by the department on behalf of this entity. This was budgeted under *Goods and services* and was re-classified under this entity. The allocations reflect increasing growth over the 2014/15 MTEF.
- *Households* relates to staff exit costs.

Programme 4 caters for the transfer of funds to the KZNLA and staff exit costs.

- The transfer to KZNLA falls under *Departmental agencies and accounts*. The transfer in 2012/13 includes the entity's establishment costs. The increase in 2014/15 relates to once-off additional funding relating to the entity's operational costs that will be funded from the liquor licences revenue from 2015/16, as well as the carry-through allocation for procurement of the new IT system. This explains the decrease in 2015/16. *Households* relates to staff exit costs.

Spending against Programme 5 under *Households* relates to staff exit costs.

The category *Transfers and subsidies* under Programme 6 provides for the following:

- *Provinces and municipalities*: The spending in 2012/13 is attributed to the Richards Bay Breakfast and the Ingoma Music Festival that were held at the uThungulu District Municipality and Umkhanyakude District Municipality, respectively. The increase in the 2013/14 Adjusted Appropriation was for a transfer in respect of the Sakhisizwe Management Agency for the Ingoma Music Festival, as well as for projects that were reclassified from *Goods and services* to this category, for the revitalisation of Alkantstrand Beach, and rehabilitation of South Port Beach in the uMhlathuze and Hibiscus Coast Municipalities, respectively. Also contributing is the funding for the Dundee July event that is held in the Umzinyathi District Municipality. The further increase in the 2013/14 Revised Estimate can be ascribed to the Drakensburg Cable Car, as mentioned previously. The allocation in 2014/15 relates to the Dundee July event.
- *Departmental agencies and accounts* covers transfers made to TKZN, KZNSB and EKZNW:
 - The significant increase in 2011/12 relates to increased transfers to KZNSB to provide for critical repairs to the roof of the entity's headquarters, to investigate more environmentally friendly shark repellent technology and to fill critical vacancies in its SCM unit. The substantial increase in 2012/13 relates to increased capital requirements of the KZNSB, as well as projects under TKZN, such as the KZN Summer Festival Campaign and East 3 Route. This explains the decrease in 2013/14.
 - In the 2013/14 Adjusted Appropriation, funds for some projects were reclassified from *Goods and services* to this category such as funds allocated for Ingodini Border Caves and for Ntsikeni and May Lodge in the Ntsikeni Reserve. These funds were transferred to the public entity EKZNW that falls under DAEARD but is used as an implementing agent by DEDT. Funding was also moved from *Goods and services* to TKZN to provide for tourism-related projects, among others, the KZN Convention Bureau Bid Fund, Tourism *Indaba*, Tourism Master Plan launch, and the KZN Summer Festival Campaign. The increase in the Revised Estimate is due to the transfer to TKZN which was in respect of the East 3 Route project which was previously allocated under *Goods and services*. The budget includes the carry-through allocation for KZNSB for the MCOE.
 - This category shows a steady increase over the 2014/15 MTEF. The allocation over the 2014/15 MTEF under EKZNW relates to a continuation of projects such as Ingodini Border Caves, Ntsikeni and May Lodge and the development of Bhambatha Lodge.
- Various once-off projects were funded under *Public corporations and private enterprises* since 2012/13 such as the Midmar Music Festival, the King Shaka Fashion Festival and the Umthayi Amarula Festival. In 2013/14, the allocation can be ascribed to partnership funding such as the uMphithi Spring Music Festival, the Umlazi Festival and Expo, Urban Music Tour and the SMME Conference that the department hosts in partnership with various private enterprises. This explains the decrease over the 2014/15 MTEF.
- *Non-profit institutions* includes carry-through allocation in respect of Cycling SA and the Tourism Enterprise Partnership, as explained earlier.
- *Households* relates to staff exit costs.

6. Programme description

The services rendered by this department are categorised under six programmes, which are explained below. Tourism is a new programme that is added to conform to the uniform budget and programme structure for the Economic Development sector. The payments and budgeted estimates for each programme are summarised in terms of sub-programmes and economic classification, details of which are given in *Annexure – Vote 4: Economic Development and Tourism*.

6.1 Programme 1: Administration

The main purpose of Programme 1: Administration is to provide for the overall management of the department, and to render a support service to the other programmes in respect of transversal functions. This programme consists of four sub-programmes, namely Office of the MEC, Office of the HOD, Financial Management and Corporate Services.

Tables 4.16 and 4.17 below illustrate the payments and estimates of this programme over the seven-year period 2010/11 to 2016/17. The erratic trend against this programme relates to the additional allocations for events under the sub-programmes Corporate Services and Office of the HOD.

Table 4.16 : Summary of payments and estimates by sub-programme: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
1. Office of the MEC	23 393	23 977	23 465	28 812	32 282	29 420	29 096	32 253	33 949
2. Office of the HOD	44 414	15 297	50 900	24 572	64 680	81 526	31 576	31 429	32 906
3. Financial Management	16 802	22 355	21 904	28 867	25 239	24 968	28 246	31 390	33 104
4. Corporate Services	97 057	147 965	116 196	111 654	100 746	104 461	105 958	114 725	120 797
Total	181 666	209 594	212 465	193 905	222 947	240 375	194 876	209 797	220 756

Table 4.17 : Summary of payments and estimates by economic classification: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Current payments	168 208	205 975	209 518	191 065	213 773	236 039	191 813	208 295	219 174
Compensation of employees	49 415	49 262	54 090	71 601	63 163	62 040	70 685	81 059	86 154
Goods and services	118 793	156 713	155 428	119 464	150 610	173 999	121 128	127 236	133 020
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	346	499	795	28	65	65	20	31	33
Provinces and municipalities	106	14	21	28	54	54	20	31	33
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	242	24	-	-	-	-	-	-	-
Households	(2)	461	774	-	11	11	-	-	-
Payments for capital assets	12 349	3 118	2 152	2 812	9 109	4 271	3 043	1 471	1 549
Buildings and other fixed structures	741	-	-	-	-	-	-	-	-
Machinery and equipment	4 885	2 735	2 143	2 760	8 712	3 874	3 043	1 471	1 549
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	6 723	383	9	52	397	397	-	-	-
Payments for financial assets	763	2	-	-	-	-	-	-	-
Total	181 666	209 594	212 465	193 905	222 947	240 375	194 876	209 797	220 756

The spending reflects a minimal increase against the sub-programme: Office of the MEC from 2010/11 to 2012/13, followed by a significant increase in the 2013/14 Adjusted Appropriation mainly due to additional once-off funding for OSS initiatives, as well as the set-up costs of the new ministry offices in Pietermaritzburg and the operational costs. The allocation over the 2014/15 MTEF includes funding for furniture required for the new ministry offices in Pietermaritzburg.

The high spending in 2010/11 against the Office of the HOD included once-off funding for the 2010 Soccer World Cup projects for the creation of Public Viewing Areas (PVAs). The decrease in 2011/12 was due to savings that were moved to the sub-programme: Corporate Services for awareness campaigns in respect of the KZN Consumer Protection Act and the KZN Liquor Licensing Amendment Act. The peak in 2012/13 relates to an amount of R28.256 million that was rolled over in respect of the Top Gear Festival, TAFI and KZN Convention Bureau Bid Fund. The significant increase in the 2013/14 Adjusted Appropriation can be ascribed to the reprioritisation of projects, where funds were moved from other programmes to fund projects such as the Industrial Economic Hubs, Royalty Soapie Awards, Ithala Repositioning, etc. This explains the substantial decrease in 2014/15. The increased Revised Estimate is

due to events approved by Cabinet without funding, and this will be absorbed through a reprioritisation exercise that will be undertaken by the department. The two outer years of the MTEF show steady growth.

The low spending against the sub-programme: Financial Management in 2010/11 was due to cost-cutting mainly under *Goods and services* and delays in filling vacant posts, while the peak in 2011/12 relates to a significant increase in audit fees. The slight reduction in 2012/13 relates to savings due to non-filling of posts. The minimal decrease in the 2013/14 Adjusted Appropriation is due to savings as a result of the moratorium on the filling of non-critical posts, where funds were moved to defray spending pressures in other programmes and categories. The allocation increases steadily over the 2014/15 MTEF.

With regard to the Corporate Services sub-programme, the substantial increase in 2011/12 relates to the once-off allocation for a number of educational and awareness campaigns across KZN to educate the public on the KZN Liquor Licensing Amendment Act and KZN Consumer Protection Act. This explains the decrease in 2012/13. The slight decrease in the 2013/14 Adjusted Appropriation was due to the centralisation of parts of the communications budget, as well as external bursaries under OTP. The allocation increases steadily over the 2014/15 MTEF.

Compensation of employees shows a fluctuating trend due to delays in filling posts and high staff turnover. The decrease in the 2013/14 Adjusted Appropriation can be ascribed to the moratorium on the filling of non-critical posts. These funds were moved to offset spending pressures in other categories, mainly under *Goods and services* to fund Industrial Economic Hubs, among others. The department budgeted to fill all critical vacant posts under this programme, hence the increase in 2014/15. The two outer years of the MTEF grow at a steady rate.

The increase against *Goods and services* in 2011/12 relates to once-off costs in respect of awareness campaigns undertaken relating to the KZN Consumer Protection Act and the KZN Liquor Licensing Amendment Act. The minimal drop in 2012/13 was due to expenditure for the Top Gear Festival and MTV Awards being deemed to be prepayments by the A-G, which caused a reduction in spending. The significant increase in the 2013/14 Adjusted Appropriation relates to funds that were reprioritised from other programmes to fund projects such as the Industrial Economic Hubs, the Royalty Soapie Awards, Ithala Repositioning and the Aerotropolis strategy, as well as additional funding for OSS. This explains the significant decrease in 2014/15.

The peak in 2010/11 against *Transfers and subsidies to: Provinces and municipalities* relates to the International Newcastle Alliance Summit. The substantial increase in the 2013/14 Adjusted Appropriation can be ascribed to a donation made to Divine Touch FM in Durban for transmission fees. The allocation over the 2014/15 MTEF is for motor vehicle licences.

The allocation against *Transfers and subsidies to: Non-profit institutions* comprises donations made to the Anglican Church – Mothers' Union Natal Diocese, and for the sponsorship of a choir uniforms, in 2010/11 and 2011/12, respectively.

The spending against *Transfers and subsidies to: Households* relates to staff exit costs. In 2012/13, the high transfer included funds relating to external bursaries for students with disabilities.

As mentioned previously, the spending against *Buildings and other fixed structures* in 2010/11 relates to the establishment of a district office in Mkhuze, whereby a park home was purchased.

The high spending in 2010/11 against *Machinery and equipment* includes the purchase of vehicles and the cost of security improvements to the department's head office, which explains the substantial decrease in 2011/12. The spending in 2012/13 relates to the purchase of additional vehicles for the expanded staffing of the department. The significant increase in the 2013/14 Adjusted Appropriation is attributed to funding earmarked for the purchase of motor vehicles for the Ministry and also to provide for the new server for the head office. The allocation over the 2014/15 MTEF relates to provision for computer server equipment for the district offices and for the new Ministry offices in Pietermaritzburg.

The high spending in 2010/11 against *Software and other intangible assets* is in respect of Microsoft licences, while the balance of spending in that year and in 2011/12 relates to the purchase of legal software resources, as well as process management software packages for the new regional offices. The increase in

the 2013/14 Adjusted Appropriation relates to the purchase of Microsoft licences in line with the procurement of the new server for the head office.

Payments for financial assets reflects various losses which were written-off in 2010/11 and 2011/12.

6.2 Programme 2: Integrated Economic Development Services

The main purpose of this programme is the provision of strategic leadership, direction and co-ordination of economic empowerment initiatives in KZN. Programme 2 consists of three sub-programmes, namely: Enterprise Development, Regional and Local Economic Development, and Economic Empowerment.

Tables 4.18 and 4.19 below illustrate payments and estimates for the period 2010/11 to 2016/17.

Table 4.18 : Summary of payments and estimates by sub-programme: Integrated Economic Development Services

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
1. Enterprise Development	325 201	350 094	326 803	388 832	460 467	471 357	366 107	367 627	385 966
2. Regional and Local Economic Development	42 661	33 481	49 462	73 149	60 274	53 252	38 645	57 221	59 635
3. Economic Empowerment	52 499	43 978	31 093	34 206	29 782	54 682	36 824	37 706	39 368
Total	420 361	427 553	407 358	496 187	550 523	579 291	441 576	462 554	484 969

Table 4.19 : Summary of payments and estimates by economic classification: Integrated Economic Development Services

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Current payments	140 021	136 258	142 674	208 583	126 123	154 894	147 021	167 300	188 907
Compensation of employees	35 697	37 454	39 437	53 829	47 379	45 982	56 646	60 938	64 777
Goods and services	104 324	98 804	103 237	154 754	78 744	108 912	90 375	106 362	124 130
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	280 030	291 098	259 294	287 384	424 180	424 180	294 405	295 024	295 820
Provinces and municipalities	-	-	2 980	2 384	2 415	2 415	-	-	-
Departmental agencies and accounts	-	970	-	-	3 000	3 000	-	-	-
Higher education institutions	-	-	-	-	2 780	2 780	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	280 000	280 000	249 500	280 000	307 386	307 386	185 000	185 000	185 000
Non-profit institutions	-	-	504	5 000	95 000	95 000	95 000	95 000	95 000
Households	30	10 128	6 310	-	13 599	13 599	14 405	15 024	15 820
Payments for capital assets	310	197	405	220	220	217	150	230	242
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	310	197	405	220	220	217	150	230	242
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	4 985	-	-	-	-	-	-
Total	420 361	427 553	407 358	496 187	550 523	579 291	441 576	462 554	484 969

The programme shows an erratic trend over the entire period. The increase in 2011/12 against the sub-programme: Enterprise Development largely relates to funding allocated to the Growth and SMMEs Funds and Ithala Share Capital. The reduction in 2012/13 can be ascribed to savings from the Growth Fund that were moved to cater for a shortfall in *Goods and services* and *Transfers and subsidies to: Non-profit institutions* in Programme 3. The substantial increase in the 2013/14 Adjusted Appropriation is attributed to an additional allocation for the Ithala capital adequacy ratio as previously mentioned, hence there is a significant decline in 2014/15. The allocation over the 2014/15 MTEF increases steadily.

The spending in 2010/11 against the sub-programme: Regional and Local Economic Development relates to a number of high impact projects, such as the Richmond Special Development Initiative. The reduction in 2011/12 was due to savings under *Goods and services* as a result of unforeseen delays in co-operative support projects, such as school nutrition and bakery operations. The aim of these rehabilitation projects is to provide support to co-operatives to ensure that they run more efficiently. There were also several LED projects, such as the Local Competitiveness Fund, and the Okhahlamba Development Agency which

constructs trading centres, that did not take place as anticipated. The increase in 2012/13 was due to *Transfers and subsidies to: Provinces and municipalities* made for joint project funding in the Mthonjaneni and Mandeni Municipalities for the construction of trading centres, among others. The decrease in the 2013/14 Adjusted Appropriation was largely due to reprioritisation of projects undertaken, and some projects were halted, among others, the DCO Matiwane, Umlalazi trading centres, as well as lower than anticipated approvals of applications in respect of the KZN Local Competitiveness Fund. This explains the significant increase in 2014/15. The allocation over the 2014/15 MTEF increases steadily.

The high spending in 2010/11 against the sub-programme: Economic Empowerment relates to once-off additional spending for the youth skills training and placement project, explaining the decrease in 2011/12. The further decrease in 2012/13 was due to delays in the finalisation of SLAs and SCM processes for some of the projects such as Umyezane Awards and youth skills training. There is a slight decrease in the 2013/14 Adjusted Appropriation which is attributed to savings due to delays in filling of posts. The 2014/15 MTEF grows at an inflationary rate. The Revised Estimate is high due to the Mandela Exhibition Career Expos event, as explained previously.

Compensation of employees shows an increasing trend from 2010/11 to 2012/13. The decrease in the 2013/14 Adjusted Appropriation related to savings identified, as a result of delays in filling posts. This explains the significant increase in 2014/15 as the department is budgeting to fill all vacant posts under this programme. The allocation over the two outer years of the 2014/15 MTEF grows at a steady rate, and the department will adhere to the moratorium on filling only critical posts.

The high spending in 2010/11 against *Goods and services* relates to the youth skills training and placement project. In 2011/12, funds were reprioritised to fund the Top Gear Festival and the World Golf Championship budgeted under Programmes 1 and 6, explaining the decrease in this category. Funds were also reprioritised to Programme 3 to increase the subsidy to KZNSB to fund a biometric access control system. The increase in 2012/13 relates to the LED Tongaat Hulett Sugar project, as previously mentioned. In the 2013/14 Adjusted Appropriation, there is a decreasing trend attributed to LED and SMME projects that were halted and the budget was reprioritised mainly to fund projects and events under Programmes 1 and 6. The projected increase in the Revised Estimate relates to the Mandela Exhibition Career Expos event, as explained earlier. The allocation grows steadily over the MTEF.

The spending from 2012/13 against *Transfers and subsidies to: Provinces and municipalities* provides for joint project funding in the Mthonjaneni and Mandeni Municipalities for the construction of trading centres, as previously mentioned. The slight increase in the 2013/14 Adjusted Appropriation was due to funding earmarked for the Inyoni craft centre. There is no allocation over the 2014/15 MTEF.

In 2011/12, funds were transferred to EKZNW against *Transfers and subsidies to: Departmental agencies and accounts*, as a result of a partnership with the entity with regard to a corporate social investment project, as mentioned. In the 2013/14 Adjusted Appropriation, SEDA eThekweni was allocated R3 million to assist with the day-to-day operations, subsequent to the termination of funding by national SEDA.

The amount in 2012/13 against *Transfers and subsidies to: Higher education institutions* is for the Co-operatives Incubator programme conducted by DEDT in partnership with Mangosuthu University of Technology.

The allocation against *Transfers and subsidies to: Public corporations and private enterprises* from 2010/11 to 2012/13 represents transfers to the Growth and Enterprise Development Funds. The decrease in 2012/13 was due to savings realised against the Growth Fund to cater for a shortfall in *Goods and services*, as previously mentioned. The substantial increase in the 2013/14 Adjusted Appropriation was due to additional funding added to Ithala for it to maintain its required minimum capital adequacy ratio. It should be noted that the Growth Fund was shifted from *Transfers and subsidies to: Public corporations and private enterprises* under Ithala to *Transfers and subsidies to: Non-profit institutions*, since this entity is in the process of registering as a separate entity, namely the KZN Growth Fund Trust. An agreement was reached between DEDT and the Growth Fund that its transfers will no longer be paid *via* Ithala, but will be transferred directly to the KZN Growth Fund Trust. This explains the decrease over the MTEF.

The spending in 2012/13 against *Transfers and subsidies to: Non-profit institutions* is attributed to the joint project funding for the construction of trading centres. The allocation in the 2013/14 Adjusted Appropriation is for the KZN Growth Fund Trust which was reclassified under this category, as previously mentioned. The budget remains constant over the 2014/15 MTEF.

The spending against *Transfers and subsidies to: Households* largely relates to external bursaries. The spending in 2010/11 is attributed to staff exit costs. The substantial increase in 2011/12 was for amount paid to OTP in respect of external bursaries. The transfer in 2012/13 can be ascribed to external bursaries for diplomas in co-operative management. The increase in the 2013/14 Adjusted Appropriation was to provide for external bursaries to students at UKZN who are studying toward Post-graduate Diplomas and Masters in LED, and diplomas in co-operative management at the University of Zululand. These were not centralised under OTP as they are regarded as one of the main projects of the department. These funds were shifted from *Goods and services* to this category. The allocation in 2014/15 is ascribed to external bursaries relating to co-operatives and LED.

The fluctuating trend against *Machinery and equipment* relates to the requirements of new appointments and capital equipment for one-stop-shops. The increase in 2012/13 was due to the purchase of computer equipment. The MTEF allocation is based on the new appointments' capital equipment requirements and the replacement of redundant equipment.

The spending in 2012/13 against *Payments for financial assets* was for losses relating to the SMME risk sharing fund in respect of loan defaulters, in terms of an agreement with Standard Bank.

Service delivery measures – Programme 2: Integrated Economic Development Services

Table 4.20 below shows the main service delivery measures pertaining to Programme 2, both standardised and non-standardised. The performance indicators provided conform fully with the customised measures prescribed for the Economic Development sector.

Table 4.20 : Service delivery measures – Programme 2: Integrated Economic Development Services

Outputs	Performance indicators	Estimated performance			
		2013/14	2014/15	2015/16	2016/17
1.1 Enterprise Development – SMMEs					
1.1.1 To promote small enterprises (SMMEs and co-operatives) and entrepreneurial development (informal and social enterprise)	<ul style="list-style-type: none"> No. of existing SMMEs supported No. of new SMMEs developed 	430 1 259	130 300	130 300	130 300
1.1.2 Train and capacitate designated groups to manage and operate their businesses sustainability	<ul style="list-style-type: none"> No. of SMMEs registered in KZN that have been in operation for more than 2 years No. of new jobs created through establishment of SMMEs No. of SMMEs trained in various skills and business programmes No. of SMMEs trained in pre-finance and business support programmes 	15 622 1 259 823 436	240 130 823 130	240 130 823 130	240 130 823 130
1.1.3 Facilitate access to markets for designated groups	<ul style="list-style-type: none"> No. of small enterprises assisted to access loan finance 	400	100	100	100
1.2 Enterprise Development – Co-operatives					
1.2.1 To promote the growth and socio-economic transformation of KZN economy that will enable creation of 1 million jobs by end of 2020	<ul style="list-style-type: none"> No. of co-operatives supported No. of new co-operatives developed 	100 15	100 50	50 50	50 50
1.2.2 Train and capacitate designated groups to manage and operate their businesses sustainability	<ul style="list-style-type: none"> No. of primary co-operatives trained and mentored in business and co-operative management and technical skills 	100	100	100	100
1.2.3 Facilitate access to markets for designated groups	<ul style="list-style-type: none"> No. of co-operatives assisted to access loan finance 	50	50	50	50
2. Regional and Local Economic Development					
2.1 To promote a conducive environment for competitiveness and creation of jobs	<ul style="list-style-type: none"> No. of economic development projects supported at local and regional levels 	12	13	13	16
2.2 To develop and fund the implementation of sector specific projects	<ul style="list-style-type: none"> No. of sustainable local employment opportunities supported 	177	50	60	120

Table 4.20 : Service delivery measures – Programme 2: Integrated Economic Development Services

Outputs	Performance indicators	Estimated performance		Medium-term targets	
		2013/14	2014/15	2015/16	2016/17
2.3 To build the capacity of stakeholders to plan and manage the local economy	• No. of capacity building interventions to municipalities	1	1	1	1
	• No. of people trained	600	140	150	100
	• No. of LED plans developed and reviewed	10	10	10	10
3. Economic Empowerment					
3.1 To facilitate and co-ordinate implementation of B-BBEE strategy	• No. of target groups specific opportunities identified	2 000	5	6	7
3.2 To verify B-BBEE compliance by government departments	• No. of B-BBEE verification certificates issued	5	10	12	12
3.3 To co-ordinate key stakeholders / structures to comply with economic empowerment strategies and policies	• No. of key stake-holders/structures or strategic partnership co-ordinated	11	3	3	3

6.3 Programme 3: Trade and Sector Development

The main purpose of this programme is to stimulate economic growth through industry development, trade and investment promotion. This programme comprises three sub-programmes, namely Trade and Investment Promotion, Sector Development and Strategic Initiatives (Industry Development). This programme used to house the Tourism Development sub-programme, and in 2013/14 it became a stand-alone programme in line with the sector specific programme structure.

Tables 4.21 and 4.22 below give a summary of payments and estimates relating to Programme 3 for the period 2010/11 to 2016/17.

Table 4.21 : Summary of payments and estimates by sub-programme: Trade and Sector Development

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
1. Trade and Investment Promotion	591 511	512 798	464 151	654 169	660 669	666 009	721 073	754 976	794 246
2. Sector Development	118 241	104 487	147 698	142 095	113 699	104 012	93 051	105 273	109 893
3. Strategic Initiatives (Industry Development)	156 975	59 636	62 618	65 164	25 164	25 164	68 170	110 947	74 707
Total	866 727	676 921	674 467	861 428	799 532	795 185	882 294	971 196	978 846

Table 4.22 : Summary of payments and estimates by economic classification: Trade and Sector Development

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Current payments	51 427	40 318	46 373	77 793	69 797	56 855	45 020	60 013	52 510
Compensation of employees	6 660	8 239	7 532	8 524	8 500	7 437	6 364	9 650	10 259
Goods and services	44 767	32 079	38 841	69 269	61 297	49 418	38 656	50 363	42 251
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	815 244	636 518	628 047	783 585	729 715	737 930	837 274	911 183	926 336
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	583 413	509 870	457 361	642 642	648 142	651 491	707 717	736 260	774 911
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	156 975	59 636	62 618	65 164	25 164	25 164	68 170	110 947	74 707
Non-profit institutions	74 777	67 012	107 974	75 779	56 385	61 251	61 387	63 976	76 718
Households	79	-	94	-	24	24	-	-	-
Payments for capital assets	56	85	47	50	20	400	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	56	85	47	50	20	400	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	866 727	676 921	674 467	861 428	799 532	795 185	882 294	971 196	978 846

The high spending in 2010/11 against this programme was due to increased transfers to DTPC, RBIDZ and the MKI, with the largest portion relating to DTPC for the completion of the airport portion. Also included in 2010/11 spending was once-off additional funding for RBIDZ in respect of land purchases.

The sub-programme: Trade and Investment Promotion includes transfers to TIK and DTPC. As mentioned, the fluctuating trend largely relates to capital projects in terms of the DTPC Master Plan. The decrease in 2012/13 was mainly due to a portion of the transfer to DTPC that was reduced and reprioritised to fund the MTV Awards. The increase in the 2013/14 Adjusted Appropriation was for funding allocated for the KZNSB Repositioning strategy, as well as funding earmarked for the Makhaya Arts and Culture Development. The allocation over the 2014/15 MTEF largely relates to DTPC's capital projects in terms of its Master Plan. This allocation was reduced slightly, though, following the Census data baseline cuts effected in the 2013/14 MTEF, with carry-through.

The sub-programme: Sector Development caters for transfers to ADA and MKI. Spending in 2010/11 was mainly for various projects, such as the Industrial strategy and the Amajuba Tannery. The decrease in 2011/12 was due to the once-off nature of some of the projects. The increase in 2012/13 is attributed to additional funding in respect of ADA and various projects such as the BRICS Summit, East 3 Route and the cutflower project. The further decrease in the 2013/14 Adjusted Appropriation is due to certain projects, such as cutflower, goat commercialisation and ship-building, being put on hold to fund spending pressures. The allocation increases steadily over the 2014/15 MTEF.

The sub-programme: Strategic Initiatives (Industry Development) reflects the transfer made to the RBIDZ. As mentioned, in 2010/11 additional funding of R100 million was transferred to RBIDZ to finalise the purchase of land for the entity. This explains the decrease from 2011/12. In the 2013/14 Adjusted Appropriation, RBIDZ was reduced to fund other departmental projects, as mentioned previously. The erratic trend over the 2014/15 MTEF is ascribed to once-off additional funding allocated in 2015/16 for infrastructure development relating to the RBIDZ's Master Plan, explaining the decrease in 2016/17.

The fluctuating trend from 2010/11 to 2012/13 against *Compensation of employees* can be ascribed to slow progress in filling of posts and a high staff turnover. In the 2013/14 Adjusted Appropriation, savings due to the non-filling of posts were moved to *Goods and services* to offset spending pressures in other categories in respect of events and projects. The reprioritisation of funds was also carried through to 2014/15 to fund various projects, explaining the sharp growth in the two outer years of the MTEF.

The decrease in 2011/12 against *Goods and services* was due to ADA funds shifted to *Transfers and subsidies*, whereas previously DEDT paid for ADA's set-up and operational costs under *Goods and services*. This category also included consultants' fees for other projects such as the ICH, goat commercialisation and tooling initiative. The substantial increase in 2012/13 relates to reprioritisation from other programmes to fund sector projects, such as the BRICS Summit. The increase in the 2013/14 Main Appropriation was due to various projects, such as the cutflower, goat commercialisation and ship-building projects being put on hold in 2013/14, as mentioned above. Provision for Industrial Economic Hubs was also allocated under this programme but it was moved to Programme 1 during the 2013/14 Adjusted Appropriation, explaining the decline. The fluctuating trend over the 2014/15 MTEF is driven by reprioritised funds to cater for the Industrial Economic Hubs housed under Programme 1.

Transfers and subsidies to: Departmental agencies and accounts relates to the transfers to TIK and DTPC. The decrease in 2012/13 relates to reprioritisation of DTPC funds to cater for projects, such as Ekhaya Multi-Art Centre and Integrated Craft Hub, and to *Goods and services* for projects such as the MTV Awards. In the 2013/14 Adjusted Appropriation, once-off additional funding was allocated for Makhaya Arts and Culture Development, as well as funding for investment seminars, as TIK was assigned to implement these projects, explaining the increase in that year. The significant growth over the MTEF relates to higher requirements of the DTPC Master Plan, as previously mentioned.

The allocation against *Public corporations and private enterprises* relates to transfers to RBIDZ. As explained previously, in 2010/11 the entity received a once-off additional amount of R100 million for land purchases, which explains the decrease in 2011/12. The decrease in the 2013/14 Adjusted Appropriation

relates to the reduction in transfer to RBIDZ, as previously mentioned. In 2015/16, once-off additional funding is allocated to RBIDZ for infrastructure projects relating to its Master Plan.

Transfers and subsidies to: Non-profit institutions pertains to transfers to ADA, MKI and a number of smaller projects. The high transfers in 2010/11 can be ascribed to set-up costs in respect of KZN Music Studio, accounting for the decrease in 2011/12. The increased transfers in 2012/13 was due to additional funding to ADA allocated for feasibility studies to be undertaken, business plans, capacity building and project management support to aspiring commercial farmers in KZN. The decrease in the 2013/14 Adjusted Appropriation relates to ADA untransferred funds which were moved to DAEARD in line with the function shift of ADA, as explained previously.

Spending in respect of *Machinery and equipment* relates to capital equipment requirements, such as furniture and equipment for newly appointed staff and the replacement of redundant equipment.

Service delivery measures – Programme 3: Trade and Sector Development

Table 4.23 below shows the main service delivery measures pertaining to Programme 3, which are standardised in terms of the sector. The performance indicators provided largely conform with the customised measures for the Economic Development sector.

Table 4.23 : Service delivery measures – Programme 3: Trade and Sector Development

Outputs	Performance indicators	Estimated performance				
		2013/14	2014/15	2015/16	2016/17	
1. Trade and Investment Promotion						
1.1	To facilitate access to markets for designated groups	• No. of businesses assisted with exports	100	100	100	100
2. Sector Development						
2.1	To develop and fund the implementation of sector specific projects/programmes	• No. of jobs created • No. of feasibility studies/business plans completed	1 422 3	50 2	60 2	75 2
2.2	To identify and support priority sectors (infrastructure provision)	• No. of businesses assisted with pro-active interventions (No. of parks/hubs initiated/established)	81	10	10	10
2.3	Enhance the skills and capacity of specific sector industry institutions and stakeholders	• No. of people trained	960	265	300	350
2.4	To champion spatial economic development initiatives (SEZs)	• No. of investors attracted into the provincial industrial hubs	New	New	2	2
2.5	To establish and support institutions that promote economic growth	• No. of clusters supported • No. of institutions supported to promote economic growth	5 7	5 1	5 1	5 1
3. Strategic Initiatives						
3.1	To identify and support priority sectors	• No. of investment projects realised	5	5	5	5
3.2	Enhance skills and capacity of specific industry institutions and stakeholders	• No. of people trained	210	150	250	300
3.3	To develop and fund the implementation of sector specific projects	• No. of SMMEs supported for upgrading and modernisation (No. of businesses assisted with proactive interventions)	-	5	5	5

6.4 Programme 4: Business Regulation and Governance

The aim of this programme is to enable an equitable and socially responsible business environment. The programme consists of three sub-programmes, namely Regulation Services, Consumer Protection and Liquor Regulation.

Tables 4.24 and 4.25 below summarise the payments and estimates for the seven-year period from 2010/11 to 2016/17.

The programme shows an increasing trend over the seven years, with a significant increase from 2012/13 onward due to the establishment of the KZNLA, and sustained at this high level in 2014/15, due to additional funding for the KZNLA.

Table 4.24 : Summary of payments and estimates by sub-programme: Business Regulation and Governance

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
1. Regulation Services	1 207	2 007	3 079	5 623	5 159	6 209	7 317	7 878	8 215
2. Consumer Protection	14 278	14 924	17 707	23 023	20 806	19 203	25 761	26 207	32 117
3. Liquor Regulation	9 391	20 382	65 306	43 920	43 923	43 925	77 282	53 214	56 046
Total	24 876	37 313	86 092	72 566	69 888	69 337	110 360	87 299	96 378

Table 4.25 : Summary of payments and estimates by economic classification: Business Regulation and Governance

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Current payments	24 640	37 169	30 252	28 510	25 851	25 309	32 955	33 943	40 182
Compensation of employees	14 287	15 622	15 152	14 599	15 699	14 634	17 248	18 861	20 026
Goods and services	10 353	21 547	15 100	13 911	10 152	10 675	15 707	15 082	20 156
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	-	-	55 724	43 920	43 920	43 933	77 282	53 214	56 046
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	55 699	43 920	43 920	43 920	77 282	53 214	56 046
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	25	-	-	13	-	-	-
Payments for capital assets	236	144	116	136	117	95	123	142	150
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	230	144	116	136	117	95	123	142	150
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	6	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	24 876	37 313	86 092	72 566	69 888	69 337	110 360	87 299	96 378

The programme reflects a fluctuating trend over the seven-year period largely due to the establishment costs of the KZNLA, once-off allocation to fund shortfalls relating to operational costs, as well as for procurement of an IT system.

The Regulation Services sub-programme provides a regulatory framework for the functioning of both formal and informal trade to advance economic development and growth. The spending in 2010/11 relates to initial set-up costs of this sub-programme, explaining the increase in 2011/12 where the department continued to fill posts and increase operational costs. The decrease in the 2013/14 Adjusted Appropriation was due to savings as a result of the non-filling of posts that were moved from *Compensation of employees* and *Goods and services* to offset spending pressures within, and to other sub-programmes. The allocation increases at a steady rate over the 2014/15 MTEF.

The slight increase against Consumer Protection in 2011/12 relates to outreach programmes relating to consumer awareness. The further increase in 2012/13 was due to awareness campaigns with regard to the KZN Consumer Protection Act. The decrease in the 2013/14 Adjusted Appropriation is due to savings realised as a result of the non-filling of vacant posts. This explains the significant increase in 2014/15. The allocation increases at a steady rate over the 2014/15 MTEF.

The Liquor Regulation sub-programme pertains to transfers made to KZNLA. The significant increase in 2011/12 was attributed to the set-up costs of the KZNLA, such as configuration of office accommodation and purchase of office equipment, as mentioned previously. The significant increase in 2014/15 relates to a once-off additional allocation to cater for the shortfall in respect of operational costs, as well as the

carry-through allocation for the procurement of an IT system of this entity. This explains the decrease in 2015/16. The operational costs will be funded using part of the increased liquor licensing revenue from 2015/16 onward, as explained earlier.

The increase in 2011/12 against *Compensation of employees* included staffing costs for the new Regulation Services sub-programme, as well as the costs of liquor inspectorate staff under the Liquor Regulation sub-programme. There is a slight increase in the 2013/14 Adjusted Appropriation to provide for new appointments which were higher than anticipated. The allocation increases steadily over the 2014/15 MTEF.

The significant increase in 2011/12 against *Goods and services* was due to costs pertaining to implementing the KZN Consumer Protection Act across the province and set-up costs for the KZNLA. The decrease in 2012/13 is due to expenditure relating to the KZNLA being shifted from this category, to *Transfers and subsidies to: Departmental agencies and accounts* following the establishment and full functioning of this entity. The decrease in the 2013/14 Adjusted Appropriation is largely due to reprioritisation of projects where funds were moved to offset spending pressures in other categories and programmes. This explains the increase in 2014/15, following by a decrease from 2015/16 due to a reprioritisation exercise undertaken.

Transfers and subsidies to: Departmental agencies and accounts comprises transfers to KZNLA. The amount in 2012/13 relates to the entity's set-up costs. The allocation increases in 2014/15 due to once-off additional funding for the entity's operational costs, as well as the carry-through funding for the procurement of an IT system. The former will be funded from liquor licences revenue from 2015/16 once this revenue stream starts being collected.

The spending against *Machinery and equipment* over the seven-year period relates to furniture and equipment for newly appointed staff and the replacement of redundant equipment.

The expenditure against *Software and other intangible assets* in 2010/11 relates to the upgrade of computer software licences.

Service delivery measures – Programme 4: Business Regulation and Governance

Table 4.26 below provides the main service delivery measures pertaining to Programme 4, which are standardised in terms of the sector. The performance indicators provided largely conform with the customised measures for the Economic Development sector.

Table 4.26 : Service delivery measures – Programme 4: Business Regulation and Governance

Outputs	Performance indicators	Estimated performance				
		2013/14	2014/15	2015/16	2016/17	
1. Regulation Services						
1.1	To establish and manage policy framework through municipalities which creates an enabling environment that supports the informal sector and to establish and manage the implementation of a regulatory framework with municipalities which contributes to the monitoring of regulatory compliance within the formal business sector	<ul style="list-style-type: none"> No. of barriers identified No. of barriers addressed No. of municipal informal economy policy alignment programmes facilitated 	1 1 11	1 1 15	1 1 20	1 1 20
1.2	To establish a regulatory environment to enable the effective governance of formal business in terms of compliance	<ul style="list-style-type: none"> No. of municipalities monitored and evaluated with implementation of regulations 	31	31	31	31
2. Consumer Protection						
2.1	Educate and inform consumers of their rights	<ul style="list-style-type: none"> No. of consumer education programmes conducted 	1 333	1 400	1 450	1 450
2.2	To co-ordinate and ensure integrated relevant and effective planning (engagement of stakeholders)	<ul style="list-style-type: none"> No. of partnerships established and maintained with regulators and other stakeholders 	193	384	400	400
2.3	Address consumer complaints and provide redress	<ul style="list-style-type: none"> No. of complaints received 	3 000	3 000	3 000	3 000

Table 4.26 : Service delivery measures – Programme 4: Business Regulation and Governance

Outputs	Performance indicators	Estimated performance		Medium-term targets	
		2013/14	2014/15	2015/16	2016/17
3. Liquor Regulation					
3.1 To promote and maintain an effective and efficient regulatory system for the liquor industry and consumer and regulation services	<ul style="list-style-type: none"> No. of KZNLA monitoring reports No. of reviews of the legislative framework relating to liquor, consumer and regulation services 	4	4	4	4
		3	2	2	2

6.5 Programme 5: Economic Planning

The main purpose of this programme is to develop provincial economic policies and strategies to achieve and measure sustainable economic development. The purpose is also to conduct research proposal relating to changing global trends, and to provide a wide range of information and knowledge that serve as key drivers and to regular assess the performance of the economy. The sub-programmes consist of Policy and Planning, Research and Development, Knowledge Management and Monitoring and Evaluation.

Tables 4.27 and 4.28 summarise payments and budgeted estimates for the seven-year period 2010/11 to 2016/17.

Table 4.27 : Summary of payments and estimates by sub-programme: Economic Planning

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
1. Policy and Planning	2 121	5 618	4 327	8 944	4 512	5 034	8 421	9 750	10 199
2. Research and Development	2 809	4 768	6 227	10 240	9 159	9 776	12 325	12 579	13 149
3. Knowledge Management	1 083	1 936	1 710	2 747	2 477	1 943	4 516	3 869	4 069
4. Monitoring and Evaluation	5 764	5 980	6 282	7 845	6 357	5 685	5 899	6 377	6 671
Total	11 777	18 302	18 546	29 776	22 505	22 438	31 161	32 575	34 088

Table 4.28 : Summary of payments and estimates by economic classification: Economic Planning

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Current payments	11 621	18 065	18 314	29 726	22 326	22 362	30 361	32 575	34 088
Compensation of employees	7 182	6 608	7 543	12 614	12 614	10 497	13 252	14 281	15 181
Goods and services	4 439	11 457	10 771	17 112	9 712	11 865	17 109	18 294	18 907
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	29	50	3	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	29	50	3	-	-	-	-	-	-
Payments for capital assets	127	187	229	50	179	76	800	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	106	187	111	50	79	77	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	21	-	118	-	100	(1)	800	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	11 777	18 302	18 546	29 776	22 505	22 438	31 161	32 575	34 088

The increased spending against this programme from 2011/12 onward is due to, among others, a five-year review plan of research projects, which reviewed projects such as the development of an Industrial Economic Hubs Strategy, the socio-economic impact of DTPC and inner-city regeneration projects. The decrease in the 2013/14 Adjusted Appropriation relates to reprioritisation of projects undertaken, whereby

projects, such as Renewable Energy Research, Agro-processing Research and Green Economy were put on hold in 2013/14.

The Policy and Planning and Research and Development sub-programmes were allocated funding reprioritised from the Knowledge Management sub-programme from 2010/11. Prior to this, the department was unable to fund these sub-programmes, explaining the low spending in 2010/11.

The increase in 2012/13 against the Research and Development sub-programme was to fund projects such as Renewable Energy Research and Agro-processing Research, etc. There is steady growth over the MTEF.

The spending against the Knowledge Management sub-programme relates to the operational cost of this programme. The fluctuating trend over the seven-year period is mainly driven by the printing and publications of reports.

The decreasing trend against the Monitoring and Evaluation sub-programme in the 2013/14 Adjusted Appropriation relates to the reprioritisation of projects, where funds were moved to address spending pressures in other programmes. The allocation over the 2014/15 MTEF grows at an inflationary rate.

The high spending in 2010/11 against *Compensation of employees* was due to staffing the newly created Policy and Planning and Research and Development sub-programmes. The 2011/12 reduction was due to staff turnover and the difficulty in filling posts, and funds were reprioritised to *Goods and services* to alleviate spending pressures, to *Transfers and subsidies to: Households* to provide for staff exit costs, and to *Machinery and equipment* to cater for a shortfall in respect of capital equipment. This accounts for the substantial increase in 2013/14, with the MTEF budget growing at a steady rate.

The low spending in 2010/11 against *Goods and services* was due to research projects which the department wanted to be conducted by UKZN, but which could not be carried out due to departmental capacity constraints. In 2011/12, the increase relates to once-off costs for the finalisation of a number of provincial policies such as the Industrial Development Strategy. The minimal decrease in 2012/13 relates to funds moved to *Compensation of employees* to offset spending pressures in this category. The decrease in the 2013/14 Adjusted Appropriation can be ascribed to the reprioritisation of projects, where funds were moved to Programmes 1 and 6 to offset spending pressures. This explains the sharp growth in 2014/15. There is steady growth over the remainder of the 2014/15 MTEF.

The 2011/12 increase in *Machinery and equipment* was due to the replacement of redundant equipment.

The significant increase in 2012/13 against *Software and other intangible assets* relates to GAMS procured for policy analysis. The increase in the 2013/14 Adjusted Appropriation relates to the purchase of Sabinet software subscriptions for the department's library information database. The peak in 2014/15 is to fund Sabinet software subscriptions. There is no allocation in the two outer years, at this stage.

Service delivery measures – Programme 5: Economic Planning

Table 4.29 illustrates the main service delivery measures pertaining to Programme 5: Economic Planning which are standardised in terms of the sector. The performance indicators provided conform fully with the customised measures for the Economic Development sector.

Table 4.29 : Service delivery measures – Programme 5: Economic Planning

Outputs	Performance indicators	Estimated performance			
		2013/14	2014/15	2015/16	2016/17
1. Policy and Planning					
1.1 To develop provincial legislation, economic policies and strategies to achieve sustainable economic development	<ul style="list-style-type: none"> No. of economic strategies developed No. of strategies reviewed 	1	-	1	-
		-	1	-	1
1.2 To be the central source of economic data in the provision of customised economic information to stakeholders in the province	<ul style="list-style-type: none"> No. of publications distributed to stakeholders No. of operational economic statistical portal 	6	6	6	6
		1	1	1	1

Table 4.29 : Service delivery measures – Programme 5: Economic Planning

Outputs	Performance indicators	Estimated performance	Medium-term targets			
		2013/14	2014/15	2015/16	2016/17	
2. Research and Development						
2.1	To conduct or commission macro-economic and sector research	• No. of research and development initiatives supported • No. of research reports	4 4	5 8	5 8	5 8
2.2	To provide research on priority economic sectors	• No. of economic sector specific studies	4	4	4	4
2.3	To ensure the alignment of the activities of the DEDT to the PGDP strategic goals	• Reports on the state of compliance of the province with the PGDP goals	2	2	2	2
3. Knowledge Management						
3.1	Compile and produce Economic Intelligence report per district	• No. of provincial economic intelligence reports produced	1	1	1	1
3.2	To compile regular strategic reports on all departmental projects currently being implemented for the year under review	• No. of project analysis reports produced • No. of PMIS reports submitted to senior management	6 6	4 6	4 6	4 4
4. Monitoring and Evaluation						
4.1	To monitor and evaluate departmental projects and strategies	• No. of monitoring reports produced • No. of evaluation reports produced	14 5	14 5	16 5	18 5
4.2	To determine the effectiveness and impact of provincial economic development policies, strategies and programmes	• To monitor and evaluate departmental projects and strategies • Provide M&E capacity building for relevant stakeholders in the province	19 80	21 120	21 120	21 120
4.3	To provide M&E capacity building for relevant stakeholders in the province	• No. of stakeholders trained on M&E	60	60	60	60

6.6 Programme 6: Tourism

The main purpose of this programme is to stimulate economic growth through tourism development. This programme comprises three sub-programmes, namely Tourism Sector Transformation, Tourism Planning and Tourism Growth and Development. The objectives are as follows:

- To create an enabling tourism environment through legislation, policy and strategy development.
- To create demand and supply tourism.
- To ensure sustainability and tourism sector transformation.

Tables 4.30 and 4.31 below give a summary of payments and estimates relating to Programme 6 for the period 2010/11 to 2016/17. In terms of the latest uniform budget and programme structure for the Economic Development sector, Tourism was moved from Programme 3 to become a stand-alone programme. Historical figures were restated for comparative purposes. However, it was not possible to restate figures per sub-programme, due to the lack of separate records. This programme includes transfers to KZNSB and TKZN.

The increase in 2011/12 was largely due to additional funding allocated to TKZN for the Tourism *Indaba*, promotion of the East 3 Route and the UCI/BMX events. Also included were the costs for research on shark repellent technology and for implementation of biometric access control by KZNSB, as mentioned previously.

Table 4.30 : Summary of payments and estimates by sub-programme: Tourism

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
1. Tourism Sector Transformation	-	-	-	19 736	1 591	1 568	9 476	10 603	11 160
2. Tourism Planning	-	-	-	8 038	4 414	9 329	13 645	13 811	14 489
3. Tourism Growth and Development	118 904	164 485	286 920	155 379	308 451	390 118	263 552	249 356	261 941
Total	118 904	164 485	286 920	183 153	314 456	401 015	286 673	273 770	287 590

Table 4.31 : Summary of payments and estimates by economic classification: Tourism

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Current payments	21 518	33 755	88 307	42 531	134 880	213 059	111 855	93 845	100 283
Compensation of employees	4 895	4 727	7 066	10 942	10 004	9 097	16 715	17 435	20 899
Goods and services	16 623	29 028	81 241	31 589	124 876	203 962	95 140	76 410	79 384
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	96 995	130 715	198 566	140 397	179 576	187 896	174 818	179 925	187 307
Provinces and municipalities	-	-	1 291	-	1 300	7 277	500	500	-
Departmental agencies and accounts	96 995	130 715	173 663	140 397	158 209	160 552	164 237	168 690	176 067
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	19 991	-	11 363	11 363	1 000	1 200	1 200
Non-profit institutions	-	-	3 600	-	8 700	8 700	9 081	9 535	10 040
Households	-	-	21	-	4	4	-	-	-
Payments for capital assets	391	15	47	225	-	60	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	391	15	47	225	-	60	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	118 904	164 485	286 920	183 153	314 456	401 015	286 673	273 770	287 590

In 2012/13, once-off additional funding was received in respect of KZNSB, TKZN as well as from the Strategic Cabinet Initiatives Fund for various events, such as Volvo European Golf Championship, the BRICS Summit, among others. This explains the significant decrease in the 2013/14 Main Appropriation. The substantial growth in 2014/15 is provision for the World Amateur Golf Championship that will be held in this year, accounting for the decrease in 2015/16.

The Tourism Sector Transformation sub-programme shows a decrease in the 2013/14 Adjusted Appropriation due to reprioritisation of projects where funds were moved to offset spending pressure relating to projects, among others the Top Gear Festival, and the World Amateur Golf Championship against the sub-programme: Tourism Growth and Development, explaining the increase in 2014/15. This sub-programme shows a steady increase over the MTEF.

In the 2013/14 Adjusted Appropriation, there was a decrease against the sub-programme: Tourism Planning due to the reprioritisation of projects, and funds were moved to offset spending pressure under the Tourism Sector Transformation sub-programme. Hence, there is a sharp increase in 2014/15.

The sub-programme: Tourism Growth and Development includes transfers to KZNSB and TKZN. The sharp increase in the 2013/14 Adjusted Appropriation was due to once-off additional funding for events such as SA Women's Golf Championship, the Metro FM Awards, among others, as well as funding added to KZNSB for the purchase of land in Durban. As mentioned previously, a reprioritisation exercise was carried out in 2013/14 where funds of halted projects were moved from other programmes and categories to fund events, such as, KZN Tourism Train, Urban Music Tour, among others.

The low spending in 2010/11 and 2011/12 against *Compensation of employees* relates to delays in filling posts, and savings were reprioritised to offset pressures under *Goods and services* in this programme. The increase in 2012/13 can be ascribed to the higher than anticipated wage increase, as well as filling of vacant posts. In the 2013/14 Adjusted Appropriation, there was a slight decline due to delays in filling of posts and savings were moved within this programme to other categories, explaining sharp growth in 2014/15. The allocation over the 2014/15 MTEF grows at an inflationary rate.

The erratic trend against *Goods and services* relates to once-off additional funding in respect of various projects. The increase in 2011/12 was to fund several tourism-related projects and events such as SAIFTA, Ikhwezi lodge and Provincial Tourism Conference. The significant increase in 2012/13 relates to funding of once-off initiatives, such as the Nelson Mandela Golf Tournament, the Volvo Golf Championship, the Metro FM Awards, etc., which were allocated to the department for the hosting of these events, explaining the decrease in the 2013/14 Main Appropriation. The spike in the 2013/14 Adjusted Appropriation is

attributed to funds that were reprioritised from other programmes and categories to fund various projects, such as KZN Tourism Train and the Top Gear Festival. This category was also allocated an amount of R52.547 million from the Strategic Cabinet Initiatives Fund to host events, among others, the SA Women's Golf Championship, Amcor Dam Music Festival, among others.

The spending in 2012/13 against *Transfers and subsidies to: Provinces and municipalities* relates to the Richards Bay Breakfast and Ingoma Music Festival conducted by the Sakhisizwe Management Agency. These were held at the uThungulu and Umkhanyakude District Municipalities, respectively. The increase in the 2013/14 Adjusted Appropriation was due to transfer to the Sakhisizwe Management Agency for the Ingoma Music Festival, as well as for projects that were reclassified from *Goods and services* to this category, for the revitalisation of Alkantstrand Beach in the uMhlathuze Municipality, for the rehabilitation of South Port Beach in the Hibiscus Coast Municipality and for the Dundee July event that is held in the Umzinyathi District Municipality. The high amount in the 2013/14 Revised Estimate relates to funding for the Drakensburg Cable Car. The allocation in 2014/15 relates to rehabilitation of beaches, as well as the Dundee July event which is allocated for both 2014/15 and 2015/16.

Transfers and subsidies to: Departmental agencies and accounts consists of transfers to TKZN and KZNSB under the Tourism Growth and Development sub-programme. The significant increase in 2011/12 relates to increased transfers to KZNSB to provide for critical repairs to the roof of the entity's headquarters, to investigate more environmentally friendly shark repellent technology and to fill critical vacancies in its SCM unit. The substantial increase in 2012/13 relates to increased capital requirements of KZNSB, such as replacement of boats, outboard motors and vehicles, as well as projects under TKZN, such as the KZN Summer Festival Campaign and East 3 Route. This explains the decrease in 2013/14. In the 2013/14 Adjusted Appropriation, funds for some projects were reclassified from *Goods and services* to this category. Included were funds transferred to EKZWN for the Ingodini Border Caves and for the Ntsikeni and May Lodge in the Ntsikeni Reserve. The funding for the following projects was also moved from *Goods and services* to TKZN, to administer these projects namely, the KZN Convention Bureau Bid Fund, Tourism *Indaba*, Tourism Master Plan launch, and the KZN Summer Festival Campaign. KZNSB was allocated once-off additional funding for the purchase of land for erecting new offices, as explained earlier. The budget over the 2014/15 MTEF includes the carry-through allocation for KZNSB for the MCOE operational costs. This category shows a steady increase over the MTEF.

Transfers in 2012/13 against *Transfers and subsidies to: Public corporations and private enterprises* consist of a number of once-off funds transferred to private enterprises relating to partnership agreements with Umthayi Marula Festival, King Shaka Fashion Festival, Durban Beach Festival and Midmar Music Festival. There is no allocation in the 2013/14 Main Appropriation, with funds provided again in the 2013/14 Adjusted Appropriation for events such as the uMphithi Spring Music Festival, Umlazi Festival and Expo, Urban Music Tour and the SMME Conference.

Transfers and subsidies to: Non-profit institutions includes the carry-through allocation in respect of Cycling SA and the Tourism Enterprise Partnership, as explained previously.

Transfers and subsidies to: Households relates to staff exit costs.

The high spending in 2010/11 against *Machinery and equipment* was mainly due to capital equipment for the new offices, when the tourism function was transferred to the department from the Department of Arts and Culture. In 2013/14, savings due to cost-cutting were moved from this programme under *Machinery and equipment* to Programme 1 under *Software and other intangible assets* to offset spending pressures relating to server licence. No provision is made for this category over the 2014/15 MTEF.

Service delivery measures – Programme 6: Tourism

Table 4.32 illustrates the main service delivery measures pertaining to Programme 6: Tourism which are standardised in terms of the sector.

Table 4.32 : Service delivery measures – Programme: Tourism

Outputs	Performance indicators	Estimated performance	Medium-term targets			
		2013/14	2014/15	2015/16	2016/17	
1. Tourism Sector Transformation						
1.1	To transform the tourism industry and achieve high levels of sector compliance	• No. of tourism businesses complying with tourism sector codes	50	45	50	50
1.2	To develop and implement integrated mechanism that ensures people development and service excellent in the tourism sector	• No. of service excellence initiatives designed and implemented	2	2	2	2
1.3	To develop and implement integrated mechanism that ensure people development in the sector	• No. of people trained and developed in tourism	5 716	2 000	2 000	2 000
2. Tourism Planning						
2.1	To create conducive conditions for sustainable growth and development	• No. of tourism collaborative structures established and sustained	4	8	8	8
2.2	To promote responsible tourism practices and champion tourism's response to climate change	• No. of tourism research, policies, strategies, and frameworks identified and developed	6	6	9	9
3. Tourism Growth and Development						
3.1	To develop and fund the implementation of sector specific project and niche products	• No. of niche tourism products developed • No. of strategic linkages facilitated	4 1	5 1	5 2	5 2
3.2	To promote planning and development that is sensitive to the environment and communities	• No. of responsible tourism programmes initiated	1	2	2	2
3.3	To register tourism business and tourist guides in the province to ensure compliance	• No. of individuals/businesses complying with legislation	400	500	600	650

7. Other programme information

7.1 Personnel numbers and costs

Tables 4.33 and 4.34 show the approved personnel establishment per programme, the total personnel costs of the department and provides details of the personnel numbers and costs. As Table 4.34 shows, the department employs only full-time personnel, and does not expect any fluctuations over the MTEF.

The decrease in 2012/13 against Programme 4 in staff numbers is due to all the Liquor Regulation staff being transferred to KZNLA. The unit cost from 2010/11 relates to the effect of the 2010 wage agreement, as well as high level appointments in Programme 1, in 2012/13. The lower unit costs in 2013/14 are based on the higher projected staffing numbers, but this will not materialise due to the moratorium on the filling of posts. Savings were moved during the 2013/14 Adjustments Estimate to offset pressures against *Goods and services*. It is noted that the department is projecting to under spend its budget under *Compensation of employees* in 2013/14, due a lack of suitably qualified candidates.

Provision was made for the filling of all vacant posts in terms of the organisational structure. However, if the moratorium on the filling of non-critical posts is not lifted, these funds may be reallocated in the Adjustments Estimate process, accounting for low numbers in 2014/15.

Table 4.33 : Personnel numbers and costs by programme

Personnel numbers	As at 31 March 2011	As at 31 March 2012	As at 31 March 2013	As at 31 March 2014	As at 31 March 2015	As at 31 March 2016	As at 31 March 2017
1. Administration	117	116	125	172	172	172	172
2. Integrated Economic Development Services	92	92	90	115	115	115	115
3. Trade and Sector Development	24	25	12	25	25	25	25
4. Business Regulation and Governance	45	45	31	33	33	33	33
5. Economic Planning	10	9	17	25	25	25	25
6. Tourism	15	14	22	21	21	21	21
Total	303	301	297	391	391	391	391
Total personnel cost (R thousand)	118 136	121 912	130 820	149 687	180 910	202 224	217 296
Unit cost (R thousand)	390	405	440	383	463	517	556

Table 4.34 : Summary of departmental personnel numbers and costs by component

	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Total for the department									
Personnel numbers (head count)	303	301	297	391	391	391	391	391	391
Personnel cost (R thousands)	118 136	121 912	130 820	172 109	157 359	149 687	180 910	202 224	217 296
Human resources component									
Personnel numbers (head count)	26	29	29	29	29	29	29	29	29
Personnel cost (R thousands)	7 090	10 251	11 557	12 319	12 319	12 319	13 107	13 946	14 825
Head count as % of total for department	8.58	9.63	9.76	7.42	7.42	7.42	7.42	7.42	7.42
Personnel cost as % of total for department	6.00	8.41	8.83	7.16	7.83	8.23	7.25	6.90	6.82
Finance component									
Personnel numbers (head count)	20	25	25	25	25	25	25	25	25
Personnel cost (R thousands)	5 245	7 434	7 976	8 502	8 502	8 502	9 046	9 625	10 231
Head count as % of total for department	6.60	8.31	8.42	6.39	6.39	6.39	6.39	6.39	6.39
Personnel cost as % of total for department	4.44	6.10	6.10	4.94	5.40	5.68	5.00	4.76	4.71
Full time workers									
Personnel numbers (head count)	303	301	297	391	391	391	391	391	391
Personnel cost (R thousands)	118 136	121 912	130 820	172 109	157 359	149 687	180 910	202 224	217 296
Head count as % of total for department	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Personnel cost as % of total for department	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Part-time workers									
Personnel numbers (head count)	-	-	-	-	-	-	-	-	-
Personnel cost (R thousands)	-	-	-	-	-	-	-	-	-
Head count as % of total for department	-	-	-	-	-	-	-	-	-
Personnel cost as % of total for department	-	-	-	-	-	-	-	-	-
Contract workers									
Personnel numbers (head count)	-	-	-	-	-	-	-	-	-
Personnel cost (R thousands)	-	-	-	-	-	-	-	-	-
Head count as % of total for department	-	-	-	-	-	-	-	-	-
Personnel cost as % of total for department	-	-	-	-	-	-	-	-	-

7.2 Training

Table 4.35 below reflects the payments and estimates on training for the seven-year period. The bulk of the training budget is centralised under Programme 1. This was done to exercise control over the quality and accreditation of training courses attended by departmental officials. This explains the large allocation for training expenditure under Programme 1 from 2010/11. The substantial increase in 2011/12 against Programme 2 relates to the external bursaries budget transferred to OTP, as mentioned previously.

Table 4.35 : Payments on training by programme

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
1. Administration	866	894	208	1 000	1 000	1 000	1 030	1 046	1 101
Subsistence and travel	-	-	-	-	-	-	-	-	-
Payments on tuition	866	894	208	1 000	1 000	1 000	1 030	1 046	1 101
Other	-	-	-	-	-	-	-	-	-
2. Integrated Economic Development Services	-	13 427	13 509	-	13 599	13 599	14 405	15 024	15 820
Subsistence and travel	-	-	-	-	-	-	-	-	-
Payments on tuition	-	13 427	13 509	-	13 599	13 599	14 405	15 024	15 820
Other	-	-	-	-	-	-	-	-	-
3. Trade and Sector Development	-	-	78	1 370	690	665	1 339	1 360	1 432
Subsistence and travel	-	-	-	-	-	-	-	-	-
Payments on tuition	-	-	78	1 370	690	665	1 339	1 360	1 432
Other	-	-	-	-	-	-	-	-	-
4. Business Regulation and Governance	-	14	-	-	-	-	-	-	-
Subsistence and travel	-	-	-	-	-	-	-	-	-
Payments on tuition	-	14	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
5. Economic Planning	-	15	-	40	20	20	120	126	133
Subsistence and travel	-	-	-	-	-	-	-	-	-
Payments on tuition	-	15	-	40	20	20	120	126	133
Other	-	-	-	-	-	-	-	-	-
6. Tourism	-	-	451	-	-	-	-	-	-
Subsistence and travel	-	-	-	-	-	-	-	-	-
Payments on tuition	-	-	451	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total	866	14 350	14 246	2 410	15 309	15 284	16 894	17 556	18 486

Table 4.36 provides further information on training analysed into gender and type of training for the seven-year period.

Table 4.36 : Information on training: Economic Development and Tourism

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Number of staff	303	301	297	391	391	391	391	391	391
Number of personnel trained	121	121	121	337	337	337	346	346	346
of which									
Male	50	50	50	107	107	107	137	137	137
Female	71	71	71	230	230	230	209	209	209
Number of training opportunities	14	14	14	90	90	90	90	90	90
of which									
Tertiary	1	1	1	30	30	30	30	30	30
Workshops	1	1	1	40	40	40	40	40	40
Seminars	-	-	-	20	20	20	20	20	20
Other	12	12	12	-	-	-	-	-	-
Number of bursaries offered	12	12	12	53	53	53	56	56	56
Number of interns appointed	36	36	36	36	36	36	38	38	38
Number of learnerships appointed	-	-	-	20	20	20	21	21	21
Number of days spent on training	290	290	290	200	200	200	211	211	211

ANNEXURE – VOTE 4: ECONOMIC DEVELOPMENT AND TOURISM

Table 4.A : Details of departmental receipts: Economic Development and Tourism

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Tax receipts	5 023	465	4 927	5 727	5 727	5 650	6 015	6 292	6 625
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	5 023	465	4 927	5 727	5 727	5 650	6 015	6 292	6 625
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	113	223	233	159	159	299	168	176	185
Sale of goods and services produced by dept. (excl. capital assets)	-	-	-	-	-	-	168	176	185
Sales by market establishments	-	-	-	-	-	-	168	176	185
Administrative fees	-	-	-	-	-	-	-	-	-
Other sales	-	-	-	-	-	-	-	-	-
Sale of scrap, waste, arms and other used current goods (excl. capital assets)	113	223	233	159	159	299	-	-	-
Transfers received from:	-	-	-	-	-	-	-	-	-
Other governmental units	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments	-	-	-	-	-	-	-	-	-
International organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households and non-profit institutions	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	-	-	16	-	-	4	4	5	6
Interest	-	-	-	-	-	4	4	5	6
Dividends	-	-	16	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Sale of capital assets	350	304	411	-	-	68	-	-	-
Land and sub-soil assets	350	304	411	-	-	-	-	-	-
Other capital assets	-	-	-	-	-	68	-	-	-
Transactions in financial assets and liabilities	100 008	301	4 870	46	46	460	49	51	54
Total	105 494	1 293	10 457	5 932	5 932	6 481	6 236	6 524	6 870

Table 4.B : Payments and estimates by economic classification: Economic Development and Tourism

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Current payments	417 435	471 540	535 438	578 208	592 750	708 518	559 025	595 971	635 144
Compensation of employees	118 136	121 912	130 820	172 109	157 359	149 687	180 910	202 224	217 296
Salaries and wages	101 311	107 864	116 094	148 055	137 931	132 893	156 973	174 994	188 366
Social contributions	16 825	14 048	14 726	24 054	19 428	16 794	23 937	27 230	28 930
Goods and services	299 299	349 628	404 618	406 099	435 391	558 831	378 115	393 747	417 848
Administrative fees	601	585	581	812	266	552	171	147	155
Advertising	13 238	13 519	10 425	11 512	12 971	19 334	7 166	6 472	6 748
Assets less than the capitalisation threshold	793	746	626	1 901	1 467	1 461	1 202	1 254	1 320
Audit cost: External	1 743	2 504	2 279	2 680	2 493	2 623	2 638	2 752	2 898
Bursaries: Employees	321	311	156	1 600	1 252	878	620	647	681
Catering: Departmental activities	1 020	8 497	3 332	4 685	4 346	3 669	7 067	7 372	7 765
Communication (G&S)	7 911	7 722	8 178	11 650	7 748	7 755	10 709	11 176	11 767
Computer services	9 382	9 164	13 727	11 375	10 957	14 348	14 261	14 874	15 662
Cons & prof serv: Business and advisory services	194 661	161 928	194 920	245 195	269 126	339 699	206 802	204 427	219 057
Cons & prof serv: Infras and planning	-	-	225	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	218	876	1 069	1 144	2 812	2 613	2 160	2 254	2 373
Contractors	6 411	30 159	68 424	10 353	35 640	65 086	14 599	26 550	27 405
Agency and support / outsourced services	2	18	356	-	-	-	-	-	-
Entertainment	-	4	-	235	120	65	15	16	17
Fleet services (incl. govt motor transport)	597	1 477	1 578	1 910	1 429	1 469	1 500	1 620	1 764
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	66	91	52	105	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	3	11	94	-	-	-	-	-	-
Inventory: Materials and supplies	149	80	76	655	-	-	-	-	-
Inventory: Medical supplies	7	9	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	32	92	446	119	799	681	681	708	745
Consumable: Stationery, printing and office supplies	2 348	2 551	2 130	2 048	2 183	2 305	2 716	3 108	3 273
Operating leases	22 359	24 915	24 803	26 902	25 670	25 658	26 600	27 744	29 214
Property payments	7 646	8 755	11 005	14 282	11 471	12 501	14 780	15 419	16 236
Transport provided: Departmental activity	45	2 938	892	832	638	999	2 057	2 147	2 261
Travel and subsistence	20 294	25 709	22 927	30 030	26 435	28 839	34 815	36 353	38 278
Training and development	866	14 350	14 246	2 470	1 459	1 238	2 459	2 529	2 663
Operating payments	3 881	10 866	4 904	10 963	3 204	2 466	6 548	6 830	7 193
Venues and facilities	4 705	19 882	14 898	11 171	11 115	21 247	16 249	16 949	17 847
Rental and hiring	-	1 869	2 269	1 470	1 790	3 345	2 300	2 399	2 526
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	1 192 644	1 058 880	1 142 429	1 255 314	1 377 456	1 394 004	1 383 799	1 439 377	1 465 542
Provinces and municipalities	106	14	4 292	2 412	3 769	9 746	520	531	33
Provinces	106	14	21	28	54	54	20	31	33
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	106	14	21	28	54	54	20	31	33
Municipalities	-	-	4 271	2 384	3 715	9 692	500	500	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	4 271	2 384	3 715	9 692	500	500	-
Departmental agencies and accounts	680 408	641 555	686 723	826 959	853 271	858 963	949 236	958 164	1 007 024
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	680 408	641 555	686 723	826 959	853 271	858 963	949 236	958 164	1 007 024
Higher education institutions	-	-	-	-	2 780	2 780	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	436 975	339 636	332 109	345 164	343 913	343 913	254 170	297 147	260 907
Public corporations	436 975	339 636	312 118	345 164	325 164	325 164	253 170	295 947	259 707
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	436 975	339 636	312 118	345 164	325 164	325 164	253 170	295 947	259 707
Private enterprises	-	-	19 991	-	18 749	18 749	1 000	1 200	1 200
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	19 991	-	18 749	18 749	1 000	1 200	1 200
Non-profit institutions	75 019	67 036	112 078	80 779	160 085	164 951	165 468	168 511	181 758
Households	136	10 639	7 227	-	13 638	13 651	14 405	15 024	15 820
Social benefits	106	525	337	-	39	52	-	-	-
Other transfers to households	30	10 114	6 890	-	13 599	13 599	14 405	15 024	15 820
Payments for capital assets	13 469	3 746	2 996	3 493	9 645	5 119	4 116	1 843	1 941
Buildings and other fixed structures	741	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	741	-	-	-	-	-	-	-	-
Machinery and equipment	5 978	3 363	2 869	3 441	9 148	4 723	3 316	1 843	1 941
Transport equipment	-	-	1 149	-	1 452	1 810	650	-	-
Other machinery and equipment	5 978	3 363	1 720	3 441	7 696	2 913	2 666	1 843	1 941
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	6 750	383	127	52	497	396	800	-	-
Payments for financial assets	763	2	4 985	-	-	-	-	-	-
Total	1 624 311	1 534 168	1 685 848	1 837 015	1 979 851	2 107 641	1 946 940	2 037 191	2 102 627

Table 4.C : Payments and estimates by economic classification: Administration

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
				2013/14					
Current payments	168 208	205 975	209 518	191 065	213 773	236 039	191 813	208 295	219 174
Compensation of employees	49 415	49 262	54 090	71 601	63 163	62 040	70 685	81 059	86 154
Salaries and wages	42 172	43 401	47 722	61 425	55 771	54 775	60 943	69 539	73 919
Social contributions	7 243	5 861	6 368	10 176	7 392	7 265	9 742	11 520	12 235
Goods and services	118 793	156 713	155 428	119 464	150 610	173 999	121 128	127 236	133 020
Administrative fees	368	208	290	-	85	138	80	52	55
Advertising	10 055	8 431	5 930	9 022	9 280	15 614	2 747	1 816	1 844
Assets less than the capitalisation threshold	252	409	312	378	413	401	319	333	351
Audit cost: External	1 695	2 468	2 253	2 580	2 393	2 523	2 598	2 710	2 854
Bursaries: Employees	333	319	156	1 200	1 052	778	600	626	659
Catering: Departmental activities	624	7 233	2 412	1 703	1 922	326	1 958	2 042	2 151
Communication (G&S)	6 262	5 733	6 622	8 574	6 440	6 549	8 543	8 915	9 386
Computer services	9 140	8 641	11 674	11 277	10 191	13 326	14 054	14 658	15 435
Cons & prof serv: Business and advisory services	36 058	30 520	39 590	16 413	47 900	58 897	13 318	14 364	14 710
Cons & prof serv: Infras and planning	-	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	218	809	998	244	1 135	1 254	2 160	2 254	2 373
Contractors	5 856	23 521	30 628	1 993	12 255	14 011	5 679	7 347	7 183
Agency and support / outsourced services	2	15	332	-	-	-	-	-	-
Entertainment	-	4	-	235	120	65	15	16	17
Fleet services (incl. govt motor transport)	597	1 477	1 578	1 910	1 429	1 469	1 500	1 620	1 764
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	37	47	20	78	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	3	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	142	25	76	100	-	-	-	-	-
Inventory: Medical supplies	7	9	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	29	15	43	8	195	181	139	145	153
Consumable: Stationery, printing and office supplies	1 508	1 706	1 350	1 060	1 093	1 381	1 897	1 979	2 084
Operating leases	22 092	24 426	24 447	26 902	25 641	25 658	26 600	27 744	29 214
Property payments	7 620	8 570	10 822	14 282	11 407	12 437	14 780	15 419	16 236
Transport provided: Departmental activity	45	2 394	477	592	307	155	907	947	997
Travel and subsistence	10 809	10 899	9 810	13 552	12 068	14 344	15 084	15 764	16 600
Training and development	866	894	208	1 000	689	553	900	939	989
Operating payments	2 335	4 253	1 524	2 991	1 605	949	1 166	1 216	1 281
Venues and facilities	1 840	12 481	2 551	2 370	2 461	2 460	3 784	3 949	4 158
Rental and hiring	-	1 206	1 325	1 000	529	530	2 300	2 399	2 526
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	346	499	795	28	65	65	20	31	33
Provinces and municipalities	106	14	21	28	54	54	20	31	33
Provinces	106	14	21	28	54	54	20	31	33
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	106	14	21	28	54	54	20	31	33
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	242	24	-	-	-	-	-	-	-
Households	(2)	461	774	-	11	11	-	-	-
Social benefits	(2)	461	153	-	11	11	-	-	-
Other transfers to households	-	-	621	-	-	-	-	-	-
Payments for capital assets	12 349	3 118	2 152	2 812	9 109	4 271	3 043	1 471	1 549
Buildings and other fixed structures	741	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	741	-	-	-	-	-	-	-	-
Machinery and equipment	4 885	2 735	2 143	2 760	8 712	3 874	3 043	1 471	1 549
Transport equipment	-	-	1 149	-	1 452	1 810	650	-	-
Other machinery and equipment	4 885	2 735	994	2 760	7 260	2 064	2 393	1 471	1 549
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	6 723	383	9	52	397	397	-	-	-
Payments for financial assets	763	2	-	-	-	-	-	-	-
Total	181 666	209 594	212 465	193 905	222 947	240 375	194 876	209 797	220 756

Table 4.D : Payments and estimates by economic classification: Integrated Economic Development Services

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
				2013/14					
Current payments	140 021	136 258	142 674	208 583	126 123	154 894	147 021	167 300	188 907
Compensation of employees	35 697	37 454	39 437	53 829	47 379	45 982	56 646	60 938	64 777
Salaries and wages	30 521	33 298	35 126	46 494	41 311	41 053	49 473	52 635	55 951
Social contributions	5 176	4 156	4 311	7 335	6 068	4 929	7 173	8 303	8 826
Goods and services	104 324	98 804	103 237	154 754	78 744	108 912	90 375	106 362	124 130
Administrative fees	85	105	86	750	130	80	50	52	55
Advertising	265	856	473	1 030	1 241	1 412	960	1 001	1 054
Assets less than the capitalisation threshold	79	179	86	81	105	110	184	192	202
Audit cost: External	48	36	26	100	100	100	40	42	44
Bursaries: Employees	(10)	(6)	-	-	-	-	20	21	22
Catering: Departmental activities	234	235	200	1 105	871	1 390	2 505	2 613	2 751
Communication (G&S)	1 085	1 067	803	1 300	774	731	1 240	1 294	1 362
Computer services	-	22	96	98	172	186	-	-	-
Cons & prof serv: Business and advisory services	96 225	68 686	75 546	120 939	49 332	68 419	60 445	65 244	80 832
Cons & prof serv: Infras and planning	-	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	-	47	1	-	793	417	-	-	-
Contractors	381	1 550	309	7 700	12 679	12 384	1 470	11 433	12 040
Agency and support / outsourced services	-	-	3	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	10	15	7	10	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	4	10	-	5	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	2	33	259	103	128	124	100	104	110
Consumable: Stationery, printing and office supplies	73	80	129	493	444	282	172	180	190
Operating leases	-	-	-	-	-	-	-	-	-
Property payments	-	-	183	-	64	64	-	-	-
Transport provided: Departmental activity	-	261	70	-	211	531	100	104	110
Travel and subsistence	4 815	7 260	6 278	10 585	7 273	6 671	10 186	10 624	11 187
Training and development	-	13 427	13 509	60	60	60	100	104	110
Operating payments	496	1 234	260	6 074	1 122	638	2 598	2 710	2 853
Venues and facilities	532	3 651	4 613	4 271	2 754	13 286	10 205	10 644	11 208
Rental and hiring	-	56	300	50	491	2 027	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	280 030	291 098	259 294	287 384	424 180	424 180	294 405	295 024	295 820
Provinces and municipalities	-	-	2 980	2 384	2 415	2 415	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	2 980	2 384	2 415	2 415	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	2 980	2 384	2 415	2 415	-	-	-
Departmental agencies and accounts	-	970	-	-	3 000	3 000	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	-	970	-	-	3 000	3 000	-	-	-
Higher education institutions	-	-	-	-	2 780	2 780	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	280 000	280 000	249 500	280 000	307 386	307 386	185 000	185 000	185 000
Public corporations	280 000	280 000	249 500	280 000	300 000	300 000	185 000	185 000	185 000
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	280 000	280 000	249 500	280 000	300 000	300 000	185 000	185 000	185 000
Private enterprises	-	-	-	-	7 386	7 386	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	7 386	7 386	-	-	-
Non-profit institutions	-	-	504	5 000	95 000	95 000	95 000	95 000	95 000
Households	30	10 128	6 310	-	13 599	13 599	14 405	15 024	15 820
Social benefits	-	14	41	-	-	-	-	-	-
Other transfers to households	30	10 114	6 269	-	13 599	13 599	14 405	15 024	15 820
Payments for capital assets	310	197	405	220	220	217	150	230	242
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	310	197	405	220	220	217	150	230	242
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	310	197	405	220	220	217	150	230	242
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	4 985	-	-	-	-	-	-
Total	420 361	427 553	407 358	496 187	550 523	579 291	441 576	462 554	484 969

Table 4.E : Payments and estimates by economic classification: Trade and Sector Development

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Current payments	51 427	40 318	46 373	77 793	69 797	56 855	45 020	60 013	52 510
Compensation of employees	6 660	8 239	7 532	8 524	8 500	7 437	6 364	9 650	10 259
Salaries and wages	5 640	7 413	6 745	7 380	7 380	6 607	5 511	8 355	8 882
Social contributions	1 020	826	787	1 144	1 120	830	853	1 295	1 377
Goods and services	44 767	32 079	38 841	69 269	61 297	49 418	38 656	50 363	42 251
Administrative fees	29	13	23	50	50	295	40	42	44
Advertising	1 143	374	1 358	380	1 236	1 306	609	682	719
Assets less than the capitalisation threshold	8	4	11	1 397	936	922	38	40	42
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	(2)	(2)	-	400	200	100	-	-	-
Catering: Departmental activities	20	51	55	120	83	55	-	-	-
Communication (G&S)	242	308	192	200	214	178	240	251	264
Computer services	171	3	87	-	579	579	-	-	-
Cons & prof serv: Business and advisory services	41 786	26 672	31 587	62 593	50 655	27 950	34 901	46 479	38 163
Cons & prof serv: Infras and planning	-	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	-	-	-	150	134	161	-	-	-
Contractors	29	1 383	656	-	912	11 578	-	-	-
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	2	-	3	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	1	19	42	-	303	303	12	12	12
Consumable: Stationery, printing and office supplies	3	3	13	80	44	23	12	12	12
Operating leases	267	489	356	-	-	-	-	-	-
Property payments	26	185	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	886	1 706	1 615	1 370	2 308	2 562	1 421	1 439	1 515
Training and development	-	-	78	1 370	690	605	1 339	1 360	1 432
Operating payments	29	564	55	259	199	150	44	46	48
Venues and facilities	127	227	2 653	800	2 704	2 651	-	-	-
Rental and hiring	-	80	57	100	50	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	815 244	636 518	628 047	783 585	729 715	737 930	837 274	911 183	926 336
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	583 413	509 870	457 361	642 642	648 142	651 491	707 717	736 260	774 911
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	583 413	509 870	457 361	642 642	648 142	651 491	707 717	736 260	774 911
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	156 975	59 636	62 618	65 164	25 164	25 164	68 170	110 947	74 707
Public corporations	156 975	59 636	62 618	65 164	25 164	25 164	68 170	110 947	74 707
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	156 975	59 636	62 618	65 164	25 164	25 164	68 170	110 947	74 707
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	74 777	67 012	107 974	75 779	56 385	61 251	61 387	63 976	76 718
Households	79	-	94	-	24	24	-	-	-
Social benefits	79	-	94	-	24	24	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	56	85	47	50	20	400	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	56	85	47	50	20	400	-	-	-
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	56	85	47	50	20	400	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	866 727	676 921	674 467	861 428	799 532	795 185	882 294	971 196	978 846

Table 4.F : Payments and estimates by economic classification: Business Regulation and Governance

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
				2013/14					
Current payments	24 640	37 169	30 252	28 510	25 851	25 309	32 955	33 943	40 182
Compensation of employees	14 287	15 622	15 152	14 599	15 699	14 634	17 248	18 861	20 026
Salaries and wages	12 030	13 578	13 266	12 519	13 622	12 770	15 124	16 506	17 523
Social contributions	2 257	2 044	1 886	2 080	2 077	1 864	2 124	2 355	2 503
Goods and services	10 353	21 547	15 100	13 911	10 152	10 675	15 707	15 082	20 156
Administrative fees	90	212	182	-	1	9	-	-	-
Advertising	1 624	3 651	2 528	820	1 051	678	2 360	2 462	2 593
Assets less than the capitalisation threshold	112	94	155	10	-	2	461	481	506
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	100	848	627	1 507	1 251	1 214	1 694	1 767	1 861
Communication (G&S)	136	439	421	1 348	172	160	234	244	257
Computer services	4	428	1 778	-	-	-	-	-	-
Cons & prof serv: Business and advisory services	3 983	7 450	8 278	4 355	2 273	2 874	5 574	4 512	9 026
Cons & prof serv: Infras and planning	-	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	-	20	70	750	750	781	-	-	-
Contractors	145	1 254	(4 636)	560	493	607	-	-	-
Agency and support / outsourced services	-	3	21	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	5	8	8	2	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	3	37	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	-	1	101	-	8	43	12	12	12
Consumable: Stationery, printing and office supplies	401	379	242	10	40	96	-	-	-
Operating leases	-	-	-	-	-	-	-	-	-
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	79	115	240	120	253	800	835	879
Travel and subsistence	1 995	2 878	2 269	1 589	1 850	1 899	3 672	3 830	4 033
Training and development	-	14	-	-	-	-	-	-	-
Operating payments	203	1 801	1 222	180	123	301	410	428	451
Venues and facilities	1 552	1 424	1 151	2 240	1 327	997	490	511	538
Rental and hiring	-	527	568	300	693	761	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	-	-	55 724	43 920	43 920	43 933	77 282	53 214	56 046
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	55 699	43 920	43 920	43 920	77 282	53 214	56 046
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	-	-	55 699	43 920	43 920	43 920	77 282	53 214	56 046
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	25	-	-	13	-	-	-
Social benefits	-	-	25	-	-	13	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	236	144	116	136	117	95	123	142	150
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	230	144	116	136	117	95	123	142	150
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	230	144	116	136	117	95	123	142	150
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	6	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	24 876	37 313	86 092	72 566	69 888	69 337	110 360	87 299	96 378

Table 4.G : Payments and estimates by economic classification: Economic Planning

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
				2013/14					
Current payments	11 621	18 065	18 314	29 726	22 326	22 362	30 361	32 575	34 088
Compensation of employees	7 182	6 608	7 543	12 614	12 614	10 497	13 252	14 281	15 181
Salaries and wages	6 593	6 057	6 849	10 881	10 881	9 458	11 436	12 319	13 100
Social contributions	589	551	694	1 733	1 733	1 039	1 816	1 962	2 081
Goods and services	4 439	11 457	10 771	17 112	9 712	11 865	17 109	18 294	18 907
Administrative fees	16	12	-	12	-	30	1	1	1
Advertising	44	11	51	80	35	13	60	63	66
Assets less than the capitalisation threshold	16	53	57	35	13	26	200	208	219
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	7	3	3	45	55	54	100	105	111
Communication (G&S)	123	121	93	228	129	109	206	214	225
Computer services	67	70	92	-	15	257	207	216	227
Cons & prof serv: Business and advisory services	2 619	6 866	5 489	12 621	6 302	7 644	10 860	11 449	11 703
Cons & prof serv: Infras and planning	-	-	225	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	-	-	-	-	-	-	-	-	-
Contractors	-	-	1	-	1	1	-	-	-
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	8	17	14	15	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	11	94	-	-	-	-	-	-
Inventory: Materials and supplies	-	8	-	550	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	-	4	1	8	165	30	318	331	348
Consumable: Stationery, printing and office supplies	305	327	383	405	506	485	535	833	877
Operating leases	-	-	-	-	29	-	-	-	-
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	457	1 120	1 091	1 134	1 623	2 000	2 052	2 193	2 308
Training and development	-	15	-	40	20	20	120	126	132
Operating payments	592	2 118	1 799	549	-	376	1 480	1 544	1 626
Venues and facilities	185	701	1 378	1 390	819	820	970	1 011	1 064
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	29	50	3	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	29	50	3	-	-	-	-	-	-
Social benefits	29	50	3	-	-	-	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	127	187	229	50	179	76	800	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	106	187	111	50	79	77	-	-	-
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	106	187	111	50	79	77	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	21	-	118	-	100	(1)	800	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	11 777	18 302	18 546	29 776	22 505	22 438	31 161	32 575	34 088

Table 4.H : Payments and estimates by economic classification: Tourism

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Current payments	21 518	33 755	88 307	42 531	134 880	213 059	111 855	93 845	100 283
Compensation of employees	4 895	4 727	7 066	10 942	10 004	9 097	16 715	17 435	20 899
Salaries and wages	4 355	4 117	6 386	9 356	8 966	8 230	14 486	15 640	18 991
Social contributions	540	610	680	1 586	1 038	867	2 229	1 795	1 908
Goods and services	16 623	29 028	81 241	31 589	124 876	203 962	95 140	76 410	79 384
Administrative fees	13	35	-	-	-	-	-	-	-
Advertising	107	196	85	180	128	311	430	448	472
Assets less than the capitalisation threshold	326	7	5	-	-	-	-	-	-
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	35	127	35	205	164	630	810	845	891
Communication (G&S)	63	54	47	-	19	28	246	258	273
Computer services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Business and advisory services	13 990	21 734	34 430	28 274	112 664	173 915	81 704	62 397	64 623
Cons & prof serv: Infras and planning	-	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	-	-	-	-	-	-	-	-	-
Contractors	-	2 451	41 466	100	9 300	26 505	7 450	7 770	8 182
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	4	4	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	-	20	-	-	-	-	100	104	110
Consumable: Stationery, printing and office supplies	58	56	13	-	56	38	100	104	110
Operating leases	-	-	-	-	-	-	-	-	-
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	204	230	-	-	60	250	261	275
Travel and subsistence	1 332	1 846	1 864	1 800	1 313	1 363	2 400	2 503	2 635
Training and development	-	-	451	-	-	-	-	-	-
Operating payments	226	896	44	910	155	52	850	886	934
Venues and facilities	469	1 398	2 552	100	1 050	1 033	800	834	879
Rental and hiring	-	-	19	20	27	27	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	96 995	130 715	198 566	140 397	179 576	187 896	174 818	179 925	187 307
Provinces and municipalities	-	-	1 291	-	1 300	7 277	500	500	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	1 291	-	1 300	7 277	500	500	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	1 291	-	1 300	7 277	500	500	-
Departmental agencies and accounts	96 995	130 715	173 663	140 397	158 209	160 552	164 237	168 690	176 067
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	96 995	130 715	173 663	140 397	158 209	160 552	164 237	168 690	176 067
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	19 991	-	11 363	11 363	1 000	1 200	1 200
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	19 991	-	11 363	11 363	1 000	1 200	1 200
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	19 991	-	11 363	11 363	1 000	1 200	1 200
Non-profit institutions	-	-	3 600	-	8 700	8 700	9 081	9 535	10 040
Households	-	-	21	-	4	4	-	-	-
Social benefits	-	-	21	-	4	4	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	391	15	47	225	-	60	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	391	15	47	225	-	60	-	-	-
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	391	15	47	225	-	60	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	118 904	164 485	286 920	183 153	314 456	401 015	286 673	273 770	287 590

Table 4.1 : Payments and estimates by economic classification: Conditional grants - EPWP Integrated Grant for Provinces

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation 2013/14	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Current payments	-	-	1 000	-	-	-	2 000	-	-
Compensation of employees	-	-	-	-	-	-	-	-	-
Salaries and wages	-	-	-	-	-	-	-	-	-
Social contributions	-	-	-	-	-	-	-	-	-
Goods and services	-	-	1 000	-	-	-	2 000	-	-
Administrative fees	-	-	-	-	-	-	-	-	-
Advertising	-	-	-	-	-	-	-	-	-
Assets less than the capitalisation threshold	-	-	-	-	-	-	-	-	-
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	-	-	-	-	-	-	-	-	-
Communication (G&S)	-	-	-	-	-	-	-	-	-
Computer services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Business and advisory services	-	-	1 000	-	-	-	2 000	-	-
Cons & prof serv: Infras and planning	-	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	-	-	-	-	-	-	-	-	-
Contractors	-	-	-	-	-	-	-	-	-
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	-	-	-	-	-	-	-	-	-
Consumable: Stationery, printing and office supplies	-	-	-	-	-	-	-	-	-
Operating leases	-	-	-	-	-	-	-	-	-
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	-	-	-	-	-	-	-	-	-
Training and development	-	-	-	-	-	-	-	-	-
Operating payments	-	-	-	-	-	-	-	-	-
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to	-	-	-	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving funds	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Social benefits	-	-	-	-	-	-	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	-	-	1 000	-	-	-	2 000	-	-

Table 4.J : Economic Development and Tourism - Payments of infrastructure by category

No.	Project name	Municipality/ Region	Type of infrastructure		Project duration		Source of funding	Budget programme name	Targeted number of jobs for 2014/15	Total project cost	Expenditure to date from previous years	Total available		MTEF Forward estimates		
			School - primary/ secondary/ specialised; admin block; water; electricity; sanitation/toilet; fencing etc.	Units	Date: Start	Date: Finish						2014/15	2015/16	MTEF 2016/17		
	R thousands															
	New and replacement assets															
	Upgrades and additions															
	Rehabilitation, renovations and refurbishments															
	Maintenance and repairs															
	Infrastructure transfers - current															
	Infrastructure transfers - capital															
1	Richard Bay IDZ	uThungulu	Richard Bay IDZ	1	01 April 2010	31 March 2050	Equitable share	Programme 3				68 170	110 947	74 707		
2	Dube TradePort	eThekweni	Dube TradePort	1	01 April 2006	31 March 2060	Equitable share	Programme 3				587 577	611 512	643 922		
	Total Infrastructure transfers - capital												655 747	722 459	718 629	
	Total Economic Development and Tourism Infrastructure												655 747	722 459	718 629	

Table 4.K : Summary of transfers to local government

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
A KZN2000 eThekweni	-	-	-	-	26	26	-	-	-
Total: Ugu Municipalities	-	-	-	-	300	300	-	-	-
B KZN211 Vulamehlo	-	-	-	-	-	-	-	-	-
B KZN212 Umdoni	-	-	-	-	-	-	-	-	-
B KZN213 Umzumbe	-	-	-	-	-	-	-	-	-
B KZN214 uMuziwabantu	-	-	-	-	-	-	-	-	-
B KZN215 Eziqoleni	-	-	-	-	-	-	-	-	-
B KZN216 Hibiscus Coast	-	-	-	-	300	300	-	-	-
C DC21 Ugu District Municipality	-	-	-	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	-	-	-	-	100	100	-	-	-
B KZN221 uMshwathi	-	-	-	-	-	-	-	-	-
B KZN222 uMngeni	-	-	-	-	-	-	-	-	-
B KZN223 Mpošana	-	-	-	-	-	-	-	-	-
B KZN224 Impendle	-	-	-	-	-	-	-	-	-
B KZN225 Msunduzi	-	-	-	-	-	-	-	-	-
B KZN226 Mkhambathini	-	-	-	-	-	-	-	-	-
B KZN227 Richmond	-	-	-	-	-	-	-	-	-
C DC22 uMgungundlovu District Municipality	-	-	-	-	100	100	-	-	-
Total: Uthukela Municipalities	-	-	-	-	-	5 977	-	-	-
B KZN232 Emnambithi/Ladysmith	-	-	-	-	-	-	-	-	-
B KZN233 Indaka	-	-	-	-	-	-	-	-	-
B KZN234 Umtshezi	-	-	-	-	-	-	-	-	-
B KZN235 Okhahlamba	-	-	-	-	-	5 977	-	-	-
B KZN236 Imbabazane	-	-	-	-	-	-	-	-	-
C DC23 Uthukela District Municipality	-	-	-	-	-	-	-	-	-
Total: Umzinyathi Municipalities	-	-	-	-	500	500	500	500	-
B KZN241 Endumeni	-	-	-	-	-	-	-	-	-
B KZN242 Nqutu	-	-	-	-	-	-	-	-	-
B KZN244 Msinga	-	-	-	-	-	-	-	-	-
B KZN245 Umvoti	-	-	-	-	-	-	-	-	-
C DC24 Umzinyathi District Municipality	-	-	-	-	500	500	500	500	-
Total: Amajuba Municipalities	100	-	-	-	-	-	-	-	-
B KZN252 Newcastle	100	-	-	-	-	-	-	-	-
B KZN253 eMadlangeni	-	-	-	-	-	-	-	-	-
B KZN254 Dannhauser	-	-	-	-	-	-	-	-	-
C DC25 Amajuba District Municipality	-	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	-	-	-	-	-	-	-	-	-
B KZN261 eDumbe	-	-	-	-	-	-	-	-	-
B KZN262 uPhongolo	-	-	-	-	-	-	-	-	-
B KZN263 Abaqulusi	-	-	-	-	-	-	-	-	-
B KZN265 Nongoma	-	-	-	-	-	-	-	-	-
B KZN266 Ulundi	-	-	-	-	-	-	-	-	-
C DC26 Zululand District Municipality	-	-	-	-	-	-	-	-	-
Total: Umkhanyakude Municipalities	-	-	981	-	-	-	-	-	-
B KZN271 Umhlabuyalingana	-	-	-	-	-	-	-	-	-
B KZN272 Jozini	-	-	-	-	-	-	-	-	-
B KZN273 The Big 5 False Bay	-	-	-	-	-	-	-	-	-
B KZN274 Hlabisa	-	-	-	-	-	-	-	-	-
B KZN275 Mtubatuba	-	-	-	-	-	-	-	-	-
C DC27 Umkhanyakude District Municipality	-	-	981	-	-	-	-	-	-
Total: uThungulu Municipalities	-	-	2 755	1 235	400	400	-	-	-
B KZN281 Umfolozi	-	-	-	-	-	-	-	-	-
B KZN282 uMhlatuze	-	-	-	-	400	400	-	-	-
B KZN283 Ntambanana	-	-	310	-	-	-	-	-	-
B KZN284 uMlalazi	-	-	-	-	-	-	-	-	-
B KZN285 Mthonjaneni	-	-	2 445	1 235	-	-	-	-	-
B KZN286 Nkandla	-	-	-	-	-	-	-	-	-
C DC28 uThungulu District Municipality	-	-	-	-	-	-	-	-	-
Total: Ilembe Municipalities	-	-	508	1 149	2 415	2 415	-	-	-
B KZN291 Mandeni	-	-	508	1 149	2 415	2 415	-	-	-
B KZN292 KwaDukuza	-	-	-	-	-	-	-	-	-
B KZN293 Ndwedwe	-	-	-	-	-	-	-	-	-
B KZN294 Maphumulo	-	-	-	-	-	-	-	-	-
C DC29 Ilembe District Municipality	-	-	-	-	-	-	-	-	-
Total: Sisonke Municipalities	-	-	-	-	-	-	-	-	-
B KZN431 Ingwe	-	-	-	-	-	-	-	-	-
B KZN432 Kwa Sani	-	-	-	-	-	-	-	-	-
B KZN433 Greater Kokstad	-	-	-	-	-	-	-	-	-
B KZN434 Ubuhlebezwe	-	-	-	-	-	-	-	-	-
B KZN435 Umzimkulu	-	-	-	-	-	-	-	-	-
C DC43 Sisonke District Municipality	-	-	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	100	-	4 244	2 384	3 741	9 718	500	500	-

Estimates of Provincial Revenue and Expenditure

Table 4.L : Financial summary for Ithala Development Finance Corporation (Ithala)

R thousand	Audited Outcome			Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
Revenue							
Tax revenue	-	-	-	-	-	-	-
Non-tax revenue	878 775	938 843	811 518	818 083	1 019 245	1 263 609	1 537 767
Sale of goods and services other than capital assets	367 475	409 450	291 533	264 584	362 727	461 639	537 403
Of which:							
Admin fees	194 004	204 130	177 540	164 690	205 616	285 579	341 559
Other sales	173 471	205 320	113 993	99 893	157 111	176 061	195 844
Interest, dividends and rent on land	511 300	529 393	519 985	553 499	656 518	801 970	1 000 364
Transfers received	225 962	182 471	150 541	206 642	148 000	148 000	148 000
Sale of capital assets	466	1 392	(3 782)	-	-	-	-
Total revenue	1 105 203	1 122 706	958 277	1 024 725	1 167 245	1 411 609	1 685 767
Expenses							
Current expense	1 067 429	1 020 769	884 401	984 417	1 108 045	1 291 132	1 476 541
Compensation of employees	301 982	318 995	338 457	381 911	435 611	474 418	512 517
Use of goods and services	543 837	480 317	334 368	356 952	376 925	451 263	504 670
Depreciation	46 402	50 115	43 187	56 997	64 676	79 029	86 265
Interest, dividends and rent on land	175 208	171 342	168 389	188 557	230 833	286 422	373 089
Interest	78 057	69 493	57 450	63 782	97 826	135 662	203 277
Rent on land	97 151	101 849	110 939	124 775	133 007	150 760	169 812
Transfers and subsidies	-	-	-	-	-	-	-
Total expenses	1 067 429	1 020 769	884 401	984 417	1 108 045	1 291 132	1 476 541
Surplus / (Deficit)	37 774	101 937	73 876	40 308	59 200	120 477	209 226
Cash flow summary							
Adjust surplus / (deficit) for accrual transactions	293 069	200 678	156 582	76 061	117 063	157 668	192 638
Adjustments for:							
Depreciation	46 402	50 115	43 187	56 997	64 676	79 029	86 265
Interest	78 057	69 493	57 450	63 782	97 826	135 662	203 277
Net (profit) / loss on disposal of fixed assets	(3 646)	(2 146)	(3 873)	-	-	-	-
Other	172 256	83 216	59 818	(44 718)	(45 439)	(57 023)	(96 904)
Operating surplus / (deficit) before changes in working capital	330 843	302 615	230 458	116 369	176 263	271 145	401 864
Changes in working capital	70 698	(18 280)	(7 339)	(9 295)	(22 891)	(16 160)	(18 030)
(Decrease) / increase in accounts payable	124 086	(143 224)	13 593	(9 295)	(22 891)	(16 160)	(18 030)
Decrease / (increase) in accounts receivable	(50 258)	127 634	(15 341)	-	-	-	-
Tax paid	(3 130)	(2 690)	(5 591)	-	-	-	-
Cash flow from operating activities	401 541	284 335	223 119	107 074	153 372	261 985	383 834
Transfers from government	-	-	-	290 000	198 000	148 000	148 000
Capital	-	-	-	105 000	50 000	-	-
Current	-	-	-	185 000	148 000	148 000	148 000
Cash flow from investing activities	(342 740)	(300 981)	(250 359)	(642 731)	(543 282)	(578 271)	(323 134)
Acquisition of assets	(85 540)	(50 201)	(75 393)	(128 876)	(386 399)	(268 548)	(151 371)
Investment property	(55 715)	(22 404)	(40 255)	(86 322)	(306 844)	(220 385)	(123 190)
Other machinery and equipment	(29 825)	(27 797)	(35 138)	(42 554)	(79 555)	(48 163)	(28 181)
Other flows from investing activities	(257 200)	(250 781)	(174 966)	(513 855)	(156 883)	(309 723)	(171 763)
Cash flow from financing activities	(112 792)	12 241	40 177	(233 638)	151 500	191 305	(33 461)
Deferred income	(106 026)	18 077	57 488	(206 642)	(148 000)	(148 000)	(148 000)
Borrowing activities	(56 478)	(23 070)	(28 606)	(26 996)	299 500	339 305	114 539
Other	49 712	17 234	11 295	-	-	-	-
Net increase / (decrease) in cash and cash equivalents	(53 991)	(4 406)	12 937	(479 295)	(40 410)	23 020	175 241
Balance sheet data							
Carrying value of assets	943 656	955 631	974 016	1 048 596	1 367 319	1 556 838	1 621 943
Investment property	752 341	770 267	779 608	810 844	1 053 012	1 194 368	1 231 293
Furniture and office equipment	180 716	169 662	179 193	224 747	301 302	349 465	377 645
Computer software	10 599	15 470	14 978	12 768	12 768	12 768	12 768
Other intangibles	-	232	237	237	237	237	237
Investments	13 456	12 069	16 141	16 141	16 141	16 141	16 141
Floating	13 456	12 069	16 141	16 141	16 141	16 141	16 141
Cash and cash equivalents	1 780 067	1 787 463	1 902 163	780 999	740 589	763 609	938 849
Bank	1 618 626	1 618 696	1 642 002	780 999	740 589	763 609	938 849
Cash on hand	56 968	52 492	42 124	-	-	-	-
Other	104 473	116 275	218 037	-	-	-	-
Receivables and prepayments	1 947 714	1 912 412	1 899 427	2 409 528	2 560 908	2 848 808	2 991 494
Trade receivables	229 002	60 665	195 390	193 242	216 133	232 293	250 323
Other receivables	1 718 712	1 851 747	1 704 037	2 216 286	2 344 775	2 616 515	2 741 171
Inventory	21 980	23 100	23 505	23 505	23 505	23 505	23 505
Trade	538	2 800	-	-	-	-	-
Other	21 442	20 300	23 505	23 505	23 505	23 505	23 505
Total assets	4 706 873	4 690 675	4 815 252	4 278 769	4 708 462	5 208 900	5 591 932
Capital and reserves	1 667 847	1 769 784	1 843 660	1 988 968	2 098 168	2 218 645	2 427 871
Share capital and premium	1 008 582	1 008 582	1 008 582	1 113 582	1 163 582	1 163 582	1 163 582
Accumulated reserves	621 491	659 265	761 202	835 078	875 386	934 586	1 055 063
Surplus / (Deficit)	37 774	101 937	73 876	40 308	59 200	120 477	209 226
Borrowings	153 031	129 961	101 355	82 085	405 578	785 539	959 344
Floating	2 316	2 141	-	-	-	-	-
Current	11 327	4 672	-	-	-	-	-
1-5 Years	28 463	24 648	101 355	82 085	405 578	785 539	959 344
5-10 Years	86 608	75 961	-	-	-	-	-
>10 Years	24 317	22 539	-	-	-	-	-
Post retirement benefits	64 218	67 619	73 989	73 989	73 989	73 989	73 989
Present value of funded obligations	58 474	70 247	83 292	83 292	83 292	83 292	83 292
Unrecognised transitional liabilities	5 744	(2 628)	(9 303)	(9 303)	(9 303)	(9 303)	(9 303)
Trade and other payables	2 048 415	1 911 396	1 920 947	1 918 927	1 918 927	1 918 927	1 918 927
Trade payables	10 588	4 834	100 778	115 469	115 469	115 469	115 469
Other	2 037 827	1 906 562	1 820 169	1 803 458	1 803 458	1 803 458	1 803 458
Deferred income	687 474	705 551	799 846	136 345	136 345	136 345	136 345
Provisions	85 889	89 545	75 455	75 455	75 455	75 455	75 455
Leave pay provision	18 648	23 700	26 900	26 900	26 900	26 900	26 900
Audit fee provision*	5 686	5 186	6 873	6 873	6 873	6 873	6 873
Landfill restoration	45 426	41 614	20 000	20 000	20 000	20 000	20 000
Long service awards	16 129	19 045	21 682	21 682	21 682	21 682	21 682
Funds managed (e.g. Poverty alleviation fund)	-	-	-	-	-	-	-
Contingent liabilities	(1)	16 819	-	-	-	-	-
Total equity and liabilities	4 706 873	4 690 675	4 815 252	4 275 769	4 708 462	5 208 900	5 591 932

*Note: Some of the amounts as reflected as Transfers received do not equal the amounts reflected in Table 4.12, as portion of the transfers is reflected against other items in the statement of financial position.

**Note: The surplus relates to the accounting treatment of capital expenses in terms of IAS20.

Table 4.M : Financial summary for KwaZulu-Natal Sharks Board (KZNSB)

R thousand	Audited Outcome			Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
Revenue							
Tax revenue	-	-	-	-	-	-	-
Non-tax revenue	21 695	23 955	25 071	29 152	26 781	28 223	29 477
Sale of goods and services other than capital assets	21 015	22 413	23 822	27 611	26 281	27 623	28 877
Interest, dividends and rent on land	680	1 542	1 249	1 541	500	600	600
Transfers received*	25 551	41 334	55 371	49 485	56 109	56 678	59 682
Sale of capital assets	-	75	-	100	-	-	-
Total revenue	47 246	65 364	80 442	78 737	82 890	84 901	89 159
Expenses							
Current expense	50 049	51 928	56 515	76 116	82 890	84 901	89 159
Compensation of employees	31 750	36 229	38 730	50 335	54 567	58 114	61 891
Use of goods and services	12 420	15 699	17 785	20 112	22 323	21 544	22 620
Depreciation	5 861	-	-	5 579	6 000	5 243	4 647
Interest, dividends and rent on land	18	-	-	90	-	-	-
Transfers and subsidies	-	-	-	-	-	-	-
Total expenses	50 049	51 928	56 515	76 116	82 890	84 901	89 159
Surplus / (Deficit)	(2 803)	13 436	23 927	2 621	-	-	-
Cash flow summary							
Adjust surplus / (deficit) for accrual transactions	5 236	5 146	6 000	5 579	6 000	5 243	4 647
Adjustments for:							
Depreciation	5 861	6 036	6 000	5 579	6 000	5 243	4 647
Interest	(682)	(815)	-	-	-	-	-
Net (profit) / loss on disposal of fixed assets	57	(75)	-	-	-	-	-
Operating surplus / (deficit) before changes in working capital	2 433	18 582	29 927	8 200	6 000	5 243	4 647
Changes in working capital	(1 352)	3 091	1 301	90	95	101	108
(Decrease) / increase in accounts payable	(1 335)	1 635	1 088	(135)	(142)	(150)	(158)
Decrease / (increase) in accounts receivable	-	1 154	(295)	(311)	(328)	(346)	(363)
(Decrease) / increase in provisions	(17)	302	508	536	565	597	629
Cash flow from operating activities	1 081	21 673	31 228	8 290	6 095	5 344	4 755
Transfers from government	25 551	41 333	68 871	84 580	56 109	56 678	59 682
Capital	-	13 500	13 500	35 096	1 805	1 895	1 990
Current	25 551	27 834	55 371	49 484	54 304	54 783	57 692
Cash flow from investing activities	(4 236)	(641)	(15 825)	(38 474)	(1 805)	(1 895)	(1 990)
Acquisition of assets	(4 236)	(641)	(15 825)	(38 474)	(1 805)	(1 895)	(1 990)
Dwellings	(96)	(98)	(3 850)	(23 051)	-	-	-
Non-residential buildings	-	-	(6 105)	-	(164)	(172)	(181)
Capital work in progress	600	-	(2 500)	-	-	-	-
Computer equipment	-	-	(445)	(177)	-	-	-
Furniture and office equipment	-	-	-	(434)	(150)	(158)	(165)
Other machinery and equipment	(458)	(415)	(128)	(11 972)	(441)	(463)	(486)
Transport assets	(3 739)	-	(2 732)	(2 735)	(1 050)	(1 103)	(1 158)
Computer software	(543)	-	-	(105)	-	-	-
Patents, licences, copyrights, brand names and trademarks	-	-	(65)	-	-	-	-
Other intangibles	-	(128)	-	-	-	-	-
Other flows from investing activities	-	-	-	-	-	-	-
Cash flow from financing activities	-	-	-	-	-	-	-
Net increase / (decrease) in cash and cash equivalents	(3 155)	21 032	15 403	(30 184)	4 290	3 449	2 765
Statement of financial position							
Carrying value of assets	68 077	63 058	58 976	87 100	78 879	56 629	51 187
Dwellings	47 140	44 132	41 858	54 409	51 686	35 232	35 000
Investment property	5 143	5 494	5 500	5 650	5 700	5 710	5 750
Computer equipment	525	376	762	939	626	313	200
Furniture and office equipment	-	-	-	434	347	-	-
Other machinery and equipment	3 306	3 261	2 839	14 811	11 848	8 887	5 925
Transport assets	11 363	9 250	8 017	10 752	8 602	6 452	4 302
Computer software	-	-	-	105	70	35	10
Service and operating rights	600	545	-	-	-	-	-
Investments	353	310	37 000	15 000	10 000	8 000	8 000
Cash and cash equivalents	11 626	25 168	37 000	15 000	10 000	8 000	8 400
Bank	11 626	25 168	37 000	15 000	10 000	8 000	8 400
Receivables and prepayments	691	2 346	1 520	500	550	600	630
Trade receivables	445	1 599	1 520	500	550	600	630
Other receivables	177	192	-	-	-	-	-
Prepaid expenses	69	555	-	-	-	-	-
Inventory	1 580	1 389	1 216	1 450	1 550	1 650	1 733
Total assets	82 327	92 271	135 712	119 050	100 979	74 879	69 950
Capital and reserves	71 730	78 893	88 022	105 938	88 719	60 263	54 603
Accumulated reserves	74 533	71 621	78 893	103 317	88 719	60 263	54 603
Surplus / (Deficit)	(2 803)	7 272	9 129	2 621	-	-	-
Borrowings	545	462	-	-	-	-	-
Current	82	129	-	-	-	-	-
1<5 Years	463	333	-	-	-	-	-
Post retirement benefits	4 631	5 162	5 162	5 162	5 420	5 691	5 976
Present value of funded obligations	4 631	5 162	5 162	5 162	5 420	5 691	5 976
Trade and other payables	2 295	3 930	4 250	3 850	2 280	3 765	3 953
Trade payables	2 295	3 930	4 250	3 850	2 280	3 765	3 953
Deferred income	-	-	-	-	-	-	-
Provisions	2 492	2 794	3 578	4 100	4 560	5 160	5 418
Leave pay provision	2 492	2 794	3 578	4 100	4 560	5 160	5 418
Funds managed (e.g. Poverty alleviation fund)	181	68	-	-	-	-	-
Third party funds	181	68	-	-	-	-	-
Contingent liabilities	453	962	34 700	-	-	-	-
Total equity and liabilities	82 327	92 271	135 712	119 050	100 979	74 879	69 950

*Note: Some of the amounts as reflected as Transfers received do not equal the amounts reflected in Table 4.12, as portion of the transfers is reflected against other items in the statement of financial position.

Table 4.N : Financial summary for KwaZulu-Natal Tourism Authority (TKZN)

R thousand	Audited Outcome			Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
Revenue							
Tax revenue	-	-	-	-	-	-	-
Non-tax revenue	4 868	20 574	10 434	134	141	149	157
Sale of goods and services other than capital assets	4 810	20 451	10 358	-	-	-	-
Of which:							
Recoveries	4 810	20 451	10 358	-	-	-	-
Interest, dividends and rent on land	58	123	76	134	141	149	157
Transfers received	71 444	89 381	118 292	98 067	103 628	107 512	112 203
Sale of capital assets	-	-	-	-	-	-	-
Total revenue	76 312	109 955	128 726	98 201	103 769	107 661	112 360
Expenses							
Current expense	87 190	103 558	127 375	98 201	103 769	107 661	112 360
Compensation of employees	22 635	24 064	27 635	29 458	31 343	33 349	35 450
Use of goods and services	63 766	78 862	99 104	68 107	71 790	73 676	76 274
Depreciation	789	632	636	636	636	636	636
Transfers and subsidies	-	-	-	-	-	-	-
Total expenses	87 190	103 558	127 375	98 201	103 769	107 661	112 360
Surplus / (Deficit)	(10 878)	6 397	1 351	-	-	-	-
Cash flow summary							
Adjust surplus / (deficit) for accrual transactions	2 854	755	712	770	777	785	793
Adjustments for:							
Depreciation and amortisation	789	632	636	636	636	636	636
Interest	(58)	123	76	134	141	149	157
Other	2 123	-	-	-	-	-	-
Operating surplus / (deficit) before changes in working capital	(8 024)	7 152	2 063	770	777	785	793
Changes in working capital	(24 042)	(2 914)	48 341	(18 890)	19 960	(18 855)	31 516
(Decrease) / increase in accounts payable	(4 411)	18 492	17 010	11 506	(11 506)	11 506	-
Decrease / (increase) in accounts receivable	(20 983)	(28 911)	31 655	(30 137)	31 741	(30 077)	31 814
(Decrease) / increase in provisions	1 352	7 505	(324)	(260)	(275)	(285)	(297)
Cash flow from operating activities	(32 066)	4 238	50 404	(18 120)	20 737	(18 070)	32 309
Transfers from government	71 444	89 381	118 292	98 067	103 628	107 512	112 203
Capital	-	-	-	-	-	-	-
Current	71 444	89 381	118 292	98 067	103 628	107 512	112 203
Cash flow from investing activities	491	198	179	143	151	156	163
Acquisition of assets	491	198	179	143	151	156	163
Computer equipment	109	187	158	127	134	139	145
Furniture and office equipment	188	-	20	16	17	18	18
Other Machinery and equipment	194	11	1	-	-	-	-
Other flows from investing activities	-	-	-	-	-	-	-
Cash flow from financing activities	-	-	-	-	-	-	-
Net increase / (decrease) in cash and cash equivalents	(31 575)	4 436	50 583	(17 978)	20 888	(17 914)	32 473
Statement of financial position							
Carrying value of assets	2 232	2 021	1 827	409	432	451	471
Computer equipment	519	484	483	409	432	451	471
Furniture and office equipment	1 102	733	790	-	-	-	-
Other machinery and equipment	611	804	554	-	-	-	-
Investments	-	-	-	-	-	-	-
Cash and cash equivalents	8 309	12 419	28 788	5	5	5	5
Bank	8 304	12 414	28 778	-	-	-	-
Cash on hand	5	5	10	5	5	5	5
Receivables and prepayments	5 108	33 603	2 510	4 361	4 447	4 507	4 580
Trade receivables	1 291	30 760	1 893	1 518	1 604	1 664	1 737
Other receivables	3 817	2 843	617	2 843	2 843	2 843	2 843
Inventory	-	-	-	-	-	-	-
Total assets	15 649	48 043	33 125	4 775	4 884	4 963	5 056
Capital and reserves	(5 218)	1 179	2 530	2 530	2 530	2 530	2 530
Accumulated reserves	5 660	(5 218)	1 179	2 530	2 530	2 530	2 530
Surplus / (Deficit)	(10 878)	6 397	1 351	-	-	-	-
Borrowings	-	-	-	-	-	-	-
Post retirement benefits	-	-	-	-	-	-	-
Trade and other payables	19 554	45 375	28 365	-	-	-	-
Trade payables	19 554	45 375	28 365	-	-	-	-
Deferred income	-	-	-	-	-	-	-
Provisions	1 313	1 489	2 230	2 245	2 354	2 433	2 526
Leave pay provision	1 313	1 489	2 230	2 245	2 354	2 433	2 525.90
Funds managed (e.g. Poverty alleviation fund)	-	-	-	-	-	-	-
Contingent liabilities	-	-	-	-	-	-	-
Total equity and liabilities	15 649	48 043	33 125	4 775	4 884	4 963	5 056

Table 4.0 : Financial summary for Dube TradePort Corporation (DTPC)

R thousand	Audited Outcome			Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
Revenue							
Tax revenue							
Non-tax revenue	85 090	77 563	123 148	172 472	90 767	97 925	108 610
Sale of goods and services other than capital assets	13 633	21 880	74 103	44 858	51 640	66 279	81 672
VAT refunds	-	-	-	91 325	9 376	7 852	7 895
Interest, dividends and rent on land	71 179	54 142	41 945	36 000	29 547	23 575	18 810
Other non-tax revenue	278	1 541	7 100	289	204	219	233
Transfers received*	1 286 181	320 015	346 204	614 904	630 375	656 053	690 824
Sale of capital assets							
Total revenue	1 371 271	397 578	469 352	787 376	721 142	753 978	799 434
Expenses							
Current expense	736 369	323 878	346 491	409 739	431 603	449 464	473 070
Compensation of employees	21 489	31 942	56 989	85 301	97 579	103 163	109 660
Use of goods and services	624 211	153 131	122 188	180 253	214 253	222 082	237 294
Depreciation	90 645	138 734	167 040	143 953	119 771	124 219	126 116
Interest, dividends and rent on land	24	71	274	232	-	-	-
Transfers and subsidies							
Total expenses	736 369	323 878	346 491	409 739	431 603	449 464	473 070
Surplus / (Deficit)**	634 902	73 700	122 861	377 637	289 539	304 514	326 364
Cash flow summary							
Adjust surplus / (deficit) for accrual transactions	37 551	136 052	116 213	143 953	119 771	124 219	126 116
Adjustments for:							
Depreciation	90 645	138 734	167 040	143 953	119 771	124 219	126 116
Net (profit) / loss on disposal of fixed assets	13	(4)	274	-	-	-	-
Other	(53 107)	(2 678)	(51 101)	-	-	-	-
Operating surplus / (deficit) before changes in working capital	672 453	209 752	239 074	521 590	409 310	428 733	452 480
Changes in working capital	49 569	(10 329)	23 820	29 498	(4 566)	661	1 991
(Decrease) / increase in accounts payable	49 569	(5 863)	(19 234)	25 519	(4 336)	1 883	3 357
Decrease / (increase) in accounts receivable	-	(4 466)	43 054	3 979	(230)	(1 222)	(1 366)
Cash flow from operating activities	722 022	199 423	262 894	551 088	404 744	429 394	454 471
Transfers from government	1 286 181	320 015	346 204	614 904	630 375	656 053	690 824
Capital	92 057	138 461	167 040	470 050	379 764	405 158	433 670
Current	1 194 124	181 555	179 164	144 854	250 611	250 895	257 154
Cash flow from investing activities	(689 763)	(501 728)	(370 171)	(530 389)	(409 311)	(578 732)	(562 481)
Acquisition of assets	(692 135)	(498 875)	(368 177)	(530 389)	(409 311)	(578 732)	(562 481)
Investment property	(115 977)	(220 839)	(145 040)	(454 235)	(99 818)	(24 546)	(54 292)
Other structures (infrastructure assets)	-	-	(58)	-	-	-	-
Capital work in progress	(575 668)	(188 458)	(218 085)	(19 367)	(276 520)	(520 496)	(480 700)
Computer equipment	-	(54 627)	(2 670)	(19 274)	(8 800)	(4 936)	(4 973)
Furniture and office equipment	-	(175)	(1 285)	-	-	-	-
Other machinery and equipment	15	(20 113)	(5 039)	(26 739)	(24 173)	(28 754)	(22 516)
Transport assets	-	(14 637)	4 177	(10 774)	-	-	-
Computer software	(175)	(26)	(177)	-	-	-	-
Patents, licences, copyrights, brand names and trademarks	(330)	-	-	-	-	-	-
Other flows from investing activities	2 372	(2 853)	(1 994)	-	-	-	-
Cash flow from financing activities	(205 825)	128 601	45 949	-	-	-	-
Deferred income	(205 937)	128 319	46 104	-	-	-	-
Other	112	282	(155)	-	-	-	-
Net increase / (decrease) in cash and cash equivalents	(173 566)	(173 704)	(61 328)	20 699	(4 567)	(149 338)	(108 010)
Statement of financial position							
Carrying value of assets	2 300 880	2 659 423	2 860 280	3 237 917	3 527 457	3 981 970	4 418 335
Non-residential buildings	314 775	459 866	328 467	340 201	603 557	953 480	1 296 193
Investment property	686 751	901 128	1 424 647	1 840 793	1 900 525	1 884 495	1 897 125
Other structures (infrastructure assets)	433 554	426 064	544 537	522 137	499 738	477 338	454 938
Capital work in progress	484 220	433 160	209 901	209 901	209 901	359 901	469 901
Computer equipment	64 448	90 699	55 188	25 773	18 716	12 649	11 385
Furniture and office equipment	25 924	35 518	32 189	27 994	23 799	19 603	15 408
Other machinery and equipment	286 964	297 618	256 867	264 014	267 387	273 903	273 055
Transport assets	3 290	14 947	7 995	6 737	3 504	271	-
Computer software	624	93	159	37	-	-	-
Patents, licences, copyrights, brand names and trademarks	330	330	330	330	330	330	330
Investments	-	-	-	-	-	-	-
Cash and cash equivalents	1 025 483	851 778	790 450	819 947	815 381	666 042	558 033
Bank	127 894	166 944	40 206	69 703	65 137	65 798	67 789
Cash on hand	1	34	25	25	25	25	25
Other	897 588	684 800	750 219	750 219	750 219	600 219	490 219
Receivables and prepayments	125 739	137 277	147 537	143 557	143 788	145 010	146 376
Trade receivables	187	1 243	8 353	4 373	4 604	5 826	7 192
Other receivables	121 992	132 389	138 859	138 859	138 859	138 859	138 859
Prepaid expenses	3 560	3 645	325	325	325	325	325
Inventory	140	145	151	151	151	151	151
Total assets	3 452 242	3 648 623	3 798 418	4 201 572	4 486 777	4 793 173	5 122 895
Capital and reserves	518 597	517 347	565 091	942 728	1 232 267	1 536 781	1 863 145
Accumulated reserves	236 331	518 597	517 347	565 091	942 728	1 232 267	1 536 781
Surplus / (Deficit)	634 902	73 700	122 861	377 637	289 539	304 514	326 364
Other	(352 636)	(74 950)	(75 117)	-	-	-	-
Borrowings	147	430	275	275	275	275	275
1<5 Years	147	430	275	275	275	275	275
Post retirement benefits	-	-	-	-	-	-	-
Trade and other payables	95 451	89 008	72 401	97 918	93 584	95 466	98 824
Trade payables	48 103	71 456	35 048	60 565	56 231	58 113	61 471
Other	47 348	17 552	37 353	37 353	37 353	37 353	37 353
Deferred income	2 836 578	3 039 846	3 157 997	3 157 997	3 157 997	3 157 997	3 157 997
Provisions	1 469	1 992	2 654	2 654	2 654	2 654	2 654
Leave pay provision	1 469	1 992	2 654	2 654	2 654	2 654	2 654
Funds managed (e.g. Poverty alleviation fund)	-	-	-	-	-	-	-
Contingent liabilities	-	-	-	-	-	-	-
Total equity and liabilities	3 452 242	3 648 623	3 798 418	4 201 572	4 486 777	4 793 173	5 122 895

*Note: Some of the amounts as reflected as Transfers received do not equal the amounts reflected in Table 4.12, as portion of the transfers is reflected against other items in the statement of financial position.

**Note: The surplus relates to the accounting treatment of capital expenses in terms of IAS20.

Table 4.P : Financial summary for Trade and Investment KZN (TIK)

R thousand	Audited Outcome			Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
Revenue							
Tax revenue	-	-	-	-	-	-	-
Non-tax revenue	630	227	96	106	112	123	135
Sale of goods and services other than capital assets	-	-	-	-	-	-	-
Interest, dividends and rent on land	630	227	96	106	112	123	135
Transfers received	56 637	61 536	66 053	72 740	77 342	80 207	84 087
Sale of capital assets	-	-	-	-	-	-	-
Total revenue	57 267	61 763	66 149	72 846	77 454	80 330	84 222
Expenses							
Current expense	55 069	58 690	67 015	72 813	77 422	80 295	84 184
Compensation of employees	21 254	25 588	29 025	32 840	34 482	35 886	38 039
Use of goods and services	32 976	32 369	37 019	39 900	42 860	44 321	46 048
Depreciation	808	688	906	-	-	-	-
Interest, dividends and rent on land	31	45	66	73	80	88	97
Transfers and subsidies	-	-	-	-	-	-	-
Total expenses	55 069	58 690	67 015	72 813	77 422	80 295	84 184
Surplus / (Deficit) *	2 198	3 074	(866)	33	32	35	38
Cash flow summary							
Adjust surplus / (deficit) for accrual transactions	855	756	1 044	1 149	1 264	1 390	1 529
Adjustments for:							
Depreciation	808	688	906	997	1 097	1 206	1 327
Interest	31	45	66	73	80	88	97
Other	16	22	72	79	87	96	105
Operating surplus / (deficit) before changes in working capital	3 053	3 829	178	1 182	1 296	1 425	1 567
Changes in working capital	(3 356)	(5 322)	(2 083)	(2 290)	(2 027)	(1 774)	(1 484)
(Decrease) / increase in accounts payable	(1 605)	(5 737)	(2 350)	(2 585)	(2 327)	(2 094)	(1 884)
Decrease / (increase) in accounts receivable	(1 751)	415	268	295	300	320	400
Cash flow from operating activities	(304)	(1 493)	(1 905)	(1 108)	(731)	(349)	83
Transfers from government	56 637	61 536	66 053	72 740	77 342	80 207	84 087
Capital	-	-	-	-	-	-	-
Current	56 637	61 536	66 053	72 740	77 342	80 207	84 087
Cash flow from investing activities	(631)	(868)	(871)	(958)	(1 016)	(1 077)	(1 141)
Acquisition of assets	(631)	(868)	(871)	(958)	(1 016)	(1 077)	(1 141)
Furniture and office equipment	(607)	(453)	(210)	(231)	(245)	(260)	(275)
Computer software	(23)	(415)	(661)	(727)	(771)	(817)	(866)
Other flows from investing activities	-	-	-	-	-	-	-
Cash flow from financing activities	147	82	22	24	26	29	32
Borrowing activities	147	82	22	24	26	29	32
Net increase / (decrease) in cash and cash equivalents	(787)	(2 278)	(2 754)	(2 042)	(1 721)	(1 397)	(1 026)
Statement of financial position							
Carrying value of assets	1 171	1 350	1 427	1 569	1 663	1 763	1 869
Computer equipment	325	372	275	302	320	339	360
Furniture and office equipment	733	605	513	564	598	634	672
Computer software	113	373	639	703	745	790	837
Investments	-	-	-	-	-	-	-
Cash and cash equivalents	17 374	9 843	13 460	14 905	15 799	16 753	17 753
Bank	17 371	9 840	13 457	14 902	15 796	16 750	17 750
Cash on hand	3	3	3	3	3	3	3
Receivables and prepayments	2 604	2 189	520	853	917	989	1 064
Trade receivables	1 071	636	6	302	320	340	360
Other receivables	-	-	43	49	49	49	49
Prepaid expenses	1 493	1 512	431	462	508	560	615
Accrued income	40	40	40	40	40	40	40
Inventory	-	-	-	-	-	-	-
Total assets	21 149	13 382	15 407	17 327	18 379	19 505	20 686
Capital and reserves	2 979	6 053	4 405	5 614	5 646	5 681	5 719
Accumulated reserves	781	2 979	5 271	5 581	5 614	5 646	5 681
Surplus / (Deficit)	2 198	3 074	(866)	33	32	35	38
Borrowings	359	278	299	266	236	206	166
Current	82	74	58	42	36	26	16
1<5 Years	277	204	241	224	200	180	150
Post retirement benefits	-	-	-	-	-	-	-
Trade and other payables	10 095	4 592	7 487	4 242	4 275	4 419	4 524
Trade payables	6 942	3 425	4 044	3 042	3 225	3 419	3 624
Accrued interest	3 153	1 167	3 443	1 200	1 050	1 000	900
Deferred income	-	-	-	-	-	-	-
Provisions	-	-	-	-	-	-	-
Funds managed (e.g. Poverty alleviation fund)	-	-	-	-	-	-	-
Contingent liabilities	7 715	2 461	3 217	7 205	8 222	9 199	10 277
Total equity and liabilities	21 149	13 382	15 407	17 327	18 379	19 505	20 686

*Note: The surplus/ (Deficit) is as a result of the accounting treatment of short-term invested funds and interest paid from finance lease agreements.

Table 4.Q : Financial summary for Richards Bay Industrial Development Zone (RBIDZ)

R thousand	Audited Outcome			Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
Revenue							
Tax revenue	30	44	89	-	-	-	-
Non-tax revenue	1 442	6 817	7 898	4 750	5 200	17 500	25 000
Sale of goods and services other than capital assets	269	153	-	-	-	-	-
Interest, dividends and rent on land	1 173	6 665	7 898	4 750	5 200	17 500	25 000
Transfers received*	19 808	26 160	31 844	55 164	68 170	110 947	74 707
Of which: DEDT	19 808	26 160	31 844	25 164	68 170	110 947	74 707
DTI	-	-	-	30 000	-	-	-
Sale of capital assets	-	-	-	-	-	-	-
Total revenue	21 280	33 021	39 830	59 914	73 370	128 447	99 707
Expenses							
Current expense	21 280	30 084	39 066	59 914	59 503	72 897	61 573
Compensation of employees	13 116	19 557	21 623	27 895	31 526	34 385	35 352
Use of goods and services	6 778	8 972	15 758	31 655	27 595	38 111	26 221
Depreciation	28	26	3	364	382	401	-
Interest, dividends and rent on land	1 358	1 530	1 682	-	-	-	-
Transfers and subsidies	79	7	-	-	-	-	-
Total expenses	21 359	30 091	39 066	59 914	59 503	72 897	61 573
Surplus / (Deficit)**	(79)	2 930	765	-	13 867	55 550	38 134
Cash flow summary							
Adjust surplus / (deficit) for accrual transactions	56	24	14	364	382	401	-
Adjustments for:							
Depreciation	56	24	3	364	382	401	-
Other	-	-	11	-	-	-	-
Operating surplus / (deficit) before changes in working capital	(23)	2 955	778	364	14 249	55 951	38 134
Changes in working capital	(4 301)	2 749	15 212	48 478	389	(634)	(452)
(Decrease) / increase in accounts payable	(4 383)	4 628	14 826	(10 756)	249	254	259
Decrease / (increase) in accounts receivable	82	(1 879)	386	59 234	140	(888)	(710)
Cash flow from operating activities	(4 324)	5 704	15 990	48 842	14 638	55 317	37 682
Transfers from government	245 398	120 318	244 636	94 164	68 170	70 947	73 784
Capital	88 423	60 682	182 018	30 000	-	-	-
Current	156 975	59 636	62 618	64 164	68 170	70 947	73 784
Cash flow from investing activities	(5 209)	(30 956)	(91 380)	(78 430)	(67 051)	(400)	1
Acquisition of assets	(5 209)	(30 956)	(91 380)	(78 430)	(67 051)	(400)	1
Land	-	-	-	(78 067)	(66 670)	-	-
Capital work in progress	(4 143)	(30 186)	(90 243)	-	-	-	-
Computer equipment	(489)	(277)	(875)	-	-	-	-
Furniture and office equipment	(577)	(494)	(262)	(363)	(381)	(400)	1
Other flows from investing activities	-	-	-	-	-	-	-
Cash flow from financing activities	155 254	84 361	187 651	(162 380)	(83 612)	(10 525)	(21 930)
Deferred income	155 254	84 361	187 651	(162 380)	(83 612)	(10 525)	(21 930)
Net increase / (decrease) in cash and cash equivalents	145 720	59 109	112 261	(191 968)	(136 026)	44 391	15 753
Statement of financial position							
Carrying value of assets	238	232	218	78 284	144 953	144 952	144 951
Land	-	-	-	78 067	144 737	144 737	144 737
Computer equipment	26	4	-	-	-	-	-
Furniture and office equipment	30	28	17	16	15	14	13
Other intangibles	182	201	201	201	201	201	201
Investments	-	-	-	-	-	-	-
Cash and cash equivalents	223 569	282 685	394 947	240 583	104 507	148 948	164 702
Bank	223 569	282 682	394 943	240 579	104 504	148 945	164 698
Cash on hand	-	4	4	4	4	4	4
Receivables and prepayments	58 467	60 320	59 934	700	560	1 448	2 158
Trade receivables	58 224	58 746	59 059	-	-	-	-
Other receivables	243	1 574	875	700	560	1 448	2 158
Inventory	-	-	-	-	-	-	-
Total assets	282 274	343 237	455 098	319 567	250 020	295 348	311 811
Capital and reserves	148 271	151 201	151 966	151 966	151 201	151 201	151 201
Share capital and premium	151 201	151 201	151 201	151 201	151 201	151 201	151 201
Accumulated reserves	(2 851)	(2 930)	-	765	-	-	-
Surplus / (Deficit)	(79)	2 930	765	-	-	-	-
Borrowings	-	-	-	-	-	-	-
Post retirement benefits	-	-	-	-	-	-	-
Trade and other payables	3 096	7 374	22 688	11 894	12 100	12 307	12 515
Trade payables	3 096	7 374	11 689	11 894	12 100	12 307	12 515
Other	-	-	10 999	-	-	-	-
Deferred income	130 277	183 675	279 946	117 566	86 139	131 214	147 418
Provisions	630	987	498	537	580	626	676
Leave pay provision	630	987	498	537	580	626	676
Funds managed (e.g. Poverty alleviation fund)	-	-	-	-	-	-	-
Contingent liabilities	-	-	-	-	-	-	-
Total equity and liabilities	282 274	343 237	455 098	281 963	250 020	295 348	311 811

*Note: Some of the amounts as reflected as Transfers received do not equal the amounts reflected in Table 4.12, as portion of the transfers is reflected against other items in the statement of financial position.

**Note: The surplus/ (Deficit) is as a result of the accounting treatment of short-term invested funds and funds available for CAPEX.

Table 4.R : Financial summary for KZN Liquor Authority (KZNLA)

R thousand	Audited Outcome			Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
Revenue							
Tax revenue	-	-	-	-	-	-	-
Non-tax revenue	-	-	-	-	-	34 365	36 111
Sale of goods and services other than capital assets	-	-	-	-	-	34 365	36 111
Of which:							
Other sales	-	-	-	-	-	34 365	36 111
Transfers received*	-	-	43 214	43 920	77 282	53 214	56 046
Sale of capital assets	-	-	-	-	-	-	-
Total revenue	-	-	43 214	43 920	77 282	87 579	92 157
Expenses							
Current expense	-	-	35 370	43 870	77 282	79 393	81 534
Compensation of employees	-	-	9 310	31 693	34 921	37 016	39 237
Use of goods and services	-	-	25 391	11 468	14 593	14 609	14 529
Depreciation	-	-	669	709	700	700	700
Interest, dividends and rent on land	-	-	-	-	27 068	27 068	27 068
Transfers and subsidies	-	-	5 006	5 306	-	-	-
Total expenses	-	-	40 376	49 177	77 282	79 393	81 534
Surplus / (Deficit)**	-	-	2 838	-	-	8 186	10 623
Cash flow summary							
Adjust surplus / (deficit) for accrual transactions	-	-	666	700	700	700	700
Adjustments for:							
Depreciation	-	-	666	700	700	700	700
Operating surplus / (deficit) before changes in working capital	-	-	3 504	700	700	700	11 323
Changes in working capital	-	-	-	-	-	-	-
(Decrease) / increase in accounts payable	-	-	-	-	-	-	-
Decrease / (increase) in accounts receivable	-	-	-	-	-	-	-
(Decrease) / increase in provisions	-	-	-	-	-	-	-
Cash flow from operating activities	-	-	3 504	700	700	700	11 323
Transfers from government	-	-	47 375	43 920	77 282	53 214	56 046
Capital	-	-	4 443	-	-	-	-
Current	-	-	42 932	43 920	77 282	53 214	56 046
Cash flow from investing activities	-	-	6 146	-	500	-	-
Acquisition of assets	-	-	6 146	-	500	-	-
Computer equipment	-	-	1 996	-	-	-	-
Furniture and office equipment	-	-	2 717	-	500	-	-
Computer software	-	-	1 433	-	-	-	-
Other flows from investing activities	-	-	-	-	-	-	-
Cash flow from financing activities	-	-	-	-	-	-	-
Net increase / (decrease) in cash and cash equivalents	-	-	9 650	700	1 200	700	11 323
Statement of financial position							
Carrying value of assets	-	-	5 642	5 981	6 339	6 720	7 123
Computer equipment	-	-	1 199	1 271	1 347	1 428	1 514
Furniture and office equipment	-	-	4 443	4 710	4 992	5 292	5 609
Investments	-	-	-	-	-	-	-
Cash and cash equivalents	-	-	19 628	20 806	22 054	23 377	24 780
Bank	-	-	19 628	20 806	22 054	23 377	24 780
Receivables and prepayments	-	-	69	73	78	82	87
Prepaid expenses	-	-	69	73	78	82	87
Deposit	-	-	44	-	-	-	-
Total assets	-	-	25 383	26 859	28 471	30 179	31 990
Capital and reserves	-	-	2 838	3 008	3 189	3 380	3 583
Accumulated reserves	-	-	-	-	-	-	-
Surplus / (Deficit)	-	-	2 838	3 008	3 189	3 380	3 583
Borrowings	-	-	-	-	-	-	-
Finance lease	-	-	88	93	99	105	111
Trade and other payables	-	-	3 086	3 151	3 220	3 413	3 618
Deferred income	-	-	16	17	18	19	20
Provisions	-	-	12 841	13 611	14 626	15 504	16 434
Leave pay provision	-	-	1 444	1 531	1 622	1 720	1 823
Other	-	-	63	67	71	75	80
Funds managed (e.g. Poverty alleviation fund)	-	-	-	-	-	-	-
Contingent liabilities	-	-	1 508	1 598	1 694	1 796	1 904
Total equity and liabilities	-	-	20 377	21 480	22 846	24 217	25 670

*Note: Some of the amounts as reflected as Transfers received do not equal the amounts reflected in Table 4.12, as portion of the transfers is reflected against other items in the statement of financial position.

**Note: The surplus relates to the accounting treatment of capital expenses in terms of IAS20.

Table 4.S : Personnel summary for Ithala

Headcount	Audited Outcome			Revised Estimate 2013/14	Medium-term Estimate		
	2010/11	2011/12	2012/13		2014/15	2015/16	2016/17
A. Permanent and full-time-contract employees							
Personnel cost (R thousand)	301 982	318 995	338 457	381 911	435 611	474 418	512 517
Personnel numbers (head count)	955	918	899	915	950	950	950
Unit cost	316	347	376	417	459	499	539
B. Part-time and temporary contract employees							
Personnel cost (R thousand)	-	-	-	-	-	-	-
Personnel numbers (head count)	-	-	-	-	-	-	-
Unit cost	-	-	-	-	-	-	-
C. Interns							
Personnel cost (R thousand)	-	-	-	-	-	-	-
Personnel numbers (head count)	-	-	-	-	-	-	-
Unit cost	-	-	-	-	-	-	-
Total for entity							
Personnel cost (R thousand)	301 982	318 995	338 457	381 911	435 611	474 418	512 517
Personnel numbers (head count)	955	918	899	915	950	950	950
Unit cost	316	347	376	417	459	499	539
D. Learnerships							
Personnel cost (R thousand)	-	-	-	-	-	-	-
Personnel numbers (head count)	-	-	-	-	-	-	-
Unit cost	-	-	-	-	-	-	-
Details of personnel numbers according to salary level							
Salary level							
Board Members	25	24	23	22	22	22	22
Executive Management	9	9	10	10	11	11	11
Senior Management	27	28	24	25	28	28	28
Middle Management	349	339	140	138	169	169	169
Professionals	137	139	346	352	352	352	352
Semi-skilled	334	318	297	310	310	310	310
Very low skilled	99	85	82	80	80	80	80
Total	980	942	922	937	972	972	972

Table 4.T : Personnel summary for KZNSB

Headcount	Audited Outcome			Revised Estimate 2013/14	Medium-term Estimate		
	2010/11	2011/12	2012/13		2014/15	2015/16	2016/17
A. Permanent and full-time-contract employees							
Personnel cost (R thousand)	31 374	35 922	38 385	47 354	51 437	54 780	58 341
Personnel numbers (head count)	170	185	201	185	186	186	186
Unit cost	185	194	191	256	277	295	314
B. Part-time and temporary contract employees							
Personnel cost (R thousand)	376	307	292	2 977	3 126	3 329	3 546
Personnel numbers (head count)	15	14	17	13	30	30	30
Unit cost	25	22	17	229	104	111	118
C. Interns							
Personnel cost (R thousand)	-	-	53	4	4	4	4
Personnel numbers (head count)	-	-	1	1	1	1	1
Unit cost	-	-	53	4	4	4	4
Total for entity							
Personnel cost (R thousand)	31 750	36 229	38 730	50 335	54 567	58 114	61 891
Personnel numbers (head count)	185	199	219	199	217	217	217
Unit cost	172	182	177	253	251	268	285
D. Learnerships							
Personnel cost (R thousand)	-	-	82	36	36	40	45
Personnel numbers (head count)	-	-	17	10	10	10	10
Unit cost	-	-	5	4	4	4	5
Details of personnel numbers according to salary level							
Salary level							
Board Members	14	15	15	10	10	10	10
Executive Management	4	5	6	5	5	5	5
Senior Management	8	9	6	6	11	11	11
Middle Management	7	9	10	12	10	10	10
Professionals	29	32	35	32	36	36	36
Semi-skilled	33	29	33	33	35	35	35
Very low skilled	90	100	114	101	110	110	110
Total	185	199	219	199	217	217	217

Table 4.U : Personnel summary for TKZN

	Audited Outcome			Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
A. Permanent and full-time-contract employees							
Personnel cost (R thousand)	22 635	24 064	27 635	29 458	31 343	33 349	35 450
Personnel numbers (head count)	57	61	59	62	62	62	62
Unit cost	397	394	468	475	506	538	572
B. Part-time and temporary contract employees							
Personnel cost (R thousand)	-	-	-	-	-	-	-
Personnel numbers (head count)	-	-	-	-	-	-	-
Unit cost	-	-	-	-	-	-	-
C. Interns							
Personnel cost (R thousand)	-	-	-	-	-	-	-
Personnel numbers (head count)	-	-	-	-	-	-	-
Unit cost	-	-	-	-	-	-	-
Total for entity							
Personnel cost (R thousand)	22 635	24 064	27 635	29 458	31 343	33 349	35 450
Personnel numbers (head count)	57	61	59	62	62	62	62
Unit cost	397	394	468	-	506	538	572
D. Learnerships							
Personnel cost (R thousand)	-	-	-	-	-	-	-
Personnel numbers (head count)	-	-	-	-	-	-	-
Unit cost	-	-	-	-	-	-	-
Details of personnel numbers according to salary level							
Salary level							
Board Members	9	11	12	12	12	12	12
Executive Management	3	3	3	3	3	3	3
Senior Management	4	5	6	6	6	6	6
Middle Management	10	10	10	11	11	11	11
Professionals	35	38	35	37	37	37	37
Semi-skilled	3	3	3	3	3	3	3
Very low skilled	2	2	2	2	2	2	2
Total	66	72	71	74	74	74	74

Table 4.V : Personnel summary for Dube TradePort Corporation (DTPC)

	Audited Outcome			Revised Estimate	Medium-term Estimate		
	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
A. Permanent and full-time-contract employees							
Personnel cost (R thousand)	21 489	31 942	56 989	85 301	97 579	103 163	109 660
Personnel numbers (head count)	53	86	170	187	204	218	226
Unit cost	405	371	335	456	478	473	485
B. Part-time and temporary contract employees							
Personnel cost (R thousand)	-	-	-	-	-	-	-
Personnel numbers (head count)	-	-	-	-	-	-	-
Unit cost	-	-	-	-	-	-	-
C. Interns							
Personnel cost (R thousand)	-	-	-	-	-	-	-
Personnel numbers (head count)	-	-	-	-	-	-	-
Unit cost	-	-	-	-	-	-	-
Total for entity							
Personnel cost (R thousand)	21 489	31 942	56 989	85 301	97 579	103 163	109 660
Personnel numbers (head count)	53	86	170	187	204	218	226
Unit cost	405	371	335	456	478	473	485
D. Learnerships							
Personnel cost (R thousand)	-	-	-	-	-	-	-
Personnel numbers (head count)	-	-	-	-	-	-	-
Unit cost	-	-	-	-	-	-	-
Details of personnel numbers according to salary level							
Salary level							
Board Members	6	6	6	6	6	6	6
Executive Management	5	8	6	6	7	8	8
Senior Management	3	10	15	17	17	20	22
Middle Management	5	19	12	12	15	17	20
Professionals	8	18	18	18	21	22	25
Semi-skilled	7	5	98	113	123	130	130
Very low skilled	25	26	21	21	21	21	21
Total	59	92	176	193	210	224	232

Table 4.W : Personnel summary for TIK

	Audited Outcome			Revised Estimate 2013/14	Medium-term Estimates		
	2010/11	2011/12	2012/13		2014/15	2015/16	2016/17
A. Permanent and full-time-contract employees							
Personnel cost (R thousand)	21 254	25 588	29 025	32 840	34 482	35 886	38 039
Personnel numbers (head count)	43	43	44	48	53	56	58
Unit cost	494	595	660	684	651	641	656
B. Part-time and temporary contract employees							
Personnel cost (R thousand)	-	-	-	-	-	-	-
Personnel numbers (head count)	-	-	-	-	-	-	-
Unit cost	-	-	-	-	-	-	-
C. Interns							
Personnel cost (R thousand)	-	5	25	40	50	50	50
Personnel numbers (head count)	-	5	7	5	4	4	4
Unit cost	-	1	4	8	13	13	13
Total for entity							
Personnel cost (R thousand)	21 254	25 592	29 050	32 880	34 532	35 936	38 089
Personnel numbers (head count)	43	48	51	53	57	60	62
Unit cost	494	533	570	620	606	599	614
D. Learnerships							
Personnel cost (R thousand)	920	1 037	572	697	785	817	866
Personnel numbers (head count)	32	33	20	25	28	29	30
Unit cost	29	31	29	28	28	28	29
Details of personnel numbers according to salary level							
Salary level							
Board Members	11	11	11	9	9	10	10
Executive Management	2	2	2	7	7	7	7
Senior Management	7	7	7	3	6	6	4
Middle Management	13	14	16	16	16	17	17
Professionals	13	16	18	19	20	21	23
Semi-skilled	7	8	7	7	7	7	9
Very low skilled	1	1	1	1	1	2	2
Total	54	59	62	62	66	70	72

Table 4.X : Personnel summary for RBIDZ

	Audited Outcome			Revised Estimate 2013/14	Medium-term Estimates		
	2010/11	2011/12	2012/13		2014/15	2015/16	2016/17
A. Permanent and full-time-contract employees							
Personnel cost (R thousand)	13 116	19 287	21 251	27 560	31 310	33 634	34 214
Personnel numbers (head count)	28	28	28	27	30	31	31
Unit cost	468	689	759	1 021	1 044	1 085	1 104
B. Part-time and temporary contract employees							
Personnel cost (R thousand)	-	-	135	65	-	-	-
Personnel numbers (head count)	-	-	3	1	-	-	-
Unit cost	-	-	45	65	-	-	-
C. Interns							
Personnel cost (R thousand)	-	270	237	270	216	216	216
Personnel numbers (head count)	-	5	7	5	4	4	4
Unit cost	-	54	34	54	54	54	54
Total for entity							
Personnel cost (R thousand)	13 116	19 557	21 623	27 895	31 526	33 850	34 430
Personnel numbers (head count)	28	33	38	33	34	35	35
Unit cost	468	593	569	845	927	967	984
D. Learnerships							
Personnel cost (R thousand)	-	-	-	-	-	-	-
Personnel numbers (head count)	-	-	-	-	-	-	-
Unit cost	-	-	-	-	-	-	-
Details of personnel numbers according to salary level							
Salary level							
Board Members	5	5	12	12	12	12	12
Executive Management	7	7	6	6	6	6	6
Senior Management	12	12	12	12	14	14	14
Skilled	4	4	5	4	5	6	6
Semi-skilled	5	5	15	11	5	5	5
Very low skilled	-	-	-	-	-	-	-
Total	33	33	50	45	42	43	43

Table 4.Y : Personnel summary for KZNLA

	Audited Outcome			Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
A. Permanent and full-time-contract employees							
Personnel cost (R thousand)	-	-	9 310	31 693	34 921	37 016	39 237
Personnel numbers (head count)	-	-	76	76	91	91	91
Unit cost	-	-	123	296	384	407	431
B. Part-time and temporary contract employees							
Personnel cost (R thousand)	-	-	-	-	-	-	-
Personnel numbers (head count)	-	-	9	19	-	-	-
Unit cost	-	-	-	-	-	-	-
C. Interns							
Personnel cost (R thousand)	-	-	-	-	-	-	-
Personnel numbers (head count)	-	-	-	-	14	14	14
Unit cost	-	-	-	-	-	-	-
Total for entity							
Personnel cost (R thousand)	-	-	9 310	31 693	34 921	37 016	39 237
Personnel numbers (head count)	-	-	85	95	105	105	105
Unit cost	-	-	110	334	333	353	374
D. Learnerships							
Personnel cost (R thousand)	-	-	-	-	-	-	-
Personnel numbers (head count)	-	-	-	-	-	-	-
Unit cost	-	-	-	-	-	-	-
Details of personnel numbers according to salary level							
Salary level							
Board Members	-	-	5	5	5	5	5
Executive Management	-	-	1	1	1	1	1
Senior Management	-	-	4	4	4	4	4
Middle Management	-	-	12	12	14	14	14
Professionals	-	-	67	77	85	85	85
Semi-skilled	-	-	1	1	1	1	1
Very low skilled	-	-	-	-	-	-	-
Total	-	-	90	100	110	110	110

VOTE 5

Education

Operational budget	R 39 445 185 165
MEC remuneration	R 1 734 835
Total amount to be appropriated	R 39 446 920 000
Responsible MEC	Ms. N P Nkonyeni, MEC for Education
Administering department	Education
Accounting officer	Head: Education

1. Overview

Vision

The vision of the Department of Education is: *A well educated, skilled and highly developed citizenry.*

Mission statement

The department's mission is: *To provide equitable access to quality education for the people of KwaZulu-Natal.*

Strategic goals

Strategic policy directions: These are directly linked to the 12 national outcomes which also inform the department's strategic goals and objectives, as listed below:

- Quality basic education.
- Skilled and capable workforce to support an inclusive growth path.

Six strategic goals encapsulate the department's contribution toward the achievement of national and provincial goals, and all other international mandates within the context of the Medium-Term Strategic Framework (MTSF) 2011-2015 for the current electoral cycle, and national and provincial action plans. Hereunder are the department's strategic goals:

- Broaden access to education and provide resources.
- Improve schools' functionality and educational outcomes at all levels.
- Develop human resource and organisational capacity and enhance skills.
- Develop schools into centres of community focus, care and support.
- Ensure good corporate governance, management and an efficient administration.
- Promote national identity and social cohesion.

Core functions

The core functions of the department are summarised below:

Public Ordinary Schools

This is the department's primary function aimed at the provision of educators in schools, the development of educators to ensure that they are equipped to provide the best quality teaching and the provision of Learner Teacher Support Materials (LTSM). Also included here is the provision of new schools and

school facilities, effective maintenance of existing facilities, as well as monitoring of the quality of education services through the system of whole school evaluation. Lastly, the function includes the provision of food to Public Ordinary School learners from the poorest communities, through the National School Nutrition Programme (NSNP). Other conditional grants that are aimed at uplifting the quality of education are also in this programme and these include, but are not limited to the Technical Secondary School's Recapitalisation grant and the Dinaledi Schools grant.

Public Special School Education

The aim of this programme is to provide public education in special schools and full-service schools.

Further Education and Training (FET)

This service is aimed at providing market-related skills, to ensure that learners are employable on completion of training at this level.

Early Childhood Development (ECD)

This service evolved as a national initiative to strengthen pre-Grade R education, and to make it available to the majority of citizens.

Adult Education and Training

This programme aims to increase the level of skills and reduce the adult illiteracy rate, to enable adults to participate in economic and other structures in the province and the country.

Legislative mandates

The following pieces of legislation, among others, govern the operations of the department:

- The Constitution of the Republic of South Africa, No. 108 of 1996
- Public Service Act, No. 103 of 1994
- National Education Policy Act (NEPA), No. 27 of 1996
- South African Schools Act (SASA), No. 84 of 1996
- Employment of Educators Act, No. 76 of 1998
- Further Education and Training Colleges (FETC) Act, No. 16 of 2006
- Adult Basic Education and Training Act, No. 52 of 2000
- South African Council for Educators (SACE) Act, No. 31 of 2000
- South African Qualifications Authority (SAQA) Act, No. 58 of 1995
- National Policy on HIV and AIDS for Learners and Educators in Public Schools and Students and Educators in FET Institutions, 1999
- Education White Paper 5 on Early Childhood Development, 2000
- Education White Paper 6 on Inclusive Education, 2001
- Curriculum and Assessment Policy Statement
- Labour Relations Act, No. 66 of 1995
- Employment Equity Act, No. 55 of 1998
- Public Finance Management Act, No. 1 of 1999, as amended and Treasury Regulations
- KZN Provincial SCM Policy Framework of 2006
- Preferential Procurement Policy Framework Act, No. 5 of 2000
- Promotion of Access to Information Act, No. 2 of 2000

2. Review for the 2013/14 financial year

Section 2 provides a review of 2013/14, outlining the main achievements and progress made by the department during the year, as well as providing a brief discussion on challenges and new developments. The budget for the year has been shaped by seven pillars that form the basis for the allocation of funds, which are discussed hereunder:

Curriculum Management and Delivery

Curriculum and Assessment Policy Statements: In 2013, the Curriculum and Assessment Policy Statements (CAPS) was incrementally implemented in Grades 4-6 and 11. In support of the implementation and to ensure readiness, educators were trained on CAPS delivery in the classroom. Concurrently all the LTSM that was purchased and delivered to schools was CAPS aligned. In instances where textbooks were not available, adequate workbooks and related curriculum material were made available to schools.

Curriculum Management and Delivery Strategy: This strategy was implemented in 2013 to ensure standardisation of managing teaching and learning in schools across the province. One of the components of the strategy was to monitor and measure curriculum coverage to ensure that all schools completed the syllabus before the end of year assessments. The strategy has brought about strategic alignment of inputs toward curriculum delivery by the respective components, thereby ensuring that teaching and learning targets were met. By and large, through school monitoring, the Grade 12 syllabus was completed in time to allow for the remaining period to be used for revision, in preparation for the year-end examinations.

Technical Secondary Schools: The under-supply of technical schools to meet the need and demand for the delivery of technical education prompted the department to increase accessibility to technical subjects. In 2013/14, there were only 17 schools in six districts that offered a full set of four technology subjects. (i.e. Civil, Electrical, Mechanical and Engineering, Graphics and Design (EGD)). As highlighted in the 2013/14 *EPRE*, not all these schools had the necessary specialist rooms required for practical education. Through the Technical Secondary Schools Recapitalisation grant allocation, the department expanded the offering of technical vocational education to 32 technical schools, through the establishment of 93 refurbished workshops in these schools. In addition, 18 new schools were included in this programme and were supplied with workshop equipment for the EGD laboratories.

Mathematics, Science and Technology strategy: In order to enhance educator development and thus produce better learning outcomes with respect to mathematics and science, the department developed a Mathematics, Science and Technology strategy (MST). The strategy focuses on resourcing classrooms, provision of laboratories (mobile and fixed), provision of science consumables, interactive digital content on MST, provision of dictionaries, as well as further development of educators. Through the Dinaledi Schools grant, the department supplied schools with e-boxes, which contain mathematics and science content. Through the HeyMath Project, schools were provided with interactive mathematics content for Grades 10-12.

Literacy and Numeracy strategy: In response to the outcomes of Annual National Assessments (ANA) results of prior years, the implementation of the Literacy and Numeracy strategy (Grades R-9) continued. The strategy was further supported by the implementation of CAPS and the use of literacy and numeracy workbooks in Grades R-9, with progress measured by assessment tools. Central to the strategy, 2013 resources were invested in the establishment of reading corners in schools, the revitalisation of library spaces in schools, the implementation of a compulsory daily reading period in all schools and the launching of the Reading Mentors programme.

In-service training: Subsequent to the transfer of the Public Service Training Academy facility back to the department from Office of the Premier (OTP), plans are afoot to commence with the holistic refurbishment of the academy in order to offer continuous development. The academy was utilised to train educators on subject content. In 2013, the focus of the training was on teachers in Grades 3, 6 and 9 in mathematics and language teaching. In Grades 10-12, in-service training focused primarily on mathematics and physical science subject content knowledge.

Examinations and assessments: The use of examinations and assessment tools as a measure for improvement of quality has received attention in recent years. In 2013/14, the department recorded an improvement in the National Senior Certificate (NSC) examination of 77.4 per cent compared to 73.1 per cent in 2012. These figures are not inclusive of the supplementary examination results. Equally, the ANA in Grades 1-6 and 9 showed a steady increase in performance in 2013 compared to 2012, with average performance close to the performance target for 2014.

Provision of Classroom Support Resources and Equipment

Pooling of resources: The lack of classroom equipment continued to contribute to the lower than desired attainment of education outcomes in many schools. In an era where information technology is evolving rapidly, it becomes imperative that learners are exposed to the latest technological advances, while at the same time assisting with curriculum delivery. It is acknowledged that many of the schools in the province still lack the necessary classroom support resources to assist with understanding the curriculum content.

With this in mind, through negotiation with various stakeholders, the resources allocated to schools were pooled together and procured 3 185 ICT Solution packages (a desktop computer, laptop and data projector), 600 interactive whiteboards for secondary schools, 20 000 charts for the foundation phase, mathematics and physical science dictionaries, mobile libraries and laboratory consumables. In 2013/14, the department further procured mathematics, science and physical science dictionaries for learners in Grades 10-12 and Grades 8 and 9, respectively, for these schools. These schools also received laboratory materials for technology subjects for Grades 7-9.

Learner Teacher Support Material: The provision and availability of LTSM on the first day of school at all schools is essential to the provision of quality education. As such, with regard to the schools that the department procures on behalf of, 100 per cent of stationery requisitioned and 99.96 per cent of textbooks requisitioned were delivered and available on the first day. To compensate for unavailable textbooks, workbooks were made available to learners in these subjects.

Management at all levels

Effective and visible management at all levels of the department is the key catalyst which drives the implementation of all the department's programmes. The 2013/14 year saw an in-depth focus on leadership and management imperatives for all managers in the department, including critical engagement with the School and Branch Management Teams, District Management Committees and Senior Management Members. This initiative was supported through the enrolment of a number of school principals in management programmes to assist them to effectively discharge their duties as accounting officers at school level.

Financial Management

Reprioritisation and cost containment strategy. Personnel spending remained a critical challenge and, in 2013/14, the department was forced to undertake vigorous reprioritisation in order to cater for outstanding payments that were due to various employees, as well as dealing with the carry-through effects of historical spending pressures. The agreements that were implemented in 2013/14 include, but are not limited to, the increase in stipends of Early Childhood Development (ECD) practitioners, increase in the hourly rate of Adult Education and Training (AET) practitioners, upgrading of clerks' salary levels, OSD for education therapists, as well as the upgrade of principals' salaries.

This budget reprioritisation has to be carried through over the 2014/15 MTEF in order to deal with the carry-through effects of the above-mentioned pressures in a sustainable manner. Essentially, the effect of the above is that the budget has to be reconfigured in its totality going forward.

In order to deal with this shortfall, given the unavailability of funds in the fiscus, the department continued to implement cost-cutting and reprioritisation of the budget against various categories such as *Goods and services, Transfers and subsidies* and *Machinery and equipment* to cushion the spending pressures.

The reprioritisation of the budget to control the over-expenditure in *Compensation of employees* also affected some programmes, especially ECD and special education. The moratorium on the filling of non-critical vacant posts is still in place. The policy on non employment of substitute teachers being employed toward year-end will also assist in reducing the personnel spending pressure.

Infrastructure

Public Private Partnerships (PPP): A transaction advisor has been appointed to conduct the necessary feasibility studies of school projects. From a funding perspective, the project is viewed as having a unique advantage in that there are multiple organisations and countries striving for the common goal of improved quality of education within South Africa. As such, there are numerous funds and grants available that could potentially support this cause. The project has been defined by means of a high level technical and spatial needs analysis for each of the four pilot nodes, i.e. Ilembe, Uthukela, Ugu and uMgungundlovu.

School infrastructure: The department continues to display maturity in the application of the Infrastructure Delivery Improvement Programme (IDIP). Infrastructure planning and delivery continues to improve as evidenced by the department's ability to spend its infrastructure allocation every year. The planning process has embraced the recently published Infrastructure Norms and Standards in the provision of learning spaces. The cost implication of implementing the Infrastructure Norms and Standards as gazetted is currently under investigation.

Unpredictable weather patterns continue to disrupt the normal roll-out of programmes and have had an adverse impact on schools. The costs of these repairs are mainly borne by the department, as the disaster funds from national are minimal. The consequence of this was that other equally important programmes had to be sacrificed in order to deal with the emergency situation at affected schools.

Special schools infrastructure: The scaling up of special school infrastructure remains an important effort in terms of granting access to education for learners with special needs.

ECD infrastructure: As a consequence of White Paper 5 of 2001, where universal access to Grade R by 2014 was promulgated, the department has been engaged in an aggressive programme to provide Grade R facilities to meet this target. Over and above the schools identified by districts to receive these facilities, through a dedicated ECD budget, the inclusion of ECD facilities at all the new primary schools and upgrades to existing primary schools are now the norm.

The department is busy with approximately 1 300 classrooms and 2 800 toilets for ECD which are at various stages of planning or construction, with 119 completed during 2013/14. It is envisaged that a target of 300 ECD classrooms will be met by the end of 2013/14.

Transformation of schools

The goal of the department to enhance service delivery and provide high quality education for all learners in KZN has necessitated the streamlining of schooling. The intended transformation programme will address key issues that include, but are not limited to, the closure or transformation of small and non-viable schools, elimination of multi-grade teaching, streamlining of the systematic classification of the schooling system, renaming of schools and the establishment of model schools.

No fee schools

In 2013, the number of no-fee schools was 4 739, which includes farm schools. This equates to 80 per cent of schools with approximately 1.800 million learners benefiting from the budget of some R1.700 billion. In order to deal with constant challenges of differentiating between quintile 1 to quintile 3 schools, the department has continued to make funding for schools in these quintiles equal at R932 per learner and classified as no fee schools. This effectively means that there will be three different funding categories (due to the equalisation of quintiles 1 to 3) from 2013/14. It is anticipated that this measure will curtail appeals by schools for them to be placed in higher quintiles.

The department continues to struggle with schools that have Section 21 (S21) functions but do not pay their domestic accounts – i.e. electricity and water. In this regard, the department will revoke such functions, and will pay for these services on behalf of these schools, with their allocations being reduced.

National School Nutrition Programme (NSNP)

There is daily provision of nutritious meals to approximately 2.200 million learners. The programme has been extended to high schools in quintiles 1 to 3 and some primary schools in quintiles 4 and 5. The NSNP policy was reviewed and the SCM process aligned with the feeding at the schools being put out on an open quotation. This yielded an increased participation of co-operatives in the programme.

Further Education and Training (FET)

The FET Act of 2006 places some responsibility on the accounting officer and the executive to perform with regard to the FET colleges. Notwithstanding the existence of a protocol agreement, the ability to perform such administrative responsibilities over the FET colleges is difficult as they have a direct reporting line to Department of Higher Education and Training (DHET). Since 2013/14, DHET has taken over the function of disbursing funds to the colleges.

Adult Education and Training

As with FET, there is still not a clear demarcation with regard to the functions between the Department of Basic Education (DBE) and DHET. As such, the department continued to offer the AET programme as it has been doing.

3. Outlook of the 2014/15 financial year

Section 3 looks at the key focus areas of 2014/15, outlining what the department is hoping to achieve during the year, as well as briefly looking at the challenges, and proposed new developments. The analysis is done according to the seven pillars, as mentioned in Section 2.

Curriculum Management and Delivery

Curriculum and Assessment Policy Statements: In 2014/15, the CAPS will be implemented in Grades 7, 8, 9 and 12. As part of the preparation for this implementation, educators have been trained in all aspects ahead of the implementation date. The CAPS documents have been distributed to schools for teachers to use in the implementation.

Curriculum Coverage Monitoring Tool: This tool, developed in 2012/13, has proven to be effective in directing the department to schools that require intervention. It has also indicated that, while some schools might have indicated that they have covered the scope of the curriculum, the low attainment by learners could be an indication that there is a problem, thus allowing a focused intervention at all levels.

Technical Secondary Schools: The funds from the Technical Secondary Schools Recapitalisation grant will continue to assist the department with the implementation of its vision. The schools that were identified as requiring upgrades will undergo the necessary technical works and be furnished with machinery and tools to support the offerings of a full set of technology subjects. Additional agricultural and maritime schools will be established, and an additional 18 schools will be added to the 32 schools that have benefitted from the grant. In line with this, the agricultural schools will be assisted with new implements and tools. Furthermore, the department has set aside funding with regard to norms and standards so that all schools that offer such subjects are given an additional allocation.

Mathematics, Science and Technology strategy: Learner performance with regard to these subjects remains a concern to the department. The strategy that has been developed will continue to be implemented, monitored and evaluated, covering a wider base of schools, educators and needs. In this regard, plans are underway to establish a Maths and Science Academy to foster the culture of strengthening the teaching of mathematics and sciences in the province.

Literacy and Numeracy strategy: The 2013/14 ANA have shown a steady increase in learner performance. Literacy and numeracy skills will continue to be a focus, particularly at the foundation phase. It is the department's intention that ANA reflect a marked improvement going forward, compared to previous years.

Examinations and assessments: The department will continue with its comprehensive planning and vigorous monitoring of the various examinations that it administers, including the NSC, AET examinations, common assessments and ANA. The department will continue to analyse the learner performance in these examinations to assist it to prepare a response plan to either poor curriculum delivery or content knowledge, or poor learner preparation or response to questions.

Teacher Supply

Funding has been set aside in 2014/15 with a view to funding non-employees who meet the necessary criteria and wish to pursue a qualification in the teaching profession. The deliberations and discussion

between the department and the DHET will continue, aimed at securing a larger enrolment space for educators. The graduates from *Funza Lushaka*, which is a nationally administered bursary programme, will continue to assist with lessening the shortage of educators in schools.

Provision of Classroom Support Resources and Equipment

Pooling of resources: In 2012/13, only one classroom per school was resourced with a desktop computer, laptop and data projector in the 3 185 schools. The programme was extended in 2013/14 to include the supply of interactive whiteboards, mathematics and science dictionaries, geography and science equipment and science consumables. The department will monitor the utilisation of such equipment by the educators and learners in order to ascertain whether there is value being derived from such ICT equipment. In 2014/15, transformation of classrooms shall also seek to supply schools with basic commodities such as desks, chairs and photocopiers, which require renewal.

Learner Teacher Support Material: The provision and availability of LTSM on the first day of school at all schools is one of the contributory factors to the provision of quality education. With the roll-out of CAPS-aligned textbooks in all grades (1-12) having been completed by the end of the 2013 school year for use in 2014, the key focus in 2014 shall be for the increase in textbook-learner coverage for 2015. In this regard, the department will continue to pursue various options with a view to ensuring that each learner has a textbook for each subject. Plans are afoot to determine the delivery modality for 2014/15 year as the contract with the current managing agent will expire at the end of 2013/14.

Financial Management

Reprioritisation and cost-containment strategy: The department, in consultation with Provincial Treasury, has undertaken vigorous reprioritisation over the 2014/15 MTEF from various items under *Goods and services*, *Transfers and subsidies* and *Machinery and equipment* in order to address the carry-through effects of the *Compensation of employees* spending pressures. This will also mean trading off between the department's competing priorities, effective management of personnel, optimising available resources, and ensuring value for money while ensuring that the quality of basic education is not compromised.

Financial Management Training: The decentralisation of the former service centres to districts requires on-going financial management training of district officials throughout all levels. The focus will be on district directors and their management committee members, as well as school principals and the members of school governing bodies is part of the capacity building programme to improve financial management skills especially on SCM processes to ensure compliance with new procurement delegations.

Infrastructure

Public Private Partnerships (PPP): In an effort to deal with the school infrastructure backlog, the department decided to pursue the option of entering into a PPP, and this was recorded by National Treasury as per the regulations under reference ZN0020E 2011/12. The progress as outlined in the review constitutes Stage 1 of the PPP. This is being prepared for National Treasury approval. Upon approval, Stage 2, the option analysis, will be presented for decision-making. This will allow the department to start with the necessary procurement process, such as the appointment of the service provider.

Transformation of schools: The department's vision is to promote 'a well-educated, skilled and highly developed citizenry'. To this end, it has committed itself to providing quality education to learners in KZN. To do this, the province has dedicated its resources to the realisation of this vision. The department also recognises the critical role that education plays in turning the tide against the triple challenges of poverty, inequality and unemployment. In addition to addressing the issues that were mentioned in the review for 2013/14 and the issues in Section 14 schools and small and non-viable schools, the department will also address other issues relating to redressing equity in the provision of schooling in the province.

School infrastructure: The department will implement the Infrastructure Norms and Standards with added impetus now that they have been published. The programmes of new schools, curriculum support classrooms, laboratories, and multi-purpose classrooms, the electrification programme, as well as sanitation and water programme will continue so that basic functionality in all schools can be achieved. The employment of additional technical staff as part of the Infrastructure Delivery and Management

System (IDMS) will go a long way in addressing the challenges of abandoned projects, long completion times, quality of completed work and the escalating cost of projects.

Special schools infrastructure: The department will continue to make the provision of special schools' infrastructure its focus in order to grant access to education for learners with special needs. About 10 schools have been designed and are ready for roll-out in 2014/15.

ECD infrastructure: In 2014/15, the department will increase the number of ECD classrooms so that more schools that offer Grade R will have appropriate facilities to do so. A total of 400 classrooms are anticipated to be completed in 2014/15.

Rationalisation of small and non-viable schools: In 2014, the focus of rationalisation will move to schools with an enrolment number of less than 100. The rationalisation of schools with less than 50 is still in progress.

National School Nutrition Programme

The department is considering extending the supply of NSNP to schools which have not addressed the issue of racial integration. It has been realised that the Quintile Ranking System seems to be discriminatory against schools ranked in higher Quintiles but accommodating pupils from the most disadvantaged sectors of the communities. The criteria to be considered for children to be fed outside the national feeding scheme are learners who are orphans, child headed families, learners receiving grants, distance travelled by learners to and from the schools and learners with unemployed parents. All learners in quintiles 1, 2 and 3 schools will continue to be fed. The department relies on the various stakeholders to ensure that funding that is meant for learners is spent on learners, and matters of corruption and non-compliance to the menu are reported timeously.

Learner Transport Programme

The department will continue working with the Department of Transport (DOT) to establish the scholar transport framework for implementing in 2014/15. The framework will cover the administration and monitoring of the subsidy and give guidance on service planning and designing of the programme.

Further Education and Training

As previously mentioned, DHET has taken over the function of disbursing funds to the colleges with effect from 2013/14, thus reducing the allocation for the FET College Sector grant significantly. Provinces were left with the function of paying those employees who chose to remain with the department rather than be employed by college councils. DHET is currently in consultation with provincial departments of Education, Provincial Treasuries and National Treasury to finalise the complete shifting of this function to them. This will result in the FET function completely moving to DHET.

Adult Education and Training

There is still not a clear demarcation with regard to the functions between the DBE and DHET. Discussions have already commenced between DHET, provincial Departments of Education and DBE regarding the function shift. This is expected to come into effect from 01 April 2016, and therefore the department will continue to offer the ABET programme as it has been doing, for now.

4. Receipts and financing

4.1 Summary of receipts and financing

Table 5.1 below shows the sources of funding for Vote 5: Education over the seven-year period 2010/11 to 2016/17. The table also compares actual and budgeted receipts against actual and budgeted payments. As shown, the total receipts for Vote 5 increase from R29.570 billion in 2010/11 to R42.882 billion in 2016/17, excluding provincial cash resources. The department receives its funding through a provincial allocation and conditional grants.

Table 5.1 : Summary of receipts and financing

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Equitable share	26 971 637	29 944 875	31 975 322	33 892 639	34 149 432	34 149 432	36 308 790	38 882 981	41 003 718
Conditional grants	2 598 423	3 180 057	3 529 349	2 943 633	2 952 739	2 952 739	3 138 130	3 689 699	1 878 094
<i>Educator Infrastructure grant</i>	1 035 501	1 175 956	1 413 001	1 298 847	1 306 421	1 306 421	1 385 781	1 893 881	-
<i>HIV and AIDS (Life-Skills Education) grant</i>	42 686	45 114	46 806	48 634	48 634	48 634	52 261	51 255	54 035
<i>National School Nutrition Programme (NSNP) grant</i>	855 285	1 144 368	1 151 644	1 206 190	1 206 190	1 206 190	1 237 534	1 287 034	1 355 247
<i>FET College Sector grant</i>	649 177	765 537	858 862	325 736	327 268	327 268	351 475	376 483	397 242
<i>Technical Secondary Schools Recapitalisation grant</i>	15 274	36 762	40 490	42 717	42 717	42 717	45 280	47 499	50 017
<i>EPWP Integrated Grant for Provinces</i>	500	-	1 000	3 000	3 000	3 000	2 070	-	-
<i>Dinaledi Schools grant</i>	-	12 320	17 546	18 509	18 509	18 509	19 568	20 468	21 553
<i>OSD for Education Therapists</i>	-	-	-	-	-	-	41 581	13 079	-
<i>Social Sector EPWP Incentive Grant for Provinces</i>	-	-	-	-	-	-	2 580	-	-
Total receipts	29 570 060	33 124 932	35 504 671	36 836 272	37 102 171	37 102 171	39 446 920	42 572 680	42 881 812
Total payments	28 746 616	33 799 217	35 588 285	37 008 579	37 596 762	37 715 377	39 446 920	42 572 680	42 881 812
Surplus/(Deficit) before financing	823 444	(674 285)	(83 614)	(172 307)	(494 591)	(613 206)	-	-	-
Financing									
of which									
Provincial roll-overs	-	102 069	29 515	-	97 381	97 381	-	-	-
Provincial cash resources	-	-	128 677	172 307	397 210	397 210	-	-	-
Surplus/(Deficit) after financing	823 444	(572 216)	74 578	-	-	(118 615)	-	-	-

The conditional grant allocation reflects a significant increase from 2010/11 to 2016/17 due to the introduction of the Dinaledi Schools grant in 2011/12, OSD for Education Therapists grant in 2014/15, as well as the increase in the Education Infrastructure grant (except in the outer year) over the period in order to provide for general school infrastructure requirements, and the repair of infrastructure damaged by natural disasters. The NSNP grant has also seen a substantial increase to allow for Quintile 3 secondary schools to benefit from the programme.

The FET College Sector grant decreases significantly due to the fact that, in 2013/14, the DHET took over the funding and disbursements of funds to the FET colleges. The remainder of the budget only caters for *Compensation of employees* in respect of employees that opted to remain with the state and not be employed by the college councils. Discussions are underway for a complete movement of this function to DHET from 01 April 2015.

The Education Infrastructure grant declines to zero in the outer year due to the reforms that were made to the provincial infrastructure grant system that are intended to institutionalise proper planning for infrastructure. Provinces were informed in 2012/13 by National Treasury that they will be required to bid for infrastructure allocation two years in advance and financial incentives will be built into the infrastructure grant for provinces that implement best practices. The department was successful in bidding for the 2015/16 allocations due to its ability to spend on the infrastructure allocations. The bidding processes for 2016/17 will commence in 2014/15, hence there is no allocation at this stage.

In 2010/11, the department under-spent its budget by R823.444 million. This was largely due to the reversal of the *Compensation of employees* payments made to employees during the period of the strike. In order to fairly present the AFS, R576 million had to be taken out of the Statement of Financial Performance and be reflected as a debtor in the Statement of Financial Position. The other contributing factor to this under-spending was cost-cutting to reduce spending levels.

In 2011/12, the department received a roll-over of R102.069 million from 2010/11 in respect of the under-expenditure on the NSNP conditional grant. The 2011/12 expenditure outcome reflects over-expenditure of R572.216 million, which arose mainly from the reversal of the 'no work, no pay' journal amounting to R576 million, the carry-through effects of the under-funding of prior years, as well as the conversion of teacher aides to teacher assistants, rural incentives, filling of unfunded posts, increase in stipend for ECD practitioners and hourly rates of AET practitioners, without funding. These unfunded vacant posts arose as a result of the increased educator establishment in 2008/09 which, at the time, was fully funded. However, in the same year, 2008/09, the OSD for educators was introduced, which had the effect of increasing the educator unit cost, thus rendering the staff establishment unaffordable with some posts already filled. This was further exacerbated by the under-funding of OSD costs and various wage agreements that followed in subsequent years (excluding from 2011 onward).

In 2012/13, R29.515 million was rolled over from 2011/12 in respect of the NSNP (R27.714 million) and Technical Secondary Schools Recapitalisation grant (R1.801 million). An amount of R128.677 million relates to additional funding received from Provincial Treasury to partly address the spending pressures against *Compensation of employees*. The department ended the financial year with an under-expenditure of R74.578 million mainly due to cost-cutting, enforced savings, as well as the under-spending against the NSNP and Technical Secondary Schools Recapitalisation grants.

In 2013/14, an amount of R97.381 million was rolled over from 2012/13 in respect of the NSNP (R93.515 million) and Technical Secondary Schools Recapitalisation grant (R3.866 million). During the year, a total of R588 million was added to the Main Appropriation of R37.009 billion, bringing the Adjusted Appropriation to R37.597 billion in order to deal with the perpetual pressures brought about by *Compensation of employees*. The pressures experienced by the department were such that a request was made *via* Provincial Treasury to utilise some of the *Buildings and other fixed structures* budget to fund these pressures. However, this request was declined due to the existing pressures against infrastructure. As a result, notwithstanding the additional adjustments to the main budget, there is still a projected over-spending of R118.615 million as at the end of December 2013. Further details in this regard are included in Section 5.3 of this document.

Included in the 2014/15 MTEF baseline are the mandatory budget reductions (baseline cuts) amounting to R3.347 billion, that were brought about by the change in the Census data. The effect of this reduction which could have aggravated the budgetary pressures was lessened by the additional allocation by Provincial Treasury of R877.465 million. However, the difference is still substantial. During this period, a budget of R406.706 million allocated for learner transport over the MTEF was moved to DOT. New allocations have been made for the 2014/15 MTEF to deal largely with the pressures of re-grading of clerical staff, carry-through of various wage agreements, for OSD for therapists and personnel spending pressures in general. There is no allocation for Education Infrastructure grant in 2016/17 due to the bidding process for infrastructure grants spending which will take place in 2014/15 in respect of 2016/17 funding.

4.2 Departmental receipts collection

Table 5.2 below illustrates the revenue collected by the Department of Education over the seven-year period. Details of these receipts are presented in Table 5.A in the *Annexure – Vote 5: Education*.

Table 5.2 : Summary of departmental receipts collection

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	33 384	36 780	40 938	38 423	38 423	38 423	46 108	48 229	51 267
Transfers received	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	1 539	11 677	1 579	256	256	256	307	321	341
Sale of capital assets	-	6 745	-	-	-	-	-	-	-
Transactions in financial assets and liabilities	28 941	33 903	43 295	22 320	22 320	22 320	26 784	28 016	29 781
Total	63 864	89 105	85 812	60 999	60 999	60 999	73 199	76 566	81 389

The major source of own revenue for the department falls under *Sale of goods and services other than capital assets*. It includes commission earned on payroll deductions such as insurance and garnishees, examination and remarking fees, as well as fees for the viewing of scripts, and housing and parking rentals for staff members. It must be noted that it is difficult to accurately predict revenue collection from this category. The department anticipates meeting its revenue collection target for 2013/14. There is a consistent growth from the 2013/14 Revised Estimate to the 2014/15 MTEF due to enhanced revenue collection.

Interest, dividends and rent on land reflects higher collection in 2011/12 due to the discounts received from the procurement of LTSM, which were received late. This collection normalises in 2012/13 and 2013/14, as the discounts received were offset against expenditure, and are thus not reflected as revenue. The department also collects revenue in respect of interest charged on outstanding staff debts. In 2013/14 and over the 2014/15 MTEF, this category normalises as the department focuses on staff debts.

The revenue collection against *Sale of capital assets* in 2011/12 is as a result of selling of obsolete moveable assets. Over the MTEF, the department does not anticipate collecting revenue against this category as there is insufficient allocation under *Machinery and equipment* to purchase new tools of trade.

Revenue collected under *Transactions in financial assets and liabilities* consists mainly of debts owed to the department, as well as refunds relating to previous years' expenditure. The high amounts collected from 2011/12 to 2013/14 are due to the department's concerted effort of debt collection. The fluctuating trend over the seven-year period is due to the difficulty in budgeting for the collection against this category. The budget increases over 2014/15 MTEF as a result of the department's continued effort to eliminate the cause of staff debts and thus reduce the levels of staff debts.

4.3 Donor funding

Tables 5.3 and 5.4 below reflect donor funding received and payments made by the department. The department received donor funds from the Royal Netherlands Embassy for the project to construct and equip a network of 120 districts and satellite education centre sites in various areas within the province. The bulk of the capital works took place in 2007/08, and was completed in 2010/11. An agreement, in respect of the running costs of these centres, was signed between the Royal Netherlands Embassy and the department late in 2010/11 and R31.709 million was received in respect of work that had been done in 2010/11. No intention to continue with the donation was indicated with regard to 2011/12 and beyond. In 2010/11, the department incurred expenditure to the value of R4.366 million, for which it was reimbursed R4.616 million in 2011/12 as indicated.

Table 5.3 : Details of donor funding

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Donor funding	31 709	4 616	-	-	-	-	-	-	-
Royal Netherlands Embassy	31 709	4 616	-	-	-	-	-	-	-
Total	31 709	4 616	-	-	-	-	-	-	-

Table 5.4 : Details of payments and estimates of donor funding

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Donor funding	4 366	712	-	-	-	-	-	-	-
Royal Netherlands Embassy	4 366	712	-	-	-	-	-	-	-
Total	4 366	712	-	-	-	-	-	-	-

5. Payment summary

This section provides information pertaining to the vote as a whole at an aggregated level, including payments and budgeted estimates in terms of programmes and economic classification. Further details are given in Section 6 below, as well as in the *Annexure – Vote 5: Education*.

5.1 Key assumptions

The following key assumptions were used in formulating the 2014/15 MTEF budget:

- Inflation related items have been based on CPI projections.

- Provision was made for the carry-through costs of the 2013 wage agreement and an inflationary wage adjustment of 6.4 per cent in 2014/15, 6.4 per cent in 2015/16 and 6.3 per cent in 2016/17 and the pay progression of 1.5 per cent of the wage bill.
- No provision has been made for the filling of vacant posts due to budgetary constraints. However, critical funded posts that become vacant during the year will be filled, bearing in mind the moratorium imposed.
- The personnel budget does not cater for all the personnel numbers currently on the system (PERSAL), however, there is a significant reduction in the number of unfunded posts over the MTEF due to reprioritisation that was undertaken by the department.
- The expanded cost-cutting measures, as reissued by Provincial Treasury in 2013/14, as well as the National Treasury Instruction 01 of 2013/14: Cost-containment measures will continue to be adhered to over the 2014/15 MTEF.

5.2 Additional allocations for the 2012/13 to 2014/15 MTEF

Table 5.5 shows additional funding received by the department over the three MTEF periods: 2012/13 2013/14 and 2014/15. It must be noted that the table reflects only the provincial additional allocations, and excludes additional allocations in respect of conditional grants.

The purpose of this table is two-fold. Firstly, it shows the quantum of additional funding allocated to the department in the past and current MTEF periods. Secondly, it indicates the policies and purposes for which the additional funding was allocated. The carry-through allocations for the 2012/13 to 2013/14 MTEF periods (i.e. for the financial year 2016/17) are based on the incremental percentage used in the 2014/15 MTEF.

Table 5.5 : Summary of additional provincial allocations for the 2012/13 to 2014/15 MTEF

R thousand	2012/13	2013/14	2014/15	2015/16	2016/17
2012/13 MTEF period	309 141	691 102	897 917	939 221	982 425
Carry-through of 2011/12 Adjustments Estimate	406 313	435 342	466 428	487 884	510 326
2011 wage agreement	322 469	338 592	355 522	371 876	388 982
Funding for personnel spending pressures	83 844	96 750	110 906	116 008	121 344
National priorities	-	246 406	421 667	441 064	461 353
Expansion of no fee schools	-	99 379	186 325	194 896	203 861
Universalisation of Grade R	-	147 027	235 342	246 168	257 491
Improving infrastructure support	8 909	9 354	9 822	10 274	10 746
Learner Transport (Portion moved to Transport)	(106 081)	-	-	-	-
2013/14 MTEF period		487 818	240 333	958 290	1 002 371
Carry-through of 2012 wage agreement		897 007	1 098 841	1 561 529	1 633 359
Census data update and 1%, 2% and 3% baseline cuts		(456 681)	(946 054)	(1 173 578)	(1 227 563)
Allocation of funds held in reserve for personnel spending pressures		172 307	218 976	321 842	336 647
Learner Transport (Portion moved to Transport)		(124 815)	(131 430)	(137 476)	(143 800)
National priorities:		-	-	385 973	403 728
Grade R teachers		-	-	170 455	178 296
Increased no. of teachers (Quintile 1 schools)		-	-	215 518	225 432
2014/15 MTEF period			311 252	522 759	610 404
Education personnel spending pressures			50 000	60 000	65 000
Re-grading of clerical staff			103 856	119 540	127 979
Carry-through of previous wage agreements			198 896	386 349	449 110
OSD for therapists			-	-	15 358
Centralisation of communications budget under OTP			(4 500)	(4 630)	(4 843)
Learner Transport - final shift to Transport			(37 000)	(38 500)	(42 200)
Total	309 141	1 178 920	1 449 502	2 420 270	2 595 201

Over the 2012/13 MTEF, an amount of R106.081 million was reduced from the department's baseline in 2012/13 and moved to Vote 12: Transport, being portion of the Learner Transport function transferred to the DOT. The department also received additional funds for the following priorities:

- The carry-through effects of the higher than anticipated 2011 wage agreement.
- Additional funding to partly address the existing pressures in *Compensation of employees*.
- Improving infrastructure support.

- Allocations in the two outer years of the MTEF for expansion of no fee schools, and universalisation of Grade R, which are both national priorities.

In the 2013/14 MTEF, National Treasury took a decision to impose 1, 2 and 3 per cent baseline cuts on all spheres of government (i.e. National, Provincial and Local) in order to curb the national deficit as public spending is growing faster than revenue collection. In addition, KZN received reduced allocations as a result of the reduced proportion in terms of population numbers as reported in the 2011 Census data results. The effect of this on the department was a substantial reduction in the budget over the entire period. The reduction amounted to some R2.576 billion over the MTEF period, thus putting further strain on the already pressurised departmental budget. This baseline reduction will have a negative impact on the department over the period, especially against *Compensation of employees*. The 2013/14 MTEF takes into account the final movement of the budget for learner transport to DOT.

Despite the baseline reduction in the 2013/14 MTEF, the department received some additional funding with regard to the carry-through effects of the 2012 wage agreement, as well as funding from Provincial Treasury to assist with the spending pressures in *Compensation of employees*. However, this additional funding was, to some extent, offset by the baseline reductions as the department tried to protect other priority areas such as infrastructure, from being severely affected by the reduction, thus utilising the additional funding to cushion the budget cuts. This resulted in the *Compensation of employees*' allocation not growing to the extent of the inflationary adjustments, meaning that the department will continue to experience spending pressures over the MTEF. Furthermore, the department also received additional funding for national priorities in the outer year of the MTEF to increase the number of teachers in Quintile 1 schools, as well as increasing the number of Grade R teachers in order to reach the target for the universalisation of Grade R by 2014.

In the 2014/15 MTEF, the department's allocation was reduced by a total R13.973 million over the three years in relation to the centralisation of parts of the communications budget under OTP. The department received additional funding to deal with personnel spending pressures, re-grading of clerical staff salaries, carry-through of various wage agreements and OSD for therapists. In the 2014/15 MTEF, the final shift of scholar transport to DOT was completed, resulting in a suspension of the allocation from Vote 5: Education to Vote 12: Transport. The funding for the OSD for therapists was allocated as a conditional grant in 2014/15 and 2015/16 to allow for full implementation, and thereafter phased into equitable share in 2016/17.

5.3 Summary by programme and economic classification

The services rendered by the department are categorised under nine programmes, which are largely aligned to the uniform budget and programme structure of the Education sector. Tables 5.6 and 5.7 provide a summary of the vote's payments and budgeted estimates by programme and economic classification, respectively, for the seven-year period 2010/11 to 2016/17.

The budget structure for the Education sector changed to nine programmes with effect from 2013/14, with Programme 8 being amended to become Infrastructure Development and the previous Programme 8: Auxiliary and Associated Services becoming Programme 9. Comparative figures were amended accordingly for prior years.

The department's budget grows substantially from R28.747 billion in 2010/11 to R42.882 billion in 2016/17. All programmes except Programme 5: Further Education and Training and Programme 8: Infrastructure Development shows positive growth over the 2014/15 MTEF, *albeit* at different rates. In terms of Section 34(2) of the PFMA, the department is liable for the repayment of previous years' over-expenditure, resulting in a first charge against the department's budget. As such, in 2010/11, the second instalment of R133.602 million was implemented against the budget of the department. This first charge amount resulted in the amount available for spending by the department being reduced, as reflected in the footnote to the tables above. The 2013/14 Revised Estimate is higher than the Adjusted Appropriation mainly due to the growth in the projected over-expenditure against *Compensation of employees* as a result of the growth in personnel numbers between October and December 2013.

Table 5.6 : Summary of payments and estimates by programme: Education

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
1. Administration	1 460 874	1 325 061	1 236 880	1 584 905	1 481 997	1 447 653	1 308 054	1 376 462	1 601 056
2. Public Ordinary School Education	23 144 080	27 574 853	28 873 543	30 286 639	30 930 443	31 196 307	32 638 540	34 490 619	36 115 948
3. Independent School Subsidies	58 524	63 114	65 573	70 184	81 984	70 184	74 395	77 817	81 941
4. Public Special School Education	573 564	725 607	727 551	750 887	776 980	825 928	844 012	864 199	911 587
5. Further Education and Training	702 124	832 807	870 105	325 736	327 268	292 894	351 475	376 483	397 242
6. Adult Basic Education and Training	132 824	155 366	161 144	168 658	197 702	178 617	177 353	187 232	197 155
7. Early Childhood Development	286 829	345 625	462 867	560 812	561 056	506 152	651 468	855 420	900 756
8. Infrastructure Development	1 920 243	2 198 083	2 696 029	2 591 418	2 598 992	2 558 680	2 722 349	3 493 814	1 780 408
9. Auxiliary and Associated Services	467 554	578 701	494 593	669 340	640 340	638 962	679 274	850 634	895 718
Total	28 746 616	33 799 217	35 588 285	37 008 579	37 596 762	37 715 377	39 446 920	42 572 680	42 881 812
Unauth. Exp. (1st charge) not available for spending	(133 602)	-	-	-	-	-	-	-	-
Baseline available for spending after 1st charge	28 613 014	33 799 217	35 588 285	37 008 579	37 596 762	37 715 377	39 446 920	42 572 680	42 881 812

Table 5.7 : Summary of payments and estimates by economic classification: Education

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Current payments	24 880 844	29 784 902	30 848 480	32 526 604	33 375 078	33 636 668	35 009 454	37 440 146	39 248 604
Compensation of employees	22 609 337	26 639 394	27 976 652	28 746 193	29 865 345	30 337 500	31 973 947	34 008 908	35 954 005
Goods and services	2 271 101	3 145 038	2 871 568	3 780 411	3 509 733	3 298 303	3 035 507	3 431 238	3 294 599
Interest and rent on land	406	470	260	-	-	866	-	-	-
Transfers and subsidies to:	1 724 719	1 892 934	2 159 343	1 812 234	1 744 369	1 643 031	1 831 579	1 812 534	1 742 319
Provinces and municipalities	1 375	1 048	1 573	1 100	1 100	1 100	1 100	1 100	1 158
Departmental agencies and accounts	16 552	18 944	19 891	20 981	20 981	22 491	22 030	24 098	25 375
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	1 631 707	1 745 556	2 043 676	1 732 327	1 664 462	1 536 519	1 747 676	1 712 238	1 636 707
Households	75 085	127 386	94 203	57 826	57 826	82 921	60 773	75 098	79 078
Payments for capital assets	1 920 880	2 121 381	2 580 462	2 669 741	2 477 315	2 435 678	2 605 887	3 320 000	1 890 890
Buildings and other fixed structures	1 836 333	2 097 788	2 463 676	2 380 118	2 387 692	2 410 627	2 572 937	3 287 050	1 684 749
Machinery and equipment	84 547	23 581	116 648	289 623	89 623	25 051	32 950	32 950	206 141
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	12	138	-	-	-	-	-	-
Payments for financial assets	220 173	-	-	-	-	-	-	-	-
Total	28 746 616	33 799 217	35 588 285	37 008 579	37 596 762	37 715 377	39 446 920	42 572 680	42 881 812
Unauth. Exp. (1st charge) not available for spending	(133 602)	-	-	-	-	-	-	-	-
Baseline available for spending after 1st charge	28 613 014	33 799 217	35 588 285	37 008 579	37 596 762	37 715 377	39 446 920	42 572 680	42 881 812

Programme 1: Administration's expenditure fluctuates, with 2010/11 being higher than 2011/12 and 2012/13 due to vigorous cost-cutting being implemented in the latter financial years, as well as the fact that 2010/11 included the last instalment of the first charge. The 2013/14 Adjusted Appropriation reflects a downward revision due to cost-cutting in order to curb the projected over-expenditure. In-year reprioritisation continues as evident by the 2013/14 Revised Estimate being lower than the Adjusted Appropriation. The budget decreases in the first two years of the MTEF due to enforced reprioritisation that was undertaken to address personnel pressures in Programme 2.

Programme 2: Public Ordinary School Education reflects significant growth over the seven-year period, largely influenced by spending and additional funding that was made available for the various wage and OSD agreements, as well as funding of various national priorities such as LTSM, expansion of no fee schools, reduction of L:E ratio, etc. Due to the pressures that exist in *Compensation of employees*, the 2013/14 Adjusted Appropriation reflects an increase of R633 million as a result of additional funding allocated, as well as reprioritisation that was undertaken from other programmes. However, the 2013/14 Revised Estimate is still higher than the Adjusted Appropriation due to *Compensation of employees'* pressures. The 2014/15 allocation indicates an increase of R1.377 billion higher than the 2013/14 Revised Estimate, in order to offset the spending pressures. The programme increase by a further R1.690 billion in 2015/16 and R1.663 billion in the outer year to partially provide for the carry-through effects of these spending pressures.

Programme 3: Independent School Subsidies reflects steady growth over the seven-year period. This programme is experiencing some pressures due to the increase in the number of schools that require subsidies. These subsidies are based on the available budget. The increase in the 2013/14 Adjusted Appropriation is mainly due to the additional funding that was allocated to cater for the court order to repay independent schools with regard to the reduction of subsidies in previous years, as a result of budget pressures. The 2013/14 Revised Estimate is, however, lower than the Adjusted Appropriation and this will be corrected as the department will fully spend its allocation under this programme.

Programme 4: Public Special School Education reflects significant growth over the seven-year period. The significant increase from 2011/12 onward is due to the focus on expanding inclusive education. The 2013/14 Revised Estimate is higher than the Adjusted Appropriation mainly attributed to the spending pressures against *Compensation of employees*. The allocation over the MTEF increases steadily.

Programme 5: Further Education and Training which is entirely funded by the FET College Sector grant reflects a steady increase between 2010/11 and 2012/13. The 2013/14 Main Appropriation reflects a significant reduction as a result of the DHET taking over the disbursement of the transfers to the FET colleges. The remainder of the budget will be used to fund *Compensation of employees* with regard to employees that opted to remain with the state and not be employed by the college councils. The 2013/14 Revised Estimate is lower than the Adjusted Appropriation due to over-funding of the programme. The allocation over the MTEF increases steadily, in line with the conditional grant.

Programme 6: Adult Education and Training fluctuates between 2010/11 and 2012/13, due to the inconsistent nature of the submission and processing of claims. As reflected, in 2013/14 the increase between the Main and Adjusted Appropriation is due to the increased hourly rate of AET practitioners. It is anticipated that the programme will under-spend against its Adjusted Appropriation, mainly due to cost-cutting and enforced savings. The allocation declines over the MTEF as the carry-through effects of the increases were not provided for.

Programme 7: Early Childhood Development's expenditure for 2010/11 is slightly lower than those of 2011/12 and 2012/13, largely due to subsequent additional funding allocated toward the expansion of Grade R. There is significant growth in the programme's baseline over the seven-year period. As reflected, in 2013/14 there is an increase in the Adjusted Appropriation mainly attributed to the increase in the stipends payable to the practitioners. The 2013/14 Revised Estimate is lower than the Adjusted Appropriation mainly due to cost-cutting, as well as the central procurement of the necessary LTSM resulting in the department not transferring funds to the ECD centres. The 2014/15 MTEF allocation for the two outer years is inclusive of additional funding allocated in the 2012/13 MTEF for the Universalisation of Grade R, as well as in the 2013/14 MTEF for the appointment of Grade R teachers.

Programme 8: Infrastructure Development decreases from R1.920 billion in 2010/11 to R1.780 billion in 2016/17. The 2013/14 Revised Estimate is lower than the Adjusted Appropriation, mainly due to the slow spending with regard to maintenance and repairs attributed to poor planning by the department. The budget grows significantly in 2014/15 and 2015/16 in line with the additional funding allocated to the Education Infrastructure grant. However, it declines significantly in the outer year of the MTEF due to the reforms that were made to the provincial infrastructure grant system that are intended to institutionalise proper planning for infrastructure. Provinces were informed in 2012/13 by National Treasury that they will be required to bid for infrastructure allocation two years in advance and financial incentives will be built into the infrastructure grant for provinces that implement best practices. The department was successful in bidding for the 2015/16 allocations due to its ability to spend the infrastructure allocations. The bidding processes for 2016/17 will commence in 2014/15, hence there is no allocation at this stage.

Programme 9: Auxiliary and Associated Services fluctuates between 2010/11 and 2013/14 as the expenditure patterns are influenced largely by the number of learners writing matric, as well as ANA. The 2014/15 MTEF takes into account the expected increase in the enrolment for matric, as well as the ANA examinations.

Compensation of employees reflects an increase from R22.609 billion in 2010/11 to R35.954 billion in 2016/17 due to the wage agreements and increase in OSD costs, relating to various agreements such as

Education Labour Relations Council (ELRC) Agreements No. 3 and 4 of 2009, and PSCBC Resolution 1 of 2007, entered into regarding the remuneration of educators and administrators. Since the introduction of the agreements, the department's ability to fully meet its personnel needs has been placed under extreme pressure as a result of the actual cost of the wage and OSD agreements not being fully funded. The 2013/14 Adjusted Appropriation reflects an increase of R1.119 billion compared to the Main Appropriation due to reprioritisation, as well as additional funding that was received to deal with various personnel agreements such as re-grading of clerical staff, OSD for therapists, wage agreements, etc. Despite this, the 2013/14 Revised Estimate is still higher than the Adjusted Appropriation due to the increase in personnel numbers between October and December 2013 and the fact that the reprioritised amount was not sufficient to fully deal with the pressures. The 2014/15 MTEF takes into account the carry-through effect of the 2013/14 reprioritisation, as well as inflationary increases. The allocations, however, do not make provision for the filling of any new posts. The crowding out effect that *Compensation of employees* has on other budget categories is clearly demonstrated.

Goods and services increase from R2.271 billion in 2010/11 to R3.145 billion in 2011/12 and then decreases to R2.872 billion in 2012/13, and such fluctuations are due to cost-cutting. This aspect is further demonstrated by the reduction of R270.678 million from the 2013/14 Main to the Adjusted Appropriation, in order to cushion the projected over-expenditure arising from *Compensation of employees*. The reduction was carried through to the 2014/15 MTEF, with reductions of R818.050 million in 2014/15 and R683.377 million in 2015/16 being effected to fund *Compensation of employees*.

Transfers and subsidies to: Provinces and municipalities relates to the payment of motor vehicle licences. The allocation remains constant in the first two years of the MTEF, as the department does not anticipate purchases new fleet due to the reprioritisation undertaken.

Transfers and subsidies to: Departmental agencies and accounts reflect transfer made to the Education Training and Development Practices Sector Education and Training Authority (ETDP SETA) in respect of the skills development levy.

Transfers and subsidies to: Non-profit institutions reflects a steady increase between 2010/11 and 2012/13, largely influenced by the increase in the per capita funding as well as increased learner enrolment. The difference of R67 million between the 2013/14 Main and Adjusted Appropriation is as a result of reprioritising the budget to *Compensation of employees* in order to deal with the increased stipends payable to ECD practitioners. There is a decrease in the outer year due to the anticipated revocation of S21 functions from schools that continue to not comply with the transfer requirements.

Transfers and subsidies to: Households caters for staff exit costs including capped leave where applicable. The fluctuations are attributable to the number of employees exiting the system and the concomitant leave pay-outs due to them. It is highly unlikely that the budget will meet expenditure for this budget item. A more realistic estimation will be made, once the capped leave audit project currently being undertaken with Provincial Treasury has been completed.

Buildings and other fixed structures reflects a significant growth over the seven-year period, largely due to additional funding in respect of the Education Infrastructure grant except for the outer year. The department expects to spend its 2013/14 allocation as reflected in the Revised Estimate, with a minor over-expenditure projected. The budget reflects healthy growth in 2014/15 and 2015/16, while there is a decline in the outer year of the MTEF due to the reforms that were made to the provincial infrastructure grant system that are intended to institutionalise proper planning for infrastructure. As previously explained, provinces were informed in 2012 by National Treasury that they will be required to bid for infrastructure allocation two years in advance and financial incentives will be built into the infrastructure grant for provinces that implement best practices. The department was successful in bidding for the 2015/16 allocations due to its ability to spend on the infrastructure allocations. The bidding processes for 2016/17 will commence in 2014/15, hence there is no allocation at this stage.

Machinery and equipment fluctuates between 2010/11 and 2012/13, with 2011/12 being significantly lower as a result of cost-cutting and enforced savings. The 2013/14 Main Appropriation was drastically reduced by R200 million and thus was redirected to *Compensation of employees*, in order to deal with

pressures, as explained. This reduction was carried through to the 2014/15 MTEF, with reductions of R234.855 million in 2014/15 and R317.706 million in 2015/16 in order to fund personnel. This indicates the crowding out of critical areas, including classroom equipment, by *Compensation of employees*.

Payments for financial assets in 2010/11 relates to the last instalment of the first charge, as well as the write-off of staff debts which could not be recovered during the department's debt recovery drive.

5.4 Summary of payments and estimates by district municipal area

Table 5.8 provides details of the department's spending within district municipal areas. It must be noted that, due to the nature of services rendered by the department, it is difficult to extract administration costs, and therefore the full budget is reflected.

Spending levels in all areas increase on a similar scale over the 2014/15 MTEF. The highest spending occurs in uMgungundlovu, eThekweni, Zululand and uThungulu district municipal areas, mainly due to the number of schools and other education institutions located in these districts, as well as the general need in these areas.

Table 5.8 : Summary of payments and estimates by district municipal area

R thousand	Audited Outcome	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16	2016/17
eThekweni	9 773 872	10 358 051	10 833 598	11 692 783	11 776 920
Ugu	2 262 996	2 398 254	2 508 360	2 707 292	2 726 780
uMgungundlovu	8 463 198	8 969 039	9 380 814	10 122 106	10 197 690
Uthukela	1 812 265	1 920 583	2 008 759	2 168 069	2 183 670
Urmzinyathi	1 498 830	1 588 414	1 661 340	1 793 096	1 806 011
Amajuba	1 395 111	1 478 496	1 546 375	1 669 015	1 681 030
Zululand	2 465 930	2 613 317	2 733 297	2 950 068	2 971 300
Umkhanyakude	2 234 813	2 368 386	2 477 121	2 673 575	2 692 820
uThungulu	2 472 542	2 620 325	2 740 626	2 957 978	2 979 261
Ilembhe	1 640 579	1 738 636	1 818 458	1 962 675	1 976 800
Sisonke	1 568 148	1 661 875	1 738 173	1 876 023	1 889 530
Total	35 588 285	37 715 377	39 446 920	42 572 680	42 881 812

5.5 Summary of conditional grant payments and estimates

Tables 5.9 and 5.10 provide a summary of conditional grants payments and estimates by programme and economic classification for the period 2010/11 to 2016/17.

Note that the historical figures set out in Table 5.9 below reflect actual expenditure per grant, and should not be compared to those reflected in Table 5.1, which represent the actual receipts with respect to each grant. The department administers eight conditional grants from 2012/13.

The details in respect of each conditional grant are included in the *Annexure -Vote 5: Education*.

Table 5.9 : Summary of conditional grants payments and estimates by name

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13		2013/14		2014/15	2015/16	2016/17
Education Infrastructure grant	1 035 501	1 175 956	1 247 477	1 298 847	1 306 421	1 306 421	1 385 781	1 893 881	-
HIV and AIDS (Life-Skills Education) grant	39 998	45 114	49 954	48 634	48 634	48 634	52 261	51 255	54 035
National School Nutrition Programme (NSNP) grant	753 216	1 144 368	1 085 489	1 206 190	1 299 705	1 353 503	1 237 534	1 287 034	1 355 247
FET College Sector grant	705 883	765 537	869 050	325 736	327 268	292 894	351 475	376 483	397 242
Technical Secondary Schools Recapitalisation grant	15 039	36 762	32 976	42 717	46 583	46 583	45 280	47 499	50 017
EPWP Integrated Grant for Provinces	500	-	895	3 000	3 000	3 000	2 070	-	-
Dinaledi Schools grant	-	12 320	17 079	18 509	18 509	18 509	19 568	20 468	21 553
OSD for Education Therapists	-	-	-	-	-	-	41 581	13 079	-
Social Sector EPWP Incentive Grant for Provinces	-	-	-	-	-	-	2 580	-	-
Total	2 550 137	3 180 057	3 302 920	2 943 633	3 050 120	3 069 544	3 138 130	3 689 699	1 878 094

Table 5.10 : Summary of conditional grants payments and estimates by economic classification

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Current payments	1 049 368	1 485 135	1 523 178	1 719 988	1 818 901	1 858 936	1 828 768	1 872 237	1 832 344
Compensation of employees	223 610	220 428	263 694	332 618	334 150	279 779	401 549	393 405	401 085
Goods and services	825 701	1 264 707	1 259 484	1 387 370	1 484 751	1 579 157	1 427 219	1 478 832	1 431 259
Other	57	-	-	-	-	-	-	-	-
Transfers and subsidies to:	499 951	561 826	612 534	7 711	7 711	14 824	10 800	10 800	10 800
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	499 617	561 826	612 509	7 711	7 711	14 645	10 800	10 800	10 800
Households	334	-	25	-	-	179	-	-	-
Payments for capital assets	1 000 818	1 133 096	1 167 208	1 215 934	1 223 508	1 195 785	1 298 562	1 806 662	34 950
Buildings and other fixed structures	994 647	1 120 643	1 157 378	1 185 842	1 193 416	1 189 341	1 265 612	1 773 712	2 000
Machinery and equipment	6 171	12 453	9 830	30 092	30 092	6 445	32 950	32 950	32 950
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	2 550 137	3 180 057	3 302 920	2 943 633	3 050 120	3 069 545	3 138 130	3 689 699	1 878 094

The Education Infrastructure grant caters for physical infrastructure needs of schools. The allocation for this grant declines to zero in the outer year due to the reforms that were made to the provincial infrastructure grant system that are intended to institutionalise proper planning for infrastructure, as previously explained. This grant supplements existing infrastructure budgets and functions. The reduction to zero, in 2016/17, is as a result of the bidding process for all infrastructure grants funding.

The HIV and AIDS (Life-Skills Education) grant funds a life-skills programme, aimed at creating awareness among learners and educators, and experiences almost a straight line budget over the 2014/15 MTEF. The 2013/14 allocation will be fully spent as evidenced by the Revised Estimate being equal to the Adjusted Appropriation

The coverage of the NSNP grant has been expanded to include Quintile 3 secondary schools. This grant has seen significant growth from R753.216 million in 2010/11 to R1.355 billion in 2016/17. The programme is set to benefit almost 2 209 900 learners in 2013/14. The grant reflects a higher 2013/14 Adjusted compared to the Main Appropriation by R93.515 million, due to a roll-over received for the payment of March invoices.

The reduction of the budget allocated to the FET College Sector grant from 2013/14 onward is due to the DHET having taken over the function of disbursement of funds to the FET colleges. The budget that remains will be used to fund the salaries of employees that opted to remain in state employment as opposed to being employed by the college councils, while discussions are currently underway to implement a complete function shift in this regard from 01 April 2015.

The Technical Secondary Schools Recapitalisation grant is aimed at equipping technical secondary schools with the necessary equipment to enhance curriculum delivery and thus increasing the number of suitably qualified and technically skilled learners. The amount allocated for this grant grows from R15.039 million in 2010/11 to R50.017 million in 2016/17.

The EPWP Integrated Grant for Provinces is aimed at providing incentives to departments to utilise members of the community in its infrastructure projects. The department has received an allocation of 2014/15, only, at this stage.

The Dinaledi Schools grants will be used to increase access to mathematics and science and grows from R12.320 million in 2011/12 to R21.553 million in 2016/17.

Funding for OSD for therapists is allocated as a conditional grant, namely OSD for Education Sector Therapists grant in 2014/15 and 2015/16 to allow for the full implementation of this collective agreement. The implementation of the agreement will be backdated to July 2010, hence there is a higher allocation in

2014/15 to allow for the back-payments. The grant is phased into equitable share in the outer year of the 2014/15 MTEF.

The NSNP, Technical Secondary Schools Recapitalisation grant, Education Infrastructure grant and Dinaledi Schools grant have part of their allocations reflected against *Goods and services* and *Machinery and equipment*, while a significant portion of the Education Infrastructure grant is also reflected against *Buildings and other fixed structures*. The HIV and AIDS (Life-Skills Education) grant is reflected against *Goods and services* and *Transfers and subsidies to: Non-profit institutions* in order to cater for the Orphans and Vulnerable Children (OVC) project. The FET College Sector grant has been allocated against *Compensation of employees* to cater for employees that chose to remain with the department when the function was shifted to DHET. A portion of the NSNP is allocated to *Compensation of employees* in order to deal with capacity issues relating to monitoring. The entire funding for OSD for Education Sector Therapists grant relates to the implementation of the collective agreement.

5.6 Summary of infrastructure payments and estimates

Table 5.11 below presents a summary of infrastructure payments and estimates by category for the vote, including both capital and current expenditure on infrastructure for the period 2010/11 to 2016/17. Detailed information on infrastructure is given in the *Annexure – Vote 5: Education*.

The infrastructure budget shows significant growth over the period. The strong growth in 2014/15 and 2015/16, which corresponds to the increase in the Education Infrastructure grant, should enable the department to make provision for pressing infrastructural needs, particularly in respect of the roll-out of Grade R, building of special schools, and non-school buildings.

Table 5.11 : Summary of infrastructure payments and estimates by category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
New and replacement assets	346 774	723 791	1 031 326	830 937	830 937	830 937	1 188 830	1 394 244	127 269
Existing infrastructure assets	1 573 469	1 474 292	1 664 703	1 760 481	1 768 055	1 727 743	1 533 519	2 099 570	1 653 139
Upgrades and additions	819 119	705 124	976 843	1 100 675	1 100 675	1 100 675	795 334	1 460 828	1 542 396
Rehabilitation, renovations and refurbishments	670 403	668 822	434 306	448 506	456 080	456 080	588 772	431 978	15 190
Maintenance and repairs	83 947	100 346	253 554	211 300	211 300	170 988	149 412	206 764	95 553
Infrastructure transfers	-	-	-	-	-	-	-	-	-
Current	-	-	-	-	-	-	-	-	-
Capital	-	-	-	-	-	-	-	-	-
Total	1 920 243	2 198 083	2 696 029	2 591 418	2 598 992	2 558 680	2 722 349	3 493 814	1 780 408

New and replacement assets grows significantly from 2010/11 to 2015/16 and then declines significantly in the outer. The 2013/14 Main Appropriation is lower than the 2012/13 due to the over-expenditure that was experienced in that year relating to the fast-tracking of projects. The allocation grows in 2014/15 and 2015/16 in order to cater for new and replacement schools. The allocation declines in the outer mainly attributed to the non-allocation of the Education Infrastructure grant due to the reforms that were made to the provincial infrastructure grant system, as previously explained.

Upgrades and additions is aimed at dealing with issues of over-crowding, with this category being allocated the largest portion of the budget over the seven-year period. The infrastructure programmes relating to additions and/or renovations of schools to accommodate learners with special needs, boarding facilities, as well as office accommodation will continue over the 2014/15 MTEF. Of special focus in the 2014/15 MTEF, is the provision for small schools, agricultural, maritime and technical secondary schools. In addition to classrooms and toilets, the budget also includes provision for laboratories, computer centres and ECD spaces. The allocation increase consistently over the 2014/15 MTEF and the outer year allocation is solely from the equitable share.

Rehabilitation, renovations and refurbishments fluctuates over the seven-year period. There is a decline in 2012/13 due to a once-off reprioritisation of funds to *New and replacement assets* to deal with the spending pressures. There is strong growth in 2015/16 due to additional funding allocated to the Education Infrastructure grant to improve the delivery of schools infrastructure. The allocation declines in the outer

mainly attributed to the non-allocation of the Education Infrastructure grant due to the reforms that were made to the provincial infrastructure grant system, as previously explained.

Maintenance and repairs fluctuates over the seven-year period. This provides for the maintenance of school infrastructure, as well as administration office buildings such as circuit and district offices. The fluctuations from 2010/11 and 2015/16 relate mainly to the fact that there has been poor planning against this category thus resulting in continuous under-expenditure in the past. This category was also affected by the non-allocation of the Education Infrastructure grant in the outer year.

5.7 Public Private Partnerships

In an effort to deal with the school infrastructure backlog, the department has decided to pursue the option of entering into a PPP, and this intention has been recorded by National Treasury as per the regulations under reference ZN0020E 2011/12. A transaction advisor has been appointed. The project is still in stage one (planning stage) of its life cycle, thus no budget or expenditure at this stage.

5.8 Transfers to public entities listed in terms of Schedule 3 of the PFMA – Nil

5.9 Transfers to other entities

Table 5.12 provides details of transfers made to other entities over the seven-year period under review.

Table 5.12 : Summary of departmental transfers to other entities

R thousand	Sub-programme	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates			
		2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17	
	Section 21 schools	2.1. Public Pr. & 2.2. Public Sec. Sch	921 748	924 235	1 270 507	1 441 999	1 435 499	1 332 438	1 481 348	1 436 599	1 347 396
	Section 20 schools (petty cash)	2.1. Public Pr. & 2.2. Public Sec. Sch	82 203	81 822	4 368	5 645	5 645	5 645	6 543	6 876	6 876
	HIV and AIDS	2.6. Conditional grants	23 592	16 712	7 178	7 711	7 711	7 711	10 800	10 800	10 800
	Independent schools	3.1. Primary & 3.2. Secondary phase	58 524	63 114	65 573	70 184	76 684	64 884	74 395	77 817	81 941
	Public special schools	4.1. Special Schools	69 603	98 633	90 706	138 923	138 923	111 316	143 091	149 530	157 455
	FET colleges	5.3. Cond. Grants and Public Institutions	476 025	544 840	605 331	-	-	14 525	-	-	-
	ECD centres	7.1. Gr. R in Pub. Sch & 7.2. Com Ctrs	-	15 914	-	67 865	-	-	31 499	30 616	32 239
	ETDP SETA	8.2. Payments to SETA	16 552	18 944	19 891	20 981	20 981	22 491	22 030	24 098	25 375
	Total		1 648 247	1 764 214	2 063 554	1 753 308	1 685 443	1 559 010	1 769 706	1 736 336	1 662 082

The largest portion of transfers is in respect of S21 schools, relating to the transfers of Norms and Standards funding. The increase in respect of public special schools, from 2011/12 onward, reflects the extent to which the department is focussing on learners with special needs, by making sure that schools are allocated funding that will enable them to assist the learners and to ensure that the Inclusive Education programme is granted the attention it deserves.

The department still has schools that do not have S21 functions and, for these schools, the department transfers petty cash so that they can deal with immediate school requirements. The slight decline in the outer year against S21 schools is due to the anticipated withdrawal of S21 functions from schools that continue not to comply with transfer requirements.

The allocation from 2014/15 onward in ECD centres is to ensure that schools with Grade R classes are able to run their own affairs in line with the Norms and Standards for Grade R. The allocation is lower than the 2012/13 allocation due to the budget reconfiguration process. The reduction of the allocation from the 2013/14 Main to Adjusted Appropriation relates to savings realised as a result of central procurement of LTSM. The savings were redirected to *Compensation of employees* to deal with the increased stipends of ECD practitioners.

There are no transfers to FET colleges from 2013/14 onward, as the transferring of funds has been taken over by DHET. The 2013/14 Revised Estimate relates to the payment of commitments from 2012/13.

ETDP SETA transfers relate to the contribution by the department to the SETA, as per the Skills Development Act.

5.10 Transfers to local government

It is noted that, although the payment of motor vehicle licences falls under *Transfers and subsidies to: Provinces and municipalities*, these funds are not transferred to any municipality, and therefore the table reflecting transfers to local government is excluded.

5.11 Transfers and subsidies

Table 5.13 provides a summary of transfers by programme and main category over the seven-year period.

The department mainly transfers funds to schools. Apart from these, there are smaller transfers in respect of employees' severance packages, which are difficult to predict, thus showing fluctuations over the years.

Table 5.13 : Summary of transfers and subsidies by programme and main category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
1. Administration	9 815	12 272	16 057	28 234	28 234	13 948	29 646	30 931	32 570
Provinces and municipalities	1 305	1 048	1 573	1 100	1 100	1 100	1 100	1 100	1 158
Motor vehicle licences	1 305	1 048	1 573	1 100	1 100	1 100	1 100	1 100	1 158
Non-profit institutions	12	12	-	-	-	-	-	-	-
Other	12	12	-	-	-	-	-	-	-
Households	8 498	11 212	14 484	27 134	27 134	12 848	28 546	29 831	31 412
Social benefits	8 498	11 212	14 484	27 134	27 134	12 848	28 546	29 831	31 412
2. Public Ordinary School Education	1 090 044	1 135 730	1 358 698	1 484 585	1 478 085	1 413 184	1 529 383	1 497 953	1 411 065
Non-profit institutions	1 027 543	1 022 769	1 282 053	1 455 355	1 448 855	1 345 794	1 498 691	1 454 275	1 365 072
Section 21 schools	921 748	924 235	1 270 507	1 441 999	1 435 499	1 332 438	1 481 348	1 436 599	1 347 396
Section 20 schools	82 203	81 822	4 368	5 645	5 645	5 645	6 543	6 876	6 876
HIV and AIDS	23 592	16 712	7 178	7 711	7 711	7 711	10 800	10 800	10 800
Households	62 501	112 961	76 645	29 230	29 230	67 390	30 692	43 678	45 993
Social benefits	62 501	112 961	76 645	29 230	29 230	67 390	30 692	43 678	45 993
3. Independent School Subsidies	58 524	63 114	65 573	70 184	76 684	64 884	74 395	77 817	81 941
Non-profit institutions	58 524	63 114	65 573	70 184	76 684	64 884	74 395	77 817	81 941
Independent schools	58 524	63 114	65 573	70 184	76 684	64 884	74 395	77 817	81 941
4. Public Special School Education	71 497	100 603	93 002	140 358	140 358	113 334	144 598	151 090	159 098
Provinces and municipalities	70	-	-	-	-	-	-	-	-
Motor vehicle licences	70	-	-	-	-	-	-	-	-
Non-profit institutions	69 603	98 633	90 706	138 923	138 923	111 316	143 091	149 530	157 455
Public special schools	69 603	98 633	90 706	138 923	138 923	111 316	143 091	149 530	157 455
Households	1 824	1 970	2 296	1 435	1 435	2 018	1 507	1 560	1 643
Social benefits	1 824	1 970	2 296	1 435	1 435	2 018	1 507	1 560	1 643
5. Further Education and Training	476 359	545 114	605 793	-	-	14 704	-	-	-
Non-profit institutions	476 025	544 840	605 331	-	-	14 525	-	-	-
FET colleges	476 025	544 840	605 331	-	-	14 525	-	-	-
Households	334	274	462	-	-	179	-	-	-
Social benefits	334	274	462	-	-	179	-	-	-
6. Adult Basic Education and Training	1 001	409	115	27	27	109	28	29	31
Households	1 001	409	115	27	27	109	28	29	31
Social benefits	1 001	409	115	27	27	109	28	29	31
7. Early Childhood Development	334	16 080	158	67 865	-	126	31 499	30 616	32 239
Non-profit institutions	-	15 914	13	67 865	-	-	31 499	30 616	32 239
ECD centres	-	15 914	13	67 865	-	-	31 499	30 616	32 239
Households	334	166	145	-	-	126	-	-	-
Social benefits	334	166	145	-	-	126	-	-	-
9. Auxiliary and Associated Services	17 145	19 612	19 947	20 981	20 981	22 742	22 030	24 098	25 375
Departmental agencies and accounts	16 552	18 944	19 891	20 981	20 981	22 491	22 030	24 098	25 375
ETDP SETA	16 552	18 944	19 891	20 981	20 981	22 491	22 030	24 098	25 375
Households	593	668	56	-	-	251	-	-	-
Social benefits	593	668	56	-	-	251	-	-	-
Total	1 724 719	1 892 934	2 159 343	1 812 234	1 744 369	1 643 031	1 831 579	1 812 534	1 742 319

Programme 1 caters for the budget and expenditure for *Provinces and municipalities* relating to motor vehicle licences. *Households* under this programme reflects payments made in respect of staff exit costs.

Programme 2 houses the larger portion of the transfers to schools. *Transfers and subsidies* increases over the seven-year period due to the following:

- *Non-profit institutions* reflects payments made in respect of departmental determined norms and standards. The 2014/15 MTEF is in line with the anticipated per learner allocation, which will be kept constant from the second year, due to budget pressures. The slight increases are as a result of the successful contestations made by schools to have their quintile ranking elevated. The decline in from

2015/16 onward is mainly attributed to the anticipated withdrawal of S21 functions from schools that continue not to comply with transfer requirements.

- *Households* reflects payments in respect of staff exit costs.

Non-profit institutions under Programme 3 reflects payments made in respect of the subsidy given to independent schools. The increase in the 2013/14 Adjusted Appropriation is mainly due to the additional funding that was allocated to cater for the court order to repay independent schools with regard to the reduction of subsidies in previous years, as a result of budget pressures. The 2013/14 Revised Estimate is, however, lower than the Adjusted Appropriation and this will be corrected as the department will fully spend its allocation under this programme.

With regard to Programme 4:

- *Non-profit institutions* reflects payments made to public special schools. The growth between 2010/11 and 2012/13 is indicative of the growth and the intention to grant access to learners with special needs, in order to allow these schools to procure the various assistive devices. The allocation increases over the 2014/15 MTEF due to the fact that more schools will be doing their procurement moving forward
- *Households* caters for staff exit costs.

Programme 5 reflects transfers made to FET colleges. The 2013/14 Revised Estimate against *Transfers and subsidies to: Non-profit institutions* relates to the payment of commitments from 2012/13. There are no allocations over the 2014/15 MTEF as this disbursement function is now performed by DHET.

Households under Programme 6 reflects payments in respect of severance packages and leave gratuities, which are difficult to predict, hence the fluctuations.

With regard to Programme 7:

- *Non-profit institutions* reflects payments made to ECD centres. The fluctuations between 2010/11 and 2012/13 are due to cost-cutting. In the 2013/14 Adjusted Appropriation, R67 million was reprioritised from *Transfers and subsidies to: Non-profit institutions* to *Compensation of employees* to cater for the increase in stipends payable to ECD practitioners. This reprioritisation was also effected over the 2014/15 MTEF.
- *Households* caters for staff exit costs, which are difficult to predict, hence the fluctuations.

Transfers and subsidies in Programme 9 caters for staff exit costs (against *Households*) and payments to the ETDP SETA (against *Departmental agencies and accounts*) in respect of the skills development levy.

6. Programme description

The services rendered by this department are categorised under nine programmes for the current MTEF, which conform to the revised uniform budget and programme structure for the sector. The payments and estimates for each programme are summarised in terms of sub-programmes and economic classification, and detailed in the *Annexure – Vote 5: Education*.

6.1 Programme 1: Administration

Programme 1: Administration has five sub-programmes that are responsible for providing:

- The functioning of the Office of the MEC for Education.
- Overall management of the education system.
- Education management services for the education system.
- Human resource development for office-based staff.
- Education Management Information System (EMIS).

Tables 5.14 and 5.15 below reflect payments and budgeted estimates relating to this programme for the period 2010/11 to 2016/17.

Table 5.14 : Summary of payments and estimates by sub-programme: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
1. Office of the MEC	18 238	21 460	23 701	27 520	28 670	34 461	29 988	27 515	28 973
2. Corporate Services	762 122	730 837	659 506	449 450	450 601	594 328	361 921	351 270	526 372
3. Education Management	634 768	543 995	529 337	1 005 196	899 987	761 732	854 581	931 168	971 995
4. Human Resource Development	35 372	7 106	1 337	53 165	53 165	26 035	16 600	16 000	20 530
5. Education Mgt Information System (EMIS)	10 374	21 663	22 999	49 574	49 574	31 097	44 964	50 509	53 186
Total	1 460 874	1 325 061	1 236 880	1 584 905	1 481 997	1 447 653	1 308 054	1 376 462	1 601 056
Unauth. Exp. (1st charge) not available for spending	(133 602)	-	-	-	-	-	-	-	-
Baseline available for spending after 1st charge	(133 602)	-	-	-	-	-	-	-	-

Table 5.15 : Summary of payments and estimates by economic classification: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Current payments	1 210 585	1 311 895	1 211 068	1 453 879	1 430 971	1 431 652	1 278 408	1 345 531	1 395 295
Compensation of employees	778 197	856 198	887 859	929 972	938 123	999 210	994 410	1 054 075	1 117 320
Goods and services	432 096	455 325	322 953	523 907	492 848	431 593	283 998	291 456	277 975
Interest and rent on land	292	372	256	-	-	849	-	-	-
Transfers and subsidies to:	9 815	12 272	16 057	28 234	28 234	13 948	29 646	30 931	32 570
Provinces and municipalities	1 305	1 048	1 573	1 100	1 100	1 100	1 100	1 100	1 158
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	12	12	-	-	-	-	-	-	-
Households	8 498	11 212	14 484	27 134	27 134	12 848	28 546	29 831	31 412
Payments for capital assets	20 301	894	9 755	102 792	22 792	2 053	-	-	173 191
Buildings and other fixed structures	-	-	-	-	-	150	-	-	-
Machinery and equipment	20 301	882	9 617	102 792	22 792	1 903	-	-	173 191
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	12	138	-	-	-	-	-	-
Payments for financial assets	220 173	-	-	-	-	-	-	-	-
Total	1 460 874	1 325 061	1 236 880	1 584 905	1 481 997	1 447 653	1 308 054	1 376 462	1 601 056
Unauth. Exp. (1st charge) not available for spending	(133 602)	-	-	-	-	-	-	-	-
Baseline available for spending after 1st charge	1 327 272	1 325 061	1 236 880	1 584 905	1 481 997	1 447 653	1 308 054	1 376 462	1 601 056

As previously mentioned, in terms of Section 34(2) of the PFMA, the department is liable for the repayment of previous years' over-expenditure, resulting in a first charge against the department's budget. The instalment of R133.602 million was implemented in 2010/11. The above-mentioned final instalment of the first charge is allocated under the sub-programme: Corporate Services, against *Payments for financial assets*. The category also caters for irrecoverable staff debt written-off in 2010/11.

The fluctuations between 2010/11 and 2013/14 relate mainly to cost-cutting. The department has also reprioritised the *Goods and services* and *Machinery and equipment* budget for this programme in order to deal with spending pressures in Programme 2, hence the decrease over the MTEF.

The Office of the MEC's budget grows substantially over the seven-year period; however, this is from a low base. The greater portion of the budget goes towards *Compensation of employees* as it is with most programmes and sub-programmes. A steady increase is noted between 2010/11 and 2012/13. The allocation over the 2014/15 MTEF is slightly above the inflationary increase to cater for existing commitments with regards to non-employee bursaries.

The Corporate Services budget is inclusive of all the department's support functions financial requirements. The allocation fluctuates over the period under review as it is largely the target for all cost-cutting. In particular, the 2013/14 allocation is substantially lower than the 2012/13 expenditure outcomes. A similar trend is observed in 2014/15, with the allocation lower than the 2013/14 Revised Estimate. However, significant growth is observed in the outer year of the MTEF due to the funds reprioritised in order to purchase the necessary tools of trade.

Education Management’s budget is inclusive of all costs related to education delivery requirements and forms the bulk of the budget in this programme. Like most programmes and sub-programmes, there are fluctuations between 2010/11 to 2012/13 due to cost-cutting and enforced savings. The decrease in the 2013/14 Adjusted compared to the Main Appropriation is due to the reprioritisation exercise undertaken during the year. The low 2013/14 Revised Estimate is mainly due to the continued cost-cutting and enforced savings in order to contain the spending pressures. Over the 2014/15 MTEF, the sub-programme reflects healthy growth, largely influenced by increases in *Compensation of employees*.

Human Resource Development’s allocation is largely funding set aside in line with the Skills Development Act. With effect from 2013/14, a directive was issued by the DPSA indicating that the bursary allocation should not form part of the skills funding allocation (training and development) and should be sourced from the departments’ baseline. This is going to put pressure on the department’s ability to offer bursaries to employees from 2014/15. Fluctuating trends are observed between 2010/11 and 2012/13, largely due to cost-cutting. The allocation is reduced from 2013/14 to the 2014/15 MTEF due to the budget reprioritisation that was undertaken.

Education Management Information System (EMIS) grows significantly in 2014/15 in order to ensure the speedy roll-out of the South African Schools Administration and Management System (SA-SAMS).

The increasing expenditure trends against *Compensation of employees* between 2010/11 and 2012/13 are indicative of the increasing trend on the salaries for employees. This can be seen in the 2013/14 Adjusted Appropriation which is higher than the Main Appropriation due to unfunded filled posts, which was brought about by the under-funding of OSD and wage agreements of prior years, as explained previously. Through the reprioritisation process, the budget grows fairly steadily over the MTEF compared to the 2013/14 Adjusted Appropriation.

Goods and services grew consistently between 2010/11 to 2011/12 and then reduced significantly in 2012/13 due to cost-cutting. The 2013/14 Adjusted Appropriation and the Revised Estimate are lower than the Main Appropriation due to cost-cutting and enforced reprioritisation that is continuing. This is also evident by the significant reduction in the budget for this category over the 2014/15 MTEF.

Transfers and subsidies to: Provinces and municipalities relates to the payment of motor vehicle licences. The allocation remains constant in the first two years of the MTEF, as the department does not anticipate purchasing new fleet of vehicles due to the reprioritisation undertaken.

Transfers and subsidies to: Households caters for staff exit costs, which fluctuates over the seven-year period due to the difficulties budgeting for this category as a result of its uncertain nature.

Machinery and equipment has been used as a buffer for the department’s over-expenditure, hence the reduced spending between 2010/11 and 2012/13. The 2013/14 Adjusted Appropriation has been reduced by R80 million to cater for the pressures in *Compensation of employees*. Over the first two years of the 2014/15 MTEF, there is no allocation due to enforced reprioritisation. Funding has been allocated in 2016/17 to cater for the purchase of the necessary tools of trade in the department.

Service delivery measures – Programme 1: Administration

Table 5.16 below illustrates the main service delivery measures relevant to Programme 1: Administration. The department has complied with the service delivery measures as prescribed by the Education sector.

Table 5.16 : Service delivery measures – Programme 1: Administration

Outputs	Performance indicators	Medium-term targets			
		Estimated performance	2014/15	2015/16	2016/17
To bring effective management to all levels of the system	• No. of public schools that use SA-SAMS (or its equivalent) to provide data to the national unit record tracking system	5 952	5 952	5 952	5 952
	• No. of schools that can be contacted electronically (e-mail) by the dept.	5 952	5 952	5 952	5 952
	• % of current expenditure going toward non-personnel items	11.62%	11.37%	11.40%	15.20%
	• No. of visits to schools by Circuit Managers	New	23 808	23 808	23 808

6.2 Programme 2: Public Ordinary School Education

This programme houses the core function of the department, and its aim is the provision of public ordinary schools from Grades 1 to 12, in accordance with the South African Schools Act. This programme has six sub-programmes, which have the following objectives:

- To provide specific public primary ordinary schools with resources for the Grade 1 to 7 levels.
- To provide specific public secondary ordinary schools with resources for the Grade 8 to 12 levels.
- To provide departmental services for the professional and other development of educators and non-educators in public ordinary schools.
- Human resource development for educators and non-educators.
- To provide additional and departmentally managed sporting and cultural activities in public ordinary schools.
- To provide for various national projects that are funded through the conditional grants namely:
 - National School Nutrition Programme.
 - HIV and AIDS (Life-Skills Education).
 - Technical Secondary Schools Recapitalisation.
 - Dinaledi Schools.
 - EPWP Integrated Grant for Provinces.
 - Social Sector EPWP Incentive Grant for Provinces.

Tables 5.17 and 5.18 reflect payments and budgeted estimates for the period 2010/11 to 2016/17.

This programme includes the budget for educators, their salaries, and professional development needs. The largest portion of the budget under this programme is allocated to the sub-programme: Public Primary Schools, in proportion to the number of institutions and learners attending these schools. The specific conditional grants are reflected as sub-programmes.

This programme consumes, on average, at least 80 per cent of the department's allocation growing to over 82 per cent from 2013/14 onward. Over the seven-year period, the budget has grown significantly. The significant increase in the sub-programmes: Public Primary Schools and Public Secondary Schools from 2010/11 onward can mainly be ascribed to the carry-through effects of the various wage and related agreements. A large portion of the additional allocation was also allocated in the 2014/15 MTEF in respect of addressing spending pressures, re-grading of clerical staff, carry-through of various wage agreements to the Public Primary Schools and Public Secondary Schools sub-programmes, as they bear the largest brunt of the shortfall. This leaves other sub-programmes within Programme 2, as well as other programmes, without sufficient funds to cater for the carry-through costs of the higher than anticipated wage agreement.

Table 5.17 : Summary of payments and estimates by sub-programme: Public Ordinary School Education

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates			
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2013/14	2014/15	2015/16	2016/17
Public Primary Schools	12 949 323	15 440 196	15 751 278	16 239 289	16 746 005	16 917 777	18 173 826	19 172 224	20 005 362	
Public Secondary Schools	8 920 394	10 275 287	11 306 413	12 030 796	12 130 503	12 205 817	12 554 718	13 142 972	13 819 801	
Professional Services	440 960	539 932	527 361	454 635	454 635	520 481	366 612	538 286	556 730	
Human Resource Development	1 867	41 596	63 904	197 689	137 689	46 272	136 652	181 307	201 001	
In-school Sport and Culture	22 783	39 278	38 194	45 180	45 180	35 731	47 439	49 574	52 201	
Conditional grants	808 753	1 238 564	1 186 393	1 319 050	1 416 431	1 470 229	1 359 293	1 406 256	1 480 852	
National School Nutrition Programme grant	753 216	1 144 368	1 085 489	1 206 190	1 299 705	1 353 503	1 237 534	1 287 034	1 355 247	
HIV and AIDS (Life-Skills Education) grants	39 998	45 114	49 954	48 634	48 634	48 634	52 261	51 255	54 035	
Technical Secondary Schools Recap grant	15 039	36 762	32 976	42 717	46 583	46 583	45 280	47 499	50 017	
EPWP Integrated Grant for Provinces	500	-	895	3 000	3 000	3 000	2 070	-	-	
Dinaledi Schools grant	-	12 320	17 079	18 509	18 509	18 509	19 568	20 468	21 553	
Social Sector EPWP Incentive Grant for Provinces	-	-	-	-	-	-	2 580	-	-	
Total	23 144 080	27 574 853	28 873 543	30 286 639	30 930 443	31 196 307	32 638 540	34 490 619	36 115 948	

Table 5.18 : Summary of payments and estimates by economic classification: Public Ordinary School Education

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Current payments	22 033 695	26 419 641	27 393 255	28 673 623	29 413 927	29 755 081	31 076 207	32 959 716	34 672 039
Compensation of employees	20 590 918	24 142 017	25 382 093	26 221 276	27 079 499	27 423 240	28 799 904	30 417 943	32 084 451
Goods and services	1 442 722	2 277 526	2 011 158	2 452 347	2 334 428	2 331 824	2 276 303	2 541 773	2 587 587
Interest and rent on land	55	98	4	-	-	17	-	-	-
Transfers and subsidies to:	1 090 044	1 135 730	1 358 698	1 484 585	1 478 085	1 413 184	1 529 383	1 497 953	1 411 065
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	1 027 543	1 022 769	1 282 053	1 455 355	1 448 855	1 345 794	1 498 691	1 454 275	1 365 072
Households	62 501	112 961	76 645	29 230	29 230	67 390	30 692	43 678	45 993
Payments for capital assets	20 341	19 482	121 590	128 431	38 431	28 042	32 950	32 950	32 844
Buildings and other fixed structures	-	-	21 201	-	-	21 428	-	-	(106)
Machinery and equipment	20 341	19 482	100 389	128 431	38 431	6 614	32 950	32 950	32 950
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	23 144 080	27 574 853	28 873 543	30 286 639	30 930 443	31 196 307	32 638 540	34 490 619	36 115 948

The Professional Services sub-programme increases between 2010/11 and 2012/13 and this is influenced by the upward trend in *Compensation of employees*. The 2013/14 Revised Estimate is higher than the Adjusted Appropriation emanating from the spending pressures against *Compensation of employees*. The budget for the first year of the 2014/15 MTEF is significantly lower than the 2013/14 Revised Estimate, as a result of the budget reconfiguration process.

The Human Resource Development sub-programme increases between 2010/11 and 2012/13 due to cost-cutting implemented in 2010/11 resulting in a lower amount. Although cost-cutting also continued in 2011/12 and 2012/13 against the allocated budget, the teacher training programmes were not entirely compromised, hence the higher amounts compared to 2010/11. As part of reprioritisation, the 2013/14 Main Appropriation was reduced by R60 million to fund *Compensation of employees* budgetary pressures. Over the 2014/15 MTEF, sufficient funding has been made available. However, the extent to which the training and development budget will be spent is dependent on budgetary pressures that could be brought about by *Compensation of employees*, which continues to crowd out spending in other critical areas.

The In-school Sport and Culture sub-programme allocations over the 2014/15 MTEF grow steadily, to enable the department to deliver on its social cohesion goal.

The NSNP grant has increased significantly in the seven-year period, in order to allow Quintile 1, 2 and 3 schools to feed on days as dictated by the conditions of the grant. The grant shows an increase of R93.515 million between the 2013/14 Main and the Adjusted Appropriation due to a roll-over that was granted in order to honour the March commitments of the previous year, which could not be paid before the end of the year. The growth over the 2014/15 MTEF is largely to accommodate inflationary costs.

There is consistent growth against the HIV and AIDS (Life-Skills Education) grant from 2010/11 to 2016/17. The grant grows modestly over the 2014/15 MTEF.

A roll-over of R3.866 million was granted during the 2013/14 Adjusted Appropriation with respect to Technical Secondary Schools Recapitalisation grant in order to honour commitments from the previous financial year which could not be paid before year-end, due to the late submission of invoices. The 2013/14 allocation is projected to be fully spent, despite delays with the procurement processes as a result of poor planning. Over the 2014/15 MTEF, the allocation grows gradually.

The EPWP Integrated Grant for Provinces expenditure for 2011/12 was inadvertently captured against equitable share, hence no expenditure is shown for that year. The 2013/14 allocation will be fully spent. As previously mentioned, the department has received an allocation for 2014/15 only, at this stage.

As previously explained, the Dinaledi Schools grant is aimed at increasing access to maths and science at higher grade level in under-privileged schools. It is anticipated that the grant's 2013/14 Adjusted Appropriation will be fully spent. The grant grows modestly over the 2014/15 MTEF.

Compensation of employees has grown strongly over the seven-year period. The influencing factors have been largely the implementation of OSD for educators in 2008/09 and the higher than anticipated wage agreements, which were not adequately funded. As mentioned earlier, the budget for *Compensation of employees* increased by R858 million as indicated in the 2013/14 Adjusted Appropriation. The allocation for 2014/15 reflects a 5 per cent growth from the 2013/14 Adjusted Appropriation largely due to the internal reprioritisation that was undertaken by the department. However, this is not sufficient and further re-allocation has to be undertaken in-year. This growth does not cater for filling of any new posts. Through the reprioritisation process, in order to deal with the perennial problem of over-expenditure, the 2014/15 MTEF allocation compared to the 2013/14 Revised Estimate, has grown by 17 per cent or almost R4.500 billion, which had to be reprioritised from other budget categories. It is anticipated that this budget reconfiguration will to a largely extent deal with the alignment the *Compensation of employees* budget to projected expenditure outcomes, provided that no further unfunded or underfunded mandates arise.

Goods and services grows significantly over the seven-year period, largely influenced by the spending and additional allocations received in respect various priorities such as LTSM and NSNP. During 2010/11, the department transferred the stationery portion of the LTSM budget directly to schools due to the absence of a managing agent to deal with this. This partly explains the growth in the *Goods and services* expenditure in 2011/12, as the managing agent was appointed by then, and thus obviated the need to transfer the budget to schools. However, the effect of the cost-cutting and enforcement of savings in order to buffer the over-expenditure contributes to the fluctuations of the expenditure outcomes over the period. The downward revision of *Goods and services* in the 2013/14 Adjusted Appropriation is as a result of programmes such as training and staff development, being placed on hold in order to fund the projected over-expenditure against *Compensation of employees*. Over the 2014/15 MTEF, budget growth is very low as the carry-through effect of the reprioritisation has been effected.

Transfers and subsidies to: Non-profit institutions mainly reflects payments in respect of norms and standard to all schools, which is influenced by learner numbers. The budget for this category has not been severely affected by the reconfiguration process. However, the department is paying a lower per capita amount compared to the recommended per capita payments due to constraints brought about by *Compensation of employees* spending pressures. This is evident by the fact that personnel spending has grown significantly over the years, thus crowding out spending in other areas. There is slight deviation between the Main and the Adjusted Appropriation in 2013/14 due to some schools not complying with the financial requirements to enable transfers to be made directly to the schools. The increase in the first year of the MTEF compared to the 2013/14 Revised Estimate is due to schools whose quintile ranking has been elevated through the contestation process. In the two outer years of the MTEF, it is anticipated that schools that continue not to comply with various requirements, will have the S21 functions revoked.

Transfers and subsidies to: Households fluctuates over the seven-year, as it relates to staff exit costs.

The amounts against *Buildings and other fixed structures* relates mainly to the spending on the infrastructure portion of the Technical Secondary Schools Recapitalisation grant which was incorrectly classified under this programme instead of Programme 8.

Machinery and equipment fluctuates between 2010/11 and 2012/13, largely due to cost-cutting and enforced savings to address pressures against *Compensation of employees*. The allocation in 2013/14 increases significantly when compared to the expenditure trends of prior years. Despite the increased budget allocation, this was revised downward in the 2013/14 Adjusted Appropriation by R90 million in order to fund *Compensation of employees*, leaving only the allocation related to conditional grants. The budget over the 2014/15 MTEF is largely related to conditional grants.

Service delivery measures – Programme 2: Public Ordinary School Education

Table 5.19 below illustrates the main service delivery measures relevant to Programme 2.

Table 5.19 : Service delivery measures – Programme 2: Public Ordinary School Education

Outputs	Performance indicators	Estimated performance		Medium-term targets	
		2013/14	2014/15	2015/16	2016/17
To provide access in the public ordinary schooling system in accordance with policy	• No. of learners enrolled in public ordinary schools	2 609 556	2 604 918	2 605 918	2 606 918
	• No. of full service schools	26	26	26	26
	• No. of learners benefitting from the No Fee policy	1 872 125	1 872 225	1 872 325	1 872 425
	• No. of educators employed in public ordinary schools	88 957	88 957	88 957	88 957
	• No. of non-educator staff employed in public ordinary schools	11 376	11 396	11 416	11 422
	• No. of learners benefitting from NSNP	2 242 000	2 264 420	2 287 064	2 287 164
	• No. of learners benefitting from learner transport	22 000	26 319	35 500	35 800
	• No. of learners with special education needs that are enrolled in public ordinary schools	26 000	28 000	30 000	32 000

6.3 Programme 3: Independent School Subsidies

The purpose of this programme is to support independent schools, in accordance with the South African Schools Act. One of the main aims of this programme is to ensure timeous and orderly registration of independent schools in terms of the South African Schools Act, as well as other legislative frameworks. These schools are evaluated and monitored by the department, and their capacity is developed to ensure the effective functioning of these schools and their governing bodies.

Independent schools provide education and training to learners in the same way as public schools do, but are not governed by the same legislation as public schools. For quality purposes, independent schools are registered with the Association for Independent Schools, and have an Independent Examination Board.

Tables 5.20 and 5.21 below reflect summary of payments and estimates relating to this programme.

Table 5.20 : Summary of payments and estimates by sub-programme: Independent School Subsidies

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
1. Primary Phase	36 088	39 647	42 605	42 812	49 312	43 600	45 654	47 754	50 285
2. Secondary Phase	22 436	23 467	22 968	27 372	32 672	26 584	28 741	30 063	31 656
Total	58 524	63 114	65 573	70 184	81 984	70 184	74 395	77 817	81 941

Table 5.21 : Summary of payments and estimates by economic classification: Independent School Subsidies

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Current payments	-	-	-	-	5 300	5 300	-	-	-
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	-	-	-	-	5 300	5 300	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	58 524	63 114	65 573	70 184	76 684	64 884	74 395	77 817	81 941
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	58 524	63 114	65 573	70 184	76 684	64 884	74 395	77 817	81 941
Households	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	58 524	63 114	65 573	70 184	81 984	70 184	74 395	77 817	81 941

The expenditure outcomes between 2010/11 and 2012/13 are reflective of the inflationary increases allocated to this programme. The increase between the 2013/14 Main and Adjusted Appropriation is due to the payment of the subsidies to some of these schools as per the court order, as mentioned previously. The amount allocated against *Goods and services* in the 2013/14 Adjusted Appropriation relates to the legal fees incurred in connection with the court order. The 2014/15 MTEF allocation increases in line with inflationary adjustments. This programme is facing pressures due to the number of enrolments in the independent schools.

Service delivery measures – Programme 3: Independent School Subsidies

Table 5.22 below illustrates the main sector specific service delivery measure relevant to Programme 3.

Table 5.22 : Service delivery measures – Programme 3: Independent School Subsidies

Outputs	Performance indicators	Estimated Performance		Medium-term targets	
		2013/14	2014/15	2015/16	2016/17
To ensure that quality education occurs in independent schools	<ul style="list-style-type: none"> No. of learners subsidised in independent schools 	31 790	32 500	32 600	32 700

6.4 Programme 4: Public Special School Education

The purpose of this programme is to provide compulsory public education in special schools in accordance with the South African Schools Act and White Paper 6 on Inclusive Education.

The sub-programmes are aimed at providing:

- Specific public special schools with resources.
- Educators and learners in public special schools with departmentally managed support services.
- Departmental services for the professional and other development of educators and non-educators in public special schools.
- Additional and departmentally managed sporting and cultural activities in public special schools.

To date, the department has 70 registered special schools, but more than 60 per cent of these are in urban areas. Furthermore, special schools are not inclusive and only admit learners according to the disability category that the school is registered for, thus excluding a number of learners who do not meet the requirement in terms of the admission policies.

Tables 5.23 and 5.24 below reflect payments and budgeted estimates for the period under review.

Table 5.23 : Summary of payments and estimates by sub-programme: Public Special School Education

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
1. Public Special Schools	573 243	725 427	727 551	746 387	772 480	824 622	798 431	847 120	907 375
2. Human Resource Management	321	180	-	4 500	4 500	1 306	4 000	4 000	4 212
3. Conditional grants	-	-	-	-	-	-	41 581	13 079	-
OSD for Education Therapists	-	-	-	-	-	-	41 581	13 079	-
Total	573 564	725 607	727 551	750 887	776 980	825 928	844 012	864 199	911 587

Table 5.24 : Summary of payments and estimates by economic classification: Public Special School Education

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Current payments	458 211	621 980	627 907	554 201	610 294	696 732	699 414	713 109	752 490
Compensation of employees	447 177	612 671	623 867	549 701	605 794	695 061	695 414	709 109	748 278
Goods and services	11 034	9 309	4 040	4 500	4 500	1 671	4 000	4 000	4 212
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	71 497	100 603	93 002	140 358	140 358	113 334	144 598	151 090	159 098
Provinces and municipalities	70	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	69 603	98 633	90 706	138 923	138 923	111 316	143 091	149 530	157 455
Households	1 824	1 970	2 296	1 435	1 435	2 018	1 507	1 560	1 643
Payments for capital assets	43 856	3 024	6 642	56 328	26 328	15 862	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	43 856	3 024	6 642	56 328	26 328	15 862	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	573 564	725 607	727 551	750 887	776 980	825 928	844 012	864 199	911 587

The programme has shown strong growth over the seven years, indicative of the department's quest to grant access to education for learners with special needs. The 2013/14 Adjusted Appropriation is higher than the Main Appropriation due to the in-year and in-programme reprioritisation from *Machinery and equipment* to *Compensation of employees* in order to fund the pressures in respect of the Public Special Schools sub-programme. The 2013/14 Revised Estimate is still higher than the Adjusted Appropriation, mainly due to the fact that the reprioritisation did not fully address the spending pressures against *Compensation of employees*. There is a fair growth in this sub-programme effective from the second year of the 2014/15 MTEF, due to the carry-through effect of the budget reprioritisation.

The Human Resource Development sub-programme has been affected by cost-cutting since 2010/11 and this is also the case in 2013/14, as evidenced by the Revised Estimate being lower than the Adjusted Appropriation. The MTEF budget remains constant in the first two years and grows in the outer year.

The Conditional grants sub-programme reflects funding allocated in respect of the OSD for Education Sector Therapists grant in 2014/15 and 2015/16 to allow for the full implementation of this collective agreement. The implementation of the agreement will be backdated to July 2010, hence there is a higher allocation in 2014/15 to allow for the back-payments. The grant is phased into the equitable share in the outer year of the 2014/15 MTEF.

Compensation of employees reflects an increase from 2010/11 to 2016/17 influenced by the implementation of various wage agreements and OSD for educators over the years. The 2013/14 Adjusted Appropriation is higher than the Main Appropriation by R56.093 million due to the in-year reprioritisation process and additional funding allocated in respect of the OSD for therapists. However, the 2013/14 Revised Estimate is still higher than the Adjusted Appropriation due to the fact that the reprioritisation did not fully address the spending pressures, as previously explained. The low growth year-on-year between 2013/14 and 2014/15 indicating the spending pressures that will continue to be incurred over the MTEF.

Goods and services has experienced a reduction since 2010/11 and over the 2014/15 MTEF due to the bulk of the funding having been allocated as transfers to schools, as reflected against *Transfers and subsidies to: Non-profit institutions*. The remaining portion of the allocation is mainly aimed at skills requirements of this programme. The low 2013/14 Revised Estimate is mainly due to cost-cutting.

Transfers and subsidies to: Non-profit institutions fluctuates between 2010/11 and 2012/13 due to the non-compliance by some special schools for the department to transfer the funds. There is a consistent increase over the 2014/15 MTEF because more schools will be doing their own procurement moving forward. Hence, there is a reduction in the allocation of *Goods and services*, as previously explained.

Transfers and subsidies to: Households relates to staff exit costs.

Machinery and equipment reflects a high amount in 2010/11 due to learner buses that were bought for special schools. The internal cost-containment strategy took effect for this programme from 2011/12 onward. The allocation was reduced in the 2013/14 Adjusted Appropriation in order to deal with the spending pressures against *Compensation of employees*. The enforced reprioritisation was carried through to 2014/15 resulting in no allocation for this category.

Service delivery measures – Programme 4: Public Special School Education

Table 5.25 below illustrates the main sector specific service delivery measures relevant to Programme 4.

Table 5.25 : Service delivery measures – Programme 4: Public Special School Education

Outputs	Performance indicators	Estimated performance		Medium-term targets	
		2013/14	2014/15	2015/16	2016/17
To provide access to special schools in accordance with policy and principles of inclusive education	• No. of learners enrolled in public special schools	17 169	17 177	17 517	17 717
	• No. of educators employed in public special schools	1 556	1 560	1 590	1 600
	• No. of professional non-educator staff employed in public special schools	292	323	366	382

6.5 Programme 5: Further Education and Training

The aim of this programme is to provide Further Education and Training at public FET colleges, in accordance with the Further Education and Training Colleges Act. The objectives are:

- To provide specific public FET colleges with resources.
- To provide specific public youth colleges with resources.
- To provide educators and students at public FET colleges with departmentally managed support services.
- To provide departmental services for the professional development of educators and non-educators at public FET colleges.
- To provide additional and departmentally managed sporting and cultural activities at public FET colleges.
- To provide for FET recapitalisation.

Tables 5.26 and 5.27 reflect information related to this programme for the period under review. It must be noted that the conditional grant has been reflected as a sub-sub-programme under the sub-programme: Conditional grants, in line with the generic structure for the sector.

The budget of this programme has increased over the years to meet the challenges resulting from the transformation of the FET colleges. However, there is a decrease from 2013/14 as DHET has taken over the disbursement of funds function relating to the FET colleges.

Table 5.26 : Summary of payments and estimates by sub-programme: Further Education and Training

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
1. Public Institutions	-	67 270	1 055	-	-	-	-	-	-
2. Conditional grants	702 124	765 537	869 050	325 736	327 268	292 894	351 475	376 483	397 242
FET Colleges Sector grant	702 124	765 537	869 050	325 736	327 268	292 894	351 475	376 483	397 242
Total	702 124	832 807	870 105	325 736	327 268	292 894	351 475	376 483	397 242

Table 5.27 : Summary of payments and estimates by economic classification: Further Education and Training

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Current payments	225 765	287 693	264 312	325 736	327 268	276 833	351 475	376 483	397 242
Compensation of employees	223 528	286 996	263 694	325 736	327 268	276 545	351 475	376 483	397 242
Goods and services	2 180	697	618	-	-	288	-	-	-
Interest and rent on land	57	-	-	-	-	-	-	-	-
Transfers and subsidies to:	476 359	545 114	605 793	-	-	14 704	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	476 025	545 114	605 331	-	-	14 525	-	-	-
Households	334	-	462	-	-	179	-	-	-
Payments for capital assets	-	-	-	-	-	1 357	-	-	-
Buildings and other fixed structures	-	-	-	-	-	1 357	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	702 124	832 807	870 105	325 736	327 268	292 894	351 475	376 483	397 242

The funding mechanism for this programme changed from equitable share to conditional grant with effect from 2010/11, in preparation for the transfer of the programme to the DHET. This change in the funding method resulted in the department having to fund approximately R63 million from its baseline, as the equitable share formula used to determine how much each province should have budgeted for the FET colleges, resulted in a budget that was higher than the baseline for FET colleges. This added to the pressures which the department was already experiencing due to budgetary constraints caused by the implementation of various OSD and wage agreements, among others.

With effect from 2013/14 MTEF, the DHET took over the disbursement of funds function to the FET colleges, hence the absence of any transfers to institutions over the 2014/15 MTEF. The available budget will be utilised to fund the salaries of employees who opted to remain in state employment, as opposed to college councils. As indicated previously, engagements are at an advanced level between provincial and national spheres for this function to move to DHET completely. The 2013/14 Revised Estimate against *Transfers and subsidies to: Non-profit institutions* relates to the payment of commitments from 2012/13.

Service delivery measures – Programme 5: Further Education and Training

Table 5.28 below illustrates the main service delivery measures relevant to Programme 5.

The increase in the number of National Certificate (vocational) (NC (V)) students is noteworthy, and the budget has increased accordingly.

Table 5.28 : Service delivery measures – Programme 5: Further Education and Training

Outputs	Performance indicators	Estimated performance		Medium-term targets	
		2013/14	2014/15	2015/16	2016/17
To expand the FET college sector in terms of the economic and social needs of the country	• No. of students enrolled in NC(V) courses in FET colleges	31 545	31 696	34 577	35 650
To provide relevant and responsive quality FET learning opportunities	• No. of FET college NC(V) students who completed full courses successfully	13 462	16 289	19 116	20 119

6.6 Programme 6: Adult Basic Education and Training

The objective of Programme 6 is to provide ABET in accordance with the Adult Basic Education and Training Act. It therefore has the responsibility of implementing the national government initiative to afford adults the chance to improve their level of literacy and numeracy. To this end, this programme seeks to eliminate adult illiteracy, improve average levels of education attainment, and provide the skills necessary for adults to contribute to the growth of the economy. As with Programme 5, there is no clear distinction between the functions allocated to the two separate departments of education (DBE and DHET).

Tables 5.29 and 5.30 below reflect payments and budgeted estimates relating to this programme for the period 2010/11 to 2016/17.

Table 5.29 : Summary of payments and estimates by sub-programme: Adult Basic Education and Training

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
1. Public Centres	132 824	155 366	161 144	167 442	196 486	178 361	176 353	186 232	196 102
2. Human Resource Development	-	-	-	1 216	1 216	256	1 000	1 000	1 053
Total	132 824	155 366	161 144	168 658	197 702	178 617	177 353	187 232	197 155

Table 5.30 : Summary of payments and estimates by economic classification: Adult Basic Education and Training

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Current payments	131 823	154 957	161 029	166 884	195 928	178 088	177 325	187 203	197 125
Compensation of employees	126 226	145 275	155 216	152 492	181 536	171 169	172 779	181 389	191 719
Goods and services	5 597	9 682	5 813	14 392	14 392	6 919	4 546	5 814	5 406
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	1 001	409	115	27	27	109	28	29	31
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	1 001	409	115	27	27	109	28	29	31
Payments for capital assets	-	-	-	1 747	1 747	420	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	1 747	1 747	420	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	132 824	155 366	161 144	168 658	197 702	178 617	177 353	187 232	197 155

Spending against the Public Centres sub-programme fluctuates between 2010/11 and 2016/17 due to the inconsistent submission of claims for processing and due to the movement of educators who were incorrectly paid under this programme instead of Programme 2. The increase in the 2013/14 Adjusted Appropriation compared to the Main Appropriation is due to the increased hourly tariffs that needed to be paid to AET practitioners in 2013/14. The 2014/15 MTEF reflects a slight increase to accommodate the carry-through effect of the in-year reprioritisation undertaken.

The Human Resource Development sub-programme reflects no spending from 2010/11 due to the allocation not being made previously as the training needs of the educators in this programme were largely provided through Programme 2. The amounts from 2013/14 onward are only allocated for office based employees, excluding the AET practitioners.

There is a steady increase against *Compensation of employees* between 2010/11 and 2012/13, which is consistent with the upward trend in the salaries payable to employees. *Compensation of employees* reflects

an increasing trend over the MTEF, but lower than the inflationary assumptions. Again, there is no certainty whether this programme will be provided for by the department in future, as indications are that it will move to the DHET from 01 April 2016.

Goods and services reflect a fluctuating trend between 2010/11 and 2016/17, due to the policy uncertainty within this programme. The 2013/14 Revised Estimate, as in most programmes, is lower than the Adjusted Appropriation due to cost-cutting. A lower budget in the 2014/15 MTEF is evident until a clear policy directive on AET is finalised.

A minimum budget is allocated against *Machinery and equipment* in 2013/14 in order to resource some adult centres.

Service delivery measures – Programme 6: Adult Basic Education and Training

Table 5.31 below illustrates the main sector specific service delivery measures relevant to Programme 6.

Table 5.31 : Service delivery measures – Programme 6: Adult Basic Education and Training

Outputs	Performance indicators	Estimated Performance		Medium-term targets	
		2013/14	2014/15	2015/16	2016/17
To ensure that all adults without basic education have access to ABET centres	• No. of learners enrolled in public ABET centres in the province	60 000	61 000	62 000	63 000
	• No. of educators employed in public ABET centres	6 810	6 820	6 830	6 840

6.7 Programme 7: Early Childhood Development

The objective of this programme is to provide ECD at the Grade R and earlier levels in accordance with White Paper 5 on ECD. The main services are:

- To provide specific public ordinary schools with resources required for Grade R.
- To support particular community centres at the Grade R level.
- To provide particular sites with resources required for pre-Grade R.
- To provide educators and learners in ECD sites with departmentally managed support services.
- To provide departmental services for the professional and other development of educators and non-educators in ECD sites.

Tables 5.32 and 5.33 reflect payments and budgeted estimates for the period 2010/11 to 2016/17.

The budget for this programme has grown substantially from 2010/11 to 2016/17. This growth reflects the focus of the sector toward universal access to Grade R by 2014. The sub-programmes within this programme reflect fluctuations over the seven-year period under review.

Table 5.32 : Summary of payments and estimates by sub-programme: Early Childhood Development

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
1. Grade R in Public Schools	216 542	254 704	276 244	310 377	356 121	303 707	414 769	595 063	625 995
2. Grade R in Community Centres	53 524	80 757	120 881	122 671	97 171	139 362	102 805	120 304	127 285
3. Pre-grade R	16 551	5 498	59 007	114 841	94 841	56 416	128 894	135 053	142 211
4. Human Resource Development	212	4 666	6 735	12 923	12 923	6 667	5 000	5 000	5 265
Total	286 829	345 625	462 867	560 812	561 056	506 152	651 468	855 420	900 756

Table 5.33 : Summary of payments and estimates by economic classification: Early Childhood Development

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Current payments	286 495	329 545	462 709	492 622	560 731	506 026	619 969	824 804	868 518
Compensation of employees	218 318	315 368	405 284	250 883	416 992	410 648	566 989	760 884	811 716
Goods and services	68 177	14 177	57 425	241 739	143 739	95 378	52 980	63 920	56 802
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	334	16 080	158	67 865	-	126	31 499	30 616	32 239
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	15 914	13	67 865	-	-	31 499	30 616	32 239
Households	334	166	145	-	-	126	-	-	-
Payments for capital assets	-	-	-	325	325	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	325	325	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	286 829	345 625	462 867	560 812	561 056	506 152	651 468	855 420	900 756

Grade R in Public Schools sub-programme has increased significantly between 2010/11 and 2016/17, largely due to the various wage agreements and the implementation of the progressively increasing payments to ECD practitioners. The 2013/14 Adjusted Appropriation is significantly higher than the Main Appropriation due to the increase in the monthly payments made to ECD practitioners (from R4 000 to R5 000 per month), and the overall pressures experienced by *Compensation of employees* due to prior years' under-funding. The lower 2013/14 Revised Estimate is mainly attributed to the continuous cost-cutting against various *Goods and services* items in order to contain the overall departmental spending.

Grade R in Community Centres sub-programme fluctuates over the seven-year period. The policy allows for a maximum of 15 per cent of the budget to be allocated toward Grade R in community centres. The 2013/14 Main Appropriation was reduced in order to accommodate the spending pressure for Grade R in Public Schools. However, the sub-programme is also facing spending pressures against personnel due to the increased stipend of the ECD practitioners and the department is then forced to vigorously cut the spending under Grade R in Public Schools under *Goods and services* to offset these pressures.

The responsibility of the department, as far as the Pre-grade R sub-programme is concerned, is to offer training (skills training to ECD management, staff and other personnel such as caregivers and support staff working in the crèches) and, as such, the budget that is provided in this regard is for that purpose. The budget for this sub-programme decreased in 2011/12 due to cost-cutting. The 2013/14 Adjusted Appropriation was decreased by R20 million from the Main Appropriation to accommodate the spending pressure in Grade R in Public Schools caused by the increased stipends for ECD practitioners. There is a consistent growth over the 2014/15 MTEF.

The Human Resource Development sub-programme's budget is allocated to priorities such as encouraging the uptake of bursaries with regard to employees that wish to focus on ECD, and thus counter the shortage of qualified educators in this area. The expenditure patterns between 2010/11 and 2012/13 fluctuate due to cost-cutting that affected training and development, as previously explained.

The increase in *Compensation of employees* between 2010/11 and 2016/17 is influenced by the OSD and various wage agreements, as well as the increases that were made to monthly stipends for ECD practitioners from R3 000 to R4 000 per month in 2011/12 and from R4 000 to R5 000 per month in 2013/14. As mentioned above, the 2013/14 Adjusted Appropriation's increase of R167.109 million from the Main Appropriation is influenced by the carry-through effects of increased monthly stipends to practitioners, as well as the carry-through effects of OSD and wage agreements that were partly under-

funded in prior years. There is a strong growth in the two outer years of the 2014/15 MTEF due to additional funding that was allocated to increase the number of Grade R teachers.

As with the programme growth, *Goods and services* fluctuates over the seven-year period. The 2013/14 Adjusted Appropriation was decreased by R98 million from the Main Appropriation to accommodate the spending pressure against *Compensation of employees* caused by the increased stipend of ECD practitioners. The reduction continues over the 2014/15 MTEF due to the reprioritisation undertaken in order to fund the carry-through cost of the increased stipends of ECD practitioners.

The budget allocated to *Transfers and subsidies to: Non-profit institutions* in 2011/12 was for transfers that were made to schools with Grade R classes to ensure that they are progressively exposed to running their own affairs. However, in 2012/13 and 2013/14, the department bought the resources on behalf of these schools, hence the lower expenditure outcomes. The 2013/14 Adjusted Appropriation reflects a decreased allocation by R67 million compared to the Main Appropriation to accommodate the spending pressures against *Compensation of employees*. The reprioritisation was carried through over the 2014/15 MTEF, hence the reduction from the 2013/14 Main Appropriation to 2014/15.

Service delivery measures – Programme 7: Early Childhood Development

Table 5.34 below illustrates the main sector specific service delivery measures relevant to Programme 7.

Table 5.34 : Service delivery measures – Programme 7: Early Childhood Development

Outputs	Performance indicators	Medium-term targets			
		2013/14	2014/15	2015/16	2016/17
To provide publicly funded Grade R in accordance with policy	• No. of Grade R learners in public schools	200 300	230 000	240 000	245 000
	• No. of public schools that offer Grade R	3 938	3 948	3 953	3 995
	• No. of Grade R practitioners employed in public ordinary schools per quarter	5 387	5 600	5 803	5 978

6.8 Programme 8: Infrastructure Development

The aim of this programme is to provide and maintain infrastructure facilities for the administration and schools. It thus reflects the implementation of infrastructure across all affected programmes.

Tables 5.35 and 5.36 below reflect the summary of payments and estimates relating to this programme. The sub-programmes are split by Administration and the education phase category, as reflected in Table 5.35 below.

The expenditure for this programme reflects a significantly increasing trend from 2010/11 to 2015/16 and declines significantly in 2016/17.

The allocation for this programme declines significantly in the outer year mainly under the Public Ordinary School Education Infrastructure due to the reforms that were made to the provincial infrastructure grant system that are intended to institutionalise proper planning for infrastructure, as previously explained. This grant supplements existing infrastructure budgets and functions.

Table 5.35 : Summary of payments and estimates by sub-programme: Infrastructure Development

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
1. Administration Infrastructure	36 979	7 113	110 765	179 098	179 098	44 721	176 053	95 049	195 765
2. Public Ordinary School Education Infrastructure	1 743 453	1 892 615	2 077 935	1 624 544	1 632 118	1 758 132	1 702 566	2 522 489	661 925
3. Public Special School Education Infrastructure	69 889	154 216	225 780	381 131	381 131	347 188	392 463	404 947	426 409
4. FET Infrastructure	3 759	1 341	305	-	-	-	-	-	-
5. Early Childhood Development Infrastructure	66 163	142 798	281 244	406 645	406 645	408 639	451 267	471 329	496 309
Total	1 920 243	2 198 083	2 696 029	2 591 418	2 598 992	2 558 680	2 722 349	3 493 814	1 780 408

Table 5.36 : Summary of payments and estimates by economic classification: Infrastructure Development

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Current payments	83 947	100 346	253 554	211 300	211 300	170 988	149 412	206 764	95 553
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	83 947	100 346	253 554	211 300	211 300	170 988	149 412	206 764	95 553
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	-	-	-	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Payments for capital assets	1 836 296	2 097 737	2 442 475	2 380 118	2 387 692	2 387 692	2 572 937	3 287 050	1 684 855
Buildings and other fixed structures	1 836 296	2 097 737	2 442 475	2 380 118	2 387 692	2 387 692	2 572 937	3 287 050	1 684 855
Machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	1 920 243	2 198 083	2 696 029	2 591 418	2 598 992	2 558 680	2 722 349	3 493 814	1 780 408

The Administration Infrastructure sub-programme reflects low spending in 2010/11 and 2011/12 compared to 2012/13 due to the re-direction of the budget to Public Ordinary Schools Infrastructure in the latter financial year to address the spending pressures caused by the high demand for schools rehabilitation. The 2013/14 Revised Estimate is lower than the Adjusted Appropriation due to the withholding of administration related projects in order to accelerate the schools related projects. The pressures brought about by school infrastructure have necessitated a downward revision of the allocation in 2014/15 and 2015/16, with strong growth in the outer year in order to upgrade and rehabilitate administration offices (such as circuit and district offices).

The Public Ordinary School Education Infrastructure sub-programme consumes the largest portion of the infrastructure budget. The increase in expenditure between 2010/11 and 2012/13 is indicative of the pressures that are felt by this sub-programme in terms of the education infrastructure needs. In particular, the 2012/13 expenditure outcomes are markedly higher than the previous years due to the acceleration of school infrastructure projects, as well as once-off additional funding received as a result of the stopping of parts of the Education Infrastructure grant from Limpopo and re-allocated to KZN. There is a slight increase in the 2013/14 Adjusted Appropriation due to additional funding that was received in respect of the Education Infrastructure grant for schools damaged by floods in 2011. The department is still experiencing spending pressures in this sub-programme due to the rehabilitation of schools damaged by storms in recent years. The budget has been increased in 2014/15 and 2015/16 to accommodate the backlogs in infrastructure. The programmes of new schools, curriculum support classrooms, laboratories, and multi-purpose classrooms, the electrification programme, as well as sanitation and water programmes will continue so that basic functionality in all schools can be achieved. The employment of additional technical staff will go a long way in addressing the challenges of abandoned projects, long completion times and quality of completed work. The allocation declines in 2016/17 due to the infrastructure reforms that were made to the provincial infrastructure grant system, as previously explained.

The Public Special School Education Infrastructure sub-programme reflects an increasing trend between 2010/11 and 2012/13. No changes have been effected on the 2013/14 allocation and it is anticipated that this budget will be fully spent during the year despite the slightly lower Revised Estimate. The increase over the 2014/15 MTEF relates to additional funding allocated such that at least there is a special school in each district.

The FET Infrastructure sub-programme is included in the analysis for prior years' comparative purposes, due to this programme being a conditional grant with effect from 2010/11. The expenditure for 2010/11 is reflective of expenditure on new FET sites that were built during that year. The expenditure between

2010/11 and 2012/13 is for the final expenditure on these sites. No budget allocation has been made for the 2014/15 MTEF, as this is now the responsibility of DHET.

The Early Childhood Development Infrastructure sub-programme reflects an increasing trend between 2010/11 and 2016/17. No amendments have been made to the 2013/14 budget and it is anticipated that the budget will be fully spent during this year. The 2014/15 MTEF allocation reflects an increasing trend in order to up-scale the provision of ECD classrooms.

Goods and services caters for the maintenance and repairs allocation. There is an improving trend in the expenditure outcomes between 2010/11 and 2012/13. No changes have been made to the 2013/14 allocation and it is anticipated that the full budget will be spent. The 2014/15 MTEF reflects a budget reduction, at least in the first year of the MTEF, due to reprioritisation. The outer year reduction is mainly due to the infrastructure reforms, as previously explained.

Buildings and other fixed structures reflects a significant growth over the seven-year period, largely due to additional funding in respect of the Education Infrastructure grant except for the outer year. The department expects to fully spend its 2013/14 allocation as reflected in the Revised Estimate. The budget reflects healthy growth in 2014/15 and 2015/16, while there is a decline in the outer year of the MTEF due to the reforms that were made to the provincial infrastructure grant system that are intended to institutionalise proper planning for infrastructure, as previously explained.

Service delivery measures – Programme 8: Infrastructure Development

Table 5.37 below illustrates the main sector specific service delivery measures relevant to Programme 8.

Table 5.37 : Service delivery measures – Programme 8: Infrastructure Development

Outputs	Performance indicators	Estimated performance		Medium-term targets	
		2013/14	2014/15	2015/16	2016/17
To put in place basic infrastructure for schooling in accordance with policy	• No. of public ordinary schools provided with water supply	50	325	100	425
	• No. of public ordinary schools provided with electricity	50	100	100	200
	• No. of public ordinary schools provided with sanitation facilities	50	325	100	200
	• No. of classrooms built in public ordinary schools	1 350	1 400	1 450	1 500
	• No. of specialist rooms built in public ordinary schools (all rooms except classrooms – include laboratories, stock rooms, sick bays, kitchens)	850	1 000	1 000	1 200

6.9 Programme 9: Auxiliary and Associated Services

The purpose of Programme 9 is to provide examination support services to learners in the relevant grades, and ensure quality in the provision of education, through quality assurance. The objectives are as follows:

- To provide the education institutions as a whole with training and support.
- To provide employee human resource development in accordance with the Skills Development Act.
- To provide for projects specified by the department, applicable to more than one programme and funded with conditional grants.
- To provide for special departmentally managed intervention projects in the education system as a whole.
- To provide for departmentally managed examination services.

Tables 5.38 and 5.39 reflect payments and estimates relating to the budget for Payments to SETA, Special Projects – *Masifundisane* and Examination Services.

Table 5.38 : Summary of payments and estimates by sub-programme: Auxiliary and Associated Services

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
1. Payments to SETA	16 552	18 944	19 891	20 981	20 981	22 491	22 030	24 098	25 375
2. Special Projects - Masifundisane	59 695	-	-	-	-	-	-	-	-
3. Examination Services	391 307	559 757	474 702	648 359	619 359	616 471	657 244	826 536	870 342
Total	467 554	578 701	494 593	669 340	640 340	638 962	679 274	850 634	895 718

Table 5.39 : Summary of payments and estimates by economic classification: Auxiliary and Associated Services

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Current payments	450 323	558 845	474 646	648 359	619 359	615 968	657 244	826 536	870 342
Compensation of employees	224 973	280 869	258 639	316 133	316 133	361 627	392 976	509 025	603 279
Goods and services	225 348	277 976	216 007	332 226	303 226	254 342	264 268	317 511	267 063
Interest and rent on land	2	-	-	-	-	-	-	-	-
Transfers and subsidies to:	17 145	19 612	19 947	20 981	20 981	22 742	22 030	24 098	25 375
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	16 552	18 944	19 891	20 981	20 981	22 491	22 030	24 098	25 375
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	593	668	56	-	-	251	-	-	-
Payments for capital assets	86	244	-	-	-	252	-	-	-
Buildings and other fixed structures	37	51	-	-	-	-	-	-	-
Machinery and equipment	49	193	-	-	-	252	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	467 554	578 701	494 593	669 340	640 340	638 962	679 274	850 634	895 718

The Payments to SETA sub-programme reflects a steady increase over the seven-year period, as its budget allocation is linked to the department's wage bill.

The Special Projects – *Masifundisane* sub-programme only shows expenditure in 2010/11, thereafter the project was phased out.

The increase in the Examination Services sub-programme from 2010/11 to 2012/13 is indicative of the increased number of exams, due to the expansion in the range of courses offered to learners. The low amount in 2010/11 relates to the deferral of the writing of the ANA to February 2011 and, as such, the concomitant expenditure was not captured in that year. The lower expenditure outcome in 2012/13 is due to some costs related to ANA being refunded by the DBE, as well as vigorous cost-cutting and savings that were enforced in order to partly offset the spending pressures against *Compensation of employees*. The increase from 2013/14 is due to additional funding of R441.810 million allocated over the 2011/12 MTEF to eliminate spending pressures in this programme. In addition, due to the *Masifundisane* literacy project ending in 2010/11, the budget has been reprioritised to the Examination Services sub-programme. The decrease in the 2013/14 Adjusted Appropriation relates to reprioritisation undertaken to offset spending pressures against Programme 2. The significant increases in the outer years relate to additional funding allocated in the 2011/12 MTEF for the expansion of examination services.

Transfers and subsidies to: Departmental agencies and accounts reflects an increase over the seven-year period in line with the increase in the wage bill. These transfers are made to ETDP SETA.

There is no allocation against *Machinery and equipment* in the 2014/15 MTEF due to reprioritisation of funds that was undertaken by the department toward *Compensation of employees*.

Service delivery measures – Programme 9: Auxiliary and Associated Services

Table 5.40 below illustrates the main sector specific service delivery measures relevant to Programme 9.

Table 5.40 : Service delivery measures – Programme 9: Auxiliary and Associated Services

Outputs	Performance indicators	Estimated performance		Medium-term targets	
		2013/14	2014/15	2015/16	2016/17
To provide specialist support services with support functions to Public Ordinary Schools	• No. of candidates who enrol for Grade 12 senior certificate examinations	137 507	140 000	145 000	150 000
	• No. of candidates who pass NSC	112 545	115 000	125 000	135 000
	• No. of learners who obtained bachelor passes in the NSC examinations	37 000	40 392	41 000	43 000
	• No. of learners who passed Mathematics in NSC examinations	33 000	43 108	43 200	43 800
	• No. of learners who passed Physical Science in NSC examinations	28 000	38 960	39 000	39 500
	• No. of Grade 3 learners who pass Language in ANA	116 841	135 290	141 440	145 440
	• No. of Grade 3 learners who pass Mathematics in ANA	112 742	137 340	143 490	145 490
	• No. of Grade 6 learners who pass Language in ANA	121 554	150 398	154 518	155 518
	• No. of Grade 6 learners who pass Mathematics in ANA	127 735	158 638	162 759	165 759
• No. of Grade 9 learners who pass Language in ANA	110 490	104 463	114 507	116 507	
• No. of Grade 9 learners who pass Mathematics in ANA	100 445	104 463	110 490	112 490	

7. Other programme information

7.1 Personnel numbers and costs

Table 5.41 below reflects personnel information per programme for Education, while Table 17.2 provides a further analysis of personnel information indicating the Finance and Human Resource components, as well as the various categories of employees. The tables include both educator and non-educator salaries and post numbers. Salary costs continue to be a major cost driver in the department’s budget, with Programme 2 having the largest share of the department’s post allocation.

Table 5.41 : Personnel numbers and costs by programme

Personnel numbers	As at	As at	As at	As at	As at	As at	As at
	31 March 2011	31 March 2012	31 March 2013	31 March 2014	31 March 2015	31 March 2016	31 March 2017
1. Administration	3 060	3 165	3 329	3 464	3 464	3 464	3 464
2. Public Ordinary School Education	97 883	99 593	97 967	100 192	100 192	100 192	100 192
3. Independent School Subsidies	-	-	-	-	-	-	-
4. Public Special School Education	2 989	3 136	3 163	3 196	3 196	3 196	3 196
5. Further Education and Training	1 227	1 119	1 038	1 007	1 007	1 007	1 007
6. Adult Basic Education and Training	87	84	78	57	57	57	57
7. Early Childhood Development	256	320	340	358	358	358	358
8. Infrastructure Development	-	-	-	-	-	-	-
9. Auxiliary and Associated Services	240	240	272	223	223	223	223
Total	105 742	107 657	106 187	108 497	108 497	108 497	108 497
Total personnel cost (R thousand)	22 609 337	26 639 394	27 976 652	30 337 500	31 973 947	34 008 908	35 954 005
Unit cost (R thousand)	214	247	263	280	295	313	331

Table 5.41 indicates the number of employees that can be afforded given the *Compensation of employees’* budget for each financial year and thus working out the average unit cost. However, with regard to the financial years that have passed, the table indicates the total number of employees that were on the payroll as at the end of that particular financial year.

As mentioned, with the introduction of OSD, the ability of the department to afford the employees that were employed at the time was greatly diminished. At the end of 2007/08, the staff establishment was 109 060 posts which, at that time, were fully funded. Within that financial year, this was the maximum number of employees that could be accommodated, taking into account the exigencies of the services.

By the end of 2013, the unit cost had increased significantly to R263 000 from R146 000 in 2007/08, due to the introduction of various OSD and wage agreements, which were not sufficiently funded, thus rendering some funded posts unfunded as the affordability was reduced. The 2013/14 financial year

started with the department not being able to afford 1 866 posts, which had been rendered technically unfunded due to reasons mentioned above. The department had, prior to the 2013/14 Adjustments Estimate, exercised in-year reprioritisation which did not address the pressures over the MTEF periods. Furthermore, it became clear that a reconfiguration of the budget had to be undertaken in order to deal adequately deal with the *Compensation of employees* budget, hence the increasing of this budget by some R1.119 billion emanating from the R634 million through reprioritisation and R484 million additional funding from the Provincial Treasury. The request to utilise the budget from *Buildings and other fixed structures* was declined due to the pressures in this category and thus the extent of the full reprioritisation could not be effected, leaving a shortfall of some R343 million.

Table 5.42 : Summary of departmental personnel numbers and costs by component

	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Total for the department									
Personnel numbers (head count)	105 742	107 657	106 187	108 369	108 497	108 497	108 497	108 497	108 497
Personnel cost (R thousands)	22 609 337	26 639 394	27 976 652	28 746 193	29 865 345	30 337 500	31 973 947	34 008 908	35 954 005
Human resources component									
Personnel numbers (head count)	974	960	804	964	595	595	595	595	595
Personnel cost (R thousands)	191 587	202 672	150 076	113 850	113 850	113 850	121 136	128 889	137 009
Head count as % of total for department	0.92	0.89	0.76	0.89	0.55	0.55	0.55	0.55	0.55
Personnel cost as % of total for department	0.85	0.76	0.54	0.40	0.38	0.38	0.38	0.38	0.38
Finance component									
Personnel numbers (head count)	518	536	457	542	354	354	354	354	354
Personnel cost (R thousands)	121 338	106 738	103 772	81 091	81 091	81 091	86 281	91 803	97 586
Head count as % of total for department	0.49	0.50	0.43	0.50	0.33	0.33	0.33	0.33	0.33
Personnel cost as % of total for department	0.54	0.40	0.37	0.28	0.27	0.27	0.27	0.27	0.27
Full time workers									
Personnel numbers (head count)	105 035	106 523	105 238	107 566	107 326	107 326	107 326	107 326	107 326
Personnel cost (R thousands)	22 515 378	26 471 273	27 819 031	28 533 209	29 644 815	30 116 970	31 739 303	33 759 247	35 688 615
Head count as % of total for department	99.33	98.95	99.11	99.26	98.92	98.92	98.92	98.92	98.92
Personnel cost as % of total for department	99.58	99.37	99.44	99.26	99.26	99.27	99.27	99.27	99.26
Part-time workers									
Personnel numbers (head count)	485	779	500	527	860	860	860	860	860
Personnel cost (R thousands)	64 287	120 856	105 690	139 779	182 432	182 432	194 108	206 531	219 542
Head count as % of total for department	0.46	0.72	0.47	0.49	0.79	0.79	0.79	0.79	0.79
Personnel cost as % of total for department	0.28	0.45	0.38	0.49	0.61	0.60	0.61	0.61	0.61
Contract workers									
Personnel numbers (head count)	222	355	449	276	311	311	311	311	311
Personnel cost (R thousands)	29 672	47 265	51 931	73 205	38 098	38 098	40 536	43 131	45 848
Head count as % of total for department	0.21	0.33	0.42	0.25	0.29	0.29	0.29	0.29	0.29
Personnel cost as % of total for department	0.13	0.18	0.19	0.25	0.13	0.13	0.13	0.13	0.13

The effect of the in-year reprioritisation dictated that a holistic budget reprioritisation had to be undertaken over the 2014/15 MTEF in order to eliminate the challenges as mentioned above, as it became clear that no additional funding would be allocated given the fiscal framework's uncertainties, to the extent that it would eliminate the challenges experienced

7.2 Training

Tables 5.43 and 5.44 reflect departmental expenditure on training per programme, as well as information on training over the seven-year period under review. The total training budget comprises the allocations for training and development and employees' bursaries, hence the total figures for Training in this table do not correspond to those in Table 5.B in the *Annexure*.

The department is required by the Skills Development Act to budget at least 1 per cent of its salary expense for staff training. However, due to the expenditure pressures in *Compensation of employees*, the department does not fully spend the training budget. The decrease in expenditure from 2010/11 to 2011/12 is attributable to the continued implementation of cost-cutting. A reduction is noted in the 2013/14 Revised Estimate due to the effects of cost-cutting implemented to curtail over-expenditure, which had an impact on training expenditure. The training budget is set to increase fairly steadily over the 2014/15

MTEF, in order to address the educators' skills gaps and improve the quality of education, through the availability of the in-service training centre.

Table 5.43 : Payments on training by programme

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
1. Administration	41 182	2 881	25 431	53 165	53 165	53 165	64 700	22 229	22 229
Subsistence and travel	-	-	-	-	-	-	-	-	-
Payments on tuition	-	-	-	-	-	-	-	-	-
Other	41 182	2 881	25 431	53 165	53 165	53 165	64 700	22 229	22 229
2. Public Ordinary School Education	10 223	23 183	78 219	197 689	197 689	197 689	212 326	232 032	232 032
Subsistence and travel	-	-	-	-	-	-	-	-	-
Payments on tuition	-	-	-	-	-	-	-	-	-
Other	10 223	23 183	78 219	197 689	197 689	197 689	212 326	232 032	232 032
4. Public Special School Education	98	19	1 175	4 432	4 432	4 432	4 495	4 610	4 610
Subsistence and travel	-	-	-	-	-	-	-	-	-
Payments on tuition	-	-	-	-	-	-	-	-	-
Other	98	19	1 175	4 432	4 432	4 432	4 495	4 610	4 610
5. Further Education and Training	-	-	-	-	-	-	-	-	-
Subsistence and travel	-	-	-	-	-	-	-	-	-
Payments on tuition	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
6. Adult Basic Education and Training	-	-	-	1 216	1 216	1 216	1 250	1 413	1 413
Subsistence and travel	-	-	-	-	-	-	-	-	-
Payments on tuition	-	-	-	-	-	-	-	-	-
Other	-	-	-	1 216	1 216	1 216	1 250	1 413	1 413
7. Early Childhood Development	11 288	3 909	8 600	12 923	12 923	12 923	13 311	13 923	13 923
Subsistence and travel	-	-	-	-	-	-	-	-	-
Payments on tuition	-	-	-	-	-	-	-	-	-
Other	11 288	3 909	8 600	12 923	12 923	12 923	13 311	13 923	13 923
8. Infrastructure Development	-	-	-	-	-	-	-	-	-
Subsistence and travel	-	-	-	-	-	-	-	-	-
Payments on tuition	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
9. Auxiliary and Associated Services	-	-	-	-	-	-	-	-	-
Subsistence and travel	-	-	-	-	-	-	-	-	-
Payments on tuition	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total	63 037	29 992	113 425	269 425	269 425	269 425	296 082	274 207	274 207

Table 5.44 : Information on training: Education

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Number of staff	105 742	107 657	106 187	108 497	108 497	108 497	108 497	108 497	108 497
Number of personnel trained	46 500	-	-	106 099	-	-	107 736	110 992	110 992
of which									
Male	19 550	-	-	38 234	-	-	38 860	41 616	41 616
Female	26 950	-	-	67 865	-	-	68 876	69 376	69 376
Number of training opportunities	-	-	-	29 413	-	-	41 172	52 785	52 785
of which									
Tertiary	-	-	-	3 489	-	-	4 187	4 687	4 687
Workshops	-	-	-	924	-	-	1 109	1 309	1 309
Seminars	-	-	-	-	-	-	-	-	-
Other	-	-	-	25 000	-	-	35 876	46 789	46 789
Number of bursaries offered	3 317	-	-	10 700	-	-	15 350	18 400	18 400
Number of interns appointed	200	-	-	306	-	-	367	400	400
Number of learnerships appointed	50	-	-	-	-	-	-	-	-
Number of days spent on training	-	-	-	4	-	-	5	5	5

ANNEXURE – VOTE 5: EDUCATION

Table 5.A : Details of departmental receipts: Education

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	33 384	36 780	40 938	38 423	38 423	38 423	46 108	48 229	51 267
Sale of goods and services produced by dept. (excl. capital assets)	33 383	36 779	40 938	38 423	38 423	38 423	46 108	48 229	51 267
Sales by market establishments	2 223	2 413	2 257	-	-	-	-	-	-
Administrative fees	31 160	34 366	38 681	38 423	38 423	38 423	46 108	48 229	51 267
Other sales	-	-	-	-	-	-	-	-	-
Sale of scrap, waste, arms and other used current goods (excl. capital assets)	1	1	-	-	-	-	-	-	-
Transfers received from:	-	-	-	-	-	-	-	-	-
Other governmental units	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments	-	-	-	-	-	-	-	-	-
International organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households and non-profit institutions	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	1 539	11 677	1 579	256	256	256	307	321	341
Interest	1 539	11 677	1 579	256	256	256	307	321	341
Dividends	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	6 745	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Other capital assets	-	6 745	-	-	-	-	-	-	-
Transactions in financial assets and liabilities	28 941	33 903	43 295	22 320	22 320	22 320	26 784	28 016	29 781
Total	63 864	89 105	85 812	60 999	60 999	60 999	73 199	76 566	81 389

Table 5.B : Payments and estimates by economic classification: Education

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Current payments	24 880 844	29 784 902	30 848 480	32 526 604	33 375 078	33 636 668	35 009 454	37 440 146	39 248 604
Compensation of employees	22 609 337	26 639 394	27 976 652	28 746 193	29 865 345	30 337 500	31 973 947	34 008 908	35 954 005
Salaries and wages	18 069 319	21 311 515	24 025 393	22 357 634	23 476 786	27 183 550	25 032 042	26 564 175	28 047 214
Social contributions	4 540 018	5 327 879	3 951 259	6 388 559	6 388 559	3 153 950	6 941 905	7 444 733	7 906 790
Goods and services	2 271 101	3 145 038	2 871 568	3 780 411	3 509 733	3 298 303	3 035 507	3 431 238	3 294 599
Administrative fees	15 990	23 650	7 946	-	-	6 337	-	-	-
Advertising	2 613	4 219	3 768	5 144	5 144	5 421	6 060	6 667	6 833
Assets less than the capitalisation threshold	53 192	93 999	139 033	164 820	81 686	7 308	14 777	-	-
Audit cost: External	12 656	11 343	8 522	8 624	8 624	10 347	8 883	9 194	9 422
Bursaries: Employees	22 142	15 591	20 298	45 329	30 329	60 058	11 209	-	-
Catering: Departmental activities	40 772	48 424	40 862	62 216	57 216	31 918	44 379	54 932	46 294
Communication (G&S)	47 606	38 335	39 781	6 574	4 515	6 574	2 271	2 378	7 183
Computer services	38 327	35 624	40 374	105 091	100 091	58 541	68 885	72 383	64 635
Cons & prof serv: Business and advisory services	86 178	71 031	73 878	37 853	37 853	159 668	38 552	42 902	43 974
Cons & prof serv: Infras and planning	-	-	-	7 047	7 047	3 491	7 256	10 510	10 772
Cons & prof serv: Laboratory services	-	2 731	-	2 238	2 238	557	2 305	2 385	2 444
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	2 845	5 814	4 283	3 212	8 512	9 020	3 308	3 424	3 509
Contractors	40 917	48 738	35 498	42 432	42 432	44 665	2 170	3 178	-
Agency and support / outsourced services	767 973	1 155 542	1 100 553	1 252 714	1 345 229	1 380 448	1 235 551	1 284 967	1 353 146
Entertainment	7	49	13	975	975	2 317	1 004	1 039	1 064
Fleet services (incl. govt motor transport)	216	6 295	34 910	2 801	2 801	27 784	2 886	2 987	3 060
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	262	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	777	806	12	1 080	1 080	687	1 113	1 178	1 207
Inventory: Fuel, oil and gas	272	2 223	1 529	254	254	211	262	271	277
Inventory: Learner and teacher support material	418 693	601 399	485 211	877 187	716 887	559 221	717 967	888 235	888 372
Inventory: Materials and supplies	1 531	790	704	17 724	17 724	8 944	18 256	18 895	19 367
Inventory: Medical supplies	75	2 467	736	6 162	6 162	4 024	6 346	6 568	6 732
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medcas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	23 793	-	-	-
Consumable supplies	12 328	22 014	20 130	60 283	60 283	31 171	42 062	43 811	41 475
Consumable: Stationery, printing and office supplies	91 568	135 636	130 392	136 771	116 771	125 058	122 039	135 437	88 294
Operating leases	113 954	97 808	60 434	82 958	67 958	38 119	65 968	68 363	55 203
Property payments	187 347	260 271	261 102	257 422	257 422	274 591	164 817	222 169	125 349
Transport provided: Departmental activity	19 470	16 131	13 412	60 587	60 587	31 186	33 004	35 248	28 712
Travel and subsistence	209 812	334 522	261 226	229 810	229 810	272 867	209 965	269 466	207 601
Training and development	40 895	31 081	58 035	224 096	164 096	15 628	154 669	197 307	226 133
Operating payments	23 631	39 381	14 751	34 837	34 837	37 009	37 532	32 488	33 298
Venues and facilities	19 314	39 032	8 024	44 170	41 170	34 754	12 011	14 856	20 240
Rental and hiring	-	92	6 151	-	-	4 918	-	-	-
Interest and rent on land	406	470	260	-	-	866	-	-	-
Interest	406	470	260	-	-	866	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	1 724 719	1 892 934	2 159 343	1 812 234	1 744 369	1 643 031	1 831 579	1 812 534	1 742 319
Provinces and municipalities	1 375	1 048	1 573	1 100	1 100	1 100	1 100	1 100	1 158
Provinces	1 375	1 048	1 573	1 100	1 100	1 100	1 100	1 100	1 158
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	1 375	1 048	1 573	1 100	1 100	1 100	1 100	1 100	1 158
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	16 552	18 944	19 891	20 981	20 981	22 491	22 030	24 098	25 375
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	16 552	18 944	19 891	20 981	20 981	22 491	22 030	24 098	25 375
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	1 631 707	1 745 556	2 043 676	1 732 327	1 664 462	1 536 519	1 747 676	1 712 238	1 636 707
Households	75 085	127 386	94 203	57 826	57 826	82 921	60 773	75 098	79 078
Social benefits	75 085	127 386	94 203	57 826	57 826	82 921	60 773	75 098	79 078
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	1 920 880	2 121 381	2 580 462	2 669 741	2 477 315	2 435 678	2 605 887	3 320 000	1 890 890
Buildings and other fixed structures	1 836 333	2 097 788	2 463 676	2 380 118	2 387 692	2 410 627	2 572 937	3 287 050	1 684 749
Buildings	1 836 333	2 097 788	2 463 676	2 365 118	2 372 692	2 410 627	2 557 937	3 287 050	1 684 749
Other fixed structures	-	-	-	15 000	15 000	-	15 000	-	-
Machinery and equipment	84 547	23 581	116 648	289 623	89 623	25 051	32 950	32 950	206 141
Transport equipment	43 856	-	8 332	33 204	32 525	16 672	-	-	-
Other machinery and equipment	40 691	23 581	108 316	256 419	57 098	8 379	32 950	32 950	206 141
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	12	138	-	-	-	-	-	-
Payments for financial assets	220 173	-	-	-	-	-	-	-	-
Total	28 746 616	33 799 217	35 588 285	37 008 579	37 596 762	37 715 377	39 446 920	42 572 680	42 881 812
Unauth. Exp. (1st charge) not available for spending	(133 602)	-	-	-	-	-	-	-	-
Baseline available for spending after 1st charge	28 613 014	33 799 217	35 588 285	37 008 579	37 596 762	37 715 377	39 446 920	42 572 680	42 881 812

Table 5.C : Payments and estimates by economic classification: Administration

R thousand	Audited Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Current payments	1 210 585	1 311 895	1 211 068	1 453 879	1 430 971	1 431 652	1 278 408	1 345 531	1 395 295
Compensation of employees	778 197	856 198	887 859	929 972	938 123	999 210	994 410	1 054 075	1 117 320
Salaries and wages	622 558	684 958	767 580	763 915	772 066	896 459	814 115	829 789	875 065
Social contributions	155 639	171 240	120 279	166 057	166 057	102 751	180 295	224 286	242 255
Goods and services	432 096	455 325	322 953	523 907	492 848	431 593	283 998	291 456	277 975
Administrative fees	6 012	9 123	1 348	-	-	759	-	-	-
Advertising	2 546	3 671	3 768	3 456	3 456	5 054	4 321	4 876	4 947
Assets less than the capitalisation threshold	1 064	1 121	225	46 616	46 616	4 887	-	(8 831)	(8 831)
Audit cost: External	11 940	10 994	8 353	8 624	8 624	10 190	8 883	9 194	9 422
Bursaries: Employees	20 832	11 178	17 221	45 329	30 329	20 478	11 209	-	-
Catering: Departmental activities	1 677	1 346	847	13 683	13 683	2 797	14 549	9 386	3 698
Communication (G&S)	44 535	36 315	37 572	6 574	4 515	26 577	2 271	2 378	7 183
Computer services	29 659	22 236	30 745	65 678	65 678	38 769	42 439	35 937	36 843
Cons & prof serv: Business and advisory services	4 893	187	681	21 104	21 104	9 990	21 737	22 498	22 488
Cons & prof serv: Infras and planning	-	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	398	398	398	410	424	446
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	2 845	5 814	4 283	3 212	3 212	3 720	3 308	3 424	3 509
Contractors	40 432	48 240	15 741	-	-	2 109	-	-	-
Agency and support / outsourced services	3 384	1 834	3 982	21 428	22 428	9 723	8 525	5 491	4 973
Entertainment	7	49	13	975	975	922	1 004	1 039	1 064
Fleet services (incl. govt motor transport)	-	6 219	34 795	724	724	27 709	746	772	728
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	240	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	44	110	12	440	440	435	453	518	512
Inventory: Fuel, oil and gas	55	111	31	131	131	49	135	140	139
Inventory: Learner and teacher support material	192	577	-	4 278	4 278	80	-	-	-
Inventory: Materials and supplies	219	132	435	-	-	-	-	-	-
Inventory: Medical supplies	2	26	8	4 034	4 034	4 024	4 154	4 299	4 343
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medcas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	183	-	-	-
Consumable supplies	2 042	2 517	2 590	25 574	25 574	13 205	19 362	16 998	16 847
Consumable: Stationery, printing and office supplies	16 202	21 587	22 744	21 230	21 230	15 326	13 719	16 579	5 525
Operating leases	57 673	31 626	35 612	61 789	46 789	33 938	42 754	45 041	32 182
Property payments	54 097	65 464	-	30 663	30 663	59 511	-	-	11 873
Transport provided: Departmental activity	335	124	579	19 876	19 876	5 352	5 004	1 648	162
Travel and subsistence	98 676	144 974	95 893	91 623	91 623	102 212	64 987	104 890	101 420
Training and development	20 350	2 881	191	7 836	7 836	4 387	5 000	6 000	10 000
Operating payments	4 913	9 257	3 692	8 765	8 765	21 041	9 028	8 755	8 499
Venues and facilities	7 470	17 612	1 485	9 867	9 867	7 264	-	-	-
Rental and hiring	-	-	107	-	-	264	-	-	-
Interest and rent on land	292	372	256	-	-	849	-	-	-
Interest	292	372	256	-	-	849	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	9 815	12 272	16 057	28 234	28 234	13 948	29 646	30 931	32 570
Provinces and municipalities	1 305	1 048	1 573	1 100	1 100	1 100	1 100	1 100	1 158
Provinces	1 305	1 048	1 573	1 100	1 100	1 100	1 100	1 100	1 158
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	1 305	1 048	1 573	1 100	1 100	1 100	1 100	1 100	1 158
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	12	12	-	-	-	-	-	-	-
Households	8 498	11 212	14 484	27 134	27 134	12 848	28 546	29 831	31 412
Social benefits	8 498	11 212	14 484	27 134	27 134	12 848	28 546	29 831	31 412
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	20 301	894	9 755	102 792	22 792	2 053	-	-	173 191
Buildings and other fixed structures	-	-	-	-	-	150	-	-	-
Buildings	-	-	-	-	-	150	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	20 301	882	9 617	102 792	22 792	1 903	-	-	173 191
Transport equipment	-	-	158	-	-	810	-	-	-
Other machinery and equipment	20 301	882	9 459	102 792	22 792	1 093	-	-	173 191
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	12	138	-	-	-	-	-	-
Payments for financial assets	220 173	-	-	-	-	-	-	-	-
Total	1 460 874	1 325 061	1 236 880	1 584 905	1 481 997	1 447 653	1 308 054	1 376 462	1 601 056
Unauth. Exp. (1st charge) not available for spending	(133 602)	-	-	-	-	-	-	-	-
Baseline available for spending after 1st charge	1 327 272	1 325 061	1 236 880	1 584 905	1 481 997	1 447 653	1 308 054	1 376 462	1 601 056

Table 5.D : Payments and estimates by economic classification: Public Ordinary School Education

R thousand	Audited Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Current payments	22 033 695	26 419 641	27 393 255	28 673 623	29 413 927	29 755 081	31 076 207	32 959 716	34 672 039
Compensation of employees	20 590 918	24 142 017	25 382 093	26 221 276	27 079 499	27 423 240	28 799 904	30 417 943	32 084 451
Salaries and wages	16 446 014	19 313 614	21 714 284	20 270 110	21 128 333	24 509 694	22 408 578	23 667 479	24 933 895
Social contributions	4 144 904	4 828 403	3 667 809	5 951 166	5 951 166	2 913 546	6 391 326	6 750 464	7 150 557
Goods and services	1 442 722	2 277 526	2 011 158	2 452 347	2 334 428	2 331 824	2 276 303	2 541 773	2 587 587
Administrative fees	1 344	13 517	4 505	-	-	3 025	-	-	-
Advertising	67	467	-	-	-	60	-	-	-
Assets less than the capitalisation threshold	47 731	90 837	138 752	33 087	21 953	177	14 777	8 831	8 831
Audit cost: External	716	349	169	-	-	157	-	-	-
Bursaries: Employees	1 310	4 413	3 077	-	-	37 940	-	-	-
Catering: Departmental activities	5 780	7 926	10 552	5 413	5 413	10 826	5 655	5 853	5 220
Communication (G&S)	1 711	1 688	1 912	-	-	1 284	-	-	-
Computer services	3 058	11 858	6 445	-	-	-	1 046	1 046	1 046
Cons & prof serv: Business and advisory services	80 543	70 844	73 197	14 364	14 364	148 237	14 358	17 861	18 808
Cons & prof serv: Infra and planning	-	-	-	7 047	7 047	3 491	7 256	10 510	10 772
Cons & prof serv: Laboratory services	-	2 731	-	1 840	1 840	159	1 895	1 961	1 998
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	-	-	-	-	-	-	-	-	-
Contractors	431	361	13 600	42 432	42 432	24 690	2 170	3 178	-
Agency and support / outsourced services	754 426	1 146 429	1 087 805	1 221 622	1 315 137	1 369 445	1 220 876	1 273 376	1 341 750
Entertainment	-	-	-	-	-	1 395	-	-	-
Fleet services (incl. govt motor transport)	-	-	-	492	492	40	507	525	553
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	4	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	732	695	-	-	-	55	-	-	-
Inventory: Fuel, oil and gas	179	1 772	340	123	123	58	127	131	138
Inventory: Learner and teacher support material	375 910	600 218	445 147	777 985	637 685	493 058	692 967	863 235	863 372
Inventory: Materials and supplies	1 246	655	269	17 724	17 724	8 944	18 256	18 895	19 367
Inventory: Medical supplies	60	2 438	726	2 128	2 128	-	2 192	2 269	2 389
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medias inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	23 610	-	-	-
Consumable supplies	8 266	17 655	16 276	14 961	14 961	15 021	10 500	15 113	12 308
Consumable: Stationery, printing and office supplies	17 044	9 592	18 632	5 467	5 467	7 610	6 220	6 220	6 220
Operating leases	16 066	22 646	10 397	3 120	3 120	3 008	3 214	3 326	3 021
Property payments	41 234	79 046	912	-	-	46 576	15 405	15 405	17 923
Transport provided: Departmental activity	15 211	14 634	11 965	-	-	11 084	2 000	2 000	2 000
Travel and subsistence	53 647	118 071	98 294	95 432	95 432	105 025	99 978	100 575	56 180
Training and development	8 913	23 183	51 589	197 689	137 689	3 401	139 669	181 307	205 603
Operating payments	4 000	25 293	6 405	8 605	8 605	5 742	9 413	2 334	2 266
Venues and facilities	3 097	10 151	4 148	2 816	2 816	3 049	7 822	7 822	7 822
Rental and hiring	-	57	6 044	-	-	4 654	-	-	-
Interest and rent on land	55	98	4	-	-	17	-	-	-
Interest	55	98	4	-	-	17	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	1 090 044	1 135 730	1 358 698	1 484 585	1 478 085	1 413 184	1 529 383	1 497 953	1 411 065
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	1 027 543	1 022 769	1 282 053	1 455 355	1 448 855	1 345 794	1 498 691	1 454 275	1 365 072
Households	62 501	112 961	76 645	29 230	29 230	67 390	30 692	43 678	45 993
Social benefits	62 501	112 961	76 645	29 230	29 230	67 390	30 692	43 678	45 993
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	20 341	19 482	121 590	128 431	38 431	28 042	32 950	32 950	32 844
Buildings and other fixed structures	-	-	21 201	-	-	21 428	-	-	(106)
Buildings	-	-	21 201	-	-	21 428	-	-	(106)
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	20 341	19 482	100 389	128 431	38 431	6 614	32 950	32 950	32 950
Transport equipment	-	-	1 532	6 197	6 197	-	-	-	-
Other machinery and equipment	20 341	19 482	98 857	122 234	32 234	6 614	32 950	32 950	32 950
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	23 144 080	27 574 853	28 873 543	30 286 639	30 930 443	31 196 307	32 638 540	34 490 619	36 115 948

Table 5.E : Payments and estimates by economic classification: Independent School Subsidies

R thousand	Audited Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Current payments	-	-	-	-	5 300	5 300	-	-	-
Compensation of employees	-	-	-	-	-	-	-	-	-
Salaries and wages	-	-	-	-	-	-	-	-	-
Social contributions	-	-	-	-	-	-	-	-	-
Goods and services	-	-	-	-	5 300	5 300	-	-	-
Administrative fees	-	-	-	-	-	-	-	-	-
Advertising	-	-	-	-	-	-	-	-	-
Assets less than the capitalisation threshold	-	-	-	-	-	-	-	-	-
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	-	-	-	-	-	-	-	-	-
Communication (G&S)	-	-	-	-	-	-	-	-	-
Computer services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Business and advisory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Infras and planning	-	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	-	-	-	-	5 300	5 300	-	-	-
Contractors	-	-	-	-	-	-	-	-	-
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medcas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	-	-	-	-	-	-	-	-	-
Consumable: Stationery, printing and office supplies	-	-	-	-	-	-	-	-	-
Operating leases	-	-	-	-	-	-	-	-	-
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	-	-	-	-	-	-	-	-	-
Training and development	-	-	-	-	-	-	-	-	-
Operating payments	-	-	-	-	-	-	-	-	-
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	58 524	63 114	65 573	70 184	76 684	64 884	74 395	77 817	81 941
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	58 524	63 114	65 573	70 184	76 684	64 884	74 395	77 817	81 941
Households	-	-	-	-	-	-	-	-	-
Social benefits	-	-	-	-	-	-	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	58 524	63 114	65 573	70 184	81 984	70 184	74 395	77 817	81 941

Table 5.F : Payments and estimates by economic classification: Public Special School Education

R thousand	Audited Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Current payments	458 211	621 980	627 907	554 201	610 294	696 732	699 414	713 109	752 490
Compensation of employees	447 177	612 671	623 867	549 701	605 794	695 061	695 414	709 109	748 278
Salaries and wages	366 312	490 137	525 731	452 636	508 729	613 319	579 336	588 230	620 992
Social contributions	80 865	122 534	98 136	97 065	97 065	81 742	116 078	120 879	127 286
Goods and services	11 034	9 309	4 040	4 500	4 500	1 671	4 000	4 000	4 212
Administrative fees	30	15	-	-	-	-	-	-	-
Advertising	-	-	-	-	-	-	-	-	-
Assets less than the capitalisation threshold	1 940	1 996	35	-	-	-	-	-	-
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	166	-	30	-	-	-	-	-	-
Communication (G&S)	-	-	191	-	-	64	-	-	-
Computer services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Business and advisory services	742	-	-	-	-	-	-	-	-
Cons & prof serv: Infras and planning	-	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	-	-	-	-	-	-	-	-	-
Contractors	-	2	3 635	-	-	-	-	-	-
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	216	76	91	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	2 981	72	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	11	1	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	332	39	16	-	-	7	-	-	-
Consumable: Stationery, printing and office supplies	51	284	-	-	-	-	-	-	-
Operating leases	-	-	-	-	-	-	-	-	-
Property payments	508	6 138	-	-	-	234	-	-	-
Transport provided: Departmental activity	3 809	145	-	-	-	29	-	-	-
Travel and subsistence	119	330	6	-	-	31	-	-	-
Training and development	98	19	-	4 432	4 432	1 306	4 000	4 000	4 212
Operating payments	18	186	8	68	68	-	-	-	-
Venues and facilities	13	6	28	-	-	-	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	71 497	100 603	93 002	140 358	140 358	113 334	144 598	151 090	159 098
Provinces and municipalities	70	-	-	-	-	-	-	-	-
Provinces	70	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	70	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	69 603	98 633	90 706	138 923	138 923	111 316	143 091	149 530	157 455
Households	1 824	1 970	2 296	1 435	1 435	2 018	1 507	1 560	1 643
Social benefits	1 824	1 970	2 296	1 435	1 435	2 018	1 507	1 560	1 643
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	43 856	3 024	6 642	56 328	26 328	15 862	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	43 856	3 024	6 642	56 328	26 328	15 862	-	-	-
Transport equipment	43 856	-	6 642	27 007	26 328	15 862	-	-	-
Other machinery and equipment	-	3 024	-	29 321	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	573 564	725 607	727 551	750 887	776 980	825 928	844 012	864 199	911 587

Table 5.G : Payments and estimates by economic classification: Further Education and Training

R thousand	Audited Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Current payments	225 765	287 693	264 312	325 736	327 268	276 833	351 475	376 483	397 242
Compensation of employees	223 528	286 996	263 694	325 736	327 268	276 545	351 475	376 483	397 242
Salaries and wages	178 822	229 597	222 600	260 741	262 273	245 457	284 353	295 928	316 687
Social contributions	44 706	57 399	41 094	64 995	64 995	31 088	67 122	80 555	80 555
Goods and services	2 180	697	618	-	-	288	-	-	-
Administrative fees	-	2	-	-	-	-	-	-	-
Advertising	-	-	-	-	-	-	-	-	-
Assets less than the capitalisation threshold	-	-	-	-	-	-	-	-	-
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	-	-	-	-	-	-	-	-	-
Communication (G&S)	-	-	-	-	-	-	-	-	-
Computer services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Business and advisory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Infras and planning	-	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	-	-	-	-	-	-	-	-	-
Contractors	-	-	-	-	-	-	-	-	-
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medcas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	6	-	-	-	-	-	-	-	-
Consumable: Stationery, printing and office supplies	-	-	-	-	-	-	-	-	-
Operating leases	-	5	-	-	-	-	-	-	-
Property payments	1 053	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	1 121	680	606	-	-	288	-	-	-
Training and development	-	-	-	-	-	-	-	-	-
Operating payments	-	10	12	-	-	-	-	-	-
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	57	-	-	-	-	-	-	-	-
Interest	57	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	476 359	545 114	605 793	-	-	14 704	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	476 025	545 114	605 331	-	-	14 525	-	-	-
Households	334	-	462	-	-	179	-	-	-
Social benefits	334	-	462	-	-	179	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	1 357	-	-	-
Buildings and other fixed structures	-	-	-	-	-	1 357	-	-	-
Buildings	-	-	-	-	-	1 357	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	702 124	832 807	870 105	325 736	327 268	292 894	351 475	376 483	397 242

Table 5.H : Payments and estimates by economic classification: Adult Basic Education and Training

R thousand	Audited Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Current payments	131 823	154 957	161 029	166 884	195 928	178 088	177 325	187 203	197 125
Compensation of employees	126 226	145 275	155 216	152 492	181 536	171 169	172 779	181 389	191 719
Salaries and wages	100 981	116 220	151 576	124 924	153 968	169 201	134 586	150 649	159 349
Social contributions	25 245	29 055	3 640	27 568	27 568	1 968	38 193	30 740	32 369
Goods and services	5 597	9 682	5 813	14 392	14 392	6 919	4 546	5 814	5 406
Administrative fees	23	66	13	-	-	1	-	-	-
Advertising	-	-	-	-	-	-	-	-	-
Assets less than the capitalisation threshold	-	-	-	999	999	346	-	-	-
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	45	388	25	640	640	45	-	660	100
Communication (G&S)	15	13	14	-	-	5	-	-	-
Computer services	-	-	-	429	429	-	400	400	421
Cons & prof serv: Business and advisory services	-	-	-	-	-	216	-	-	-
Cons & prof serv: Infras and planning	-	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	-	-	-	-	-	-	-	-	-
Contractors	-	-	-	-	-	-	-	-	-
Agency and support / outsourced services	-	-	-	153	153	45	150	100	105
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	640	640	197	660	660	695
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	371	532	-	3 532	3 532	539	-	-	-
Inventory: Materials and supplies	3	1	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	1	271	-	1 419	1 419	771	500	500	527
Consumable: Stationery, printing and office supplies	1 589	2 180	1 114	153	153	607	100	158	100
Operating leases	176	214	78	-	-	74	-	-	-
Property payments	54	40	22	541	541	92	-	-	-
Transport provided: Departmental activity	26	99	63	282	282	187	-	100	50
Travel and subsistence	3 165	4 014	4 270	-	-	1 913	-	-	-
Training and development	-	1 089	-	1 216	1 216	115	1 000	1 000	1 053
Operating payments	129	-	214	1 661	1 661	709	1 736	1 736	1 828
Venues and facilities	-	740	-	2 727	2 727	1 057	-	500	527
Rental and hiring	-	35	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	1 001	409	115	27	27	109	28	29	31
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	1 001	409	115	27	27	109	28	29	31
Social benefits	1 001	409	115	27	27	109	28	29	31
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	1 747	1 747	420	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	1 747	1 747	420	-	-	-
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	-	-	-	1 747	1 747	420	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	132 824	155 366	161 144	168 658	197 702	178 617	177 353	187 232	197 155

Table 5.1 : Payments and estimates by economic classification: Early Childhood Development

R thousand	Audited Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Current payments	286 495	329 545	462 709	492 622	560 731	506 026	619 969	824 804	868 518
Compensation of employees	218 318	315 368	405 284	250 883	416 992	410 648	566 989	760 884	811 716
Salaries and wages	174 654	252 294	394 084	206 984	373 093	394 657	469 334	610 762	643 737
Social contributions	43 664	63 074	11 200	43 899	43 899	15 991	97 655	150 122	167 978
Goods and services	68 177	14 177	57 425	241 739	143 739	95 378	52 980	63 920	56 802
Administrative fees	8 483	609	1 359	-	-	2 038	-	-	-
Advertising	-	-	-	864	864	-	890	921	970
Assets less than the capitalisation threshold	2 357	-	-	78 198	8 198	-	-	-	-
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	1 640	-	-	-
Catering: Departmental activities	4	32	80	4 737	4 737	1 735	-	5 050	1 050
Communication (G&S)	-	-	-	-	-	-	-	-	-
Computer services	-	-	-	20 880	15 880	5 087	5 000	5 000	5 265
Cons & prof serv: Business and advisory services	-	-	-	2 385	2 385	1 225	2 457	2 543	2 678
Cons & prof serv: Infras and planning	-	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	-	-	-	-	-	-	-	-	-
Contractors	6	-	2 500	-	-	-	-	-	-
Agency and support / outsourced services	-	-	-	2 135	2 135	158	1 000	1 000	1 053
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	-	-	-	1 585	1 585	35	1 633	1 690	1 780
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	1	1	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	39 239	-	40 064	91 392	71 392	65 544	25 000	25 000	25 000
Inventory: Materials and supplies	-	2	-	-	-	-	-	-	-
Inventory: Medical supplies	2	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	81	197	552	2 741	2 741	1 155	1 700	1 200	1 264
Consumable: Stationery, printing and office supplies	528	172	1 380	3 798	3 798	2 532	2 000	4 191	2 000
Operating leases	59	41	118	-	-	115	-	-	-
Property payments	-	3	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	62	116	3 302	3 302	1 121	1 000	1 500	1 100
Travel and subsistence	5 821	8 422	4 843	1 799	1 799	4 249	-	1 918	(0)
Training and development	11 288	3 909	6 255	12 923	12 923	6 417	5 000	5 000	5 265
Operating payments	291	467	153	6 500	6 500	1 349	7 300	8 907	9 379
Venues and facilities	17	260	5	8 500	5 500	978	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	334	16 080	158	67 865	-	126	31 499	30 616	32 239
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	15 914	13	67 865	-	-	31 499	30 616	32 239
Households	334	166	145	-	-	126	-	-	-
Social benefits	334	166	145	-	-	126	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	325	325	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	325	325	-	-	-	-
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	-	-	-	325	325	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	286 829	345 625	462 867	560 812	561 056	506 152	651 468	855 420	900 756

Table 5.J : Payments and estimates by economic classification: Infrastructure Development

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14	2013/14	estimate	2014/15	2015/16	2016/17
Current payments	83 947	100 346	253 554	211 300	211 300	170 988	149 412	206 764	95 553
Compensation of employees	-	-	-	-	-	-	-	-	-
Salaries and wages	-	-	-	-	-	-	-	-	-
Social contributions	-	-	-	-	-	-	-	-	-
Goods and services	83 947	100 346	253 554	211 300	211 300	170 988	149 412	206 764	95 553
Administrative fees	-	-	-	-	-	-	-	-	-
Advertising	-	-	-	-	-	-	-	-	-
Assets less than the capitalisation threshold	-	-	-	-	-	-	-	-	-
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	-	-	-	-	-	-	-	-	-
Communication (G&S)	-	-	-	-	-	-	-	-	-
Computer services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Business and advisory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Infras and planning	-	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	-	-	-	-	-	-	-	-	-
Contractors	-	-	-	-	-	17 728	-	-	-
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	-	-	-	-	-	-	-	-	-
Consumable: Stationery, printing and office supplies	-	-	-	-	-	-	-	-	-
Operating leases	-	-	-	-	-	-	-	-	-
Property payments	83 947	100 346	253 554	211 300	211 300	153 260	149 412	206 764	95 553
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	-	-	-	-	-	-	-	-	-
Training and development	-	-	-	-	-	-	-	-	-
Operating payments	-	-	-	-	-	-	-	-	-
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Social benefits	-	-	-	-	-	-	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	1 836 296	2 097 737	2 442 475	2 380 118	2 387 692	2 387 692	2 572 937	3 287 050	1 684 855
Buildings and other fixed structures	1 836 296	2 097 737	2 442 475	2 380 118	2 387 692	2 387 692	2 572 937	3 287 050	1 684 855
Buildings	1 836 296	2 097 737	2 442 475	2 365 118	2 372 692	2 387 692	2 557 937	3 287 050	1 684 855
Other fixed structures	-	-	-	15 000	15 000	-	15 000	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	1 920 243	2 198 083	2 696 029	2 591 418	2 598 992	2 558 680	2 722 349	3 493 814	1 780 408

Table 5.K : Payments and estimates by economic classification: Auxiliary and Associated Services

R thousand	Audited Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Current payments	450 323	558 845	474 646	648 359	619 359	615 968	657 244	826 536	870 342
Compensation of employees	224 973	280 869	258 639	316 133	316 133	361 627	392 976	509 025	603 279
Salaries and wages	179 978	224 695	249 538	278 324	278 324	354 763	341 740	421 338	497 489
Social contributions	44 995	56 174	9 101	37 809	37 809	6 864	51 236	87 687	105 790
Goods and services	225 348	277 976	216 007	332 226	303 226	254 342	264 268	317 511	267 063
Administrative fees	98	318	721	-	-	514	-	-	-
Advertising	-	81	-	824	824	307	849	870	916
Assets less than the capitalisation threshold	100	45	21	5 920	3 920	1 898	-	-	-
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	33 100	38 732	29 328	37 743	32 743	16 515	24 175	33 983	36 226
Communication (G&S)	1 345	319	92	-	-	51	-	-	-
Computer services	5 610	1 530	3 184	18 104	18 104	14 685	20 000	30 000	21 060
Cons & prof serv: Business and advisory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Infras and planning	-	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	-	-	-	-	-	-	-	-	-
Contractors	48	135	22	-	-	138	-	-	-
Agency and support / outsourced services	10 163	7 279	8 766	7 376	5 376	1 077	5 000	5 000	5 265
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	-	-	24	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	18	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	38	340	1 158	-	-	104	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	63	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	2	2	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	1 600	1 335	696	15 588	15 588	1 012	10 000	10 000	10 530
Consumable: Stationery, printing and office supplies	56 154	101 821	86 522	106 123	86 123	98 983	100 000	108 289	74 448
Operating leases	39 980	43 276	14 229	18 049	18 049	984	20 000	19 996	20 000
Property payments	6 454	9 234	6 614	14 918	14 918	14 918	-	-	-
Transport provided: Departmental activity	89	1 067	689	37 127	37 127	13 413	25 000	30 000	25 400
Travel and subsistence	47 263	58 031	57 314	40 956	40 956	59 149	45 000	62 083	50 000
Training and development	246	-	-	-	-	2	-	-	-
Operating payments	14 280	4 168	4 267	9 238	9 238	8 168	10 055	10 756	11 326
Venues and facilities	8 717	10 263	2 358	20 260	20 260	22 406	4 189	6 534	11 891
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	2	-	-	-	-	-	-	-	-
Interest	2	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	17 145	19 612	19 947	20 981	20 981	22 742	22 030	24 098	25 375
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	16 552	18 944	19 891	20 981	20 981	22 491	22 030	24 098	25 375
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	16 552	18 944	19 891	20 981	20 981	22 491	22 030	24 098	25 375
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	593	668	56	-	-	251	-	-	-
Social benefits	593	668	56	-	-	251	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	86	244	-	-	-	252	-	-	-
Buildings and other fixed structures	37	51	-	-	-	-	-	-	-
Buildings	37	51	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	49	193	-	-	-	252	-	-	-
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	49	193	-	-	-	252	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	467 554	578 701	494 593	669 340	640 340	638 962	679 274	850 634	895 718

Table 5.L : Payments and estimates by economic classification: Conditional grants

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Current payments	1 049 368	1 485 135	1 523 178	1 719 988	1 818 901	1 858 935	1 828 768	1 872 237	1 832 344
Compensation of employees	223 610	220 428	263 694	332 618	334 150	279 779	401 549	393 405	401 085
Salaries and wages	178 904	176 343	222 600	267 623	269 155	248 688	334 427	312 850	320 530
Social contributions	44 706	44 085	41 094	64 995	64 995	31 091	67 122	80 555	80 555
Goods and services	825 701	1 264 707	1 259 484	1 387 370	1 484 751	1 579 156	1 427 219	1 478 832	1 431 259
Administrative fees	768	1 877	1 906	-	-	1 474	-	-	-
Advertising	-	466	-	-	-	60	-	-	-
Assets less than the capitalisation threshold	3 035	6 743	1 670	9 448	13 314	82	6 612	8 831	8 831
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	917	975	1 939	2 902	2 902	2 419	3 120	3 120	3 120
Communication (G&S)	-	-	-	-	-	-	-	-	-
Computer services	963	4 063	-	-	-	-	1 046	1 046	1 046
Cons & prof serv: Business and advisory services	2 074	-	102	-	-	-	-	-	-
Cons & prof serv: Infras and planning	-	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	-	-	-	-	-	-	-	-	-
Contractors	-	-	107	-	-	24 033	-	-	-
Agency and support / outsourced services	751 610	1 137 580	1 080 401	1 209 380	1 302 895	1 369 420	1 220 836	1 270 336	1 338 549
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	554	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	53	1 766	338	-	-	-	-	-	-
Inventory: Learner and teacher support material	46	9 288	11 524	10 082	10 082	11 344	18 154	18 048	20 828
Inventory: Materials and supplies	84	31	5	535	535	-	527	527	527
Inventory: Medical supplies	-	2 429	716	2 128	2 128	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	949	5 723	2 055	-	-	16 698	-	-	-
Consumable: Stationery, printing and office supplies	1 221	324	27 696	5 467	5 467	963	6 220	6 220	6 220
Operating leases	289	9 014	57	-	-	-	-	-	-
Property payments	47 886	62 550	112 212	119 202	119 202	119 263	137 574	137 574	17 923
Transport provided: Departmental activity	318	1 341	4 212	-	-	1 257	2 000	2 000	2 000
Travel and subsistence	11 856	14 338	11 273	21 725	21 725	26 198	15 680	15 680	15 680
Training and development	1 131	1 718	1 076	-	-	3 401	4 017	4 017	5 102
Operating payments	21	3	23	3 685	3 685	744	3 611	3 611	3 611
Venues and facilities	2 480	3 869	2 004	2 816	2 816	1 800	7 822	7 822	7 822
Rental and hiring	-	55	168	-	-	-	-	-	-
Interest and rent on land	57	-	-	-	-	-	-	-	-
Interest	57	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to	499 951	561 826	612 534	7 711	7 711	14 824	10 800	10 800	10 800
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving funds	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	499 617	561 826	612 509	7 711	7 711	14 645	10 800	10 800	10 800
Households	334	-	25	-	-	179	-	-	-
Social benefits	334	-	25	-	-	179	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	1 000 818	1 133 096	1 167 208	1 215 934	1 223 508	1 195 785	1 298 562	1 806 662	34 950
Buildings and other fixed structures	994 647	1 120 643	1 157 378	1 185 842	1 193 416	1 189 341	1 265 612	1 773 712	2 000
Buildings	994 647	1 120 643	1 157 378	1 185 842	1 193 416	1 189 341	1 265 612	1 773 712	2 000
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	6 171	12 453	9 830	30 092	30 092	6 445	32 950	32 950	32 950
Transport equipment	-	-	1 532	-	-	-	-	-	-
Other machinery and equipment	6 171	12 453	8 298	30 092	30 092	6 445	32 950	32 950	32 950
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	2 550 137	3 180 057	3 302 920	2 943 633	3 050 120	3 069 544	3 138 130	3 689 699	1 878 094

Table 5.M : Payments and estimates by economic classification: National School Nutrition Programme (Programme 2)

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Current payments	753 088	1 144 267	1 083 957	1 202 440	1 295 955	1 353 503	1 233 884	1 283 384	1 351 597
Compensation of employees	82	5	-	3 347	3 347	-	3 343	3 343	3 343
Salaries and wages	82	5	-	3 347	3 347	-	3 343	3 343	3 343
Goods and services	753 006	1 144 262	1 083 957	1 199 093	1 292 608	1 353 503	1 230 541	1 280 041	1 348 254
Administrative fees	-	17	25	-	-	855	-	-	-
Advertising	-	49	-	-	-	60	-	-	-
Assets less than the capitalisation threshold	71	50	-	2 752	2 752	-	-	-	-
Catering: Departmental activities	282	46	-	600	600	1 758	590	590	590
Agency and support / outsourced services	751 550	1 137 547	1 080 401	1 189 240	1 282 755	1 349 764	1 220 836	1 270 336	1 338 549
Inventory: Food and food supplies	-	554	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	53	1 766	338	-	-	-	-	-	-
Inventory: Learner and teacher support material	9	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	535	535	-	527	527	527
Consumable supplies	943	3 972	2 055	-	-	-	-	-	-
Consumable: Stationery, printing and office supplies	92	43	649	2 068	2 068	377	4 220	4 220	4 220
Operating leases	5	14	57	-	-	-	-	-	-
Property payments	-	-	17	-	-	61	-	-	-
Travel and subsistence	1	145	323	642	642	324	633	633	633
Training and development	-	-	-	-	-	-	527	527	527
Operating payments	-	-	-	2 828	2 828	14	2 786	2 786	2 786
Venues and facilities	-	59	92	428	428	290	422	422	422
Transfers and subsidies to	-	-	-	-	-	-	-	-	-
Payments for capital assets	128	101	1 532	3 750	3 750	-	3 650	3 650	3 650
Machinery and equipment	128	101	1 532	3 750	3 750	-	3 650	3 650	3 650
Transport equipment	-	-	1 532	-	-	-	-	-	-
Other machinery and equipment	128	101	-	3 750	3 750	-	3 650	3 650	3 650
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	753 216	1 144 368	1 085 489	1 206 190	1 299 705	1 353 503	1 237 534	1 287 034	1 355 247

Table 5.N : Payments and estimates by economic classification: HIV and AIDS (Life-Skills Education) (Programme 2)

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Current payments	16 381	28 402	42 776	40 923	40 923	48 622	41 461	40 455	43 235
Compensation of employees	-	-	-	-	-	234	-	-	-
Salaries and wages	-	-	-	-	-	231	-	-	-
Social contributions	-	-	-	-	-	3	-	-	-
Goods and services	16 381	28 402	42 776	40 923	40 923	48 388	41 461	40 455	43 235
Administrative fees	759	1 622	1 749	-	-	581	-	-	-
Advertising	-	417	-	-	-	-	-	-	-
Assets less than the capitalisation threshold	3	-	-	-	-	-	-	-	-
Catering: Departmental activities	635	929	1 028	2 281	2 281	452	2 500	2 500	2 500
Cons & prof serv: Business and advisory services	-	-	102	-	-	-	-	-	-
Contractors	-	-	107	-	-	24 033	-	-	-
Agency and support / outsourced services	60	33	-	10 839	10 839	26	-	-	-
Inventory: Learner and teacher support material	37	5 123	-	6 227	6 227	-	14 416	13 410	16 190
Inventory: Medical supplies	-	2 426	716	2 128	2 128	-	-	-	-
Consumable: Stationery, printing and office supplies	1 129	281	26 967	3 110	3 110	181	2 000	2 000	2 000
Operating leases	9	5	-	-	-	-	-	-	-
Transport provided: Departmental activity	318	1 341	1 542	-	-	959	2 000	2 000	2 000
Travel and subsistence	10 418	12 609	8 771	15 178	15 178	20 455	13 220	13 220	13 220
Training and development	512	427	55	-	-	165	1 500	1 500	1 500
Operating payments	21	3	23	857	857	-	825	825	825
Venues and facilities	2 480	3 131	1 548	303	303	1 510	5 000	5 000	5 000
Rental and hiring	-	55	168	-	-	-	-	-	-
Transfers and subsidies to	23 592	16 712	7 178	7 711	7 711	12	10 800	10 800	10 800
Non-profit institutions	23 592	16 712	7 178	7 711	7 711	12	10 800	10 800	10 800
Payments for capital assets	25	-	-	-	-	-	-	-	-
Machinery and equipment	25	-	-	-	-	-	-	-	-
Other machinery and equipment	25	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	39 998	45 114	49 954	48 634	48 634	48 634	52 261	51 255	54 035

Table 5.O : Payments and estimates by economic classification: Technical Secondary Schools Recap grant (Programme 2)

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Current payments	8 925	18 956	3 477	16 119	19 985	39 374	23 480	25 699	28 217
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	8 925	18 956	3 477	16 119	19 985	39 374	23 480	25 699	28 217
Administrative fees	9	10	42	-	-	38	-	-	-
Assets less than the capitalisation threshold	2 961	6 693	1 670	6 696	10 562	82	6 612	8 831	8 831
Catering: Departmental activities	-	-	-	-	-	8	-	-	-
Computer services	963	975	-	-	-	-	1 046	1 046	1 046
Cons & prof serv: Business and advisory services	2 074	-	-	-	-	-	-	-	-
Agency and support / outsourced services	-	-	-	9 301	9 301	19 630	-	-	-
Inventory: Materials and supplies	84	31	-	-	-	-	-	-	-
Inventory: Medical supplies	-	3	-	-	-	-	-	-	-
Consumable supplies	-	-	-	-	-	16 672	-	-	-
Property payments	1 899	10 608	-	-	-	-	15 405	15 405	17 923
Travel and subsistence	316	220	1 034	122	122	775	67	67	67
Training and development	619	416	731	-	-	1 439	350	350	350
Operating payments	-	-	-	-	-	730	-	-	-
Transfers and subsidies to	-	-	-	-	-	-	-	-	-
Payments for capital assets	6 114	17 806	29 499	26 598	26 598	7 209	21 800	21 800	21 800
Buildings and other fixed structures	96	5 624	21 201	6 197	6 197	765	2 000	2 000	2 000
Buildings	96	5 624	21 201	6 197	6 197	765	2 000	2 000	2 000
Machinery and equipment	6 018	12 182	8 298	20 401	20 401	6 445	19 800	19 800	19 800
Other machinery and equipment	6 018	12 182	8 298	20 401	20 401	6 445	19 800	19 800	19 800
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	15 039	36 762	32 976	42 717	46 583	46 583	45 280	47 499	50 017

Table 5.P : Payments and estimates by economic classification: EPWP Integrated Grant for Provinces (Programme 2)

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Current payments	500	-	895	3 000	3 000	3 000	2 070	-	-
Compensation of employees	-	-	-	3 000	3 000	3 000	2 070	-	-
Salaries and wages	-	-	-	3 000	3 000	3 000	2 070	-	-
Goods and services	500	-	895	-	-	-	-	-	-
Property payments	500	-	895	-	-	-	-	-	-
Transfers and subsidies to	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	500	-	895	3 000	3 000	3 000	2 070	-	-

Table 5.Q : Payments and estimates by economic classification: Dinaledi Schools grant (Programme 2)

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Current payments	-	12 150	17 079	12 568	12 568	18 401	10 068	10 968	12 053
Compensation of employees	-	-	-	535	535	-	500	500	500
Salaries and wages	-	-	-	535	535	-	500	500	500
Goods and services	-	12 150	17 079	12 033	12 033	18 401	9 568	10 468	11 553
Administrative fees	-	228	90	-	-	-	-	-	-
Catering: Departmental activities	-	-	911	21	21	201	30	30	30
Computer services	-	3 088	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	4 165	11 524	3 855	3 855	11 344	3 738	4 638	4 638
Inventory: Materials and supplies	-	-	5	-	-	-	-	-	-
Consumable supplies	-	1 751	-	-	-	-	-	-	-
Consumable: Stationery, printing and office supplies	-	-	80	289	289	405	-	-	-
Transport provided: Departmental activity	-	-	2 670	-	-	298	-	-	-
Travel and subsistence	-	1 364	1 145	5 783	5 783	4 356	1 760	1 760	1 760
Training and development	-	875	290	-	-	1 797	1 640	1 640	2 725
Venues and facilities	-	679	364	2 085	2 085	-	2 400	2 400	2 400
Transfers and subsidies to	-	-	-	-	-	108	-	-	-
Non-profit institutions	-	-	-	-	-	108	-	-	-
Payments for capital assets	-	170	-	5 941	5 941	-	9 500	9 500	9 500
Machinery and equipment	-	170	-	5 941	5 941	-	9 500	9 500	9 500
Other machinery and equipment	-	170	-	5 941	5 941	-	9 500	9 500	9 500
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	-	12 320	17 079	18 509	18 509	18 509	19 568	20 468	21 553

Table 5.R : Payments and estimates by economic classification: FET College Sector grant (Programme 5)

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Current payments	225 765	220 423	263 694	325 736	327 268	276 833	351 475	376 483	397 242
Compensation of employees	223 528	220 423	263 694	325 736	327 268	276 545	351 475	376 483	397 242
Salaries and wages	178 822	176 338	222 600	260 741	262 273	245 457	284 353	295 928	316 687
Social contributions	44 706	44 085	41 094	64 995	64 995	31 088	67 122	80 555	80 555
Goods and services	2 180	-	-	-	-	288	-	-	-
Consumable supplies	6	-	-	-	-	-	-	-	-
Property payments	1 053	-	-	-	-	-	-	-	-
Travel and subsistence	1 121	-	-	-	-	288	-	-	-
Interest and rent on land	57	-	-	-	-	-	-	-	-
Interest	57	-	-	-	-	-	-	-	-
Transfers and subsidies to	476 359	545 114	605 356	-	-	14 704	-	-	-
Non-profit institutions	476 025	545 114	605 331	-	-	14 525	-	-	-
Households	334	-	25	-	-	179	-	-	-
Social benefits	334	-	25	-	-	179	-	-	-
Payments for capital assets	3 759	-	-	-	-	1 357	-	-	-
Buildings and other fixed structures	3 759	-	-	-	-	1 357	-	-	-
Buildings	3 759	-	-	-	-	1 357	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	705 883	765 537	869 050	325 736	327 268	292 894	351 475	376 483	397 242

Table 5.S : Payments and estimates by economic classification: Education Infrastructure grant (Programme 8)

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Current payments	44 709	60 937	111 300	119 202	119 202	119 202	122 169	122 169	-
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	44 709	60 937	111 300	119 202	119 202	119 202	122 169	122 169	-
Operating leases	275	8 995	-	-	-	-	-	-	-
Property payments	44 434	51 942	111 300	119 202	119 202	119 202	122 169	122 169	-
Transfers and subsidies to	-	-	-	-	-	-	-	-	-
Payments for capital assets	990 792	1 115 019	1 136 177	1 179 645	1 187 219	1 187 219	1 263 612	1 771 712	-
Buildings and other fixed structures	990 792	1 115 019	1 136 177	1 179 645	1 187 219	1 187 219	1 263 612	1 771 712	-
Buildings	990 792	1 115 019	1 136 177	1 179 645	1 187 219	1 187 219	1 263 612	1 771 712	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	1 035 501	1 175 956	1 247 477	1 298 847	1 306 421	1 306 421	1 385 781	1 893 881	-

Table 5.T : Payments and estimates by economic classification: OSD for Education Therapists (Programme 4)

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Current payments	-	-	-	-	-	-	41 581	13 079	-
Compensation of employees	-	-	-	-	-	-	41 581	13 079	-
Goods and services	-	-	-	-	-	-	-	-	-
Transfers and subsidies to	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	41 581	13 079	-

Table 5.U : Payments and estimates by economic classification: Social Sector EPWP Grant for Provinces (Programme 2)

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Current payments	-	-	-	-	-	-	2 580	-	-
Compensation of employees	-	-	-	-	-	-	2 580	-	-
Salaries and wages	-	-	-	-	-	-	2 580	-	-
Goods and services	-	-	-	-	-	-	-	-	-
Transfers and subsidies to	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	2 580	-	-

Table 5.V : Education - Payments of infrastructure by category

No. Project name	Municipality / Region	Type of infrastructure		Project duration		Source of funding	Budget programme name	Targeted number of jobs for 2014/15	Total project cost	Expenditure to date from previous years	Total available		MTEF	
		School - primary/secondary/specialised; admin block; water; electricity; sanitation/toilet; fencing etc)	Units	Date: Start	Date: Finish						2014/15	2015/16	2016/17	
														Forward estimates
R thousands														
New and replacement assets														
1	Sizakalele Primary School	Jozini	Primary - classrooms	18	2012/04/12	2014/04/12	Education Infrastructure Grant	12	106 080	35 081	44 625	8 000	16 625	
2	Mkhazeni Primary School	Inqwe	Primary - classrooms, admin block, multi-purpose, etc	7	2012/06/15	2013/10/12	Equitable Share	6	22 000	335	2 092	9 412	9 412	
3	Sihobela Senior Primary	Amajuba District	Primary - classrooms, multi-purpose, etc	9	2010/03/19	2012/03/31	Education Infrastructure Grant	12	16 259	1 228	282	6 578	6 578	
4	Grootville High School	Ilembe District Municipality	Secondary - classrooms, multi-purpose, etc	14	2010/03/19	2012/03/31	Education Infrastructure Grant	6	23 031	2 361	1 947	8 762	8 762	
5	Geogedale Primary School	eThekweni	Primary - classrooms, multi-purpose, etc	14	2010/03/19	2012/03/31	Education Infrastructure Grant	6	19 031	1 907	345	8 032	8 032	
6	Chlanga Secondary School	eThekweni	Secondary - classrooms, multi-purpose, etc	6	2010/03/19	2012/03/31	Education Infrastructure Grant	6	20 624	917	405	9 451	9 451	
7	Bongicaba Senior Primary School	Sizakalele District	Primary - classrooms, multi-purpose, etc	4	2010/03/19	2012/03/31	Education Infrastructure Grant	-	22 628	299	461	10 734	10 734	
8	Sizakalele Senior Primary School	Sizakalele District	Primary - classrooms, multi-purpose, etc	2	2010/03/19	2012/03/31	Education Infrastructure Grant	-	17 456	473	348	8 117	8 117	
9	Nkonka High School	Ugu District Municipality	Secondary - classrooms, multi-purpose, media centre, etc	9	2010/03/19	2012/03/31	Education Infrastructure Grant	-	22 584	812	449	10 462	10 462	
10	Bomvini Combined	Umzimkulu	Primary/secondary - multi-purpose, grade r, media centre, etc	1	2012/03/01	2013/03/31	Education Infrastructure Grant	-	56 018	325	1 170	18 000	16 000	
11	Dulali Combined	Umzimkulu	Primary/secondary - multi-purpose, grade r, media centre, etc	11	2012/03/01	2013/03/31	Education Infrastructure Grant	-	31 274	3 260	2 801	12 606	12 606	
12	Sizakalele Primary School	Umzimkulu	Primary - classrooms, multi-purpose, etc	1	2012/08/20	2014/03/02	Education Infrastructure Grant	-	-	484	-	18 000	8 240	
13	Other various			1				4 452	7 481 877	2 307 552	1 133 906	1 296 090	2 251	
Total New and replacement assets									7 839 147	2 355 034	1 188 830	1 394 244	127 269	
Upgrades and additions														
1	Ezihlathini High School	Umkhanyakude District	Secondary - classrooms, toilets	1	2011/10/01	2012/10/01	Equitable Share	6	15 000	585	282	6 567	6 567	
2	Mandlazi Primary School	Niambana	Primary - admin block	1	2011/10/01	2012/10/01	Equitable Share	-	10 000	169	206	4 812	4 812	
3	Umfolozo Primary School	eThekweni	Primary - sanitation/toilets	1	2011/04/01	2012/04/01	Equitable Share	6	10 000	363	181	4 228	4 228	
4	Ongwe Primary School	Zululand District	Primary - upgrading of facilities	1	2011/09/01	2012/09/01	Equitable Share	6	12 000	1 029	997	4 487	4 487	
5	Umbonambi Primary School	Umkhanyakude District	Primary - upgrading of classrooms	1	2011/06/01	2012/06/01	Equitable Share	-	10 000	-	210	4 895	4 895	
6	Mamula Primary School	uThungulu District	Primary - upgrading of classrooms	1	2011/06/01	2012/06/01	Equitable Share	-	10 000	159	207	4 817	4 817	
7	Nqube Primary School	uThungulu District	Primary - upgrading of classrooms	1	2011/06/01	2012/06/01	Equitable Share	-	10 000	25	209	4 883	4 883	
8	Mgazi Lower Primary School	Umkhanyakude District	Primary - upgrading of facilities	1	2011/06/01	2012/06/01	Equitable Share	-	10 000	21	210	4 885	4 885	
9	Eskhwebezane Primary School	Zululand District	Primary - upgrading of facilities	1	2011/06/01	2012/06/01	Equitable Share	-	10 000	2	210	4 894	4 894	
10	Umluthini High School	uThungulu District	Secondary - upgrading of facilities	1	2011/06/01	2012/06/01	Equitable Share	-	10 000	6	210	4 892	4 892	
11	Ohungwini Primary School	Umkhanyakude District	Primary - upgrading of facilities	1	2011/06/01	2012/06/01	Equitable Share	-	10 000	7	210	4 892	4 892	
12	Oyemveni Primary School	Zululand District	Primary - upgrading of facilities	1	2011/06/01	2012/06/01	Equitable Share	-	10 000	1	210	4 894	4 894	
13	Nlanyakude Primary School	Zululand District	Primary - upgrading of classrooms	1	2011/06/01	2012/06/01	Education Infrastructure Grant	-	10 000	6	210	4 892	4 892	
14	Zimeni Primary School	uThungulu District	Primary - upgrading of classrooms	1	2011/06/01	2012/06/01	Education Infrastructure Grant	-	10 000	2	210	4 894	4 894	
15	Vukayamba Primary School	uThungulu District	Primary - upgrading of classrooms	1	2011/06/01	2012/06/01	Education Infrastructure Grant	-	10 000	7	210	4 892	4 892	
16	Other various			1				6 180	7 428 580	2 505 176	791 362	1 387 004	1 468 572	
Total Upgrades and additions									7 985 580	2 507 557	795 334	1 460 828	1 542 996	
Rehabilitation, renovations and refurbishments														
1	Dwaleni High School	UPhongolo	Secondary - classrooms	1	2011/10/01	2012/10/01	Equitable Share	-	18 960	597	9 374	8 988	-	
2	Stammore Secondary School	eThekweni	Secondary - classrooms	1	2012/03/12	2012/08/29	Equitable Share	-	14 031	1 050	6 882	6 099	-	
3	Guguleswa Secondary School	Ugu District Municipality	Secondary - classrooms	1	2012/01/21	2013/02/08	Equitable Share	-	10 240	988	4 229	5 012	4 229	
4	Alstone Primary School	uMgungundlovu District	Primary - classrooms	1	2011/11/10	2012/12/29	Equitable Share	-	13 900	1 575	-	6 554	5 771	
5	Other various			1				3 108	3 463 407	1 081 259	572 516	676 984	730 530	
Total Rehabilitation, renovations and refurbishments									3 520 538	1 085 480	988 772	729 877	(282 709)	
Maintenance and repairs														
1	Public school maintenance	uMgungundlovu District	Maintenance of public schools	1	2013/04/01	2014/03/31	Education Infrastructure Grant	450	-	5 031	41 224	68 626	114 555	
2	Maintenance - Non school building	uMgungundlovu District	Maintenance of non schools buildings	1	2013/04/02	2014/03/29	Education Infrastructure Grant	66	-	164 146	35 000	35 000	65 000	
3	School dislodging	Various	Sanitation/toilet	1	2013/04/01	2013/03/31	Education Infrastructure Grant	-	-	3	20 000	40 000	40 000	
4	Sanitation maintenance	Amajuba District	Sanitation/toilet	1	2013/04/01	2013/05/31	Education Infrastructure Grant	192	-	-	30 000	35 000	35 000	
5	Electrical maintenance	Various	Electricity	1	2013/04/01	2013/08/30	Education Infrastructure Grant	60	-	-	10 000	15 000	15 000	
6	Office building maintenance	Various	Maintenance of office buildings	1	2013/04/01	2013/03/29	Equitable Share	24	-	9 315	4 262	12 169	12 000	
7	Other various			1	2012/04/04			408	134 002	36 297	8 776	8 119	8 445	
Total Maintenance and repairs									134 002	214 792	149 412	206 764	95 553	
Total Education Infrastructure									15 000	19 079 267	6 162 863	3 791 713	1 482 909	

VOTE 6

Provincial Treasury

Operational budget	R 832 448 165
MEC remuneration	R 1 734 835
Total amount to be appropriated	R 834 183 000
Responsible MEC	Ms. C. M. Cronjé, MEC for Finance
Administering department	Provincial Treasury
Accounting officer	Accountant General

1. Overview

Vision

The vision of the department is: *Be the centre of excellence in financial and fiscal management in the country.*

Mission statement

The department's mission is: *To ensure equitable resources allocation for the province of KwaZulu-Natal, analyse and monitor government (provincial and local, including their public entities) revenue and expenditure, and instil prudent financial management and good governance.*

Through robust public policy research, the Provincial Treasury will contribute to the realisation of government policy priorities by ensuring that government interventions in the economy are targeted, efficient, sustainable, and empower the people.

Strategic objectives

Strategic policy direction: The Provincial Treasury will ensure a credible distribution of available funds between departments taking cognisance of the demands for social services and the need to stimulate economic development and growth, and will commit to provide ongoing, effective and efficient support services to internal and external clients. The department will analyse and monitor government revenue and expenditure in the provincial and local spheres, including public entities, undertake robust public policy research and instil prudent financial management and good governance.

The department has set the following goals and strategic objectives in order to achieve this:

- To promote sound financial and fiscal management and good governance.
- To place strong emphasis on fighting poverty and creating jobs in partnership with communities through the mobilisation and funding of co-operatives and effective procurement targeting.
- To focus on the enhancement of Broad-Based Black Economic Empowerment (B-BBEE) through effective SCM policies.
- To implement a policy of zero tolerance on fraud and corruption.
- To ensure good financial management with the elimination of over-expenditure and the reduction of roll-overs.
- To target government investment in service delivery.
- To promote sound cash management practices and to improve liquidity in the province.

Core functions

The core functions of the department include the following:

- The mobilisation of funds for the provincial government.
- The allocation of fiscal resources to provincial departments.
- The preparation of annual and MTEF budgets.
- Province-wide cash management.
- Provincial financial management through:
 - Budget monitoring and reporting.
 - Internal audit.
 - Financial accounting.
 - Financial systems maintenance.
- Provision of advice on procurement policies and procedures in provincial government.

Legislative mandate

The department is governed by the following pieces of legislation and policy directives:

- Access to Information Act (Act No. 2 of 2000)
- Annual Division of Revenue Act
- Government Immovable Asset Management Act (Act No. 19 of 2007)
- Intergovernmental Relations Framework Act (Act No. 13 of 2005)
- Municipal Finance Management Act (Act No. 56 of 2003)
- Preferential Procurement Policy Framework Act (Act No. 5 of 2000) (PPPFA)
- Borrowing Powers of Provincial Governments Act (Act No. 48 of 1996)
- Public Finance Management Act (Act No. 1 of 1999, as amended) and Treasury Regulations
- Provincial Internal Audit Act (Act No. 2 of 2001)
- Provincial Tax Regulation Process Act (Act No. 53 of 2001)
- Public Audit Act (Act No. 25 of 2004)
- The Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996)
- Promotion of Access to Information Act (Act No. 2 of 2000)
- Provincial Appropriation Act

2. Review of the 2013/14 financial year

Section 2 provides a review of 2013/14, outlining the main achievements and progress made by the department, as well as providing a brief discussion on challenges and new developments.

Fiscal Resource Management

Economic Analysis: The unit continued to undertake district municipal profiling. It also provided informative analysis about the provincial Socio-economic Review Outlook (SERO), and contributed to municipalities' Integrated Development Plans (IDPs). It also monitored the economic activity of the various airports, such as Richards Bay, Prince Mangosuthu Buthelezi and Pietermaritzburg, which were all recently upgraded.

Infrastructure: In 2013/14, the unit continued to support departments and municipalities. The implementation of the Infrastructure Development Management System (IDMS) was one of the highlights

of the year. This system seeks to improve infrastructure management and delivery by capacitating the main infrastructure delivery departments – i.e. the Departments of Health, Education, Human Settlements and Public Works. The Infrastructure Crack Team continued to provide support to departments, municipalities and public entities with problematic infrastructure projects.

Public Finance: The spending and service delivery achievements of all departments was monitored and these inputs were used to prepare quarterly budget performance reports, with the close-out and mid-year performance reports being tabled with the Finance Portfolio Committee (FPC). In addition, Cabinet was constantly kept up-to-date on KZN's spending. The 2013/14 *Adjustments Estimate of Provincial Revenue and Expenditure (AEPRE)*, and the Adjusted Appropriation Bill, which is a legislative requirement of the PFMA, were prepared and tabled in the Legislature. The 2014/15 *EPRE* was prepared for tabling on 11 March 2014, as well as the Unauthorised Expenditure Authorisation Act for 2012/13. Key focus was placed on the enhancement of revenue collected from health patient fees, with Treasury working closely with Health in conducting this study. The cost-cutting measures first implemented in 2009/10 were expanded and adherence thereto by departments was monitored.

The Division of Revenue Bill for 2014/15 was reviewed and recommendations were made. Reforms in public entities continued to be implemented, with focus being placed on the listing of provincial public entities, analysis of APPs and reviewing of quarterly performance. A study was also conducted on the remuneration of Boards and CEOs of public entities and presented to Cabinet.

Municipal Finance: The unit identified a need for further support to all delegated municipalities with the preparation of their 2013/14 budgets, for full compliance with the requirements of the Municipal Finance Management Act (MFMA), as well as the Municipal Budget and Reporting Regulations (MBRR). The unit, in conjunction with National Treasury, conducted three Municipal Budget workshops on the preparation of the 2013/14 budgets, focusing on the revenue and expenditure framework, as well as the fundamentals of credible capital and cashflow budgeting. Furthermore, on-site technical support was provided to 42 delegated municipalities to augment the 2013/14 budget preparation process. With the exception of one municipality, the draft budgets of 57 municipalities were assessed and key findings were communicated to these municipalities. Twelve delegated municipalities were requested to appear before the Joint Portfolio Committees of Finance and COGTA, and the unit supported the committee during these engagements. Municipal Finance also prepared monthly reports on the financial performance of the 58 delegated municipalities. In addition, four quarterly reports on the financial performance of all municipalities in KZN were prepared. Through the Municipal Support Programme (MSP), 21 municipalities were assisted in various work streams which included cashflow management, internal control enhancement and VAT reviews.

Financial Management

Financial Assets and Liabilities: A positive cash position was maintained in KZN. Departments were monitored on a daily basis to ensure that funds were available as per the departments' cashflow. Support was provided to departments in respect of banking services and payroll tax, and compliance checks were conducted.

Public Private Partnerships (PPP): The PPP unit continued to render assistance to the two large potential PPP projects (Departments of Health and Education). The unit completed the update of the feasibility study for the government office precinct project, and is busy finalising the financial structuring thereof. The concession contract of the Inkosi Albert Luthuli Central Hospital (IALCH) is nearing its end, with only two years remaining. The PPP unit continued to render assistance to the Department of Health in formulating its exit strategy.

Supply Chain Management: The unit continued to provide support and guidance to municipalities and departments on issues relating to SCM policies and procedures. SCM assessments and follow-ups were undertaken to ensure compliance to SCM prescripts. SCM related training was provided to SCM officials and bid committees at specific municipalities. Intervention and support was provided to six municipalities and specialised resources were deployed to various departments and municipalities when needed, such as the Department of Sport and Recreation and the Umkhanyakude Municipality.

The pilot phase for the contract management project was successfully concluded, with contract registers being developed and populated at six departments and three municipalities. The municipal councils at 48 municipalities resolved to adopt the Municipal Bid Appeals Tribunal (MBAT) as part of their normal processes. Tribunal members were trained accordingly. Already, some municipalities have conducted and concluded appeals using the established Tribunals. A process was started to provide B-BBEE verification (10 500 suppliers have been issued with B-BBEE certificates) to service providers registered on the provincial suppliers database. Small and emerging businesses were targeted for the project. The aim of the project is to improve preferential procurement by government.

Financial Reporting: The unit is currently supporting all departments and public entities on Operation Clean Audit initiatives, with allocations going toward Health, Education and Social Development. The provincial consolidated AFS for the Revenue Fund and provincial departments for 2012/13 was audited and tabled in the Provincial Legislature. The Revenue Fund received a clean audit opinion for the past five financial years. Successful implementation of a software programme named Caseware in eight public entities resulted in the 2012/13 AFS being prepared utilising the software. The implementation of Caseware contributed positively to improving the financial reporting and accounting processes in preparation of the AFS. The unit implemented an internally resourced “Back to Basics” programme in 15 municipalities, which focuses on the quality of routine accounting processes and financial management reconciliations taking place within municipalities. This programme achieved great success, as the majority of the municipalities prepared their AFS internally, with assistance from Financial Reporting officials. The assistance provided to these municipalities contributed positively to maintaining or improving municipalities’ audit opinions for 2012/13.

Norms and Standards: National Treasury requested the unit to assist in the revision and enhancement of its diagnostic compliance tool, the upgraded Financial Management Capability Maturity Model (FMCMM) for provincial departments. Assistance provided included the development of high-level foundation questions and appropriate responses across the financial management sphere. The revised model was piloted in two KZN departments (Treasury and Transport) in 2013/14, prior to its roll-out to all KZN departments in 2014/15.

Support and Interlinked Financial Systems: The Biometric Access Control System has been enhanced to improve security controls for the transversal systems (BAS and PERSAL). The HARDCAT asset management system is also being biometric-enabled and the project is in progress. In order to improve the level of support for transversal systems in general and for the Biometric system in particular, a new structure dedicated to these functions was approved.

Internal Audit

Assurance Services: The unit provided internal audit services to departments and some public entities with specific focus on governance and good audit outcomes. The unit identified critical service delivery projects and undertook performance audits to determine value for money for the resources expended. The unit also assisted clients in achieving and sustaining clean audit outcomes, and embarked on a process to identify, review and recommend corrective action on certain key financial controls as part of their review of the AFS and follow-ups on A-G findings.

The unit continued to review non-financial data as part of its audits on performance information, thereby assisting departments in preparing for the audit by the A-G. The unit performed reviews of IT controls at departments and some public entities in order to assist these institutions in identifying and mitigating significant IT risks. The unit supported the activities of the Provincial Audit and Risk Committee and the Cluster Audit and Risk Committees in executing their oversight responsibilities, as well as in promoting accountability and good governance.

Risk and Advisory Services: The Provincial Risk Management Framework approved by Cabinet was adopted by all departments and is now in the process of implementation, with most departments having appointed their own risk managers. This framework was also customised for municipalities, and was rolled out to all delegated municipalities. In 2012/13 and 2013/14, the unit also embarked on a risk streamlining project. This project involved assisting departments to consolidate and clean-up various pockets of

risk profiles to create one risk register for organisational risks. The focus of this project was on revising and updating risk registers for provincial departments.

Forensic Audit Services: The unit successfully completed 23 investigations in 2012/13, and is on track to achieve its set target of 25 finalised investigations for 2013/14. This was achieved despite the challenges currently faced in terms of a shortage of resources and a high demand for its services, which now include requests from municipalities and public entities. Incidents of fraud and corruption were identified and reported to law enforcement agencies. The unit continued to roll-out some pro-active strategies for combating fraud and corruption, including fraud risk assessments and the review of fraud prevention strategies implemented by departments, public entities and municipalities. At the same time, the unit continued to assist the Office of the Premier (OTP) in strengthening its capacity to deal with fraud and corruption.

3. Outlook for the 2014/15 financial year

Section 3 looks at the key focus areas of 2014/15, outlining what the department is hoping to achieve, as well as briefly looking at the challenges facing the department, and proposed new developments.

Fiscal Resource Management

Economic Analysis: The unit will continue to undertake district municipal profiling. It will also provide informative analysis in respect of SERO, and will contribute to municipalities' IDPs. It will monitor the economic activity of the various airports, such as Margate, Richards Bay, Prince Mangosuthu Buthelezi and Pietermaritzburg, which were all recently upgraded.

Infrastructure: The Infrastructure Crack Team will continue to provide support to departments, municipalities and public entities, with problematic infrastructure projects. Emphasis will also be given on the clarification of roles, responsibilities and strategic decision-making points to ensure that uncertain infrastructure delivery mandates, functions and responsibilities are eliminated. Departments and municipalities will be encouraged to work as partners and relate to each other within the framework of co-operative governance.

Public Finance: Public Finance's functions are largely process driven and governed by various legislative requirements. As such, the work often remains largely unchanged from the previous year in terms of the processes that need to be followed and undertaken. Accordingly, monitoring the spending of departments through the various reporting mechanisms, including the monthly IYM, QPR and quarterly budget performance reports, will continue with the aim of keeping provincial spending within budget. Cabinet will continue to be kept informed of the province's budget performance. The Unauthorised Expenditure Authorisation Bill for 2013/14, the *AEPRE* for 2014/15 and the *EPRE* for 2015/16 will be prepared. More emphasis will be placed on the collection of health patient fees to ensure increases in revenue from this source.

National Treasury will be provided with information on the Division of Revenue and Provincial Equitable Share (PES), as well as the conditional grant frameworks. The unit's oversight role and monitoring of the performance of public entities will continue.

Municipal Finance: The unit will provide training and technical support to municipalities to ensure compliance with the MBRR. The 30 MFMA monitoring indicators which measure municipal compliance levels with the provisions and requirements of the MFMA will be rolled out in conjunction with the FCMCM to municipalities in 2014/15. The unit will provide assistance to municipalities to conduct self-assessments by means of the FCMCM tool, which has been developed by National Treasury to assess the financial management maturity of municipalities. The unit will also continue to build capacity, with the intention of increasing support to the municipalities.

The MSP will continue to support municipalities with various work streams, based on the individual needs of each municipality, with an ultimate goal of ensuring that municipalities not only achieve clean audits but that they also deliver services efficiently and effectively.

Financial Management

Financial Assets and Liabilities: The unit will continue to monitor all departmental bank balances on a daily basis to ensure that proper cashflow is being maintained. Excess funds will be invested with the Corporate for Public Deposit (CPD) to obtain maximum interest. A support function for banking and payroll tax matters will continue to be offered to departments.

Public Private Partnerships: The PPP unit will continue to address the lack of capacity in departments and municipalities in identifying and managing PPP projects. The unit also aims to create and improve relationships between various stakeholders in the PPP process in order to promote better PPP deal flow, and to prevent deals taking place that are not considered to be value for money and/or affordable.

Supply Chain Management: The unit will continue to provide hands-on support to departments and municipalities. The contract management project will be expanded to include municipalities where the SCM unit provides support. The support system for MBAT, in particular within Provincial Treasury itself, will be intensified. The support and intervention at certain municipalities will need to be enhanced to ensure the success of the programme. The B-BBEE verification project will be finalised in 2014/15.

Financial Reporting: Regular hands-on engagement and support to departments, public entities and municipalities will continue to be provided with the aim of enhancing their financial accounting and reporting performance, as well as continued staff development and training programmes to develop and retain the requisite financial management skills and expertise. The unit will continue to play a major role in the Operation Clean Audit initiative, by ensuring enhanced financial management in all spheres of government.

Norms and Standards: The unit will endeavour to provide greater financial management and technical support to municipalities, departments and the respective public entities by focussing primarily on the assessment, review and development of critical finance-related policies as outlined in the MFMA and PFMA, respectively.

Support and Interlinked Financial Systems: The biometric enablement of the HARDCAT asset management system is scheduled to be completed by the second quarter of 2014/15. It will provide support to transversal systems in the province.

Internal Audit

Assurance Services: The unit will continue to provide internal audit services to departments and public entities by performing risk based audits, with specific focus on overall good governance. The unit will identify additional critical service delivery projects to determine value for money for the resources expended as part of its focus on performance auditing. It will continue to assist clients in achieving and sustaining clean audit outcomes, with specific direction on common, transversal weaknesses such as SCM and the review of key financial controls. Audit efforts on IT controls will be expanded, as this has been identified as a critical risk area. The unit will also continue to perform governance reviews, as well as support the Audit Committee structures.

Risk and Advisory Services: The unit's main focus will be to ensure that the risk management responsibility is devolved to the respective government institutions in line with the PFMA as prescribed in the Provincial Risk Management Framework. The unit will also be reviewing this framework to ensure that emphasis is put on prescribing minimum risk management standards that each provincial department, public entity and municipality should be complying with.

Forensic Audit Services: The continuation of fraud risk assessments and review of fraud prevention plans, together with access to investigative IT tools, and the development of a consolidated, provincial fraud investigation database that incorporates all fraud investigations conducted in KZN, will assist in achieving efficiencies in the fight against fraud and corruption. The unit will also be capacitating/ strengthening its investigation arm by employing more staff at senior level.

4. Receipts and financing

4.1 Summary of receipts and financing

Table 6.1 below shows the sources of funding for Vote 6 over the seven-year period 2010/11 to 2016/17. The table also compares actual and budgeted receipts against actual and budgeted payments.

Table 6.1 : Summary of receipts and financing

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Equitable share	640 637	491 486	528 247	587 252	443 490	443 490	659 630	702 653	732 449
Conditional grants	1 634	-	-	-	-	-	-	-	-
<i>Education and Health Infrastructure grants</i>	1 634	-	-	-	-	-	-	-	-
Total receipts	642 271	491 486	528 247	587 252	443 490	443 490	659 630	702 653	732 449
Total payments	388 936	390 325	518 340	684 929	653 971	637 693	834 183	758 215	759 449
Surplus/(Deficit) before financing	253 335	101 161	9 907	(97 677)	(210 481)	(194 203)	(174 553)	(55 562)	(27 000)
Financing									
<i>of which</i>									
Provincial roll-overs	-	18 538	40 926	-	34 004	34 004	-	-	-
Provincial cash resources	50 229	-	44 062	97 677	176 477	176 477	174 553	55 562	27 000
Surplus/(Deficit) after financing	303 564	119 699	94 895	-	-	16 278	-	-	-

The department receives only a provincial allocation from 2011/12. The 2010/11 conditional grant amount was a once-off adjustment relating to the Education and Health Infrastructure grants. An amount of R1.634 million was suspended from Vote 5: Education and Vote 7: Health, being a portion of the Education and Health Infrastructure grants for IDIP.

In 2010/11, R40 million of the R50.229 million against provincial cash resources was additional funding allocated toward the development of the Pietermaritzburg airport. The balance of R10.229 million was allocated in respect of the prescribed local government levy, which has since been discontinued, paid over to municipalities from casino taxes collected by the Gambling Board and paid over to the Provincial Revenue Fund. The 2010/11 surplus of R303.564 million related mainly to savings realised in respect of overdraft interest charges, as well as under-spending on the construction of the Pietermaritzburg airport due to adverse weather conditions. Funds not spent in respect of the construction of the airport were rolled over to 2011/12, as explained below.

The provincial allocation decreased in 2011/12 due to the suspension of R45 million from the interest on the overdraft provision to Vote 5: Education to assist Section 21 schools in paying municipal arrears. The decrease is also attributed to a drop in the interest on the overdraft provision due to the bank balance remaining positive since May 2010. An amount of R18.538 million was rolled over from 2010/11 in respect of the development of the Pietermaritzburg airport.

The department ended 2011/12 with a surplus of R119.699 million. This was mostly in respect of savings on the overdraft interest provision, following the improvement in the funds available in the IGCC account, due to the effective implementation of cost-cutting measures by the province.

The amount of R40.926 million against provincial roll-overs in 2012/13 is in respect of roll-overs from the previous financial year as follows:

- R16.760 million for the Pietermaritzburg airport, and R7.041 million for the Richards Bay airport.
- R3.904 million in respect of the Infrastructure Crack Team.
- R2.659 million for the purchasing of a server refresher for the computer network system.
- R10.562 million for consultants' fees in respect of Risk Management facilitation workshops and training, forensic investigations, conducting IT risk assessments on the BAS system and the development of the Business Continuity Plan (BCP) and Disaster Recovery Plan (DRP) guidelines.

The amount of R44.062 million against provincial cash resources is made up as follows:

- R20 million in respect of the Pietermaritzburg airport.

- R4 million toward the Thuthuka Bursary Fund.
- R10 million for the Infrastructure Crack Team, to enable it to reach and assist more departments (currently the team is assisting Health, Education, and Human Settlements), and to allow Provincial Treasury to assist various municipalities in unblocking blocked infrastructure projects.
- R2.062 million for the Shayamoya eco-complex, which is a cultural complex and community park in Kokstad, which aims to make East Griqualand a more attractive tourist destination.
- R8 million for the development of a light industrial park at Bhongweni in the Greater Kokstad Municipality. This project aims to develop the infrastructure and institutional arrangements and operationalise a light industrial park that will operate as a small business incubator to attract, train, mentor and assist in the development of skilled artisans.

The department ended 2012/13 with a surplus of R94.895 million. The under-spending was mainly due to the non-filling of posts resulting from high staff turnover and a shortage of suitably qualified candidates. Also accounting for the under-spending, was an improvement in the funds available in the PMG and IGCC accounts resulting from the province earning as opposed to paying interest. The department also under-spent on contract management projects, the Infrastructure Crack Team, legal fees, the e-Procurement Tool, the feasibility study of the government office precinct project, the development of the Pietermaritzburg, Richards Bay, Prince Mangosuthu Buthelezi and Margate airports, as well as the Thuthuka Bursary Fund, the Shayamoya eco-complex, and a light industrial park at Bhongweni, as explained above.

The department's provincial allocation in 2013/14 decreased by R30.958 million from the Main Appropriation of R684.929 million to R653.971 million in the Adjusted Appropriation. This was due to funds being suspended to various departments, such as OTP, Economic Development and Tourism, COGTA, Arts and Culture and Sport and Recreation relating to Strategic Cabinet Initiatives, such as the National Choral Music Awards, the Nelson Mandela Golf Day, the Nelson Mandela Marathon, the EduSport East Coast festival, among others.

The amount of R34.004 million against provincial roll-overs in the 2013/14 Adjusted Appropriation is in respect of roll-overs from 2012/13 for legal fees (R2.900 million), the Infrastructure Crack Team (R7 million), contract management (R2.400 million), the revived feasibility study of the government office precinct project (R2.627 million), and the development of the Margate (R2.288 million), Prince Mangosuthu Buthelezi (R603 000), and Pietermaritzburg (R16.186 million) airports.

The provincial cash resources amount of R176.477 million in the 2013/14 Adjusted Appropriation comprises R97.677 million in respect of various projects, including the feasibility study of the government office precinct project, Operation Clean Audit, the e-Procurement Tool, contract management, Infrastructure Crack Team, forensic investigations, the Shayamoya eco-complex, a light industrial park at Bhongweni, Aero Grand Prix, and Thuthuka Bursary Fund. In addition, R60 million was added to the Strategic Cabinet Initiatives Fund under Vote 6. Furthermore, an amount of R18.800 million was allocated for Operation *Sukuma Sakhe* (OSS), the Infrastructure Crack Team, the Education nutrition programme, the irregular expenditure project, the health assets project, and McCord Hospital.

The department is anticipating ending 2013/14 with under-spending of R16.278 million due to under-spending on *Compensation of employees* resulting from a lack of suitably qualified candidates, high staff turnover and natural attrition.

In 2014/15, the department's baseline increased to R834.183 million from an Adjusted Appropriation in 2013/14 of R653.971 million. The provincial cash resources of R174.553 million are explained by the fact that the department receives an increase in its baseline due to suspensions from the previous financial year. The 2014/15 allocation includes the e-Procurement Tool, contract management, Operation Clean Audit, forensic investigations, government office park precinct project, the balance of the Strategic Cabinet Initiatives Fund, rural development projects, Msunduzi electricity-related developments, etc.

4.2 Departmental receipts collection

Table 6.2 below gives a summary of the departmental receipts for Vote 6. The details are presented in the *Annexure – Vote 6: Provincial Treasury*.

Table 6.2 : Summary of departmental receipts collection

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	168	152	159	160	160	171	182	194	207
Transfers received	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	1	-	-	-
Interest, dividends and rent on land	29 584	288 008	269 818	200 004	200 004	249 807	266 048	283 341	301 758
Sale of capital assets	634	760	32	-	-	409	160	170	181
Transactions in financial assets and liabilities	440	333	437	340	340	352	375	399	425
Total	30 826	289 253	270 446	200 504	200 504	250 740	266 765	284 105	302 572

The department collects the bulk of its own revenue from interest earned on the IGCC account and the PMG account, which is reflected against the category *Interest, dividends and rent on land*. The fluctuations over the seven-year period are directly linked to the amount of cash-on-hand and movements in interest rates. The low revenue collected in 2010/11 can be attributed to over-expenditure incurred by KZN in that year. The significant improvement, although fluctuating in 2011/12 and 2012/13, related to the increased level of funds available in these accounts, largely because of the collective implementation of cost-cutting by provincial departments. The department decreased its budget in 2013/14 due to the 1, 2 and 3 per cent baseline reductions implemented by National Treasury, coupled with the impact of the 2011 Census data on the province's equitable share. The increase in the 2013/14 Revised Estimate relates to higher than anticipated interest earned on the IGCC and the PMG accounts. Over the MTEF, the department projects an increasing trend from R266.048 million in 2014/15 to R301.758 million in 2016/17.

The revenue collected under *Sale of goods and services other than capital assets* is mainly in respect of game licences. This revenue source is collected by game lodges and paid over to Provincial Treasury. This revenue source is conservatively budgeted, as it depends on the number of people visiting game lodges and the season. In addition, revenue items, such as staff parking fees and commission received from insurance companies for monthly contributions, are collected under this category. The budget over the 2014/15 MTEF grows by inflationary increments.

Sale of capital assets relates to the auctioning of redundant items, such as vehicles, computers, etc. This category is not budgeted for in 2013/14, however, the department expects to collect against this category, hence the amounts reflected in the 2013/14 Revised Estimate. The budgeted amounts against this category over the 2014/15 MTEF are based on the anticipated disposal of motor vehicles in line with the asset disposal policy.

Transactions in financial assets and liabilities relates to recoveries from previous financial years. The fluctuating trend is due to the difficulty in forecasting accurately for this item due to its uncertain nature.

4.3 Donor funding

Table 6.3 provides information on donor funding received by the department from the European Union (EU). Treasury sent a bid to National Treasury for these funds to be given to the province to fund the development of Science Parks in KZN. The request for these funds was evaluated and final allocations were approved by the national Ministers' Committee on the Budget. Table 6.4 shows what the department will be spending over the MTEF.

In total, KZN receives R120 million from the EU through the General Budget Support (GBS) initiative over the period 2014/15 to 2016/17.

Table 6.3 : Details of donor funding

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Donor funding	-	-	-	-	-	-	41 600	39 200	39 200
KwaZulu-Natal Science Parks	-	-	-	-	-	-	41 600	39 200	39 200
Total	-	-	-	-	-	-	41 600	39 200	39 200

Table 6.4 : Details of payments and estimates of donor funding

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Donor funding	-	-	-	-	-	-	41 600	39 200	39 200
KwaZulu-Natal Science Parks	-	-	-	-	-	-	41 600	39 200	39 200
Total	-	-	-	-	-	-	41 600	39 200	39 200

The department plans to establish four science parks in the province with this funding. These will be located in Pietermaritzburg, Newcastle, Port Shepstone and Richards Bay. The main aim of the science parks is the commercialisation of innovative ideas through which products, processes, strategies and services are formulated to create job opportunities and to create business synergies. The core functions of the science parks include knowledge generation, innovation, enterprise and business formation. The science parks will be aimed at businesses involved in information technology.

5. Payment summary

This section provides information pertaining to the vote as a whole at an aggregated level, including payments and budgeted estimates in terms of programmes and economic classification. Further details are given in Section 6 below, as well as in the *Annexure – Vote 6: Provincial Treasury*.

5.1 Key assumptions

The budget for the 2014/15 MTEF is based on the department's approved Strategic Plan and the 2014/15 APP in line with the service delivery requirements and improvements of the department. Some of the main assumptions underpinning the MTEF budget are as follows:

- All inflation related increases are based on CPI projections.
- The expanded cost-cutting measures, as reissued by Provincial Treasury in 2013/14, will continue to be adhered to over the 2014/15 MTEF, in conjunction with National Treasury Instruction 01 of 2013/14: Cost-containment measures.
- Provision was made for the carry-through costs of the 2013 wage agreement and an inflationary wage adjustment of 6.4 per cent in 2014/15 and 2015/16, respectively, and 6.3 per cent in 2016/17, and an annual 1.5 per cent pay progression.
- Provision has been made for the filling of funded vacant posts.

5.2 Additional allocations for the 2012/13 to 2014/15 MTEF

Table 6.5 shows additional funding received by the department over the three MTEF periods: 2012/13 2013/14 and 2014/15.

The purpose of such a table is two-fold. Firstly, it shows the quantum of additional funding allocated to the department in the past and current MTEF periods. Secondly, it indicates the policies and purposes for which the additional funding was allocated. The carry-through allocations for the 2012/13 and 2013/14 MTEF periods (i.e. for the financial year 2016/17) are based on the incremental percentage used in the 2014/15 MTEF.

Table 6.5 : Summary of additional provincial allocations for the 2012/13 to 2014/15 MTEF

R thousand	2012/13	2013/14	2014/15	2015/16	2016/17
2012/13 MTEF period	51 116	4 585	(1 087)	(1 137)	(1 189)
Carry-through of 2011/12 Adjustments Estimate - Prince Mangosuthu Buthelezi airport	20 000	-	-	-	-
Carry-through of 2011/12 Adjustment Estimate - 2011 wage agreement	1 089	1 144	1 201	1 256	1 314
Capping overdraft interest charges at R50 million per year (R10 million remains within Vote 6)	(40 000)	(40 000)	(46 000)	(48 116)	(50 329)
B-BBEE verification	6 000	6 000	6 000	6 276	6 565
Pietermaritzburg airport (roll-over)	16 027	-	-	-	-
Improving infrastructure support	8 000	8 400	8 820	9 226	9 650
Strategic Cabinet Initiatives	40 000	29 041	28 892	30 221	31 611
2013/14 MTEF period		89 580	(4 539)	(20 517)	(21 461)
Census data update and 1%, 2% and 3% baseline cuts		(8 097)	(16 539)	(20 517)	(21 461)
Feasibility study of government office precinct project		9 000	-	-	-
Operation Clean Audit (Financial Management)		10 000	-	-	-
Provincial SCM procurement tool		8 000	-	-	-
SCM contract management		10 000	-	-	-
Infrastructure Crack Team		10 000	-	-	-
Operation Clean Audit (Internal Audit)		10 000	-	-	-
Forensic investigations		8 000	-	-	-
Shayamoya eco-complex, cultural village and community park		13 677	-	-	-
Thuthuka Bursary Fund		4 000	4 000	-	-
Development of light industrial park - Bhongweni		7 000	8 000	-	-
Aero Grand Prix		8 000	-	-	-
2014/15 MTEF period			213 599	124 853	92 519
Suspension from 2013/14 to 2014/15:			57 553	-	-
<i>e-Procurement Tool</i>			6 000	-	-
<i>Contract management</i>			10 000	-	-
<i>Operation Clean Audit (Internal Audit)</i>			10 000	-	-
<i>Forensic investigations</i>			8 000	-	-
<i>Government office precinct project</i>			9 000	-	-
<i>Balance of Strategic Cabinet Initiatives Fund</i>			14 553	-	-
Rural development projects			50 000	-	-
Msunduzi electricity-related developments			5 500	-	-
Infrastructure Crack Team			10 000	-	-
Irregular expenditure			3 500	-	-
IDIP TAs			8 000	8 000	8 000
Operation Pay-on-Time			3 500	3 500	3 500
Education capped leave			5 000	-	-
Operation Clean Audit (Financial Management)			10 000	5 000	5 000
AFS assist municipalities			5 000	-	-
e-Procurement Tool			4 500	13 000	3 500
Special audits			-	8 000	-
Forensic investigations			-	8 000	-
Contract management			-	-	7 000
Shayamoya roll-over from 12/13 to 14/15			-	2 062	-
Light industrial park - Bhongweni roll-over from 12/13 to 14/15			-	8 000	-
Inkosi Albert Luthuli Central Hospital - floor repairs			4 000	8 000	6 000
Strategic Cabinet Initiatives - increasing to R100m			46 505	59 473	57 325
Carry-through of previous wage agreements			1 404	2 711	3 133
Centralisation of communications budget under OTP			(610)	(640)	(674)
Centralisation of external bursaries budget under OTP			(253)	(253)	(265)
	51 116	94 165	207 973	103 199	69 869

Over the 2012/13 MTEF, the department received the carry-through costs for the 2011 wage agreement, B-BBEE verification, improving infrastructure support, funding toward Strategic Cabinet Initiatives, as well as roll-overs relating to the Pietermaritzburg and Prince Mangosuthu Buthelezi airports. The overdraft interest charges funding was capped at R50 million over the MTEF, whereas it was previously capped at R100 million. Of the R100 million, R40 million was removed from Vote 6: Provincial Treasury and allocated to various provincial priorities while R10 million remained within Vote 6, but was allocated to SCM for the continuation of the contract management project, as well as MBAT.

In the 2013/14 MTEF, National Treasury took a decision to impose 1, 2 and 3 per cent baseline cuts on all spheres of government (i.e. National, Provincial and Local) in order to curb the national deficit as public spending is growing faster than revenue collection. In addition, KZN received reduced equitable share allocations as a result of the reduced proportion in terms of population numbers as reported in the 2011 Census data results. The effect of this on the department was a substantial reduction in the budget over the entire period.

Over the 2013/14 MTEF, the department received once-off funding of R97.677 million for the feasibility study of the government office precinct project, Operation Clean Audit, the e-Procurement Tool, contract management, the Infrastructure Crack Team, forensic investigations, the Shayamoya eco-complex, and the Aero Grand Prix. The department also received an additional R11 million in 2013/14 carried over to 2014/15 for the Thuthuka Bursary Fund (R4 million in both 2013/14 and 2014/15), and the development of a light industrial park at Bhongweni (R7 million in 2013/14 and R8 million in 2015/16). This amount was offset by R8.097 million in respect of the Census data and 1, 2 and 3 per cent baseline cuts.

Over the 2014/15 MTEF, funds of R57.553 million were suspended from the previous financial year for the e-Procurement Tool (R6 million), contract management (R10 million), Operation Clean Audit (R10 million), forensic investigations (R8 million), the government office precinct project (R9 million), and for the balance of the Strategic Cabinet Initiatives Fund (R14.553 million).

In addition, the department received allocations (most of which are once-off) amounting to R156.909 million for the following, many of which are transversal projects affecting most departments:

- R50 million for rural development projects. This amount will not be spent by the department but will be suspended to other departments once they have submitted rural development projects for consideration and approval.
- R5.500 million for Msunduzi electricity-related developments.
- The Infrastructure Crack Team (R10 million).
- Irregular expenditure (R3.500 million).
- IDIP TAs (R8 million with carry-through costs).
- Operation Pay-on-Time (R3.500 million with carry-through costs).
- Education capped leave (R5 million).
- AFS to assist municipalities (R5 million).
- Operation Clean Audit (Financial Management) (R10 million in 2014/15 and R5 million in 2015/16 and 2016/17, respectively).
- E-Procurement Tool (R4.500 million, R13 million and R3.500 million in 2014/15, 2015/16 and 2016/17, respectively).
- Floor repairs to the IALCH (R4 million, R8 million and R6 million in 2014/15, 2015/16 and 2016/17, respectively).
- Strategic Cabinet Initiatives – increasing the allocation to R100 million per year (R46.505 million in 2014/15, R59.473 million in 2015/16 and R57.325 million in 2016/17).
- Carry-through of previous wage agreements (R1.404 million with carry-through costs).

The department received the following in the outer years of the MTEF:

- R8 million for special audits (2015/16).
- R8 million for forensic investigations (2015/16).
- R7 million for contract management (2016/17).
- A roll-over of R2.062 million from 2012/13 in respect of the Shayamoya eco-complex (2015/16).
- A roll-over of R8 million from 2012/13 for the development of a light industrial park at Bhongweni (2015/16).

The additional funding in 2014/15 is slightly off-set by funds of R610 000 (with carry-through costs) and R253 000 (with carry-through costs) being moved to OTP for the centralisation of parts of the communications budget, and the centralisation of external bursaries, respectively.

5.3 Summary by programme and economic classification

The services rendered by the department are categorised under five programmes, namely Administration, Fiscal Resource Management, Financial Management, Internal Audit and Growth and Development. These programmes are linked to the core functions of the department. The department does not conform to the generic programme structure of the sector. Negotiations with National Treasury will continue in 2014/15. Tables 6.6 and 6.7 below provide a summary of the vote's payments and budgeted estimates over the seven-year period, by programme and by economic classification, respectively.

Table 6.6 : Summary of payments and estimates by programme: Provincial Treasury

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
1. Administration	68 755	80 361	97 905	108 328	112 981	107 612	117 338	122 861	129 652
2. Fiscal Resource Management	53 161	32 280	76 870	99 507	102 341	99 789	110 123	103 542	108 606
3. Financial Management	161 359	164 794	212 094	237 874	269 248	266 636	290 663	274 095	284 982
4. Internal Audit	81 025	75 169	93 154	106 079	109 556	103 811	129 749	131 558	121 683
5. Growth and Development	24 636	37 721	38 317	133 141	59 845	59 845	186 310	126 159	114 526
Total	388 936	390 325	518 340	684 929	653 971	637 693	834 183	758 215	759 449

Table 6.7 : Summary of payments and estimates by economic classification: Provincial Treasury

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Current payments	368 945	353 868	474 802	651 162	601 309	585 005	805 143	739 338	749 897
Compensation of employees	109 901	127 078	163 143	210 636	208 333	192 029	227 258	245 112	263 288
Goods and services	243 536	225 784	311 659	431 618	390 268	390 268	570 117	483 994	475 835
Interest and rent on land	15 508	1 006	-	8 908	2 708	2 708	7 768	10 232	10 774
Transfers and subsidies to:	17 033	32 406	37 624	26 337	45 250	45 276	18 222	14 835	5 037
Provinces and municipalities	15 676	31 264	28 026	20 697	39 774	39 774	13 522	10 085	24
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	1 357	1 142	9 598	5 640	5 476	5 502	4 700	4 750	5 013
Payments for capital assets	2 295	3 819	5 901	7 430	7 412	7 412	10 818	4 042	4 515
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	2 275	3 294	5 507	7 430	7 412	7 412	10 818	4 042	4 515
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	20	525	394	-	-	-	-	-	-
Payments for financial assets	663	232	13	-	-	-	-	-	-
Total	388 936	390 325	518 340	684 929	653 971	637 693	834 183	758 215	759 449

The department shows a fluctuating trend over the seven-year period.

The increase from 2010/11 to 2011/12 against Programme 1: Administration was due to the lifting of the moratorium on the filling of vacant posts. The increase from 2011/12 to 2012/13 pertained largely to the reprioritisation of funds from other programmes in Vote 6 to assist OTP with the payment of bursaries for non-employees, as per a Cabinet decision. The increase from 2012/13 to the 2013/14 Main Appropriation is due to inflationary increments, as well as provision toward the Thuthuka Bursary Fund. The increase from the 2013/14 Main to the Adjusted Appropriation is to cater for higher than anticipated salary costs, OSS initiatives, and legal fees. The increase over the 2014/15 MTEF relates to inflationary increments, as well as additional funding to cater for carry-through of previous wage agreements. The decrease from the 2013/14 Adjusted Appropriation to the Revised Estimate is in respect of the non-filling of posts due to high staff turnover and a lack of suitably qualified candidates.

Programme 2: Fiscal Resource Management shows a substantial decrease from 2010/11 to 2011/12 due to the slow implementation of the MSP, resulting from delays in the appointment of service providers to assist municipalities with their financial management activities. The non-filling of posts due to a lack of suitably qualified candidates also contributed to the low spending. The increase in 2012/13 related mainly

to the continued implementation of the MSP, as well as spending on the Infrastructure Crack Team. The increase from the 2013/14 Main to the Adjusted Appropriation relates to R7 million rolled over from 2012/13, and an additional allocation of R1 million toward the Infrastructure Crack Team support that has also been extended to municipalities. The decrease from the 2013/14 Adjusted Appropriation to the Revised Estimate relates to the non-filling of posts due to a lack of suitably qualified candidates. The increase in the 2014/15 MTEF is due to funding for the Infrastructure Crack Team projects.

The substantial increase against Programme 3: Financial Management from 2011/12 to 2012/13 includes increases in MBAT, contract management and Operation Clean Audit initiatives. The increase in the 2013/14 Adjusted Appropriation from the Main Appropriation is due to funds shifted to this programme for Operation Clean Audit initiatives, the e-Procurement Tool and costs associated with MBAT. Furthermore, additional funding was allocated for the Education Nutrition Programme, the irregular expenditure project, the Health assets project, and for McCord Hospital for the investigation by TAs appointed at the request of Cabinet (these projects are transversal in nature). The fluctuations over the 2014/15 MTEF are mainly a result of once-off allocations for the the development of the e-Procurement Tool, education capped leave, irregular expenditure and Operation Pay-on-Time.

Programme 4: Internal Audit shows a decrease from 2010/11 to 2011/12 attributed to delays in finalising the appointment of service providers in respect of specialised audit assignments. Furthermore, the expiry of the contract with the service provider of project *Unembeza* also contributed to the low spending. The increase in 2012/13 was due to the department receiving a roll-over of R10.562 million for consultants' fees in respect of Risk Management facilitation workshops and training, forensic investigations, conducting IT risk assessments on the BAS system, and the development of the Business Continuity Plan (BCP) and Disaster Recovery Plan (DRP) guidelines. The increase from the 2013/14 Main to the Adjusted Appropriation is due to funds shifted from Programme 2 for the appointment of service providers to assist with risk management assignments at municipalities in line with the MSP. The decrease in the Revised Estimate from the 2013/14 Adjusted Appropriation relates to the non-filling of posts due to a lack of suitably qualified candidates. The fluctuations over the 2014/15 MTEF can be ascribed to once-off funding allocated for Operation Clean Audit initiatives, such as special assignments and forensic investigations.

In respect of Programme 5: Growth and Development, spending in 2010/11, 2011/12 and 2012/13 related mainly to the development of the Pietermaritzburg, Prince Mangosuthu Buthelezi, and Richards Bay airports, air shows, and the feasibility study of the government office precinct project. The 2013/14 Adjusted Appropriation shows a decrease from the Main Appropriation, as the Strategic Cabinet Initiatives funding was allocated to different departments for various initiatives. The department also received a roll-over of R21.704 million in respect of the upgrading of the Pietermaritzburg (R16.186 million), Prince Mangosuthu Buthelezi (R603 000) and Margate (R2.288 million) airports, as well as the feasibility study of the government office precinct project (R2.627 million). The substantial increase in 2014/15 is due to the once-off allocations for rural development projects, the Msunduzi electricity-related developments, IALCH for floor repairs, Operation Clean Audit and various Strategic Cabinet Initiatives. The budget in 2015/16 includes only the Strategic Cabinet Initiatives funding, as well as roll-overs relating to the Shayamoya eco-complex and the light industrial park at Bhongweni. The allocation for 2016/17 pertains to the Strategic Cabinet Initiatives, budget communication, and various special infrastructure projects, as detailed under Section 6.5 below.

The increase against *Compensation of employees* from 2010/11 onward was due to the lifting of the moratorium on the filling of vacant posts. The department has budgeted for the full organisational structure over the 2014/15 MTEF. The slight reduction in the 2013/14 Adjusted compared to the Main Appropriation can be attributed to delays in the filling of vacant posts due to a lack of suitably qualified candidates, which also accounts for the lower Revised Estimate against this category. Although the department finds it difficult to fill all its posts due to a scarcity of the required skills in the market place, the full staff establishment is always budgeted for.

The decrease against *Goods and services* from 2010/11 to 2011/12 resulted from delays in finalising the appointment of service providers for various projects such as the MSP, Operation Clean Audit, forensic

investigations, and the Infrastructure Crack Team, among others. The increase in 2012/13 was ascribed to increased spending on MBAT, contract management, the Infrastructure Crack Team, and Operation Clean Audit such as the Municipal Development Programme (MDP) and Operation Pay-On-Time. The decrease from the Main to the Adjusted Appropriation in 2013/14 is in respect of Strategic Cabinet Initiatives funding which was allocated to various departments for different initiatives. The fluctuations over the 2014/15 MTEF (including the peak in 2014/15) include once-off provisions for projects such as contract management, the Infrastructure Crack Team, forensic investigations, Operation Clean Audit, Strategic Cabinet Initiatives, rural development projects, the e-Procurement Tool, floor repairs to the IALCH, and IDIP TAs.

The expenditure against *Interest and rent on land* in 2010/11 and 2011/12 relates to interest paid by the province. There was no expenditure in 2012/13 as a result of the improvement in the provincial cash balances. The decrease in the 2013/14 Adjusted from the Main Appropriation was due to savings from the overdraft interest provision being shifted to fund various financial management initiatives. The improvement in the provincial cash balances resulted in a lower interest provision than in previous years being made over the 2014/15 MTEF.

The expenditure reflected against *Transfers and subsidies to: Provinces and municipalities* in 2010/11, 2011/12 and 2012/13 was for the development of the Pietermaritzburg, Prince Mangosuthu Buthelezi and Richards Bay airports, motor vehicle licence fees, and the prescribed local government levy, as explained previously. The increase in the 2013/14 Adjusted from the Main Appropriation was due to a roll-over from 2012/13, for the development of the Pietermaritzburg, Prince Mangosuthu Buthelezi and Margate airports. The construction of these airports was delayed due to poor weather conditions. The allocation in the 2013/14 Main Appropriation and over the 2014/15 MTEF is ascribed to the payment of motor vehicle licences, as well as a provision for special infrastructure projects which include Msunduzi electricity-related developments, the development of a light industrial park at Bhongweni and the Shayamoya eco-complex, accounting for the fluctuations, as mentioned previously.

Transfers and subsidies to: Households caters for staff exits, as well as bursaries for non-employees. The major fluctuations can be ascribed to the difficulty in budgeting for this category due to its uncertain nature. The substantial increase in 2012/13 was a result of a Cabinet decision to assist OTP with bursaries for non-employees. The decrease from the Main to Adjusted Appropriation is due to the centralisation of external bursaries under OTP from 2013/14 onward. The Thuthuka Bursary Fund is allocated against this category, which grows steadily over the 2014/15 MTEF.

Machinery and equipment is purchased on a cyclical basis, hence the fluctuating trend against this category. The increase in 2012/13 and 2013/14 relates to the upgrade of server refresher hardware in respect of the department's computer network system. The 2014/15 amount will be utilised toward the anticipated upgrade of the Biometric servers and for the reconfiguration of Treasury House (furniture and equipment will be purchased in 2014/15 once the reconfiguration is complete).

The expenditure against *Software and other intangible assets* in 2010/11 and 2011/12 pertained to the purchase of network management software, as well as open text licences for the ECM system. The spending in 2012/13 was for the procurement of an internet connector licence required to connect external departments to the Business Process Mapping (BPM) processors.

Payments for financial assets relates to the write-off of staff debts. The amount in 2011/12 relates to the Soccerex receivables, which were deemed irrecoverable.

5.4 Summary of payments and estimates by district municipal area

Table 6.8 shows departmental spending, including operational costs (full budget), by district municipal area. The department's spending occurs mainly within the uMgungundlovu District Municipality, where the department is based. Although the department provides support services to all provincial departments and municipalities, it is impractical to allocate its budget at this level. The services provided by the department are transversal, hence it is difficult to separate administrative from service delivery costs.

Table 6.8 : Summary of payments and estimates by district municipal area

R thousand	Audited Outcome	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16	2016/17
eThekweni	-	-	-	-	-
Ugu	-	2 288	-	-	-
uMgungundlovu	490 902	614 125	826 183	748 153	759 449
Uthukela	-	-	-	-	-
Umzinyathi	-	-	-	-	-
Amajuba	-	-	-	-	-
Zululand	19 660	603	-	-	-
Umkhanyakude	-	-	-	-	-
uThungulu	7 778	-	-	-	-
Ilembé	-	-	-	-	-
Sisonke	-	20 677	8 000	10 062	-
Total	518 340	637 693	834 183	758 215	759 449

Included against uMgungundlovu is spending for the development of the Pietermaritzburg airport. Also included against this municipality over the 2014/15 MTEF are major projects, such as the Infrastructure Crack Team, Operation Clean Audit, the e-Procurement Tool, contract management, MBAT, MSP, special audits, forensic investigations, Msunduzi electricity-related developments, etc. Over the 2014/15 MTEF, the allocations reflected against uMgungundlovu include salary and subsistence and travel costs due to the fact that the department is based in this district and provides support services to departments, public entities and municipalities across the province.

The amount of R7.778 million against uThungulu in 2012/13 is for the development of the Richards Bay airport. The amount reflected under Ugu in the 2013/14 Revised Estimate pertains to the Margate airport in the Hibiscus Coast Municipality.

The 2013/14 amount against Sisonke relates to the development of a light industrial park at Bhongweni, as well as the Shayamoya eco-complex. Amounts of R8 million and R10.062 million have been allocated against Sisonke in 2014/15 and 2015/16, respectively, as carry-through funding for these projects.

5.5 Summary of conditional grant payments and estimates

The department does not have conditional grant funding. However, the department received a once-off allocation in respect of the Education and Health Infrastructure grants during 2010/11. As explained in Section 4.1 above, R1.634 million was suspended from Vote 5: Education and Vote 7: Health to Provincial Treasury for IDIP, which provided for TAs to assist departments in the roll-out of their infrastructure projects. This grant was allocated against Programme 2 under the sub-programme Economic Analysis and the economic category *Goods and services*. The details of the grant are presented in the *Annexure – Vote 6: Provincial Treasury*.

5.6 Summary of infrastructure payments and estimates

Table 6.9 below summarises the infrastructure payments and estimates relating to the department. The infrastructure budget of the department is placed solely against *Infrastructure transfers: Capital*, as is evident in the table below.

Table 6.9 : Summary of infrastructure payments and estimates by category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
New and replacement assets	-	-	-	-	-	-	-	-	-
Existing infrastructure assets	-	-	-	-	-	-	-	-	-
Upgrades and additions	-	-	-	-	-	-	-	-	-
Rehabilitation, renovations and refurbishments	-	-	-	-	-	-	-	-	-
Maintenance and repairs	-	-	-	-	-	-	-	-	-
Infrastructure transfers	5 435	31 264	28 012	20 677	39 754	39 754	8 000	10 062	-
Current	-	-	-	-	-	-	-	-	-
Capital	5 435	31 264	28 012	20 677	39 754	39 754	8 000	10 062	-
Total	5 435	31 264	28 012	20 677	39 754	39 754	8 000	10 062	-

The R5.435 million in 2010/11 related to the development of the Pietermaritzburg airport, while R31.264 million in 2011/12 and R28.012 million in 2013/14 related to spending on the upgrading of the Pietermaritzburg, Prince Mangosuthu Buthelezi and Richards Bay airports.

The 2013/14 Main Appropriation includes an allocation for the Shayamoya eco-complex, as well as funds toward the development of a light industrial park at Bhongweni, both of which fall under the Greater Kokstad Municipality. The allocation in the 2013/14 Adjusted Appropriation consists of a roll-over from 2012/13 for the upgrading of the Pietermaritzburg, Prince Mangosuthu Buthelezi and Margate airports.

The development of the airports includes, among others, the upgrading of the run-ways and the building of parallel taxi ways to increase aircraft parking space (Pietermaritzburg airport). The allocations were disbursed to the relevant municipalities on satisfactory proof of progress. The development of the airports is expected to be finalised in 2013/14, hence there is no provision for airports over the 2014/15 MTEF.

The allocation in 2014/15 and 2015/16 is for the development of a light industrial park at Bhongweni, as well as the Shayamoya eco-complex.

5.7 Summary of Public Private Partnerships – Nil

5.8 Transfers to public entities listed in terms of Schedule 3 of the PFMA – Nil

5.9 Transfers to other entities – Nil

5.10 Transfers to local government

Table 6.10 and 6.11 provides a summary of transfers to municipalities. It is noted that *Transfers to local government* include funds in respect of motor vehicle licences. However, these funds will not be transferred to any municipality and, hence, the amounts are not reflected in Tables 6.10 and 6.11. The details are presented in the *Annexure – Vote 6: Provincial Treasury*.

Table 6.10 : Summary of departmental transfers to local government by category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Category A	7 937	-	-	-	-	-	-	-	-
Category B	5 435	21 249	8 351	20 677	39 151	39 151	13 500	10 062	-
Category C	2 292	10 015	19 661	-	603	603	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	15 664	31 264	28 012	20 677	39 754	39 754	13 500	10 062	-

Table 6.11 : Summary of departmental transfers to local government by grant name

R thousand	Sub-programme	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
		2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Local government levy	5.4.Air Shows / Special	10 229	-	-	-	-	-	-	-	-
Pietermaritzburg airport	5.3.Special Infra. Projects	5 435	17 790	574	-	16 186	16 186	-	-	-
Prince Mangosuthu Buthelezi airport	5.3.Special Infra. Projects	-	10 015	19 661	-	603	603	-	-	-
Richards Bay airport	5.3.Special Infra. Projects	-	3 459	7 777	-	-	-	-	-	-
Margate airport	5.3.Special Infra. Projects	-	-	-	-	2 288	2 288	-	-	-
Shayamoya eco-complex	5.3.Special Infra. Projects	-	-	-	13 677	13 677	13 677	-	2 062	-
Development of light industrial park	5.3.Special Infra. Projects	-	-	-	7 000	7 000	7 000	8 000	8 000	-
Msunduzi electricity-related dev	5.3.Special Infra. Projects	-	-	-	-	-	-	5 500	-	-
Total		15 664	31 264	28 012	20 677	39 754	39 754	13 500	10 062	-

Category A transfers in 2010/11 are for the prescribed local government levy which has since been discontinued due to a change in legislation, as mentioned. Category C transfers relate mainly to the discontinued local government levy, and the development of the Prince Mangosuthu Buthelezi airport.

Category B transfers mainly provide for the development of the Pietermaritzburg and Richards Bay airports, as well as the development of the Shayamoya eco-complex and a light industrial park at Bhongweni. The R5.500 million in 2014/15 is for Msunduzi electricity-related developments.

5.11 Transfers and subsidies

Table 6.12 below is a summary of spending on *Transfers and subsidies* by programme and main category. The table reflects a fluctuating trend from 2010/11 to 2016/17 for the category as a whole, details of which are provided below Table 6.12.

Table 6.12 : Summary of transfers and subsidies by programme and main category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
1. Administration	227	453	9 004	4 260	4 093	4 093	4 022	4 023	4 237
Provinces and municipalities	12	-	14	20	20	20	22	23	24
Motor vehicle licences	12	-	14	20	20	20	22	23	24
Households	215	453	8 990	4 240	4 073	4 073	4 000	4 000	4 213
Employee social benefits	-	-	387	-	15	15	-	-	-
Bursaries (non-employee)	215	453	8 603	4 240	4 058	4 058	4 000	4 000	4 213
2. Fiscal Resource Management	-	-	23	-	32	58	-	-	-
Households	-	-	23	-	32	58	-	-	-
Employee social benefits	-	-	23	-	32	58	-	-	-
3. Financial Management	917	689	556	1 400	1 274	1 274	700	750	800
Households	917	689	556	1 400	1 274	1 274	700	750	800
Employee social benefits	917	689	556	1 400	1 274	1 274	700	750	800
4. Internal Audit	225	-	29	-	97	97	-	-	-
Households	225	-	29	-	97	97	-	-	-
Employee social benefits	225	-	29	-	97	97	-	-	-
5. Growth and Development	15 664	31 264	28 012	20 677	39 754	39 754	13 500	10 062	-
Provinces and municipalities	15 664	31 264	28 012	20 677	39 754	39 754	13 500	10 062	-
Local government levy	10 229	-	-	-	-	-	-	-	-
Pietermaritzburg airport	5 435	17 790	574	-	16 186	16 186	-	-	-
Prince Mangosuthu Buthelezi airport	-	10 015	19 661	-	603	603	-	-	-
Richards Bay airport	-	3 459	7 777	-	-	-	-	-	-
Margate airport	-	-	-	-	2 288	2 288	-	-	-
Shayamoya eco-complex	-	-	-	13 677	13 677	13 677	-	2 062	-
Development of light industrial park	-	-	-	7 000	7 000	7 000	8 000	8 000	-
Msunduzi electricity-related developments	-	-	-	-	-	-	5 500	-	-
Total	17 033	32 406	37 624	26 337	45 250	45 276	18 222	14 835	5 037

The category *Transfers and subsidies* fluctuate over the seven-year period, and include the following:

- *Households (Employee social benefits)* across all programmes caters for staff exit costs. The substantial increase against *Households (Bursaries: non-employee)* under Programme 1 in 2012/13 was a result of a Cabinet decision to assist OTP with bursaries for non-employees, as well as an allocation toward the Thuthuka Bursary Fund in 2013/14 which continues over the 2014/15 MTEF.
- Amounts against *Provinces and municipalities* in Programme 1 are in respect of motor vehicle licence fees.
- *Provinces and municipalities* against Programme 5 includes the following:
 - o Amounts in 2010/11 include the prescribed local government levy which has since been discontinued, as explained previously.
 - o Amounts from 2010/11 to 2013/14 include allocations toward the development of the Pietermaritzburg, Prince Mangosuthu Buthelezi, Richards Bay and Margate (2013/14 only) airports. Further, allocations are made for the development of a light industrial park at Bhongweni (2013/14 to 2015/16) and the Shayamoya eco-complex (2013/14 and 2015/16 only). The amount of R5.500 million in 2014/15 is for Msunduzi electricity-related developments.

6. Programme description

The services rendered by the department are categorised under five programmes, which are discussed below. The expenditure and budgeted estimates for each programme are summarised in terms of sub-programmes and economic classification. Details are given in *Annexure – Vote 6: Provincial Treasury*.

6.1 Programme 1: Administration

The purpose of this programme is to render support services to the department, provide corporate support services, and financial management support to the department.

This programme consists of four sub-programmes, namely Office of the MEC, Head of Department, Chief Financial Office and Corporate Services.

The main services under this programme are as follows:

- To support the Executive Authority in providing strategic and political direction to provincial departments, public entities, as well as municipalities.
- To provide the MEC with technical support on the appropriation of revenue, to ensure equitable distribution among provincial departments.
- To render financial and supply chain management functions to the department.
- To provide human resource management functions to the department.
- To render legal professional guidance in operational matters of the department.
- To deliver auxiliary services to the department, such as the telecom system, transport fleet management and control of registry.

Tables 6.13 and 6.14 below provide a summary of payments and budgeted estimates pertaining to the programme over the seven-year period from 2010/11 to 2016/17. As reflected in the table, some sub-programmes show a steady increase over the seven-year period, while others reflect fluctuating trends.

Table 6.13 : Summary of payments and estimates by sub-programme: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
1. Office of the MEC	14 403	18 522	22 680	27 794	27 164	25 753	28 612	29 768	31 345
2. Head of Department	5 110	5 739	6 808	7 149	8 757	8 726	9 150	9 486	9 989
3. Chief Financial Office	16 859	17 289	13 729	23 114	24 771	23 021	26 382	28 712	30 560
4. Corporate Services	32 383	38 811	54 688	50 271	52 289	50 112	53 194	54 895	57 758
Total	68 755	80 361	97 905	108 328	112 981	107 612	117 338	122 861	129 652

Table 6.14 : Summary of payments and estimates by economic classification: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Current payments	67 582	78 484	87 232	101 382	106 302	100 933	111 174	116 596	122 823
Compensation of employees	32 044	35 936	43 763	54 786	56 386	51 017	62 919	68 287	73 190
Goods and services	35 538	42 548	43 469	46 596	49 916	49 916	48 255	48 309	49 633
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	227	453	9 004	4 260	4 093	4 093	4 022	4 023	4 237
Provinces and municipalities	12	-	14	20	20	20	22	23	24
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	215	453	8 990	4 240	4 073	4 073	4 000	4 000	4 213
Payments for capital assets	934	1 424	1 669	2 686	2 586	2 586	2 142	2 242	2 592
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	934	1 424	1 669	2 686	2 586	2 586	2 142	2 242	2 592
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	12	-	-	-	-	-	-	-	-
Total	68 755	80 361	97 905	108 328	112 981	107 612	117 338	122 861	129 652

The low spending in 2010/11 to 2012/13 against the sub-programme: Office of the MEC was attributed to cost-cutting in areas such as *advertising and stationery and printing*, among others. The decrease from the 2013/14 Main to Adjusted Appropriation relates to the centralisation of parts of the communications budget under OTP commencing in 2013/14, with carry-through over the 2014/15 MTEF. The decrease in the 2013/14 Revised Estimate is due to delays in the filling of funded vacant posts as a result of scarce skills. This sub-programme shows steady growth over the 2014/15 MTEF.

The sub-programme: Head of Department shows a steady increase over the seven-year period. The slightly low spending in 2010/11 was ascribed to cost-cutting and unanticipated staff exits. The increase from the 2013/14 Main to Adjusted Appropriation was to cater for higher than anticipated salary costs. The 2014/15 MTEF is inflationary related.

The lower spending in 2012/13 compared to 2011/12 against the sub-programme: Chief Financial Office is due to cost-cutting, unanticipated staff exits, as well as once-off spending on performance audits. The significant increase from 2012/13 to the 2013/14 Main Appropriation relates to the expansion of the CFO structure to cater for the Strategic Management Services component and audit fees. The increase in the 2013/14 Adjusted Appropriation was in respect of legal fees that were committed in 2012/13, but only paid in 2013/14 due to the late receipt of invoices. The decrease from the 2013/14 Adjusted Appropriation to the Revised Estimate is due to delays in the filling of posts resulting mainly from a lack of suitably qualified candidates. The 2014/15 MTEF includes the carry-through of previous wage agreements.

The sub-programme: Corporate Services shows a sharp increase in 2012/13 due to the reconfiguration of the department's office space, as well as an increase in property management costs in respect of office accommodation. From the 2013/14 Main Appropriation onward, there is an additional allocation of R4 million toward the Thuthuka Bursary Fund. The increase in the 2013/14 Adjusted Appropriation caters for higher than anticipated costs relating to the reconfiguration of office space in Treasury House. Also, in the 2013/14 Adjusted Appropriation going forward, funds were suspended to OTP in respect of the centralisation of external bursaries, resulting in external bursaries no longer being funded by the department. The decrease from the Adjusted Appropriation to the Revised Estimate is due to the non-filling of vacant posts resulting from staff exits and a lack of suitably qualified candidates.

Compensation of employees shows a steady increase from 2010/11 onward due to additional funding allocated for the various wage agreements, as well as the expansion of the CFO structure. The increase from the 2013/14 Main to the Adjusted Appropriation was to cater for higher than anticipated salary costs. The decrease from the 2013/14 Adjusted Appropriation to the Revised Estimate is due to the non-filling of posts resulting from a lack of suitably qualified candidates. The increase over the 2014/15 MTEF caters for the carry-through of previous wage agreements, and for the filling of vacant posts.

The increase against *Goods and services* from 2010/11 to 2011/12 can mainly be ascribed to a once-off allocation of R4 million toward performance audits. The increase from 2011/12 to 2012/13 was due to the reconfiguration of office space at Treasury House. The increase from the 2013/14 Main to the Adjusted Appropriation can be attributed to higher than expected legal costs. The decrease from the 2013/14 Adjusted Appropriation to 2014/15 is the result of cost-cutting, particularly on costs relating to advertising and stationery and printing.

Transfers and subsidies to: Provinces and municipalities relates to motor vehicle licence fees. The department did not receive invoices from the Department of Transport in 2011/12. This category grows steadily over the 2014/15 MTEF.

Transfers and subsidies to: Households caters for staff exits, as well as bursaries for non-employees. The substantial increase in 2012/13 was a result of a Cabinet decision to assist OTP with bursaries for non-employees. In the 2013/14 Adjusted Appropriation, as well as over the 2014/15 MTEF, the allocation against this category was reduced due to the centralisation of external bursaries under OTP. This category includes a provision of R4 million from 2013/14 onward for the Thuthuka Bursary Fund.

Machinery and equipment caters for the purchase of departmental motor vehicles which is centralised under Programme 1. The fluctuating trend over the period can be attributed to the fact that machinery and equipment are purchased on a cyclical nature. The increase in 2013/14 allows for the purchase of office

furniture and computer equipment resulting from the anticipated appointment of critical staff, as well as the replacement of motor vehicles as per the departmental motor vehicle replacement strategy.

The amount in 2010/11 against *Payments for financial assets* was in respect of the write-off of staff debts, as they were deemed irrecoverable.

6.2 Programme 2: Fiscal Resource Management

This programme consists of four sub-programmes, namely Programme Support, Economic Analysis, Public Finance and Municipal Finance. The main purpose of the programme is to effectively manage and monitor the provincial and local government fiscal resources.

The objectives and services of this programme are as follows:

- To provide strategic leadership in promoting optimal and effective resource allocation (including providing inputs into the provincial equitable share formula and annual Division of Revenue Bill), revenue generation and financial reporting for provincial departments (including public entities).
- To provide a platform to enhance regional economic growth and development through quality research.
- To ensure efficient planning and management of infrastructure.
- To ensure efficient budget management and accurate financial reporting for provincial and local government.
- To assist and provide technical support to delegated municipalities.

Tables 6.15 and 6.16 below provide a summary of payments and budgeted estimates pertaining to this programme for the period 2010/11 to 2016/17. This programme shows a fluctuating trend over the seven-year period, as explained in more detail below.

Table 6.15 : Summary of payments and estimates by sub-programme: Fiscal Resource Management

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
1. Programme Support	928	548	751	2 905	2 927	2 393	3 059	3 200	3 370
2. Economic Analysis	5 345	4 166	19 499	27 511	35 111	36 073	34 527	25 013	25 915
3. Public Finance	7 794	9 435	9 739	12 733	12 721	11 254	13 564	14 188	14 940
4. Municipal Finance	39 094	18 131	46 881	56 358	51 582	50 069	58 973	61 141	64 381
Total	53 161	32 280	76 870	99 507	102 341	99 789	110 123	103 542	108 606

Table 6.16 : Summary of payments and estimates by economic classification: Fiscal Resource Management

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Current payments	52 947	31 778	76 716	99 107	101 707	99 129	109 857	103 266	108 320
Compensation of employees	17 371	21 191	30 283	43 007	41 104	38 526	44 755	48 311	52 070
Goods and services	35 576	10 587	46 433	56 100	60 603	60 603	65 102	54 955	56 250
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	-	-	23	-	32	58	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	23	-	32	58	-	-	-
Payments for capital assets	208	374	131	400	602	602	266	276	286
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	188	374	131	400	602	602	266	276	286
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	20	-	-	-	-	-	-	-	-
Payments for financial assets	6	128	-	-	-	-	-	-	-
Total	53 161	32 280	76 870	99 507	102 341	99 789	110 123	103 542	108 606

The sub-programme: Programme Support reflects a fluctuating trend over the seven-year period. The significantly low spending in 2010/11 and 2011/12 was due to the non-filling of vacant posts resulting from a lack of suitably qualified candidates, as well as the shifting of funds originally earmarked for research capacity to other areas of service delivery across the department. The increase from 2011/12 to 2012/13 is due to the filling of posts. The slight increase from the 2013/14 Main to the Adjusted Appropriation is to cater for higher than anticipated spending in respect of the purchase of machinery and equipment. The decrease from the 2013/14 Adjusted Appropriation to the Revised Estimate is due to the non-filling of posts. The 2014/15 MTEF includes a provision for the filling of vacant posts, e.g. senior manager posts, as well as inflationary increments.

The high amount against the sub-programme: Economic Analysis in 2010/11 included once-off spending of R1.634 million in respect of the IDIP, which explains the decrease in 2011/12. The significant increase in 2012/13, 2013/14 and over the 2014/15 MTEF pertains to additional funding for the Infrastructure Crack Team to assist departments and municipalities in the delivery of infrastructure projects. The same reason applies to the increase from the 2013/14 Main to the Adjusted Appropriation. The 2014/15 MTEF includes provision for the Infrastructure Crack Team and IDIP TAs.

The sub-programme: Public Finance shows a generally steady increase from 2010/11. The increase in 2011/12 was a result of the filling of vacant posts following the lifting of the moratorium on the filling of vacant posts. The decrease from the 2013/14 Adjusted Appropriation to the Revised Estimate is due to the non-filling of posts resulting from a lack of suitably qualified candidates. The 2014/15 MTEF includes a provision for the filling of vacant posts in line with the moratorium on the filling of non-critical posts, as well as inflationary increments.

The substantial decrease against Municipal Finance from 2010/11 to 2011/12 was attributed to the slow implementation of the MSP due to delays in the appointment of service providers to assist municipalities with their financial management activities. The increase in 2012/13 emanated from an increase in the number of assignments relating to the MSP that could not be implemented in 2011/12 due to delays in the appointment of service providers. The decrease from the 2013/14 Main to Adjusted Appropriation was to cater for municipal support to municipalities in Programmes 3 and 4 for MBAT and risk management assignments, respectively. The 2014/15 MTEF includes a provision for the filling of vacant posts in line with the moratorium on the filling of non-critical posts, as well as inflationary increments.

The increase against *Compensation of employees* from 2010/11 to the 2013/14 Main Appropriation is due to the lifting of the moratorium on the filling of vacant posts. The decrease from the 2013/14 Main to the Adjusted Appropriation was a result of the shifting of funds to Programme 1 to cater for the higher than anticipated salary costs within that programme. The decrease from the 2013/14 Adjusted Appropriation to the Revised Estimate is due to the non-filling of posts resulting mainly from a lack of suitably qualified candidates. The increase from the 2013/14 Adjusted Appropriation onward relates to inflationary increments, as well as the anticipated filling of vacant posts.

The significantly low spending in 2011/12 against *Goods and services* relates to the slow implementation of the MSP and the Infrastructure Crack Team due to delays in the appointment of service providers. Included in 2010/11 was once-off funding of R1.634 million, and additional funds for the Infrastructure Crack Team to assist departments and municipalities in the delivery of infrastructure projects. The increase from the 2013/14 Main to the Adjusted Appropriation includes R7 million rolled over from 2012/13 for the Infrastructure Crack Team, and an additional R2.200 million to cater for the extension of the Infrastructure Crack Team project to municipalities. An amount of R5 million was shifted to cover costs relating to municipal support activities in Programmes 3 and 4 for MBAT and risk management assignments, respectively. The 2014/15 MTEF allocation includes funding toward the Infrastructure Crack Team, IDIP TAs, as well as the MSP to assist municipalities with their financial management activities. Funding toward the Infrastructure Crack Team is once-off, hence the decrease in 2015/16.

Transfers and subsidies to: Households caters for staff exit packages.

The fluctuating trend against *Machinery and equipment* over the seven-year period results from the fact that machinery and equipment is purchased on a cyclical basis.

The amount against *Software and other intangible assets* in 2010/11 relates to the once-off purchase of Econometrics and Stata software packages.

Expenditure against *Payments for financial assets* in 2010/11 and 2011/12 is in respect of the write-off of staff debts that were deemed irrecoverable.

Service delivery measures – Programme 2: Fiscal Resource Management

Table 6.17 below illustrates the service delivery measures pertaining to Programme 2.

Table 6.17 : Service delivery measures – Programme 2: Fiscal Resource Management

Outputs	Performance indicators	Estimated performance		Medium-term targets		
		2013/14	2014/15	2015/16	2016/17	
1.1 Economic Analysis						
1.1.1	To determine and evaluate economic parameters and socio-economic imperatives to inform provincial and local resource allocation	<ul style="list-style-type: none"> To provide an economic analysis for the province 	New Produce 1 Socio-economic Review Outlook (SERO) Produce 9 district socio-economic reports	Produce 4 provincial dept. economic reports Produce 1 SERO Produce 9 district socio-economic reports	Produce 5 provincial dept. economic reports Produce 1 SERO Produce 9 district socio-economic reports	Produce 6 provincial dept. economic reports Produce 1 SERO Produce 9 district socio-economic reports
1.1.2	Provide a platform to enhancing regional economic growth and development	<ul style="list-style-type: none"> To provide input to Overview of Provincial Revenue and Expenditure (OPRE) on time for tabling To provide quality research for regional policy analysis 	Input to OPRE on time for tabling 1 research project	Input to OPRE on time for tabling Produce 4 economic research projects	Input to OPRE on time for tabling Produce 4 economic research projects	Input to OPRE on time for tabling Produce 4 economic research projects
1.2 Infrastructure						
1.2.1	Ensure efficient infrastructure planning and management in the province	<ul style="list-style-type: none"> Assessment report of User Asset Management Plans (U-AMPs) Reports on the implementation of the IDIP in KZN Reports on site visits conducted Progress reports on infrastructure budgets and delivery plans Estimates of Provincial Revenue and Expenditure (EPRE) 	Compile a consolidated report to NT by 28 February 2013 Produce 4 reports on implementation of IDIP in KZN Submit 4 reports on the site visits conducted Submit 1 consolidated report on infrastructure expenditure in KZN Inputs into EPRE on time for tabling	Compile a consolidated assessment report on the U-AMPs Produce 4 reports on implementation of IDIP in KZN Submit 4 reports on the site visits conducted Submit 4 reports the infrastructure expenditure in KZN Input into EPRE on time for tabling	Compile a consolidated assessment report on the U-AMPs Produce 4 reports on implementation of IDIP in KZN Submit 4 reports on the site visits conducted Submit 4 reports the infrastructure expenditure in KZN Inputs into EPRE on time for tabling	Compile a consolidated assessment report on the U-AMPs Produce 4 reports on implementation of IDIP in KZN Submit 4 reports on the site visits conducted Submit 4 reports the infrastructure expenditure in KZN Inputs into EPRE on time for tabling
2. Public Finance						
2.1 Provincial Budget Management						
2.1.1	Promote effective and optimal financial resource allocation for provincial govt.	<ul style="list-style-type: none"> No. of chapters in MTEC report EPRE on time for tabling AEPRE on time for tabling 	16 inputs completed 1 working day before MTEC EPRE on time for tabling AEPRE on time for tabling	16 inputs completed 1 day before MTEC EPRE on time for tabling AEPRE on time for tabling	16 inputs completed 1 day before MTEC EPRE on time for tabling AEPRE on time for tabling	16 inputs completed 1 day before MTEC EPRE on time for tabling AEPRE on time for tabling
2.1.2	Ensure efficient budget and expenditure management and accurate financial reporting for provincial govt. (including public entities)	<ul style="list-style-type: none"> Section 32 report (monthly provincial IYM report) 4 quarterly budget performance reports submitted by deadline as set by NT 	12 reports submitted to NT by 22nd of each month 3 reports per annum (completed 1 month after end of each quarter)	12 reports to be submitted to NT by 22nd of each month 3 quarterly budget performance reports	12 reports to be submitted to NT by 22nd of each month 3 quarterly budget performance reports	12 reports to be submitted to NT by 22nd of each month 3 quarterly budget performance reports

Table 6.17 : Service delivery measures – Programme 2: Fiscal Resource Management

Outputs	Performance indicators	Estimated performance		Medium-term targets	
		2013/14	2014/15	2015/16	2016/17
2.2 Provincial Own Revenue					
2.2.1 Promote optimal and sustainable revenue generation and collection by provincial depts and public entities	<ul style="list-style-type: none"> Conduct and co-ordinate quarterly Provincial Revenue Forums Monitoring of dept. revenue collection Revenue input into the publication of provincial budget documents 	<p>4 forums per year</p> <p>16 depts</p> <p>Revenue input into OPRE and PRE on time for tabling</p>	<p>4 forums per year</p> <p>16 depts</p> <p>Revenue input into OPRE and EPRE on time for tabling</p>	<p>4 forums per year</p> <p>16 depts</p> <p>Revenue input into OPRE and EPRE on time for tabling</p>	<p>4 forums per year</p> <p>16 depts</p> <p>Revenue input into OPRE and EPRE on time for tabling</p>
2.3 Special Advisory Support Services					
2.3.1 Promote effective and optimal financial resource allocation for provincial govt. (including public entities)	<ul style="list-style-type: none"> Input into the revision and maintenance of DORA Institutionalise framework for monitoring of provincial public entities 	<p>Input submitted by due date as set by NT</p> <p>Report bi-annually for 11 public entities</p>	<p>Input submitted by due date as set by NT</p> <p>Report bi-annually for all listed public entities</p>	<p>Input submitted by due date as set by NT</p> <p>Report bi-annually for all listed public entities</p>	<p>Input submitted by due date as set by NT</p> <p>Report bi-annually for all listed public entities</p>
3. Municipal Finance					
3.1 To ensure efficient budget and expenditure management and accurate financial reporting for local govt.	<ul style="list-style-type: none"> Section 71(6) report (Monthly municipal IYM report) within the prescribed time frame Section 71(7) quarterly budget performance reports 	<p>12 Section 71(6) reports</p> <p>4 Section 71(7) quarterly budget performance reports, 45 days after end of quarter</p>	<p>12 Section 71(6) reports</p> <p>4 Section 71(7) quarterly budget performance reports, 45 days after end of quarter</p>	<p>12 Section 71(6) reports</p> <p>4 Section 71(7) quarterly budget performance reports, 45 days after end of quarter</p>	<p>12 Section 71(6) reports</p> <p>4 Section 71(7) quarterly budget performance reports, 45 days after end of quarter</p>
3.2 To assist and provide technical support to delegated municipalities that are in financial distress	<ul style="list-style-type: none"> No. of municipalities supported by MSP 	<p>14 municipalities supported through MSP and 4 for GRAP conversion</p>	<p>8 municipalities to be supported through MSP</p>	<p>10 municipalities to be supported through MSP</p>	<p>10 municipalities to be supported through MSP</p>

6.3 Programme 3: Financial Management

This programme consists of six sub-programmes, namely Financial Asset and Liability Management, Public, Private Partnerships (PPPs), Supply Chain Management (SCM), Financial Reporting, Norms and Standards and Support and Interlinked Financial Systems.

The purpose of this programme is to ensure effective and efficient management of physical and financial assets for provincial and local government. The main services undertaken by this programme are:

- To ensure the effective and efficient management of assets and implementation of PPP projects.
- To realise the effective and efficient acquisition of goods and services for provincial government and to secure sound SCM for local government.
- To optimise liquidity requirements and maximise returns within acceptable levels of risk for provincial government and to secure sound cash management for local government.
- To ensure that financial reporting provides a full and true reflection of the financial position of the province and municipalities as prescribed, inclusive of the accounting responsibilities related to the PMG and IGCC account.
- To develop and implement financial and associated governance norms and standards, in order to enhance performance orientated financial results and accountability in provincial departments and municipalities as prescribed.
- To implement and support transversal financial systems across the province and provide IT services to the department.

Tables 6.18 and 6.19 provide a summary of payments and budgeted estimates pertaining to Programme 3.

Table 6.18 : Summary of payments and estimates by sub-programme: Financial Management

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
1. Financial Assets and Liability Management	28 956	15 261	14 587	27 520	21 159	19 889	27 255	30 435	32 048
2. Public/Private Partnerships	2 594	3 021	3 251	7 158	7 158	6 353	7 592	7 871	8 288
3. Supply Chain Management	13 560	27 862	41 667	51 492	57 425	56 494	70 614	64 341	64 562
4. Financial Reporting	12 400	12 617	31 731	26 210	58 012	57 801	52 022	34 138	35 497
5. Norms and Standards	2 765	3 857	3 543	5 016	5 016	4 732	5 327	5 668	5 968
6. Support and Interlinked Financial Systems	101 084	102 176	117 315	120 478	120 478	121 367	127 853	131 642	138 619
Total	161 359	164 794	212 094	237 874	269 248	266 636	290 663	274 095	284 982

Table 6.19 : Summary of payments and estimates by economic classification: Financial Management

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Current payments	159 520	162 478	207 789	232 980	264 480	261 868	282 363	272 701	283 495
Compensation of employees	27 132	34 784	42 814	51 945	53 945	51 333	56 547	60 701	65 126
Goods and services	116 880	126 688	164 975	172 127	207 827	207 827	218 048	201 768	207 595
Interest and rent on land	15 508	1 006	-	8 908	2 708	2 708	7 768	10 232	10 774
Transfers and subsidies to:	917	689	556	1 400	1 274	1 274	700	750	800
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	917	689	556	1 400	1 274	1 274	700	750	800
Payments for capital assets	830	1 536	3 749	3 494	3 494	3 494	7 600	644	687
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	830	1 011	3 355	3 494	3 494	3 494	7 600	644	687
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	525	394	-	-	-	-	-	-
Payments for financial assets	92	91	-	-	-	-	-	-	-
Total	161 359	164 794	212 094	237 874	269 248	266 636	290 663	274 095	284 982

The programme as a whole reflects an increasing trend over the period, as explained in detail below.

The decrease against the sub-programme: Financial Assets and Liability Management from 2010/11 to 2012/13 resulted from the improvement in the level of funds available in the PMG and IGCC accounts, largely due to the collective implementation of cost-cutting by departments, therefore reducing the amount of interest paid on the overdraft significantly. The increase from the 2013/14 Main Appropriation onward relates to a provision for overdraft interest charges. However, as the cash position remained positive, the amount allocated against the 2013/14 Main Appropriation was reduced in the Adjusted Appropriation.

The low amounts against the sub-programme: Public Private Partnerships (PPPs) from 2010/11 to 2012/13 relate to the non-filling of vacant posts due to a lack of suitably qualified candidates, as well as the continued implementation of cost-cutting. In addition, the fact that the feasibility study of the government office precinct project was placed on hold also contributed to the low spending. The 2014/15 MTEF includes a once-off allocation in 2014/15 for the development of the government office precinct project. The growth over the period 2015/16 to 2016/17 is inflationary related.

The significant increase against the sub-programme: Supply Chain Management from 2010/11 to 2012/13 was due to costs associated with MBAT and contract management. The increase from the 2013/14 Main to the Adjusted Appropriation was the result of funds shifted from Programme 2 to this sub-programme to cater for MBAT and the e-Procurement Tool. The 2014/15 MTEF includes a provision for the B-BBEE verification, e-Procurement Tool, MBAT, contract management, as well as SCM support interventions in departments and municipalities.

The substantial increase in 2012/13 against the sub-programme: Financial Reporting was due to Operation Clean Audit in respect of the MDP relating to the reconciliation of all provincial and municipal government accounts, and Operation Pay-on-Time which aims to improve payment of invoices by departments and to assist with the payment of arrear accounts to municipalities and service providers. The substantial increase from the 2013/14 Main to Adjusted Appropriation and in 2014/15 pertains to additional funds for Operation Clean Audit (2013/14 and 2014/15), the McCord Hospital TAs (2013/14 only), Operation Pay-On-Time (2014/15 to 2016/17), irregular expenditure (2014/15 only), Education capped-leave (2014/15 only), and AFS (2014/15 only) to assist municipalities. The large decrease from 2014/15 to 2016/17 is due to the fact that a number of the above-mentioned allocations were once-off.

The increase from 2010/11 onward against the sub-programme: Norms and Standards was in respect of the filling of posts. The slight decrease in 2012/13 can be ascribed to cost-cutting and unanticipated staff exits. The increase over the 2014/15 MTEF relates to inflationary increments.

The sub-programme: Supporting and Interlinked Financial Systems includes costs relating to all transversal systems (such as BAS, PERSAL and HARDCAT, etc.) for the entire province. The increase from 2012/13 to the 2013/14 Main Appropriation was attributed to the purchase of server refresher hardware for the upgrade of the department's computer network system. Included in 2014/15 is the anticipated upgrade of the Biometric servers. The increase over the MTEF relates to inflationary increments.

The low spending from 2010/11 to 2011/12 against *Compensation of employees* related to the non-filling of posts due to a lack of suitably qualified candidates, as well as the moratorium on the filling of posts. The substantial increase from 2011/12 to 2012/13 was due to the filling of posts in line with the moratorium. The increase from 2012/13 to 2013/14 was to provide for the filling of six Level 6 posts responsible for administrative issues in respect of MBAT. These posts have already been advertised and the recruitment process is underway. The decrease from the 2013/14 Adjusted Appropriation to the Revised Estimate is due to a lack of suitably qualified candidates, which resulted in the non-filling of vacant posts. Over the MTEF, allowance is made for the full structure of the programme, and inflationary increments.

The substantial increase from 2010/11 onward against *Goods and services* can be ascribed to Operation Clean Audit, the MDP, irregular expenditure, asset management projects, etc., as well as contract management and MBAT. The substantial increase in the 2013/14 Adjusted Appropriation is related to funds provided for the e-Procurement Tool, McCord Hospital TAs, as well as Operation Clean Audit initiatives. The 2014/15 MTEF includes a provision for the B-BBEE verification, the e-Procurement Tool, as well as for the previously mentioned projects.

Transfers and subsidies to: Households provides for the payment of staff exit costs. The decrease from the 2013/14 Main Appropriation to the Revised Estimate is due to lower than anticipated spending on pension payouts relating to former development board members who took early retirement when the development boards were amalgamated with the Provincial Administration. The increase over the 2014/15 MTEF is inflationary related.

Machinery and equipment is purchased on a cyclical basis, hence the fluctuating trend against this category. The increase in 2012/13 and 2013/14 related to the roll-out of phase 1 (2012/13) and phase 2 (2013/14) of the server refresher hardware for the upgrade of the department's computer network system. The amount reflected against 2014/15 will be utilised toward the anticipated upgrade of the Biometric servers, accounting for the drop in 2015/16.

The expenditure against *Software and other intangible assets* in 2011/12 relates to the once-off purchase of network management software, as well as open text licences for the ECM system. The spending in 2012/13 was for the procurement of an internet connector licence required to connect external departments to the BPM processors.

The amounts against *Payments for financial assets* in 2010/11 and 2011/12 relate to the write-off of irrecoverable debts.

Service delivery measures – Programme 3: Financial Management

Table 6.20 below illustrates the main service delivery measures for Programme 3.

Table 6.20 : Service delivery measures – Programme 3: Financial Management

Outputs	Performance indicators	Estimated performance		Medium-term targets		
		2013/14	2014/15	2015/16	2016/17	
1. Financial Assets and Liability Management						
1.1.	To promote sound cash management practices and improve liquidity in KZN province and assist depts. and municipalities in attainment of a clean audit outcome for the province	<ul style="list-style-type: none"> Conduct tax information seminar annually Risk analysis per dept. to ensure compliance to tax legislation Provide quarterly assessment reports to depts. on status of bank related suspense accounts Review monthly bank reconciliations per dept Produce quarterly report on withdrawals from municipal bank accounts 	2 sessions 64 reports 64 assessment reports Ongoing support to 16 depts 192 reconciled bank reconciliations	2 sessions 64 reports 64 assessment reports Ongoing support to 16 depts 192 reconciled bank reconciliations	2 sessions 64 reports 64 assessment reports Ongoing support to 16 depts 192 reconciled bank reconciliations	2 sessions 64 reports 64 assessment reports Ongoing support to 16 depts 192 reconciled bank reconciliations
1.2.	To promote sound Asset Management practices in provincial depts	<ul style="list-style-type: none"> Number of asset workshops and training sessions conducted 	4 seminars/training workshops	4 seminars/training workshops	4 seminars/training workshops	4 seminars/training workshops
2. Public Private Partnerships (PPPs)						
2.1.	To provide technical, financial and legal advice in support of all provincial PPP projects in line with PPP project cycle as regulated by NT guidelines	<ul style="list-style-type: none"> No. of seminars/workshops conducted for prov. depts. and public entities No. of seminars/workshops conducted for municipalities and municipal entities No. of reports for Provincial Treasury, management and MEC No. of reports on closed deal 	2 2 12 12	2 2 12 12	2 2 12 12	2 2 12 12
3. Supply Chain Management						
3.1.	Support and monitor adherence of state institutions to SCM prescripts	<ul style="list-style-type: none"> No. of SCM training sessions and information sessions conducted No. of assessments No. of reviews of the supplier registration form No. of policies and practice notes reviewed and issued 	4 training sessions/workshops 3 SCM forums for depts and municipalities Conduct 76 SCM assessments in depts., municipalities, and public entities. Conduct compliance assessments and investigate complaints New Review and update 4 practice notes	4 training sessions/workshops 3 SCM forums for depts and municipalities Conduct SCM assessments in depts., municipalities, and public entities. Conduct compliance assessments and investigate complaints Review and update supplier information Review and update policies and practice notes	4 training sessions/workshops 3 SCM forums for depts. and municipalities Conduct SCM assessments in depts., municipalities, and public entities. Conduct compliance assessments and investigate complaints Review and update supplier information Review and update policies and practice notes	4 training sessions/workshops 3 SCM forums for depts and municipalities Conduct SCM assessments in depts., municipalities, and public entities. Conduct compliance assessments and investigate complaints Review and update supplier information Review and update policies and practice notes
4. Financial Reporting						
4.1.	To present fairly the consolidated financial position of the province	<ul style="list-style-type: none"> Consolidated AFS for provincial depts and the provincial revenue fund 	Consolidated AFS for FY12/13 Revenue fund AFS for FY 12/13	Consolidated AFS for FY13/14 Revenue fund AFS for FY 13/14	Consolidated AFS for FY14/15 Revenue fund AFS for FY 14/15	Consolidated AFS for FY15/16 Revenue fund AFS for FY 15/16
4.2.	To provide financial management support to depts, public entities and municipalities	<ul style="list-style-type: none"> Provincial audit outcome analysis for municipalities, depts and public entities 	Summary of audit outcome. Analysis of AG's audit report for provincial depts and public entities by 31 August 2013 Summary of audit outcome analysis on AG's audit report for municipalities by 31 January 2014	Summary of audit outcome. Analysis of AG's audit report for provincial depts. and public entities by 31 August 2014 Summary of audit outcome analysis on AG's audit report for municipalities by 31 January 2015	Summary of audit outcome. Analysis of AG's audit report for provincial depts and public entities by 31 August 2015 Summary of audit outcome analysis on AG's audit report for municipalities by 31 January 2016	Summary of audit outcome. Analysis of AG's audit report for provincial depts and public entities by 31 August 2016 Summary of audit outcome analysis on AG's audit report for municipalities by 31 January 2017

Table 6.20 : Service delivery measures – Programme 3: Financial Management

Outputs	Performance indicators	Estimated performance		Medium-term targets	
		2013/14	2014/15	2015/16	2016/17
	<ul style="list-style-type: none"> AFS support and training to depts Financial management monitoring support to municipalities Financial management monitoring support to public entities Financial management monitoring support to municipalities 	1 AFS training workshop by 31 May 2013 Pre-audit review in 16 depts by 31 May 2013 Summary of Audit Outcomes Analysis after A-G Audit Report Pre-audit readiness assessment in 12 public entities New New Pre-audit assignment report in 15 municipalities by 30 August 2013 Progress reports on on-site financial management support to 15 municipalities within 10 days of the end of each quarter	1 AFS training workshop by 31 March 2014 Pre-audit review in 16 depts by 31 May 2014 Summary of Audit Outcomes Analysis after A-G Audit Report Pre-audit review in 12 public entities by 31 May 2014 1 AFS training workshop for 12 public entities by 31 March 2014 1 AFS training workshop for 58 municipalities by 30 June 2014 Pre-audit assignment report in 10 municipalities by 30 August 2014 Progress reports on on-site financial management support to 10 municipalities within 10 days of the end of each quarter	1 AFS training workshop by 31 March 2015 Pre-audit review in 16 depts by 31 May 2015 Summary of Audit Outcomes Analysis after A-G Audit Report Pre-audit review in 12 public entities by 31 May 2015 1 AFS training workshop for 12 public entities by 31 March 2015 1 AFS training workshop for 58 municipalities by 30 June 2015 Pre-audit assignment report in 15 municipalities by 30 August 2015 Progress reports on on-site financial management support to 15 municipalities within 10 days of the end of each quarter	1 AFS training workshop by 31 March 2016 Pre-audit review in 16 depts by 31 May 2016 Summary of Audit Outcomes Analysis after A-G Report Pre-audit review in 12 public entities by 31 May 2016 1 AFS training workshop for 12 public entities by 31 March 2016 1 AFS training workshop for 58 municipalities by 30 June 2016 Pre-audit assignment report in 20 municipalities by 30 August 2016 Progress reports on on-site financial management support to 20 municipalities within 10 days of the end of each quarter
5. Norms and Standards					
5.1. Develop, review and facilitate the implementation of financial norms and standards in depts, municipalities and the respective entities	<ul style="list-style-type: none"> No. of policies and practice notes developed and reviewed for depts, municipalities and their respective entities 	40 instruction notes and policies developed and/or reviewed based on needs analysis	40 instruction notes and policies developed and/or reviewed based on needs analysis	40 instruction notes and policies developed and/or reviewed based on needs analysis	40 instruction notes and policies developed and/or reviewed based on needs analysis
5.2. Compliance monitoring and evaluation of financial norms and standards		All depts assessed and monitored	All depts assessed and monitored	All depts assessed and monitored	All depts assessed and monitored
6. Supporting and Interlinked Financial Systems					
6.1. Develop, review, implement and monitor dept. supporting information technology enabler policies and procedures	<ul style="list-style-type: none"> No. of policy reviews completed No. of compliance reports completed No. of information sessions conducted 	4 12 8	4 12 8	4 12 8	4 12 8
6.2. To ensure business continuity through management of IT network infrastructure, desktop and LAN support and network security	<ul style="list-style-type: none"> Mean-time to resolve (MTTR) Percentage network uptime 	8 hr MTTR 99%	8 hr MTTR 99%	8 hr MTTR 99%	8 hr MTTR 99%
6.3. Provide technical support for transversal systems	<ul style="list-style-type: none"> MTTR (transversal systems) 	8 hr MTTR	8 hr MTTR	8 hr MTTR	24 hr MTTR

6.4 Programme 4: Internal Audit

This programme consists of two sub-programmes, namely Assurance Services and Risk Management. The main purpose of the programme is to develop effective risk management strategies and governance, to build and maintain successful client relationships, to develop knowledge by creating a learning culture, and to build foundations for excellence to support the provincial government in achieving its objectives.

The following services are rendered by the unit:

- To conduct risk assessments on behalf of the Accounting Officers and Chief Executive Officers of provincial departments and public entities, develop comprehensive risk profiles and recommend improvements on significant risk exposures for each client.
- To review accounting and management processes and systems of internal control for efficiency and effectiveness in terms of their design and operation and provide recommendations for improvement.
- To develop, facilitate implementation and monitor integrated risk management strategies and fraud prevention strategies.
- To conduct forensic investigations and facilitate prosecution, perform misconduct enquiries and recovery in liaison with other state law enforcement agencies.
- To provide training and development programmes in areas such as risk management, strategy development and management, project management, design and improvement of systems of internal control, financial management and reporting, leadership, forensic investigations, governance, etc.
- To provide a consulting function as per requests by relevant MECs and Heads of Departments.
- To prepare special reviews on computerised systems and performance.

Tables 6.21 and 6.22 provide a summary of payments and budgeted estimates pertaining to Programme 4.

Table 6.21 : Summary of payments and estimates by sub-programme: Internal Audit

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
1. Assurance Services	38 917	40 738	54 050	57 633	57 548	53 360	69 885	69 989	65 275
2. Risk Management	42 108	34 431	39 104	48 446	52 008	50 451	59 864	61 569	56 408
Total	81 025	75 169	93 154	106 079	109 556	103 811	129 749	131 558	121 683

Table 6.22 : Summary of payments and estimates by economic classification: Internal Audit

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Current payments	80 474	74 671	92 760	105 229	108 729	102 984	128 939	130 678	120 733
Compensation of employees	33 354	35 167	46 283	60 898	56 898	51 153	63 037	67 813	72 902
Goods and services	47 120	39 504	46 477	44 331	51 831	51 831	65 902	62 865	47 831
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	225	-	29	-	97	97	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	225	-	29	-	97	97	-	-	-
Payments for capital assets	323	485	352	850	730	730	810	880	950
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	323	485	352	850	730	730	810	880	950
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	3	13	13	-	-	-	-	-	-
Total	81 025	75 169	93 154	106 079	109 556	103 811	129 749	131 558	121 683

The sub-programme: Assurance Services reflected an increase from 2010/11 mainly due to the re-organisation of the unit's structure, coupled with the creation of a new Audit Committee. The substantial increase from 2011/12 onward was in respect of specialised audit assignments undertaken in line with Operation Clean Audit. The slight decrease from the 2013/14 Main to Adjusted Appropriation is due to savings resulting from cost-cutting. These savings were moved to Programme 2 to cover expenditure pressures relating to the procurement of computer equipment which was under-provided for. The low

spending in the 2013/14 Revised Estimate is the result of the non-filling of posts emanating from staff exits and a lack of suitably qualified candidates. The increase from 2014/15 to 2015/16 can be attributed to a once-off provision for consultant fees for special audits in line with Operation Clean Audit, hence the decrease in 2016/17.

The sub-programme: Risk Management includes expenditure in respect of Project *Unembeza*, forensic investigations in various departments and initiatives such as fraud risk assessments, municipal financial capability assessments, workshops and training on risk management and internal control. The high expenditure in 2010/11 was attributed to an increase in forensic investigations. This also explains the high expenditure against *Goods and services* in the same year. The decrease in 2011/12 was due to delays in finalising the appointment of service providers for Project *Unembeza*. The increase from 2011/12 to 2012/13 was due to commitments from the previous financial year for forensic investigations, as well as risk management facilitation workshops and training. The increase from the 2013/14 Main to Adjusted Appropriation provided for costs relating to the appointment of service providers to assist with risk management assignments at municipalities. The increase in 2014/15 and 2015/16 is due to provision for forensic investigations in 2014/15 and 2015/16 only, hence the decrease in 2016/17.

The substantial increase from 2011/12 to 2012/13 onward against *Compensation of employees* is mainly due to a change in SCOA classification which resulted in an increase in this category. In previous years, learners were paid under *Goods and services*. However when SCOA Version 4 was implemented, learnerships were reclassified as *Compensation of employees*. The substantial decrease in the 2013/14 Adjusted Appropriation to the Revised Estimate was a result of delays in the filling of vacant posts due to a lack of suitably qualified candidates, as well as staff exits. The increase over the 2014/15 MTEF makes provision to fill all vacant posts, and is inflationary related.

The expenditure against *Goods and services* from 2010/11 onward can be attributed to performance audits, fraud risk assessments, municipal financial capability assessments, workshops, training on risk management and internal control, training and development programmes including learnerships, Project *Unembeza* and forensic investigations. The high spending in 2010/11 can be attributed to the increase in forensic investigations, as well as the appointment of service providers with regard to specialised audit assignments, such as performance audits. The substantial decrease in 2011/12 was attributed to delays in finalising the appointment of service providers in respect of specialised audit assignments, as well as the expiry of the contract with the service provider of Project *Unembeza*. The substantial increase in 2012/13 was due to commitments from the previous financial year for specialised audit assignments, forensic investigations, risk management facilitation workshops and training, IT risk assessments on the BAS application system and the development of the BCP and DRP guidelines. The increase from the 2013/14 Main to Adjusted Appropriation relates to higher than anticipated consultants' fees for specialised audit assignments, as well as the appointment of service providers to assist with risk management assignments at municipalities. The 2014/15 and 2015/16 allocations include once-off funds for specialised audit assignments in line with Operation Clean Audit, as well as forensic investigations, and this explains the decrease in 2016/17.

Transfers and subsidies to: Households caters for the payment of staff exit costs.

Machinery and equipment is for the purchase of equipment in respect of new staff appointments, and the replacement and upgrading of equipment. The fluctuating trend over the period is due to its cyclical nature.

The spending against *Payments for financial assets* pertains to the write-off of irrecoverable staff debts.

Service delivery measures – Programme 4: Internal Audit

Table 6.23 below illustrates the main service delivery measures for Programme 4.

Table 6.23 : Service delivery measures – Programme 4: Internal Audit

Outputs	Performance indicators	Estimated performance				
		2013/14	2014/15	2015/16	2016/17	
1. Assurance Services						
1.1.	An efficient, effective and economical assurance service	<ul style="list-style-type: none"> Internal audit operational plan and a rolling three-year strategic plan Annual audit and risk committee report on clients' areas of risk management, governance and internal control submitted to MEC: Finance Internal Audit risk based and follow up audits conducted, including financial, IT, performance and governance audits Audits on predetermined objectives 	21	23	23	23
			1	1	1	1
			210	160	160	160
			21	23	23	23
1.2.	Build and maintain client relationships	<ul style="list-style-type: none"> Cluster audit and risk committee meetings with clients 	64	60	60	60
1.3.	Enhance capacity within and outside the unit	<ul style="list-style-type: none"> Training and development programme Internal and/independent external Quality assurance review (QAR) 	16	16	16	16
			2	2	2	2
2. Risk Management (Assurance Services)						
2.1.	An efficient, effective and economical assurance service	<ul style="list-style-type: none"> Consolidated risk assessments facilitated for municipalities Updated risk reports issued for depts. and public entities Follow-up on implementation of risk mitigation and risk maturity improvement plans for each municipality (twice a year) and each dept. (quarterly) Consolidated provincial risk profile developed Conduct risk maturity gap analysis and develop action plans for provincial depts. and public entities Conduct Enterprise Risk Management (ERM) compliance and risk maturity reviews and assist municipalities with addressing identified weaknesses Audit Committee quarterly reports on the clients' areas of risk management and risk governance Training/raising awareness on governance and risk management 	40	30	30	30
			22	22	22	22
			60	120	120	120
			1	1	1	1
			-	25	25	25
			40	30	35	35
			4	60	60	60
			10	10	10	10
3. Risk Management (Forensic Services)						
3.1	Promote a culture of zero tolerance for fraud and corruption	<ul style="list-style-type: none"> No. of reviews on the status of fraud management in depts., public entities and municipalities No. of forensic audits performed and investigations as per clients' requests and referrals from the Assurance team Updated register of forensic investigations – MEC report No. of follow-ups on completed investigations 	16	20	20	20
			25	25	30	30
			4	4	4	4
			16	30	30	30

6.5 Programme 5: Growth and Development

Programme 5 consists of four sub-programmes, namely Budget Communication, Special Infrastructure Projects, Strategic Cabinet Initiatives and Air Shows/Special Projects. It makes provision for budget road shows, the feasibility studies for the government office precinct project, the 2010 World Cup, special initiatives approved by Cabinet, as well as infrastructure projects such as the development of the Pietermaritzburg, Prince Mangosuthu Buthelezi, Richards Bay and Margate airports.

Tables 6.24 and 6.25 illustrate the payments and budgeted estimates pertaining to Programme 5.

Table 6.24 : Summary of payments and estimates by sub-programme: Growth and Development

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
1. Budget Communication	3 190	6 457	6 032	7 464	7 464	7 464	7 810	8 097	8 526
2. Special Infrastructure Projects	5 436	31 264	30 285	20 677	39 754	39 754	13 500	10 062	-
3. Strategic Cabinet Initiatives	-	-	-	40 000	-	-	150 000	100 000	100 000
4. Air Shows/ Special Projects	16 010	-	2 000	65 000	12 627	12 627	15 000	8 000	6 000
Total	24 636	37 721	38 317	133 141	59 845	59 845	186 310	126 159	114 526

Table 6.25 : Summary of payments and estimates by economic classification: Growth and Development

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Current payments	8 422	6 457	10 305	112 464	20 091	20 091	172 810	116 097	114 526
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	8 422	6 457	10 305	112 464	20 091	20 091	172 810	116 097	114 526
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	15 664	31 264	28 012	20 677	39 754	39 754	13 500	10 062	-
Provinces and municipalities	15 664	31 264	28 012	20 677	39 754	39 754	13 500	10 062	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	550	-	-	-	-	-	-	-	-
Total	24 636	37 721	38 317	133 141	59 845	59 845	186 310	126 159	114 526

The low spending against the sub-programme: Budget Communication in 2010/11 was due to the reduction in the number of budget road shows held as a result of cost-cutting. The allocation against this sub-programme increases gradually over the 2014/15 MTEF and is in respect of budget road shows.

The expenditure against the sub-programme: Special Infrastructure Projects from 2010/11 to 2012/13 pertained to the development of the Pietermaritzburg, Prince Mangosuthu Buthelezi and Richards Bay airports. The 2013/14 Main Appropriation consisted of funds toward infrastructure projects in Kokstad, namely the Shayamoya eco-complex and the development of a light industrial park in Bhongweni. The increase from the 2013/14 Main to the Adjusted Appropriation was a roll-over of R19.077 million from 2012/13 in respect of the upgrading of the Pietermaritzburg (R16.027 million), Prince Mangosuthu Buthelezi (R603 000) and Margate (R2.288 million) airports, the upgrading of which was delayed in 2012/13 due to poor weather conditions. The allocation of R13.500 million against Special Infrastructure Projects in 2014/15 comprises R8 million for the light industrial park at Bhongweni and R5.500 million for Msunduzi electricity-related projects. The 2015/16 allocation against Special Infrastructure Projects is made up of the Shayamoya eco-complex, and the light industrial park at Bhongweni.

The R40 million in the 2013/14 Main Appropriation against the sub-programme: Strategic Cabinet Initiatives was in respect of the Strategic Cabinet Initiatives funding which was allocated and held by Treasury for allocation to other departments for various strategic provincial events, as and when approved by Cabinet. Due to the high demand placed on these funds, a further R60 million was allocated to this fund in the 2013/14 Adjustments Estimate, bringing the total to R100 million. This allocation is not seen in the table as it was suspended to different departments in the Adjustments Estimate following Cabinet approval for various events. In 2014/15, additional funds with carry-through were allocated to the department to increase the Strategic Cabinet Initiatives funding to R100 million per year over the 2014/15 MTEF. The amount of R150 million in 2014/15 includes a once-off allocation for rural development

projects. As mentioned, the R50 million allocation will not be spent by Treasury but will be suspended to other departments once they have submitted rural development projects for consideration and approval.

The amount reflected against the sub-programme: Air Shows/Special Projects in 2010/11 pertains to the local government levy and an amount of R5.781 million in respect of the last payment made for the feasibility study of the government office precinct project before it was placed on hold. The spending in 2012/13 was for air shows which were held at various airports in the province, to support the provincial aviation industry and to promote tourism and increase economic activity. Funds in the 2013/14 Main Appropriation are once-off allocations for special projects such as the Aero Grand Prix, Operation Clean Audit, the e-Procurement Tool, forensic investigations, contract management, airshows, and the government office precinct project. These funds were moved to their respective programmes during the 2013/14 Adjustments Estimate upon proof of progress. The decrease from the 2013/14 Main to Adjusted Appropriation is due to the department shifting funds from Programme 5 to Programme 3 for Operation Clean Audit and the e-Procurement Tool. A further amount was suspended from this sub-programme to 2014/15 for the government office precinct project, Operation Clean Audit, the e-Procurement Tool, contract management, and forensic investigations. The increase from the 2013/14 Revised Estimate to 2015/16 and 2016/17 are for the IALCH floor repairs.

The amounts reflected against *Goods and services* include expenditure in respect of budget road shows, air shows, Strategic Cabinet Initiatives and special projects, as listed above. The substantial increase from the 2013/14 Revised Estimate to 2014/15 is for IALCH floor repairs, the feasibility study of the government office precinct project funding from 2013/14, as well as an increase in the Strategic Cabinet Initiatives funding to R100 million a year. The decrease against this category from 2014/15 to 2016/17 results from a once-off allocation toward rural development projects.

The expenditure reflected against *Transfers and subsidies to: Provinces and municipalities* relates mainly to the development of regional airports. Included in 2010/11 was the prescribed local government levy that has since been discontinued following a change in legislation. The expenditure in 2011/12 and 2012/13 pertained to the development of the Pietermaritzburg, Prince Mangosuthu Buthelezi and Richards Bay airports. The 2013/14 Adjusted Appropriation included a roll-over relating to the development of the Pietermaritzburg (R16.186 million), Prince Mangosuthu Buthelezi (R633 000) and Margate (R2.288 million) airports. The amount allocated in the 2013/14 Main Appropriation caters for the development of the Shayamoya eco-complex and the light industrial park, with carry-through costs in respect of the two developments going forward into 2014/15 and 2015/16. Also included in 2014/15 is a provision for Msunduzi electricity-related developments.

The amount against *Payments for financial assets* in 2010/11 was for the write-off of debts relating to Soccerex.

Service delivery measures – Programme 5: Growth and Development

Table 6.26 reflects the main service delivery measures pertaining to Programme 5.

Table 6.26 : Service delivery measures – Programme 5: Growth and Development

Outputs	Performance indicators	Estimated performance			
		2013/14	2014/15	2015/16	2016/17
To provide specific departmental approved events and initiatives not catered for in any other programme that will provide development in the province	<ul style="list-style-type: none"> No. of events co-ordinated successfully 	5	5	5	5

7. Other programme information

7.1 Personnel numbers and costs

Table 6.27 below reflects personnel information per programme for the Provincial Treasury, for the period March 2011 to March 2017. Table 6.28 provides details of personnel in terms of the human resources and finance components. The employees reflected against contract workers are interns that are employed by the department and are provided for under Programme 1. The department budgets for its full staff complement over the MTEF.

Table 6.27 : Personnel numbers and costs by programme

Personnel numbers	As at	As at	As at	As at	As at	As at	As at
	31 March 2011	31 March 2012	31 March 2013	31 March 2014	31 March 2015	31 March 2016	31 March 2017
1. Administration	133	175	175	157	188	188	188
2. Fiscal Resource Management	35	52	60	68	73	73	73
3. Financial Management	71	111	110	118	118	118	118
4. Internal Audit	71	135	121	136	163	163	163
5. Growth and Development	-	-	-	-	-	-	-
Total	310	473	466	479	542	542	542
Total personnel cost (R thousand)	109 901	127 078	163 143	192 029	227 258	245 112	263 288
Unit cost (R thousand)	355	269	350	401	419	452	486

Table 6.28 : Summary of departmental personnel numbers and costs by component

	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Total for the department									
Personnel numbers (head count)	310	473	466	529	479	479	542	542	542
Personnel cost (R thousands)	109 901	127 078	163 143	210 636	208 333	192 029	227 258	245 112	263 288
Human resources component									
Personnel numbers (head count)	25	23	25	31	30	30	30	30	30
Personnel cost (R thousands)	7 384	7 113	9 517	10 454	10 454	10 454	11 076	11 843	12 684
Head count as % of total for department	8.06	4.86	5.36	5.86	6.26	6.26	5.54	5.54	5.54
Personnel cost as % of total for department	6.72	5.60	5.83	4.96	5.02	5.44	4.87	4.83	4.82
Finance component									
Personnel numbers (head count)	23	23	28	41	36	36	41	41	41
Personnel cost (R thousands)	5 884	7 937	9 525	11 768	11 768	11 768	15 966	17 113	18 335
Head count as % of total for department	7.42	4.86	6.01	7.75	7.52	7.52	7.56	7.56	7.56
Personnel cost as % of total for department	5.35	6.25	5.84	5.59	5.65	6.13	7.03	6.98	6.96
Full time workers									
Personnel numbers (head count)	269	424	373	489	395	395	426	426	426
Personnel cost (R thousands)	108 431	124 902	149 480	208 836	193 014	176 710	208 153	223 755	240 376
Head count as % of total for department	86.77	89.64	80.04	92.44	82.46	82.46	78.60	78.60	78.60
Personnel cost as % of total for department	98.66	98.29	91.63	99.15	92.65	92.02	91.59	91.29	91.30
Part-time workers									
Personnel numbers (head count)	-	-	-	-	-	-	-	-	-
Personnel cost (R thousands)	-	-	-	-	-	-	-	-	-
Head count as % of total for department	-	-	-	-	-	-	-	-	-
Personnel cost as % of total for department	-	-	-	-	-	-	-	-	-
Contract workers									
Personnel numbers (head count)	41	49	93	40	84	84	116	116	116
Personnel cost (R thousands)	1 470	2 176	13 663	1 800	15 319	15 319	19 105	21 357	22 912
Head count as % of total for department	13.23	10.36	19.96	7.56	17.54	17.54	21.40	21.40	21.40
Personnel cost as % of total for department	1.34	1.71	8.37	0.85	7.35	7.98	8.41	8.71	8.70

There is a general increase in the total personnel cost over the 2014/15 MTEF. The increase in personnel numbers from 2013/14 to 2014/15 relates to the anticipated filling of vacant posts.

7.2 Training

Tables 6.29 and 6.30 show the department's actual spending and estimates on training per programme. As reflected in Table 6.30, there is a rising trend in the training expenditure over the seven-year period.

The projected increases are based on the fact that the Human Resource Development component will ensure that greater emphasis is placed on training, particularly with the implementation of the Workplace Skills Plan aimed at developing the skills of the workforce of the department.

Table 6.29 : Payments on training by programme

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
1. Administration	139	791	713	583	583	583	952	704	737
Subsistence and travel	-	-	-	-	-	-	-	-	-
Payments on tuition	139	791	713	583	583	583	952	704	737
Other	-	-	-	-	-	-	-	-	-
2. Fiscal Resource Management	69	223	130	190	190	240	283	283	308
Subsistence and travel	-	-	-	-	-	-	-	-	-
Payments on tuition	69	223	130	190	190	240	283	283	308
Other	-	-	-	-	-	-	-	-	-
3. Financial Management	149	369	277	322	322	322	460	487	513
Subsistence and travel	-	-	-	-	-	-	-	-	-
Payments on tuition	149	369	277	322	322	322	460	487	513
Other	-	-	-	-	-	-	-	-	-
4. Internal Audit	128	702	452	740	740	740	850	870	890
Subsistence and travel	-	-	-	-	-	-	-	-	-
Payments on tuition	128	702	452	740	740	740	850	870	890
Other	-	-	-	-	-	-	-	-	-
5. Growth and Development	-	-	-	-	-	-	-	-	-
Subsistence and travel	-	-	-	-	-	-	-	-	-
Payments on tuition	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total	485	2 085	1 572	1 835	1 835	1 885	2 545	2 344	2 448

The significantly low spending in all programmes in 2010/11 is due to cost-cutting and the non-filling of non-critical posts, as well as the fact that the department undertook in-house training, wherever possible.

The high spending in 2011/12 can be attributed to the learnership programme aimed at skills development and also the creation of an available resource pool resulting in the creation of employment opportunities and contributing to the growth of the economy and sustainable development.

The department largely complies with the Skills Development Act – i.e. it budgets for at least 1 per cent of its salary expense going toward staff training.

Table 6.30 illustrates the number of staff affected by the various training programmes and initiatives. It also includes a gender breakdown, an indication of the types of training, as well as details of the number of bursaries and learnerships.

Table 6.30 : Information on training: Provincial Treasury

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Number of staff	351	473	466	479	479	479	542	542	542
Number of personnel trained	310	360	466	500	517	517	542	542	542
of which									
Male	152	187	191	250	214	214	220	220	220
Female	158	173	275	250	303	303	322	322	322
Number of training opportunities	51	49	947	71	517	517	502	553	605
of which									
Tertiary	3	-	1	4	-	-	2	3	5
Workshops	39	13	276	40	246	246	150	200	200
Seminars	4	5	171	12	90	90	100	100	100
Other	5	31	499	15	181	181	250	250	300
Number of bursaries offered	27	13	11	40	11	11	11	11	11
Number of interns appointed	41	49	41	40	50	50	50	50	50
Number of learnerships appointed	15	20	16	60	25	25	15	15	15
Number of days spent on training	149	202	177	150	102	102	100	115	150

ANNEXURE – VOTE 6: PROVINCIAL TREASURY

Table 6.A : Details of departmental receipts: Provincial Treasury

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	168	152	159	160	160	171	182	194	207
Sale of goods and services produced by dept. (excl. capital assets)	166	149	158	160	160	169	180	192	204
Sales by market establishments	47	48	49	50	50	53	56	60	64
Administrative fees	54	50	51	50	50	56	60	64	68
Other sales	65	51	58	60	60	60	64	68	72
Of which									
Other	65	51	58	60	60	60	64	68	72
Sale of scrap, waste, arms and other used current goods (excl. capital assets)	2	3	1	-	-	2	2	2	2
Transfers received from:	-	-	-	-	-	-	-	-	-
Other governmental units	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments	-	-	-	-	-	-	-	-	-
International organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households and non-profit institutions	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	1	-	-	-
Interest, dividends and rent on land	29 584	288 008	269 818	200 004	200 004	249 807	266 048	283 341	301 758
Interest	29 581	288 004	269 815	200 000	200 000	249 807	266 044	283 337	301 754
Dividends	3	4	3	4	4	-	4	4	4
Rent on land	-	-	-	-	-	-	-	-	-
Sale of capital assets	634	760	32	-	-	409	160	170	181
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Other capital assets	634	760	32	-	-	409	160	170	181
Transactions in financial assets and liabilities	440	333	437	340	340	352	375	399	425
Total	30 826	289 253	270 446	200 504	200 504	250 740	266 765	284 105	302 572

Table 6.B : Payments and estimates by economic classification: Provincial Treasury

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Current payments	368 945	353 868	474 802	651 162	601 309	585 005	805 143	739 338	749 897
Compensation of employees	109 901	127 078	163 143	210 636	208 333	192 029	227 258	245 112	263 288
Salaries and wages	94 479	112 306	145 652	183 340	181 037	164 733	200 082	216 650	233 273
Social contributions	15 422	14 772	17 491	27 296	27 296	27 296	27 176	28 462	30 015
Goods and services	243 536	225 784	311 659	431 618	390 268	390 268	570 117	483 994	475 835
Administrative fees	8 088	9 999	10 315	10 871	11 871	11 868	12 366	12 528	13 008
Advertising	1 439	2 609	4 129	3 865	3 728	3 960	4 112	4 151	4 326
Assets less than the capitalisation threshold	133	989	497	1 021	926	926	747	792	838
Audit cost: External	3 479	6 700	4 526	7 540	5 540	5 540	7 365	7 189	7 341
Bursaries: Employees	236	227	297	350	350	350	360	360	360
Catering: Departmental activities	536	1 867	2 199	2 602	3 652	3 652	2 435	2 470	2 504
Communication (G&S)	2 055	1 706	2 357	2 625	2 625	2 625	3 142	3 269	3 385
Computer services	102 332	97 452	110 935	111 818	113 833	113 833	125 625	138 464	135 485
Cons & prof serv: Business and advisory services	88 090	50 080	122 751	238 622	179 635	179 635	349 350	247 152	241 185
Cons & prof serv: Infras and planning	-	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	1 088	2 270	1 660	539	3 439	3 439	715	741	748
Contractors	2 844	2 771	4 574	2 836	12 621	12 385	8 242	10 335	8 431
Agency and support / outsourced services	553	1 181	517	567	567	567	1 161	1 217	1 273
Entertainment	33	2	6	44	44	44	13	14	15
Fleet services (incl. govt motor transport)	785	949	1 017	1 005	1 105	1 105	1 061	1 111	1 161
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	87	129	213	266	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	27	61	64	-	-	-	-	-
Inventory: Materials and supplies	86	310	26	323	-	-	-	-	-
Inventory: Medical supplies	1	-	2	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	110	105	194	266	1 098	1 105	805	872	937
Consumable: Stationery, printing and office supplies	2 066	1 758	1 522	2 277	2 318	2 318	2 178	2 277	2 343
Operating leases	12 951	11 789	14 805	13 971	13 971	13 971	15 248	15 372	16 180
Property payments	2 211	7 335	7 854	5 200	7 365	7 365	5 387	5 732	5 634
Transport provided: Departmental activity	374	992	531	904	1 054	1 054	900	950	1 000
Travel and subsistence	7 993	8 144	14 143	16 152	17 121	17 121	19 367	20 088	20 702
Training and development	485	2 085	1 572	1 835	1 885	1 885	2 545	2 344	2 448
Operating payments	4 859	12 351	2 402	3 599	2 984	2 984	3 443	2 886	2 722
Venues and facilities	622	1 957	2 554	2 456	2 536	2 536	3 550	3 680	3 809
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	15 508	1 006	-	8 908	2 708	2 708	7 768	10 232	10 774
Interest	15 508	1 006	-	8 908	2 708	2 708	7 768	10 232	10 774
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	17 033	32 406	37 624	26 337	45 250	45 276	18 222	14 835	5 037
Provinces and municipalities	15 676	31 264	28 026	20 697	39 774	39 774	13 522	10 085	24
Provinces	12	-	14	20	20	20	22	23	24
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	12	-	14	20	20	20	22	23	24
Municipalities	15 664	31 264	28 012	20 677	39 754	39 754	13 500	10 062	-
Municipalities	15 664	31 264	28 012	20 677	39 754	39 754	13 500	10 062	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	1 357	1 142	9 598	5 640	5 476	5 502	4 700	4 750	5 013
Social benefits	1 142	689	995	1 400	1 418	1 444	700	750	800
Other transfers to households	215	453	8 603	4 240	4 058	4 058	4 000	4 000	4 213
Payments for capital assets	2 295	3 819	5 901	7 430	7 412	7 412	10 818	4 042	4 515
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	2 275	3 294	5 507	7 430	7 412	7 412	10 818	4 042	4 515
Transport equipment	-	820	1 053	1 656	1 606	1 606	1 250	1 350	1 700
Other machinery and equipment	2 275	2 474	4 454	5 774	5 806	5 806	9 568	2 692	2 815
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	20	525	394	-	-	-	-	-	-
Payments for financial assets	663	232	13	-	-	-	-	-	-
Total	388 936	390 325	518 340	684 929	653 971	637 693	834 183	758 215	759 449

Table 6.C : Payments and estimates by economic classification: Administration

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Current payments	67 582	78 484	87 232	101 382	106 302	100 933	111 174	116 596	122 823
Compensation of employees	32 044	35 936	43 763	54 786	56 386	51 017	62 919	68 287	73 190
Salaries and wages	27 951	31 476	38 804	46 620	48 088	42 719	54 387	59 445	63 933
Social contributions	4 093	4 460	4 959	8 166	8 298	8 298	8 532	8 842	9 257
Goods and services	35 538	42 548	43 469	46 596	49 916	49 916	48 255	48 309	49 633
Administrative fees	114	656	246	252	1 252	1 252	311	325	339
Advertising	805	2 187	3 400	3 253	2 673	2 673	3 263	3 298	3 329
Assets less than the capitalisation threshold	31	422	109	493	493	493	313	320	328
Audit cost: External	3 479	6 700	4 526	7 540	5 540	5 540	7 365	7 189	7 341
Bursaries: Employees	238	227	297	350	350	350	360	360	360
Catering: Departmental activities	89	576	281	575	575	575	305	317	329
Communication (G&S)	1 226	883	1 279	1 371	1 371	1 371	1 588	1 635	1 682
Computer services	5 301	-	5	-	-	-	6	7	8
Cons & prof serv: Business and advisory services	87	464	216	671	671	671	894	736	681
Cons & prof serv: Infrast and planning	-	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	76	321	443	419	3 319	3 319	595	611	608
Contractors	2 240	1 263	1 664	1 055	1 805	1 805	721	740	759
Agency and support / outsourced services	97	132	39	88	88	88	111	117	123
Entertainment	33	-	5	34	34	34	10	10	10
Fleet services (incl. govt motor transport)	784	949	1 017	1 005	1 105	1 105	1 061	1 111	1 161
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	49	47	114	157	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	27	61	64	-	-	-	-	-
Inventory: Materials and supplies	79	300	26	304	-	-	-	-	-
Inventory: Medical supplies	1	-	2	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medcas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	109	104	193	262	880	880	554	579	602
Consumable: Stationery, printing and office supplies	1 186	1 118	814	986	1 043	1 043	1 198	1 234	1 270
Operating leases	12 917	11 272	14 201	13 505	13 505	13 505	14 498	14 586	15 360
Property payments	2 211	7 185	7 813	5 200	7 200	7 200	5 345	5 689	5 591
Transport provided: Departmental activity	-	94	-	60	60	60	-	-	-
Travel and subsistence	2 730	2 442	5 086	5 750	5 750	5 750	7 045	7 273	7 489
Training and development	139	791	713	583	583	583	952	704	737
Operating payments	1 348	3 971	689	2 044	1 044	1 044	1 514	1 210	1 256
Venues and facilities	169	417	230	575	575	575	246	258	270
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	227	453	9 004	4 260	4 093	4 093	4 022	4 023	4 237
Provinces and municipalities	12	-	14	20	20	20	22	23	24
Provinces	12	-	14	20	20	20	22	23	24
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	12	-	14	20	20	20	22	23	24
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	215	453	8 990	4 240	4 073	4 073	4 000	4 000	4 213
Social benefits	-	-	387	-	15	15	-	-	-
Other transfers to households	215	453	8 603	4 240	4 058	4 058	4 000	4 000	4 213
Payments for capital assets	934	1 424	1 669	2 686	2 586	2 586	2 142	2 242	2 592
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	934	1 424	1 669	2 686	2 586	2 586	2 142	2 242	2 592
Transport equipment	-	820	1 053	1 656	1 606	1 606	1 250	1 350	1 700
Other machinery and equipment	934	604	616	1 030	980	980	892	892	892
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	12	-	-	-	-	-	-	-	-
Total	68 755	80 361	97 905	108 328	112 981	107 612	117 338	122 861	129 652

Table 6.D : Payments and estimates by economic classification: Fiscal Resource Management

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Current payments	52 947	31 778	76 716	99 107	101 707	99 129	109 857	103 266	108 320
Compensation of employees	17 371	21 191	30 283	43 007	41 104	38 526	44 755	48 311	52 070
Salaries and wages	14 823	19 071	27 231	38 292	36 521	33 943	40 084	43 425	46 863
Social contributions	2 548	2 120	3 052	4 715	4 583	4 583	4 671	4 886	5 207
Goods and services	35 576	10 587	46 433	56 100	60 603	60 603	65 102	54 955	56 250
Administrative fees	44	66	81	93	93	90	112	118	123
Advertising	4	16	35	25	368	368	-	-	-
Assets less than the capitalisation threshold	43	115	47	38	158	158	71	77	83
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	11	81	160	98	98	98	170	175	180
Communication (G&S)	130	146	201	300	300	300	309	316	319
Computer services	-	-	16	-	15	15	120	120	120
Cons & prof serv: Business and advisory services	33 172	6 919	42 155	51 656	55 381	55 381	57 812	47 872	49 336
Cons & prof serv: Infras and planning	-	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	-	-	-	-	-	-	-	-	-
Contractors	5	18	25	12	42	45	14	14	14
Agency and support / outsourced services	-	-	-	-	-	-	400	400	400
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	11	17	22	34	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	3	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medcas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	-	-	1	1	43	43	48	52	52
Consumable: Stationery, printing and office supplies	212	219	242	392	334	334	310	322	328
Operating leases	-	133	188	96	96	96	195	198	201
Property payments	-	-	-	-	15	15	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	948	840	1 633	2 057	1 837	1 837	2 472	2 498	2 508
Training and development	69	223	130	190	240	240	283	283	308
Operating payments	927	1 791	950	1 095	1 095	1 095	1 450	1 173	940
Venues and facilities	-	-	547	13	488	488	1 336	1 337	1 338
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	-	-	23	-	32	58	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	23	-	32	58	-	-	-
Social benefits	-	-	23	-	32	58	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	208	374	131	400	602	602	266	276	286
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	188	374	131	400	602	602	266	276	286
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	188	374	131	400	602	602	266	276	286
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	20	-	-	-	-	-	-	-	-
Payments for financial assets	6	128	-	-	-	-	-	-	-
Total	53 161	32 280	76 870	99 507	102 341	99 789	110 123	103 542	108 606

Table 6.E : Payments and estimates by economic classification: Financial Management

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Current payments	159 520	162 478	207 789	232 980	264 480	261 868	282 363	272 701	283 495
Compensation of employees	27 132	34 784	42 814	51 945	53 945	51 333	56 547	60 701	65 126
Salaries and wages	22 933	30 500	38 194	44 456	46 456	43 844	48 855	52 622	56 630
Social contributions	4 199	4 284	4 620	7 489	7 489	7 489	7 692	8 079	8 496
Goods and services	116 880	126 688	164 975	172 127	207 827	207 827	218 048	201 768	207 595
Administrative fees	7 830	9 094	9 748	10 331	10 331	10 331	11 663	11 775	12 206
Advertising	419	33	-	-	-	-	-	-	-
Assets less than the capitalisation threshold	59	393	131	490	205	205	153	165	177
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	18	25	26	55	105	105	54	60	65
Communication (G&S)	373	385	485	523	523	523	625	658	684
Computer services	96 996	96 655	110 754	111 018	113 018	113 018	125 199	138 027	135 037
Cons & prof serv: Business and advisory services	7 279	12 041	38 261	44 559	77 070	77 070	74 077	44 561	52 814
Cons & prof serv: Infras and planning	-	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	1 012	1 949	1 217	120	120	120	120	130	140
Contractors	68	187	48	85	85	85	102	105	111
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	1	6	6	6	3	4	5
Fleet services (incl. govt motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	14	34	38	39	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	7	5	-	16	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medcas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	-	1	-	3	109	109	135	150	169
Consumable: Stationery, printing and office supplies	373	224	307	515	464	464	398	420	415
Operating leases	34	195	189	105	105	105	236	255	272
Property payments	-	13	41	-	-	-	42	43	43
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	1 342	1 888	3 147	3 811	5 000	5 000	4 640	4 768	4 767
Training and development	149	369	277	322	322	322	460	487	513
Operating payments	859	3 161	301	23	258	258	93	100	106
Venues and facilities	48	36	4	106	106	106	48	60	71
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	15 508	1 006	-	8 908	2 708	2 708	7 768	10 232	10 774
Interest	15 508	1 006	-	8 908	2 708	2 708	7 768	10 232	10 774
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	917	689	556	1 400	1 274	1 274	700	750	800
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	917	689	556	1 400	1 274	1 274	700	750	800
Social benefits	917	689	556	1 400	1 274	1 274	700	750	800
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	830	1 536	3 749	3 494	3 494	3 494	7 600	644	687
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	830	1 011	3 355	3 494	3 494	3 494	7 600	644	687
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	830	1 011	3 355	3 494	3 494	3 494	7 600	644	687
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	525	394	-	-	-	-	-	-
Payments for financial assets	92	91	-	-	-	-	-	-	-
Total	161 359	164 794	212 094	237 874	269 248	266 636	290 663	274 095	284 982

Table 6.F : Payments and estimates by economic classification: Internal Audit

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Current payments	80 474	74 671	92 760	105 229	108 729	102 984	128 939	130 678	120 733
Compensation of employees	33 354	35 167	46 283	60 898	56 898	51 153	63 037	67 813	72 902
Salaries and wages	28 772	31 259	41 423	53 972	49 972	44 227	56 756	61 158	65 847
Social contributions	4 582	3 908	4 860	6 926	6 926	6 926	6 281	6 655	7 055
Goods and services	47 120	39 504	46 477	44 331	51 831	51 831	65 902	62 865	47 831
Administrative fees	77	183	229	195	195	195	280	310	340
Advertising	7	7	3	9	9	9	-	-	-
Assets less than the capitalisation threshold	-	59	210	-	70	70	210	230	250
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	(2)	-	-	-	-	-	-	-	-
Catering: Departmental activities	2	26	30	58	58	58	56	58	60
Communication (G&S)	326	292	392	431	431	431	620	660	700
Computer services	35	797	160	800	800	800	300	310	320
Cons & prof serv: Business and advisory services	41 771	30 647	39 846	36 683	43 833	43 833	57 511	53 925	38 292
Cons & prof serv: Infras and planning	-	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	-	-	-	-	-	-	-	-	-
Contractors	9	5	15	-	5	5	-	-	-
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	2	-	4	4	4	-	-	-
Fleet services (incl. govt motor transport)	1	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	13	17	39	36	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	2	-	3	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medcas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	1	-	-	-	66	66	68	91	114
Consumable: Stationery, printing and office supplies	285	183	159	384	477	477	272	301	330
Operating leases	-	189	227	265	265	265	319	333	347
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	2 973	2 974	4 277	4 534	4 534	4 534	5 210	5 549	5 938
Training and development	128	702	452	740	740	740	850	870	890
Operating payments	1 494	3 419	429	189	339	339	186	203	220
Venues and facilities	-	-	9	-	5	5	20	25	30
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	225	-	29	-	97	97	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	225	-	29	-	97	97	-	-	-
Social benefits	225	-	29	-	97	97	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	323	485	352	850	730	730	810	880	950
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	323	485	352	850	730	730	810	880	950
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	323	485	352	850	730	730	810	880	950
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	3	13	13	-	-	-	-	-	-
Total	81 025	75 169	93 154	106 079	109 556	103 811	129 749	131 558	121 683

Table 6.G : Payments and estimates by economic classification: Growth and Development

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Current payments	8 422	6 457	10 305	112 464	20 091	20 091	172 810	116 097	114 526
Compensation of employees	-	-	-	-	-	-	-	-	-
Salaries and wages	-	-	-	-	-	-	-	-	-
Social contributions	-	-	-	-	-	-	-	-	-
Goods and services	8 422	6 457	10 305	112 464	20 091	20 091	172 810	116 097	114 526
Administrative fees	23	-	11	-	-	-	-	-	-
Advertising	204	366	691	578	678	910	849	853	997
Assets less than the capitalisation threshold	-	-	-	-	-	-	-	-	-
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	416	1 159	1 702	1 816	2 816	2 816	1 850	1 860	1 870
Communication (G&S)	-	-	-	-	-	-	-	-	-
Computer services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Business and advisory services	5 781	9	2 273	105 053	2 680	2 680	159 056	100 058	100 062
Cons & prof serv: Infras and planning	-	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	-	-	-	-	-	-	-	-	-
Contractors	522	1 298	2 822	1 684	10 684	10 445	7 405	9 476	7 547
Agency and support / outsourced services	456	1 049	478	479	479	479	650	700	750
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	14	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medcas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	-	-	-	-	-	7	-	-	-
Consumable: Stationery, printing and office supplies	10	14	-	-	-	-	-	-	-
Operating leases	-	-	-	-	-	-	-	-	-
Property payments	-	137	-	-	150	150	-	-	-
Transport provided: Departmental activity	374	898	531	844	994	994	900	950	1 000
Travel and subsistence	-	-	-	-	-	-	-	-	-
Training and development	-	-	-	-	-	-	-	-	-
Operating payments	231	9	33	248	248	248	200	200	200
Venues and facilities	405	1 504	1 764	1 762	1 362	1 362	1 900	2 000	2 100
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	15 664	31 264	28 012	20 677	39 754	39 754	13 500	10 062	-
Provinces and municipalities	15 664	31 264	28 012	20 677	39 754	39 754	13 500	10 062	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	15 664	31 264	28 012	20 677	39 754	39 754	13 500	10 062	-
Municipalities	15 664	31 264	28 012	20 677	39 754	39 754	13 500	10 062	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Social benefits	-	-	-	-	-	-	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	550	-	-	-	-	-	-	-	-
Total	24 636	37 721	38 317	133 141	59 845	59 845	186 310	126 159	114 526

Table 6.H : Summary of transfers to local govt. (airports, Shayamoya eco-complex, light industrial park & Msunduzi electric-related dev)

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation 2013/14	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
A KZN2000 eThekweni	7 937	-	-	-	-	-	-	-	-
Total: Ugu Municipalities	98	-	-	-	2 288	2 288	-	-	-
B KZN211 Vulamehlo	-	-	-	-	-	-	-	-	-
B KZN212 Umdoni	-	-	-	-	-	-	-	-	-
B KZN213 Umzumbe	-	-	-	-	-	-	-	-	-
B KZN214 uMuziwabantu	-	-	-	-	-	-	-	-	-
B KZN215 Ezingoleni	-	-	-	-	-	-	-	-	-
B KZN216 Hibiscus Coast	-	-	-	-	2 288	2 288	-	-	-
C DC21 Ugu District Municipality	98	-	-	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	6 482	17 790	574	-	16 186	16 186	5 500	-	-
B KZN221 uMshwathi	-	-	-	-	-	-	-	-	-
B KZN222 uMngeni	-	-	-	-	-	-	-	-	-
B KZN223 Mpofana	-	-	-	-	-	-	-	-	-
B KZN224 Impendle	-	-	-	-	-	-	-	-	-
B KZN225 Msunduzi	5 435	17 790	574	-	16 186	16 186	5 500	-	-
B KZN226 Mkhambathini	-	-	-	-	-	-	-	-	-
B KZN227 Richmond	-	-	-	-	-	-	-	-	-
C DC22 uMgungundlovu District Municipality	1 047	-	-	-	-	-	-	-	-
Total: Uthukela Municipalities	22	-	-	-	-	-	-	-	-
B KZN232 Emnambithi/Ladysmith	-	-	-	-	-	-	-	-	-
B KZN233 Indaka	-	-	-	-	-	-	-	-	-
B KZN234 Umsheshezi	-	-	-	-	-	-	-	-	-
B KZN235 Okhahlamba	-	-	-	-	-	-	-	-	-
B KZN236 Imbabazane	-	-	-	-	-	-	-	-	-
C DC23 Uthukela District Municipality	22	-	-	-	-	-	-	-	-
Total: Umzinyathi Municipalities	31	-	-	-	-	-	-	-	-
B KZN241 Endumeni	-	-	-	-	-	-	-	-	-
B KZN242 Nqutu	-	-	-	-	-	-	-	-	-
B KZN244 Msinga	-	-	-	-	-	-	-	-	-
B KZN245 Umvoti	-	-	-	-	-	-	-	-	-
C DC24 Umzinyathi District Municipality	31	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities	427	-	-	-	-	-	-	-	-
B KZN252 Newcastle	-	-	-	-	-	-	-	-	-
B KZN253 eMadlangeni	-	-	-	-	-	-	-	-	-
B KZN254 Dannhauser	-	-	-	-	-	-	-	-	-
C DC25 Amajuba District Municipality	427	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	33	10 015	19 661	-	603	603	-	-	-
B KZN261 eDumbe	-	-	-	-	-	-	-	-	-
B KZN262 uPhongolo	-	-	-	-	-	-	-	-	-
B KZN263 Abaqulusi	-	-	-	-	-	-	-	-	-
B KZN265 Nongoma	-	-	-	-	-	-	-	-	-
B KZN266 Ulundi	-	-	-	-	-	-	-	-	-
C DC26 Zululand District Municipality	33	10 015	19 661	-	603	603	-	-	-
Total: Umkhanyakude Municipalities	3	-	-	-	-	-	-	-	-
B KZN271 Umhlabuyalingana	-	-	-	-	-	-	-	-	-
B KZN272 Jozini	-	-	-	-	-	-	-	-	-
B KZN273 The Big 5 False Bay	-	-	-	-	-	-	-	-	-
B KZN274 Hlabisa	-	-	-	-	-	-	-	-	-
B KZN275 Mtubatuba	-	-	-	-	-	-	-	-	-
C DC27 Umkhanyakude District Municipality	3	-	-	-	-	-	-	-	-
Total: uThungulu Municipalities	584	3 459	7 777	-	-	-	-	-	-
B KZN281 Umfolozi	-	-	-	-	-	-	-	-	-
B KZN282 uMhlatuze	-	3 459	7 777	-	-	-	-	-	-
B KZN283 Ntambanana	-	-	-	-	-	-	-	-	-
B KZN284 uMlalazi	-	-	-	-	-	-	-	-	-
B KZN285 Mthonjaneni	-	-	-	-	-	-	-	-	-
B KZN286 Nkandla	-	-	-	-	-	-	-	-	-
C DC28 uThungulu District Municipality	584	-	-	-	-	-	-	-	-
Total: Ilembe Municipalities	45	-	-	-	-	-	-	-	-
B KZN291 Mandeni	-	-	-	-	-	-	-	-	-
B KZN292 KwaDukuza	-	-	-	-	-	-	-	-	-
B KZN293 Ndwedwe	-	-	-	-	-	-	-	-	-
B KZN294 Maphumulo	-	-	-	-	-	-	-	-	-
C DC29 Ilembe District Municipality	45	-	-	-	-	-	-	-	-
Total: Sisonke Municipalities	2	-	-	20 677	20 677	20 677	8 000	10 062	-
B KZN431 Ingwe	-	-	-	-	-	-	-	-	-
B KZN432 Kwa Sani	-	-	-	-	-	-	-	-	-
B KZN433 Greater Kokstad	-	-	-	20 677	20 677	20 677	8 000	10 062	-
B KZN434 Ubuhlebezwe	-	-	-	-	-	-	-	-	-
B KZN435 Umzimkulu	-	-	-	-	-	-	-	-	-
C DC43 Sisonke District Municipality	2	-	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	15 664	31 264	28 012	20 677	39 754	39 754	13 500	10 062	-

VOTE 7

Health

Operational budget	R 30 912 461 165
MEC remuneration	R 1 734 835
Total amount to be appropriated	R 30 914 196 000
Responsible MEC	Dr. S. M. Dhlomo, MEC for Health
Administering department	Health
Accounting officer	Head: Health

1. Overview

Vision

The vision of the Department of Health is: *A long and healthy life for all South Africans.*

Mission statement

The department's mission statement is: *To develop a sustainable, co-ordinated, integrated and comprehensive health system at all levels of care, based on the primary health care approach through the district health system.*

Strategic objectives

Strategic policy direction: Directly linked with the National Development Plan 2030 with the main focus on improving the health and well-being of the population and strengthening the health system effectiveness.

The department's strategic goals, each comprising a number of strategic objectives and sub-outcomes, have been aligned with the National Development Plan 2030, the Medium Term Strategic Framework (MTSF) 2014-2019, and the National Health sector strategic goals for 2014-2019. The overarching goal remains "*Increasing the life expectancy of all South Africans*". The various goals are as follows:

- To prevent and reduce the burden of disease with the main focus on maternal, neonatal, child and women's health, tuberculosis (TB), HIV and AIDS, non-communicable diseases, as well as injury, accidents and violence.
- To implement Primary Health Care (PHC) re-engineering and improve hospital efficiencies.
- To strengthen health facility planning.
- To improve Human Resources for Health.
- To strengthen health information management to improve decision making.
- To improve financial management.
- To improve quality of care.
- To improve universal health coverage.

Core functions

The main purpose of the department is to develop and implement a sustainable, co-ordinated, integrated and comprehensive health system based on the primary health care approach, which encompasses promotive, curative, rehabilitative, supportive and palliative care. This is guided by the principles of accessibility, equity, quality and efficiency, sustainability, community participation, appropriate technology, and inter-governmental and inter-sectoral collaboration.

The department provides health services primarily to the uninsured population of KZN, who comprise about 87.7 per cent of the province's total population of 10 785 397 (2013 Mid-Year Population Estimates, Statistics SA). In addition, the department provides central health services to people beyond provincial boundaries. The following main categories of health services provided by the department are:

Primary health care services

Primary health care services are rendered at community/household level and in fixed clinics and include the promotion of health and prevention of illness, as well as curative and rehabilitative services.

Hospital services

District hospitals render hospital services at a general practitioner level, while provincial hospitals render hospital services at a specialist level. Specialised hospitals render specialised hospital services for patients with TB, psychiatric illnesses and those patients requiring long-term or chronic step-down/rehabilitative care. Tertiary and central hospitals render tertiary, central and quaternary hospital services at specialist level. Central and tertiary hospitals provide facilities and expertise for sophisticated medical procedures.

Forensic pathology services

Rendering specialised forensic and medico-legal services to establish the circumstances and causes surrounding unnatural death, to ensure integrity of forensic evidence and to provide an Inspector of Anatomy Services.

Emergency medical services

The aim of this category is to provide emergency care and transport for victims of trauma, road traffic accidents, and emergency medical and obstetric conditions. Planned patient transport is provided for inter-hospital transfer, while indigent patients are transported between clinics and hospitals.

Legislative mandate

In carrying out its functions, the department is governed mainly by the following Acts and regulations:

- The Constitution of the Republic of South Africa (Act No. 108 of 1996)
- KwaZulu-Natal Health Act (Act No. 1 of 2009) and Regulations
- National Health Act (Act No. 61 of 2003)
- Mental Health Care Act (Act No. 17 of 2002)
- Public Finance Management Act (Act No. 1 of 1999, as amended) and the Treasury Regulations
- Preferential Procurement Policy Framework Act (Act No. 5 of 2000)
- Annual Division of Revenue Act
- Public Service Act (Act No. 103 of 1994) and the Public Service Regulations
- Medicines and Related Substances Act (Act No. 101 of 1965, as amended)
- Pharmacy Act (Act No. 53 of 1974, as amended)
- Nursing Act (Act No. 33 of 2005)
- Choice of Termination of Pregnancy Act (Act No. 92 of 1996, as amended)
- Labour Relations Act (Act No. 66 of 1995)
- Basic Conditions of Employment Act (Act No. 75 of 1997)
- Skills Development Act (Act No. 97 of 1998)
- National Health Laboratory Service Act (Act No. 37 of 2000)
- Occupational Health and Safety Act (Act No. 85 of 1993)
- Traditional Health Practitioners Act (Act No. 35 of 2004)
- Health Professions Act (Act No. 56 of 1974)
- Human Tissue Act (Act No. 65 of 1983)

2. Review of the 2013/14 financial year

Section 2 provides a review of 2013/14, outlining the main achievements and progress made by the department, as well as providing a brief discussion on the challenges and new developments.

Improving the provision of health care

Infrastructure: 16 clinics are under construction and 14 are being renovated and/or upgraded. The Independent Development Trust (IDT) was appointed to complete three clinics (Mkhuphula, Ngabayena and Msizini) due to the termination of the contract with an implementing agent who failed to deliver. Cost evaluations commenced and these clinics will be under construction again in 2014/15. Three community health centres (St. Chads, Gamalakhe and Turton) were commissioned and are open to the public.

The new King Dinuzulu District Hospital is complete with 369 out of 400 beds operational, with the balance being utilised for out-patients services until the out-patients facility is completed. Construction of the new TB complex at this hospital, as well as a 130-bed psychiatric secured unit, is planned for continuation in 2014.

All municipal health services were provincialised with the exception of the uMhlathuze Municipality and the eThekweni Metro.

Re-engineering of PHC was strengthened by expanding the three pillars of PHC re-engineering:

- Ward-based teams increased from 45 to 83 teams (33 teams reporting community-based data through the district health information system, with the balance to begin reporting in 2014/15).
- School health teams increased from 147 to 148 teams, providing health screening (such as sight, hearing, oral health, mental health, growth/nutrition monitoring, etc.) in 46 per cent of schools.
- District clinical specialist teams were strengthened through the appointment of additional specialists (such as obstetricians and paediatricians) and specialised nursing staff in all districts.

Main focus areas

The main focus areas for 2013/14 included:

- *National Health Insurance (NHI):* Phase one of the NHI project continued in the three pilot districts, namely uMgungundlovu, Umzinyathi and Amajuba. This included the piloting of innovative referral models, community-based distribution of chronic medication and improved information systems.
- *Clinical services:*
 - *Maternal and neonatal care:*
 - The costing of maternal and neonatal care commenced. High impact strategies were prioritised, contributing to improved health outcomes, and these included the prevention of mother to child transmission of HIV and AIDS, training in essential steps in management of obstetric emergencies, child growth monitoring, immunisation, etc.
 - Maternal mortality in facilities decreased from 165.5 to 135.6 deaths per 100 000 live births.
 - Infants' first Polymerase Chain Reaction (PCR) test positive around 6 weeks after birth as proportion of all babies tested decreased from 2.2 to 1.8 per cent. This test is used to determine mother to child transmission of HIV and AIDS.
 - The neonatal mortality rate decreased from 9.8 to 9.5 per 1 000 live births.
 - Children under 5 years with severe acute malnutrition incidence decreased from 6.5 to 5.8 per 1 000 of the population under 5 years.
 - Children under 5 years with diarrhoea with dehydration incidence decreased from 20.7 to 15.9 per 1 000 of the population under 5 years.
 - Children under 5 years with pneumonia incidence decreased from 118.5 to 100.8 per 1 000 of the population under 5 years.

- Improved targets were assisted by the commissioning of 40 dedicated obstetric ambulances, an increased bed capacity for pregnant women with high risk pregnancies at 26 prioritised facilities, as well as 32 mothers' lodges for pregnant women at prioritised facilities. Some of these facilities included the Lower Umfolozi War Memorial (LUWM) and Newcastle Hospitals, which are functioning as specialised mother and child facilities. A total of 26 Midwife Obstetric units were established at PHC clinics and Community Health Centres (CHC) to improve access to maternal health.
- o *Tuberculosis:*
 - The province received 73 GeneXpert machines in 2010 for phased implementation of rapid TB testing for drug-resistant TB. To date, 38 machines have been installed in eThekweni (13), Sisonke (7), uMgungundlovu (4), Ilembe (3), Amajuba (3), Umzinyathi (2), uThungulu (2), Umkhanyakude (2) and Zululand (2).
 - A total of 122 outreach teams (which consist of a staff nurse and nursing assistant giving daily home-based treatment and education) were established to improve community-based management of patients with drug-resistant TB and HIV and AIDS.
 - The TB incidence decreased from 1 027 to 844 per 100 000 of the population.
 - The TB death rate decreased from 5.4 to 4.8 per cent.
 - The TB defaulter rate decreased from 5.4 to 4.9 per cent.
 - The TB cure rate increased from 73.5 to 79.4 per cent.
- o *HIV and AIDS:*
 - A cumulative total of 339 997 males were circumcised to date (since 2010/11) as part of the male medical circumcision campaign.
 - The total number of patients on anti-retroviral (ARV) therapy increased from 726 338 to 770 009 (2013/14 mid-year actual).
 - A total of 1 810 056 clients between 15-49 years were tested for HIV and AIDS (mid-year 2013/14).
- o *Laundry services* – The project to upgrade the Dundee laundry is still in progress and is expected to be finalised by the end of 2014/15. The process for installing the new tunnel washer is almost complete, with delivery of the machine awaited from the importer. The remainder of the project entails the upgrading of the entire facility, and this is expected to be completed by the end of 2014/15.

3. Outlook for the 2014/15 financial year

Section 3 looks at the key focus areas of 2014/15, outlining what the department is hoping to achieve, as well as briefly looking at the challenges facing the department, and proposed new developments. The department plans to achieve the following:

- *Preventing and reducing the burden of disease* with the main focus on preventing disease and improving health outcomes in maternal, neonatal, child and women's health and nutrition, TB, HIV and AIDS, non-communicable conditions and injury and violence. Some of the targets include:
 - o Reduce the mother to child transmission rate for HIV and AIDS to less than 1 per cent by March 2017.
 - o Reduce the facility maternal mortality ratio to 119 maternal deaths per 100 000 live births by March 2017.
 - o Increase the number of HIV positive eligible clients on ARV therapy to 1 368 247 (cumulative total) by 2016/17.
 - o Decrease the TB incidence to 600 new infections per 100 000 population by March 2017.

- *Implementation of PHC re-engineering* by increasing ward-based coverage with ward-based outreach teams, school health teams and district clinical specialist teams. Some of the targets include:
 - 11 complete nursing specialist teams (one team per district) by 2015.
 - Four complete medical specialist teams (one team per region) by 2015.
 - 250 school health teams by 2019.
 - 100 per cent of rural districts fully covered by ward-based teams by 2019.
- *Strengthening of hospital services* through the rationalisation of hospital services, including reviewing the classification of hospitals and aligning service delivery and training platforms. Clinical governance will be prioritised including outreach programmes and mentorship.
- *Improving human resources* by aligning an evidence-based human resources plan with service delivery demands and needs, establishing effective controls to monitor *Compensation of employees* and equity, and developing a decentralised health sciences training model with a focus on PHC in collaboration with the University of KwaZulu-Natal as part of the health system reform and to address staff shortages. Alternative options will be explored to address critical skills shortages including the training of mid-level workers and revisiting training of clinical associates.
- *Strengthening health information management* including information technology, data management, monitoring and evaluation and research for health, as well as evidence-based planning. The department will increase internet connectivity in all facilities as an enabler for the implementation of a web-based health information system targeted in late 2014/15. Telemedicine sites will be increased from 35 to 65 in 2017/18 to advance clinical training and development.
- *Improving financial management* through training and development, establishing cost centres in identified institutions, improving the linking of budget to activity, increasing revenue collection, as well as ensuring Supply Chain management (SCM) is supported by an appropriate IT system and achieving an unqualified audit for assets.
- *Improving quality of care* by implementing the national core standards and establishing effective quality assurance systems to monitor quality improvement. The department aims to have 80 per cent of health facilities conditionally compliant (50 to 75 per cent) to the national core standards by 2019.
- *Improve universal health coverage* by continuing to implement the NHI pilot in identified districts. The main goals for the NHI pilot are as follows:
 - Effective functioning and integration of the new primary care delivery models.
 - Planning, monitoring and evaluation of school health teams, family health teams, district specialist teams and the HIV and AIDS, sexually transmitted infections and TB outreach model.
 - Improved pharmaceutical supplies management systems and processes to support efficient and effective provision of health services in the districts.
 - Improved supply chain management in relation to the sector non-negotiables.
 - Enhanced district capacity in the areas of district health services planning and monitoring and evaluation including research/impact assessment reports of selected interventions.
 - A rational referral system based on a re-engineered primary health care platform with a particular focus on rural and previously disadvantaged areas.

4. Receipts and financing

4.1 Summary of receipts

Table 7.1 below gives the source of funding for Vote 7 over the seven-year period 2010/11 to 2016/17. The table also compares actual and budgeted receipts against actual and budgeted payments.

Note that, in 2013/14, all conditional grants in the health sector, which focus on infrastructure delivery, were consolidated into one grant with separate components. The newly amalgamated grant was called the Health Facility Revitalisation grant, and funded the construction and maintenance of health infrastructure. This grant was created through the merger of the Health Infrastructure, Hospital Revitalisation and the Nursing Colleges and Schools grants. In 2014/15, the components have been eliminated and the grant is now simply known as the Health Facility Revitalisation grant. The historic spending and receipts of the three components have been merged into a single grant in all tables in this document for comparative purposes. The previous split of funding between the former components is available in the 2013/14 EPRE.

Table 7.1 : Summary of receipts

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Equitable share	18 192 039	20 152 053	22 014 761	23 278 063	23 428 519	23 428 519	24 638 533	26 029 819	27 477 766
Conditional grants	3 924 609	4 435 205	5 023 849	5 319 234	5 429 296	5 429 296	6 228 886	6 850 880	6 343 324
Health Professions Training and Development grant	235 771	249 917	261 860	276 262	276 262	276 262	292 837	306 308	322 542
Health Facility Revitalisation grant	901 053	906 169	1 176 452	962 469	1 072 531	1 072 531	1 162 469	1 090 431	-
National Tertiary Services grant	1 102 585	1 201 831	1 323 114	1 415 731	1 415 731	1 415 731	1 496 427	1 565 263	1 648 222
Comprehensive HIV and AIDS grant	1 518 811	1 889 427	2 225 423	2 652 072	2 652 072	2 652 072	3 257 992	3 874 085	4 356 983
Forensic Pathology Services grant	152 406	161 550	-	-	-	-	-	-	-
Social Sector EPWP Incentive Grant for Provinces	2 676	25 775	-	-	-	-	2 581	-	-
EPWP Integrated Grant for Provinces	11 307	536	1 000	3 000	3 000	3 000	2 580	-	-
National Health Insurance grant	-	-	33 000	9 700	9 700	9 700	14 000	14 793	15 577
AFCON: Medical Services grant	-	-	3 000	-	-	-	-	-	-
Total receipts	22 116 648	24 587 258	27 038 610	28 597 297	28 857 815	28 857 815	30 867 419	32 880 699	33 821 090
Total payments	20 734 986	24 791 118	27 390 533	28 647 877	29 141 344	29 508 508	30 914 196	32 881 579	33 821 760
Surplus/(Deficit) before financing	1 381 662	(203 860)	(351 923)	(50 580)	(283 529)	(650 693)	(46 777)	(880)	(670)
Financing									
of which									
Provincial roll-overs	3 538	81 838	-	-	14 949	14 949	-	-	-
Provincial cash resources	-	-	252 320	50 580	268 580	268 580	46 777	880	670
Surplus/(Deficit) after financing	1 385 200	(122 022)	(99 603)	-	-	(367 164)	-	-	-

In 2010/11, there was a significant increase in the baseline allocation of some R1.600 billion. This, together with the establishment of the joint Treasury/Health task team to address the persistent over-spending, as well as under-spending on the infrastructure conditional grants, resulted in under-spending of R1.385 billion. The main areas addressed by the task team were the curbing of fraud, cost-cutting and the introduction of a savings plan. A roll-over of unspent funds of R3.538 million from 2009/10 was received for the 2010 World Cup Health Preparation Strategy grant.

In 2011/12, the department over-spent by R122.022 million. This was attributed to the ongoing processing of various categories of OSD (occupational therapists, advanced maternity staff and artisans), exacerbated by the filling of critical posts required for restructuring of service delivery to bring the department in line with NHI requirements. In addition, there were increased payments to the National Health Laboratory Service (NHLS) related to an agreement to increase the monthly payment from R34 million to R43 million, backdated to January 2011, until such time as the dispute was finalised. There was also a once-off payment of R50 million toward HIV and AIDS costs, as per a special request from the National Department of Health (NDOH), to avert a financial crisis in the NHLS.

An amount of R81.838 million was included against provincial roll-overs, being an approved roll-over of R63.953 million from 2009/10, of commitments relating to the Health Facility Revitalisation grant, which was under-spent in 2009/10, and a roll-over of R17.885 million from 2010/11 in respect of the Comprehensive HIV and AIDS grant.

In 2012/13, the department received provincial cash resources of R252.320 million for the following:

- R12 million for a vaccine campaign to reduce maternal and child mortality.
- R6.250 million to improve the department's PABX telecommunication systems.
- R185.963 million to address pressures due to an acceleration in various infrastructure projects.
- The balance of R48.107 million was top-up funding for the cost of the higher than budgeted 2012 wage agreement, not fully funded by National Treasury.

Also in 2012/13, the department over-spent by R99.603 million. This was related to the addressing of critical staff needs at PHC level, which included the closing of the gap in standards for municipal clinics taken over from local government, the progressive commissioning of CHCs and the King Dinuzulu Hospital, whereby the department's budget allocations were not keeping pace with new developments. There were also pressures from infrastructure commitments being higher than the budget, and the department being unable to slow down delivery sufficiently during the year to match the final appropriation.

In the 2013/14 Adjusted Appropriation, the department received a roll-over of R14.949 million in respect of the NHI grant. The funds were to be used to pay for medical and surgical equipment, and information technology equipment, which was ordered in 2012/13, but only delivered in 2013/14. Also in 2013/14, the department received additional funding of R268.580 million from provincial cash resources as follows:

- R17 million allocated for the McCord Hospital take-over costs and malpractice insurance premiums.
- R200 million from equitable share funding for infrastructure development pressures.
- R1 million for spending on Operation *Sukuma Sakhe* (OSS) initiatives, as identified by the MEC.
- R50.580 million for the upgrading and refurbishment of the regional laundry in Dundee.

The projected over-spending of R367.164 million in 2013/14 relates mainly to pressures in the Comprehensive HIV and AIDS grant, largely driven by the increased number of ARV patients and the shortfall in the funding formulae for this programme. The department approached NDOH for assistance in this regard, particularly for this grant to be funded based on actual case-load in the province. Adding to this pressure are take-over and running costs for McCord Hospital, as well as pressures in computer services and agency and support services costs.

Note that, over the 2014/15 MTEF, the Health Facility Revitalisation grant declines to zero in the outer year due to the reforms that were made to the provincial infrastructure grant system that are intended to institutionalise proper planning for infrastructure. Provinces were informed in 2012/13 by National Treasury that they will be required to bid for the infrastructure allocation two years in advance and financial incentives will be built into the infrastructure grant for provinces that implement best practices. The department was largely successful in bidding for the 2015/16 allocations due to its ability to spend on the infrastructure allocations, although the amount is less than 2014/15 due to technical problems in the bidding process. The department and Provincial Treasury are still liaising with National Treasury in this regard and the possibility exists for further adjustments during 2014/15. The bidding processes for 2016/17 will commence in 2014/15, hence there is no allocation at this stage.

The department will be rolling out the human papilloma virus (HPV) vaccine in 2014/15, which has shown to prevent cervical cancer in women. The funding for the roll-out in 2014/15 and 2015/16 will be made available through the NDOH as an indirect grant. An amount of R42.661 million is added to the provincial equitable share in 2016/17 as the programme becomes integrated into the normal business of provincial health departments.

The department is also allocated additional funding from provincial cash resources in 2014/15 for trade creditors and VAT at McCord Hospital (R15.870 million, with minor carry-through costs of R880 000 in 2015/16 and R670 000 in 2016/17), as well as for operational costs at St. Mary's Hospital (R30.907 million), pending the finalisation of the transaction advisors' investigation into the potential provincialisation of the hospital.

The department has been allocated nine national conditional grants over the seven-year period, and these are described in more detail in Section 5.5.

4.2 Departmental receipts collection

A summary of revenue collected by the Department of Health over the seven-year period under review is reflected in Table 7.2. Details of these departmental receipts are given in *Annexure – Vote 7: Health*.

The bulk of revenue collected by this department is against *Sale of goods and services other than capital assets*. The major receipts under this category relate to patient fees, boarding fees, rentals, parking fees, and commission charged on PERSAL deductions for insurance premiums and garnishees.

Table 7.2 : Summary of departmental receipts collection

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	164 198	196 395	207 758	217 666	217 666	219 090	220 512	231 538	243 810
Transfers received	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	2 449	17	12	21	21	27	21	21	22
Interest, dividends and rent on land	816	366	140	217	217	264	217	217	229
Sale of capital assets	7 231	-	17 929	12 000	12 000	3 830	10 000	10 000	10 530
Transactions in financial assets and liabilities	16 527	11 220	12 650	13 577	13 577	18 033	15 411	16 182	17 040
Total	191 221	207 998	238 489	243 481	243 481	241 244	246 161	257 958	271 630

Most of the remaining revenue categories do not follow a predictable trend, and are not received on a regular basis, such as the sale of redundant equipment and vehicles. For this reason, projections for future years were formulated based on past trends. The collection of revenue from patient fees is influenced by the following factors:

- Historically, the majority of patients attending the department's health facilities have been unable to make a meaningful contribution for the services provided. However, the department is currently in the process of developing an own-revenue enhancement programme, which will seek to identify patients who are able to pay for services, but previously received free treatment.
- The continued provision of free services at health institutions to pregnant women and children under 16 years of age who do not belong to any medical aid, pensioners, the disabled, the unemployed and patients on the ART programme.
- The ongoing review of the Uniform Patient Fee Structure (UPFS) that is applicable to private hospital patients (PHP), i.e. medical aid patients, statutory cases and patients whose income exceeds the limit for free services, resulting in more groups being exempt from the payment of fees and the reduction in fees payable by certain categories of patients.

The high collection against *Sale of goods and services other than capital assets* in 2011/12 can be ascribed to the amendment of boarding fees to R800 per person as per the housing allowance paid to employees. In the 2013/14 Revised Estimate, the increase was due to improved recoveries mainly from RAF and the Compensation of Injuries and Disease Act (COIDA) after an intensive capacity building drive aimed at improving the department's revenue collection. This trend is expected to continue over the 2014/15 MTEF, although projected collections are conservative, at this stage.

Fines, penalties and forfeits reflect revenue from domestic transgressions, which is difficult to budget for due to its unpredictable nature. The department collected approximately R2.431 million during 2010/11 from fraud recovery efforts from various suppliers.

Interest, dividends and rent on land largely reflects interest on staff debts. The fluctuation over the seven-year period is due to the volatility in staff debts, coupled with interest rate changes.

Sale of capital assets comprises revenue generated from the sale of redundant equipment, including motor vehicles. The amounts collected in 2010/11 and 2012/13 resulted from the unanticipated sale of redundant vehicles. In the 2013/14 Revised Estimate, when compared to other years, the low collection is mainly due to the sale of fleet which did not take place in the first half of the year as was projected, as a result of the shifting of the fleet management functions to the Supply Chain Management unit to improve disposal procedures. The department reports that this projection is likely to be exceeded as disposal processes are once again underway in the final quarter of 2013/14. The department projects to receive a cumulative amount of R30.530 million from the auctioning of redundant assets over the 2014/15 MTEF.

Transactions in financial assets and liabilities, made up of income generated from the repayment of contract debts (such as bursaries), salary over-payments and refunds of previous years' expenditure, decreased in 2011/12 due to monies recovered in 2010/11 being higher than budgeted as a result of a concerted effort to clear debts. It is difficult to project revenue from this category, due to its uncertain nature, thus the growth over the MTEF is inflationary based.

4.3 Donor funding

Donor funding received by the department, which falls outside its voted fund allocation, is summarised in Tables 7.3 and 7.4 below.

Donor funds are used to address infrastructure requirements, service delivery needs and technical support to enhance service delivery. Spending on donor funds occurs as per the agreements concluded with the various donors. Where funds are available, the department makes arrangements for the incorporation of donor funded activities into its activities on termination of the agreements, to ensure sustainability of funded activities.

It is noted that spending on donor funds from 2010/11 to 2012/13 (Table 7.4) exceeds receipts (Table 7.3). This is due to the roll-over of unspent receipts from previous financial years offsetting expenditure incurred in future years. These roll-overs related mainly to the Global Fund for HIV and AIDS patients, the funding for the European Union PHC project and the funding provided by Atlantic Philanthropies. The majority of remaining donations are small once-off allocations. The Global Fund for HIV and AIDS patients was largely finalised in 2011/12 and the TB Global Fund in 2010/11. The European Union PHC project was finalised in 2012/13.

In 2008/09 and 2009/10, the department received a donation in two instalments of R6 million each from Atlantic Philanthropies, which was being used to strengthen the capacity of nursing education institutions in KZN. These funds could not be fully utilised by 2012/13 due to continued delays experienced with the tender process, and R7.922 million was rolled over to 2013/14. The department anticipates fully spending this funding in 2013/14.

The department received new donor funding in 2013/14 from the Public Sector Education and Training Authority (PSETA) and the Health and Welfare Sector Education and Training Authority (HWSETA) amounting to R383 000. These were funds for the learnership programmes at the Church of Scotland, Ekombe and Nkandla Hospitals (PSETA) and the Ngwelezane Hospital (HWSETA).

No donations are expected over the 2014/15 MTEF, at this stage.

Table 7.3 : Details of donor funding

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Donor funding	1 294	4 231	884	383	383	383	-	-	-
Aspen	-	3 500	-	-	-	-	-	-	-
Ben Booysen	1	-	-	-	-	-	-	-	-
CMC DI Ravenna	150	-	-	-	-	-	-	-	-
Comrades Marathon	-	10	-	-	-	-	-	-	-
Conforth Investments	-	151	-	-	-	-	-	-	-
European Union	101	-	-	-	-	-	-	-	-
HWSETA Learnership - Bethesda Sub-Campus	-	121	-	-	-	-	-	-	-
HWSETA Learnership - Edendale Campus	-	-	126	-	-	-	-	-	-
HWSETA Learnership - Head Office	-	-	199	-	-	-	-	-	-
HWSETA Learnership - HIV/AIDS Support	76	-	-	-	-	-	-	-	-
HWSETA Learnership - King Edward Sub-Campus	-	126	262	-	-	-	-	-	-
HWSETA Learnership - Ngwelezane	-	-	-	158	158	158	-	-	-
HWSETA Learnership - Nkandla	-	-	105	-	-	-	-	-	-
HWSETA Learnership - Pharmacy	75	-	-	-	-	-	-	-	-
HWSETA Learnership - Prince Mshiyeni Hospital	28	-	-	-	-	-	-	-	-
HWSETA Learnership - St Aidans	63	323	-	-	-	-	-	-	-
HWSETA Learnership - Social & Aux	-	-	137	-	-	-	-	-	-
HWSETA Learnership - Unemployed Graduates	700	-	-	-	-	-	-	-	-
MRI Novartis Training	-	-	55	-	-	-	-	-	-
PSETA Learnership - Church of Scotland, Ekombe and Nkandla Hospitals	-	-	-	225	225	225	-	-	-
SA Breweries	100	-	-	-	-	-	-	-	-
Total	1 294	4 231	884	383	383	383	-	-	-

Table 7.4 : Details of payments and estimates of donor funding

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Donor funding	7 404	6 227	5 353	9 478	9 861	9 861	-	-	-
Aspen	-	1 000	2 500	-	-	-	-	-	-
Astra Zeneca	6	14	79	117	117	117	-	-	-
Atlantic Philanthropies	890	144	1 507	7 922	7 922	7 922	-	-	-
Bayer Health Care: Greys	4	-	6	-	-	-	-	-	-
Ben Booyesen	-	1	-	-	-	-	-	-	-
Bhayla-Orthopaedic (IALCH)	14	-	-	-	-	-	-	-	-
Canadian HIV Trials Network: Greys	36	58	-	-	-	-	-	-	-
Canadian HIV Trials Network: Edendale	42	-	-	-	-	-	-	-	-
CMC DI Ravenna	150	-	-	-	-	-	-	-	-
COGTA	-	851	225	3	3	3	-	-	-
Conforth Investments	-	-	101	50	50	50	-	-	-
Comrades Marathon	-	10	-	-	-	-	-	-	-
Dept. of Water Affairs and Forestry (Environ HO)	-	124	-	-	-	-	-	-	-
European Union	4 759	2 462	602	-	-	-	-	-	-
Global Fund for HIV and AIDS patients	-	1 463	-	-	-	-	-	-	-
HWSETA Learnership - Bethesda Sub-Campus	-	-	101	20	20	20	-	-	-
HWSETA Learnership - Edendale Campus	-	-	-	126	126	126	-	-	-
HWSETA Learnership - Head Office	-	-	-	236	236	236	-	-	-
HWSETA Learnership - HIV and AIDS Support	16	15	-	45	45	45	-	-	-
HWSETA Learnership - King Edward Sub-Campus	-	-	109	279	279	279	-	-	-
HWSETA Learnership - Mosvold	-	-	-	91	91	91	-	-	-
HWSETA Learnership - Mseleni	42	-	-	12	12	12	-	-	-
HWSETA Learnership - Ngwelezane	-	-	-	-	158	158	-	-	-
HWSETA Learnership - Nkandla	-	-	-	105	105	105	-	-	-
HWSETA Learnership - Pharmacy	81	-	-	-	-	-	-	-	-
HWSETA Learnership - Prince Mshiyeni Hospital	37	32	21	33	33	33	-	-	-
HWSETA Learnership - Social and Auxilliary	-	-	102	35	35	35	-	-	-
HWSETA Learnership - St Aidans	128	-	-	323	323	323	-	-	-
HWSETA Learnership - Unemployed Graduates	700	-	-	-	-	-	-	-	-
Impumelelo Trust Innovation	-	-	-	24	24	24	-	-	-
MRI Novartis Training	-	-	-	55	55	55	-	-	-
PSETA Learnership - Church of Scotland, Ekombe and Nkandla Hospitals	-	-	-	-	225	225	-	-	-
Rashid Suliman and Associates	-	2	-	-	-	-	-	-	-
SA Breweries	50	48	-	2	2	2	-	-	-
TB Global Fund	155	-	-	-	-	-	-	-	-
UNICEF: Ilembe District	279	-	-	-	-	-	-	-	-
Zinc Study (Nu Health and Pfizer)(Grey's)	15	3	-	-	-	-	-	-	-
Total	7 404	6 227	5 353	9 478	9 861	9 861	-	-	-

5. Payment summary

This section provides information pertaining to the vote as a whole at an aggregated level, including payments and budgeted estimates in terms of programmes and economic classification. Further details are given in Section 6 below, as well as in the *Annexure – Vote 7: Health*.

5.1 Key assumptions

The department applied the following broad assumptions when compiling the budget:

- Provision was made for the carry-through costs of the 2013 wage agreement and an inflationary wage adjustment of 6.4, 6.4 and 6.3 per cent for each of the three years of the 2014/15 MTEF, respectively. The department also provided for the 1.5 per cent pay progression.
- Where feasible, CPI projections were used to calculate inflation related items.
- Provision has been made for the filling of critical vacant posts to enable the department to meet its service delivery needs, while taking cognisance of the moratorium on the filling of non-critical posts.
- Funding for the eThekweni Metro and uMhlathuze Municipality clinics will be provided *via* transfer payments over the 2014/15 MTEF.
- The expanded cost-cutting measures, as reissued by PT in 2014/15, will continue to be adhered to over the 2014/15 MTEF, in conjunction with National Treasury Instruction 01 of 2013/14: Cost-containment measures.

5.2 Additional allocations for the 2012/13 to 2014/15 MTEF

Table 7.5 shows additional funding received by the department over the three MTEF periods: 2012/13, 2013/14 and 2014/15. Note that the table reflects only the provincial additional allocations, and excludes additional allocations in respect of conditional grants.

The purpose of such a table is two-fold. Firstly, it shows the quantum of additional funding allocated to the department in the past and current MTEF periods. Secondly, it indicates the policies and purposes for which the additional funding was allocated. The carry-through allocations for the 2012/13 and 2013/14 MTEF periods (i.e. for the financial year 2016/17) are based on the incremental percentage used in the 2014/15 MTEF.

Table 7.5 : Summary of additional provincial allocations for the 2012/13 to 2014/15 MTEF

R thousand	2012/13	2013/14	2014/15	2015/16	2016/17
2012/13 MTEF period	208 794	219 234	230 195	240 784	251 860
Carry-through of 2011/12 Adjustments Estimate - 2011 wage agreement	189 939	199 436	209 408	219 041	229 117
Improving infrastructure support	18 855	19 798	20 787	21 743	22 743
2013/14 MTEF period		257 068	(352)	140 408	146 867
Carry-through of 2012/13 Adjustments Estimate - 2012 wage agreement		513 767	629 426	894 376	935 517
Census data update and 1%, 2% and 3% baseline cuts		(313 796)	(646 991)	(802 590)	(839 509)
National priorities:		6 517	17 213	48 622	50 859
<i>TB - GeneXpert</i>		6 517	17 213	48 622	50 859
Regional laundry in Dundee		50 580	-	-	-
2014/15 MTEF period			231 986	311 746	396 378
Re-grading of clerical staff			59 505	68 132	72 561
Carry-through of previous wage agreements			125 704	242 734	280 486
National priorities:			-	-	42 661
Roll-out of HPV Vaccine			-	-	42 661
McCord Hospital (trade creditors and VAT)			15 870	880	670
St Mary's Hospital - operations			30 907	-	-
Total	208 794	476 302	461 829	692 938	795 105

In the 2012/13 MTEF, the following additional funds were provided:

- Carry-through costs for the 2011 wage agreement.
- Funding to build capacity to improve infrastructure support.

In the 2013/14 MTEF, the following changes were made to the department's baseline:

- Carry-through costs for the 2012 wage agreement.
- National priority funding for the extension of the TB-GeneXpert system.
- Once-off funding for the upgrading and refurbishment of the regional laundry in Dundee.
- National Treasury took a decision to impose 1, 2 and 3 per cent baseline cuts on all spheres of government (i.e. National, Provincial and Local) in order to curb the national deficit as public spending is growing faster than revenue collection. In addition, KZN received reduced equitable share allocations as a result of the reduced proportion in terms of population numbers as reported in the 2011 Census data results. The effect of this on the department was a substantial reduction in the budget over the entire period.

In the 2014/15 MTEF, the following changes are made to the department's baseline:

- Carry-through costs of the re-grading of clerical staff from level 4 to 5 in line with DPSA requirements, as well as the carry-through of previous wage agreements.
- Funding for the roll-out of the HPV vaccine commencing in 2016/17.
- Additional funding related to the take-over costs for McCord Hospital.
- Additional funding in 2014/15 only for operational costs at St. Mary's Hospital, pending the activities of transaction advisors investigating the possible provincialisation of the hospital.

5.3 Summary by programme and economic classification

The department has eight budget programmes in total, with four of them directly linked to the core functions of the department, and they fully adhere to the generic Health sector structure. Tables 7.6 and 7.7 below provide a summary of payments and estimates of these eight programmes, as well as per economic classification.

Table 7.6 : Summary of payments and estimates by programme: Health

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
1. Administration	463 648	576 425	633 958	591 078	594 710	622 846	581 340	597 700	629 378
2. District Health Services	9 279 280	10 301 546	11 833 923	13 063 776	13 123 062	13 410 064	14 720 035	15 965 338	17 057 963
3. Emergency Medical Services	822 618	1 070 387	926 036	972 362	971 026	995 298	1 073 438	1 133 728	1 193 816
4. Provincial Hospital Services	6 034 776	7 449 620	7 827 401	8 326 401	8 410 037	8 447 455	8 788 275	9 356 526	9 852 422
5. Central Hospital Services	2 103 382	2 512 654	2 762 971	2 922 125	2 951 979	2 952 968	3 079 392	3 290 427	3 464 820
6. Health Sciences and Training	832 279	860 457	901 968	992 246	1 022 270	1 012 752	1 051 400	1 104 853	1 163 410
7. Health Care Support Services	111 756	125 030	130 678	143 286	123 393	122 258	140 959	145 536	172 149
8. Health Facilities Management	1 087 247	1 894 999	2 373 597	1 636 603	1 944 867	1 944 867	1 479 357	1 287 471	287 802
Total	20 734 986	24 791 118	27 390 533	28 647 877	29 141 344	29 508 508	30 914 196	32 881 579	33 821 760

Table 7.7 : Summary of payments and estimates by economic classification: Health

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Current payments	19 186 343	22 374 653	24 746 845	26 585 714	26 553 971	26 855 393	28 624 542	30 769 781	32 650 686
Compensation of employees	12 935 381	15 118 307	16 886 345	18 355 557	18 652 036	18 676 690	20 188 402	21 700 138	22 919 325
Goods and services	6 250 962	7 256 326	7 860 500	8 230 157	7 901 830	8 178 583	8 436 140	9 069 643	9 731 361
Interest and rent on land	-	20	-	-	105	120	-	-	-
Transfers and subsidies to:	562 374	515 845	486 764	655 168	748 981	818 562	692 479	676 450	739 608
Provinces and municipalities	126 756	88 878	26 330	148 683	161 496	161 340	137 663	154 790	172 415
Departmental agencies and accounts	18 942	23 249	25 351	27 851	11 847	11 862	13 069	14 097	33 744
Higher education institutions	-	-	57	-	-	470	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	289 009	273 487	277 586	274 168	252 168	279 243	250 647	212 110	224 022
Households	127 667	130 231	157 440	204 466	323 470	365 647	291 100	295 453	309 427
Payments for capital assets	980 640	1 900 011	2 156 923	1 406 995	1 838 385	1 834 546	1 597 175	1 435 348	431 466
Buildings and other fixed structures	778 749	1 048 172	1 662 936	864 152	1 425 231	1 429 376	1 249 773	1 076 903	54 731
Machinery and equipment	201 093	825 384	493 987	542 843	413 154	405 170	347 402	358 445	376 735
Heritage Assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	798	26 455	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	5 629	609	1	-	7	7	-	-	-
Total	20 734 986	24 791 118	27 390 533	28 647 877	29 141 344	29 508 508	30 914 196	32 881 579	33 821 760

Most programmes show sustained growth from 2010/11 to 2016/17, with conditional grants accounting for a significant portion of this increase. The low spending in 2010/11 was due to the department under-spending by more than R1 billion in that year. Note that, as previously mentioned, the allocation for the Health Facility Revitalisation grant declines to zero in the outer year due to the reforms that were made to the provincial infrastructure grant system that are intended to institutionalise proper planning for infrastructure. This affects Programme 8: Health Facilities Management and *Buildings and other fixed structures* in 2015/16 and 2016/17.

Apart from the carry-through costs from previous financial years, expenditure in 2011/12 included an increase in general health capacity and national priorities such as personnel and goods, OSDs for medical personnel, maternal and child health, and public hospital norms and standards.

The increase over the 2014/15 MTEF incorporates the carry-through costs of previous wage agreements, the increases to existing conditional grants, as well as R42.661 million additional funding in 2016/17 for the roll-out of the HPV vaccine, as previously mentioned.

The increase in Programme 1: Administration in 2011/12 is due to improved personnel capacity at head office to reduce dependence on consultants, to cover extensive fraud investigations at head office, and to replace redundant computer equipment to address the risk of losing essential data. The negative growth in the 2013/14 Main Appropriation and 2014/15 is related to the scaling down in the replacement of computers and telecommunication equipment. The projected over-spending in the 2013/14 Revised Estimate is due to pressures from forensic investigations, communications and computer services. The 2014/15 MTEF includes carry-through costs of previous wage agreements and OSDs.

The increase in Programme 2: District Health Services over the seven years relates mainly to the restructuring of the department to improve service delivery at the PHC level. In addition, expenditure included the various wage agreements, increases in the Comprehensive HIV and AIDS grant, as well as OSDs for medical personnel and the roll-out of the HPV vaccine in 2016/17. The increase in 2011/12 relates primarily to the implementation of primary health care structures. The increase in 2012/13 was caused by over-expenditure due to the restructuring of PHC services, increased costs in ARV medication and micro-nutrients, municipal domestic charges, computer and essential medical equipment, as well as vehicles ordered in 2011/12, but only delivered in 2012/13. The minimal increase in the 2013/14 Adjusted Appropriation was mainly for the provision of the 2013 wage agreement and the re-grading of clerical staff. The high projected over-spending in the 2013/14 Revised Estimate relates mainly to pressures in medicines, particularly for ARV medication. The 2014/15 MTEF includes funding for the carry-through costs of previous wage agreements and general capacity building, as well as strong growth in the Comprehensive HIV and AIDS conditional grant, particularly in 2016/17.

In Programme 3: Emergency Medical Services, the overall growth is due to the continued drive to improve emergency medical services. The peak in 2011/12 is due to the once-off purchase of additional ambulances to continue the expansion of services to under-served areas. The lower 2012/13 outcome was mainly due to the slow pace of filling emergency medical personnel posts. This process is dependent on the availability of skilled staff and the ambulance conversion process. Also contributing to the decrease were savings on repairs of vehicles due to the replacement of part of the fleet with new EMS vehicles. The increase in the 2013/14 Adjusted Appropriation and Revised Estimate is mainly due to the increased demand on air ambulance services, increasing fuel costs and pressures arising from the implementation of danger allowances for paramedic staff. The increase in the 2014/15 MTEF allocation includes carry-through costs for the various wage agreements, OSD payments, funding to expand emergency medical services, as well the carry-through costs of the danger allowance.

Overall, Programme 4: Provincial Hospital Services grows consistently over the entire period. The significant increase in 2011/12 was largely due to the 2011 wage agreement, as well as the reclassification of a number of district hospitals to general hospitals. The increase in 2012/13 was due to increased demand in the various “non-negotiable” items, for example, medicines, blood transfusion costs, as well as unexpected increased costs for water and electricity. The increase in the 2013/14 Adjusted Appropriation was mainly due to the higher than expected medico-legal claims against the state and the re-grading of clerical staff. In addition, the higher than anticipated 2013 wage agreement also contributed to this increase. The projected over-spending in the 2013/14 Revised Estimate is due to the previously mentioned medico-legal claims, as well as pressures in the cost of medicines. The 2014/15 MTEF includes carry-through costs for previous wage agreements and an increase in general health capacity.

The growth in Programme 5: Central Hospital Services from 2010/11 to 2016/17 relates mainly to the provision for the development and improvement of tertiary services. The impact of the introduction of the various OSDs for medical personnel, higher than average medical inflation and the rand/dollar exchange rate are also reflected in the trends. The increase in 2011/12 is a result of pressures in *Goods and services* due to increased costs of blood products, while stock levels were increased to meet tertiary service demands and an additional payment made by Inkosi Albert Luthuli Central Hospital (IALCH) to align with the PPP agreement. The increase in 2012/13 was mainly due to higher than expected costs for the PPP at IALCH. These costs are subject to exchange rate fluctuations, which were significantly higher in the latter half of 2012/13. In addition, there was some over-spending against medical supplies, also influenced by the exchange rate and medical inflation. The 2014/15 MTEF includes carry-through costs of previous wage agreements.

Programme 6: Health Sciences and Training shows consistent growth. The increase in 2011/12 is related mainly to bursaries to address the shortfall of suitably trained health personnel. Also in 2011/12, funding for national priorities was given to nursing colleges, a portion of which was for personnel and *Goods and services*, and was used for training personnel that were previously employed as youth ambassadors, in nursing skills. The increase in 2012/13 relates primarily to funding to train an additional 148 learners in basic life and support skills for emergency and medical rescue services in 2012/13. The increase in the 2013/14 Main Appropriation, as well as the further increase in the Adjusted Appropriation relates to additional funding that was reprioritised for the training of additional doctors (351) under the Cuban Doctors' programme, which commenced in 2012/13. Growth over the 2014/15 MTEF accounts for inflation only.

Programme 7: Health Care Support Services is to enable the provincial Medical Supply Centre to carry sufficient medical stock to meet demand. The increase in 2011/12 was due to increased demand for ARV medication and increased stock turnover. The significant reduction in the 2013/14 Adjusted Appropriation and Revised Estimate was because there was no need to top up the Medicine Trading Account in this financial year, due to sufficient funding. Further to that, R10 million was shifted within *Goods and services* from Programme 7 to Programme 2. This was the reallocation of eThekweni Forensic Pathology Laboratory Services funds that were incorrectly allocated to the wrong programme during the 2013/14 EPRE budget process. Funding for inflationary increases only has been provided over the 2014/15 MTEF, with a more significant increase in 2016/17 for the anticipated need to top-up the Medicine Trading Account. From 2013/14, the department centralised the Laundry and Orthotic and Prosthetic Services as separate sub-programmes within Programme 7, and historical data was adjusted accordingly.

Programme 8: Health Facilities Management is mainly financed through conditional grant funding, and the performance of this programme is directly linked to the Health Facility Revitalisation grant. The variances in this programme mentioned below also account for the variances against *Buildings and other fixed structures*. The significant increase in 2011/12 can largely be ascribed to the successful implementation of day-to-day maintenance within institutions, as well as the replacement of essential medical equipment in an effort to bring the facilities in line with the requirements of the NHI. Also contributing to spending in 2011/12 was an amount of R63.953 million approved for roll-over to 2011/12 from 2009/10, which was fully spent. The increase in 2012/13 was due to the acceleration in the delivery of infrastructure projects such as Dr Pixley ka Seme Hospital, the Pomeroy and Dannhauser CHCs, the King Dinuzulu Hospital (former King George V Hospital) TB Complex, alterations and additions to the LUWM Hospital, as well as the upgrade of electrical reticulation at the Ngwelezane District Hospital. The pressure in the delivery of infrastructure projects already on site continued in 2013/14, and hence the increases in the 2013/14 Adjusted Appropriation and Revised Estimate, which included additional funding for the Health Facility Revitalisation grant and from provincial cash resources for pressures in the supply of laundry and essential health technology equipment, LUWM Hospital for alterations and additions, as well as for the upgrade of electrical systems at the Ngwelezane District Hospital.

The significant reduction over the 2014/15 MTEF is due to the reduction in the Health Facility Revitalisation grant, as mentioned, baseline cuts effected against both the equitable share and conditional grants, as well as funding reprioritised from the equitable share portion of this programme, to other programmes, to cover the cost of commissioning facilities which have been completed and for which no funding was provided, for example, King Dinuzulu Hospital, Dannhauser CHC, Pomeroy CHC and clinics. The shifting of *Machinery and equipment* funding in 2013/14 from this programme (for established facilities) to the relevant service delivery programmes has also contributed to this reduction.

Compensation of employees shows a strong upward trend from 2010/11 to 2016/17, mainly due to the carry-through costs of the various OSDs for medical personnel and other staff categories, as well as higher than anticipated wage agreements. In addition, from 2010/11, the department commenced restructuring its service delivery by strengthening services at PHC level. This required the employment of additional personnel at clinics and CHCs. Funding was provided from 2011/12 for the OSDs for medical personnel, health team pilots and models and improving hospital norms and standards, among others, with substantial growth in 2012/13 and 2013/14 for the latter items. In addition, there were carry-through costs for OSDs and improving infrastructure support. The increase in the 2013/14 Adjusted Appropriation relates to

additional funding for the higher than budgeted 2013 wage agreement and the re-grading of clerical staff, as well as reprioritisation from *Goods and services* (savings due to the receipt of donated medicines) to *Compensation of employees* to align the HIV and AIDS budget with the business plan for addressing the disease. The growth over the 2014/15 MTEF is mainly for inflationary adjustments.

Goods and services increases substantially from 2010/11 to 2016/17. This increase is primarily related to the increase in demand for health services, the high rate of inflation on medical supplies and services, as well as increased catering and fuel costs. Other contributing factors are the increasing demand for ART, treatment of MDR/XDR TB, the introduction of specific projects such as the reduction of infant and child mortality through immunisation, as well as a substantial increase in the Comprehensive HIV and AIDS grant. Apart from carry-through costs, the increase in 2011/12 related to general capacity building and national priorities, such as maternal and child health. The decrease in the 2013/14 Adjusted Appropriation relates to forced savings and efficiency gains from high cost drivers such as medicines, vaccines, blood products, medical and surgical items, medical gas and medical waste. The high projected over-spending in the 2013/14 Revised Estimate includes pressure from ARVs and other medication, forensic investigations and rising fuel costs. The growth over the 2014/15 MTEF, and particularly in 2016/17, includes additional funding for ARV treatment, the carry-through costs of national priority initiatives, acceleration in the day-to-day maintenance of existing facilities, as well as inflationary adjustments.

The 2013/14 Adjusted Appropriation for *Interest and rent on land* relates to interest costs on a medico-legal claim, which were higher than expected, hence the over-spending in the 2013/14 Revised Estimate.

The erratic trend from 2010/11 to 2013/14 against *Transfers and subsidies to: Provinces and municipalities* was mainly due to the non-signing of SLAs by municipalities. Adding to the reduction from 2011/12 was the provincialisation of some municipal clinics. The increase in 2013/14 relates to funding provided for the commitment to assist the municipal clinics in the treatment of HIV and AIDS, as well as funding for carry-over payments from 2012/13 following delays in the signing of SLAs with Umlalazi Municipality, as well as municipalities in the uMgungundlovu and Ilembe districts. Most municipal clinics were taken over by the department by the end of 2012/13. Funding has only been provided for the eThekweni Metro and uMhlathuze Municipality for the 2014/15 MTEF against this category, though two clinics in uMhlathuze will be provincialised in 2014/15. The increase over the 2014/15 MTEF, and particularly in 2016/17, caters for the commitment to assist the non-provincialised municipal clinics in the treatment of HIV and AIDS.

The high 2011/12 amount against *Transfers and subsidies to: Departmental agencies and accounts* relates primarily to an increase in the Medicine Trading Account, which was required to enable the provincial Medical Supply Centre to carry sufficient medical stock to meet demand. The decrease in the 2013/14 Adjusted Appropriation and Revised Estimate was because there was no need to top up the Medicine Trading Account in that year. The increasing trend over the 2014/15 MTEF provides for the HWSETA levy, in line with the growth in *Compensation of employees* and the increased demand for ARV medication, as well as the provision for the HPV vaccine in 2016/17, as mentioned above.

The decrease in *Transfers and subsidies to: Non-profit institutions* in 2011/12 was due to a decision to no longer fund the NGOs for the National Integrated Plan (NIP) sites for orphaned and vulnerable children infected and affected by HIV and AIDS, owing to fraud. It was thus decided to manage this function centrally. The decrease in the 2013/14 Adjusted Appropriation relates to delays in the signing of SLAs with various NGOs benefitting from the Comprehensive HIV and AIDS grant, as well as from the transfers budgeted for McCord Hospital, which were no longer required following the negotiations and take-over by the state. However, after the Adjustments Estimate in November 2013, the hospital required additional funding for running costs and this accounts for the increase in the Revised Estimate. The negative growth over the 2014/15 MTEF is due to the planned provincialisation of McCord Hospital following this reassessment, and is discussed in more detail in Section 5.9. In addition, the department has made provision for the phased-in contribution to the KZN Children's Hospital infrastructure and renovations up to 2013/14, with no provision made thereafter.

The fluctuating trends reflected in *Transfers and subsidies to: Households* relate to staff exit costs. The significant increase in the 2013/14 Adjusted Appropriation relates to the higher than expected claims

against the state (litigation costs) and pressures regarding the increase in the number of students in the Cuban Doctors' programme. The peak in the 2013/14 Revised Estimate is due to higher than expected litigation costs. The declining trend in 2014/15 is due to the once-off nature of the litigation costs in 2013/14, while the slower growth over the remainder of the MTEF is attributed to the need to scale down the number of new bursaries to be awarded, due to budget cuts, as well as the difficulty in estimating the litigation costs.

As mentioned in Programme 8 above, the trends for *Buildings and other fixed structures* show a strong increase due to the ongoing focus on improving physical facilities, including the provision of essential equipment. Much of this increase is attributable to significant increases in the Health Facility Revitalisation grant, as well as the development of forensic pathology services, affecting mainly *Buildings and other fixed structures*. The significant increase in 2012/13 was attributed to acceleration in a number of infrastructure projects on site that could not be stopped without incurring further costs to the department. These included the Dr Pixley ka Seme Hospital, the Pomeroy and Dannhauser CHCs, the King Dinuzulu Hospital TB Complex, alterations and additions to the LUWM Hospital, as well as the upgrade of electrical reticulation at the Ngwelezane District Hospital. From 2013/14, the trend reduces in line with the availability of funds, and the reprioritisation of some of this funding from new projects to accelerate the day-to-day maintenance of existing infrastructure. The MTEF trend is affected by the previously mentioned reduction in the Health Facility Revitalisation grant.

The substantial increase in *Machinery and equipment* in 2011/12 relates mainly to the drive undertaken to clear the backlog in the procurement of essential health technology equipment and to replace all redundant and leased computer and printing equipment. In addition, there were purchases of additional motor vehicles for the ward-based community outreach programme, the replacement of old ambulances, the purchase of additional ambulances to expand emergency medical services to under-served rural areas, which all contributed to the high base in 2011/12. This process continued in 2012/13 and, due to the baseline cuts, the department had to reprioritise funding to other non-negotiable service delivery imperatives, hence the decrease in this category over this period. The A-G ruling in 2011/12, that all equipment expenditure incurred against the PPP agreement for IALCH should be paid from current expenditure, also contributed to this sharp decline. The negative trend in 2014/15 can mainly be attributed to the baseline budget cuts which were made, as the funding is required for the committed and contracted capital projects which are in construction phase.

Land and subsoil assets in 2010/11 relates to the purchase of land for the continuation of the infrastructure project at the LUWM Hospital, where extra accommodation was provided for a paediatric ICU and High Care unit. In 2011/12, the department was obliged to purchase additional land for the Dr Pixley ka Seme Hospital because of its status change from a district to a regional hospital and the municipal assessment of the site requiring a larger area, as well as the purchase of the Richmond Chest Hospital.

Payments for financial assets reflect debts that were written-off over the period.

5.4 Summary of payments and estimates by district municipal area

Table 7.8 summarises the departmental spending by district municipal area, excluding head office costs. The distribution of funds within the municipal areas is aligned to the department's service delivery plan, which is in line with PGDP and the NHS 10-point plan, which includes the national health priorities.

eThekwini shows the highest anticipated spatial spending for the department, totalling approximately 34 per cent of the budget over the entire period. The department attributes this to the level of services offered in the region, due mainly to the influence of urbanisation, as well as the levels of poverty in the area and the number of informal settlements. The department also provides a number of high level health services within eThekwini, including central hospital services, which serve the rest of the province.

The spending in the uMgungundlovu area, which has the second highest share, includes costs relating to the main psychiatric services, as well as head office costs and regional and tertiary services for the midlands region. The funding in the uThungulu district (the third highest share), is for the various regional and tertiary hospitals located in the area.

Table 7.8 : Summary of payments and estimates by district municipal area

R thousand	Audited Outcome	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16	2016/17
eThekweni	8 973 862	9 547 108	10 186 785	10 880 582	11 212 587
Ugu	1 565 692	1 665 708	1 777 314	1 898 363	1 956 288
uMgungundlovu	5 868 697	6 662 371	6 621 735	6 957 851	7 093 569
Uthukela	1 121 994	1 193 667	1 273 645	1 360 390	1 401 900
Umqazi	1 123 138	1 194 883	1 274 943	1 361 776	1 403 329
Amajuba	1 171 547	1 246 385	1 329 896	1 420 472	1 463 815
Zululand	1 487 967	1 583 018	1 689 084	1 804 123	1 859 173
Umkhanyakude	1 290 616	1 373 060	1 465 058	1 564 840	1 612 589
uThungulu	2 039 848	2 170 152	2 315 557	2 473 264	2 548 732
Ilembu	1 164 267	1 238 640	1 321 632	1 411 645	1 454 719
Sisonke	948 946	1 009 564	1 077 207	1 150 573	1 185 681
Total	26 756 575	28 884 556	30 332 856	32 283 879	33 192 382

In order to meet the demand in the other districts, funds have been provided to continue to:

- Strengthen CHCs throughout the province, including commissioning of new CHCs in Dannhauser and Pomeroy.
- Strengthen clinics, including the commissioning of nine new clinics and continuing to improve staffing levels at clinics with the focus on reducing inequities between districts, sub-districts and facilities within the province.
- To improve staffing levels at PHC facilities in all districts.
- Develop district and regional hospital services in all districts, with particular focus on LUWM Hospital, Ngwelezane District Hospital (uThungulu) and Madadeni Hospital (Amajuba).

5.5 Summary of conditional grant payments and estimates

Tables 7.9 and 7.10 illustrate conditional grant payments and estimates from 2010/11 to 2016/17.

Details of all conditional grants are listed below, with further detail given in *Annexure – Vote 7: Health*.

Note that the historical figures set out in Table 7.1 for the period 2010/11 to 2013/14 indicate the actual receipts for each grant, as well as other technical adjustments, and therefore should not be compared to the figures reflected in Table 7.9 below.

Also, as previously mentioned, the infrastructure-based conditional grants have been consolidated into one grant called the Health Facility Revitalisation grant, which funds the construction and maintenance of health infrastructure. This grant has been created through the merger of the Health Infrastructure, Hospital Revitalisation and the Nursing Colleges and Schools grants, as mentioned.

Table 7.9 : Summary of conditional grants payments and estimates by name

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Health Professions Training and Development grant	235 771	249 917	261 860	276 262	276 262	276 262	292 837	306 308	322 542
Health Facility Revitalisation grant	578 019	906 169	1 176 514	962 469	1 072 531	1 267 116	1 162 469	1 090 431	-
National Tertiary Services grant	1 102 517	1 201 831	1 323 114	1 415 731	1 415 731	1 415 731	1 496 427	1 565 263	1 648 222
Comprehensive HIV and AIDS grant	1 500 926	1 907 312	2 226 708	2 652 072	2 652 072	2 852 072	3 257 992	3 874 085	4 356 983
Forensic Pathology Services grant	152 406	161 550	-	-	-	-	-	-	-
2010 World Cup Health Preparation Strategy grant	3 538	-	-	-	-	-	-	-	-
Social Sector EPWP Incentive Grant for Provinces	2 555	25 775	-	-	-	-	2 581	-	-
EPWP Integrated Grant for Provinces	-	536	1 000	3 000	3 000	16 000	2 580	-	-
National Health Insurance grant	-	-	17 115	9 700	24 649	24 649	14 000	14 793	15 577
AFCON 2013: Medical Services grant	-	-	1 672	-	-	-	-	-	-
Total	3 575 732	4 453 090	5 007 983	5 319 234	5 444 245	5 851 830	6 228 886	6 850 880	6 343 324

Table 7.10 : Summary of conditional grants payments and estimates by economic classification

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Current payments	2 802 040	3 494 958	3 809 707	4 307 150	4 359 923	4 535 223	5 036 532	5 726 690	6 245 320
Compensation of employees	1 361 820	2 067 124	2 282 042	2 612 789	2 700 789	2 625 789	3 007 352	3 442 414	3 829 046
Goods and services	1 440 220	1 427 834	1 527 665	1 694 361	1 659 134	1 909 434	2 029 180	2 284 276	2 416 274
Other	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	76 479	14 749	21 937	69 381	39 381	69 381	78 411	81 683	85 951
Provinces and municipalities	63	55	1	43 000	13 000	43 000	47 000	50 000	54 000
Departmental agencies and accounts	62	56	-	-	-	-	-	-	-
Non-profit institutions	68 746	12 871	19 860	24 631	23 631	24 631	25 370	26 130	26 130
Households	7 608	1 767	2 076	1 750	2 750	1 750	6 041	5 553	5 821
Payments for capital assets	697 213	943 383	1 176 339	942 703	1 044 941	1 247 226	1 113 943	1 042 507	12 053
Buildings and other fixed structures	536 345	733 971	979 788	729 714	834 935	1 034 237	912 508	840 470	-
Machinery and equipment	160 070	198 005	196 551	212 989	210 006	212 989	201 435	202 037	12 053
Land and sub-soil assets	798	11 407	-	-	-	-	-	-	-
Total	3 575 732	4 453 090	5 007 983	5 319 234	5 444 245	5 851 830	6 228 886	6 850 880	6 343 324

The *Health Professions Training and Development grant* supports the department in providing funding for operational costs associated with the training and development of health professionals, development and recruitment of medical specialists in under-served provinces and support and strengthen under-graduate teaching and training processes in health facilities. The trend in this grant over the seven years reflects inflationary increases only. A decision was taken in 2011/12 to use the grant to fund the personnel costs of registrars only.

The newly amalgamated *Health Facility Revitalisation grant* has the following aims:

- To accelerate the construction, maintenance, upgrading and rehabilitation of new and existing health infrastructure.
- To enable provinces to plan, manage, modernise, rationalise and transform the infrastructure, health technology, monitoring and evaluation of hospitals and to transform hospital management and improve quality of care, in line with national policy objectives.
- To supplement provincial funding of health infrastructure, to accelerate the provision of health facilities including office furniture and related equipment, as well as to ensure proper maintenance of provincial health infrastructure for nursing colleges and schools.

The significant growth in the Health Facility Revitalisation grant relates primarily to the intensive drive to improve the physical health facilities in KZN. The increase in the 2013/14 Adjusted Appropriation and Revised Estimate relates to additional funding to address infrastructure pressures during this period. As mentioned previously, the allocation for this grant declines to zero in the outer year due to the reforms that were made to the provincial infrastructure grant system that are intended to institutionalise proper planning for infrastructure. The department was largely successful in bidding for the 2015/16 allocations due to its ability to spend on the infrastructure allocations, although the amount is less than 2014/15 due to technical problems in the bidding process. The department and Provincial Treasury are still liaising with National Treasury in this regard and the possibility exists for further adjustments during 2014/15. The bidding processes for 2016/17 will commence in 2014/15, hence there is no allocation at this stage.

The *National Tertiary Services grant* is used to enable provinces to plan, modernise, rationalise and transform the tertiary hospital service delivery platform in line with national policy objectives, including improving access and equity. The increasing trend relates mainly to additional funding provided for the modernisation of tertiary services from 2010/11 onward.

The *Comprehensive HIV and AIDS grant* is provided to enable the sector to develop effective and integrated management of HIV and AIDS, to support the implementation of the National Operational Plan for comprehensive HIV and AIDS treatment and care and to subsidise, in part, funding for the ARV treatment programme. The substantial growth indicates the critical importance placed on managing this pandemic. The major increase in 2011/12 relates mainly to the provision of additional funding to enable an increasing number of patients to be placed on ARV therapy, as well as to provide for the male circumcision programme. From 2012/13, funding was increased to enable the ARV threshold to be reduced to a CD4

count of 350. The grant continues to grow strongly over the 2014/15 MTEF, particularly in 2016/17, to cover the increased ARV take-up rate and the impact of the withdrawal of PEPFAR donor funding used for HIV and AIDS prevention, care and treatment programmes within this grant. Furthermore, the province has succeeded in motivating for an increase in funding based on the fact that historical funding saw KZN receive 25 per cent of the national grant funding, while carrying approximately 31 per cent of the national case-load. This funding, reallocated from other provinces, is phased in over two years to allow the other provinces time to adjust to their lower levels of funding.

The *Forensic Pathology Services grant* was used to develop and provide comprehensive forensic pathology services and to ensure impartial professional evidence for the criminal justice system concerning death due to unnatural causes. Funding was phased into the equitable share from 2012/13. The funds allocated in 2011/12 provided for inflationary increases only. The ceasing of funding from 2012/13 relates to the phasing in of this grant into the equitable share.

The *2010 World Cup Health Preparation Strategy grant* was once-off in 2009/10 (with a portion rolled over to 2010/11) as a contribution toward the final preparation strategies to be implemented by the Health sector for the 2010 Soccer World Cup.

The *Social Sector EPWP Incentive Grant for Provinces* subsidised non-profit organisations in home community-based care programmes to provide stipends to previously unpaid volunteers to maximise job creation and skills development in line with the EPWP guidelines. There was no funding for this grant in 2012/13 and 2013/14 and these functions were paid from equitable share. With the resumption of the grant, the department will utilise the funding to subsidise home-based community care-givers. Note that the department has received funding for 2014/15 only, at this stage.

The *EPWP Integrated Grant for Provinces* is used to enhance the number of full time equivalent jobs created through labour intensive infrastructure programmes, which utilises local people to maintain grounds and clean buildings. Note that funding is provided for 2014/15 only.

The *National Health Insurance grant* has been allocated to provide financial support for the development of projects directed at improving health delivery in line with the requirements of the introduction of the NHI. The grant was reduced significantly from 2013/14, due to an indirect National Health grant, which will be spent by the NDOH on behalf of provinces. The new grant has two components, one to support infrastructure projects and the second to support the NHI scheme pilots. The increase in the 2013/14 Adjusted Appropriation is due to a roll-over from 2012/13 for medical, surgical and information technology equipment ordered in 2012/13, but only delivered in 2013/14.

The *AFCON 2013: Medical Services grant* was a grant which provided once-off funding allocated in 2012/13 for support to the African Cup of Nations (AFCON) tournament.

The increase from 2011/12 in *Compensation of employees* results mainly from the decision to incorporate the payment of registrars (medical specialists in training) into the Health Professions Training and Development grant, the increase in the number of HIV and AIDS projects driven by the improved HIV and AIDS ARV policy resulting in the need to employ more staff, and the implementation of the OSDs for medical personnel. The high growth in the outer year relates to additional funds for the Comprehensive HIV and AIDS grant, allocated to enhance staffing levels to match the growth in levels of treatment.

The significant increase in *Goods and services* from 2012/13 onward is directly linked to the growth in the Comprehensive HIV and AIDS grant. This is linked to the funding provided for ARVs, the anticipated increase in the uptake of additional patients on the ARV programme, the increased cost of the ARV medicines to be covered by the department's budget due to the ceasing of funding by international donors, the increased costs of micro-nutrients, as well as the provision for the male circumcision programme.

Transfers and subsidies to: Provinces and municipalities grows significantly in 2013/14, sustained over the 2014/15 MTEF, and relates to support for municipal clinics in the treatment of HIV and AIDS. Similarly, the funding against *Transfers and subsidies to: Non-profit institutions* relates to support to NGOs for treatment related to HIV and AIDS.

The increasing trend in *Buildings and other fixed structures* over the seven-year period relates to the drive to improve infrastructure, with significant increases in the Health Facility Revitalisation grant. The high 2012/13 figure relates to over-expenditure against the former Health Infrastructure component of the Health Facility Revitalisation grant, and accounts for the decrease in 2013/14. The increase in the 2013/14 Adjusted Appropriation was mainly to provide for expenditure pressures due to the acceleration of projects in progress, such as Dr. Pixley ka Seme Hospital. The 2014/15 MTEF trend is downward from 2015/16 due to the previously mentioned decrease in the Health Facility Revitalisation grant.

The fluctuating trend in *Machinery and equipment* relates to the variation in the business plans of the grants related to this category, mainly the Health Facility Revitalisation grant and the National Tertiary Services grant. The increase in 2011/12 relates to a decision to provide funding on a once-off basis to enable institutions to upgrade their essential medical equipment. The decrease in 2012/13 and 2013/14 is attributed to reprioritisation to *Buildings and other fixed structures* to address pressures. Allocations over the 2014/15 MTEF have been made in accordance with the business plans of the relevant grants. However, the decrease in 2016/17 relates to the decrease in the Health Facility Revitalisation grant.

5.6 Summary of infrastructure payments and estimates

Table 7.11 below presents a summary of infrastructure payments and estimates by categories for Vote 7. Detailed information on infrastructure is given in the *Annexure – Vote 7: Health*. The infrastructure trend shows a substantial increase from 2010/11 to 2012/13, resulting from a focussed drive by the department to improve its physical facilities and medical equipment to an acceptable level. Thereafter, the trend is decreasing due to the previously mentioned baseline cuts and reductions in conditional grants, affecting mainly *New and replacement assets* and *Upgrades and additions*.

The department provided for the building of additional CHCs and clinics in line with its service delivery plan, as well as the upgrading or replacement of hospitals and clinics in a state of disrepair.

Table 7.11 : Summary of infrastructure payments and estimates by category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
New and replacement assets	405 893	856 919	654 434	379 082	343 742	343 742	382 023	544 731	-
Existing infrastructure assets	676 317	928 875	1 675 290	1 177 047	1 555 272	1 553 361	1 159 753	732 312	209 995
Upgrades and additions	340 102	399 883	1 015 627	438 363	904 757	902 846	758 765	449 385	54 731
Rehabilitation, renovations and refurbishments	83 083	105 042	220 027	326 287	322 085	322 085	168 795	85 887	-
Maintenance and repairs	253 132	423 950	439 636	412 397	328 430	328 430	232 193	197 040	155 264
Infrastructure transfers	-	10 000	20 000	20 000	20 000	20 000	-	-	-
Current	-	-	-	-	-	-	-	-	-
Capital	-	10 000	20 000	20 000	20 000	20 000	-	-	-
Total	1 082 210	1 795 794	2 349 724	1 576 129	1 919 014	1 917 103	1 541 776	1 277 043	209 995

The fluctuating trend in *New and replacement assets* and the increasing trend in *Existing infrastructure assets* from 2010/11 to 2013/14 relates to a conscious decision made by management to increase funding provided for the maintenance, upgrading, rehabilitation and refurbishment of existing infrastructure in order to preserve these facilities. The increased spending against *New and replacement assets* in 2011/12 relates to an improvement in performance of Ithala and IDT in respect of the Turton, KwaMashu and Pomeroy CHCs, as well as the nursing accommodation project at St. Apollinaris Hospital. This improvement came as a result of the meeting held with the implementing agents to demand improved performance from them. The spending in 2012/13 is attributed to the faster than expected progress at the Pomeroy and Dannhauser CHCs, as well as office and residential accommodation lease agreements being higher than initially forecast. The leases have now been identified as current expenditure and from 2013/14 they are being paid as such. The decrease in the 2013/14 Main Appropriation relates to the previously mentioned budget cuts, and the further reduction in the Adjusted Appropriation is due to slowing of pace of construction to remain within budget at the King Dinuzulu and Dr. Pixley ka Seme Hospitals, as well as the Phoenix Mortuary. The main project contributing to the growth over the 2014/15 MTEF is the Dr. Pixley ka Seme Hospital. Also affecting the growth is the construction of CHCs in Dannhauser, Jozini and Bruntville. The decrease to no budget in 2016/17 relates to the previously mentioned decrease in the Health Facility Revitalisation grant.

Upgrades and additions grew strongly from 2010/11 to 2012/13, with the large increase in 2012/13 a result of good progress at the King Dinuzulu Hospital TB complex, alterations and additions to the LUWM Hospital, as well as the upgrade of electrical reticulation at the Ngwelezane District Hospital. The significant increase in the 2013/14 Adjusted Appropriation included additional funding for the Health Facility Revitalisation grant and from provincial cash resources for pressures in the supply of laundry and essential health technology equipment, LUWM Hospital for alterations and additions, as well as for the upgrade of electrical systems at the Ngwelezane District Hospital. As mentioned above, this category shows a marked decline over the 2014/15 MTEF due to the Census-based baseline cuts effected in 2013/14, but this will be reviewed during 2014/15. The decrease in 2016/17 relates to the previously mentioned decrease in the Health Facility Revitalisation grant.

Rehabilitation, renovations and refurbishments shows strong growth from 2010/11 to 2012/13 with the significant increase in 2012/13 due to the refurbishment of Addington Hospital and the KZN Provincial Laundry in eThekweni. Also contributing was the renovation of the maternity, female and paediatric wards at the Mosveld Hospital, as well as the complete renovation of the Ekuhlengeni Life Care Centre. The declining trend over the 2014/15 MTEF is due to the Census-based baseline cuts effected in 2013/14, which will be reviewed in 2014/15. The decrease to no budget in 2016/17 relates to the previously mentioned decrease in the Health Facility Revitalisation grant.

Maintenance and repairs expenditure shows a fluctuating trend over the period. The increasing trend from 2010/11 to 2012/13 is a result of a conscious decision taken by the department to accelerate delivery on day-to-day maintenance and small maintenance projects after Provincial Treasury expressed a concern over significant under-expenditure against this category in 2010/11. The reduction in the 2013/14 Adjusted Appropriation is due to poor performance relating to no-period contracts in place for the department, as well as poor performance from contractors. The funding has been moved to *Buildings and other fixed structures* to accommodate the over-committed value of projects in construction. The department is hoping to have the period contracts in place by 2014/15. Over the 2014/15 MTEF, the trend reduces in line with the previously mentioned baseline cuts.

The funds reflected under the category *Infrastructure transfers: Capital* from 2011/12 to 2013/14 are for the transfer to the KZN Children's Hospital Trust for the development and refurbishment of the KZN Children's Hospital in eThekweni, which was completed in 2013/14.

5.7 Summary of Public Private Partnerships (PPP)

Table 7.12 below provides a summary of PPP projects in the department. In 2002/03, the department entered into a PPP with Impilo Consortium (Pty) Ltd. The agreement covered the provision of equipment, information management and technology and facilities management for the IALCH. This agreement enables the department to focus on the clinical services at the hospital, and to promote the hospital as a central referral hospital, operating at the highest standards in terms of quality, efficiency, effectiveness and patient focused care. Note that the current contract with Impilo Consortium (Pty) Ltd comes to an end in 2016/17, and the Provincial Treasury PPP unit is currently assisting to DOH regarding its exit strategy.

Table 7.12 : Summary of departmental Public-Private Partnership projects

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Projects under implementation	593 328	543 190	647 788	625 750	625 750	625 750	657 435	690 307	724 822
PPP unitary charge	593 328	543 190	647 788	625 750	625 750	625 750	657 435	690 307	724 822
Total	593 328	543 190	647 788	625 750	625 750	625 750	657 435	690 307	724 822

Payments made for services rendered are index-linked and are thus subject to movements in CPI. Payments over the 2014/15 MTEF have been calculated based on current estimates. The high base in 2010/11 is as per the project agreement. The increase in 2012/13 was due to the cost of medical inflation being higher than anticipated and an additional payment of R70 million on the PPP, made by IALCH to address a backlog in quarterly payments. The increasing trend relates mainly to the deterioration in the Rand/Dollar exchange rate.

5.8 Transfers to public entities listed in terms of Schedule 3 of the PFMA – Nil

5.9 Transfers to other entities

Table 7.13 provides a list of entities that receive funding from the department for the provision of general clinic, HIV and AIDS, district hospital, general hospital and TB services. The varying trend across the seven years relates mainly to the inclusion/exclusion of entities, as well as to the implementation of OSD for doctors in certain institutions which qualify.

Table 7.13 : Summary of departmental transfers to other entities

R thousand	Sub-programme	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term estimates		
		2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Austerville Halfway House	2.2: Comm. Hlth Clinics	474	500	525	551	520	520	536	552	569
Azalea House	2.2: Comm. Hlth Clinics	438	462	485	509	480	480	495	510	525
Bekulwandle Bekimpelo	2.2: Comm. Hlth Clinics	6 687	7 238	7 600	7 980	7 904	7 904	8 141	8 385	-
Benedictine Clinic (Thwasana Clinic)	2.2: Comm. Hlth Clinics	335	363	350	368	175	175	88	44	-
Careways	2.2: Comm. Hlth Clinics	-	-	20	-	-	-	-	-	-
Claremont Day Care Centre	2.2: Comm. Hlth Clinics	324	353	371	390	367	367	378	389	401
Day Care Club 91	2.2: Comm. Hlth Clinics	52	96	101	106	100	100	102	105	108
Durban Coastal - Happy Hours Amaoti	2.2: Comm. Hlth Clinics	335	471	495	519	490	490	505	520	537
Durban Coastal - Happy Hours Durban North	2.2: Comm. Hlth Clinics	223	235	247	259	245	245	252	260	267
Durban Coastal - Happy Hours Durban Overport	2.2: Comm. Hlth Clinics	167	177	186	195	184	184	190	196	202
Durban Coastal - Happy Hours KwaXimba	2.2: Comm. Hlth Clinics	335	377	396	416	392	392	404	416	429
Durban Coastal - Happy Hours Mpumulanga	2.2: Comm. Hlth Clinics	335	377	396	416	392	392	404	416	429
Durban Coastal - Happy Hours Ninikhona	2.2: Comm. Hlth Clinics	179	235	247	259	245	245	252	259	267
Durban Coastal - Happy Hours Nyangwini	2.2: Comm. Hlth Clinics	234	248	260	274	257	257	265	273	281
Durban Coastal - Happy Hours Phoenix	2.2: Comm. Hlth Clinics	223	235	247	259	245	245	252	260	267
Durban Coastal - Marianhill	2.2: Comm. Hlth Clinics	100	118	124	130	123	123	127	130	134
Durban School for the Deaf	2.2: Comm. Hlth Clinics	179	193	203	-	-	-	-	-	-
Ekukhanyeni Clinic (AIDS step down centre)	2.2: Comm. Hlth Clinics	718	884	926	936	911	911	938	967	-
Elandskop Clinic	2.2: Comm. Hlth Clinics	403	436	458	481	449	449	440	-	-
Enkumane Clinic	2.2: Comm. Hlth Clinics	243	263	276	290	270	270	265	-	-
Hlanganani Ngothando	2.2: Comm. Hlth Clinics	179	200	210	221	208	208	214	220	227
Ikwezi Cripple Care	2.2: Comm. Hlth Clinics	1 344	1 443	1 515	1 591	1 136	1 136	1 170	1 205	1 242
Ikwezi District Nursing Services	2.2: Comm. Hlth Clinics	155	-	-	-	-	-	-	-	-
Jewel House	2.2: Comm. Hlth Clinics	304	321	337	354	-	-	-	-	-
John Peattie House	2.2: Comm. Hlth Clinics	1 192	1 284	1 348	1 415	1 335	1 335	1 139	1 173	1 208
Jona Vaughn Centre	2.2: Comm. Hlth Clinics	2 130	2 247	2 359	2 477	2 335	2 335	2 017	2 077	2 139
Keep a Child Alive	2.2: Comm. Hlth Clinics	-	-	-	-	-	-	3 000	-	-
KZN Blind and Deaf Society	2.2: Comm. Hlth Clinics	-	-	-	-	-	-	800	824	849
Lynn House	2.2: Comm. Hlth Clinics	633	562	590	620	584	584	593	611	629
Madeline Manor	2.2: Comm. Hlth Clinics	767	809	849	891	841	841	866	892	919
Magaye school for the Blind	2.2: Comm. Hlth Clinics	-	-	-	-	-	-	500	515	530
Masada Workshop	2.2: Comm. Hlth Clinics	67	71	75	79	74	74	-	-	-
Masibambeni Day Care Centre	2.2: Comm. Hlth Clinics	134	141	148	155	147	147	-	-	-
Matikwe Oblate Clinic	2.2: Comm. Hlth Clinics	436	472	496	521	491	491	486	481	-
Mhlumayo Clinic	2.2: Comm. Hlth Clinics	518	560	588	617	-	-	-	-	-
Noyi Bazi Oblate Clinic	2.2: Comm. Hlth Clinics	440	477	501	526	496	496	511	-	-
Place of Restoration	2.2: Comm. Hlth Clinics	-	-	200	-	-	-	-	-	-
Prenaid A L P	2.2: Comm. Hlth Clinics	91	96	101	106	100	100	-	-	-
Rainbow Haven	2.2: Comm. Hlth Clinics	355	374	393	413	385	385	397	409	421
Scadifa Centre	2.2: Comm. Hlth Clinics	913	913	959	1 007	949	949	925	953	982
Sparkes Estate	2.2: Comm. Hlth Clinics	1 166	1 016	1 067	1 120	-	-	1 099	1 132	1 166
St Lukes Home	2.2: Comm. Hlth Clinics	482	695	730	767	430	430	443	456	470
Sun Coast Hospice	2.2: Comm. Hlth Clinics	-	-	-	-	-	-	174	179	185
Sunfield Home	2.2: Comm. Hlth Clinics	127	294	309	324	303	303	261	269	277
Umlazi Halfway House	2.2: Comm. Hlth Clinics	237	250	263	276	260	260	268	276	284
Ethembeni Care Centre	2.6: HIV and AIDS	3 836	3 692	4 366	5 061	4 881	4 881	5 027	5 179	-
Genesis Care Centre	2.6: HIV and AIDS	2 659	2 763	2 890	3 095	2 919	2 919	2 889	2 861	-
HIV and AIDS NIP sites (HBC stipends)	2.6: HIV and AIDS	57 814	3 753	-	-	-	-	-	-	-
Humana People to People	2.6: HIV and AIDS	-	-	-	4 328	2 828	2 828	3 131	-	-
Philanjalo Hospice (step down centre)	2.6: HIV and AIDS	2 109	1 956	3 378	2 811	2 551	2 551	2 525	2 500	-
Power of God	2.6: HIV and AIDS	-	-	-	-	-	-	1 100	1 133	1 167
Greytown Hospital	2.9: District Hospitals	-	191	-	-	-	-	-	-	-
Pongola Hospital	2.9: District Hospitals	3 545	3 837	3 436	3 608	2 300	2 300	-	-	-
Montebello Chronic Sick Home	4.3: Psch/Mental Hosp.	4 372	4 732	4 969	-	-	-	-	-	-
KZN Children's Hospital Trust	8.6: Other Facilities	-	10 000	20 000	20 000	20 000	20 000	-	-	-
McCord Hospital	Various	76 275	90 042	70 251	56 368	52 000	79 075	15 870	880	670
Mountain View Hospital	Various	8 774	9 496	9 971	10 470	9 871	9 871	9 773	9 675	-
Siloah Hospital	Various	15 471	15 702	19 149	19 111	18 958	18 958	21 873	21 934	-
St Mary's Hosp Marianhill	Various	90 500	101 837	112 225	119 998	112 037	112 037	151 465	124 174	-
Earmarked for reallocation to Districts	Various	-	-	-	1 500	-	-	8 097	18 420	206 241
Total departmental transfers		289 009	273 487	277 586	274 168	252 168	279 243	250 647	212 110	224 022

The effect of the higher than anticipated wage agreements and the OSD for doctors is shown under those institutions which qualify for the state salary increases.

The decrease in 2011/12 was caused by the closure of the HIV and AIDS NIP sites and the incorporation of these services into the department's operations, as previously mentioned. The reduction in the 2013/14

Adjusted Appropriation is a result of the previously mentioned reduction in transfer to McCord Hospital following its take-over by the province, as well as delays in signing SLAs for various NGOs.

The significant decrease in funding in 2014/15 is due to the ceasing of funding for McCord Hospital as it has been taken over as a provincial hospital and funding will be from other categories. In addition, the funding for the KZN Children's Hospital Trust for the development and refurbishment of this hospital in the eThekweni Metro ceases, due to the completion of the contract.

Over the MTEF, the baseline growth is for inflationary purposes only. Note that the funds against *Earmarked for reallocation to districts* are funds awaiting recommendations upon receipt of requests for additional or new funding from the districts (for NGOs). This table will be updated as soon as the figures from the department's Committee for Grant Funding are received.

5.10 Transfers to local government

Table 7.14 indicates transfers to local government, per category of municipality. All transfers are made to a single grant, namely municipal clinics within the sub-programme: Community Health Clinics. Although the payment of motor vehicle licences falls under *Transfers and subsidies to: Provinces and municipalities*, the funds are not transferred to any municipality, hence these are excluded from the table.

Although these funds are earmarked for transfer to municipalities, the transfer is dependent upon the provision of satisfactory services in line with SLAs signed by municipalities. The purpose of the transfer is to subsidise primary health care for services provided by local authorities/municipal clinics. Until the negotiations for the take-over of these clinics has been finalised, these funds will remain in this category. Further details of amounts per grant type and municipality are given in *Annexure – Vote 7: Health*.

Table 7.14 : Summary of departmental transfers to local government by category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Category A	44 540	47 212	-	122 500	136 000	136 000	109 000	122 400	138 365
Category B	79 348	38 828	22 894	21 000	20 313	20 313	23 600	27 000	28 431
Category C	-	-	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	123 888	86 040	22 894	143 500	156 313	156 313	132 600	149 400	166 796

The increase from 2010/11 to 2016/17 in Category A, which represents the eThekweni Metro, pertains mainly to inflation, and relates to transfers to municipal clinics within the Metro. The nil expenditure in 2012/13 against Category A was due to a delay in the signing of the SLAs with the Metro. The significant increase from 2013/14 relates to the department's decision to provide additional funding to meet the health funding requirements of the clinics in the Metro and the transfer payment expenditure carried over from 2012/13 due to delays in the signing of SLAs, as previously mentioned. The increase in trend over the 2014/15 MTEF is largely due to the commitment to assist clinics with pressures in the treatment of HIV and AIDS, the extension of hours of services, as well as to cater for an increase in neonatal services.

The varying trend in Category B relates to the anticipated provincialisation of the municipal clinics. The majority of the municipal clinics were taken over by the department by the end of 2012/13, and funding from 2014/15 only provides for the uMhlathuze Municipality. In addition, funding was provided in 2012/13 for the finalisation of the provincialisation of clinics in Umlalazi (uThungulu), as well as municipalities in the uMgungundlovu and Ilembe Districts. Funding will continue to be provided over the 2014/15 MTEF for the eThekweni Metro and uMhlathuze Municipality, as mentioned previously.

5.11 Transfers and subsidies

Table 7.15 gives a summary of spending on *Transfers and subsidies* by programme and main category.

Table 7.15 : Summary of transfers and subsidies by programme and main category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
1. Administration	1 750	3 392	6 172	3 549	1 549	2 037	3 061	3 133	3 299
Provinces and municipalities	33	26	95	48	48	48	60	132	139
Motor vehicle licences	33	26	95	48	48	48	60	132	139
Departmental agencies and accounts	-	1	-	1	1	4	1	1	1
SABC - TV licences	-	1	-	1	1	4	1	1	1
Households	1 717	3 365	6 077	3 500	1 500	1 985	3 000	3 000	3 159
Social benefits	1 067	3 215	2 289	3 500	1 500	1 985	3 000	3 000	3 159
Other transfers to households	650	150	3 788	-	-	-	-	-	-
2. District Health Services	398 098	327 024	270 091	408 044	393 487	447 010	391 617	369 166	397 139
Provinces and municipalities	124 850	86 807	24 232	145 584	158 027	158 027	134 838	151 748	169 212
Motor vehicle licences	962	767	1 339	2 084	1 714	1 714	2 238	2 348	2 417
Municipalities	123 888	86 040	22 893	143 500	156 313	156 313	132 600	149 400	166 795
Departmental agencies and accounts	27	130	6	31	31	31	32	33	35
SABC - TV licences	27	130	6	31	31	31	32	33	35
Non-profit institutions	247 899	213 387	204 686	225 339	203 339	230 392	220 147	179 010	189 168
Non-profit institutions (see Table 7.13)	247 899	213 387	204 686	225 339	203 339	230 392	220 147	179 010	189 168
Households	25 322	26 700	41 167	37 090	32 090	58 560	36 600	38 375	38 724
Social benefits	25 094	26 487	30 227	36 696	31 696	58 166	36 600	38 375	38 724
Other transfers to households	228	213	10 940	394	394	394	-	-	-
3. Emergency Medical Services	2 966	3 230	4 165	6 110	4 774	4 419	4 340	4 552	4 793
Provinces and municipalities	1 461	1 842	1 537	2 415	2 879	2 680	2 040	2 142	2 256
Motor vehicle licences	1 461	1 842	1 537	2 415	2 879	2 680	2 040	2 142	2 256
Households	1 505	1 388	2 628	3 695	1 895	1 739	2 300	2 410	2 538
Social benefits	937	915	970	2 846	1 046	1 046	1 368	1 460	1 537
Other transfers to households	568	473	1 658	849	849	693	932	950	1 000
4. Provincial Hospital Services	71 742	71 253	70 795	51 441	108 077	122 717	67 085	69 752	73 448
Provinces and municipalities	229	111	287	525	361	361	549	581	612
Motor vehicle licences	229	111	287	525	361	361	549	581	612
Departmental agencies and accounts	54	47	56	56	56	16	36	63	66
SABC - TV licences	54	47	56	56	56	16	36	63	66
Non-profit institutions	32 600	35 802	37 770	28 829	28 829	28 829	30 500	33 100	34 854
Non-profit institutions (see Table 7.13)	32 600	35 802	37 770	28 829	28 829	28 829	30 500	33 100	34 854
Households	38 859	35 293	32 682	22 031	78 831	93 511	36 000	36 008	37 916
Social benefits	18 683	24 146	28 331	19 945	21 745	21 745	36 000	36 008	37 916
Other transfers to households	20 176	11 147	4 351	2 086	57 086	71 766	-	-	-
5. Central Hospital Services	7 817	2 257	2 773	2 760	4 762	4 524	5 004	5 096	5 366
Provinces and municipalities	6	4	9	10	12	16	4	4	4
Motor vehicle licences	6	4	9	10	12	16	4	4	4
Departmental agencies and accounts	-	-	-	-	-	52	-	-	-
SABC - TV licences	-	-	-	-	-	52	-	-	-
Households	7 811	2 253	2 764	2 750	4 750	4 456	5 000	5 092	5 362
Social benefits	5 241	2 183	2 656	2 550	4 550	4 256	4 790	4 872	5 130
Other transfers to households	2 570	70	108	200	200	200	210	220	232
6. Health Sciences and Training	68 625	83 361	96 138	146 737	214 761	216 231	220 698	224 043	235 917
Provinces and municipalities	25	26	33	22	42	49	48	53	56
Motor vehicle licences	25	26	33	22	42	49	48	53	56
Departmental agencies and accounts	7 637	8 588	10 176	11 315	11 315	11 315	13 000	14 000	14 742
HWSETA	7 637	8 588	10 119	11 315	11 315	11 315	13 000	14 000	14 742
Higher education institutions	-	-	57	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	470	-	-	-
Higher education institutions	-	-	-	-	-	470	-	-	-
Non-profit institutions	8 510	14 298	15 130	-	-	-	-	-	-
Non-profit institutions (see Table 7.13)	8 510	14 298	15 130	-	-	-	-	-	-
Households	52 453	60 449	70 799	135 400	203 404	204 397	207 650	209 990	221 120
Social benefits	-	1 397	1 650	2 400	2 400	2 400	2 000	2 200	2 317
Other transfers to households	52 453	59 052	69 149	133 000	201 004	201 997	205 650	207 790	218 803
7. Health Support Services	11 376	14 545	16 630	16 527	1 571	1 602	674	708	19 646
Provinces and municipalities	152	62	137	79	127	159	124	130	137
Motor vehicle licences	152	62	137	79	127	159	124	130	137
Departmental agencies and accounts	11 224	14 483	15 170	16 448	444	444	-	-	18 900
Social security funds	460	512	-	444	444	444	-	-	-
Medicine Trading Account	10 764	13 971	15 170	16 004	-	-	-	-	18 900
Households	-	-	1 323	-	1 000	999	550	578	609
Social benefits	-	-	1 318	-	1 000	999	550	578	609
Other transfers to households	-	-	5	-	-	-	-	-	-
8. Health Facilities Management	-	10 783	20 000	20 000	20 000	20 022	-	-	-
Non-profit institutions	-	10 000	20 000	20 000	20 000	20 000	-	-	-
KZN Childrens' Hospital Trust	-	10 000	20 000	20 000	20 000	20 000	-	-	-
Households	-	783	-	-	-	22	-	-	-
Social benefits	-	783	-	-	-	22	-	-	-
Total	562 374	515 845	486 764	655 168	748 981	818 562	692 479	676 450	739 608

The various trends in each programme are as follows:

- In Programmes 1, 2 and 4, the amounts reflected against *Departmental agencies and accounts* relate to TV licences which arose from an amendment to SCOA in 2012/13, shifting the allocation from *Goods and services* to this category. Historical data was restated for comparison purposes.
- In Programme 1, the fluctuating trend in *Households* is mainly due to staff exit costs.
- The high spending in Programme 2 against *Provinces and municipalities* in 2010/11 related mainly to expenditure resulting from the signing of the SLAs pertaining to 2008/09 and 2009/10. The reduction in 2011/12 and 2012/13 resulted from the provincialisation of some municipal clinics. The significant increase from 2013/14 onward relates to the eThekweni Metro and uMhlathuze Municipality for additional funding allocated to assist clinics in the treatment of HIV and AIDS. The further increase in the 2013/14 Adjusted Appropriation relates to municipal clinics' carry-over expenditure from 2012/13, due to the late presentation of invoices.
- In Programme 2, the reduction in *Non-profit institutions* in 2011/12 relates mainly to the decision to close the NIP sites and to manage these services centrally. The further reduction in 2012/13 is a result of the decision to reassess the NGO institutions and to enter into new agreements, resulting in a number of the allocations to these institutions being lower than in the past. The reduction in the 2013/14 Adjusted Appropriation is due to delays in signing of SLAs with various NGOs benefiting from the Comprehensive HIV and AIDS grant. The over-spending in the 2013/14 Revised Estimate is due to running costs of McCord Hospital, incurred before the take-over by the province in February 2014. The reduction in 2014/15 is due to the provincialisation of McCord Hospital during 2013/14. The amounts allocated in the 2014/15 MTEF provide for inflationary increases only.
- With regard to Programme 3, the fluctuating trend against *Households* pertains to staff exit costs.
- In Programme 4, the increased trend against *Non-profit institutions* in 2011/12 related to the impact of the 2010 and 2011 wage agreements. The substantial reduction in 2013/14 was the result of the reassessment of all the department's non-profit institutions. The amounts allocated in the 2014/15 MTEF provide for inflationary increases only. The high amounts against *Households* in the 2013/14 Adjusted Appropriation and Revised Estimate relate to litigation costs for medico-legal claims.
- Programme 5's inflated 2010/11 amount against *Households* results from a medico-legal claim, while the increase in the 2013/14 Adjusted Appropriation relates to higher than expected staff exit costs.
- In Programme 6, *Departmental agencies and accounts* relates to the compulsory levy paid to the HWSETA on an annual basis and shows strong growth from 2011/12 through to 2013/14, which is ascribed to the HWSETA levy, which is in line with the growth in *Compensation of employees*.
- Also in Programme 6, the significant increase against *Households* over the entire period (and particularly in the 2013/14 Adjusted Appropriation and Revised Estimate) relates to the department's decision to implement intensive training programmes through bursaries in order to address the shortage of personnel in the health fields, including the previously mentioned Cuban Doctors' programme. The low growth in 2014/15 is due to the decision to no longer expand the bursary programme due to budget pressures.
- In Programme 7, the high growth against *Departmental agencies and accounts* in 2011/12 results from the additional funding that was required to enable the provincial Medical Supply Centre to carry sufficient medical stock to meet demand. The decrease in the 2013/14 Adjusted Appropriation was due to the account having sufficient funding for the supply of pharmaceuticals and medical sundries, with no top-up needed. This situation is carried through to 2015/16, but will be reviewed in-year for the next budget process.
- In Programme 8 in 2011/12 and the subsequent two years, the department transferred funds to the KZN Children's Hospital Trust for the development and refurbishment of this hospital in the eThekweni Metro. There is no funding over the MTEF and the contract is finalised.

6. Programme description

The services rendered by this department are categorised under eight programmes, further details of which are discussed below. The department largely conforms to the uniform budget structure for the Health sector. The information for each programme is given in terms of sub-programmes and economic classification, with details of economic classification given in *Annexure – Vote 7: Health*.

6.1 Programme 1: Administration

Programme 1 comprises two sub-programmes, namely Office of the MEC and Management, with the objectives of providing overall strategic leadership, co-ordination and management of activities toward the achievement of optimal health status of all the communities in the province, as well as the administration of the department in line with good governance practice. The programme also includes the formulation of policies and strategies in line with national and provincial priorities.

Tables 7.16 and 7.17 summarise information for the period 2010/11 to 2016/17. It is the department's policy to keep the allocation of this programme to a maximum of two per cent of total budget, which has been achieved over the past four years and will be maintained over the 2014/15 MTEF. Note that the costs for computer services against *Goods and services* have been centralised from all programmes to this programme from 2013/14, and historical data has been amended for comparative purposes.

Table 7.16 : Summary of payments and estimates by sub-programme: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
1. Office of the MEC	14 452	15 615	20 371	18 419	19 416	18 928	19 498	20 672	21 768
2. Management	449 196	560 810	613 587	572 659	575 294	603 918	561 842	577 028	607 610
Total	463 648	576 425	633 958	591 078	594 710	622 846	581 340	597 700	629 378

Table 7.17 : Summary of payments and estimates by economic classification: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Current payments	454 816	463 100	531 385	559 879	553 070	578 300	571 829	564 117	594 015
Compensation of employees	183 201	208 965	246 972	273 032	276 230	276 376	307 734	335 390	353 166
Goods and services	271 615	254 115	284 413	286 847	276 840	301 924	264 095	228 727	240 850
Interest and rent on land	-	20	-	-	-	-	-	-	-
Transfers and subsidies to:	1 750	3 392	6 172	3 549	1 549	2 037	3 061	3 133	3 299
Provinces and municipalities	33	26	95	48	48	48	60	132	139
Departmental agencies and accounts	-	1	-	1	1	4	1	1	1
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	1 717	3 365	6 077	3 500	1 500	1 985	3 000	3 000	3 159
Payments for capital assets	6 702	109 386	96 400	27 650	40 084	42 502	6 450	30 450	32 064
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	6 702	109 386	96 400	27 650	40 084	42 502	6 450	30 450	32 064
Heritage Assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	380	547	1	-	7	7	-	-	-
Total	463 648	576 425	633 958	591 078	594 710	622 846	581 340	597 700	629 378

Both sub-programmes show negative or minimal growth in 2013/14 and 2014/15. This is attributable to the decision to scale down in respect of the procurement of new computers and motor vehicles and focus on the replacement of essential equipment only. The replacement of all leased computer and printing equipment was also mostly completed in 2012/13, hence minimal spending on this project in 2013/14. Growth in the two outer years of the MTEF is for inflationary purposes only.

The increasing trend in *Compensation of employees* from 2010/11, as well as the increase over the 2014/15 MTEF, relates to the need to improve management capacity at head office to address the challenges of service delivery. The high growth from 2011/12 to 2013/14 is attributed to the provision for financial management capacity to improve audit outcomes and filling of various critical posts related to the SCM and Asset Management functions.

The significant decrease in *Goods and services* in 2011/12 results from the decision to replace consultants with permanent staff in order to address capacity constraints, as well as a change in policy to purchase computers rather than to lease them, due to the cost of contracted computer services. The budget from 2012/13 includes funding to support infrastructure capacity building. The reduction in 2014/15 and 2015/16 relates to the projected forced savings from computer services. The increase in 2016/17 allows for inflationary adjustments only.

The expenditure against *Interest and rent on land* in 2011/12 relates to a medico-legal claim which, following arbitration, resulted in the department being ordered to pay interest.

The expenditure against *Transfers and subsidies to: Provinces and municipalities* is for motor vehicle licences. The marked increases over the 2014/15 MTEF are due to provisions made for additional vehicles to be purchased late in 2013/14 and 2014/15, as well as in the outer years, in line with the growth in *Machinery and equipment*.

Transfers and subsidies to: Departmental agencies and accounts relates to payments for TV licences.

The fluctuating trend in *Transfers and subsidies to: Households* is due to staff exit costs.

The notable increase in *Machinery and equipment* in 2011/12 relates to the decision to purchase computer equipment rather than to lease it, as well as to provide new file servers to avoid the loss of critical information. Also, the department purchased motor vehicles centrally in 2011/12, which was rectified in the following years, and hence a decrease in 2012/13. In addition, funding was made available in 2012/13 for the purchasing of replacement vehicles at head office, as well as vehicles for the Ministry. The increase in the 2013/14 Adjusted Appropriation and Revised Estimate was mainly the provision for already committed computer equipment projects. In the 2014/15 MTEF, amounts are provided to replace essential equipment only, with strong growth for vehicles in the two outer years.

Service delivery measures – Programme 1: Administration

Table 7.18 illustrates the main service delivery measures relating to Programme 1. The performance indicators provided comply fully with the customised measures for the Health sector.

Table 7.18 : Service delivery measures – Programme 1: Administration

Outputs	Performance indicators	Estimated performance	Medium-term targets		
		2013/14	2014/15	2015/16	2016/17
Administration:	Human Resources				
To conduct the strategic management and overall administration of the Department of Health	<ul style="list-style-type: none"> Proportion of health facilities connected to the internet Develop provincial human resources for Health Plan Develop provincial long term Health Plan 	8%	25%	45%	70%
		Yes	Yes	Yes	Yes
		Yes	Yes	Yes	Yes

6.2 Programme 2: District Health Services

The purpose of Programme 2: District Health Services is to render primary health care services and district hospital services. This programme comprises nine sub-programmes, which are used to facilitate identification of the different functions. The main aims of these sub-programmes are:

- To render primary health care services with a nurse-driven service at clinic level, including visiting points, mobile and local authority clinics.

- To provide service planning, administration of services, managing personnel and financial administration and the co-ordination and monitoring of district health services, including those rendered by district councils and non-government organisations (NGOs).
- To render primary health care services in respect of maternal child and women's health, geriatrics, occupational therapy, physiotherapy, psychiatry, speech therapy, communicable diseases, oral and dental health, mental health, rehabilitation and disability and chronic health.
- To render primary health care services at non-health facilities in respect of home-based care, abuse victims, mental and chronic care, school health.
- To render primary health care services related to the comprehensive management of HIV and AIDS campaigns and special projects.
- To provide services directed at providing nutrition for the malnourished members of the population.
- To render forensic pathology services and medico-legal services in the province.
- To render hospital services at general practitioner level.

Tables 7.19 and 7.20 summarise payments and estimates for Programme 2: District Health Services.

Table 7.19 : Summary of payments and estimates by sub-programme: District Health Services

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
1. District Management	133 675	165 967	218 769	201 548	217 355	212 894	246 328	238 357	250 990
2. Community Health Clinics	2 054 214	2 314 985	2 480 474	2 832 671	2 864 331	2 894 334	3 055 573	3 351 017	3 454 180
3. Community Health Centres	628 582	767 716	955 757	1 030 648	1 041 619	1 057 906	1 296 961	1 376 940	1 449 918
4. Community Based Services	101 399	25 774	790	-	-	-	2 580	-	-
5. Other Community Services	524 369	616 453	693 031	854 055	914 405	914 996	955 141	1 015 904	1 112 408
6. HIV and AIDS	1 500 250	1 914 057	2 392 690	2 652 072	2 652 072	2 846 150	3 257 992	3 874 085	4 356 983
7. Nutrition	36 614	65 237	44 433	49 348	49 348	49 315	47 772	50 161	52 820
8. Coroner Services	122 338	141 632	146 150	159 265	157 241	155 366	158 329	167 738	176 628
9. District Hospitals	4 177 839	4 289 725	4 901 829	5 284 169	5 226 691	5 279 103	5 699 359	5 891 136	6 204 036
Total	9 279 280	10 301 546	11 833 923	13 063 776	13 123 062	13 410 064	14 720 035	15 965 338	17 057 963

Table 7.20 : Summary of payments and estimates by economic classification: District Health Services

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Current payments	8 850 195	9 823 474	11 466 027	12 532 421	12 623 523	12 857 002	14 210 678	15 482 420	16 538 488
Compensation of employees	6 016 821	6 846 189	7 916 084	8 706 221	8 905 277	8 938 420	9 832 214	10 690 888	11 326 737
Goods and services	2 833 374	2 977 285	3 549 944	3 826 200	3 718 246	3 918 567	4 378 464	4 791 532	5 211 750
Interest and rent on land	-	-	-	-	-	15	-	-	-
Transfers and subsidies to:	398 098	327 024	270 091	408 044	393 487	447 010	391 617	369 166	397 138
Provinces and municipalities	124 850	86 807	24 232	145 584	158 027	158 027	134 838	151 748	169 212
Departmental agencies and accounts	27	130	6	31	31	31	32	33	35
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	247 899	213 387	204 686	225 339	203 339	230 392	220 147	179 010	189 168
Households	25 322	26 700	41 167	37 090	32 090	58 560	36 600	38 375	38 724
Payments for capital assets	28 298	151 005	97 805	123 311	106 052	106 052	117 740	113 752	122 338
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	28 298	151 005	97 805	123 311	106 052	106 052	117 740	113 752	122 338
Heritage Assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	2 689	43	-	-	-	-	-	-	-
Total	9 279 280	10 301 546	11 833 923	13 063 776	13 123 062	13 410 064	14 720 035	15 965 338	17 057 963

The significant allocation to this programme supports the policy of providing access to the less expensive, but most important level of health care. The programme provides for, *inter alia*, the commissioning of new

clinics and community health centres, the development of district offices, and the comprehensive management of HIV and AIDS and its related diseases, especially TB.

The increases over the seven-year period for the programme as a whole relate to the various higher than anticipated wage agreements and carry-through costs of the various OSDs for medical personnel and other categories of staff. Also contributing was additional funding provided for inflationary increases in medical supplies and services, improving infant and child mortality rates, substantial increases in HIV and AIDS funding each year, as well as a provision for an improvement in the general health capacity in 2011/12. Further amounts were allocated for national priorities from 2011/12, with carry-through costs over the 2014/15 MTEF, to provide for capacity building for personnel and *Goods and services*, funding for family health team pilots/models, improving hospital norms and standards, and the general policy adjustment. In addition, the NHI grant commenced from 2012/13, aimed at establishing two pilot districts in line with the implementation of NHI. As mentioned previously, this funding decreased in 2013/14 due to a new indirect National Health grant, which will be spent by the NDOH on behalf of provinces. The increase in 2011/12 relates to capacity building at district office level in order to improve service delivery within the districts, as well as the 2011 wage agreement. The 2014/15 MTEF provides for the commissioning of Dannhauser and Pomeroy CHCs, as well as additional funding for the carry-through costs of the relevant wage agreements and inflationary costs.

The strong growth from 2010/11 to 2013/14 in the Community Health Clinics and Community Health Centres sub-programmes includes additional funding for the various wage agreements, the OSDs for medical personnel, funding for inflationary costs in medical related *Goods and services* and reducing infant and child mortality. The increase from 2011/12 was also due to national priority funding for personnel and goods, family health teams and for the general policy adjustment, as well as funding to encourage growth in PHC service delivery. The increase in 2012/13 was mainly related to the increased costs of medicines, vaccines, municipal payments and increased patient demand at PHC level, the addressing of critical staff needs at PHC level, which included, the closing of the gap in standards for municipal clinics taken over from local government. This includes addressing staffing levels, basic medical equipment, etc.

The decrease in the sub-programme: Community Based Services in 2011/12 resulted from the absorption of the majority of the community health workers into the HIV and AIDS sub-programme and a decision to take over the management of the HIV and AIDS NIP sites from the NGOs, in an effort to minimise fraud. The Social Sector EPWP Incentive Grant for Provinces was phased out from 2012/13, and it was decided to place all community health workers' expenditure into other sub-programmes within Programme 2, where the costs are incurred, hence there was no spending or allocations in respect of this sub-programme from 2013/14 onward. Although the grant is now funded again (in 2014/15 only), the funding will support the community health workers' stipends, and will be shifted in-year to the appropriate sub-programme.

The increase from 2011/12 onward in the sub-programme: Other Community Services was due to the introduction of community nursing services and an additional intake of community doctors resulting from the extension of the medical intern programme to two years, as well as the various OSDs for medical personnel.

The strong growth in the HIV and AIDS sub-programme relates mainly to increases in the Comprehensive HIV and AIDS grant to cater for increased uptake of patients on ARV therapy. Additional funds were allocated in 2012/13 to assist with the increase of the ARV threshold to a CD4 count of 350, with a further increase in 2012/13 for equipment and the increasing costs of ARV medication. The high projected spending in the 2013/14 Revised Estimate (and against *Goods and services*) relates to expected over-spending of the Comprehensive HIV and AIDS grant, particularly regarding the cost of ARVs. The strong growth over the 2014/15 MTEF, and in 2016/17, in particular, aligns with the growth in the Comprehensive HIV and AIDS grant.

The peak in the sub-programme: Nutrition in 2011/12 was due to once-off equitable share support provided to the department's nutritional programme, complementing the Comprehensive HIV and AIDS grant funding. Payments carried over from 2010/11 also contributed to this growth. In 2012/13, this co-funding was phased out as proper management processes and controls were put in place, with HIV and

AIDS based nutrition funded from the grant and against the HIV and AIDS sub-programme. The relatively flat growth over the 2014/15 MTEF is due to this sub-programme being subject to strict cost-cutting to ensure more critical services are able to be funded.

The sub-programme: Coroner Services was funded through the Forensic Pathology Services grant until 2011/12. From 2012/13, these services were paid from the department's equitable share. The increase in 2011/12 was mainly to cover the cost of the OSD for mortuary workers, for which no funding was provided in the grant. The reduction in 2012/13 resulted from the scaling down in the replacement of mortuary vehicles due to cost-cutting. Otherwise, figures across the seven years include the various wage agreements and inflationary increases only.

The sub-programme: District Hospitals increases in 2012/13 largely as a result of delays in the processing of the OSD for occupational therapists caused by programmatic challenges (PERSAL) at a national level, and also the filling of essential posts in line with national requirements for service delivery related to the NHI. Adding to the growth in 2012/13, was the restructuring and commissioning of the King Dinuzulu District Hospital. The reduction in the 2013/14 Adjusted Appropriation relates to forced savings to address pressures in the Community Health Clinics sub-programme and to Programme 4: Provincial Hospital Services to address pressures in *Compensation of employees* and medico-legal claims, respectively. Growth over the 2014/15 MTEF is largely for inflationary increases.

The increase in *Compensation of employees* from 2011/12 onward is mainly due to the OSDs for medical personnel and other categories of staff, as well as the various wage agreements. The increase in 2011/12 also included the filling of essential posts in line with the national requirements for service delivery related to the NHI, the ongoing process of implementing family health teams, capacity building and the general policy adjustment. The increase in 2012/13 relates to an increased number of school health teams, district family teams and district specialist teams, as well as TB tracing and injection teams. Also affecting the growth was the closing of the gap in standards for municipal clinics taken over from local government, as previously mentioned. This included addressing staffing levels and basic medical equipment. In 2014/15 and 2015/16, additional funding is included from the Comprehensive HIV and AIDS grant, to improve treatment access.

The fluctuating trend in *Goods and services* is mainly due to the variable CPI over the period, high medical inflation, the increase in NHLS costs, as well as the increase in the number of patients suffering from HIV and AIDS and TB. In addition to carry-through costs from previous allocations, funding for national priorities in 2011/12 provided for family health teams, the general policy adjustment, capacity building and, in 2012/13 and 2013/14, additional funding for the reduction of the ARV threshold to a CD4 count of 350. The carry-through costs of these initiatives are reflected over the 2014/15 MTEF. In the 2013/14 Revised Estimate, the department is anticipating pressures from ARVs and other medication. Additional funding has been provided from 2012/13 from the NHI grant to implement a pilot programme in two districts, to contract private practitioners and other private suppliers in the provision of medical services. National priority funding is added in 2016/17 relating to the decentralised roll-out of the HPV vaccine to provinces.

The fluctuations in *Transfers and subsidies to: Provinces and municipalities* are mainly due to the uncertainty of the provincialisation process for municipal clinics, as well as the non-signing of SLAs. The reduction in 2011/12 and 2012/13 resulted from the provincialisation of some municipal clinics. The significant increase from 2013/14 onward relates to the eThekweni Metro and uMhlathuze Municipality for additional funding allocated to assist clinics in the treatment of HIV and AIDS. The further increase in the 2013/14 Adjusted Appropriation relates to municipal clinics' carry-over expenditure from 2012/13, due to the late presentation of invoices.

Transfers and subsidies to: Departmental agencies and accounts relates to payments for TV licences and growth over the 2014/15 MTEF provides for an inflationary increase only.

The reduction in *Transfers and subsidies to: Non-profit institutions* in 2011/12 relates to the department's decision to take over the management of the HIV and AIDS NIP sites from NGOs. The further reduction in 2012/13 is a result of the decision to reassess the NGO institutions and to enter into new agreements,

resulting in a number of the allocations to these institutions being lower than in the past. The reduction in the 2013/14 Adjusted Appropriation is due to delays in signing of SLAs with various NGOs benefiting from the Comprehensive HIV and AIDS grant. The high projection in the 2013/14 Revised Estimate relates to running costs of McCord Hospital, incurred before the take-over by the province in February 2014. The reduction in 2014/15 is due to the provincialisation of McCord Hospital during 2013/14. The amounts allocated over the 2014/15 MTEF provide for inflationary increases only.

Transfers and subsidies to: Households relates to staff exit costs and medico-legal claims, and historical fluctuations are based on actual payments made. The high 2013/14 Revised Estimate amount is due to more medico-legal claims being finalised than expected. This is a once-off cost and accounts for the decrease in 2014/15. The growth thereafter is for inflationary pressures only.

The significant increase against *Machinery and equipment* in 2011/12 was for the replacement of deteriorating essential equipment and the purchase of mobile clinics and other service delivery vehicles. This process did not continue in 2012/13 due to forced savings implemented by the department in order to offset pressures in infrastructure projects already on site, hence the decrease in 2012/13. In the 2014/15 MTEF, amounts are provided to replace essential equipment at a reduced rate, due to the baseline cuts.

Service delivery measures – Programme 2: District Health Services

Table 7.21 illustrates the main service delivery measures of Programme 2: District Health Services. The performance indicators provided comply fully with the customised measures for the Health sector.

It should be noted that a significant number of patients suffering from TB are treated in community clinics and community health centres within Programme 2. TB patients who have been admitted and discharged from hospital are monitored at clinics and community health centres. For this reason, TB statistics have been included in this programme.

It is also noted that a number of measures are new and the department is still establishing baselines before targets can be set. These are indicated by “Establish baseline”, with no targets set for the MTEF, at this stage. Where a baseline is established, the indicator is marked as “New” with targets set from 2014/15.

Table 7.21 : Service delivery measures – Programme 2: District Health Services

Outputs	Performance indicators	Estimated performance			
		2013/14	2014/15	2015/16	2016/17
1. Clinics and Community Health Centres					
To provide facilities for patients to be treated at PHC level	• PHC utilisation rate (annualised)	3	3	3.1	3.1
	• OHH registration visit coverage	-	Establish baseline	-	-
	• PHC supervisor visit rate (fixed clinic / CHC / CDC)	63.8%	66.4%	68%	75%
	• Complaints resolution within 25 working days rate	New	70%	75%	80%
	• No. of fully fledged District Clinical specialist Teams appointed	9 incomplete	4 (complete medical teams) 11 (complete nursing teams)	4 (complete medical teams) 11 (complete nursing teams)	4 (complete medical teams) 11 (complete nursing teams)
	• No. of fully-fledged Ward Based Outreach Teams appointed	33 (DHIS reporting)	95	110	115
	• School ISHP coverage	46%	70%	75%	80%
	• School Grade 1 screening coverage (annualised)	New	Establish baseline	-	-
	• School Grade 4 screening coverage (annualised)	New	Establish baseline	-	-
	• School Grade 8 screening coverage (annualised)	New	Establish baseline	-	-
	• Percentage of fixed facilities that have conducted gap assessments for compliance against National Core Standards	New	90%	100%	100%
	• Compliance rate of PHC facilities (of National Core Standards)	New	25%	35%	50%
	• Provincial PHC expenditure per uninsured person	R830	R888	R968	R986
	• Percentage of facilities conducting annual patient satisfaction surveys (PSS)	New	100%	100%	100%
	• PHC patient satisfaction rate	New	70%	75%	80%

Table 7.21 : Service delivery measures – Programme 2: District Health Services

Outputs	Performance indicators	Medium-term targets			
		Estimated performance 2013/14	2014/15	2015/16	2016/17
2. District Hospitals					
Rendering hospital service at district level	• Average length of stay	5.8 days	5.6 days	5.5 days	5.5 days
	• Inpatient bed utilisation rate	70.6%	63.8%	64.5%	65.1%
	• Expenditure per patient day equivalent (PDE)	R1 836	R2 011	R2 140	R2 316
	• Complaint resolution within 25 working days rate	63.2%	70%	75%	75%
	• Mental health admission rate	1%	1.1%	1.5%	1.4%
	• Proportion of hospitals assessed as compliant with the Extreme Measures of National Core Standards	New	Establish baseline	-	-
	• Percentage of hospitals that have conducted gap assessments for compliance against the National Core Standards	New	100%	100%	100%
	• Patient satisfaction rate	80%	90%	90%	90%
3. HIV and AIDS, TB and STI control					
Rendering primary health care service in respect of HIV and AIDS, TB and STI control	• Total clients remaining on ART (TROA) at end of the month	770 009	1 038 556	1 192 247	1 368 247
	• No. of medical male circumcisions conducted	339 997 cum	469 280 (809 277 cum)	581 600 (1 390 877 cum)	693 920 (2 084 797 cum)
	• TB (new pulmonary) defaulter rate	4.9%	4.5%	4%	3.5%
	• TB AFB sputum result turn-around time under 48 hours rate	74%	80%	85%	85%
	• TB new client treatment success rate	81.5%	85%	85%	85%
	• HIV testing coverage (15 – 49 years – annualised)	30.7%	55.7%	56.7%	57.7%
	• TB (new pulmonary) cure rate	78.9%	85%	85%	85%
	• TB MDR confirmed treatment initiation rate	53%	57.8%	60%	66%
4. Maternal, child and women health					
Rendering a comprehensive and integrated maternal, child and women health at primary health care level	• Immunisation coverage under 1 year (annualised)	95.8%	96%	96.3%	96.6%
	• Vitamin A 12 – 59 months coverage (annualised)	51.2%	55%	60%	65%
	• Deworming 12 – 59 months coverage (annualised)	New	Establish baseline	-	-
	• Child under 2 years underweight for age incidence (annualised)	New	20/ 1 000	17/ 1 000	15/ 1 000
	• Measles 1 st dose under 1 year coverage (annualised)	93.1%	94.6%	96.4%	98.1%
	• Pneumococcal vaccine (PCV) 3rd dose coverage (annualised)	95.1%	96.2%	97.5%	98.7%
	• Rota Virus (RV) 2nd dose coverage (annualised)	103.7%	104.4%	105.2%	106%
	• Cervical cancer screening coverage (annualised)	79.2%	79.7%	80.4%	81%
	• HPV vaccine coverage amongst Grade 4 girls	New	Establish baseline	-	-
	• Antenatal 1 st visit before 20 weeks rate	54.4%	60%	60%	60%
	• Infant given NVP within 72 hours after birth uptake rate	99.6%	98%	98%	100%
	• Infant 1 st PCR test positive within 2 months rate	1.8%	1.2%	<1%	<1%
	• Couple year protection rate	50.7%	45%	50%	55%
	• Maternal mortality in facility ratio (MMR)	135.6/100 000	133/100 000	126/100 000	119/100 000
	• Delivery in facility under 18 years rate	9.4%	9%	8.8%	8.5%
	• Child under 1 year mortality in facility rate	6.5%	7%	7%	6.9%
	• Inpatient death under 5 years rate	5.4%	5.3%	5.2%	5%
	• Child under 5 years severe acute malnutrition case fatality rate	11%	10.2%	8.7%	7.4%
	• Child under 5 years diarrhoea case fatality rate	3.6%	3.6%	3.2%	2.6%
	• Child under 5 years pneumonia case fatality rate	3.3%	2.9%	2.4%	2.1%
5. Disease prevention and control					
Rendering preventive and promotive health services	• Hypertension incidence (annualised)	23.6/1 000	22.8/1 000	22.4/1 000	21.6/1 000
	• Diabetes incidence (annualised)	1.3/1 000	2.1/1 000	2/1 000	1.9/1 000
	• Cataract surgery rate (uninsured population)	628/1mil	749/1mil	930/1mil	1 154/1mil
	• Malaria case fatality rate	2%	<0.5%	<0.5%	<0.5%

6.3 Programme 3: Emergency Medical Services

The purpose of Programme 3: Emergency Medical Services is to render pre-hospital emergency medical services, including inter-hospital transfers and planned patient transport.

Poverty and topography are major cost drivers for both the Emergency Transport and Planned Patient Transport sub-programmes. Tables 7.22 and 7.23 below summarise payments and budgeted estimates pertaining to Programme 3.

Table 7.22 : Summary of payments and estimates by sub-programme: Emergency Medical Services

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
1. Emergency Services	790 015	1 032 954	863 099	907 217	911 181	959 416	1 012 736	1 068 971	1 125 626
2. Planned Patient Transport	32 603	37 433	62 937	65 145	59 845	35 882	60 702	64 757	68 189
Total	822 618	1 070 387	926 036	972 362	971 026	995 298	1 073 438	1 133 728	1 193 816

Table 7.23 : Summary of payments and estimates by economic classification: Emergency Medical Services

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Current payments	733 709	856 411	870 638	936 252	934 952	959 619	1 026 957	1 093 538	1 151 496
Compensation of employees	521 434	595 253	641 810	702 642	710 642	713 131	751 280	801 017	843 471
Goods and services	212 275	261 158	228 827	233 610	224 310	246 488	275 677	292 521	308 025
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	2 966	3 230	4 165	6 110	4 774	4 419	4 340	4 552	4 793
Provinces and municipalities	1 461	1 842	1 537	2 415	2 879	2 680	2 040	2 142	2 256
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	1 505	1 388	2 628	3 695	1 895	1 739	2 300	2 410	2 538
Payments for capital assets	85 673	210 745	51 234	30 000	31 300	31 260	42 141	35 638	37 527
Buildings and other fixed structures	19	-	-	-	-	-	-	-	-
Machinery and equipment	85 654	210 745	51 234	30 000	31 300	31 260	42 141	35 638	37 527
Heritage Assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	270	1	-	-	-	-	-	-	-
Total	822 618	1 070 387	926 036	972 362	971 026	995 298	1 073 438	1 133 728	1 193 816

The fluctuating trend over the seven-year period is largely due to funding provided to appoint additional staff and to purchase additional vehicles, as well as the planned expansion of emergency medical services to under-served areas. The significant increase in 2011/12 relates to the appointment of additional emergency personnel and procurement of additional emergency medical vehicles. The reduction in 2012/13 is attributed to savings realised from the replacement process of ageing emergency fleet vehicles, as the repair and fuel costs of the new ambulances were lower. Funding increased in 2013/14 to provide for inflationary adjustments and the gradual filling of vacant posts dependent upon availability of skilled candidates and the number of ambulances in the fleet. The overall increase in the sub-programme: Planned Patient Transport results from the successful implementation of the inter-hospital transfer programme.

The increase in *Compensation of employees* from 2011/12 onward relates to the various wage agreements, the introduction of the OSD for emergency personnel, as well as reprioritisation of funding to bring the salaries of emergency medical workers in line with those in other provinces, in order to retain staff and avoid strike action. The high growth in 2013/14 relates to the planned absorption of trainees, the strengthening of obstetrical ambulance services, as well as the provision for standard danger allowances to various categories of Emergency Medical Services personnel.

The main cost drivers under *Goods and services* are fuel and repairs to emergency vehicles, the latter being related to the rough terrain in rural areas and these costs will increase as the service expands. The increase in 2011/12 relates mainly to an increase in fuel costs and the costs of maintaining vehicles. The negative growth in 2012/13 relates mainly to lower costs on maintenance and repairs of the new fleet of vehicles. The reduction in the 2013/14 Adjusted Appropriation was due to forced savings in order to

address the pressures within the programme, such as the implementation of danger allowances and the installation of night goggles in helicopters linked to aero-medical services. The high expected spending in the 2013/14 Revised Estimate relates to higher than expected fuel costs. The high growth in 2014/15 is attributable to the high cost of fuel and related maintenance and repair costs. The growth over the remainder of the 2014/15 MTEF provides for inflation only.

The variable trend in *Transfers and subsidies to: Provinces and municipalities* is driven by the size of the fleet of emergency medical service vehicles in each year, with ambulances being procured and the old fleet being disposed of, and registration and licensing costs thereof will thus vary accordingly.

With regard to *Transfers and subsidies to: Households*, the inflated 2012/13 figure relates to a legal claim against the department by the First Aid League, and an increase in staff exit costs.

Regarding *Machinery and equipment*, the significant increase in 2011/12 is attributed to the late delivery of ambulances ordered in 2010/11 and additional ambulances purchased to address shortages. This was supporting the drive to meet the national norms for this service. The reduced amount from 2013/14 onward relates to the reprioritisation of funding which will be reviewed during 2015/16, with funding provided only for the replacement of ambulances.

The expenditure against *Payments for financial assets* relates to the write-off of various losses.

Service delivery measures – Programme 3: Emergency Medical Services

Table 7.24 below illustrates the main service delivery measures pertaining to Programme 3. The performance indicators provided comply fully with the customised measures for the Health sector.

Table 7.24 : Service delivery measures – Programme 3: Emergency Medical Services

Outputs	Performance indicators	Medium-term targets			
		2013/14	2014/15	2015/16	2016/17
Emergency Medical Services					
Rendering emergency medical services including ambulance services, special operations, communications and air ambulance services	• EMS P1 urban response under 15 minutes rate	6%	15%	22%	30%
	• EMS P1 rural response under 40 minutes rate	34%	40%	50%	55%
	• EMS P1 call response under 60 minutes rate	46%	65%	75%	80%
	• EMS operational ambulance coverage	0.19	0.26	0.32	0.39

6.4 Programme 4: Provincial Hospital Services

The purpose of this programme is the delivery of hospital services which are accessible, appropriate and effective and the provision of general specialist services including a specialised rehabilitation service, and a platform for training health professionals and research. Programme 4 comprises five sub-programmes, with the following main objectives:

- To render regional hospital services at a general specialist level and a platform for training of health workers and research.
- To render hospital services for tuberculosis, including multi-drug resistance.
- To render specialist psychiatric hospital services for people with mental illness and intellectual disability and providing a platform for training of health workers and research.
- To provide medium to long-term care to patients who require rehabilitation and/or a minimum degree of active medical care but cannot be sent home.
- To render an affordable and comprehensive oral health service, based on primary health care.

Tables 7.25 and 7.26 summarise payments and estimates relating to Programme 4.

Table 7.25 : Summary of payments and estimates by sub-programme: Provincial Hospital Services

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
1. General (Regional) Hospitals	4 473 068	5 773 286	6 375 683	6 766 177	6 849 277	6 891 397	7 114 952	7 582 087	7 983 938
2. Tuberculosis Hospitals	832 030	891 705	591 900	624 381	624 391	628 315	669 183	710 328	747 975
3. Psychiatric-Mental Hospitals	533 949	570 999	641 667	700 652	701 182	692 950	743 815	788 396	830 181
4. Sub-acute, Step-down and Chronic Medical Hospitals	183 463	199 149	203 283	219 021	218 917	218 731	242 501	256 829	270 441
5. Dental Training Hospital	12 266	14 481	14 868	16 170	16 270	16 062	17 824	18 886	19 887
Total	6 034 776	7 449 620	7 827 401	8 326 401	8 410 037	8 447 455	8 788 275	9 356 526	9 852 422

Table 7.26 : Summary of payments and estimates by economic classification: Provincial Hospital Services

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Current payments	5 941 971	7 317 820	7 745 523	8 220 260	8 248 260	8 273 858	8 634 529	9 163 024	9 648 664
Compensation of employees	4 479 044	5 505 036	5 851 153	6 288 416	6 378 416	6 370 970	6 814 383	7 239 517	7 623 211
Goods and services	1 462 927	1 812 784	1 894 370	1 931 844	1 869 739	1 902 783	1 820 146	1 923 507	2 025 453
Interest and rent on land	-	-	-	-	105	105	-	-	-
Transfers and subsidies to:	71 742	71 253	70 795	51 441	108 077	122 717	67 085	69 752	73 449
Provinces and municipalities	229	111	287	525	361	361	549	581	612
Departmental agencies and accounts	54	47	56	56	56	16	36	63	66
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	32 600	35 802	37 770	28 829	28 829	28 829	30 500	33 100	34 854
Households	38 859	35 293	32 682	22 031	78 831	93 511	36 000	36 008	37 916
Payments for capital assets	18 863	60 532	11 083	54 700	53 700	50 880	86 661	123 750	130 309
Buildings and other fixed structures	-	-	-	-	-	78	-	-	-
Machinery and equipment	18 863	60 532	11 083	54 700	53 700	50 802	86 661	123 750	130 309
Heritage Assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	2 200	15	-	-	-	-	-	-	-
Total	6 034 776	7 449 620	7 827 401	8 326 401	8 410 037	8 447 455	8 788 275	9 356 526	9 852 422

The sustained growth in Programme 4 over the seven-year period relates to the various wage agreements, the OSD for medical personnel, high inflation rates on medical supplies and services, as well as NHLS costs. Further contributing factors include the carry-through costs of the MDR/XDR TB facilities opened in the Greytown, Murchison and Thulasizwe Hospitals.

The significant increase in 2011/12 in the General (Regional) Hospitals sub-programme includes once-off funding that was provided for essential equipment and motor vehicles, the reclassification of a number of district hospitals as general hospitals, funding for various national priorities, costs of the various OSDs, registrars moved to this programme, the replacement of redundant essential hospital equipment and the filling of various professional posts. In 2012/13, expenditure included the continued process of reclassification of certain district hospitals to general hospitals and carry-through costs of the 2011 wage agreement. The increase in the 2013/14 Revised Estimate relates to the provision for commissioning of an additional 80 beds at LUWM Hospital, pressures in the costs of medicines, as well as funding for unbudgeted medico-legal claims against the state. The 2013/14 Main Appropriation included the carry-through costs for the wage agreements, OSDs and national health priorities.

The Tuberculosis Hospitals sub-programme shows a peak in 2011/12 due to additional funding provided against *Goods and services* for the purchase of patient clothing and bed linen. The reduction in 2012/13 relates mainly to the decision to move funding to other categories of hospitals which are also dealing with TB, primarily district and regional hospitals, as well as a reduction in NHLS costs in TB hospitals, due to the successful flat fee arbitration. The 2014/15 MTEF includes inflationary increases only.

The increasing trend in the sub-programme: Psychiatric/Mental Hospitals relates to the various wage agreements and OSDs, and the MTEF includes carry-through costs and inflationary increases only.

The increase in the sub-programme: Sub-acute, Step-down and Chronic Medical Hospitals in 2011/12 relates to staff exit costs and medico-legal claims in that year, as well as the purchase of critical medical equipment and additional patient clothing and bed linen. Included in the trend are carry-through costs of the various wage agreements and OSDs. In 2012/13, Clairwood Hospital was reclassified into this sub-programme. The 2014/15 MTEF includes the carry-through costs of the various wage agreements, OSDs and inflationary increases only.

The Dental Training Hospital sub-programme shows steady growth over the entire period, with inflationary growth over the 2014/15 MTEF.

The increase against *Compensation of employees* in 2011/12 is partly related to the improvement of the general health capacity provided as a national priority in the 2009/10 MTEF, as well as carry-through costs of the various OSDs and wage agreements. The increase in 2011/12 also included various national priorities which commenced in 2011/12. In addition, a number of district hospitals were reclassified as general hospitals. The increase in 2012/13 was mainly for inflationary adjustments including the higher than budgeted 2012 wage agreement. A number of district hospitals were further reclassified to categories of hospitals within this programme in 2012/13. In the 2013/14 Adjusted Appropriation, the increase is to fund the higher than expected 2013 wage agreement and clerical re-grading, as well as funds moved within the programme from forced savings in *Goods and services* to address the commissioning of 80 additional beds at LUWM Hospital. In the 2014/15 MTEF, provision is made for the employment of food services staff, due to the decision to in-source this service. Additional budget was also allocated for the carry-through costs of the commissioning of additional beds at LUWM Hospital and also to cover the existing *Compensation of employees* budget gaps in this programme. The carry-through costs of the various projects mentioned, as well as funding for OSDs and various wage agreements are reflected over the 2014/15 MTEF.

The notable increase in *Goods and services* in 2011/12 was due to increased payments to the NHLS related to an agreement to increase the monthly payment from R34 million to R43 million, backdated to January 2011, increased stock levels for medical supplies, as well as clearing of payment backlogs which arose due to some facilities not paying within 30 days. The slower growth in 2012/13 was a result of reduced NHLS costs as mentioned above, as well as efficiency savings against medicine and medical supplies. Included from 2013/14 onward, is national priority funding for improving norms and standards at public hospitals, additional capacity for purchasing *Goods and services* and funding for the general policy adjustment. The reduction in the 2013/14 Adjusted Appropriation is attributed to efficiency gains realised from high cost drivers such as medicine, vaccines, blood products, medical and surgical inventory items, medical gas and medical waste removal. The minimal increase in 2014/15 is due to the shifting of funds from *Goods and services* to *Compensation of employee* related to the proposed employment of food services staff, due to the decision to in-source this service.

Transfers and subsidies to: Provinces and municipalities relates to the payment of motor vehicle licences and fluctuates according to the size of the programme's fleet.

The amounts against *Transfers and subsidies to: Departmental agencies and accounts* relate to TV licences.

The increase in *Transfers and subsidies to: Non-profit institutions* in 2011/12 relates to the impact of the 2010 and 2011 wage agreements. The substantial reduction in 2013/14 was the result of the reassessment of all the department's non-profit institutions. The amounts allocated in the 2014/15 MTEF provide for inflationary increases only.

The high 2010/11 spending against *Transfers and subsidies to: Households* relates to a number of medico-legal claims. The increase in the 2013/14 Adjusted Appropriation provides for increased staff exit costs and medico-legal claims, with a significant peak in once-off spending expected in the Revised Estimate. There is no provision for medico-legal claims in the 2014/15 MTEF due to budget cuts, hence the drop in 2014/15 and minimal growth thereafter. This will be reviewed in-year as medico-legal costs arise.

The significant increase in 2011/12 against *Machinery and equipment* relates mainly to a once-off drive to replace all the redundant essential medical equipment in all facilities. The decrease in 2012/13 is partly

due to this once-off spending, as well as to the delay in the delivery of replacement essential medical equipment ordered for provincial hospitals. This equipment was ordered in 2012/13 but only delivered in 2013/14 and contributes to the significant growth in 2013/14. Additional funding is provided over the 2014/15 MTEF for the replacement of redundant essential medical equipment under this programme, and increases are matched to identified cyclical replacement needs.

Service delivery measures – Programme 4: Provincial Hospital Services

Table 7.27 below illustrates the main service delivery measures pertaining to Programme 4. The measures comply fully with the customised measures of the health sector.

Also to be noted is that a number of measures are new and the department is still establishing baselines before targets can be set and these are indicated by “Establish baseline”, and no targets set for the MTEF, at this stage. Where a baseline has been established, the indicator is marked as “New” with targets set from 2014/15.

Table 7.27 : Service delivery measures – Programme 4: Provincial Hospital Services

Outputs	Performance indicators	Estimated performance		Medium-term targets	
		2013/14	2014/15	2015/16	2016/17
General (Regional) Hospitals					
Rendering of hospital services at a general specialist level and a platform for training of health workers and research	• Average length of stay	6.1 Days	5.3 Days	5.3 Days	5.2 Days
	• Inpatient Bed utilisation rate	86.5%	76.5%	78.6%	80.6%
	• Expenditure per patient day equivalent (PDE)	R2 230	R2 254	R2 348	R2 419
	• Complaint resolution within 25 working days rate	61.9%	70%	75%	80%
	• Mental health admission rate	1.2%	1.4%	1.4%	1.3%
	• Percentage of hospitals that have conducted gap assessments for compliance against National Core Standards	New	100%	100%	100%
	• Proportion of hospitals assessed as compliant with the extreme measures of National Core Standards	New	Establish baseline	-	-
• Patient satisfaction rate	75%	80%	85%	90%	
Specialised Hospitals					
Rendering of hospital services at a specialist level including TB, psychiatric, oral and dental, step-down and chronic	• Inpatient Bed utilisation rate	63.8%	64.1%	64.7%	65.4%
	• Expenditure per patient day equivalent (PDE)	R 1 293	R 1 217	R 1 345	R 1 450
	• Complaint resolution within 25 working days rate	New	65%	73%	82%
	• Mental health admission rate	1.3%	2.8%	2.7%	2.7%
	• Percentage of hospitals that conducted gap assessments for compliance against the National Core Standards	New	100%	100%	100%
	• Proportion of hospitals assessed as compliant with the extreme measures of National Core Standards	New	22%	44%	61%
	• Patient satisfaction rate	New	Establish Baseline	-	-

6.5 Programme 5: Central Hospital Services

The main purpose of Programme 5: Central Hospital Services is to provide tertiary health services and to create a platform for the training of health workers.

Tables 7.28 and 7.29 below summarise payments and budgeted estimates relating to this programme.

Table 7.28 : Summary of payments and estimates by sub-programme: Central Hospital Services

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
1. Central Hospital Services	689 717	758 623	873 086	834 199	840 499	889 796	888 645	932 870	982 312
2. Provincial Tertiary Hospital Services	1 413 665	1 754 031	1 889 885	2 087 926	2 111 480	2 063 172	2 190 747	2 357 557	2 482 508
Total	2 103 382	2 512 654	2 762 971	2 922 125	2 951 979	2 952 968	3 079 392	3 290 427	3 464 820

Table 7.29 : Summary of payments and estimates by economic classification: Central Hospital Services

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Current payments	2 083 951	2 504 543	2 752 833	2 898 365	2 920 217	2 920 035	3 053 388	3 241 331	3 413 122
Compensation of employees	942 537	1 154 360	1 383 329	1 515 000	1 533 000	1 530 744	1 619 167	1 716 839	1 807 831
Goods and services	1 141 414	1 350 183	1 369 504	1 383 365	1 387 217	1 389 291	1 434 221	1 524 492	1 605 290
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	7 817	2 257	2 773	2 760	4 762	4 524	5 004	5 096	5 366
Provinces and municipalities	6	4	9	10	12	16	4	4	4
Departmental agencies and accounts	-	-	-	-	-	52	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	7 811	2 253	2 764	2 750	4 750	4 456	5 000	5 092	5 362
Payments for capital assets	11 559	5 854	7 365	21 000	27 000	28 409	21 000	44 000	46 332
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	11 559	5 854	7 365	21 000	27 000	28 409	21 000	44 000	46 332
Heritage Assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	55	-	-	-	-	-	-	-	-
Total	2 103 382	2 512 654	2 762 971	2 922 125	2 951 979	2 952 968	3 079 392	3 290 427	3 464 820

The positive trend over the entire period is due to the increasing demand for tertiary and central hospital services, as well as the various OSDs and annual wage agreements, and related carry-through costs. The significant increase in 2011/12 relates mainly to the high inflation rate on medicines, medical supplies and service costs, the Rand/Dollar exchange rate, as well as increased costs of blood products and increased stock levels of medical supplies to meet the increasing demand of services. The 2011/12 expenditure also included the capacity building national priority (originally allocated in the 2009/10 MTEF to commence in 2011/12), and additional funding provided in 2011/12 for the previously mentioned national priorities. The 2014/15 MTEF includes the carry-through costs of wage agreements, OSDs, and national priorities.

The high trend in *Compensation of employees* includes the various wage agreements and OSDs, with carry-through costs. The increase in 2011/12 was also due to funding for the improvement of general health capacity, as well as the previously mentioned national priorities. The increase in 2012/13 provided for the higher than expected 2012 wage agreement and the reclassification of Grey's Hospital as a tertiary hospital, as indicated in Government Gazette No. 35101. The 2014/15 MTEF comprises carry-through costs for previous wage agreements, national priorities and increases in the National Tertiary Services grant.

The notable increase in *Goods and services* in 2011/12 was mainly due to the high inflation rate on medical supplies, medicines and medical services, the Rand/Dollar exchange rate, increased costs of blood products, as well as increased stock levels of medical supplies to meet the increasing demand for services. The 2011/12 expenditure also included funding for the previously mentioned national priorities. In the 2012/13 audit report, the ruling by the A-G was that all equipment expenditure incurred against the PPP agreement for IALCH should be paid from current expenditure. Funding was therefore shifted from *Machinery and equipment* to this category and the historical figures were adjusted accordingly for comparative purpose. The lower trends in 2012/13 and 2013/14 are attributed to efficiency gains from high cost drivers such as medicines, medical supplies and blood products. The 2013/14 Adjusted Appropriation provided for the roll-over from 2012/13 of committed NHI grant funding. Growth over the 2014/15 MTEF caters for inflation only.

Transfers and subsidies to: Provinces and municipalities relates to the payment of motor vehicle licences and fluctuates according to the size of the programme's fleet.

The high expenditure against *Transfers and subsidies to: Households* in 2010/11 relates to medico-legal claims against the department, while the increase in the 2013/14 Adjusted Appropriation relates to higher than expected staff exit costs.

The significant decrease against *Machinery and equipment* in 2011/12 relates mainly to delays in tender processes in respect of the supply of essential cardiology equipment for Grey's Hospital. The 2012/13 expenditure was adjusted to give effect to the A-G's ruling regarding the PPP, as mentioned above. However, this was mitigated by the replacement of critical medical equipment at Grey's following the decision to decentralise the procurement of this equipment from Programme 8. The increase in the 2013/14 Adjusted Appropriation was for critical medical equipment ordered in 2012/13, but only delivered in 2013/14. The increase in 2015/16 and 2016/17 is a provision for the planned replacement and modernisation of tertiary services critical major medical equipment.

Service delivery measures – Programme 5: Central Hospital Services

Table 7.30 illustrates service delivery measures pertaining to Programme 5: Central Hospital Services. The measures comply fully with the customised measures of the health sector. Where an indicator is newly introduced and baseline has been established, the indicator is marked as “New” with targets set from 2014/15.

Table 7.30 : Service delivery measures – Programme 5: Central Hospital Services

Outputs	Performance indicators	Estimated performance	Medium-term targets		
		2013/14	2014/15	2015/16	2016/17
1. Tertiary Hospitals					
To provide tertiary health services and create a platform for the training of health workers	• Average length of stay	10.4 Days	9.3 Days	8.7 Days	8.2 Days
	• Inpatient bed utilisation rate	106%	75%	75%	75%
	• Expenditure per patient day equivalent (PDE)	R4 815	R4 803	R5 043	R5 012
	• Complaints resolution within 25 working days rate	76.3%	90%	90%	90%
	• Mental health admission rate	3.4%	1.6%	1.6%	1.5%
	• Percentage of hospitals that have conducted gap assessments for compliance against the National Core Standards	New	100%	100%	100%
	• Proportion of hospitals assessed as compliant with the extreme measures of National Core Standards	New	0%	50%	100%
	• Patient satisfaction rate	80%	90%	90%	90%
2. Central Hospitals					
Rendering of a highly specialised medical health and quaternary service on a national basis and a platform for the training of health workers and research	• Average length of stay	8.6 Days	7.8 Days	7.5 Days	7.2 Days
	• Inpatient Bed utilisation rate	71.8%	71.9%	72.8%	73.6%
	• Expenditure per patient day equivalent (PDE)	R2 948	R3 003	R3 201	R3 272
	• Complaints resolution within 25 working days rate	80%	85%	90%	90%
	• Mental health admission rate	0%	0%	0%	0%
	• Percentage of hospitals that have conducted gap assessments for compliance against the National Core Standards	New	100%	100%	100%
	• Proportion of hospitals assessed as compliant with the extreme measures of National Core Standards	New	50%	50%	100%
	• Patient satisfaction rate	80%	90%	90%	95%

6.6 Programme 6: Health Sciences and Training

The purpose of this programme is to render training and development opportunities for actual and potential employees of the department. The five sub-programmes have the following main aims:

- To provide for training of nurses at under-graduate and post-basic level.
- To provide training of rescue and ambulance personnel.
- To provide PHC related training for personnel.
- To provide skills development interventions for all occupational categories in the department.
- To provide bursaries for health science training at undergraduate and post-graduate levels.

Tables 7.31 and 7.32 summarise information relating to Programme 6 for the period 2010/11 to 2016/17.

Table 7.31 : Summary of payments and estimates by sub-programme: Health Sciences and Training

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
1. Nursing Training Colleges	367 268	355 905	334 032	348 035	309 027	298 351	302 768	321 743	338 795
2. EMS Training Colleges	14 118	11 417	10 904	12 453	5 481	5 401	7 570	7 983	8 406
3. Bursaries	54 272	64 433	82 997	138 000	206 004	213 507	216 950	219 560	231 197
4. Primary Health Care Training	73 061	58 922	54 574	57 912	49 912	47 795	52 172	55 563	58 508
5. Training Other	323 560	369 780	419 461	435 846	451 846	447 698	471 940	500 004	526 504
Total	832 279	860 457	901 968	992 246	1 022 270	1 012 752	1 051 400	1 104 853	1 163 410

Table 7.32 : Summary of payments and estimates by economic classification: Health Sciences and Training

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Current payments	763 205	776 485	804 266	839 509	803 509	795 346	824 702	874 210	920 543
Compensation of employees	717 464	720 257	746 254	763 333	740 333	740 733	766 143	812 351	855 406
Goods and services	45 741	56 228	58 012	76 176	63 176	54 613	58 559	61 859	65 138
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	68 625	83 361	96 138	146 737	214 761	216 231	220 698	224 043	235 917
Provinces and municipalities	25	26	33	22	42	49	48	53	56
Departmental agencies and accounts	7 637	8 588	10 119	11 315	11 315	11 315	13 000	14 000	14 742
Higher education institutions	-	-	57	-	-	470	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	8 510	14 298	15 130	-	-	-	-	-	-
Households	52 453	60 449	70 799	135 400	203 404	204 397	207 650	209 990	221 119
Payments for capital assets	427	610	1 564	6 000	4 000	1 175	6 000	6 600	6 950
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	427	610	1 564	6 000	4 000	1 175	6 000	6 600	6 950
Heritage Assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	22	1	-	-	-	-	-	-	-
Total	832 279	860 457	901 968	992 246	1 022 270	1 012 752	1 051 400	1 104 853	1 163 410

The increasing trend in this programme and *Compensation of employees* can largely be attributed to the various OSDs and wage agreements, the introduction of a compulsory two-year internship for medical doctors and the drive to increase the capacity of nursing personnel. Also contributing was a training drive, increased bursary allocation and provision for the intake of medical, dental, pharmaceutical, and other interns. The small increase in the programme in 2011/12, and the negative growth in the EMS Training Colleges sub-programme, was attributed to the college not being able to find a suitable venue and it was therefore not functional in that year. The increase in 2012/13 relates to the training of an additional 148 learners in basic life and support skills for emergency and medical rescue services, as well as the training of additional doctors under the Cuban Doctors' programme. This funding is evident in the trends in the EMS Training Colleges and Bursaries sub-programmes, respectively. The reduction in *Compensation of employees* in the 2013/14 Adjusted Appropriation is due to the movement of student nurses from the more expensive salary system to a system of stipends. Also contributing to the reduction was cost-cutting aimed at reducing training and travelling costs. The increase in *Transfers and subsidies to: Households* in the 2013/14 Adjusted Appropriation is attributed to the pressures in bursary payments related to the unbudgeted increase in student numbers on the Cuban Doctors' programme. The trends over the 2014/15 MTEF are for inflationary purposes only.

The increases in the sub-programme: Bursaries in 2011/12 and 2012/13 resulted from a decision that was taken to provide additional funding to this sub-programme to increase training of personnel in health related fields. The increase in the 2013/14 Adjusted Appropriation relates to the unbudgeted increase in student numbers on the Cuban Doctors' programme.

In the sub-programme: Training Other, the increase over the seven-year period is due to the extension of the medical internship period to two years and the OSD for doctors. The increase in 2011/12 is attributed

to the training of additional health personnel to address the current shortage in the department. Additional funding for this purpose is also provided in the 2014/15 MTEF, together with the carry-through costs of the various wage agreements.

The trend across the seven-year period shows a steady increase in *Compensation of employees* and includes carry-through costs for OSDs for medical personnel and wage agreements. The low growth in 2012/13 through to 2014/15 reflects the change in department's policy, with regard to nurses being paid by stipend and no longer on the more expensive permanent salary basis. The decision to discontinue certain nurse training programmes in light of budget cuts also contributed to this low growth in *Compensation of employees*. The decrease in the 2013/14 Adjusted Appropriation relates to the stipend payments for student nurses mentioned previously.

The fluctuating trend in *Goods and services* is attributed to the travelling costs related to the Cuban Doctors' programme, as well as the training of personnel in health related fields. The decrease in the 2013/14 Adjusted Appropriation was due to forced savings to address the previously mentioned bursary pressures related to the Cuban Doctors' programme. Growth over the 2014/15 MTEF addresses inflationary pressures only.

Transfers and subsidies to: Provinces and municipalities relates to the payment of motor vehicle licences and fluctuates according to the size of the programme's fleet. The high growth from 2013/14 is the provision for the licensing of the planned purchase of additional vehicles under this programme.

The category *Transfers and subsidies to: Departmental agencies and accounts* shows strong growth from 2011/12 through to 2013/14, which is ascribed to the HWSETA levy, which is in line with the growth in *Compensation of employees*.

The increase in the expenditure against *Transfers and subsidies to: Non-profit institutions* in 2011/12 results from the decision to pay OSD related costs, as well as a departmental commitment to provide funding to allow NGOs to increase their medical salaries in line with the province. The ceasing of funding from 2013/14 is attributed to the provincialisation of McCord Hospital during 2013/14.

The significant increase in *Transfers and subsidies to: Households* over the entire period relates to the department's decision to implement intensive training programmes through bursaries in order to address the shortage of personnel in the health fields, including the previously mentioned Cuban Doctors' programme. The low growth in 2014/15 is due to the decision to no longer expand the bursary programme due to budget pressures.

The increase against *Machinery and equipment* from 2011/12 to 2013/14 relates to provision of additional equipment at the various training campuses. The reduced amount in the 2013/14 Adjusted Appropriation relates to funding moved to the service delivery programmes, to address pressures in these programmes. The budget over the 2014/15 MTEF seeks to address shortages that have arisen in the past and grows marginally from a relatively high base in 2014/15.

The expenditure against *Payments for financial assets* relates to the write-off of losses.

Service delivery measures – Programme 6: Health Sciences and Training

Table 7.33 below illustrates service delivery pertaining to Programme 6.

Note that, with regard to the measure *Intake of nurse students*, the department can only project to a certain point, as the college will need to get accreditation for training provided. This target is therefore based on the last intake of nurses if the college does not receive accreditation as an institute of higher learning before 2013.

Also to be noted is that one measure is new and the department is still establishing a baseline before a target can be set and this is indicated by "Establish baseline", and no target set for the MTEF, at this stage.

Table 7.33 : Service delivery measures – Programme 6: Health Sciences and Training

Outputs	Performance indicators	Estimated performance	Medium-term targets		
		2013/14	2014/15	2015/16	2016/17
1. Nursing Training Colleges					
Training of nurses at under-graduate, and post-basic level. Target group includes actual and potential employees	• Basic professional nurse students graduating	2 303	1 400	1 400	1 400
2. Bursaries					
Provision of bursaries for health science training programmes at undergraduate and postgraduate levels. Target group includes actual and potential employees	• Proportion of bursary holders permanently employed	New	Establish baseline	-	-

6.7 Programme 7: Health Care Support Services

The aim of this programme is to house a number of centralised services including:

- The provincial Medical Supply Centre, which manages the supply of pharmaceuticals and medical sundries to hospitals, community health centres, clinics and local authorities, via the Medicine Trading Account.
- Provision of laundry services to hospitals, care and rehabilitation centres and certain local authorities.
- Provision of specialised orthotic and prosthetic services to hospitals and clinics.

Tables 7.34 and 7.35 below summarise the payments and estimates relating to this programme for the period 2010/11 to 2016/17.

Table 7.34 : Summary of payments and estimates by sub-programme: Health Care Support Services

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
1. Medicine Trading Account	10 764	13 971	15 170	16 004	-	-	-	-	18 900
2. Laundry Services	77 550	85 054	90 172	102 246	98 196	96 516	104 578	106 978	112 648
3. Orthotic and Prosthetic Services	23 442	26 005	25 336	25 036	25 197	25 742	36 381	38 558	40 602
Total	111 756	125 030	130 678	143 286	123 393	122 258	140 959	145 536	172 149

Table 7.35 : Summary of payments and estimates by economic classification: Health Care Support Services

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Current payments	100 327	110 448	112 663	126 157	116 157	115 039	132 685	143 673	151 288
Compensation of employees	69 843	75 511	78 745	92 285	82 285	81 135	89 900	99 136	104 503
Goods and services	30 484	34 937	33 918	33 872	33 872	33 904	42 785	44 537	46 785
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	11 376	14 545	16 630	16 527	1 571	1 602	674	708	19 646
Provinces and municipalities	152	62	137	79	127	159	124	130	137
Departmental agencies and accounts	11 224	14 483	15 170	16 448	444	444	-	-	18 900
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	1 323	-	1 000	999	550	578	609
Payments for capital assets	40	35	1 385	602	5 665	5 617	7 600	1 155	1 216
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	40	35	1 385	602	5 665	5 617	7 600	1 155	1 216
Heritage Assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	13	2	-	-	-	-	-	-	-
Total	111 756	125 030	130 678	143 286	123 393	122 258	140 959	145 536	172 149

Note that from 2013/14, the department has centralised within Programme 7, the Laundry Services and the Orthotic and Prosthetic Services as separate sub-programmes, which is in line with the budget and programme structure for the Health sector. These functions were previously spread over Programmes 2, 4 and 5. Historical data has been adjusted accordingly.

The high growth against the Medicine Trading Account sub-programme in 2011/12 results from the additional funding that was required to enable the provincial Medical Supply Centre to carry sufficient medical stock to meet demand. The reduction in the 2013/14 Adjusted Appropriation was due to the account having sufficient funding for the supply of pharmaceuticals and medical sundries, with no top-up needed. This situation is carried through to 2015/16, but will be reviewed in-year for the next budget process. This also accounts for the trend against *Transfers and subsidies to: Departmental agencies and accounts*.

The notable increase in 2014/15 against the Laundry Services sub-programme is due to the additional laundry linen and laundry vehicles for the commissioning of the Prince Mshiyeni Laundry.

Compensation of employees grows steadily over the seven-year period, driven mainly by the various higher than expected wage agreements. During the 2013/14 EPRE budget process, the eThekweni Forensic Pathology Laboratory Services funding of R10 million was misallocated as *Compensation of employees* in the Laundry Services sub-programme, and this funding was now shifted to Programme 2 against the Other Community Services sub-programme, hence the reduction in the 2013/14 Adjusted Appropriation.

Goods and services also grows steadily over the entire period, and provision has been made for inflationary increases only over the 2014/15 MTEF.

Transfers and subsidies to: Provinces and municipalities relates to the costs of motor vehicle licences.

Expenditure against *Machinery and equipment* relates to office equipment and laundry vehicles for the programme. The increase in the 2013/14 Adjusted Appropriation relates to savings within the category in Programme 2 being moved to this programme, to provide for the procurement of 10 laundry vehicles, as the existing vehicles are beyond economical repair. The department is planning once-off purchase of special/modified laundry vehicles in 2014/15, hence the drop in 2015/16 and an inflationary increase in 2016/17.

6.8 Programme 8: Health Facilities Management

Programme 8: Health Facilities Management consists of six sub-programmes, the main aim of which is the facilities management of community health clinics, community health centres, district hospitals, emergency medical services facilities, provincial hospitals, central and tertiary hospitals, as well as all other buildings and structures.

The main activities of the programme are to provide new health facilities, and rehabilitate, upgrade and maintain existing facilities. This includes the provision of additional primary health care facilities, to ensure improved access to health services in under-served areas of the province, as well as the provision of major medical equipment.

Tables 7.36 and 7.37 below summarise payments and estimates relating to Programme 8.

Table 7.36 : Summary of payments and estimates by sub-programme: Health Facilities Management

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
1. Community Health Facilities	347 565	426 102	562 070	162 723	559 509	575 760	266 614	110 478	42 249
2. District Hospital Services	424 314	720 786	651 614	519 777	769 143	664 852	461 884	228 268	17 463
3. Emergency Medical Services	428	3 285	5 377	9 679	1 010	1 066	1 737	1 737	1 737
4. Provincial Hospital Services	204 691	531 961	812 898	514 276	355 636	436 920	607 395	742 939	129 497
5. Central Hospital Services	11 982	4 720	28 598	25 281	12 824	17 731	12 230	33 961	6 331
6. Other Facilities	98 267	208 145	313 041	404 867	246 745	248 538	129 497	170 088	90 525
Total	1 087 247	1 894 999	2 373 597	1 636 603	1 944 867	1 944 867	1 479 357	1 287 471	287 802

Table 7.37 : Summary of payments and estimates by economic classification: Health Facilities Management

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Current payments	258 169	522 372	463 510	472 871	354 283	356 194	169 774	207 468	233 071
Compensation of employees	5 037	12 736	21 998	14 628	25 853	25 181	7 581	5 000	5 000
Goods and services	253 132	509 636	441 511	458 243	328 430	331 013	162 193	202 468	228 071
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	-	10 783	20 000	20 000	20 000	20 022	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	10 000	20 000	20 000	20 000	20 022	-	-	-
Households	-	783	-	-	-	-	-	-	-
Payments for capital assets	829 078	1 361 844	1 890 088	1 143 732	1 570 584	1 568 651	1 309 583	1 080 003	54 731
Buildings and other fixed structures	778 730	1 048 172	1 662 936	864 152	1 425 231	1 429 298	1 249 773	1 076 903	54 731
Machinery and equipment	49 550	287 217	227 152	279 580	145 353	139 353	59 810	3 100	-
Heritage Assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	798	26 455	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	1 087 247	1 894 999	2 373 597	1 636 603	1 944 867	1 944 867	1 479 357	1 287 471	287 802

The increasing trend from 2010/11 to 2012/13 is largely the result of a drive to improve and maintain the infrastructure of the department and is also related to increasing conditional grant funding, especially the Health Facility Revitalisation grant, as well as the department's equitable share. The declining trend in the two outer years of the 2014/15 MTEF (and 2016/17 in particular) in all sub-programmes and in *Buildings and other fixed structures*, as well as *Machinery and equipment* relates to the previously mentioned decrease to zero of the Health Facility Revitalisation grant in 2016/17.

The increase in *Compensation of employees* shown from 2011/12 to 2013/14 is due to the implementation of the EPWP Integrated Grant for Provinces, which utilises local people to maintain grounds and clean buildings. The decrease from 2014/15 onward is due to the low level of funding from the grant in 2014/15. However, the programme is continuing and thus funds will be made available in-year for this.

The day-to-day maintenance drive accounts for the substantial increase against *Goods and services* in 2011/12 and is an effort to bring facilities up to standard for the roll-out of the NHI. The reduction in *Goods and services* in 2012/13 is as a result of the hired/leased properties being paid under capital projects, and this has been reversed in 2013/14. The reduction in the 2013/14 Adjusted Appropriation is due to the provincial tenders not being in place, poor performing contractors were also reported by some districts and lack of capacity at some institutions in carrying out the maintenance functions. The savings were moved mainly to *Buildings and other fixed structures* to address the previously mentioned pressures. The level of funding for maintenance decreases over the 2014/15 MTEF due to the previously mentioned census-based baseline budget cuts initiated in 2013/14, as well as the reduction to zero of the Health Facility Revitalisation grant.

Contributing to the increase in the overall baseline in 2011/12 was the improvement in performance of Ithala and IDT in the delivery of CHCs and nursing accommodation projects. Expenditure in 2011/12 also included an additional R63.953 million rolled over from 2009/10 in respect of the Health Facility Revitalisation grant.

In 2012/13, the Health Facility Revitalisation grant received additional funding of R200 million for in-year pressures. In addition, R185.963 million was allocated from provincial cash resources due to acceleration in infrastructure projects, including pressures in the supply of laundry and essential health technology equipment and R6.250 million for the upgrade of the PABX communication system.

Some additional funding was provided in 2013/14 for the refurbishment of nurses training colleges provided in the Health Facility Revitalisation grant, as well as additional funding allocated under *Current*

payments to enable the department to address capacity issues in order to provide better support to infrastructure management.

In the 2013/14 Adjusted Appropriation, the Health Facility Revitalisation grant received an additional R110 million funding, and R200 million of equitable share funding was allocated due to the acceleration of infrastructure projects which include three CHCs, the Regional Laundry in eThekweni and clinics in Umlalazi, Msinga, Mthonjaneni and Jozini.

With regard to *Transfers and subsidies to: Non-profit institutions*, the department transferred R10 million in 2011/12 and R20 million in 2012/13, and will transfer a further R20 million in 2013/14 to the KZN Children's Hospital Trust for the development and refurbishment of the KZN Children's Hospital in the eThekweni Metro.

The high growth against *Machinery and equipment* in 2011/12 was due to once-off payments for essential medical equipment, needed to meet the requirements of the NHI. The negative growth in 2012/13 can mainly be attributed to reprioritisation undertaken, as the funding was required for the committed and contracted capital projects which were already in the construction phase.

The trend against *Land and subsoil assets* is driven by the purchase of land during the construction phase of the projects. In 2010/11, there was a purchase of land for the continuation of the Health Facility Revitalisation grant project at the LUWM Hospital, where extra accommodation was provided for a paediatric ICU and High Care Unit. In 2011/12, the department was obliged to purchase additional land for the Dr Pixley ka Seme Hospital due to its status having been change from a district hospital to a regional hospital, as well as the purchase of the Richmond Chest Hospital.

Service delivery measures – Programme 8: Health Facilities Management

Table 7.38 below illustrates service delivery pertaining to Programme 8. Note that these are new measures promulgated by the sector from 2014/15. Where a new indicator has been introduced and a baseline has been established, the indicator is marked as “New” with targets set from 2014/15.

Table 7.38 : Service delivery measures – Programme 8: Health Facilities Management

Outputs	Performance indicators	Estimated performance	Medium-term targets		
		2013/14	2014/15	2015/16	2016/17
1. Health Facilities Management					
Provision of new health facilities and the refurbishment, upgrading and maintenance of existing facilities	• Proportion of programme 8 budget spent on maintenance (preventative and scheduled)	New	11%	11%	11%
	• No. of districts spending more than 90% of maintenance budget	New	11	11	11

7. Other programme information

7.1 Personnel numbers and costs

Tables 7.39 and 7.40 reflect personnel information for the Department of Health. The following personnel are not included in the information provided as they are not paid from the department's voted funds:

- Personnel working at the Provincial Pharmacy Supply Depot, who are paid from the Medicine Trading Account.
- Staff occupying sub-vented (shared costs) posts and whose salaries are claimed from the University of KwaZulu-Natal.

The high staff numbers in 2010/11 is largely due to the department placing student nurses and CCGs on the payroll. Although the numbers have increased significantly, the cost to the department for CCGs has

not increased, as the affected staff were paid *via* transfers to NGOs previously. In the case of student nurses, the costs are lower as they now receive a stipend, instead of a full salary. Also affecting the upward trend from 2011/12 was the restructuring of the department, with the focus placed on the less expensive and more efficient primary health care services. This has required the employment of additional professional staff, as well as community health workers.

Table 7.39 : Personnel numbers and costs by programme

Personnel numbers	As at	As at	As at	As at	As at	As at	As at
	31 March 2011	31 March 2012	31 March 2013	31 March 2014	31 March 2015	31 March 2016	31 March 2017
1. Administration	680	731	781	779	793	814	814
2. District Health Services	47 376	43 224	41 895	45 237	46 595	46 545	46 545
3. Emergency Medical Services	2 914	3 228	3 168	3 241	3 541	3 541	3 541
4. Provincial Hospital Services	20 410	21 200	22 099	22 338	22 541	22 541	22 541
5. Central Hospital Services	3 514	4 125	4 507	4 475	4 495	4 563	4 563
6. Health Sciences and Training	4 447	4 613	4 212	4 159	3 340	3 077	3 077
7. Health Care Support Services	499	497	499	495	577	597	597
8. Health Facilities Management	19	9	565	882	141	9	9
Total	79 859	77 627	77 726	81 606	82 023	81 687	81 687
Total personnel cost (R thousand)	12 935 381	15 118 307	16 886 345	18 676 690	20 188 402	21 700 138	22 919 325
Unit cost (R thousand)	162	195	217	229	246	266	281

Table 7.40 : Summary of departmental personnel numbers and costs by component

	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Total for the department									
Personnel numbers (head count)	79 859	77 627	77 726	81 945	81 606	81 606	82 023	81 687	81 687
Personnel cost (R thousands)	12 935 381	15 118 307	16 886 345	18 355 557	18 652 036	18 676 690	20 188 402	21 700 138	22 919 325
Human resources component									
Personnel numbers (head count)	1 126	1 074	1 138	1 268	1 268	1 268	1 268	1 268	1 268
Personnel cost (R thousands)	204 439	205 109	22 598	232 678	312 595	312 595	332 601	353 887	376 181
Head count as % of total for department	1.41	1.38	1.46	1.55	1.55	1.55	1.55	1.55	1.55
Personnel cost as % of total for department	1.58	1.36	0.13	1.27	1.68	1.67	1.65	1.63	1.64
Finance component									
Personnel numbers (head count)	3 042	3 547	2 702	3 014	3 014	3 014	3 014	3 014	3 014
Personnel cost (R thousands)	441 262	421 121	442 681	448 914	547 493	547 493	582 532	619 814	658 862
Head count as % of total for department	3.81	4.57	3.48	3.68	3.69	3.69	3.67	3.69	3.69
Personnel cost as % of total for department	3.41	2.79	2.62	2.45	2.94	2.93	2.89	2.86	2.87
Full time workers									
Personnel numbers (head count)	75 331	73 096	73 250	77 226	80 242	80 242	80 659	80 323	80 323
Personnel cost (R thousands)	12 312 747	14 540 411	16 318 828	17 730 486	18 378 036	18 378 036	19 872 124	21 363 618	22 561 605
Head count as % of total for department	94.33	94.16	94.24	94.24	98.33	98.33	98.34	98.33	98.33
Personnel cost as % of total for department	95.19	96.18	96.64	96.59	98.53	98.40	98.43	98.45	98.44
Part-time workers									
Personnel numbers (head count)	774	798	902	827	825	825	825	825	825
Personnel cost (R thousands)	97 523	141 256	135 763	159 614	220 469	220 469	234 579	249 592	265 316
Head count as % of total for department	0.97	1.03	1.16	1.01	1.01	1.01	1.01	1.01	1.01
Personnel cost as % of total for department	0.75	0.93	0.80	0.87	1.18	1.18	1.16	1.15	1.16
Contract workers									
Personnel numbers (head count)	3 754	3 733	3 574	3 892	539	539	539	539	539
Personnel cost (R thousands)	525 111	436 639	431 754	465 457	76 785	76 785	81 699	86 928	92 404
Head count as % of total for department	4.70	4.81	4.60	4.75	0.66	0.66	0.66	0.66	0.66
Personnel cost as % of total for department	4.06	2.89	2.56	2.54	0.41	0.41	0.40	0.40	0.40

7.2 Training

Tables 7.41 and 7.42 reflect departmental expenditure on training, which is centralised under Programme 6: Health Sciences and Training. The department is required by the Skills Development Act to budget at least 1 per cent of its salary expenses on staff training, to cater for human resource development. As the percentage spent on training exceeds three per cent of the department's baseline, this requirement is fully achieved.

The costs reflected include the costs of staff and other running costs within Programme 6, hence the total cost is more than that reflected against *Training and development* in Annexure 7B. The training provided is for medical interns, nurses, emergency medical rescue and ambulance personnel and skills development for all occupational categories in the department. The department has several training programmes aimed at developing and retaining skills. These include training at Nursing Colleges, the Cuban Doctors' programme, as well as registrar training programmes in respect of specialist medical training. The most significant portion of the training costs within Programme 6 is for *Other*, and relates to the running costs of the various institutions (including *Compensation of employees* for training staff).

Table 7.41 : Payments on training by programme

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
1. Administration	-	-	-	-	-	-	-	-	-
Subsistence and travel	-	-	-	-	-	-	-	-	-
Payments on tuition	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
2. District Health Services	-	-	-	-	-	-	-	-	-
Subsistence and travel	-	-	-	-	-	-	-	-	-
Payments on tuition	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
3. Emergency Medical Services	-	-	-	-	-	-	-	-	-
Subsistence and travel	-	-	-	-	-	-	-	-	-
Payments on tuition	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
4. Provincial Hospital Services	-	-	-	-	-	-	-	-	-
Subsistence and travel	-	-	-	-	-	-	-	-	-
Payments on tuition	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
5. Central Hospital Services	-	-	-	-	-	-	-	-	-
Subsistence and travel	-	-	-	-	-	-	-	-	-
Payments on tuition	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
6. Health Sciences and Training	832 279	860 457	901 968	992 246	1 022 270	1 012 752	1 051 400	1 104 853	1 163 410
Subsistence and travel	3 799	8 297	18 048	14 951	11 157	11 157	12 136	12 780	13 457
Payments on tuition	70 829	93 032	111 738	184 526	241 605	241 605	229 536	233 910	246 307
Other	757 651	759 128	772 182	792 769	769 508	759 990	809 728	858 163	903 646
7. Health Care Support Services	-	-	-	-	-	-	-	-	-
Subsistence and travel	-	-	-	-	-	-	-	-	-
Payments on tuition	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
8. Health Facilities Management	-	-	-	-	-	-	-	-	-
Subsistence and travel	-	-	-	-	-	-	-	-	-
Payments on tuition	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total	832 279	860 457	901 968	992 246	1 022 270	1 012 752	1 051 400	1 104 853	1 163 410

Table 7.42 : Information on training: Health

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Number of staff	79 859	77 627	77 726	81 945	81 606	81 606	82 023	81 687	81 687
Number of personnel trained	11 242	13 703	24 950	24 974	24 974	24 974	24 825	22 925	24 300
of which									
Male	2 670	3 850	6 904	6 928	6 928	6 928	6 764	6 419	6 804
Female	8 572	9 853	18 046	18 046	18 046	18 046	18 061	16 506	17 496
Number of training opportunities	12 107	12 150	12 410	13 155	13 155	13 155	13 943	13 943	14 778
of which									
Tertiary	1 618	1 600	1 700	1 802	1 802	1 802	1 910	1 910	2 024
Workshops	523	500	550	583	583	583	618	618	655
Seminars	22	50	60	64	64	64	67	67	71
Other	9 944	10 000	10 100	10 706	10 706	10 706	11 348	11 348	12 028
Number of bursaries offered	877	1 103	897	1 487	1 487	1 487	1 900	2 000	2 100
Number of interns appointed	314	380	500	500	500	183	500	500	600
Number of learnerships appointed	40	250	250	250	250	250	250	250	250
Number of days spent on training	-	-	-	-	-	-	-	-	-

ANNEXURE – VOTE 7: HEALTH

Table 7.A : Details of departmental receipts: Health

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	164 198	196 395	207 758	217 666	217 666	219 090	220 512	231 538	243 810
Sale of goods and services produced by dept. (excl. capital assets)	163 929	195 657	207 520	216 856	216 856	218 576	219 702	230 728	242 957
Sales by market establishments	17 791	16 492	23 858	13 924	13 924	14 467	22 005	23 185	24 414
Administrative fees	3 337	3 028	169	783	783	1 125	783	783	824
Other sales	142 801	176 137	183 493	202 149	202 149	202 984	196 914	206 760	217 718
Of which									
Health patient fees	89 382	100 665	114 720	127 255	127 255	126 939	120 319	126 335	133 031
Reimbursement of goods issued	30	25	-	-	-	22	-	-	-
Services rendered	51 986	64 728	56 763	61 710	61 710	61 710	63 667	66 845	70 388
Special events: Ambulance services	693	9 983	11 010	12 129	12 129	12 129	11 815	12 406	13 064
Sale of scrap, waste, arms and other used current goods (excl. capital assets)	269	738	238	810	810	514	810	810	853
Transfers received from:	-	-	-	-	-	-	-	-	-
Other governmental units	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments	-	-	-	-	-	-	-	-	-
International organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households and non-profit institutions	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	2 449	17	12	21	21	27	21	21	22
Interest, dividends and rent on land	816	366	140	217	217	264	217	217	229
Interest	816	366	140	217	217	264	217	217	229
Dividends	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Sales of capital assets	7 231	-	17 929	12 000	12 000	3 830	10 000	10 000	10 530
Land and sub-soil assets	7 231	-	17 929	12 000	12 000	3 830	10 000	10 000	10 530
Other capital assets	-	-	-	-	-	-	-	-	-
Transactions in financial assets and liabilities	16 527	11 220	12 650	13 577	13 577	18 033	15 411	16 182	17 040
Total	191 221	207 998	238 489	243 481	243 481	241 244	246 161	257 958	271 630

Table 7.B : Payments and estimates by economic classification: Health

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Current payments	19 186 343	22 374 653	24 746 845	26 585 714	26 553 971	26 855 393	28 624 542	30 769 781	32 650 686
Compensation of employees	12 935 381	15 118 307	16 886 345	18 355 557	18 652 036	18 676 690	20 188 402	21 700 138	22 919 325
Salaries and wages	11 232 137	13 137 130	14 687 243	15 987 344	16 255 091	16 264 044	17 591 149	18 875 230	19 983 939
Social contributions	1 703 244	1 981 177	2 199 102	2 368 213	2 396 945	2 412 646	2 597 253	2 824 908	2 935 386
Goods and services	6 250 962	7 256 326	7 860 500	8 230 157	7 901 830	8 178 583	8 436 140	9 069 643	9 731 361
Administrative fees	67	28	32	38	37	29	32	34	36
Advertising	8 877	11 982	12 940	9 476	13 192	13 684	25 561	26 938	11 216
Assets less than the capitalisation threshold	36 373	69 826	68 901	74 852	66 126	64 068	100 132	104 550	100 969
Audit cost: External	30 915	9 257	9 315	42 755	5 730	65 992	13 000	13 650	14 373
Bursaries: Employees	1 033	1 877	151	2 000	1 546	1 395	2 350	2 465	2 596
Catering: Departmental activities	2 056	4 929	2 314	3 682	2 329	2 492	8 111	8 586	3 472
Communication (G&S)	82 047	83 607	90 818	95 423	92 923	92 509	112 863	108 020	116 985
Computer services	80 192	164 578	152 689	153 089	139 920	173 415	133 765	96 801	98 275
Cons & prof serv: Business and advisory services	15 247	43 016	53 502	14 347	72 029	26 386	25 600	19 888	20 942
Cons & prof serv: Infras and planning	8 668	4 912	72	4 753	-	-	-	-	-
Cons & prof serv: Laboratory services	408 246	566 011	539 752	612 000	610 260	595 074	706 562	716 998	816 906
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	4 267	5 037	7 321	3 629	3 292	5 590	3 891	4 107	4 325
Contractors	220 537	240 942	175 450	124 308	140 052	139 092	111 633	116 486	140 563
Agency and support / outsourced services	875 676	943 067	929 848	966 697	964 462	957 296	833 839	894 106	933 441
Entertainment	3	62	33	24	13	5	520	116	122
Fleet services (incl. govt motor transport)	108 746	126 562	205 900	20 877	206 430	191 804	260 374	274 759	288 863
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	10 464	10 511	1 902	1 908	1 896
Inventory: Farming supplies	-	-	-	-	7	8	-	-	-
Inventory: Food and food supplies	123 636	126 371	101 721	119 814	118 874	119 751	194 796	203 613	214 404
Inventory: Fuel, oil and gas	141 302	171 538	200 656	397 398	181 956	221 117	158 444	171 761	181 342
Inventory: Learner and teacher support material	-	-	-	-	217	114	1 010	1 111	1 170
Inventory: Materials and supplies	48 403	6 269	27 361	8 149	1 319	1 822	7	7	1 784
Inventory: Medical supplies	918 512	1 203 372	1 283 784	1 254 770	1 261 527	1 271 906	1 332 450	1 463 579	1 419 575
Inventory: Medicine	1 853 822	1 864 528	2 317 378	2 520 395	2 396 787	2 601 042	2 731 810	3 049 074	3 489 928
Medsas inventory interface	-	-	-	-	6	6	-	-	-
Inventory: Other supplies	-	-	-	-	303	350	1 500	1 558	1 641
Consumable supplies	230 709	208 012	214 645	227 283	190 650	194 104	199 929	211 983	225 540
Consumable: Stationery, printing and office supplies	43 989	51 454	52 930	59 237	30 324	30 788	54 781	57 706	58 443
Operating leases	96 543	43 400	109 010	46 337	113 971	107 991	116 150	114 590	116 944
Property payments	668 325	1 054 893	1 085 911	1 240 053	1 081 439	1 098 679	1 087 027	1 177 540	1 239 560
Transport provided: Departmental activity	30 360	35 270	21 840	27 411	51 678	54 934	57 971	60 462	60 551
Travel and subsistence	38 063	54 336	75 510	68 669	60 498	62 604	71 374	74 985	81 275
Training and development	29 646	29 605	45 043	57 834	34 978	31 526	42 108	43 735	41 294
Operating payments	87 463	60 067	73 729	73 770	46 284	39 838	44 143	45 912	40 828
Venues and facilities	1 443	5 544	1 944	1 087	1 759	2 068	2 505	2 615	2 102
Rental and hiring	55 796	65 974	-	-	448	593	-	-	-
Interest and rent on land	-	20	-	-	105	120	-	-	-
Interest	-	20	-	-	105	120	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	562 374	515 845	486 764	655 168	748 981	818 562	692 479	676 450	739 608
Provinces and municipalities	126 756	88 878	26 330	148 683	161 496	161 340	137 663	154 790	172 415
Provinces	2 868	2 838	3 437	5 183	5 183	5 027	5 063	5 390	5 620
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	2 868	2 838	3 437	5 183	5 183	5 027	5 063	5 390	5 620
Municipalities	123 888	86 040	22 893	143 500	156 313	156 313	132 600	149 400	166 795
Municipalities	123 888	86 040	22 893	143 500	156 313	156 313	132 600	149 400	166 795
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	18 942	23 249	25 351	27 851	11 847	11 862	13 069	14 097	33 744
Social security funds	460	512	-	444	444	444	-	-	-
Provide list of entities receiving transfers	18 482	22 737	25 351	27 407	11 403	11 418	13 069	14 097	33 744
Higher education institutions	-	-	57	-	-	470	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	289 009	273 487	277 586	274 168	252 168	279 243	250 647	212 110	224 022
Households	127 667	130 231	157 440	204 466	323 470	365 647	291 100	295 453	309 427
Social benefits	51 022	59 126	67 441	67 937	63 937	90 597	84 308	86 493	89 392
Other transfers to households	76 645	71 105	89 999	136 529	259 533	275 050	206 792	208 960	220 035
Payments for capital assets	980 640	1 900 011	2 156 923	1 406 995	1 838 385	1 834 546	1 597 175	1 435 348	431 466
Buildings and other fixed structures	778 749	1 048 172	1 662 936	864 152	1 425 231	1 429 376	1 249 773	1 076 903	54 731
Buildings	778 749	1 048 172	1 662 936	864 152	1 425 231	1 429 376	1 249 773	1 076 903	54 731
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	201 093	825 384	493 987	542 843	413 154	405 170	347 402	358 445	376 735
Transport equipment	61 691	227 852	112 017	108 600	102 880	101 792	109 498	114 266	115 634
Other machinery and equipment	139 402	597 532	381 970	434 243	310 274	303 378	237 904	244 179	261 101
Heritage Assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	798	26 455	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	5 629	609	1	-	7	7	-	-	-
Total	20 734 986	24 791 118	27 390 533	28 647 877	29 141 344	29 508 508	30 914 196	32 881 579	33 821 760

Table 7.C : Payments and estimates by economic classification: Administration

R thousand	Audited Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Current payments	454 816	463 100	531 385	559 879	553 070	578 300	571 829	564 117	594 015
Compensation of employees	183 201	208 965	246 972	273 032	276 230	276 376	307 734	335 390	353 166
Salaries and wages	158 063	181 356	214 728	237 538	240 320	240 375	267 622	290 665	306 070
Social contributions	25 138	27 609	32 244	35 494	35 910	36 001	40 112	44 725	47 095
Goods and services	271 615	254 115	284 413	286 847	276 840	301 924	264 095	228 727	240 850
Administrative fees	27	1	3	5	-	-	1	1	1
Advertising	680	1 084	2 235	966	3 827	3 746	3 024	3 175	3 343
Assets less than the capitalisation threshold	791	204	2 239	1 245	289	321	2 520	2 646	2 786
Audit cost: External	18 609	1	-	31 453	-	53 446	13 000	13 650	14 373
Bursaries: Employees	-	-	24	-	3	3	100	105	111
Catering: Departmental activities	156	222	756	220	375	416	900	945	995
Communication (G&S)	5 130	3 210	7 143	6 888	5 381	3 944	13 820	6 111	6 435
Computer services	76 119	144 531	140 220	147 719	128 715	151 315	122 490	93 329	98 275
Cons & prof serv: Business and advisory services	13 663	34 500	40 204	12 903	61 547	15 704	21 000	19 228	20 247
Cons & prof serv: Infras and planning	-	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	77	274	1 108	215	180	384	240	252	265
Contractors	49	341	185	195	112	68	30	32	34
Agency and support / outsourced services	2 447	4 069	4 577	4 357	4 920	6 111	6 100	4 305	4 533
Entertainment	3	11	6	1	1	3	110	116	122
Fleet services (incl. govt motor transport)	753	1 535	2 706	-	3 765	2 995	4 560	4 866	5 124
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	57	101	48	66	66	42	80	84	88
Inventory: Fuel, oil and gas	923	1 368	1 228	4 856	-	947	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	27	59	26	22	22	23	-	-	-
Inventory: Medical supplies	494	237	-	11	69	170	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	275	327	2 815	500	44	67	450	473	498
Consumable: Stationery, printing and office supplies	3 052	4 364	3 894	4 776	3 560	3 234	4 400	4 620	4 865
Operating leases	63 064	6 392	5 471	6 731	5 936	4 098	4 570	4 799	5 053
Property payments	21 838	25 049	33 139	34 502	32 317	30 913	42 200	44 310	46 658
Transport provided: Departmental activity	-	-	-	-	432	-	-	-	-
Travel and subsistence	13 038	16 312	22 714	19 823	17 782	19 951	22 100	23 205	24 435
Training and development	266	755	2 332	1 171	2 213	2 685	1 000	1 050	1 106
Operating payments	49 713	8 972	10 766	8 090	4 878	356	500	525	553
Venues and facilities	364	196	574	132	402	978	900	900	948
Rental and hiring	-	-	-	-	4	4	-	-	-
Interest and rent on land	-	20	-	-	-	-	-	-	-
Interest	-	20	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	1 750	3 392	6 172	3 549	1 549	2 037	3 061	3 133	3 299
Provinces and municipalities	33	26	95	48	48	48	60	132	139
Provinces	33	26	95	48	48	48	60	132	139
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	33	26	95	48	48	48	60	132	139
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	1	-	1	1	4	1	1	1
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	-	1	-	1	1	4	1	1	1
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	1 717	3 365	6 077	3 500	1 500	1 985	3 000	3 000	3 159
Social benefits	1 067	3 215	2 289	3 500	1 500	1 985	3 000	3 000	3 159
Other transfers to households	650	150	3 788	-	-	-	-	-	-
Payments for capital assets	6 702	109 386	96 400	27 650	40 084	42 502	6 450	30 450	32 064
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	6 702	109 386	96 400	27 650	40 084	42 502	6 450	30 450	32 064
Transport equipment	-	12 643	7 468	1 600	1 600	1 600	1 450	1 450	1 527
Other machinery and equipment	6 702	96 743	88 932	26 050	38 484	40 902	5 000	29 000	30 537
Heritage Assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	380	547	1	-	7	7	-	-	-
Total	463 648	576 425	633 958	591 078	594 710	622 846	581 340	597 700	629 378

Table 7.D : Payments and estimates by economic classification: District Health Services

R thousand	Audited Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Current payments	8 850 195	9 823 474	11 466 027	12 532 421	12 623 523	12 857 002	14 210 678	15 482 420	16 538 488
Compensation of employees	6 016 821	6 846 189	7 916 084	8 706 221	8 905 277	8 938 420	9 832 214	10 690 888	11 326 737
Salaries and wages	5 201 843	5 935 092	6 856 450	7 574 412	7 759 032	7 789 519	8 497 998	9 229 271	9 826 897
Social contributions	814 978	911 097	1 059 634	1 131 809	1 146 245	1 148 901	1 334 216	1 461 617	1 499 840
Goods and services	2 833 374	2 977 285	3 549 944	3 826 200	3 718 246	3 918 567	4 378 464	4 791 532	5 211 750
Administrative fees	34	20	29	26	27	26	30	32	34
Advertising	5 937	9 104	8 627	5 704	6 962	7 266	20 113	21 220	5 194
Assets less than the capitalisation threshold	12 523	23 097	26 151	28 875	27 707	28 748	45 304	48 302	49 305
Audit cost: External	5 782	4 438	4 413	4 812	-	6 069	-	-	-
Bursaries: Employees	-	-	-	-	-	6	-	-	-
Catering: Departmental activities	1 366	4 269	1 199	2 400	1 233	1 416	6 661	7 054	1 859
Communication (G&S)	42 686	44 070	46 241	48 636	50 863	52 377	61 750	64 540	71 201
Computer services	218	108	8	-	-	8 141	11 275	3 472	-
Cons & prof serv: Business and advisory services	846	186	2 878	36	1 913	2 058	4 000	-	-
Cons & prof serv: Infrast and planning	312	-	-	8	-	-	-	-	-
Cons & prof serv: Laboratory services	327 513	406 987	364 539	443 166	420 929	407 583	518 562	511 719	600 747
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	624	918	1 488	670	836	1 503	1 220	1 278	1 346
Contractors	35 037	28 670	27 145	20 000	20 117	21 066	36 699	38 660	30 152
Agency and support / outsourced services	130 033	85 363	96 390	110 667	106 916	106 225	46 772	49 179	43 733
Entertainment	-	51	14	3	1	1	410	-	-
Fleet services (incl. govt motor transport)	61 993	70 027	77 000	-	91 653	83 285	88 093	91 603	96 000
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	2 040	2 060	1 800	1 801	1 896
Inventory: Farming supplies	-	-	-	-	7	7	-	-	-
Inventory: Food and food supplies	96 991	91 126	65 374	81 162	76 286	76 433	121 048	128 195	134 989
Inventory: Fuel, oil and gas	41 250	51 091	68 099	162 839	62 991	68 444	48 986	55 364	58 776
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	4 012	548	6 501	585	319	559	-	-	-
Inventory: Medical supplies	282 611	359 862	370 318	342 500	353 060	358 469	490 458	579 407	488 541
Inventory: Medicine	1 301 874	1 279 929	1 749 938	1 907 000	1 836 424	2 004 127	2 103 737	2 380 601	2 786 026
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	298	345	1 500	1 558	1 641
Consumable supplies	106 304	82 601	98 882	100 724	76 957	80 667	80 100	84 921	91 744
Consumable: Stationery, printing and office supplies	21 991	24 324	27 613	30 892	17 094	18 418	32 167	33 752	36 717
Operating leases	17 310	17 674	19 804	21 717	20 599	19 591	24 286	25 461	26 589
Property payments	313 129	355 781	433 005	462 068	505 978	525 915	570 945	597 417	629 495
Transport provided: Departmental activity	718	818	895	918	947	1 040	3 970	4 198	1 305
Travel and subsistence	12 992	17 701	22 818	19 582	20 267	21 106	23 485	24 660	28 283
Training and development	2 522	3 300	15 621	12 911	1 715	2 792	16 708	17 710	13 890
Operating payments	6 134	10 329	14 287	17 769	13 192	11 714	17 185	18 158	11 603
Venues and facilities	632	4 893	667	530	703	757	1 200	1 270	686
Rental and hiring	-	-	-	-	213	354	-	-	-
Interest and rent on land	-	-	-	-	-	15	-	-	-
Interest	-	-	-	-	-	15	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	398 098	327 024	270 091	408 044	393 487	447 010	391 617	369 166	397 138
Provinces and municipalities	124 850	86 807	24 232	145 584	158 027	158 027	134 838	151 748	169 212
Provinces	962	767	1 339	2 084	1 714	1 714	2 238	2 348	2 417
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	962	767	1 339	2 084	1 714	1 714	2 238	2 348	2 417
Municipalities	123 888	86 040	22 893	143 500	156 313	156 313	132 600	149 400	166 795
Municipalities	123 888	86 040	22 893	143 500	156 313	156 313	132 600	149 400	166 795
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	27	130	6	31	31	31	32	33	35
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	27	130	6	31	31	31	32	33	35
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	247 899	213 387	204 686	225 339	203 339	230 392	220 147	179 010	189 168
Households	25 322	26 700	41 167	37 090	32 090	58 560	36 600	38 375	38 724
Social benefits	25 094	26 487	30 227	36 696	31 696	58 166	36 600	38 375	38 724
Other transfers to households	228	213	10 940	394	394	394	-	-	-
Payments for capital assets	28 298	151 005	97 805	123 311	106 052	106 052	117 740	113 752	122 338
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	28 298	151 005	97 805	123 311	106 052	106 052	117 740	113 752	122 338
Transport equipment	6 105	43 220	65 190	72 398	61 615	61 615	50 640	58 132	56 525
Other machinery and equipment	22 193	107 785	32 615	50 913	44 437	44 437	67 100	55 620	65 813
Heritage Assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	2 689	43	-	-	-	-	-	-	-
Total	9 279 280	10 301 546	11 833 923	13 063 776	13 123 062	13 410 064	14 720 035	15 965 338	17 057 963

Table 7.E : Payments and estimates by economic classification: Emergency Medical Services

R thousand	Audited Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Current payments	733 709	856 411	870 638	936 252	934 952	959 619	1 026 957	1 093 538	1 151 496
Compensation of employees	521 434	595 253	641 810	702 642	710 642	713 131	751 280	801 017	843 471
Salaries and wages	443 006	503 369	540 298	608 688	615 648	620 364	635 481	677 072	712 957
Social contributions	78 428	91 884	101 512	93 954	94 994	92 767	115 799	123 945	130 514
Goods and services	212 275	261 158	228 827	233 610	224 310	246 488	275 677	292 521	308 025
Administrative fees	-	-	-	-	3	3	-	-	-
Advertising	803	87	391	340	78	62	100	106	112
Assets less than the capitalisation threshold	585	434	1 231	2 000	160	143	3 000	3 180	3 349
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	127	-	70	-	-	-	100	106	112
Communication (G&S)	9 786	9 574	10 766	11 654	9 166	8 913	9 058	9 601	10 110
Computer services	-	-	-	-	-	2 233	-	-	-
Cons & prof serv: Business and advisory services	-	-	-	-	2	2	-	-	-
Cons & prof serv: Infras and planning	-	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	304	1 155	49	85	126	144	200	212	223
Contractors	68 421	84 568	7 198	6 860	2 344	1 827	5 767	6 113	6 437
Agency and support / outsourced services	433	497	585	347	437	459	700	742	781
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	-	-	59 091	20 745	94 495	86 924	152 884	163 340	171 997
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	8 074	8 047	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	65 480	75 955	83 678	107 982	25 500	56 084	5 000	5 300	5 581
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	102	89	17	-	4	(3)	-	-	-
Inventory: Medical supplies	8 343	10 843	7 281	6 718	6 908	4 541	8 808	9 337	9 832
Inventory: Medicine	238	608	319	427	421	266	600	636	670
Meddas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	8 156	18 375	5 537	11 954	455	357	9 215	9 768	10 286
Consumable: Stationery, printing and office supplies	1 398	1 063	1 516	1 197	778	479	1 596	1 691	1 781
Operating leases	4 722	4 469	2 591	3 138	5 056	2 433	2 520	2 671	2 813
Property payments	11 162	13 497	14 034	16 185	14 256	14 345	16 624	17 621	18 555
Transport provided: Departmental activity	28 003	34 302	20 924	26 467	50 293	53 892	54 000	56 262	59 244
Travel and subsistence	3 266	4 936	4 991	6 211	4 469	4 078	5 100	5 406	5 693
Training and development	47	73	10	-	-	-	-	-	-
Operating payments	899	633	8 485	11 300	1 149	1 123	400	424	446
Venues and facilities	-	-	63	-	-	-	5	5	5
Rental and hiring	-	-	-	-	136	136	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	2 966	3 230	4 165	6 110	4 774	4 419	4 340	4 552	4 793
Provinces and municipalities	1 461	1 842	1 537	2 415	2 879	2 680	2 040	2 142	2 256
Provinces	1 461	1 842	1 537	2 415	2 879	2 680	2 040	2 142	2 256
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	1 461	1 842	1 537	2 415	2 879	2 680	2 040	2 142	2 256
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	1 505	1 388	2 628	3 695	1 895	1 739	2 300	2 410	2 538
Social benefits	937	915	970	2 846	1 046	1 046	1 368	1 460	1 537
Other transfers to households	568	473	1 658	849	849	693	932	950	1 000
Payments for capital assets	85 673	210 745	51 234	30 000	31 300	31 260	42 141	35 638	37 527
Buildings and other fixed structures	19	-	-	-	-	-	-	-	-
Buildings	19	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	85 654	210 745	51 234	30 000	31 300	31 260	42 141	35 638	37 527
Transport equipment	55 586	167 972	31 132	30 000	30 000	29 960	36 841	33 108	34 863
Other machinery and equipment	30 068	42 773	20 102	-	1 300	1 300	5 300	2 530	2 664
Heritage Assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	270	1	-	-	-	-	-	-	-
Total	822 618	1 070 387	926 036	972 362	971 026	995 298	1 073 438	1 133 728	1 193 816

Table 7.F : Payments and estimates by economic classification: Provincial Hospital Services

R thousand	Audited Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Current payments	5 941 971	7 317 820	7 745 523	8 220 260	8 248 260	8 273 858	8 634 529	9 163 024	9 648 664
Compensation of employees	4 479 044	5 505 036	5 851 153	6 288 416	6 378 416	6 370 970	6 814 383	7 239 517	7 623 211
Salaries and wages	3 890 915	4 782 140	5 089 085	5 473 417	5 551 617	5 544 119	5 976 876	6 331 160	6 666 711
Social contributions	588 129	722 896	762 068	814 999	826 799	826 851	837 507	908 357	956 500
Goods and services	1 462 927	1 812 784	1 894 370	1 931 844	1 869 739	1 902 783	1 820 146	1 923 507	2 025 453
Administrative fees	6	7	-	7	7	-	1	1	1
Advertising	672	1 124	1 378	2 166	2 004	2 202	2 081	2 182	2 298
Assets less than the capitalisation threshold	10 216	16 172	30 328	17 349	20 197	18 681	24 115	25 530	26 883
Audit cost: External	6 524	4 818	4 901	6 490	5 730	6 477	-	-	-
Bursaries: Employees	-	-	-	-	-	19	-	-	-
Catering: Departmental activities	219	50	59	62	88	83	220	233	245
Communication (G&S)	19 167	21 595	21 634	22 009	21 966	22 288	21 287	22 496	23 688
Computer services	1 425	108	805	-	2 868	2 949	-	-	-
Cons & prof serv: Business and advisory services	17	3	22	4	5	18	-	-	-
Cons & prof serv: Infrast and planning	-	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	62 236	159 024	141 716	155 834	155 834	153 994	150 000	163 279	171 933
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	3 027	2 425	3 584	1 266	1 544	2 858	1 581	1 682	1 771
Contractors	66 249	91 037	57 318	30 535	24 700	19 544	26 423	28 080	29 568
Agency and support / outsourced services	126 783	127 093	128 050	139 879	150 390	142 578	37 257	39 069	41 140
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	46 000	55 000	67 031	-	11 008	12 556	13 950	14 021	14 764
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	107	129	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	24 731	31 249	32 399	34 186	37 987	38 735	65 596	71 058	74 824
Inventory: Fuel, oil and gas	9 464	13 032	11 468	82 054	60 697	64 665	68 104	72 847	76 708
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	2 829	106	336	352	507	493	-	-	-
Inventory: Medical supplies	367 893	496 160	537 799	519 889	520 467	536 808	485 300	509 556	536 562
Inventory: Medicine	373 700	395 396	425 541	464 139	411 167	435 690	456 370	483 970	509 620
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	94 026	82 247	79 956	78 915	63 361	63 497	77 480	82 774	87 161
Consumable: Stationery, printing and office supplies	14 077	17 097	16 541	17 158	5 949	6 197	13 607	14 558	15 330
Operating leases	9 484	11 225	10 794	11 734	10 323	9 887	11 904	12 555	13 220
Property payments	190 228	255 868	280 723	307 895	331 740	332 754	336 000	350 088	368 643
Transport provided: Departmental activity	1 469	29	21	26	6	2	-	1	1
Travel and subsistence	3 856	5 723	5 236	5 724	5 374	4 948	7 460	7 786	8 199
Training and development	6 355	963	96	805	784	592	-	-	-
Operating payments	22 274	25 223	36 633	33 361	24 838	24 044	21 410	21 741	22 893
Venues and facilities	-	10	-	5	-	-	-	-	-
Rental and hiring	-	-	-	-	91	95	-	-	-
Interest and rent on land	-	-	-	-	105	105	-	-	-
Interest	-	-	-	-	105	105	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	71 742	71 253	70 795	51 441	108 077	122 717	67 085	69 752	73 449
Provinces and municipalities	229	111	287	525	361	361	549	581	612
Provinces	229	111	287	525	361	361	549	581	612
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	229	111	287	525	361	361	549	581	612
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	54	47	56	56	56	16	36	63	66
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	54	47	56	56	56	16	36	63	66
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	32 600	35 802	37 770	28 829	28 829	28 829	30 500	33 100	34 854
Households	38 859	35 293	32 682	22 031	78 831	93 511	36 000	36 008	37 916
Social benefits	18 683	24 146	28 331	19 945	21 745	21 745	36 000	36 008	37 916
Other transfers to households	20 176	11 147	4 351	2 086	57 086	71 766	-	-	-
Payments for capital assets	18 863	60 532	11 083	54 700	53 700	50 880	86 661	123 750	130 309
Buildings and other fixed structures	-	-	-	-	-	78	-	-	-
Buildings	-	-	-	-	-	78	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	18 863	60 532	11 083	54 700	53 700	50 802	86 661	123 750	130 309
Transport equipment	-	3 843	5 403	2 000	2 000	2 000	11 567	18 851	19 850
Other machinery and equipment	18 863	56 689	5 680	52 700	51 700	48 802	75 094	104 899	110 459
Heritage Assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	2 200	15	-	-	-	-	-	-	-
Total	6 034 776	7 449 620	7 827 401	8 326 401	8 410 037	8 447 455	8 788 275	9 356 526	9 852 422

Table 7.G : Payments and estimates by economic classification: Central Hospital Services

R thousand	Audited Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Current payments	2 083 951	2 504 543	2 752 833	2 898 365	2 920 217	2 920 035	3 053 388	3 241 331	3 413 122
Compensation of employees	942 537	1 154 360	1 383 329	1 515 000	1 533 000	1 530 744	1 619 167	1 716 839	1 807 831
Salaries and wages	821 422	999 106	1 202 848	1 318 000	1 333 660	1 331 748	1 413 909	1 499 266	1 578 727
Social contributions	121 115	155 254	180 481	197 000	199 340	198 996	205 258	217 573	229 104
Goods and services	1 141 414	1 350 183	1 369 504	1 383 365	1 387 217	1 389 291	1 434 221	1 524 492	1 605 290
Administrative fees	-	-	-	-	-	-	-	-	-
Advertising	551	387	154	82	120	242	208	218	230
Assets less than the capitalisation threshold	269	582	4 654	2 988	1 648	1 707	1 800	1 890	1 990
Audit cost: External	-	-	1	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	-	-	-	-	-	-	-	-	-
Communication (G&S)	3 106	3 405	3 433	3 300	3 627	3 460	4 700	2 835	2 985
Computer services	251	422	5 534	-	3 528	3 909	-	-	-
Cons & prof serv: Business and advisory services	-	-	340	-	-	-	-	-	-
Cons & prof serv: Infrast and planning	-	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	18 497	-	33 497	13 000	33 497	33 497	38 000	42 000	44 226
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	216	188	1 072	1 343	579	623	650	683	719
Contractors	12 367	12 345	14 229	13 125	16 533	17 556	17 000	17 850	18 796
Agency and support / outsourced services	601 983	709 205	700 243	700 000	701 794	701 918	743 000	800 800	843 242
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	-	-	-	-	902	531	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	226	238	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	1 835	3 894	3 899	4 400	4 535	4 541	8 072	4 276	4 503
Inventory: Fuel, oil and gas	17 499	22 020	24 972	31 000	24 893	25 241	27 000	28 350	29 853
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	131	110	-	(2)	(2)	-	-	-
Inventory: Medical supplies	245 854	324 571	360 359	377 000	371 860	363 169	334 885	351 629	370 265
Inventory: Medicine	178 007	188 595	141 577	148 827	148 769	160 953	171 103	183 867	193 612
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	5	5	-	-	-
Consumable supplies	13 851	16 903	20 766	24 588	17 286	17 161	21 302	22 367	23 552
Consumable: Stationery, printing and office supplies	2 126	3 196	2 242	3 000	1 269	884	2 400	2 520	2 654
Operating leases	430	1 813	523	1 300	530	508	918	964	1 015
Property payments	42 866	60 178	48 837	54 200	51 686	49 782	59 390	60 260	63 454
Transport provided: Departmental activity	49	1	-	-	-	-	1	1	1
Travel and subsistence	701	1 338	1 242	1 592	1 110	1 080	1 000	1 050	1 106
Training and development	16	131	475	2 200	1 430	783	1 900	1 995	2 101
Operating payments	940	878	1 345	1 420	1 388	1 501	892	937	987
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	-	-	-	-	4	4	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	7 817	2 257	2 773	2 760	4 762	4 524	5 004	5 096	5 366
Provinces and municipalities	6	4	9	10	12	16	4	4	4
Provinces	6	4	9	10	12	16	4	4	4
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	6	4	9	10	12	16	4	4	4
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	52	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	-	-	-	-	-	52	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	7 811	2 253	2 764	2 750	4 750	4 456	5 000	5 092	5 362
Social benefits	5 241	2 183	2 656	2 550	4 550	4 256	4 790	4 872	5 130
Other transfers to households	2 570	70	108	200	200	200	210	220	232
Payments for capital assets	11 559	5 854	7 365	21 000	27 000	28 409	21 000	44 000	46 332
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	11 559	5 854	7 365	21 000	27 000	28 409	21 000	44 000	46 332
Transport equipment	-	-	873	-	-	-	-	-	-
Other machinery and equipment	11 559	5 854	6 492	21 000	27 000	28 409	21 000	44 000	46 332
Heritage Assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	55	-	-	-	-	-	-	-	-
Total	2 103 382	2 512 654	2 762 971	2 922 125	2 951 979	2 952 968	3 079 392	3 290 427	3 464 820

Table 7.H : Payments and estimates by economic classification: Health Sciences and Training

R thousand	Audited Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Current payments	763 205	776 485	804 266	839 509	803 509	795 346	824 702	874 210	920 543
Compensation of employees	717 464	720 257	746 254	763 333	740 333	740 733	766 143	812 351	855 406
Salaries and wages	654 839	663 094	698 061	687 120	664 120	648 897	720 401	763 865	804 350
Social contributions	62 625	57 163	48 193	76 213	76 213	91 836	45 742	48 486	51 056
Goods and services	45 741	56 228	58 012	76 176	63 176	54 613	58 559	61 859	65 138
Administrative fees	-	-	-	-	-	-	-	-	-
Advertising	117	93	81	140	164	135	-	-	-
Assets less than the capitalisation threshold	65	390	924	2 862	2 303	646	2 200	2 400	2 527
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	1 033	1 877	127	2 000	1 543	1 367	2 250	2 360	2 485
Catering: Departmental activities	167	388	229	1 000	633	577	230	248	261
Communication (G&S)	1 424	1 181	1 201	1 842	1 414	1 081	1 650	1 809	1 905
Computer services	-	-	-	-	2 067	2 126	-	-	-
Cons & prof serv: Business and advisory services	-	-	(0)	1 400	315	357	600	660	695
Cons & prof serv: Infras and planning	-	3	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	19	77	15	50	27	78	-	-	-
Contractors	42	224	58	94	37	38	99	110	116
Agency and support / outsourced services	8 059	2	3	6	5	5	10	11	12
Entertainment	-	-	13	20	11	1	-	-	-
Fleet services (incl. govt motor transport)	-	-	69	132	1 116	1 488	553	593	624
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	5	10	-	-	-
Inventory: Farming supplies	-	-	-	-	-	1	-	-	-
Inventory: Food and food supplies	22	1	1	-	-	-	-	-	-
Inventory: Fuel, oil and gas	1 164	1 943	1 905	2 282	1 713	536	2 329	2 523	2 657
Inventory: Learner and teacher support material	-	-	-	-	-	-	1 010	1 111	1 170
Inventory: Materials and supplies	124	6	21	-	6	13	-	-	-
Inventory: Medical supplies	123	100	43	1 007	1 141	327	(1)	-	-
Inventory: Medicine	3	-	-	-	6	6	-	-	-
Medsas inventory interface	-	-	-	-	6	6	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	1 374	1 335	1 347	2 371	1 859	1 386	1 780	1 958	2 062
Consumable: Stationery, printing and office supplies	1 186	1 046	984	1 794	1 613	1 525	432	475	500
Operating leases	1 508	1 249	1 168	1 640	1 475	1 428	1 850	2 029	2 137
Property payments	5 674	4 437	4 515	5 802	5 308	5 337	4 831	5 304	5 585
Transport provided: Departmental activity	121	120	-	-	-	-	-	-	-
Travel and subsistence	3 799	8 297	18 048	14 951	11 157	11 109	12 136	12 780	13 457
Training and development	13 544	23 806	24 413	34 575	27 901	23 739	22 500	22 980	24 198
Operating payments	5 926	9 368	2 206	1 788	697	958	3 700	4 068	4 284
Venues and facilities	247	279	640	420	654	333	400	440	463
Rental and hiring	-	6	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	68 625	83 361	96 138	146 737	214 761	216 231	220 698	224 043	235 917
Provinces and municipalities	25	26	33	22	42	49	48	53	56
Provinces	25	26	33	22	42	49	48	53	56
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	25	26	33	22	42	49	48	53	56
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	7 637	8 588	10 119	11 315	11 315	11 315	13 000	14 000	14 742
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	7 637	8 588	10 119	11 315	11 315	11 315	13 000	14 000	14 742
Higher education institutions	-	-	57	-	-	470	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	8 510	14 298	15 130	-	-	-	-	-	-
Households	52 453	60 449	70 799	135 400	203 404	204 397	207 650	209 990	221 119
Social benefits	-	1 397	1 650	2 400	2 400	2 400	2 000	2 200	2 317
Other transfers to households	52 453	59 052	69 149	133 000	201 004	201 997	205 650	207 790	218 803
Payments for capital assets	427	610	1 564	6 000	4 000	1 175	6 000	6 600	6 950
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	427	610	1 564	6 000	4 000	1 175	6 000	6 600	6 950
Transport equipment	-	174	817	2 000	2 000	1 000	2 000	2 200	2 317
Other machinery and equipment	427	436	747	4 000	2 000	175	4 000	4 400	4 633
Heritage Assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	22	1	-	-	-	-	-	-	-
Total	832 279	860 457	901 968	992 246	1 022 270	1 012 752	1 051 400	1 104 853	1 163 410

Table 7.1 : Payments and estimates by economic classification: Health Care Support Services

R thousand	Audited Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Current payments	100 327	110 448	112 663	126 157	116 157	115 039	132 685	143 673	151 288
Compensation of employees	69 843	75 511	78 745	92 285	82 285	81 135	89 900	99 136	104 503
Salaries and wages	57 388	61 630	64 110	74 970	66 270	65 270	72 710	80 360	84 732
Social contributions	12 455	13 881	14 635	17 315	16 015	15 865	17 190	18 776	19 771
Goods and services	30 484	34 937	33 918	33 872	33 872	33 904	42 785	44 537	46 785
Administrative fees	-	-	-	-	-	-	-	-	-
Advertising	17	54	54	56	37	31	35	37	39
Assets less than the capitalisation threshold	35	14	18	2	21	21	20	22	23
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	-	-	-	-	-	-	-	-	-
Communication (G&S)	415	563	384	583	494	434	598	628	661
Computer services	1	-	-	-	-	-	-	-	-
Cons & prof serv: Business and advisory services	-	-	-	4	-	-	-	-	-
Cons & prof serv: Infras and planning	-	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	-	-	5	-	-	-	-	-	-
Contractors	1 089	544	273	370	255	497	700	726	764
Agency and support / outsourced services	-	27	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	-	-	3	-	3 491	4 025	334	336	354
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	12	27	102	107	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	4 990	5 969	9 081	6 290	5 998	5 036	7 025	7 377	7 768
Inventory: Learner and teacher support material	-	-	-	-	217	114	-	-	-
Inventory: Materials and supplies	91	39	353	326	90	66	2	2	2
Inventory: Medical supplies	10 662	11 586	7 977	7 645	7 993	8 393	13 000	13 650	14 373
Inventory: Medicine	-	-	3	2	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	5 057	6 072	5 293	8 091	3 769	4 050	9 602	9 722	10 237
Consumable: Stationery, printing and office supplies	133	350	138	200	61	51	66	69	73
Operating leases	25	45	26	57	98	92	105	111	117
Property payments	7 943	9 644	10 172	10 136	11 129	10 867	11 047	11 593	12 207
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	26	29	103	88	65	58	93	98	103
Training and development	-	1	33	-	-	-	-	-	-
Operating payments	-	-	2	22	142	142	56	59	62
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	11 376	14 545	16 630	16 527	1 571	1 602	674	708	19 646
Provinces and municipalities	152	62	137	79	127	159	124	130	137
Provinces	152	62	137	79	127	159	124	130	137
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	152	62	137	79	127	159	124	130	137
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	11 224	14 483	15 170	16 448	444	444	-	-	18 900
Social security funds	460	512	-	444	444	444	-	-	-
Provide list of entities receiving transfers	10 764	13 971	15 170	16 004	-	-	-	-	18 900
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	1 323	-	1 000	999	550	578	609
Social benefits	-	-	1 318	-	1 000	999	550	578	609
Other transfers to households	-	-	5	-	-	-	-	-	-
Payments for capital assets	40	35	1 385	602	5 665	5 617	7 600	1 155	1 216
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	40	35	1 385	602	5 665	5 617	7 600	1 155	1 216
Transport equipment	-	-	1 134	602	5 665	5 617	7 000	525	553
Other machinery and equipment	40	35	251	-	-	-	600	630	663
Heritage Assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	13	2	-	-	-	-	-	-	-
Total	111 756	125 030	130 678	143 286	123 393	122 258	140 959	145 536	172 149

Table 7.J : Payments and estimates by economic classification: Health Facilities Management

R thousand	Audited Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Current payments	258 169	522 372	463 510	472 871	354 283	356 194	169 774	207 468	233 071
Compensation of employees	5 037	12 736	21 998	14 628	25 853	25 181	7 581	5 000	5 000
Salaries and wages	4 661	11 343	21 663	13 199	24 424	23 752	6 152	3 571	3 495
Social contributions	376	1 393	335	1 429	1 429	1 429	1 429	1 429	1 505
Goods and services	253 132	509 636	441 511	458 243	328 430	331 013	162 193	202 468	228 071
Administrative fees	-	-	-	-	-	-	-	-	-
Advertising	100	49	20	22	-	-	-	-	-
Assets less than the capitalisation threshold	11 889	28 933	3 356	19 531	13 801	13 801	21 173	20 580	14 106
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	21	-	-	-	-	-	-	-	-
Communication (G&S)	333	9	16	511	12	12	-	-	-
Computer services	2 178	19 409	6 123	5 370	2 742	2 742	-	-	-
Cons & prof serv: Business and advisory services	721	8 327	10 058	-	8 247	8 247	-	-	-
Cons & prof serv: Infras and planning	8 356	4 909	72	4 745	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	-	-	-	-	-	-	-	-	-
Contractors	37 283	23 213	69 043	53 129	75 954	78 496	24 915	24 915	54 696
Agency and support / outsourced services	5 938	16 811	-	11 441	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	532	160	226	95	164	164	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	41 218	5 291	19 997	6 864	373	673	5	5	1 782
Inventory: Medical supplies	2 532	13	7	-	29	29	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Meddas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	1 666	152	48	140	26 919	26 919	-	-	-
Consumable: Stationery, printing and office supplies	26	14	2	220	-	-	113	21	-
Operating leases	-	533	68 633	20	69 954	69 954	69 997	66 000	66 000
Property payments	75 485	330 439	261 486	349 265	129 025	128 766	45 990	90 947	91 486
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	385	-	358	698	274	274	-	-	-
Training and development	6 896	576	2 063	6 172	935	935	-	-	-
Operating payments	1 577	4 664	4	20	-	-	-	-	-
Venues and facilities	200	166	-	-	-	-	-	-	-
Rental and hiring	55 796	65 968	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	-	10 783	20 000	20 000	20 000	20 022	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	10 000	20 000	20 000	20 000	20 022	-	-	-
Households	-	783	-	-	-	-	-	-	-
Social benefits	-	783	-	-	-	-	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	829 078	1 361 844	1 890 088	1 143 732	1 570 584	1 568 651	1 309 583	1 080 003	54 731
Buildings and other fixed structures	778 730	1 048 172	1 662 936	864 152	1 425 231	1 429 298	1 249 773	1 076 903	54 731
Buildings	778 730	1 048 172	1 662 936	864 152	1 425 231	1 429 298	1 249 773	1 076 903	54 731
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	49 550	287 217	227 152	279 580	145 353	139 353	59 810	3 100	-
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	49 550	287 217	227 152	279 580	145 353	139 353	59 810	3 100	-
Heritage Assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	798	26 455	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	1 087 247	1 894 999	2 373 597	1 636 603	1 944 867	1 944 867	1 479 357	1 287 471	287 801

Table 7.K : Payments and estimates by economic classification: Conditional grants

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Current payments	2 801 976	3 494 958	3 710 600	4 307 150	4 322 223	4 515 424	5 036 532	5 726 690	6 245 320
Compensation of employees	1 361 820	2 067 124	2 132 513	2 612 789	2 612 789	2 625 789	3 007 352	3 442 414	3 829 046
Salaries and wages	1 195 687	1 828 515	1 855 637	2 273 599	2 273 599	2 286 599	2 602 111	2 970 333	3 309 167
Social contributions	166 133	238 609	276 876	339 190	339 190	339 190	405 241	472 081	519 879
Goods and services	1 440 156	1 427 834	1 578 087	1 694 361	1 709 434	1 889 635	2 029 180	2 284 276	2 416 274
Administrative fees	-	-	-	-	-	-	-	-	-
Advertising	1 207	3 242	1 899	5 022	5 022	5 022	17 022	18 022	19 000
Assets less than the capitalisation threshold	11 162	6 492	6 262	25 299	25 309	20 449	17 329	16 681	3 150
Audit cost: External	-	-	150	1 717	1 717	1 717	3 500	3 661	3 855
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	577	793	186	300	300	300	5 300	5 620	5 957
Communication (G&S)	5 077	5 441	2 794	4 311	4 311	4 311	1 561	1 624	1 180
Computer services	2 317	19 287	10 236	5 870	13 994	5 870	14 145	14 692	9 840
Cons & prof serv: Business & advisory services	721	8 369	10 059	-	-	-	2 600	2 730	2 875
Cons & prof serv: Infras and planning	748	-	-	4 580	4 580	4 580	4 580	4 580	-
Cons & prof serv: Laboratory services	244 323	354 568	280 004	239 500	239 500	239 500	271 890	300 000	350 000
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	-	85	108	-	-	-	-	-	-
Contractors	18 816	16 463	21 865	192	254	254	19 892	20 980	21 987
Agency and support / outsourced services	108 542	118 892	119 331	24 929	24 929	24 929	22 401	23 999	11 191
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	-	-	-	-	-	-	410	435	461
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	31 666	5 973	4 214	-	-	-	-	-	-
Inventory: Fuel, oil and gas	19 302	23 084	27 649	2 700	2 700	2 700	300	318	337
Inventory: Learner & teacher support material	-	-	-	4 000	4 000	4 000	-	-	-
Inventory: Materials and supplies	14	9	3	-	-	-	-	-	-
Inventory: Medical supplies	238 200	250 655	287 928	136 663	141 350	136 663	436 406	459 451	485 378
Inventory: Medicine	682 425	535 970	744 446	1 089 277	1 089 277	1 289 277	1 157 579	1 354 923	1 451 667
Medsas inventory interface	-	-	-	113 934	113 934	113 934	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	12 397	9 228	4 824	61	2 189	61	61	61	-
Consumable: Stationery, printing & office supplies	3 748	2 450	2 548	8 224	8 224	8 224	2 645	2 791	2 725
Operating leases	2 039	2 909	2 382	1 070	1 070	1 070	1 770	1 868	1 956
Property payments	34 865	49 263	38 227	836	898	898	4 051	3 869	50
Transport provided: Departmental activity	424	313	17	898	898	898	3 698	3 878	3 371
Travel and subsistence	2 189	3 425	2 954	5 618	5 618	5 618	5 938	6 035	1 820
Training and development	15 087	7 522	6 395	15 196	15 196	15 196	24 653	26 020	27 502
Operating payments	4 067	2 836	3 542	1 850	1 850	1 850	10 735	11 324	11 972
Venues and facilities	243	565	64	1 100	1 100	1 100	-	-	-
Rental and hiring	-	-	-	1 214	1 214	1 214	714	714	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to	76 479	14 749	11 336	69 381	69 381	69 381	78 411	81 683	85 951
Provinces and municipalities	63	55	-	43 000	43 000	43 000	47 000	50 000	54 000
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	63	55	-	43 000	43 000	43 000	47 000	50 000	54 000
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	63	55	-	43 000	43 000	43 000	47 000	50 000	54 000
Departmental agencies and accounts	62	56	-	-	-	-	-	-	-
Social security funds	13	29	-	-	-	-	-	-	-
Entities receiving funds	49	27	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	68 746	12 871	11 336	24 631	24 631	24 631	25 370	26 130	26 130
Households	7 608	1 767	-	1 750	1 750	1 750	6 041	5 553	5 821
Social benefits	5 108	1 767	-	1 750	1 750	1 750	6 041	5 553	5 821
Other transfers to households	2 500	-	-	-	-	-	-	-	-
Payments for capital assets	697 213	943 383	1 284 762	942 703	1 259 142	1 247 226	1 113 943	1 042 507	12 053
Buildings and other fixed structures	536 345	733 971	979 788	729 714	1 046 153	1 034 237	912 508	840 470	-
Buildings	536 345	733 971	979 788	729 714	1 046 153	1 034 237	912 508	840 470	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	160 070	198 005	304 974	212 989	212 989	212 989	201 435	202 037	12 053
Transport equipment	5 975	878	-	-	-	-	4 200	4 452	4 720
Other machinery and equipment	154 095	197 127	304 974	212 989	212 989	212 989	197 235	197 585	7 333
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	798	11 407	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	3 575 668	4 453 090	5 006 698	5 319 234	5 650 746	5 832 031	6 228 886	6 850 880	6 343 324

Table 7.L : Payments and estimates by economic classification: Health Professions Training and Development grant

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation 2013/14	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Current payments	231 205	249 917	261 860	276 262	276 262	276 262	292 837	306 308	322 542
Compensation of employees	164 864	249 917	261 860	276 262	276 262	276 262	292 837	306 308	322 542
Salaries and wages	155 763	230 976	227 818	240 348	240 348	240 348	254 769	266 489	280 489
Social contributions	9 101	18 941	34 042	35 914	35 914	35 914	38 068	39 819	42 053
Goods and services	66 341	-	-	-	-	-	-	-	-
Communication (G&S)	332	-	-	-	-	-	-	-	-
Agency and support / outsourced services	1 543	-	-	-	-	-	-	-	-
Inventory: Medical supplies	44 975	-	-	-	-	-	-	-	-
Inventory: Medicine	9 553	-	-	-	-	-	-	-	-
Consumable supplies	1 494	-	-	-	-	-	-	-	-
Consumable: Stationery,printing & office supplies	1 683	-	-	-	-	-	-	-	-
Operating leases	12	-	-	-	-	-	-	-	-
Travel and subsistence	339	-	-	-	-	-	-	-	-
Training and development	6 306	-	-	-	-	-	-	-	-
Operating payments	104	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to	-	-	-	-	-	-	-	-	-
Payments for capital assets	4 502	-	-	-	-	-	-	-	-
Machinery and equipment	4 502	-	-	-	-	-	-	-	-
Other machinery and equipment	4 502	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	235 707	249 917	261 860	276 262	276 262	276 262	292 837	306 308	322 542

Table 7.M : Payments and estimates by economic classification: Health Facilities Revitalisation grant

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation 2013/14	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Current payments	35 789	68 413	24 515	59 326	59 450	59 450	59 326	59 326	-
Compensation of employees	5 037	12 736	3 647	11 628	11 628	11 628	11 628	11 628	-
Salaries and wages	4 661	11 343	3 348	10 199	10 199	10 199	10 199	10 199	-
Social contributions	376	1 393	299	1 429	1 429	1 429	1 429	1 429	-
Goods and services	30 752	55 677	20 868	47 698	47 822	47 822	47 698	47 698	-
of which									
Administrative fees	-	-	-	-	-	-	-	-	-
Advertising	88	13	-	22	22	22	22	22	-
Assets less than the capitalisation threshold	10 394	5 271	1 709	19 095	19 095	19 095	14 525	13 709	-
Catering: Departmental activities	21	-	-	-	-	-	-	-	-
Communication (G&S)	21	6	14	511	511	511	511	511	-
Computer services	2 178	19 287	6 124	5 370	5 370	5 370	5 370	5 370	-
Cons & prof serv: Business & advisory services	721	8 328	10 059	-	-	-	-	-	-
Cons & prof serv: Infrs and planning	748	-	-	4 580	4 580	4 580	4 580	4 580	-
Contractors	4	1	71	192	254	254	192	192	-
Agency and support / outsourced services	2 877	16 810	-	11 441	11 441	11 441	12 441	13 441	-
Inventory: Medical supplies	2 531	-	-	-	-	-	-	-	-
Consumable supplies	1 631	70	-	61	61	61	61	61	-
Consumable: Stationery,printing & office supplies	26	13	-	220	220	220	220	220	-
Operating leases	44	71	75	20	20	20	20	20	-
Property payments	409	409	405	436	498	498	4 006	3 822	-
Transport provided: Departmental activity	-	-	-	698	698	698	698	698	-
Travel and subsistence	385	576	346	4 318	4 318	4 318	4 318	4 318	-
Training and development	6 896	4 663	2 064	20	20	20	20	20	-
Operating payments	1 578	159	1	-	-	-	-	-	-
Venues and facilities	200	-	-	-	-	-	-	-	-
Rental and hiring	-	-	-	714	714	714	714	714	-
Transfers and subsidies to	-	783	-	-	-	-	-	-	-
Households	-	783	-	-	-	-	-	-	-
Social benefits	-	783	-	-	-	-	-	-	-
Payments for capital assets	542 230	836 973	1 151 999	903 143	1 219 582	1 207 666	1 103 143	1 031 105	-
Buildings and other fixed structures	498 228	705 854	979 788	729 714	1 046 153	1 034 237	912 508	840 470	-
Buildings	498 228	705 854	979 788	729 714	1 046 153	1 034 237	912 508	840 470	-
Machinery and equipment	43 204	119 712	172 211	173 429	173 429	173 429	190 635	190 635	-
Other machinery and equipment	43 204	119 712	172 211	173 429	173 429	173 429	190 635	190 635	-
Land and sub-soil assets	798	11 407	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	578 019	906 169	1 176 514	962 469	1 279 032	1 267 116	1 162 469	1 090 431	-

Table 7.N : Payments and estimates by economic classification: National Tertiary Services grant

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Current payments	993 725	1 124 796	1 212 339	1 394 431	1 394 431	1 394 431	1 491 596	1 560 210	1 642 901
Compensation of employees	555 536	693 129	716 922	1 058 535	1 058 535	1 058 535	1 189 582	1 244 303	1 310 252
Salaries and wages	490 967	607 631	623 723	920 925	920 925	920 925	1 034 936	1 082 544	1 139 919
Social contributions	64 569	85 498	93 199	137 610	137 610	137 610	154 646	161 759	170 333
Goods and services	438 189	431 667	495 417	335 896	335 896	335 896	302 014	315 907	332 649
Advertising	375	320	108	-	-	-	-	-	-
Assets less than the capitalisation threshold	251	583	270	-	-	-	-	-	-
Audit cost: External	-	-	-	1 717	1 717	1 717	3 500	3 661	3 855
Communication (G&S)	1 917	2 291	2 251	-	-	-	-	-	-
Computer services	114	-	-	500	500	500	-	-	-
Cons & prof serv: Legal costs	-	85	108	-	-	-	-	-	-
Contractors	12 304	12 345	20 912	-	-	-	6 700	7 008	7 380
Agency and support / outsourced services	103 199	98 962	116 421	10 848	10 848	10 848	-	-	-
Inventory: Food and food supplies	882	2 350	2 117	-	-	-	-	-	-
Inventory: Fuel, oil and gas	14 330	17 290	27 302	2 000	2 000	2 000	-	-	-
Inventory: Learner & teacher support material	-	-	-	4 000	4 000	4 000	-	-	-
Inventory: Medical supplies	143 190	146 122	158 598	-	-	-	224 149	234 459	246 886
Inventory: Medicine	125 822	98 758	124 377	193 573	193 573	193 573	55 240	57 781	60 843
Medsas inventory interface	-	-	-	113 934	113 934	113 934	-	-	-
Consumable supplies	7 271	7 469	3 460	-	-	-	-	-	-
Consumable: Stationery, printing & office supplies	1 397	1 519	1 197	4 659	4 659	4 659	-	-	-
Operating leases	430	1 765	1 995	1 000	1 000	1 000	500	523	551
Property payments	26 027	39 897	34 385	-	-	-	-	-	-
Transport provided: Departmental activity	47	-	-	-	-	-	-	-	-
Travel and subsistence	359	1 223	1 035	-	-	-	-	-	-
Training and development	-	131	700	615	615	615	7 925	8 290	8 729
Operating payments	274	557	181	1 850	1 850	1 850	4 000	4 185	4 405
Venues and facilities	-	-	-	700	700	700	-	-	-
Rental and hiring	-	-	-	500	500	500	-	-	-
Transfers and subsidies to	6 690	5	-	1 300	1 300	1 300	4 831	5 053	5 321
Provinces and municipalities	1	-	-	-	-	-	-	-	-
Municipalities	1	-	-	-	-	-	-	-	-
Municipal agencies and funds	1	-	-	-	-	-	-	-	-
Households	6 689	5	-	1 300	1 300	1 300	4 831	5 053	5 321
Social benefits	4 189	5	-	1 300	1 300	1 300	4 831	5 053	5 321
Other transfers to households	2 500	-	-	-	-	-	-	-	-
Payments for capital assets	102 102	77 030	110 775	20 000	20 000	20 000	-	-	-
Machinery and equipment	102 102	77 030	110 775	20 000	20 000	20 000	-	-	-
Other machinery and equipment	102 102	77 030	110 775	20 000	20 000	20 000	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	1 102 517	1 201 831	1 323 114	1 415 731	1 415 731	1 415 731	1 496 427	1 565 263	1 648 222

Table 7.O : Payments and estimates by economic classification: National Health Insurance grant

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Current payments	-	-	9 124	4 850	19 799	-	9 400	9 963	10 491
Compensation of employees	-	-	(90)	-	-	-	1 300	1 383	1 457
Salaries and wages	-	-	(85)	-	-	-	1 160	1 234	1 300
Social contributions	-	-	(5)	-	-	-	140	149	157
Goods and services	-	-	9 214	4 850	19 799	-	8 100	8 580	9 035
Advertising	-	-	-	-	-	-	-	-	-
Assets less than the capitalisation threshold	-	-	2 027	4 850	4 860	-	-	-	-
Audit cost: External	-	-	150	-	-	-	-	-	-
Computer services	-	-	3 672	-	8 124	-	5 500	5 850	6 160
Cons & prof serv: Business and advisory services	-	-	-	-	-	-	2 600	2 730	2 875
Contractors	-	-	882	-	-	-	-	-	-
Inventory: Medical supplies	-	-	199	-	4 687	-	-	-	-
Consumable supplies	-	-	460	-	2 128	-	-	-	-
Consumable: Stationery, printing & office supplies	-	-	21	-	-	-	-	-	-
Property payments	-	-	350	-	-	-	-	-	-
Travel and subsistence	-	-	417	-	-	-	-	-	-
Training and development	-	-	1 007	-	-	-	-	-	-
Venues and facilities	-	-	29	-	-	-	-	-	-
Transfers and subsidies to	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	7 991	4 850	4 850	4 850	4 600	4 830	5 086
Machinery and equipment	-	-	7 991	4 850	4 850	4 850	4 600	4 830	5 086
Other machinery and equipment	-	-	7 991	4 850	4 850	4 850	4 600	4 830	5 086
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	-	-	17 115	9 700	24 649	4 850	14 000	14 793	15 577

Table 7.P : Payments and estimates by economic classification: Comprehensive HIV and AIDS grant

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Current payments	1 431 225	1 893 440	2 200 090	2 569 281	2 569 281	2 769 281	3 178 212	3 790 883	4 269 386
Compensation of employees	552 108	977 868	1 148 773	1 263 364	1 263 364	1 263 364	1 506 844	1 878 792	2 194 796
Salaries and wages	473 425	865 910	999 432	1 099 127	1 099 127	1 099 127	1 295 886	1 609 867	1 887 459
Social contributions	78 683	111 958	149 341	164 237	164 237	164 237	210 958	268 925	307 337
Goods and services	879 117	915 572	1 051 317	1 305 917	1 305 917	1 505 917	1 671 368	1 912 091	2 074 590
Advertising	740	2 904	1 571	5 000	5 000	5 000	17 000	18 000	19 000
Assets less than the capitalisation threshold	320	542	2 256	1 354	1 354	1 354	2 804	2 972	3 150
Catering: Departmental activities	553	793	186	300	300	300	5 300	5 620	5 957
Communication (G&S)	463	712	529	3 800	3 800	3 800	1 050	1 113	1 180
Computer services	-	-	440	-	-	-	3 275	3 472	3 680
Cons & prof serv: Laboratory services	244 323	354 568	280 004	239 500	239 500	239 500	271 890	300 000	350 000
Contractors	481	199	-	-	-	-	13 000	13 780	14 607
Agency and support / outsourced services	165	2 424	2 910	2 640	2 640	2 640	9 960	10 558	11 191
Inventory: Food and food supplies	30 780	3 623	2 097	-	-	-	-	-	-
Inventory: Fuel, oil and gas	341	566	347	700	700	700	300	318	337
Inventory: Materials and supplies	2	3	3	-	-	-	-	-	-
Inventory: Medical supplies	44 975	103 086	129 125	136 663	136 663	136 663	212 257	224 992	238 492
Inventory: Medicine	547 049	437 212	620 063	895 704	895 704	1 095 704	1 102 339	1 297 142	1 390 824
Consumable supplies	1 246	954	904	-	-	-	-	-	-
Consumable: Stationery, printing & office supplies	363	800	1 330	3 345	3 345	3 345	2 425	2 571	2 725
Operating leases	452	304	312	50	50	50	1 250	1 325	1 405
Property payments	2 109	179	2 087	400	400	400	45	47	50
Transport provided: Departmental activity	-	-	17	200	200	200	3 000	3 180	3 371
Travel and subsistence	821	1 428	1 117	1 300	1 300	1 300	1 620	1 717	1 820
Training and development	1 879	2 717	2 624	14 561	14 561	14 561	16 708	17 710	18 773
Operating payments	2 015	1 993	3 360	-	-	-	6 735	7 139	7 567
Venues and facilities	40	565	35	400	400	400	-	-	-
Transfers and subsidies to	69 668	13 851	11 336	68 081	68 081	68 081	73 580	76 630	80 630
Provinces and municipalities	3	1	-	43 000	43 000	43 000	47 000	50 000	54 000
Municipalities	3	1	-	43 000	43 000	43 000	47 000	50 000	54 000
Municipal agencies and funds	3	1	-	43 000	43 000	43 000	47 000	50 000	54 000
Non-profit institutions	68 746	12 871	11 336	24 631	24 631	24 631	25 370	26 130	26 130
Households	919	979	-	450	450	450	1 210	500	500
Social benefits	919	979	-	450	450	450	1 210	500	500
Payments for capital assets	33	21	13 997	14 710	14 710	14 710	6 200	6 572	6 967
Machinery and equipment	33	21	13 997	14 710	14 710	14 710	6 200	6 572	6 967
Transport equipment	-	-	-	-	-	-	4 200	4 452	4 720
Other machinery and equipment	33	21	13 997	14 710	14 710	14 710	2 000	2 120	2 247
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	1 500 926	1 907 312	2 225 423	2 652 072	2 652 072	2 852 072	3 257 992	3 874 085	4 356 983

Table 7.Q : Payments and estimates by economic classification: Afcon 2013 Medical Services Grant

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Current payments	-	-	1 672	-	-	-	-	-	-
Compensation of employees	-	-	1 401	-	-	-	-	-	-
Salaries and wages	-	-	1 401	-	-	-	-	-	-
Goods and services	-	-	271	-	-	-	-	-	-
Advertising	-	-	220	-	-	-	-	-	-
Inventory: Medical supplies	-	-	6	-	-	-	-	-	-
Inventory: Medicine	-	-	6	-	-	-	-	-	-
Travel and subsistence	-	-	39	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	-	-	1 672	-	-	-	-	-	-

Table 7.R : Payments and estimates by economic classification: EPWP Integrated Grant for Provinces

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Current payments	-	536	1 000	3 000	3 000	16 000	2 580	-	-
Compensation of employees	-	-	-	3 000	3 000	16 000	2 580	-	-
Salaries and wages	-	-	-	3 000	3 000	16 000	2 580	-	-
Goods and services	-	536	1 000	-	-	-	-	-	-
Property payments	-	536	1 000	-	-	-	-	-	-
Transfers and subsidies to	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	-	536	1 000	3 000	3 000	16 000	2 580	-	-

Table 7.S : Payments and estimates by economic classification: Forensic Pathology Services grant

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation 2013/14	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Current payments	107 477	132 081	-	-	-	-	-	-	-
Compensation of employees	81 720	107 699	-	-	-	-	-	-	-
Salaries and wages	68 316	90 231	-	-	-	-	-	-	-
Social contributions	13 404	17 468	-	-	-	-	-	-	-
Goods and services	25 757	24 382	-	-	-	-	-	-	-
Advertising	4	5	-	-	-	-	-	-	-
Assets less than the capitalisation threshold	197	96	-	-	-	-	-	-	-
Catering: Departmental activities	3	-	-	-	-	-	-	-	-
Communication (G&S)	2 344	2 432	-	-	-	-	-	-	-
Computer services	25	-	-	-	-	-	-	-	-
Cons & prof serv: Business & advisory services	-	41	-	-	-	-	-	-	-
Contractors	6 027	3 918	-	-	-	-	-	-	-
Agency and support / outsourced services	758	696	-	-	-	-	-	-	-
Inventory: Food and food supplies	4	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	4 631	5 228	-	-	-	-	-	-	-
Inventory: Materials and supplies	12	6	-	-	-	-	-	-	-
Inventory: Medical supplies	2 529	1 447	-	-	-	-	-	-	-
Inventory: Medicine	1	-	-	-	-	-	-	-	-
Consumable supplies	755	735	-	-	-	-	-	-	-
Consumable: Stationery, printing & office supplies	279	118	-	-	-	-	-	-	-
Operating leases	1 101	769	-	-	-	-	-	-	-
Property payments	6 320	8 242	-	-	-	-	-	-	-
Transport provided: Departmental activity	377	313	-	-	-	-	-	-	-
Travel and subsistence	285	198	-	-	-	-	-	-	-
Training and development	6	11	-	-	-	-	-	-	-
Operating payments	96	127	-	-	-	-	-	-	-
Venues and facilities	3	-	-	-	-	-	-	-	-
Transfers and subsidies to	121	110	-	-	-	-	-	-	-
Provinces and municipalities	59	54	-	-	-	-	-	-	-
Municipalities	59	54	-	-	-	-	-	-	-
Municipal agencies and funds	59	54	-	-	-	-	-	-	-
Departmental agencies and accounts	62	56	-	-	-	-	-	-	-
Social security funds	13	29	-	-	-	-	-	-	-
Entities receiving funds	49	27	-	-	-	-	-	-	-
Payments for capital assets	44 808	29 359	-	-	-	-	-	-	-
Buildings and other fixed structures	38 117	28 117	-	-	-	-	-	-	-
Buildings	38 117	28 117	-	-	-	-	-	-	-
Machinery and equipment	6 691	1 242	-	-	-	-	-	-	-
Transport equipment	5 975	878	-	-	-	-	-	-	-
Other machinery and equipment	716	364	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	152 406	161 550	-	-	-	-	-	-	-

Table 7.T : Payments and estimates by economic classification: 2010 World Cup Health Preparation Strategy grant

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation 2013/14	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Current payments	-	-	-	-	-	-	-	-	-
Transfers and subsidies to	-	-	-	-	-	-	-	-	-
Payments for capital assets	3 538	-	-	-	-	-	-	-	-
Machinery and equipment	3 538	-	-	-	-	-	-	-	-
Other machinery and equipment	3 538	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	3 538	-	-	-	-	-	-	-	-

Table 7.U : Payments and estimates by economic classification: Social Sector EPWP Incentive Grant to Provinces

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation 2013/14	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Current payments	2 555	25 775	-	-	-	-	2 581	-	-
Compensation of employees	2 555	25 775	-	-	-	-	2 581	-	-
Salaries and wages	2 555	22 424	-	-	-	-	2 581	-	-
Social contributions	-	3 351	-	-	-	-	-	-	-
Transfers and subsidies to	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	2 555	25 775	-	-	-	-	2 581	-	-

Table 7.V : Health - Payments of infrastructure by category

No.	Project name	Municipality / Region	Type of infrastructure		Project duration		Source of funding	Budget programme name	Targeted number of jobs for 2014/15	Total project cost	Expenditure to date from previous years	Total available		MTEF Forward estimates
			School - primary/ secondary/ specialised; admin block; water, electricity; sanitation/toilet; fencing etc)	Units	Date: Start	Date: Finish						2014/15	2015/16	
R thousands														
New and replacement assets														
1	Brunville CHC	Impofana	Construction of pathway/new despatching room	-	01/04/2014	01/10/2014	Revitalisation grant	Prog 8	-	5 000	49	3 601	750	-
2	Dannhauser CHC	Dannhauser	Construction of a new CHC	-	2012/03/28	2014/04/02	Revitalisation grant	Prog 8	-	164 972	97 540	13 954	4 000	-
3	Dr Pixley ka Seme Hospital	eThekweni	New 500 bed regional hospital	-	2014/04/10	2019/04/30	Revitalisation grant	Prog 8	-	2 781 073	106 642	49 402	432 136	-
4	Edendale Hospital	Msunduzi	New clinic and ARV facility	-	2012/03/07	2013/11/30	Revitalisation grant	Prog 8	-	58 228	24 283	12 445	1 500	-
5	Emmaus Hospital	Okhahlamba	New OPD/trauma/X-ray units	-	2012/03/08	2015/03/08	Revitalisation grant	Prog 8	-	132 236	32 447	39 944	8 845	-
6	Hluhluwe Clinic	Jozini	Construction of a new clinic with residences	-	2012/03/28	2013/09/30	Revitalisation grant	Prog 8	-	34 202	21 332	855	-	-
7	Ikhwezi Lokusa Clinic	Ukhahlamba	New facility	-	2016/07/01	2018/01/01	Revitalisation grant	Prog 8	-	15 393	1 348	500	13 032	-
8	Jozini CHC	Jozini	Construction of a new CHC	-	2012/08/21	2014/08/15	Revitalisation grant	Prog 8	-	268 502	20 308	155 384	21 251	-
9	King Dinuzulu Hospital	eThekweni	New level 1 hospital	-	2013/06/13	2014/06/13	Revitalisation grant	Prog 8	-	8 630	-	5 698	432	-
10	King Dinuzulu Hospital	eThekweni	Health technology equip. (TB)/new psych hosp.	-	2011/04/01	2012/03/31	Revitalisation grant	Prog 8	-	134 978	94 978	5 000	-	-
11	King Dinuzulu Hospital	eThekweni	New psychiatric secure unit	-	2011/06/07	2012/07/08	Revitalisation grant	Prog 8	-	12 847	9 867	438	-	-
12	King Dinuzulu Hospital	eThekweni	New aircon to TB multi storey	-	2011/11/30	2013/04/28	Revitalisation grant	Prog 8	-	23 012	15 820	575	-	-
13	Kwahlhambana Clinic	Nongoma	Construct new clinic	-	2011/11/201	2013/05/20	Revitalisation grant	Prog 8	-	13 950	8 404	348	-	-
14	KwaJoni Clinic	Umtzombe	Construction of a medium clinic with residence	-	2016/04/20	2017/09/15	Revitalisation grant	Prog 8	-	18 000	3 649	-	1 038	-
15	KwaMpande Clinic	Msunduzi	Phase 9 : New clinic	-	2016/07/20	2017/01/20	Revitalisation grant	Prog 8	-	11 646	1 585	-	1 000	-
16	Mphaphala Clinic	Nkandla	Construction of new medium clinic	-	12/04/2018	16/06/2019	Revitalisation grant	Prog 8	-	18 000	1 046	-	1 000	-
17	Mqasheeni Clinic	Kwa Sani	New clinic : Phase 10	-	30/01/2012	30/07/2013	Revitalisation grant	Prog 8	-	14 145	7 651	350	-	-
18	Various	Various	Various	-	Various	Various	Various	Prog 8	-	1 293 671	95 529	93 529	59 747	-
Total New and replacement assets										5 008 485	542 639	382 023	544 731	-
Upgrades and additions														
1	Benedictine Hospital	Nongoma	Student accommodation	-	2016/09/30	2018/03/30	Equitable share	Prog 8	-	40 000	34	5 000	16 579	1 000
2	Charles Johnson Memorial Hospital	Nquthu	Upgrading of nurses residence	-	2014/04/01	2014/12/01	Equitable share	Prog 8	-	5 000	-	5 500	1 500	-
3	Edendale Hospital	Msunduzi	Health technology equipment	-	2012/04/01	2013/03/31	Revitalisation grant	Prog 8	-	36 008	30 008	20 000	-	-
4	Edendale Hospital	Msunduzi	Upgrade OPD/emergency unit	-	2012/10/31	2014/01/30	Revitalisation grant	Prog 8	-	78 493	7 783	25 321	15 633	2 339
5	Edendale Hospital	Msunduzi	Upgrade psychiatric ward	-	2012/10/16	2013/11/30	Revitalisation grant	Prog 8	-	9 926	2 033	2 657	250	-
6	Hiabisa Hospital	Hiabisa	Upgrade pharmacy, OPD	-	2017/04/01	2019/04/01	Revitalisation grant	Prog 8	-	88 000	836	13 419	-	8 236
7	King Dinuzulu Hospital	eThekweni	Initial planning for resident personnel	-	2012/04/01	2013/03/31	Revitalisation grant	Prog 8	-	26 519	22 452	1 743	-	-
8	King Dinuzulu Hospital	eThekweni	Upgrade water reservoir/helicopter taxi stop	-	2012/01/27	2013/12/12	Revitalisation grant	Prog 8	-	69 182	16 729	29 340	1 730	-
9	King Dinuzulu Hospital	eThekweni	IT cabling and equipment	-	2013/07/01	2014/03/13	Revitalisation grant	Prog 8	-	3 332	832	2 000	-	-
10	King Dinuzulu Hospital	eThekweni	New TB complex	-	2011/09/16	2013/01/16	Revitalisation grant	Prog 8	-	81 100	44 169	14 050	2 030	-
11	King Edward VIII Hospital	eThekweni	Health technology equipment	-	2012/04/01	2013/03/31	Revitalisation grant	Prog 8	-	30 644	21 224	4 000	1 000	-
12	KwaMagwaza Hospital (St Mary's)	Mithonjani	Upgrade kitchen floor, waterproofing roof	-	2016/09/30	2018/03/16	Revitalisation grant	Prog 8	-	427 521	246 226	85 757	2 174	2 000
13	LUMWH	uMhlatuze	Alteration and additions to existing hospital	-	2010/09/09	2014/09/04	Revitalisation grant	Prog 8	-	34 117	175	500	14 000	17 692
14	Mahatma Gandhi Hospital	eThekweni	Mental health care unit	-	2014/04/30	2016/04/30	Revitalisation grant	Prog 8	-	31 724	2 118	1 000	15 000	12 729
15	Mambulu Clinic (Kranskop)	Maphumulo	Construction of a medium clinic	-	2016/06/30	2018/12/15	Revitalisation grant	Prog 8	-	15 000	608	1 000	11 500	1 892
16	Montebello Hospital	Ndwedwe	Upgrade male/paediatric/maternity wards	-	2016/09/01	2018/03/01	Revitalisation grant	Prog 8	-	9 000	-	-	1 000	7 996
17	Mosvold Hospital (Nursing College)	Jozini	Residence/offices for lecturers	-	2015/04/01	2017/04/01	Revitalisation grant	Prog 8	-	13 000	-	-	12 140	360
18	Murchison Hospital	Hibiscus Coast	Construction of new MDR unit	-	2016/04/01	2017/03/30	Revitalisation grant	Prog 8	-	362 928	256 096	547 478	354 849	487
19	Various	Various	Various	-	Various	Various	Various	Prog 8	-	1 378 494	652 507	758 765	449 385	54 731
Total Upgrades and additions										1 378 494	652 507	758 765	449 385	54 731

Table 7.V (continued) : Health - Payments of infrastructure by category

No.	Project name	Municipality / Region	Type of infrastructure		Project duration		Source of funding	Budget programme name	Targeted number of jobs for 2014/15	Total project cost	Expenditure to date from previous years	Total available	MTEF Forward estimates	
			School - primary/ secondary/ specialised; admin block, water, electricity, sanitation/toilet, fencing etc)	Units	Date: Start	Date: Finish							2014/15	2015/16
R thousands														
Rehabilitation, renovations and refurbishments														
1	Addington Nursing College	eThekweni	Renovations and additions	-	2012/07/04	2013/10/20	Revitalisation grant	Prog 8	-	9 407	5 429	6 75	-	-
2	Endendale Nursing College	Msunduzi	Renovations and additions	-	2011/11/15	2013/07/10	Revitalisation grant	Prog 8	-	55 000	34 607	2 940	-	-
3	Ekhombe Hospital	Nkandla	Repairs to kitchen roof/psychiatric ward	-	2016/06/30	2018/01/31	Revitalisation grant	Prog 8	-	53 810	3 017	500	27 296	-
4	Greys Hospital (Nursing College)	Msunduzi	Classroom/records room	-	2016/04/01	2017/04/01	Revitalisation grant	Prog 8	-	8 000	-	900	1 000	-
5	Jozini Malaria Health Complex	Jozini	Renovations houses and carpents	-	2013/01/22	2013/07/21	Revitalisation grant	Prog 8	-	5 047	272	126	-	-
6	King Dinuzulu Hospital	eThekweni	Lift installation: Double lift to AC multi storey	-	2013/05/01	2014/08/01	Revitalisation grant	Prog 8	-	1 865	-	465	-	-
7	King Dinuzulu Hospital	eThekweni	Lift installation: Single lift to AC multi storey	-	2013/03/13	2014/03/13	Revitalisation grant	Prog 8	-	697	-	60	-	-
8	King Edward VIII Hospital	eThekweni	Upgrade classroom/toilets	-	2016/04/01	2017/04/01	Revitalisation grant	Prog 8	-	6 658	-	2 000	4 158	-
9	King Edward VIII Hospital	eThekweni	Retubishment of lifts to S N & I blocks	-	2012/02/16	2014/04/30	Revitalisation grant	Prog 8	-	4 000	2 143	150	-	-
10	King Edward VIII Hospital	eThekweni	Repairs stormwater drainage	-	2014/07/13	2015/06/30	Revitalisation grant	Prog 8	-	29 746	1 384	13 840	11 186	-
11	King Edward VIII Hospital	eThekweni	Renovate MOPD/theatres/ICU/high care	-	2014/04/01	2017/04/01	Revitalisation grant	Prog 8	-	154 000	3 036	3 036	30 000	-
12	King Edward VIII Hospital	eThekweni	Repairs and renovations to OPD	-	2013/05/17	2014/05/16	Revitalisation grant	Prog 8	-	15 000	635	-	-	-
13	King Edward VIII Hospital	eThekweni	Renovate NI and POPD	-	2010/04/08	2012/07/31	Revitalisation grant	Prog 8	-	57 329	55 679	-	-	-
14	King Edward VIII Hospital	eThekweni	Renovate family clinic/psychiatric wards/kitchen	-	2013/05/30	2014/07/30	Revitalisation grant	Prog 8	-	45 814	3 036	30 892	1 186	-
15	King Edward VIII Hospital	eThekweni	Staff residence renovation Phase 2	-	2012/10/17	2014/07/31	Revitalisation grant	Prog 8	-	83 922	17 013	21 414	4 640	-
16	Kwasobha Clinic	UPhongo	Upgrade clinic	-	2011/11/07	2013/01/09	Revitalisation grant	Prog 8	-	6 109	3 971	681	152	-
17	Lomo Clinic	Ulundi	Complete repairs and renovations	-	2011/09/23	2013/03/01	Revitalisation grant	Prog 8	-	6 653	6 421	160	-	-
18	Macabini Clinic	KwaDukuza	Renovate clinic	-	2011/08/02	2013/06/27	Revitalisation grant	Prog 8	-	6 850	6 024	150	-	-
19	Makhatini Clinic	Jozini	Renovate clinic	-	2013/07/04	2014/03/04	Revitalisation grant	Prog 8	-	6 200	4 195	105	-	-
20	Mbongolwane Hospital	Umlalazi	Renovate dwellings/dormitories	-	2012/05/25	2014/05/20	Revitalisation grant	Prog 8	-	24 593	3 866	2 300	614	-
21	Mngobokazi Clinic	Big 5 False bay	Renovate clinic	-	2012/04/26	2013/04/26	Revitalisation grant	Prog 8	-	7 228	2 739	180	-	-
22	Various	Various	Various	-	Various	Various	Various	Prog 8	-	-	87 167	5 550	-	-
Total Rehabilitation, renovations and refurbishments										587 928	149 272	168 795	85 887	-
Maintenance and repairs														
1	Institutional maintenance	Umkhanyakude DM	Budget allocated for maintenance and repair	-	2013/04/01	2014/03/31	Equitable share	Prog 8	-	166 183	14 483	18 417	10 523	11 326
2	Institutional maintenance	Amajuba DM	Budget allocated for maintenance and repair	-	2013/04/01	2014/03/31	Equitable share	Prog 8	-	50 745	11 082	4 000	8 000	8 611
3	Institutional maintenance	eThekweni	Budget allocated for maintenance and repair	-	2013/04/01	2014/03/31	Equitable share	Prog 8	-	184 647	58 207	23 618	48 053	48 797
4	Institutional maintenance	Msunduzi	Budget allocated for maintenance and repair	-	2013/04/01	2014/03/31	Equitable share	Prog 8	-	7 530	3 800	3 415	1 951	2 100
5	Institutional maintenance	Ilembe DM	Budget allocated for maintenance and repair	-	2013/04/01	2014/03/31	Equitable share	Prog 8	-	78 064	9 861	12 727	7 271	7 826
6	Institutional maintenance	Sisonke DM	Budget allocated for maintenance and repair	-	2012/04/01	2013/03/31	Equitable share	Prog 8	-	82 581	9 236	9 493	5 424	5 838
7	Institutional maintenance	Ugu DM	Budget allocated for maintenance and repair	-	2013/04/01	2014/03/31	Equitable share	Prog 8	-	100 350	24 788	18 980	10 844	11 672
8	Institutional maintenance	uMgungundlovu DM	Budget allocated for maintenance and repair	-	2012/04/01	2014/03/31	Equitable share	Prog 8	-	176 424	52 302	10 000	19 741	21 248
9	Institutional maintenance	Umzinyathi DM	Budget allocated for maintenance and repair	-	2013/04/01	2014/03/31	Equitable share	Prog 8	-	78 582	15 490	21 045	12 024	12 942
10	Institutional maintenance	Nkandla	Budget allocated for maintenance and repair	-	2013/04/01	2014/03/31	Equitable share	Prog 8	-	101 448	18 053	21 673	12 363	13 328
11	Institutional maintenance	Zululand DM	Budget allocated for maintenance and repair	-	2013/04/01	2014/03/31	Equitable share	Prog 8	-	59 824	17 119	18 825	10 755	11 576
12	Various	Various	Various	-	Various	Various	Various	Prog 8	-	-	-	70 000	50 071	-
Total Maintenance and repairs										1 086 378	234 421	232 193	197 040	155 264
Infrastructure transfers - current														
Infrastructure transfers - capital														
Total Health Infrastructure										8 061 285	1 578 839	1 541 776	1 277 043	209 995

Table 7.W : Summary of transfers to local government (Municipal clinics)

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13		2013/14		2014/15	2015/16	2016/17
A KZN2000 eThekweni	44 540	47 212	-	122 500	136 000	136 000	109 000	122 400	138 365
Total: Ugu Municipalities	12 153	5 616	7 270	-	-	-	-	-	-
B KZN211 Vulamehlo	-	-	-	-	-	-	-	-	-
B KZN212 Umdoni	3 493	1 663	1 585	-	-	-	-	-	-
B KZN213 Umzumbi	-	-	-	-	-	-	-	-	-
B KZN214 uMuziwabantu	1 408	417	861	-	-	-	-	-	-
B KZN215 Ezingoleni	-	-	-	-	-	-	-	-	-
B KZN216 Hibiscus Coast	7 252	3 536	4 824	-	-	-	-	-	-
C DC21 Ugu District Municipality	-	-	-	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	34 475	11 039	-	-	7 239	7 239	-	-	-
B KZN221 uMshwathi	1 480	210	-	-	372	372	-	-	-
B KZN222 uMngeni	3 291	673	-	-	1 059	1 059	-	-	-
B KZN223 Mpofana	817	489	-	-	734	734	-	-	-
B KZN224 Impendle	-	-	-	-	-	-	-	-	-
B KZN225 Msunduzi	28 887	9 667	-	-	5 074	5 074	-	-	-
B KZN226 Mkhambathini	-	-	-	-	-	-	-	-	-
B KZN227 Richmond	-	-	-	-	-	-	-	-	-
C DC22 uMgungundlovu District Municipality	-	-	-	-	-	-	-	-	-
Total: Uthukela Municipalities	14 401	6 928	2 824	-	-	-	-	-	-
B KZN232 Emnambithi/Ladysmith	10 756	3 614	-	-	-	-	-	-	-
B KZN233 Indaka	-	-	-	-	-	-	-	-	-
B KZN234 Umsheshezi	2 161	1 921	1 413	-	-	-	-	-	-
B KZN235 Okhahlamba	1 484	1 393	1 411	-	-	-	-	-	-
B KZN236 Imbabazane	-	-	-	-	-	-	-	-	-
C DC23 Uthukela District Municipality	-	-	-	-	-	-	-	-	-
Total: Umzinyathi Municipalities	3 650	834	1 619	-	417	417	-	-	-
B KZN241 Endumeni	2 077	-	-	-	-	-	-	-	-
B KZN242 Nqutu	-	-	-	-	-	-	-	-	-
B KZN244 Msinga	-	-	-	-	-	-	-	-	-
B KZN245 Umvoti	1 573	834	1 619	-	417	417	-	-	-
C DC24 Umzinyathi District Municipality	-	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities	1 493	1 109	-	-	-	-	-	-	-
B KZN252 Newcastle	1 493	1 109	-	-	-	-	-	-	-
B KZN253 eMadlangeni	-	-	-	-	-	-	-	-	-
B KZN254 Dannhauser	-	-	-	-	-	-	-	-	-
C DC25 Amajuba District Municipality	-	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	-	-	-	-	-	-	-	-	-
B KZN261 eDumbe	-	-	-	-	-	-	-	-	-
B KZN262 uPhongolo	-	-	-	-	-	-	-	-	-
B KZN263 Abaqulusi	-	-	-	-	-	-	-	-	-
B KZN265 Nongoma	-	-	-	-	-	-	-	-	-
B KZN266 Ulundi	-	-	-	-	-	-	-	-	-
C DC26 Zululand District Municipality	-	-	-	-	-	-	-	-	-
Total: Umkhanyakude Municipalities	-	-	-	-	-	-	-	-	-
B KZN271 Umhlabuyalingana	-	-	-	-	-	-	-	-	-
B KZN272 Jozini	-	-	-	-	-	-	-	-	-
B KZN273 The Big 5 False Bay	-	-	-	-	-	-	-	-	-
B KZN274 Hlabisa	-	-	-	-	-	-	-	-	-
B KZN275 Mtubatuba	-	-	-	-	-	-	-	-	-
C DC27 Umkhanyakude District Municipality	-	-	-	-	-	-	-	-	-
Total: uThungulu Municipalities	7 320	10 467	7 149	21 000	12 000	12 000	23 600	27 000	28 431
B KZN281 Umfolozi	-	-	-	-	-	-	-	-	-
B KZN282 uMhlathuze	4 086	4 886	5 630	21 000	12 000	12 000	23 600	27 000	28 431
B KZN283 Ntambanana	-	-	-	-	-	-	-	-	-
B KZN284 uMlalazi	2 461	5 325	637	-	-	-	-	-	-
B KZN285 Mthonjaneni	773	256	882	-	-	-	-	-	-
B KZN286 Nkandla	-	-	-	-	-	-	-	-	-
C DC28 uThungulu District Municipality	-	-	-	-	-	-	-	-	-
Total: Ilembe Municipalities	5 856	2 835	4 031	-	657	657	-	-	-
B KZN291 Mandeni	1 527	541	564	-	657	657	-	-	-
B KZN292 KwaDukuza	4 329	2 294	3 467	-	-	-	-	-	-
B KZN293 Ndwedwe	-	-	-	-	-	-	-	-	-
B KZN294 Maphumulo	-	-	-	-	-	-	-	-	-
C DC29 Ilembe District Municipality	-	-	-	-	-	-	-	-	-
Total: Sisonke Municipalities	-	-	-	-	-	-	-	-	-
B KZN431 Ingwe	-	-	-	-	-	-	-	-	-
B KZN432 Kwa Sani	-	-	-	-	-	-	-	-	-
B KZN433 Greater Kokstad	-	-	-	-	-	-	-	-	-
B KZN434 Ubuhlebezwe	-	-	-	-	-	-	-	-	-
B KZN435 Umzimkulu	-	-	-	-	-	-	-	-	-
C DC43 Sisonke District Municipality	-	-	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	123 888	86 040	22 893	143 500	156 313	156 313	132 600	149 400	166 796

VOTE 8

Human Settlements

Operational budget	R 3 600 282 000
MEC remuneration	Nil
Total amount to be appropriated	R 3 600 282 000
Responsible MEC	Mr. R. Pillay, MEC for Public Works and Human Settlements ¹
Administering department	Human Settlements
Accounting officer	Head: Human Settlements

1. Overview

Vision

The vision of the department is: *Creating sustainable settlements.*

Mission statement

The mission of the department is: *To create an enabling environment based on a co-ordinated, integrated and inter-sectoral approach to support human settlement infrastructure development.*

Strategic objectives

Strategic policy direction: By focussing on its role of creating sustainable human settlements throughout the province, the department seeks to align its operations and strategic position with the overall aim of government to achieve accountability and effective service delivery for all citizens of the province in the following areas: create sustainable human settlements and improved quality of household life, and create vibrant, equitable, sustainable rural communities contributing toward food security for all.

The strategic objectives set by the department are:

- Eradication of slums KZN.
- Strengthening governance and service delivery.
- Ensuring job creation through housing delivery.
- Accelerating housing delivery in rural areas.
- Accelerate the hostels upgrade and redevelopment programme.
- Creating rental/social housing opportunities.
- Building capacity of housing stakeholders (especially municipalities).
- Promotion of home-ownership.
- Provision of housing for vulnerable groups.
- Provision of incremental housing.
- Implementation of the Financial Services Market programme.

Core functions

The following core functions have been identified as key for the attainment of the strategic objectives:

¹ The salary of the MEC of Human Settlements is budgeted for under Vote 14: Public Works.

- To promote the provision of housing development.
- To promote the provision of affordable housing and essential services.
- To manage, control and maintain the immovable assets of the department.
- To administer and manage housing subsidies of targeted groups.
- To research, establish, monitor and implement policies within the National Housing Policy Framework.
- To formulate a Provincial Housing Development Plan for the province.
- To facilitate and create housing institutions.
- To provide legal advice on land and environmental issue.
- To administer and co-ordinate the Community Residential Unit (CRU) programme.
- To administer the clearance of slums in KwaZulu-Natal.
- To capacitate housing stakeholders.

Legislative mandates

The principal legislative mandates governing the operations of the department are:

- Constitution of the Republic of South Africa (Act No. 108 of 1996)
- Housing Act, 1997 (Act No. 107 of 1997)
- Housing Consumers Protection Measures Act (Act No. 95 of 1998, as amended by Act No. 27 of 1999)
- Rental Housing Act (Act No. 50 of 1999)
- Sectional Titles Act (Act No. 95 of 1986, as amended by Acts No. 24 and 29 of 2003)
- Prevention of Illegal Eviction and Unlawful Occupation of Land (Act 19 of 1998)
- Home Loan and Mortgage Disclosure Act of 2000
- Disestablishment of South African Trust Limited Act (Act No. 26 of 2002)
- Constitutional Court judgment of 2000, on the enforceability of social and economic rights
- KwaZulu-Natal Housing Act (Act No. 12 of 1998, as amended)
- Housing Development Schemes for Retired Persons Act (Act No. 65 of 1988, as amended by Act No. 20 of 1998)
- National Building Regulations and Building Standards Act (Act No. 103 of 1977)
- Construction Industry Development Board Act (Act No. 38 of 2000)
- Preferential Procurement Policy Framework Act (Act No. 5 of 2000)
- Housing Consumers Protection Measures Act (Act No. 17 of 2007)
- Social Housing Act (Act 16 of 2008)
- Housing Development Agency Act (Act No. 23 of 2008)
- Public Finance Management Act (Act No. 1 of 1999, as amended and the Treasury Regulations)
- Broad Based Black Economic Empowerment Act (Act No. 53 of 2003)
- National Environmental Management Act (Act No. 107 of 1998, as amended by Act No. 8 of 2004)
- Communal Land Rights Act (Act No. 11 of 2004)
- Communal Property Associations Act (Act No. 28 of 1996)
- Deeds Registries Act (Act No. 47 of 1937)
- Extension of Security of Tenure Act (Act No. 62 of 1997)
- Land Administration Act (Act No. 2 of 1995)

- Reconstruction and Development Programme Fund Act (Act No. 7 of 1994)
- Municipal Finance Management Act (Act No. 56 of 2003)
- Corruption Act (Act No. 94 of 2004, as amended)
- Expropriation Act (Act No 39 of 1951, as repealed by Act No. 63 of 1975)
- National Heritage Resources Act (Act No. 25 of 1999)
- Standards Act (Act No. 29 of 1993)
- State Land Disposal Act (Act No. 48 of 1961)
- Intergovernmental Relations Framework Act (Act No. 13 of 2005)

2. Review of the 2013/14 financial year

This section provides a review of 2013/14, outlining the main achievements and progress made during the year, as well as providing a brief discussion on challenges and new developments.

Social rental housing

Social Rental Housing is a rental housing institution developed and managed mainly by non-profit social housing institutions for households with monthly incomes between R1 500 and R7 500. The department has been delivering social rental housing on an *ad hoc* basis without a strategic plan that is based on scientific research. Historically, social housing was only delivered in eThekweni and Msunduzi.

In order to achieve the rental targets as set out in Outcome 8, six accredited municipalities were identified to enhance delivery. These six accredited municipalities are Hibiscus Coast, uMhlathuze, Newcastle, Kwadukuza, Ladysmith and Msunduzi. These accredited municipalities have identified investment ideas where social housing can be developed. In order to be focused, the department finalised the rental strategy document. The KZN Rental Housing Strategic Plan 2012-2017 is a benchmark document that provides a clear path for achieving the desired rental targets as illustrated in Outcome 8 and as one of the key deliverables for the provision of safe, secure and sustainable rental tenure. The objective of the plan is to ensure that the rental needs of our people are met by the provision of affordable, decent and well located rental accommodation. On 23 and 24 May 2013, the department launched of the KZN Rental Housing Strategic Plan 2012-2017. The launch was a stepping stone toward the successful implementation of the plan in meeting the objectives of the Rental Housing Market. The engagement and dissemination of all relevant stakeholders in partnering with municipalities, delivery agents, managing agents, developers, internal capacity, and national departments was pivotal in order to create a climate that will be conducive to the creation of healthy partnerships and strong working relationships.

Currently, two projects within the eThekweni Metro are under construction, namely Lakehaven phase 2 that will yield 272 units at a total value of R79.852 million and Avoca Heights with 520 units at a total value of R151.688 million. Both projects are managed by First Metro Housing Company.

Community Residential Unit (CRU)

CRU is a programme that complements social housing. It can either be a development of new or an improvement of existing rental stock owned by government. It is created for households in the income band of R800 and R3 500 per month. The project is either developed or managed by the department or the municipality. The programme also aims at improving living conditions at hostels by converting them into family units, given the fact that hostel residents are living in squalor conditions. The CRU forms part of the KZN Social Rental Strategy that is being developed by Social Housing Regulatory Authority (SHRA).

A benchmark to measure the progress in terms of CRU delivery will be the KZN Rental Housing Strategic Plan 2012-2017. The plan succinctly provides a demand and supply assessment of the environment. It details the internal capacity needs and proposes mechanisms for engagement with the Rental Housing stakeholders. Furthermore, it sets out a 5-year project pipeline, as well as an innovative technology project pipeline. The plan is a steadfast commitment from the department to facilitate the provision of innovative, sustainable, well located and affordable rental housing that meets the needs of a diversified rental market.

As at the end of the third quarter, the department completed about 200 units. There are 168 units in Lakehaven and 240 units in Avoca Heights at different stages of construction.

Rectification of pre-1994 housing stock

This programme is aimed at rectifying the housing stock constructed pre-1994. While the department has approved project funding in the sum of R3.500 billion for the rectification of 42 797 units to be implemented over a number of years, various challenges such as the slow procurement processes prevented the roll-out of the various projects as envisaged in 2013/14.

Within the eThekweni Metro, 42 293 units were approved but, due to challenges experienced, the roll-out is anticipated from January 2014. In the case of Lamontville, challenges were experienced with the appointment of contractors for the second phase of works. This was resolved mid-way into 2013/14, but hampered service delivery. Notwithstanding this, a total of 657 units were rectified by 31 December 2013.

In Emawoseni in Newcastle, a project was rolled out in 2013/14, and the approval of funding of R11.400 million and Memorandum of Agreement (MOA) for the rectification of 148 units was only finalised in June 2013. Of the 148 units, a total of 144 require demolition of old structures and rebuild on the same location, while the remaining four only require rehabilitation. The implementing agent has accelerated delivery and is currently laying foundation slabs.

Rental Housing Tribunal

The Rental Housing Tribunal component continues to regulate good relationships between tenants and landlords by implementing pre-emptive and pro-active measures. About 1 351 cases were resolved as at the end of the third quarter of 2013/14.

Informal settlements upgrade

The department has been prioritised the Upgrade of Informal Settlements Programme (UISP) in the approval process of projects. Priority projects, such as Cornubia and Inyoni Slum Clearance, are currently under construction. Cornubia is a project within an Integrated Residential Development Programme and has delivered 482 units (Phase 1A) by 2013/14 for the low income category and 2 186 sites are to be constructed in Phase 1B. This will add value to the upgrading of many informal settlements within the eThekweni Metro. In total, there are 3 878 units that were completed as at the end of the third quarter. Lengthy tender processes contributed to the slow delivery under the UISP as the target for 2013/14 was 10 957 units that needed to be completed.

Rural housing development

The housing delivery in rural areas within all districts progressed well, with a number of projects under construction. The department is confident that the target of 13 262 units will be achieved and, as at the end of the third quarter, 8 581 units have been completed. The *Vulindlela* Housing Project in the Msunduzi Municipality, which is being implemented using the Enhanced People's Housing Process (EPHP) instrument, is progressing well, with more than 1 300 units completed and many units at various stages of construction. The department appointed a team of Quality Assurance Inspectors working with the National Home Builders Registration Council (NHBRC) to ensure quality products in all projects.

3. Outlook for the 2014/15 financial year

This section looks at the key focus areas of 2014/15, outlining what the department is hoping to achieve during the year, as well as briefly looking at challenges and proposed new developments.

Rental Housing Tribunal

The Rental Housing Tribunal component will continue to regulate good relationships between tenants and landlords by implementing pre-emptive and pro-active measures. There is still an increase in the number of complaints lodged by tenants against social housing institutions and, as such, a joint intervention between the Rental Housing Tribunal and the social housing component was established to educate both tenants and social housing institutions about their rights and obligations in terms of the Rental Housing Act.

Social rental housing

Currently there are not enough Social Housing Institutions (SHIs) to deliver social housing in KZN. However, through the Rental Housing Strategic Management Team (known as the Booster Team) which was created by the SHRA, the department will develop two additional SHIs to fast-track the delivery of rental stock. The appointment of the Booster Team will assist municipalities in terms of:

- Understanding and implementing rental housing in its different formats.
- Establishment of governance and operational structures.
- Provision for rental stock.
- Maintenance and overall real estate management.
- Supply/demand analysis.
- Policy application and policy gap analysis.
- Monitoring and evaluating.

Rectification of pre-1994 housing stock

This programme is aimed at rectifying the housing stock constructed pre-1994. Project funding of R3.500 billion over the years for the rectification of 42 797 units has been approved by the department. Various projects in eThekweni, Newcastle and Umdoni are currently underway.

The following projects are either in planning stage or awaiting approval of funding and projected for 2014/15: Estcourt (8 units), Dundee (800 units), Vryheid (73 units) and ex-R293 and ex-Own Affairs in the eThekweni Metro (1 681 units).

Informal settlements upgrade

The key deliverables will be the identification of well-located affordable land for the implementation of the informal settlements upgrade. There is an estimation of approximately 296 507 households residing in informal settlements located within the 61 municipalities in KZN. About 95 per cent of these households are located within 11 municipalities, of which 78 per cent are located within the eThekweni Metro. Projects where the department is acquiring well located land are Driefontein in KwaDukuza within the Ilembe District Municipality which is set to deliver 17 000 units, and Blauwbosch in Newcastle within the Amajuba District Municipality which is set to deliver 25 000 units. All these projects follow the planning pattern of the Integrated Residential Development Programme, which focuses on integration in human settlements development.

Rural housing development

Due to KZN's largely rural nature, the department will be focusing on these rural areas as part of the informal settlements upgrade, mainly due to the type of dwellings that are found in rural areas. The communities are particularly vulnerable when heavy rains, storms or similar disasters occur. By virtue of houses being built using poor materials, rural households are in the same predicament that people living in informal settlements find themselves in. The department ensures that the housing specifications for rural households are the same as the urban settlement (excluding services) to address the gap between rural and urban projects in terms of maintaining uniformity.

4. Receipts and financing

4.1 Summary of receipts and financing

Table 8.1 indicates the sources of funding for Vote 8 for the period 2010/11 to 2016/17.

The budget for 2014/15 is made up of the equitable share of R327.237 million and the Human Settlements Development grant (HSDG) of R3.273 billion. The aim of the HSDG is to promote the provision of low income housing and essential services.

Table 8.1 : Summary of receipts and financing

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Equitable share	267 030	283 444	300 409	312 248	311 786	311 786	327 237	342 050	360 516
Conditional grants	2 768 502	2 801 547	2 915 297	3 238 428	3 278 584	3 278 584	3 273 045	3 313 983	3 547 298
<i>Human Settlements Development grant</i>	2 634 109	2 769 871	2 915 297	3 235 428	3 275 584	3 275 584	3 273 045	3 313 983	3 547 298
<i>Housing Disaster Relief grant</i>	133 800	31 140	-	-	-	-	-	-	-
<i>EPWP Integrated Grant for Provinces</i>	593	536	-	3 000	3 000	3 000	-	-	-
Total receipts	3 035 532	3 084 991	3 215 706	3 550 676	3 590 370	3 590 370	3 600 282	3 656 033	3 907 814
Total payments	3 089 237	3 042 495	3 377 771	3 550 676	3 591 370	3 591 370	3 600 282	3 656 033	3 907 814
Surplus/(Deficit) before financing	(53 705)	42 496	(162 065)	-	(1 000)	(1 000)	-	-	-
Financing									
<i>of which</i>									
Provincial roll-overs	77 024	-	27 637	-	-	-	-	-	-
Provincial cash resources	-	-	134 477	-	1 000	1 000	-	-	-
Surplus/(Deficit) after financing	23 319	42 496	49	-	-	-	-	-	-

The department's equitable share budget grows steadily from 2010/11 to 2016/17, attributed mainly to inflationary wage adjustments and inflation related items for the department's administration costs.

Conditional grants grow steadily from 2010/11 to 2013/14, attributed mainly to the HSDG, largely as a result of additional funding allocated for the informal settlements upgrade in rapidly urbanising mining towns to support the implementation of the Strategic Infrastructure Projects (SIPs) identified by the Presidential Infrastructure Co-ordinating Committee (PICC). The growth was offset to some extent by the baseline cuts in the budget for the grant due to the data update resulting from the 2011 Census. The budget for the HSDG grows consistently over the 2014/15 MTEF at this stage. The allocation for the HSDG also includes funds earmarked spending with the eThekweni Metro, as well as the funding for disaster repairs.

The department was also allocated an amount of R3 million in 2013/14 in respect of the EPWP Integrated Grant for Provinces, which aims to create temporary work opportunities and transfer of skills to the unemployed. There are no allocations against this grant in the 2014/15 MTEF.

The department under-spent its 2010/11 budget by R23.319 million, mainly because they had projected to relocate head office from Durban to Pietermaritzburg. However, the Department of Public Works (DOPW) was unable to procure suitable office space and the relocation therefore did not go ahead. The department received an amount of R77.024 million as a roll-over from 2010/11, to address spending pressures in respect of Cornubia. The project experienced delays with the planning processes by the eThekweni Metro, as well as delays in the Environmental Impact Assessment (EIA). These challenges have since been resolved, and Phase 1 of Cornubia is on track.

Also, in 2010/11, due to slow spending on the HSDG, R80 million was removed from the department by National Treasury and re-allocated to other provinces. The reasons for slow spending are provided under Section 6.3 below.

During 2010/11, a portion of the HSDG was deducted by National Treasury, and allocated as an Urban Settlements Development grant (USDG) to the eThekweni Metro. National Treasury reduced the department's HSDG allocation over the 2011/12 MTEF by R379.629 million in 2011/12, R435.816 million in 2012/13 and R277.453 million in 2013/14. To this end, these funds were added to the Municipal Infrastructure Grant (MIG) cities to form a new USDG, with the eThekweni Metro receiving this funding directly.

During 2011/12, the department was allocated additional funding of R31.140 million in the Adjustments Estimate in respect of the Housing Disaster Relief grant for repairs to infrastructure damaged by floods during January and February 2011. This budget was not fully spent during the year due to, among others, the delays in finalising the database of service providers that were to be utilised for the implementation of the programme, as well as the delays in the verification of affected beneficiaries. The department applied for a roll-over of R27.637 million to 2012/13, and this was approved by National Treasury.

The department under-spent its 2011/12 budget by R42.496 million, emanating mainly from the Housing Disaster Relief grant, as explained above, as well as the equitable share due to the non-filling of vacant posts resulting from the lack of suitable candidates and the ongoing review of the organisational structure.

Provincial cash resources in 2012/13 reflect R134.477 million, which comprised an amount of R85.229 million relating to the re-allocation of funds from Thubelisha Homes for Ingwavuma Ministerial projects, and R49.248 million allocated in the Adjusted Appropriation relating to the re-allocation of funds received in terms of the Wiggins and Bonela Housing project, which was allocated for the implementation of social housing projects. An amount of R27.637 million against provincial roll-overs relates to the roll-over approved with respect to the Housing Disaster Relief grant, as previously explained. The department under-spent its 2012/13 allocation by an insignificant amount of R49 000.

The department received an additional allocation amounting to R1 million from provincial cash resources in 2013/14 for spending on Operation *Sukuma Sakhe* (OSS) initiatives as identified by MEC. These funds will be used at the MEC's discretion, aiming to improve lives of the people in KZN.

4.2 Departmental receipts collection

Table 8.2 provides a summary of the receipts collected by the department. Details of these departmental receipts are given in *Annexure – Vote 8: Human Settlements*.

Table 8.2 : Summary of departmental receipts collection

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	387	474	469	434	434	434	477	534	562
Transfers received	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	46	(20)	16	30	30	30	20	18	16
Sale of capital assets	302	160	530	300	300	300	480	560	590
Transactions in financial assets and liabilities	7 382	268 554	14 081	775	775	6 649	853	938	988
Total	8 117	269 168	15 096	1 539	1 539	7 413	1 830	2 050	2 156

As is evident from the table, the main source of departmental receipts is *Transactions in financial assets and liabilities*, which comprises receipts collected from previous years' staff debtors in respect of breached bursary contracts, as well as refunds of subsidies from banks and conveyancers on the close-out of projects. This category is difficult to project due to its uncertain nature, hence the fluctuating trend over the seven-year period. The substantial increase in 2011/12 relates to an amount of R85.229 million which was received by the department from Thubelisha Homes for Ingwavuma Ministerial projects, as well as an amount of R176.105 million in respect of Wiggins and Bonela Housing projects. The 2012/13 collection includes of the following:

- R461 000 relating to the department disbursing funds to lenders and conveyancers to undertake the transfer of housing units through the individual subsidy route. Unused monies were returned to the department.
- R1.586 million was due to monies recovered by the Special Investigation Unit (SIU) from finalised fraud cases. Furthermore, the department received R72 000 from Endumeni Municipality relating to the renovation of 43 houses in 2005/06. The houses were renovated at a lower cost than anticipated, and the unspent balance of R13 214, together with interest accrued over the years, was paid over to the department.
- R4.378 million from a departmental agent (Tongaat Hulett Developments) for housing project subsidies in Phase 2 Mount Moriah. The department pre-paid the agent to develop 884 sites. The agent faced some technical problems, such as wetlands and hard rocks. Secondly, some departmental employees were precluded by their salary scales from receiving a subsidy, yet they benefited from the project. As the audit continued, the site beneficiaries reduced from 884 to 264, resulting in uncommitted funds being transferred back to the department.

- R1.948 million was returned to the department due to the cancellation of the payment to Bigen WBHO Housing (Pty) Ltd which was not disbursed to the supplier in the previous financial year, because of incorrect banking details of the entity.

The 2013/14 Revised Estimate of R6.649 million in respect of *Transactions in financial assets and liabilities* includes revenue received in respect of the following:

- R2.300 million was from monies recovered by the SIU from finalised fraud cases.
- R1.083 million which was derived from a subsidy refund from the eThekweni Metro in respect of the Riverdene Housing project due to the cancellation of 152 beneficiaries. It was noticed that some of the originally approved beneficiaries were not occupying these houses and, after investigation, a verification of beneficiaries was undertaken by the eThekweni Metro, which resulted in the cancellation of these 152 beneficiaries.
- R817 000 was received from Truster James de Ridder Attorneys for the transfer of property from Windy View Sugar CC to KwaDukuza Municipality for portion 12, 13, 14 and 23 of the farm Vlak Spruit. The funds received related to interest accumulated on the cost of the property of R59 million.
- The balance relates to staff debts recovered.

Sale of goods and services other than capital assets reflect monies from commission on PERSAL deductions such as insurances and garnishees, rental on state owned property, parking fees and sale of tender documents. The growing trend over the MTEF is due to inflationary increments.

Interest dividends and rent on land includes interest from staff debts and interest on positive cash balances. In 2011/12, interest was negative, largely due to a reversal of interest on bursary debts dating back to 2005, which was incorrectly charged. This is part of an ongoing process to review old debts. The department has been advised by Provincial Treasury to write-off these debts. The low 2012/13 collection is based on the above reason.

Sale of capital assets reflects cash received from the sale of redundant assets. A provision has been made under this category in 2013/14, increasing over the MTEF in anticipation of vehicles to be auctioned.

4.2 Donor funding – Nil

5. Payment summary

Section 5 reflects payments and budgeted estimates in terms of programmes and economic classification. Details are given in *Annexure – Vote 8: Human Settlements*.

5.1 Key assumptions

The key assumptions that underpin the MTEF budget of the department are summarised below:

- The budget and service delivery indicators are based on a subsidy for a minimum of a 40m² house for new projects (i.e. projects approved from 2009/10 onward).
- The National Department of Human Settlements has established various agencies, e.g. NHFC and SHRA, that will assist the sector in the implementation of the various housing programmes as provided for in the Housing Code.
- Inflation related items have been based on CPI projections.
- Provision was made through reprioritisation for an inflationary wage adjustment of 6.4 per cent in 2014/15, 6.4 per cent in 2015/16 and 6.3 per cent in 2016/17, as well as the annual 1.5 per cent pay progression. The department received additional funding for the carry-through of various wage agreements.
- Funding for bulk infrastructure will be provided by the municipalities.

- The expanded cost-cutting measures, as reissued by Provincial Treasury in 2013/14, will continue to be adhered to over the 2014/15 MTEF in conjunction with National Treasury Instruction 01 of 2013/14: Cost-containment measures.

5.2 Additional allocations for the 2012/13 to 2014/15 MTEF

Table 8.3 shows additional funding received by the department over the three MTEF periods: 2012/13, 2013/14 and 2014/15. Note that the table reflects only the provincial additional allocations, and excludes additional allocations in respect of conditional grants.

The purpose of such a table is two-fold. Firstly, it shows the quantum of additional funding allocated to the department in the past and current MTEF periods. Secondly, it indicates the policies and purposes for which the additional funding was allocated. The carry-through allocations for the 2012/13 and 2013/14 MTEF periods (i.e. for the financial year 2016/17) are based on the incremental percentage used in the 2014/15 MTEF.

Table 8.3 : Summary of additional provincial allocations for the 2012/13 to 2014/15 MTEF

R thousand	2012/13	2013/14	2014/15	2015/16	2016/17
2012/13 MTEF period	87 948	2 855	2 998	3 136	3 280
Re-allocation of funds returned by Thubelisha Homes	85 229	-	-	-	-
Carry-through of 2011/12 Adjustments Estimate - 2011 wage agreement	2 719	2 855	2 998	3 136	3 280
2013/14 MTEF period		(4 305)	(7 685)	(6 792)	(6 399)
Census data update and 1%, 2% and 3% baseline cuts		(4 305)	(8 877)	(11 012)	(11 519)
2014/15 MTEF period			596	2 110	2 560
Carry-through of previous wage agreements			1 673	3 230	3 732
Centralisation of communications budget under OTP			(513)	(540)	(565)
Centralisation of external bursaries budget under OTP			(564)	(580)	(607)
Total	87 948	(1 450)	(4 091)	(1 546)	(558)

In 2012/13, the department received additional funding for the carry-through costs of the 2011 wage agreement. It also received R85.229 million in respect of the re-allocation of funds returned by Thubelisha Homes for the completion of the Ingwavuma Ministerial projects.

In the 2013/14 MTEF, National Treasury took a decision to impose 1, 2 and 3 per cent baseline cuts on all spheres of government (i.e. National, Provincial and Local) in order to curb the national deficit as public spending is growing faster than revenue collection. In addition, KZN received reduced allocations as a result of the reduced proportion in terms of population numbers as reported in the 2011 Census data results. The effect of this on the department was a substantial reduction in the budget over the period.

In the 2014/15 MTEF, the department received additional funding for the carry-through of previous wage agreements. Cabinet resolved for the centralisation of parts of the communication and external bursaries' budgets under the Office of the Premier (OTP), hence the budget reductions over the 2014/15 MTEF.

5.3 Summary by programme and economic classification

The budget structure of Vote 8 conforms to the uniform budget and programme structure prescribed for the Human Settlements sector. Tables 8.4 and 8.5 below provide a summary of the vote's payments and budgeted estimates over the MTEF period, by programme and economic classification, respectively.

Table 8.4 : Summary of payments and estimates by programme: Human Settlements

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
1. Administration	122 408	133 940	151 366	136 453	165 093	165 093	184 669	191 798	201 966
2. Housing Needs, Research and Planning	10 401	11 993	13 823	32 820	14 590	14 590	17 155	18 076	19 355
3. Housing Development	2 647 266	2 710 996	3 027 491	3 150 218	3 241 532	3 241 532	3 213 530	3 267 816	3 434 047
4. Housing Assets Management, Property Management	309 162	185 566	185 091	231 185	170 155	170 155	184 928	178 343	252 446
Total	3 089 237	3 042 495	3 377 771	3 550 676	3 591 370	3 591 370	3 600 282	3 656 033	3 907 814
Unauth. Exp. (1st charge) not available for spending	(9 303)	(9 303)	-	-	-	-	-	-	-
Baseline available for spending after 1st charge	3 079 934	3 033 192	3 377 771	3 550 676	3 591 370	3 591 370	3 600 282	3 656 033	3 907 814

Table 8.5 : Summary of payments and estimates by economic classification: Human Settlements

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Current payments	265 272	288 736	318 562	368 706	379 726	383 114	399 805	436 057	457 316
Compensation of employees	174 805	188 020	208 272	250 555	248 183	248 129	289 591	310 810	327 382
Goods and services	90 275	100 716	110 290	118 151	131 435	134 873	110 214	125 247	129 934
Interest and rent on land	192	-	-	-	108	112	-	-	-
Transfers and subsidies to:	2 784 369	2 729 402	3 044 821	3 099 239	3 152 247	3 152 309	3 087 469	3 195 486	3 425 961
Provinces and municipalities	353 589	85 678	221 451	168 376	198 044	198 051	102 335	127 347	202 995
Departmental agencies and accounts	-	-	134 477	220 408	175 447	175 447	20 000	25 000	30 000
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	2 430 780	2 643 724	2 688 893	2 710 455	2 778 756	2 778 811	2 965 134	3 043 139	3 192 966
Payments for capital assets	30 293	15 054	14 324	82 731	59 397	55 899	113 008	24 490	24 537
Buildings and other fixed structures	27 477	11 099	2 861	75 464	49 145	45 637	105 135	20 464	20 500
Machinery and equipment	2 537	3 955	11 128	7 267	10 052	10 040	7 873	4 026	4 037
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	279	-	335	-	200	222	-	-	-
Payments for financial assets	9 303	9 303	64	-	-	48	-	-	-
Total	3 089 237	3 042 495	3 377 771	3 550 676	3 591 370	3 591 370	3 600 282	3 656 033	3 907 814
Unauth. Exp. (1st charge) not available for spending	(9 303)	(9 303)	-	-	-	-	-	-	-
Baseline available for spending after 1st charge	3 079 934	3 033 192	3 377 771	3 550 676	3 591 370	3 591 370	3 600 282	3 656 033	3 907 814

In terms of Section 34(2) of the PFMA, and in line with SCOPA Resolution 19 of 2010, the department was liable for the repayment of over-expenditure from 2006/07 to 2008/09, resulting in a first charge of R18.606 million against the department's budget, split over two years. The first instalment of R9.303 million was implemented against the 2010/11 budget, and the second instalment of the same amount implemented in 2011/12. Both instalment amounts are reflected under Programme 1, against *Payments for financial assets* and the amounts available for spending in 2010/11 and 2011/12 were reduced by these charges.

The overall decrease in the vote as a whole from 2010/11 to 2011/12 was mainly attributed to the HSDG being reduced and allocated directly to the eThekweni Metro for the USDG. The increase from 2011/12 to 2013/14 relates to additional funding received in respect of Thubelisha Homes for the completion of Ingwavuma Ministerial projects, as previously explained. The allocation increases over the 2014/15 MTEF in line with the allocation for the HSDG.

Programme 1: Administration reflects a steady increase from 2010/11 to 2012/13. The increase from the 2013/14 Main to the Adjusted Appropriation was attributed to the shift of functions from Programme 2 (Information Technology) and Programme 4 (Rental Housing Tribunal) aligning the components to the organisational structure. The budget for this programme will be fully spent in 2013/14. The increase over the 2014/15 MTEF is to cater for wage agreements and inflationary adjustments, as well as the filling of critical vacant posts within the programme.

Programme 2: Housing Needs, Research and Planning reflects a steady increase from 2010/11 to 2013/14. The decrease from the 2013/14 Main to the Adjusted Appropriation was due to the shift of the Information Technology component to Programme 1, as explained above. The 2013/14 Adjusted Appropriation will be fully spent at year-end. The increase over the 2014/15 MTEF is to cater for wage agreements and inflationary adjustments, as well as the filling of critical vacant posts.

Programme 3: Housing Development reflects an increase between 2010/11 and 2011/12. There is a significant growth from 2012/13 to 2013/14, as the focus remains on the fast-tracking of service delivery in KZN. The growth in this programme relates to the increase in the HSDG, which has been allocated for the various housing programmes such as the UISP, EPHP, etc, to be implemented within this programme. The allocation increases consistently over the 2014/15 MTEF in line with the allocation for the HSDG which is also inclusive of the funds earmarked for disaster repairs.

The decrease against Programme 4: Housing Asset Management, Property Management from 2010/11 to 2011/12 was due to the once-off maintenance allocation transferred to the eThekweni Metro during

2010/11. The decrease from the 2013/14 Main to the Adjusted Appropriation relates to delays in the implementation of the rectification programme for the pre-1994 housing stock of ex-Own Affairs and ex-R293 areas which were delayed as a result of the appointment of the service provider in the eThekweni Metro taking longer than anticipated. The fluctuations over the 2014/15 MTEF relate to the rectification of pre-1994 housing stock owned by the department which is transferred to individuals (beneficiaries) or municipalities once rectified.

The decrease in *Compensation of employees* from the 2013/14 Main to the Adjusted Appropriation was due to slow progress in filling vacant posts (especially technical positions due to the shortage of skills within the labour market), as well as the decrease in the number of excess staff who took voluntary severance packages during the year. The increase over the 2014/15 MTEF is to cater for the filling of critical vacant posts in anticipation that the department will be able to attract people with relevant built environment skills, as well as the carry-through of previous wage agreements.

Goods and services reflects a steady increase from 2010/11 to 2012/13 in line with inflationary increases. The increase from the 2013/14 Main to Adjusted Appropriation was due to provision for the appointment of specialists/professionals in various components in the department for enhancing service delivery. The further increase in the 2013/14 Revised Estimate was due to delays in transferring properties to beneficiaries in terms of the Extended Enhanced Discount Benefit Scheme (EEDBS). Delays were experienced with the State Attorneys in transferring properties to the beneficiaries on behalf of the department. The decrease from the 2013/14 Revised Estimate to 2014/15 is due to the decrease in property payments for properties owned by the department, as it is anticipated that these properties will be transferred to beneficiaries.

Interest and rent on land pertains to interest paid on overdue accounts in 2010/11 and 2013/14. The department did not pay these accounts on time as illegal cession agreements were entered into by service providers implementing the Social and Economic Amenities programme.

The fluctuating trend against *Transfers and subsidies to: Provinces and municipalities* from 2010/11 to 2012/13 relates to the CRU programme, which experienced challenges mainly due to delays in the approval process of projects within municipalities. The high amount in 2010/11 was due to the once-off allocations transferred to the eThekweni Metro in respect of the maintenance of R293 towns and hostels. The increase from the 2013/14 Main to Adjusted Appropriation was due to the re-classification of funds relating to the operational costs for the accredited municipalities which was allocated under *Transfers and subsidies to: Households*. The decrease from 2014/15 is due to the decrease in the budget for the CRU programme, as per the agreement between the department and the eThekweni Metro.

The allocation against *Transfers and subsidies to: Departmental agencies and accounts* in 2012/13 relates to transfers made to SHRA for the implementation of the social housing programme. The decrease from the 2013/14 Main to the Adjusted Appropriation is due to delays in the implementation of social housing projects. The delays related to the fact that the department did not receive the Record of Decision (ROD) for the EIA from the Department of Agriculture, Environmental Affairs and Rural Development (DAEARD) for the Hampshire social project, as well as the Phoenix project which is affected by social issues. The decrease from 2014/15 onward is mainly due to the non-allocation to SHRA as a result of the fact that the entity has not yet fully spent the allocation that was transferred to them since 2012/13. The allocation to the National Housing Finance Corporation (NHFC) was also reduced significantly due to the challenges that were experienced with the identified pilot projects which did not meet the policy requirements. The department is also implementing some of the Finance Linked Individual Subsidy Programme (FLISP) related projects under *Households*, hence the reduction.

Transfers and subsidies to: Households shows an increasing trend from 2010/11 to 2013/14. This is due to the increase in the HSDG as the bulk of the housing programmes are budgeted for within this economic classification. The Housing Disaster Relief grant is also catered for within this classification. The increase from the 2013/14 Main to Adjusted Appropriation was due to the acceleration of service delivery for projects related mainly to Outcome 8 targets under the UISP. The increase over the 2014/15 MTEF is in line with the increased allocation for the HSDG.

Buildings and other fixed structures is mainly related to the Social and Economic Amenities programme. The decreasing trend from 2010/11 to 2012/13 is as a result of the programme being put on hold due to a number of challenges which necessitated that investigations and forensic audits be conducted on the programme. It must, however, be noted that the challenges experienced on the programme were dealt with during 2013/14. These projects were unblocked and will be completed in 2014/15, explaining the high amount in that year. The decrease from the 2013/14 Main to Adjusted Appropriation and Revised Estimate relates to the Shallcross rectification project which had to be put on hold as a result of the department deciding to undertake a pilot project (in Shallcross) instead of a holistic rectification. The budget was reduced to accommodate this pilot phase in 2013/14. The fluctuations over the MTEF relate to the rectification of pre-1994 housing stock owned by the department, which are being transferred to individuals (beneficiaries) or municipalities once completed.

Machinery and equipment shows a steady increase from 2010/11 to 2011/12. The significant increase in 2012/13 and the 2013/14 Adjusted Appropriation is due to the replacement of motor vehicles, as well as purchasing of new motor vehicles for districts as the department decentralised its offices. The decreasing trend from 2014/15 relates to the reduction in the purchasing of capital assets due to ongoing implementation of cost-cutting and the fact that purchasing of vehicles is cyclical in nature.

The spending against *Software and other intangible assets* relates to the purchase of various software packages in 2010/11, 2012/13 and 2013/14.

The amount under *Payments for financial assets* relates to the write-off of staff debts in terms of the departmental write-off policy in 2012/13. The significant amounts in 2010/11 and 2011/12 relate to the first charge instalments against the departmental budget as a result of unauthorised expenditure incurred in previous years.

5.4 Summary of payments and estimates by district municipal area

Table 8.6 presents a summary of the department's spending by district municipal area, excluding administrative costs. It must be noted that the table below is an indication of projects that are envisaged to take place in these district municipal areas.

Table 8.6 : Summary of payments and estimates by district municipal area

R thousand	Audited Outcome	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16	2016/17
eThekwini	833 844	1 023 692	1 150 000	1 180 000	1 314 000
Ugu	312 253	260 369	244 919	139 396	73 278
uMgungundlovu	567 197	591 525	331 330	198 797	422 384
Uthukela	215 800	177 542	158 800	138 028	71 082
Umzinyathi	59 017	104 749	208 118	255 851	179 347
Amajuba	118 358	117 633	122 561	155 092	203 265
Zululand	112 910	126 396	183 025	199 906	225 236
Umkhanyakude	129 055	99 901	456 676	472 863	509 536
uThungulu	295 063	367 125	170 098	231 815	224 539
Ilembe	336 098	285 120	167 927	234 143	204 381
Sisonke	97 816	124 532	79 591	108 092	120 250
Total	3 077 411	3 278 584	3 273 045	3 313 983	3 547 298

The department spends the largest portion of its service delivery budget in the eThekwini Metro due to the high demand for housing in this region, as the Metro has the highest population in the province. Some of the major projects which take place in the Metro include Cornubia, *eTafuleni*, Lamontville Slums Clearance, Ntuzuma, and Sunhills. The hostel and CRU programmes are also mainly implemented within the Metro. There is also extensive rehabilitation of former R293 towns that has been provided for within the Metro. The allocation to eThekwini in 2014/15 relates to the ring-fenced funding from the HSDG by National Treasury amounting to R1.150 billion, as mentioned earlier.

The second highest portion of spending is in uMgungundlovu, also due to the high demand for housing in this region. Projects which are taking place within this region include the *Vulindlela* rural housing project, Mbambangalo and Msunduzi Rectification project, among others.

There are a number of noticeable fluctuating trends within various districts. To this end, the spending within each district municipality is based on set housing criteria which take into account a variety of factors, including the need and the size of population in a particular area during certain years, as well as poverty rates in different areas. These factors influence the department's spending patterns in the various districts.

5.5 Summary of conditional grants payments and estimates

Tables 8.7 and 8.8 below provide a summary of the conditional grant payments and budgeted estimates over the MTEF period by conditional grant name and economic classification, respectively. The department has three grants, namely the HSDG, the Housing Disaster Relief grant and EPWP Integrated Grant for Provinces, although only the HSDG receives funding over the 2014/15 MTEF at this stage.

Note that the historical figures set out in Table 8.9 below reflect actual expenditure per grant, and should not be compared to those reflected in Table 8.1, which represent the actual receipts for each grant.

Details are given in *Annexure – Vote 8: Human Settlements*.

Table 8.7 : Summary of conditional grants payments and estimates by name

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Human Settlements Development grant	2 711 233	2 770 493	3 049 774	3 235 428	3 275 584	3 275 584	3 273 045	3 313 983	3 547 298
Housing Disaster Relief grant	133 800	2 361	27 637	-	-	-	-	-	-
EPWP Integrated Grant for Provinces	-	-	-	3 000	3 000	3 000	-	-	-
Total	2 845 033	2 772 854	3 077 411	3 238 428	3 278 584	3 278 584	3 273 045	3 313 983	3 547 298

Table 8.8 : Summary of conditional grants payments and estimates by economic classification

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Current payments	35 420	45 955	35 909	69 010	89 672	89 672	81 002	97 813	93 632
Compensation of employees	609	10 262	500	27 511	40 000	40 000	55 137	58 666	58 666
Goods and services	34 619	35 693	35 409	41 499	49 564	49 564	25 865	39 147	34 966
Other	192	-	-	-	108	108	-	-	-
Transfers and subsidies to:	2 782 136	2 715 589	3 038 431	3 093 454	3 138 267	3 138 267	3 086 408	3 195 206	3 432 666
Provinces and municipalities	353 525	84 165	218 195	164 800	194 588	194 588	102 070	127 067	209 700
Departmental agencies and accounts	-	-	134 777	220 408	175 447	175 447	20 000	25 000	30 000
Universities and technikons	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	2 428 611	2 631 424	2 685 459	2 708 246	2 768 232	2 768 232	2 964 338	3 043 139	3 192 966
Payments for capital assets	27 477	11 310	3 071	75 964	50 645	50 645	105 635	20 964	21 000
Buildings and other fixed structures	27 477	11 022	2 861	75 464	49 145	49 145	105 135	20 464	20 500
Machinery and equipment	-	288	210	500	1 500	1 500	500	500	500
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	2 845 033	2 772 854	3 077 411	3 238 428	3 278 584	3 278 584	3 273 045	3 313 983	3 547 298

The department's main funding relates to the HSDG, which aims to promote the provision of low income housing using different programmes such as project linked subsidies, people's housing programmes, Integrated Residential Development Programme, rural housing subsidies, UISP, social housing, etc.

From 2010/11 to 2012/13, the department received the Housing Disaster Relief grant, to rehabilitate communities affected by storm damage. Disaster funding was not separately provided for in 2013/14, as the disaster allocation formed part of the HSDG in 2013/14, as previously explained. The increase in the HSDG from the 2013/14 Main to the Adjusted Appropriation was due to additional funding received in respect of housing stock damaged by floods in 2011/12.

As previously mentioned, the department receives an allocation of R3 million in 2013/14 in respect of the EPWP Integrated Grant for Provinces which aims to create temporary work opportunities and a transfer of skills to the unemployed. There is no allocation against the EPWP Integrated Grant for Provinces over the 2014/15 MTEF, at this stage. The department received allocations for this grant in 2010/11 and 2011/12, but no expenditure was incurred due to the non-appointment of the Senior Manager responsible for EPWP.

As of 2010/11, the department started funding *Compensation of employees* from the HSDG, in line with DORA, which allows for a portion (up to 5 per cent) of the conditional grant funding to be used for administrative purposes. This explains the increase against *Compensation of employees* in 2011/12. The decrease in 2012/13 relates to salary costs being incurred on the equitable share to cater for the acceleration in service delivery in the housing programmes. Also, the department spent a portion of the HSDG on *Machinery and equipment* in 2011/12 and 2012/13 and provides for this over the 2014/15 MTEF, as it will need to purchase furniture and equipment for new employees. This is in respect of new technical posts (built environment) anticipated to be filled that will be funded from this grant.

The increase in *Goods and services* from 2010/11 to 2012/13 relates to poor spending on the EEDBS programme due to delays in the rehabilitation of housing which led to the increase in the maintenance of housing properties. The substantial increase from the 2013/14 Main to Adjusted Appropriation is due to provision for the administrative portion of the conditional grant to enhance service delivery on housing projects.

Current payments: Other pertains to interest paid on overdue accounts in 2010/11 and 2013/14. The department did not pay these accounts on time as illegal cession agreements were entered into by service providers implementing the Social and Economic Amenities programme.

The fluctuating trend against *Transfers and subsidies to: Provinces and municipalities* from 2010/11 to 2012/13 relates to slow spending with regard to the CRU programme due to delays in the approval process of projects within municipalities. The decrease from 2010/11 to 2011/12 was due to once-off transfers to the eThekweni Metro in respect of the maintenance of R293 towns and hostels, as well as a once-off payment to the Msunduzi Municipality for the payment of arrear rates and taxes due to the late receipt of invoices. The increase from the 2013/14 Main to Adjusted Appropriation is due to the re-classification of funds relating to the operational costs of accredited municipalities from *Transfers and subsidies to: Households*. The fluctuating trend over the 2014/15 MTEF relates to the rectification of housing stock, which is done in phases and thereafter the stock is transferred to beneficiaries.

The decrease in *Transfers and subsidies to: Departmental agencies and accounts* from the 2013/14 Main to Adjusted Appropriation was due to delays in the implementation of social housing projects. The delays related to the fact that the department did not receive the ROD for the EIA from DAEARD for the Hampshire social project, as well as the Phoenix project which is affected by social issues. The decrease from 2014/15 onward is mainly due to the non-allocation to SHRA as a result of the fact that the entity has not yet fully spent the allocation that was transferred to them since 2012/13. The allocation to the NHFC was also reduced significantly due to challenges that were experienced with the identified pilot projects which did not meet the policy requirements. As previously explained, the department is also implementing some of the FLISP related projects, hence the reduction.

Transfers and subsidies to: Households shows an increasing trend from 2010/11 to 2016/17, due to the increase in the HSDG, as the bulk of the housing programmes are budgeted for in this economic category. The increase from the 2013/14 Main to Adjusted Appropriation was due to the acceleration of service delivery for projects related mainly to Outcome 8 targets under the UISP. The increase over the 2014/15 MTEF relates to the increase in the allocation of the HSDG. The HSDG allocation inclusive of R1.150 billion, R1.180 billion and R1.314 billion earmarked for the eThekweni Metro over the MTEF.

Buildings and other fixed structures is mainly related to the Social and Economic Amenities programme. The decreasing trend from 2010/11 to 2012/13 is as a result of the programme being put on hold as a result of a number of challenges which necessitated that investigations and forensic audits be conducted on the programme. It must, however, be noted that the challenges experienced on the programme were dealt with during 2013/14. The projects were unblocked and anticipated to be finalised in 2014/15. The decrease

from the 2013/14 Main to the Adjusted Appropriation and Revised Estimate relates to the Shallcross rectification project which had to be put on hold as a result of the department currently piloting the rectification programme in Shallcross instead of holistic rectification, as previously explained. The budget was reduced to accommodate this pilot phase (in Shallcross) in 2013/14. The fluctuations over the 2014/15 MTEF relate to the rectification of pre-1994 housing stock owned by the department, which is being transferred to individuals (beneficiaries) or municipalities once completed.

As previously mentioned, the department spent a portion of the HSDG on *Machinery and equipment* in 2011/12 and 2012/13 and provides for this over the 2014/15 MTEF, as it will need to purchase furniture and equipment for new employees. This is in respect of new technical posts anticipated to be filled that will be funded from this grant.

5.6 Summary of infrastructure payments and estimates

Table 8.9 presents a summary of infrastructure payments and estimates by infrastructure category.

Table 8.9 : Summary of infrastructure payments and estimates by category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
New and replacement assets	27 477	11 099	1 009	15 000	14 892	14 892	64 670	-	-
Existing infrastructure assets	34 000	48 816	30 214	77 864	55 865	55 865	50 516	30 624	32 604
Upgrades and additions	-	-	-	-	-	-	-	-	-
Rehabilitation, renovations and refurbishments	-	-	1 852	60 464	34 253	30 745	40 465	20 464	20 500
Maintenance and repairs	34 000	48 816	28 362	17 400	21 612	25 120	10 051	10 160	12 104
Infrastructure transfers	180 000	60 000	155 000	152 000	114 500	114 500	50 881	66 962	145 000
Current	60 000	60 000	60 000	52 000	14 500	14 500	50 881	66 962	145 000
Capital	120 000	-	95 000	100 000	100 000	100 000	-	-	-
Total	241 477	119 915	186 223	244 864	185 257	185 257	166 067	97 586	177 604

The category *New and replacement assets* relates to the Social and Economic Amenities programme. The asset constructed is owned by the department until handed over to the municipality. The allocation in 2014/15 is for the finalisation of projects such as Stepmore, Maguswana, Umziki and Task Valley. After the completion of these projects in 2014/15, the Social and Economic Amenities programme will not continue, hence there is no allocation in the two outer years of the 2014/15 MTEF.

Rehabilitation, renovations and refurbishments relates to the renovations of housing properties owned by the department. The decrease from the 2013/14 Main to Adjusted Appropriation and Revised Estimate is attributed to the decrease in the amount allocated for the Shallcross rectification project as a result of a pilot project being undertaken, as previously explained. The fluctuating trend over the 2014/15 MTEF relates to renovations of housing properties, which are done in phases.

Maintenance and repairs relates to the maintenance of housing properties owned by the department and the EEDBS programme. The fluctuating trend from 2010/11 to 2012/13 is due to high expenditure in 2011/12 relating to the EEDBS programme, as some of the properties were transferred to the beneficiaries. The increase from the 2013/14 Main to Adjusted Appropriation and Revised Estimate was due to the increase in the maintenance of properties due to the delay in transferring properties to beneficiaries in terms of the EEDBS. Delays were experienced with the State Attorneys in transferring properties to the beneficiaries on behalf of the department. The allocation increases steadily over the MTEF.

Infrastructure transfers: Current: This budget relates to transfers to the eThekweni Metro for maintenance to pre-1994 housing stock, e.g. Lamontville. These funds are transferred in terms of an agreement signed by the department and the eThekweni Metro for the rectification of these properties. The decrease from the 2013/14 Main to Adjusted Appropriation was due to the rectification of ex-Own Affairs and ex-R293 towns which was delayed due to delays in the SCM processes in the eThekweni Metro, which resulted in delays in the appointment of a service provider.

Infrastructure transfers: Capital comprises transfers in respect of the CRU programme. During 2011/12, no transfers were made due to delays in the approval process of projects within municipalities. The

department signed a three year agreement with the eThekweni Metro, ending in 2014/15. However, there is no allocation in 2014/15 due to the slow spending in the eThekweni Metro in respect of the funds transferred in 2012/13 and 2013/14, and the department will review the agreement.

5.7 Summary of Public Private Partnerships – Nil

5.8 Transfers to public entities listed in terms of Schedule 3 of the PFMA

Table 8.10 presents a summary of departmental transfers to national public entities listed in terms of Schedule 3 of the PFMA.

Table 8.10 : Summary of departmental transfers to public entities

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
National Housing Finance Corporation	-	-	-	100 000	100 000	100 000	20 000	25 000	30 000
Social Housing Regulatory Authority	-	-	134 477	120 408	75 447	75 447	-	-	-
Total	-	-	134 477	220 408	175 447	175 447	20 000	25 000	30 000

The expenditure in 2012/13 relates to the transfers made to SHRA for the implementation of the social housing programme. The decrease from the 2013/14 Main to Adjusted Appropriation is due to delays in the implementation of social housing projects. The delays related to the fact that the department did not receive the ROD for the EIA from DAEARD for the Hampshire social project, as well as the Phoenix project which is affected by social issues. The reduction from 2014/15 onward is mainly due to the non-allocation to SHRA as a result of the fact that the entity has not yet fully spent the allocation that was transferred to them since 2012/13, as previously explained.

The allocation to the NHFC was also reduced significantly due to challenges that were experienced with the identified pilot projects which did not meet the policy requirements. The department is also implementing some FLISP related projects, hence the reduction.

5.9 Transfers to other entities – Nil

5.10 Transfers to local government

Tables 8.11 below illustrate departmental transfers to local government by category and by grant type, respectively. Details of these transfers are presented in the *Annexure – Vote 8: Human Settlements*.

Table 8.11 : Summary of departmental transfers to local government by category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Category A	336 412	82 035	190 576	163 992	166 435	166 435	73 664	96 897	174 094
Category B	17 113	3 581	30 690	4 134	31 479	31 479	28 406	30 170	28 606
Category C	-	-	40	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	353 525	85 616	221 306	168 126	197 914	197 914	102 070	127 067	202 700

Table 8.12 : Summary of departmental transfers to local government by grant name

R thousand	Sub-programme	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
		2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Accreditation of municipalities	3.2 Financial Intervention	-	-	-	-	52 437	52 437	36 689	40 209	37 804
CRU programme	3.4 Social & Rent Int.	128 000	-	115 000	100 000	100 000	100 000	-	-	-
Transfer of R293 staff	4.1 Administration	-	1 451	3 111	3 326	3 326	3 326	-	-	-
Municipal rates and taxes	4.3 Housing Prop. Main.	15 525	8 365	19 003	12 800	27 651	27 651	14 500	19 896	19 896
Maintenance of R293 hostels	4.3 Prop. Main & 4.2 Sale	90 000	-	84 192	52 000	14 500	14 500	50 881	66 962	145 000
Total		233 525	9 816	221 306	168 126	197 914	197 914	102 070	127 067	202 700

Transfers to municipalities relate to the CRU programme (category A), municipal rates and taxes (categories A and B), accreditation of municipalities (categories A and B), maintenance of R293 hostels (category A), EEDBS (category A) and the maintenance of R293 hostels (category A).

Category A: The CRU programme is geared toward providing a coherent approach to dealing with different forms of public residential accommodation. It enables the department to provide secure and stable rental tenure for lower income persons in good locations, and forms the basis for transition to the formal housing market. During 2011/12, no transfers were made due to delays in the approval process of projects within municipalities. As, previously explained, the department signed a three-year agreement with the eThekweni Metro for the CRU programme, ending in 2014/15, however, there is no allocation in 2014/15 due to the slow spending in the eThekweni Metro in respect of the funds transferred in 2012/13 and 2013/14, and the department will review the agreement.

Category A: The department also provided for the maintenance of R293 hostels in the eThekweni Metro, as well as the EEDBS over the seven-year period. Maintenance of R293 hostels refers to hostels that were owned by the post-1994 KZN administration. The department also budgeted for costs associated with the transfer of staff that worked under the ex-R293 areas to the municipality. In terms of the agreement entered into with the eThekweni Metro, the department will transfer personnel costs of the transferred officials for a period of three years. The final payment was done in 2013/14. No provision has been made for the outer years. Phase 2 and 3 of the ex-R293 towns are still in the planning stages and are anticipated to be completed in 2016/17, hence the higher amount in the outer year.

Categories A and B: The department provides for municipal rates and taxes for the eThekweni Metro, Ugu, uMgungundlovu, Uthukela, Umzinyathi, Amajuba and uThungulu municipalities. These rates are not covered by the Devolution of Property Rate Funds Grant (phased into the equitable share from 2013/14) housed under the DOPW, as these properties are housing stock, awaiting final transfer to various municipalities or individuals.

5.11 Transfers and subsidies

Table 8.13 below provides a summary of transfers and subsidies per programme.

Provinces and municipalities in Programme 1 relates to the payment of motor vehicle licence fees. The amounts against *Households* pertain to staff exit costs and bursaries paid to external students.

Spending against *Households* in Programme 2 in 2012/13 relates to staff exist costs.

Provinces and municipalities in Programmes 3 relates to programmes funded from the HSDG but implemented at the municipal level, e.g. CRU programme, and operational costs of the accredited municipalities. The department signed a three-year agreement with the eThekweni Metro for the CRU programme, ending in 2014/15, however, there is no allocation in 2014/15 due to the slow spending in the eThekweni Metro in respect of the funds transferred in 2012/13 and 2013/14, as previously mentioned.

Spending against *Departmental agencies and accounts* in Programme 3 pertains to the transfers to SHRA and NHFC. The decrease from 2014/15 onward is mainly due to the non-allocation to SHRA as a result of the fact that the entity has not yet fully spent the allocation that was transferred to them since 2012/13. The allocation to the NHFC was also reduced significantly due to challenges that were experienced with the identified pilot projects which did not meet the policy requirements. As previously explained, the department is also implementing some of the FLISP related projects, hence the reduction.

Households in Programme 3 relates mainly to the HSDG projects. As evidenced by the table above, most funding of the department is allocated within this category. The projects funded from the Housing Disaster Relief grant are also budgeted for here. Also included in this category are costs relating to staff exits.

The amounts shown under *Provinces and municipalities* against Programme 4 pertain to the maintenance of R293 properties, the EEDBS programme, rates and taxes, as well provision relating to R293 staff transferred to the eThekweni Metro. Amounts against *Households* relate to staff exit costs and rectification of housing stock which is not owned by the department.

Table 8.13 : Summary of transfers and subsidies by programme and main category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
1. Administration	887	565	1 654	785	919	919	265	280	295
Provinces and municipalities	57	62	145	250	130	130	265	280	295
Motor vehicle licences	57	62	145	250	130	130	265	280	295
Households	830	503	1 509	535	789	789	-	-	-
Bursaries (Non-employees)	479	149	732	535	535	535	-	-	-
Social benefits	351	354	777	-	254	254	-	-	-
2. Housing Needs, Research and Planning	-	-	45	-	-	-	-	-	-
Households	-	-	45	-	-	-	-	-	-
Social benefits	-	-	45	-	-	-	-	-	-
3. Housing Development	2 557 241	2 631 424	2 933 528	3 018 954	3 087 916	3 087 923	3 000 827	3 098 848	3 260 770
Provinces and municipalities	128 007	-	115 000	100 000	152 437	152 444	36 689	40 209	37 804
CRU programme	128 000	-	115 000	100 000	100 000	100 000	-	-	-
Accreditation of municipalities	-	-	-	-	52 437	52 437	36 689	40 209	37 804
Claims against the state	7	-	-	-	-	7	-	-	-
Departmental agencies and accounts	-	-	134 477	220 408	175 447	175 447	20 000	25 000	30 000
SHRA	-	-	134 477	120 408	75 447	75 447	-	-	-
NHFC	-	-	-	100 000	100 000	100 000	20 000	25 000	30 000
Households	2 429 234	2 631 424	2 684 051	2 698 546	2 760 032	2 760 032	2 944 138	3 033 639	3 192 966
Vulindlela, Cornubia, Shallcross, etc.	2 294 811	2 629 063	2 655 556	2 698 246	2 759 682	2 759 682	2 943 838	3 033 639	3 192 966
Housing Disaster Relief grant	133 800	2 361	27 637	-	-	-	-	-	-
Social benefits	623	-	858	300	350	350	300	-	-
4. Housing Assets Mgt, Property Management	226 241	97 413	109 594	79 500	63 412	63 467	86 377	96 358	164 896
Provinces and municipalities	225 525	85 616	106 306	68 126	45 477	45 477	65 381	86 858	164 896
Main. of R293 prop. and EEDBS	210 000	75 800	84 192	52 000	14 500	14 500	50 881	66 962	145 000
Rates and taxes	15 525	8 365	19 003	12 800	27 651	27 651	14 500	19 896	19 896
Transfer of staff to eThekweni Metro	-	1 451	3 111	3 326	3 326	3 326	-	-	-
Households	716	11 797	3 288	11 374	17 935	17 990	20 996	9 500	-
Rectification of pre-1994 housing	-	-	2 532	10 000	8 500	8 500	20 500	9 500	-
Social benefits	716	11 797	756	1 374	9 435	9 490	496	-	-
Total	2 784 369	2 729 402	3 044 821	3 099 239	3 152 247	3 152 309	3 087 469	3 195 486	3 425 961

6. Programme description

The services rendered by this department are categorised under four programmes, which conforms to the uniform budget and programme structure for the Human Settlements sector.

The payments and budgeted estimates for each of these programmes are summarised below, details of which are presented in the *Annexure to Vote 8 – Human Settlements*.

6.1 Programme 1: Administration

The purpose of this programme is to identify and eliminate bottle-necks, as well as continuously improve the flow of financial, administrative and management information. The strategic objectives of this programme are to strengthen governance and service delivery.

The programme provides for only one sub-programme, namely Corporate Services.

Tables 8.14 and 8.15 reflect a summary of payments and estimates for the period 2010/11 to 2016/17.

Table 8.14 : Summary of payments and estimates by sub-programme: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
1. Corporate Services	122 408	133 940	151 366	136 453	165 093	165 093	184 669	191 798	201 966
Total	122 408	133 940	151 366	136 453	165 093	165 093	184 669	191 798	201 966
Unauth. Exp. (1st charge) not available for spending	(9 303)	(9 303)	-	-	-	-	-	-	-
Baseline available for spending after 1st charge	113 105	124 637	151 366	136 453	165 093	165 093	184 669	191 798	201 966

Table 8.15 : Summary of payments and estimates by economic classification: Administration

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Current payments	109 407	120 448	138 463	132 790	156 177	156 129	178 168	188 376	198 547
Compensation of employees	61 011	65 190	76 102	80 268	91 377	91 377	107 989	116 774	125 925
Goods and services	48 396	55 258	62 361	52 522	64 800	64 748	70 179	71 602	72 622
Interest and rent on land	-	-	-	-	-	4	-	-	-
Transfers and subsidies to:	887	565	1 654	785	919	919	265	280	295
Provinces and municipalities	57	62	145	250	130	130	265	280	295
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	830	503	1 509	535	789	789	-	-	-
Payments for capital assets	2 811	3 624	11 231	2 878	7 997	7 997	6 236	3 142	3 124
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	2 532	3 624	10 896	2 878	7 797	7 775	6 236	3 142	3 124
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	279	-	335	-	200	222	-	-	-
Payments for financial assets	9 303	9 303	18	-	-	48	-	-	-
Total	122 408	133 940	151 366	136 453	165 093	165 093	184 669	191 798	201 966
Unauth. Exp. (1st charge) not available for spending	(9 303)	(9 303)	-	-	-	-	-	-	-
Baseline available for spending after 1st charge	113 105	124 637	151 366	136 453	165 093	165 093	184 669	191 798	201 966

In terms of Section 34(2) of the PFMA, and in line with SCOPA Resolution 19 of 2010, the department is liable for the repayment of over-expenditure from 2006/07 to 2008/09, resulting in a first charge of R18.606 million against the department's budget, split over two years. The first instalment of R9.303 million was implemented against the 2010/11 budget, and the second instalment of the same amount implemented in 2011/12. Both instalment amounts are reflected under Programme 1, against *Payments for financial assets*, and the amounts available for spending in 2010/11 and 2011/12 were reduced by these charges.

The overall increase from 2010/11 to 2012/13 was attributable to inflationary increases. The increase from the 2013/14 Main to the Adjusted Appropriation was attributed to the shift of functions from Programme 2 (Information Technology) and Programme 4 (Rental Housing Tribunal) to align the components to the organisational structure. The comparative figures were also adjusted accordingly. The increase over the 2014/15 MTEF is to cater for wage agreements and inflationary adjustments, as well provision for the filling of critical vacant posts within the programme, which also explains the increase against *Compensation of employees* and *Goods and services*.

The increase against *Compensation of employees* from the 2013/14 Main to the Adjusted Appropriation was for provision made for the filling of critical vacant posts within the programme. The increase over the 2014/15 MTEF caters for the filling of the budgeted vacant posts, and the carry-through of previous wage agreements.

The increase from the 2013/14 Main to Adjusted Appropriation against *Goods and services* relates to higher than budgeted fleet maintenance costs due to additional motor vehicles purchased. The department also made provision for costs associated with the decentralisation of core functions, such as housing delivery, to districts.

Transfers and subsidies to: Provinces and municipalities relates to motor vehicle licences.

The fluctuating trend against *Transfers and subsidies to: Households* over the seven years relates to staff exit costs. Most of the excess staff that were on the department's payroll have taken voluntary severance packages over the past years. There are no allocations over the 2014/15 MTEF as a result of the difficulty in budgeting for this category due to its uncertain nature.

Machinery and equipment showed a steady increase from 2010/11 to 2011/12. The significant increase in 2012/13 and the 2013/14 Adjusted Appropriation is due to the replacement of motor vehicles, as well as purchasing of new motor vehicles for districts as the department has decentralised its offices. The decrease in trend from 2014/15 compared to the last two years of the MTEF relates to the reduction in the purchasing of capital assets due to ongoing implementation of cost-cutting. Also, the purchasing of vehicles is cyclical in nature.

The spending against *Software and other intangible assets* relates to the purchase of various software packages in 2010/11 to 2013/14.

The amount under *Payments for financial assets* relates to the write-off of staff debts in terms of the departmental write-off policy in 2012/13 and 2013/14. Amounts of R9.303 million in 2010/11 and 2011/12 relate to the first charge implemented against the department's budget in those years, as previously explained.

6.2 Programme 2: Housing Needs, Research and Planning

The purpose of this programme is to develop tools to guide the department's investment decisions and to provide policy and support to the housing delivery process. In addition, the programme provides for the facilitation and integration of housing sector planning, education of stakeholders in housing sector planning, alignment of the housing budget with the current and future housing needs, and the capacitation of housing stakeholders for housing delivery through mentorship and training.

Programme 2 consists of four sub-programmes, in line with the uniform budget and programme structure of the Human Settlements sector, namely Administration, Policy, Planning and Research. Tables 8.16 and 8.17 below illustrate payments and budgeted estimates from 2010/11 to 2016/17.

Table 8.16 : Summary of payments and estimates by sub-programme: Housing Needs, Research and Planning

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
1. Administration	1 067	1 149	1 353	1 818	1 715	1 715	2 170	2 358	2 535
2. Policy	2 918	3 166	3 603	4 622	3 862	3 862	3 917	4 135	4 441
3. Planning	2 994	3 490	3 386	16 221	3 184	3 184	3 649	3 643	3 927
4. Research	3 422	4 188	5 481	10 159	5 829	5 829	7 419	7 940	8 452
Total	10 401	11 993	13 823	32 820	14 590	14 590	17 155	18 076	19 355

Table 8.17 : Summary of payments and estimates by economic classification: Housing Needs, Research and Planning

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Current payments	10 401	11 993	13 772	30 210	14 305	14 295	17 055	18 026	19 302
Compensation of employees	9 420	10 004	10 486	17 797	11 435	11 435	13 044	13 750	14 825
Goods and services	981	1 989	3 286	12 413	2 870	2 860	4 011	4 276	4 477
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	-	-	45	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	45	-	-	-	-	-	-
Payments for capital assets	-	-	6	2 610	285	295	100	50	53
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	6	2 610	285	295	100	50	53
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	10 401	11 993	13 823	32 820	14 590	14 590	17 155	18 076	19 355

There is a steady increase in the sub-programme: Administration from 2010/11 to 2012/13. The decrease from the 2013/14 Main to Adjusted Appropriation is the result of delays in the filling of budgeted vacant posts. The increase over the 2014/15 MTEF is mainly to cater for the filling of budgeted vacant posts.

There is a steady increase in the sub-programme: Policy from 2010/11 to 2012/13. The decrease from the 2013/14 Main to Adjusted Appropriation is due to the Senior Manager position that was vacated during the year and will now be filled using the administration portion of the HSDG under Programme 3. The budget grows steadily over the 2014/15 MTEF to cater for the filling of critical vacant posts.

There is a significant increase in the sub-programme: Planning from 2010/11 to 2011/12. The decrease from 2011/12 to 2012/13 is due to Deputy Manager positions being funded from the administration portion of the HSDG in Programme 3. The decrease from the 2013/14 Main to Adjusted Appropriation was due to the shifting of functions for information technology to Programme 1 in line with the organisational structure. The budget grows steadily over the 2014/15 MTEF to cater for the filling of critical vacant posts.

There is a steady increase in the sub-programme: Research from 2010/11 to 2012/13. The decrease from the 2013/14 Main to Adjusted Appropriation was due to the provision which was made for the appointment of Deputy Managers in the Capacity Building unit for district offices. However, a decision was taken for these posts to be filled utilising the administration portion of the HSDG due to the spending pressures against the equitable share allocation. The budget grows steadily over the 2013/14 MTEF to cater for the filling of critical vacant posts, as well as the implementation of capacity building programmes such as training of *Amakhosi*.

With regard to *Compensation of employees*, provision has been made over the MTEF for the filling of vacant posts, as well as for anticipated inflationary increases. The decrease from the 2012/13 Main to Adjusted Appropriation was due to the shifting of functions for information technology to Programme 1, as mentioned previously.

Goods and services grows consistently between 2010/11 and 2011/12. The increase in 2012/13 mainly relates to the Youth Summit on housing function which was hosted during the year. The decrease from the 2013/14 Main to Adjusted Appropriation is due to the shifting of functions for the information technology to Programme 1 due to alignment of the organisational structure. The budget grows steadily over the 2014/15 MTEF to cater for the filling of critical vacant posts, as well as the implementation of capacity building programmes for the training of *Amakhosi* and housing consumers.

The fluctuating trend against *Machinery and equipment* relates to cost-cutting and the fact that the department purchases machinery and equipment on a cyclical basis.

Service delivery measures – Programme 2: Housing Needs, Research and Planning

Table 8.18 below reflects the main service delivery measures pertaining to Programme 2.

These have been re-aligned to comply with the generic service delivery measures for the sector, as far as possible. It must be noted that some of the outputs and performance indicators descriptions have been changed in line with the department's 2014/15 APP.

Table 8.18 : Service delivery measures – Programme 2 : Housing Needs, Research and Planning

Outputs	Performance indicators	Estimated performance				
		2013/14	2014/15	2015/16	2016/17	
Planning						
1.1	Improved planning to achieve integrated settlement developments	<ul style="list-style-type: none"> A Multi-Year Development Plan developed by October each year No. of planned human settlements developments approved based on IDPs and national and provincial priorities No. of municipalities capacitated and supported with regard to human settlement development planning 	1	1	1	1
			5	9	14	20
			6	8	10	15

Table 8.18 : Service delivery measures – Programme 2 : Housing Needs, Research and Planning

Outputs	Performance indicators	Estimated performance		Medium-term targets	
		2013/14	2014/15	2015/16	2016/17
	<ul style="list-style-type: none"> Confirmed project pipeline based on IDPs 	Pipeline budget developed, cash flows assigned	Implementation	Review	
	<ul style="list-style-type: none"> No. of projects aligned with small town regeneration programme 	1	Determined by project team led by COGTA	Determined by project team led by COGTA	Determined by project team led by COGTA
	<ul style="list-style-type: none"> No. of housing projects packaged 	new	30	30	30
Policy					
1.2	Improved planning to achieve integrated settlement developments	<ul style="list-style-type: none"> No. of research projects approved No. of research paper completed No. of policies and/or guidelines approved 	5 5 6	5 5 6	5 5 6
Research					
1.3	Improved planning to achieve integrated settlement developments	<ul style="list-style-type: none"> No. of housing consumers trained No. of Amakhosi trained No. of councillors trained No. of municipalities capacitated on accreditation 	6 000 160 160 6	6 000 160 160 7	6 000 160 160 7

6.3 Programme 3: Housing Development

This programme is responsible for the implementation and monitoring of housing delivery within all districts including the eThekweni Metro, through various subsidy mechanisms in terms of national and provincial policies.

This programme has a number of projects at various stages of implementation within each municipality. It is also expected to achieve certain key strategic objectives of the department through the implementation of projects using various subsidy instruments. The subsidy instruments implemented by the department are: individual, project linked, institutional, consolidation, relocation, disaster management, social housing, rectification, social and economic facilities and rural housing stock.

Programme 3 consists of the Housing Disaster Relief grant and the bulk of the HSDG, the remainder of which falls under Programme 4.

Tables 8.19 and 8.20 illustrate a summary of payments and budgeted estimates from 2010/11 to 2016/17.

This programme has increased significantly from 2010/11 to 2013/14 due to increases in the HSDG. The department was allocated the Housing Disaster Relief grant in 2011/12 (of which a portion was rolled over to 2012/13) only, adding to the increases over these years.

This programme is aligned to the departmental conditional grant business plan, which contains a list of all projects that are to be implemented.

Table 8.19 : Summary of payments and estimates by sub-programme: Housing Development

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
1. Administration	55 091	56 041	86 914	72 785	70 953	70 953	77 871	81 678	85 987
2. Financial Interventions	491 660	648 339	535 382	551 893	714 537	714 537	733 751	614 753	746 655
3. Incremental Interventions	993 336	961 162	864 574	1 038 096	1 224 337	915 031	1 278 232	1 382 258	1 433 028
4. Social and Rental Interventions	189 992	142 563	348 699	375 030	273 689	273 689	33 186	54 822	51 640
5. Rural Intervention	917 187	902 891	1 191 922	1 112 414	958 016	1 267 322	1 090 490	1 134 305	1 116 737
Total	2 647 266	2 710 996	3 027 491	3 150 218	3 241 532	3 241 532	3 213 530	3 267 816	3 434 047

Table 8.20 : Summary of payments and estimates by economic classification: Housing Development

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Current payments	62 548	68 247	92 728	115 039	136 948	136 941	146 768	168 226	172 522
Compensation of employees	50 127	60 206	78 881	91 232	99 659	99 659	123 375	131 607	135 453
Goods and services	12 229	8 041	13 847	23 807	37 181	37 174	23 393	36 619	37 069
Interest and rent on land	192	-	-	-	108	108	-	-	-
Transfers and subsidies to:	2 557 241	2 631 424	2 933 528	3 018 954	3 087 916	3 087 923	3 000 827	3 098 848	3 260 770
Provinces and municipalities	128 007	-	115 000	100 000	152 437	152 444	36 689	40 209	37 804
Departmental agencies and accounts	-	-	134 477	220 408	175 447	175 447	20 000	25 000	30 000
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	2 429 234	2 631 424	2 684 051	2 698 546	2 760 032	2 760 032	2 944 138	3 033 639	3 192 966
Payments for capital assets	27 477	11 325	1 235	16 225	16 668	16 668	65 935	742	755
Buildings and other fixed structures	27 477	11 022	1 009	15 000	14 892	14 892	64 670	-	-
Machinery and equipment	-	303	226	1 225	1 776	1 776	1 265	742	755
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	2 647 266	2 710 996	3 027 491	3 150 218	3 241 532	3 241 532	3 213 530	3 267 816	3 434 047

There is a slight increase in the sub-programme: Administration from 2010/11 to 2011/12. The increase in 2012/13 is a result of the equitable share expenditure incurred to supplement the administration portion of the HSDG due to spending pressures in the grant. The decrease from the 2013/14 Main to Adjusted Appropriation was due to the slow progress in the filling of critical vacant posts. The sub-programme reflects a steady increase over the 2014/15 MTEF, due to provision made for the filling of vacant posts and inflationary increases.

The increase from 2010/11 to 2011/12 against Financial Interventions related to accelerated expenditure on the purchase of land for housing projects, mainly in the eThekweni Metro and Ilembe District. The increase from the 2013/14 Main to Adjusted Appropriation was due to provision made for the purchase of land for housing projects, mainly in the Msunduzi and KwaDukuza Municipalities. The department is focusing on acquiring more land for housing projects in both 2013/14 and 2014/15, while the focus from 2015/16 onward will mainly be on the implementation of projects. This is evident by the decline in the allocation for this sub-programme in the two outer years, while there is an increase under the Incremental Interventions sub-programme.

The fluctuating trend in the Incremental Interventions sub-programme from 2010/11 to 2012/13 was mainly due to some projects reaching finalisation stage and other new projects being implemented in the HSDG. The increase from the 2013/14 Main to Adjusted Appropriation is due to the acceleration of service delivery in projects related to Outcome 8, mainly under UISP. The increase over the MTEF mainly relates to the implementation of various projects after the land acquisitions in both 2013/14 and 2014/15.

The decrease against the sub-programme: Social and Rental Interventions from 2010/11 to 2011/12 was due to challenges experienced in the implementation of the CRU programme in the latter financial year, as previously explained. The increase in 2012/13 related to the re-allocation of funds returned by Thubelisha Homes for the Ingwavuma Ministerial projects which was utilised for the implementation of social housing projects. The decrease from the 2013/14 Main to Adjusted Appropriation is due to delays in the implementation of social housing projects. The delays related to the fact that the department did not receive the ROD for the EIA from DAEARD for the Hampshire social project, as well as the Phoenix project which is affected by social issues, as previously explained. The allocation over the 2014/15 MTEF relates to the CRU programme, which will be transferred to municipalities for the upgrade and erection of hostel units. The decrease from 2014/15 onward is mainly due to the non-allocation to SHRA as a result of the fact that the entity has not yet fully spent the allocation that was transferred to them since 2012/13, as previously explained. Furthermore, there is a non-allocation of the final instalment of the CRU funds to

the eThekweni Metro in 2014/15 due to the slow spending in respect of the funds transferred in 2012/13 and 2013/14, and the department will review the agreement, as previously explained.

The increase in the sub-programme: Rural Intervention from 2010/11 and 2012/13 was due to the acceleration of rural housing projects. The decrease from the 2013/14 Main to Adjusted Appropriation is due to the reclassification of rural housing projects to UISP in line with Outcome 8 targets. However, the 2013/14 Revised Estimate is higher than the Adjusted Appropriation as the expenditure was still incurred under Rural Intervention but this will be corrected before year-end. The allocation increases consistently over the 2014/15 MTEF to accelerate rural housing projects.

The increase against *Compensation of employees* from 2010/11 relates mainly to various wage agreements, as well as filling of vacant budgeted posts.

The decrease against *Goods and services* from 2010/11 to 2011/12 was due to cost-cutting, whereby project launches were substantially decreased. The increase in 2012/13 was due to Govan Mbeki Awards ceremony which was held during the year, as well as increases in other operational items. The increase from the 2013/14 Main to Adjusted Appropriation is due to once-off savings redirected to this category for housing project launches and housing summits which were not adequately budgeted for. There are no carry-through effects of the over-expenditure over the MTEF, hence there is a reduction from the 2013/14 Adjusted Appropriation to 2014/15.

Interest and rent on land pertains to interest paid on overdue accounts in 2010/11 and 2013/14. The department did not pay these accounts on time as illegal cession agreements were entered into by service providers implementing the Social and Economic Amenities programme, as previously explained.

The decrease against *Transfers and subsidies to: Provinces and municipalities* from 2010/11 to 2011/12 relates to transfers made for the CRU programme and, during 2011/12, no transfers were made due to delays in the approval process of projects within municipalities. The increase from the 2013/14 Main to Adjusted Appropriation relates to the operational costs for the accredited municipalities which was incorrectly classified under *Transfers and subsidies to: Households*. The decrease in 2014/15 relates mainly to a decline in transfers to the eThekweni Metro for the CRU programme, as previously explained. The allocation from 2014/15 onward relates to the funds allocated for the operational costs of the accredited municipalities.

The allocation against *Transfers and subsidies to: Departmental agencies and accounts* in 2012/13 relates to the transfers made to SHRA for the implementation of the social housing programme. The decrease from the 2013/14 Main to Adjusted Appropriation is due to delays in the implementation of social housing projects. The delays related to the fact that the department did not receive the ROD for the EIA from the DAEARD for the Hampshire social project, as well as the Phoenix project, as previously explained. The decrease from 2014/15 onward is mainly due to the non-allocation to SHRA as a result of the fact that the entity has not yet fully spent the allocation that was transferred to them since 2012/13, as previously explained. The allocation to the NHFC was also reduced significantly due to challenges experienced with the identified pilot projects which did not meet the policy requirements, as previously explained.

Transfers and subsidies to: Households shows an increasing trend from 2010/11 to 2013/14, due to the increase in the HSDG, as the bulk of the housing programmes are budgeted for within this category. The full allocation of the Housing Disaster Relief grant is also catered for within this classification. The increase from the 2013/14 Main to Adjusted Appropriation was due to the acceleration of service delivery for projects related mainly to Outcome 8 targets under the UISP, as well as the additional allocation to deal with infrastructure damaged by storms. The increase over the MTEF is in line with the allocation for the HSDG for the implementation of various housing projects in the province.

Buildings and other fixed structures is mainly associated with the Social and Economic Amenities programme. The decreasing trend from 2010/11 to 2012/13 is as a result of the programme being blocked as a result of a number of challenges which necessitated that investigations and forensic audits be conducted on the programme. The allocations for 2013/14 and 2014/15 cater for the finalisation of some projects, such as Stepmore, Maguswana, Umziki and Task Valley. The programme will not be continuing over the 2014/15 MTEF as it does not fall entirely within the mandate of the department.

The fluctuating *Machinery and equipment* trend over the seven-year period relates to the fact that the department purchases machinery and equipment on a cyclical basis, coupled with cost-cutting.

Service delivery measures – Programme 3: Housing Development

Table 8.21 below reflects the main service delivery measures pertaining to Programme 3. These have been aligned to the generic service delivery measures for the sector. Some of the outputs and performance indicator descriptions have been changed in line with the department's 2014/15 APP.

Table 8.21 : Service delivery measures – Programme 3 : Housing Development

Outputs	Performance indicators	Estimated performance	Medium-term targets		
		2013/14	2014/15	2015/16	2016/17
1.1 Individual non-credit linked subsidies	• No. of beneficiaries approved	1 000	1 380	1 700	2 000
	• No. of houses completed	700	1 020	1 150	1 370
1.2 Social and economic amenities	• No. of projects completed	16	-	-	-
1.3 FLISP	• No. of houses completed	800	300	350	400
1.4 Project linked	• No. of beneficiaries approved	2 550	5 393	5 393	5 393
	• No. of sites serviced	980	1 434	930	1 085
	• No. of houses completed	2 365	1 175	1 760	1 180
1.5 Informal settlements upgrade	• No. of sites serviced	8 043	6 550	8 420	6 850
	• No. of houses completed	6 655	9 685	12 239	12 100
1.6 Integrated Development programme	• No. of sites serviced	875	2 035	1 400	1 300
	• No. of houses completed	882	1 080	1 450	1 100
1.7 Peoples' housing process	• No. of houses completed	1 665	3 670	250	250
1.8 Disaster management rehabilitation (inclusive of OSS)	• No. of houses completed	1 221	449	450	400
1.9 Rectification programme	• No. of units rectified	1 662	1 446	1 867	1 430
1.10 Provision of institutional subsidies (inclusive of vulnerable groups)	• No. of units completed	12	-	260	200
1.11 Affordable social housing	• No. of units completed	315	445	3 120	1 790
1.12 CRUs	• No. of units completed	779	842	4 570	3 929
1.13 Rural housing	• No. of beneficiaries approved	20 440	550	1 020	720
	• No. of houses completed	12 000	14 273	12 242	7 833
1.14 All subsidy instruments	• No. of properties transferred	13 158	5 019	8 512	9 672
	• No. of beneficiaries approved	39 663	14 743	10 250	8 089
	• No. of sites completed	10 038	10 269	10 466	8 600
	• No. of houses completed	27 382	33 005	37 141	30 149
1.15 Access to land and densification	• No. of hectares procured	1 850	3 337	3 475	3 709

6.4 Programme 4: Housing Asset Management, Property Management

This programme is responsible for the management of departmental properties and the maintenance thereof, as well as the implementation and monitoring of the housing projects through the various subsidy mechanisms in terms of national and provincial policy.

Programme 4 consists of three sub-programmes, in line with the uniform budget and programme structure of the sector. These are: Administration, Sale and Transfer of Housing Properties and Housing Properties Maintenance.

Tables 8.22 and 8.23 give a summary of payments and budgeted estimates pertaining to this programme. The overall MTEF allocation for this programme shows the effects of the implementation of the EEDBS policy, as explained in greater detail below.

Table 8.22 : Summary of payments and estimates by sub-programme: Housing Assets Management, Property Management

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
1. Administration	56 304	67 667	48 257	70 190	62 150	62 150	47 542	50 498	53 208
2. Sale and Transfer of Housing Properties	97 563	1 105	5 085	8 331	1 489	1 489	989	863	1 738
3. Housing Properties Maintenance	155 295	116 794	131 749	152 664	106 516	106 516	136 397	126 982	197 500
Total	309 162	185 566	185 091	231 185	170 155	170 155	184 928	178 343	252 446

Table 8.23 : Summary of payments and estimates by economic classification: Housing Assets Management, Property Management

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Current payments	82 916	88 048	73 599	90 667	72 296	75 749	57 814	61 429	66 945
Compensation of employees	54 247	52 620	42 803	61 258	45 712	45 658	45 183	48 679	51 179
Goods and services	28 669	35 428	30 796	29 409	26 584	30 091	12 631	12 750	15 766
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	226 241	97 413	109 594	79 500	63 412	63 467	86 377	96 358	164 896
Provinces and municipalities	225 525	85 616	106 306	68 126	45 477	45 477	65 381	86 858	164 896
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	716	11 797	3 288	11 374	17 935	17 990	20 996	9 500	-
Payments for capital assets	5	105	1 852	61 018	34 447	30 939	40 737	20 556	20 605
Buildings and other fixed structures	-	77	1 852	60 464	34 253	30 745	40 465	20 464	20 500
Machinery and equipment	5	28	-	554	194	194	272	92	105
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	46	-	-	-	-	-	-
Total	309 162	185 566	185 091	231 185	170 155	170 155	184 928	178 343	252 446

The fluctuations in the sub-programme: Administration from 2010/11 to 2012/13 were due to voluntary severance packages paid to officials who left the public service in 2011/12. There was also a decrease from the 2013/14 Main to Adjusted Appropriation due to shifting of the Rental Housing Tribunal functions to Programme 1 to align it with the organisational structure, as well as decrease in the number of excess staff that used to belong to the R293 towns, after taking voluntary severance packages.

The substantial decrease against the sub-programme: Sale and Transfer of Housing Properties from 2010/11 to 2011/12 was a result of a once-off transfer to the eThekweni Metro, for the rehabilitation of former R293 houses, on behalf of the department (this also explains the decrease against *Transfers and subsidies to: Provinces and municipalities*). The increase from 2011/12 to 2012/13 was a result of a transfer made to the Metro in respect of the EEDBS programme. The decrease from the 2013/14 Main to Adjusted Appropriation and over the 2014/15 MTEF is due to a provision which was made to fast-track the transfer of properties through the EEDBS programme. This did not materialise due to delays by the State Attorneys that were transferring properties to beneficiaries on behalf of the department.

There is a fluctuating trend against the sub-programme: Housing Properties Maintenance. In 2010/11, the department transferred funds to the eThekweni Metro in respect of the maintenance of R293 towns. This once-off payment explains the decrease from 2010/11 to 2011/12. The decrease from the 2013/14 Main to Adjusted Appropriation is attributed to the reduction in the allocation for the Shallcross rectification project as a result of a pilot project being undertaken, as previously explained. There is a steady increase in the 2014/15 MTEF to cater for the maintenance of housing properties.

The decreasing trend against *Compensation of employees* from 2010/11 to 2012/13 is as a result of excess staff who took voluntary severance packages, as previously explained. The decrease from the 2013/14 Main to Adjusted Appropriation relates to savings realised as a result of excess staff taking voluntary severance packages, as well as savings identified due to delays in the filling of vacant posts.

The increase from 2010/11 to 2011/12 against *Goods and services* was due to higher than anticipated maintenance of housing properties. The decrease in 2012/13 is as a result of slow spending on the EEDBS programme owing to the delays in the rehabilitation of housing stock, as explained under *Transfers and subsidies to: Provinces and municipalities*. The decrease from the 2013/14 Main to Adjusted Appropriation is due to a provision to appoint consultants to fast-track the transfer of properties through the EEDBS programme. This did not materialise due to delays with the State Attorneys that were transferring properties to beneficiaries on behalf of the department.

The fluctuating trend against *Transfers and subsidies to: Provinces and municipalities* from 2010/11 to 2012/13 relates to funds transferred to the eThekweni Metro in respect of the maintenance of R293 towns. The decrease from the 2013/14 Main to Adjusted Appropriation is attributed to the rectification of ex-Own Affairs and R293 towns which were delayed as a result of slow SCM processes within the eThekweni Metro which resulted in delays in the appointment of a service provider, as well as the Lamontville rectification. There is a consistent increase over the 2014/15 MTEF to cater for the maintenance and rectification of housing properties such as the R293 towns. Most of these projects will go into construction in 2016/17, hence the higher allocation in the outer year.

The amounts spent against *Transfers and subsidies to: Households* relate to staff exit costs and budget allocated for rectification of properties owned by individuals.

The budget against *Buildings and other fixed structures* from 2011/12 onward relates to the rectification of housing properties owned by the department. The decrease in the 2013/14 Main to Adjusted Appropriation is due to the reduction in the budget allocated for the Shallcross rectification project as a result of a pilot project being undertaken, as explained previously.

The fluctuating trend against *Machinery and equipment* over the seven-year period relates to the fact that the department purchases machinery and equipment on a cyclical basis.

Spending against *Payments for financial assets* relates to the write-off of staff debts.

Service delivery measures – Programme 4: Housing Asset Management, Property Management

Table 8.24 reflects the main service delivery measures pertaining to Programme 4. These have been aligned to the generic service delivery measures for the sector. Some of the outputs and performance indicators descriptions have been changed in line with the department's 2014/15 APP.

Table 8.24 : Service delivery measures – Programme 4: Housing Asset Management, Property Management

Outputs	Performance indicators	Estimated performance		Medium-term targets	
		2013/14	2014/15	2015/16	2016/17
1. To provide secure tenure to communities	• No. of units maintained	3 000	3 000	3 000	2 600
	• No. of pre-1994 units rectified	884	1 944	1 910	3 610
	• No. of rental units transferred	996	1 565	1 565	2 744
	• Enhanced immovable housing asset reg.	New	3 000	2 000	2 000

7. Other programme information

7.1 Personnel numbers and costs

Tables 8.25 and 8.26 below illustrate personnel numbers and estimates pertaining to the Department of Human Settlements over the seven-year period.

The personnel numbers show a decrease from 2010/11 to 2012/13 mainly as a result of excess staff who took severance packages during these years. The increase in 2013/14 and over the 2014/15 MTEF relates to anticipated appointments in line with identified critical posts within the department.

The number of contract workers rises substantially from 2012/13 due to the appointment of staff, such as quantity surveyors, planners, and project managers with the technical skills required to oversee various aspects of housing projects. These contract workers could not be appointed permanently due to shortage of funds within the equitable share allocation and also due to the restructuring process underway.

Table 8.25 : Personnel numbers and costs by programme

Personnel numbers	As at 31 March 2011	As at 31 March 2012	As at 31 March 2013	As at 31 March 2014	As at 31 March 2015	As at 31 March 2016	As at 31 March 2017
1. Administration	264	249	259	321	326	317	317
2. Housing Needs, Research and Planning	28	28	28	30	29	29	29
3. Housing Development	157	177	208	273	314	314	314
4. Housing Asset Management, Property Management	408	286	239	237	182	182	182
Total	857	740	734	861	851	842	842
Total personnel cost (R thousand)	174 805	188 020	208 272	248 129	289 591	310 810	327 382
Unit cost (R thousand)	204	254	284	288	340	369	389

1. Full-time equivalent

Table 8.26 : Summary of departmental personnel numbers and costs by component

	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Total for the department									
Personnel numbers (head count)	857	740	734	861	861	861	851	842	842
Personnel cost (R thousands)	174 805	188 020	208 272	250 555	248 183	248 129	289 591	310 810	327 382
Human resources component									
Personnel numbers (head count)	67	76	61	66	66	66	73	73	73
Personnel cost (R thousands)	11 742	12 180	14 811	14 895	14 895	14 895	20 469	21 924	23 510
Head count as % of total for department	7.82	10.27	8.31	7.67	7.67	7.67	8.58	8.67	8.67
Personnel cost as % of total for department	6.72	6.48	7.11	5.94	6.00	6.00	7.07	7.05	7.18
Finance component									
Personnel numbers (head count)	104	92	107	127	127	127	138	138	138
Personnel cost (R thousands)	21 238	24 345	29 986	36 475	36 475	36 475	40 253	43 212	46 376
Head count as % of total for department	12.14	12.43	14.58	14.75	14.75	14.75	16.22	16.39	16.39
Personnel cost as % of total for department	12.15	12.95	14.40	14.56	14.70	14.70	13.90	13.90	14.17
Full time workers									
Personnel numbers (head count)	799	682	584	735	696	696	696	690	690
Personnel cost (R thousands)	165 651	178 866	165 316	213 439	201 454	201 400	222 616	240 074	252 484
Head count as % of total for department	93.23	92.16	79.56	85.37	80.84	80.84	81.79	81.95	81.95
Personnel cost as % of total for department	94.76	95.13	79.38	85.19	81.17	81.17	76.87	77.24	77.12
Part-time workers									
Personnel numbers (head count)	-	-	-	-	-	-	-	-	-
Personnel cost (R thousands)	-	-	-	-	-	-	-	-	-
Head count as % of total for department	-	-	-	-	-	-	-	-	-
Personnel cost as % of total for department	-	-	-	-	-	-	-	-	-
Contract workers									
Personnel numbers (head count)	58	58	150	126	165	165	155	152	152
Personnel cost (R thousands)	9 154	9 154	42 956	37 116	46 729	46 729	66 975	70 736	74 898
Head count as % of total for department	6.77	7.84	20.44	14.63	19.16	19.16	18.21	18.05	18.05
Personnel cost as % of total for department	5.24	4.87	20.62	14.81	18.83	18.83	23.13	22.76	22.88

7.2 Training

Tables 8.27 and 8.28 give a summary of departmental spending and information on training for the period 2010/11 to 2012/13, estimated spending for 2013/14 and budgeted expenditure for the 2014/15 MTEF.

The amounts reflected relate mainly to project management, secretarial, financial management and computer training courses for staff.

The department is required by the Skills Development Act to budget at least 1 per cent of its salary expense for staff training. This requirement gives credence to government policy on human resource development. The department is largely abiding by this, exceeding the 1 per cent requirement in most years.

Table 8.27 : Payments on training by programme

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
1. Administration	393	249	416	1 320	2 000	2 000	2 352	2 175	2 135
Subsistence and travel	-	-	-	-	-	-	-	-	-
Payments on tuition	-	-	-	-	-	-	-	-	-
Other	393	249	416	1 320	2 000	2 000	2 352	2 175	2 135
2. Housing Needs, Research and Planning	69	-	21	1 450	450	450	525	635	635
Subsistence and travel	-	-	-	-	-	-	-	-	-
Payments on tuition	-	-	-	-	-	-	-	-	-
Other	69	-	21	1 450	450	450	525	635	635
3. Housing Development	-	-	-	-	-	-	-	-	-
Subsistence and travel	-	-	-	-	-	-	-	-	-
Payments on tuition	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
4. Housing Asset Management, Property Management	-	-	-	-	-	-	-	-	-
Subsistence and travel	-	-	-	-	-	-	-	-	-
Payments on tuition	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total	462	249	437	2 770	2 450	2 450	2 877	2 810	2 770

Table 8.28 : Information on training: Human Settlements

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Number of staff	857	740	734	861	861	861	851	842	842
Number of personnel trained	816	256	167	811	811	811	811	811	811
of which									
Male	503	107	75	408	408	408	408	408	408
Female	313	149	92	403	403	403	403	403	403
Number of training opportunities	17	10	9	21	21	21	21	21	21
of which									
Tertiary	3	-	-	3	3	3	3	3	3
Workshops	6	1	1	10	10	10	10	10	10
Seminars	5	-	1	5	5	5	5	5	5
Other	3	9	7	3	3	3	3	3	3
Number of bursaries offered	19	10	13	23	23	23	23	23	23
Number of interns appointed	4	23	42	40	40	40	15	15	15
Number of learnerships appointed	-	6	6	2	2	2	2	2	2
Number of days spent on training	50	24	40	60	60	60	60	60	60

Table 8.28 illustrates the number of staff affected by the various training programmes and initiatives. It also includes a gender breakdown, an indication of the types of training, as well as details of the number of bursaries and learnerships. The allocation for general training, such as computer training, secretarial courses, etc. for the department is centralised under Programme 1. There is provision for capacity building in Programme 2. The decrease in the allocation from 2009/10 to 2011/12 is due to cost-cutting, whereby the department trained staff internally, rather than using service providers.

ANNEXURE TO VOTE 8 – HUMAN SETTLEMENTS

Table 8.A : Details of departmental receipts: Human Settlements

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	387	474	469	434	434	434	477	534	562
Sale of goods and services produced by dept. (excl. capital assets)	387	474	469	434	434	434	477	534	562
Sales by market establishments	-	-	-	-	-	-	-	-	-
Administrative fees	150	68	94	-	-	-	-	-	-
Other sales	237	406	375	434	434	434	477	534	562
<i>Of which</i>									
<i>Commission on Insurance</i>	191	157	156	375	375	375	221	224	236
<i>Rental parking open, boarding serv. Staff</i>	46	249	219	59	59	59	216	270	284
Sale of scrap, waste, arms and other used current goods (excl. capital assets)	-	-	-	-	-	-	-	-	-
Transfers received from:	-	-	-	-	-	-	-	-	-
Other governmental units	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments	-	-	-	-	-	-	-	-	-
International organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households and non-profit institutions	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	46	(20)	16	30	30	30	20	18	16
Interest	46	(20)	16	30	30	30	20	18	16
Dividends	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Sale of capital assets	302	160	530	300	300	300	480	560	590
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Other capital assets	302	160	530	300	300	300	480	560	590
Transactions in financial assets and liabilities	7 382	268 554	14 081	775	775	6 649	853	938	988
Total	8 117	269 168	15 096	1 539	1 539	7 413	1 830	2 050	2 156

Table 8.B : Payments and estimates by economic classification: Human Settlements

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Current payments	265 272	288 736	318 562	368 706	379 726	383 114	399 801	436 057	457 316
Compensation of employees	174 805	188 020	208 272	250 555	248 183	248 129	289 591	310 810	327 382
Salaries and wages	149 648	161 750	181 494	222 223	220 922	220 450	258 556	277 847	292 541
Social contributions	25 157	26 270	26 778	28 332	27 261	27 679	31 035	32 963	34 841
Goods and services	90 275	100 716	110 290	118 151	131 435	134 873	110 214	125 247	129 934
Administrative fees	189	12	5	244	712	712	329	347	368
Advertising	1 545	2 530	6 384	4 540	3 059	3 052	3 925	4 679	4 702
Assets less than the capitalisation threshold	161	167	646	1 334	1 749	1 749	1 105	1 126	1 172
Audit cost: External	3 278	3 529	3 876	4 300	4 300	4 300	5 675	6 100	6 330
Bursaries: Employees	123	79	125	310	310	310	150	145	130
Catering: Departmental activities	436	334	1 081	967	2 785	2 827	1 197	1 134	1 144
Communication (G&S)	5 213	5 549	5 712	7 052	6 616	6 600	7 657	7 931	8 172
Computer services	7 055	6 849	6 259	8 658	7 965	7 905	8 638	9 399	9 551
Cons & prof serv: Business and advisory services	14 050	1 537	652	9 639	6 370	6 074	8 051	16 474	16 464
Cons & prof serv: Infras and planning	1	20	175	-	446	686	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	4	-	-	-
Cons & prof serv: Legal costs	911	5 102	4 799	7 274	4 673	4 709	3 670	3 594	4 637
Contractors	177	407	2 653	5 570	6 807	6 660	5 507	1 540	1 540
Agency and support / outsourced services	687	1 031	193	663	376	376	551	685	701
Entertainment	31	13	33	54	28	28	74	74	74
Fleet services (incl. govt motor transport)	-	3 261	4 343	2 750	4 292	4 292	5 173	4 792	4 718
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	4	254	250	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	6	59	71	126	121	121	136	153	165
Inventory: Fuel, oil and gas	-	12	17	150	148	148	150	150	150
Inventory: Learner and teacher support material	212	184	180	272	259	313	382	348	324
Inventory: Materials and supplies	1 728	4 824	922	3 740	2 899	2 575	2 644	2 640	3 143
Inventory: Medical supplies	67	197	421	294	85	85	372	451	463
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medcas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	288	-	5	5	-	-	-
Consumable supplies	263	520	89	770	689	516	495	760	804
Consumable: Stationery, printing and office supplies	831	999	1 423	1 731	1 873	1 820	1 727	1 804	1 819
Operating leases	18 571	19 588	19 555	20 224	20 489	20 479	21 379	21 403	21 580
Property payments	25 657	34 382	33 574	18 242	23 581	27 523	13 177	13 504	15 265
Transport provided: Departmental activity	16	54	121	230	822	822	210	230	215
Travel and subsistence	5 544	7 420	13 299	12 845	17 002	16 958	15 564	18 853	19 467
Training and development	462	249	437	2 770	2 450	2 450	2 877	2 810	2 770
Operating payments	556	621	1 157	1 321	2 124	2 124	1 309	1 342	1 410
Venues and facilities	2 505	1 187	1 772	1 981	7 893	7 893	1 717	2 679	2 555
Rental and hiring	-	-	28	100	503	503	100	100	100
Interest and rent on land	192	-	-	-	108	112	-	-	-
Interest	192	-	-	-	108	112	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	2 784 369	2 729 402	3 044 821	3 099 239	3 152 247	3 152 309	3 087 469	3 195 486	3 425 961
Provinces and municipalities	353 589	85 678	221 451	168 376	198 044	198 051	102 335	127 347	202 995
Provinces	57	62	145	250	130	130	265	280	295
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	57	62	145	250	130	130	265	280	295
Municipalities	353 532	85 616	221 306	168 126	197 914	197 921	102 070	127 067	202 700
Municipalities	353 532	85 616	221 306	168 126	197 914	197 921	102 070	127 067	202 700
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	134 477	220 408	175 447	175 447	20 000	25 000	30 000
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	-	-	134 477	220 408	175 447	175 447	20 000	25 000	30 000
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	2 430 780	2 643 724	2 688 893	2 710 455	2 778 756	2 778 811	2 965 134	3 043 139	3 192 966
Social benefits	2 169	12 300	3 168	2 209	10 574	10 629	796	-	-
Other transfers to households	2 428 611	2 631 424	2 685 725	2 708 246	2 768 182	2 768 182	2 964 338	3 043 139	3 192 966
Payments for capital assets	30 293	15 054	14 324	82 731	59 397	55 899	113 008	24 490	24 537
Buildings and other fixed structures	27 477	11 099	2 861	75 464	49 145	45 637	105 135	20 464	20 500
Buildings	-	77	1 852	60 464	34 253	30 745	40 465	20 464	20 500
Other fixed structures	27 477	11 022	1 009	15 000	14 892	14 892	64 670	-	-
Machinery and equipment	2 537	3 955	11 128	7 267	10 052	10 040	7 873	4 026	4 037
Transport equipment	1 846	2 018	9 250	2 118	4 618	6 518	2 896	1 000	1 000
Other machinery and equipment	691	1 937	1 878	5 149	5 434	3 522	4 977	3 026	3 037
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	279	-	335	-	200	222	-	-	-
Payments for financial assets	9 303	9 303	64	-	-	48	-	-	-
Total	3 089 237	3 042 495	3 377 771	3 550 676	3 591 370	3 591 370	3 600 282	3 656 033	3 907 814
Unauth. Exp. (1st charge) not available for spending (9 303)	-	-	-	-	-	-	-	-	-
Baseline available for spending after 1st charge	3 079 934	3 033 192	3 377 771	3 550 676	3 591 370	3 591 370	3 600 282	3 656 033	3 907 814

Table 8.C : Payments and estimates by economic classification: Administration

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Current payments	109 407	120 448	138 463	132 790	156 177	156 129	178 168	188 376	198 547
Compensation of employees	61 011	65 190	76 102	80 268	91 377	91 377	107 989	116 774	125 925
Salaries and wages	52 045	55 341	64 987	70 551	80 411	80 411	94 394	102 394	110 683
Social contributions	8 966	9 849	11 115	9 717	10 966	10 966	13 595	14 380	15 242
Goods and services	48 396	55 258	62 361	52 522	64 800	64 748	70 179	71 602	72 622
Administrative fees	84	9	5	73	266	266	95	107	111
Advertising	842	1 975	4 417	2 600	1 213	1 213	2 390	2 370	2 352
Assets less than the capitalisation threshold	130	62	164	56	918	918	327	323	347
Audit cost: External	3 278	3 529	3 876	4 300	4 300	4 300	5 675	6 100	6 330
Bursaries: Employees	123	79	125	310	310	310	150	145	130
Catering: Departmental activities	209	102	437	180	325	325	394	320	313
Communication (G&S)	3 950	4 074	3 933	4 450	4 664	4 664	5 158	5 370	5 488
Computer services	6 630	6 024	5 439	-	7 061	7 061	7 811	8 562	8 674
Cons & prof serv: Business and advisory services	1 799	146	208	220	726	674	376	276	245
Cons & prof serv: Infras and planning	-	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	541	4 230	4 091	1 800	3 213	3 213	2 150	2 200	2 368
Contractors	-	64	454	500	243	243	450	460	460
Agency and support / outsourced services	556	790	190	588	376	376	551	685	701
Entertainment	24	12	-	20	6	6	35	30	27
Fleet services (incl. govt motor transport)	-	3 261	4 343	2 750	4 292	4 292	5 173	4 792	4 718
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	3	47	54	82	86	86	109	130	141
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	148	177	152	184	187	241	241	198	167
Inventory: Materials and supplies	10	1	47	82	94	94	99	110	113
Inventory: Medical supplies	67	197	421	278	82	82	356	436	447
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medias inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	8	3	73	52	133	133	120	128	150
Consumable: Stationery, printing and office supplies	723	780	1 232	1 264	1 552	1 552	1 447	1 497	1 522
Operating leases	18 236	19 315	19 222	19 733	19 975	19 921	20 868	20 918	21 026
Property payments	8 115	7 135	8 360	7 150	7 301	7 301	7 490	7 700	8 016
Transport provided: Departmental activity	16	13	116	130	130	130	110	80	65
Travel and subsistence	2 011	2 669	3 633	3 300	4 312	4 312	5 066	5 329	5 481
Training and development	393	249	416	1 320	2 000	2 000	2 352	2 175	2 135
Operating payments	500	235	316	410	821	821	566	581	645
Venues and facilities	-	80	634	690	214	214	620	580	450
Rental and hiring	-	-	3	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	4	-	-	-
Interest	-	-	-	-	-	4	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	887	565	1 654	785	919	919	265	280	295
Provinces and municipalities	57	62	145	250	130	130	265	280	295
Provinces	57	62	145	250	130	130	265	280	295
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	57	62	145	250	130	130	265	280	295
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	830	503	1 509	535	789	789	-	-	-
Social benefits	830	503	1 509	535	789	789	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	2 811	3 624	11 231	2 878	7 997	7 997	6 236	3 142	3 124
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	2 532	3 624	10 896	2 878	7 797	7 775	6 236	3 142	3 124
Transport equipment	1 846	2 018	9 250	2 118	4 618	6 518	2 896	1 000	1 000
Other machinery and equipment	686	1 606	1 646	760	3 179	1 257	3 340	2 142	2 124
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	279	-	335	-	200	222	-	-	-
Payments for financial assets	9 303	9 303	18	-	-	48	-	-	-
Total	122 408	133 940	151 366	136 453	165 093	165 093	184 669	191 798	201 966
Unauth. Exp. (1st charge) not available for spending	(9 303)	(9 303)	-	-	-	-	-	-	-
Baseline available for spending after 1st charge	113 105	124 637	151 366	136 453	165 093	165 093	184 669	191 798	201 966

Table 8.D : Payments and estimates by economic classification: Housing Needs, Research and Planning

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Current payments	10 401	11 993	13 772	30 210	14 305	14 295	17 055	18 026	19 302
Compensation of employees	9 420	10 004	10 486	17 797	11 435	11 435	13 044	13 750	14 825
Salaries and wages	8 177	8 592	9 130	15 577	9 900	9 900	11 344	11 850	12 776
Social contributions	1 243	1 412	1 356	2 220	1 535	1 535	1 700	1 900	2 049
Goods and services	981	1 989	3 286	12 413	2 870	2 860	4 011	4 276	4 477
Administrative fees	14	3	-	35	70	70	51	55	59
Advertising	-	24	194	509	108	108	378	434	456
Assets less than the capitalisation threshold	2	-	28	363	93	93	138	154	162
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	24	50	206	270	278	320	285	295	311
Communication (G&S)	167	186	149	280	189	189	288	314	332
Computer services	7	241	27	7 642	-	-	-	-	-
Cons & prof serv: Business and advisory services	-	87	2	-	60	60	-	-	-
Cons & prof serv: Infras and planning	-	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	-	-	-	-	-	-	-	-	-
Contractors	-	21	-	-	-	-	-	-	-
Agency and support / outsourced services	22	5	3	75	-	-	-	-	-
Entertainment	4	1	14	8	8	8	11	15	16
Fleet services (incl. govt motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	1	5	7	18	7	7	4	5	5
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	12	4	28	50	25	25	76	83	87
Inventory: Materials and supplies	-	-	3	8	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	-	-	-	-	5	5	-	-	6
Consumable: Stationery, printing and office supplies	20	54	42	85	127	80	48	67	46
Operating leases	44	66	84	75	142	159	86	51	99
Property payments	-	(1)	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	595	710	2 410	1 298	1 179	1 157	2 024	2 043	2 158
Training and development	69	-	21	1 450	450	450	525	635	635
Operating payments	-	-	-	-	20	20	-	26	-
Venues and facilities	-	533	68	247	109	109	97	99	105
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	-	-	45	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	45	-	-	-	-	-	-
Social benefits	-	-	45	-	-	-	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	6	2 610	285	295	100	50	53
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	6	2 610	285	295	100	50	53
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	-	-	6	2 610	285	295	100	50	53
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	10 401	11 993	13 823	32 820	14 590	14 590	17 155	18 076	19 355

Table 8.E : Payments and estimates by economic classification: Housing Development

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Current payments	62 548	68 247	92 728	115 039	136 948	136 941	146 768	168 226	172 522
Compensation of employees	50 127	60 206	78 881	91 232	99 659	99 659	123 375	131 607	135 453
Salaries and wages	43 349	53 250	71 128	83 968	91 624	91 624	114 745	122 442	125 802
Social contributions	6 778	6 956	7 753	7 264	8 035	8 035	8 630	9 165	9 651
Goods and services	12 229	8 041	13 847	23 807	37 181	37 174	23 393	36 619	37 069
Administrative fees	88	-	-	136	331	331	135	133	140
Advertising	703	526	1 684	1 152	1 588	1 581	1 144	1 835	1 848
Assets less than the capitalisation threshold	28	26	413	521	661	661	584	590	597
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	203	173	409	517	2 182	2 182	518	519	520
Communication (G&S)	846	1 011	1 339	1 828	1 543	1 543	1 901	1 918	2 006
Computer services	341	498	656	777	668	668	752	757	797
Cons & prof serv: Business and advisory services	4 036	128	223	5 668	5 252	5 012	7 615	16 173	16 173
Cons & prof serv: Infras and planning	1	-	175	-	446	686	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	185	576	8	120	20	20	-	-	-
Contractors	177	43	14	3 070	3 937	3 937	80	80	80
Agency and support / outsourced services	109	-	-	-	-	-	-	-	-
Entertainment	2	-	19	26	14	14	28	29	31
Fleet services (incl. govt motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	250	250	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	2	7	8	7	14	14	7	7	7
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	51	3	-	3	47	47	50	52	55
Inventory: Materials and supplies	-	3	7	5	753	753	5	5	5
Inventory: Medical supplies	-	-	-	16	3	3	16	15	16
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	98	-	-	-	-	-	-
Consumable supplies	-	-	16	261	257	7	11	261	262
Consumable: Stationery, printing and office supplies	45	147	114	288	151	148	168	177	186
Operating leases	266	164	208	333	303	306	351	355	374
Property payments	-	117	-	35	20	20	17	20	21
Transport provided: Departmental activity	-	38	5	100	660	660	100	150	150
Travel and subsistence	2 585	3 688	6 731	7 150	9 452	9 452	7 909	10 790	11 017
Training and development	-	-	-	-	-	-	-	-	-
Operating payments	56	345	625	694	890	890	652	653	683
Venues and facilities	2 505	548	1 070	1 000	7 489	7 489	1 000	2 000	2 000
Rental and hiring	-	-	25	100	500	500	100	100	100
Interest and rent on land	192	-	-	-	108	108	-	-	-
Interest	192	-	-	-	108	108	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	2 557 241	2 631 424	2 933 528	3 018 954	3 087 916	3 087 923	3 000 827	3 098 848	3 260 770
Provinces and municipalities	128 007	-	115 000	100 000	152 437	152 444	36 689	40 209	37 804
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	128 007	-	115 000	100 000	152 437	152 444	36 689	40 209	37 804
Municipalities	128 007	-	115 000	100 000	152 437	152 444	36 689	40 209	37 804
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	134 477	220 408	175 447	175 447	20 000	25 000	30 000
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	-	-	134 477	220 408	175 447	175 447	20 000	25 000	30 000
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	2 429 234	2 631 424	2 684 051	2 698 546	2 760 032	2 760 032	2 944 138	3 033 639	3 192 966
Social benefits	623	-	858	300	350	350	300	-	-
Other transfers to households	2 428 611	2 631 424	2 683 193	2 698 246	2 759 682	2 759 682	2 943 838	3 033 639	3 192 966
Payments for capital assets	27 477	11 325	1 235	16 225	16 668	16 668	65 935	742	755
Buildings and other fixed structures	27 477	11 022	1 009	15 000	14 892	14 892	64 670	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	27 477	11 022	1 009	15 000	14 892	14 892	64 670	-	-
Machinery and equipment	-	303	226	1 225	1 776	1 776	1 265	742	755
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	-	303	226	1 225	1 776	1 776	1 265	742	755
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	2 647 266	2 710 996	3 027 491	3 150 218	3 241 532	3 241 532	3 213 530	3 267 816	3 434 047

Table 8.F : Payments and estimates by economic classification: Housing Asset Management, Property Management

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Current payments	82 916	88 048	73 599	90 667	72 296	75 749	57 814	61 429	66 945
Compensation of employees	54 247	52 620	42 803	61 258	45 712	45 658	45 183	48 679	51 179
Salaries and wages	46 077	44 567	36 249	52 127	38 987	38 515	38 073	41 161	43 280
Social contributions	8 170	8 053	6 554	9 131	6 725	7 143	7 110	7 518	7 899
Goods and services	28 669	35 428	30 796	29 409	26 584	30 091	12 631	12 750	15 766
Administrative fees	3	-	-	-	45	45	48	52	58
Advertising	-	5	89	279	150	150	13	40	46
Assets less than the capitalisation threshold	1	79	41	394	77	77	56	59	66
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	-	9	29	-	-	-	-	-	-
Communication (G&S)	250	278	291	494	220	204	310	329	346
Computer services	77	86	137	239	236	176	75	80	80
Cons & prof serv: Business and advisory services	8 215	1 176	219	3 751	332	328	60	25	46
Cons & prof serv: Infras and planning	-	20	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	4	-	-	-
Cons & prof serv: Legal costs	185	296	700	5 354	1 440	1 476	1 520	1 394	2 269
Contractors	-	279	2 185	2 000	2 627	2 480	1 000	1 000	1 000
Agency and support / outsourced services	-	236	-	-	-	-	-	-	-
Entertainment	1	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	4	4	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	2	19	14	14	16	11	12
Inventory: Fuel, oil and gas	-	12	17	150	148	148	150	150	150
Inventory: Leamer and teacher support material	1	-	-	35	-	-	15	15	15
Inventory: Materials and supplies	1 718	4 820	865	3 645	2 052	1 728	2 540	2 525	3 025
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medasas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	190	-	5	5	-	-	-
Consumable supplies	255	517	-	457	294	371	364	371	386
Consumable: Stationery, printing and office supplies	43	18	35	94	43	40	64	63	65
Operating leases	25	43	41	83	69	93	74	79	81
Property payments	17 542	27 131	25 214	11 057	16 260	20 202	5 670	5 784	7 228
Transport provided: Departmental activity	-	3	-	-	32	32	-	-	-
Travel and subsistence	353	353	525	1 097	2 059	2 037	565	691	811
Training and development	-	-	-	-	-	-	-	-	-
Operating payments	-	41	216	217	393	393	91	82	82
Venues and facilities	-	26	-	44	81	81	-	-	-
Rental and hiring	-	-	-	-	3	3	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	226 241	97 413	109 594	79 500	63 412	63 467	86 377	96 358	164 896
Provinces and municipalities	225 525	85 616	106 306	68 126	45 477	45 477	65 381	86 858	164 896
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	225 525	85 616	106 306	68 126	45 477	45 477	65 381	86 858	164 896
Municipalities	225 525	85 616	106 306	68 126	45 477	45 477	65 381	86 858	164 896
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	716	11 797	3 288	11 374	17 935	17 990	20 996	9 500	-
Social benefits	716	11 797	756	1 374	9 435	9 490	496	-	-
Other transfers to households	-	-	2 532	10 000	8 500	8 500	20 500	9 500	-
Payments for capital assets	5	105	1 852	61 018	34 447	30 939	40 737	20 556	20 605
Buildings and other fixed structures	-	77	1 852	60 464	34 253	30 745	40 465	20 464	20 500
Buildings	-	77	1 852	60 464	34 253	30 745	40 465	20 464	20 500
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	5	28	-	554	194	194	272	92	105
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	5	28	-	554	194	194	272	92	105
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	46	-	-	-	-	-	-
Total	309 162	185 566	185 091	231 185	170 155	170 155	184 928	178 343	252 446

Table 8.G : Payments and estimates by economic classification: Conditional grants

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Current payments	35 420	45 955	35 909	69 010	89 672	89 672	81 002	97 813	93 632
Compensation of employees	609	10 262	500	27 511	40 000	40 000	55 137	58 666	58 666
Salaries and wages	609	10 262	78	27 511	40 000	40 000	55 137	58 666	58 666
Social contributions	-	-	422	-	-	-	-	-	-
Goods and services	34 619	35 693	35 409	41 499	49 564	49 564	25 865	39 147	34 966
Administrative fees	-	-	-	-	150	150	-	-	-
Advertising	638	392	1 021	900	1 000	1 000	900	1 591	1 591
Assets less than the capitalisation threshold	-	14	397	400	400	400	450	450	450
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	203	171	305	500	1 000	1 000	500	500	500
Communication (G&S)	-	-	25	200	200	200	250	250	250
Computer services	-	-	53	74	176	176	75	80	80
Cons & prof serv: Business and advisory services	12 048	1 279	421	9 284	5 580	5 580	7 615	16 173	16 173
Cons & prof serv: Infras and planning	-	20	175	-	446	446	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	170	230	700	5 156	1 427	1 427	1 520	1 394	2 269
Contractors	-	275	2 188	5 070	6 547	6 547	1 080	1 080	580
Agency and support / outsourced services	-	148	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	10	11	150	148	148	150	150	150
Inventory: Learner and teacher support material	12	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	1 414	4 818	862	3 645	2 550	2 550	2 540	2 525	1 025
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	-	10	99	330	335	335	335	340	340
Consumable: Stationery, printing and office supplies	-	-	-	-	20	20	-	-	-
Operating leases	14	-	-	-	-	-	-	-	-
Property payments	17 534	27 106	25 214	11 010	16 260	16 260	5 670	5 784	2 728
Transport provided: Departmental activity	-	31	5	100	600	600	100	150	150
Travel and subsistence	535	736	3 265	3 500	5 095	5 095	3 500	6 500	6 500
Training and development	-	-	-	-	-	-	-	-	-
Operating payments	6	20	39	80	130	130	80	80	80
Venues and facilities	2 045	433	604	1 000	7 000	7 000	1 000	2 000	2 000
Rental and hiring	-	-	25	100	500	500	100	100	100
Interest and rent on land	192	-	-	-	108	108	-	-	-
Interest	192	-	-	-	108	108	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to	2 782 136	2 715 589	3 038 431	3 093 454	3 138 267	3 138 267	3 086 408	3 195 206	3 432 666
Provinces and municipalities	353 525	84 165	218 195	164 800	194 588	194 588	102 070	127 067	209 700
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	353 525	84 165	218 195	164 800	194 588	194 588	102 070	127 067	209 700
Municipalities	353 525	84 165	218 195	164 800	194 588	194 588	102 070	127 067	209 700
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	134 777	220 408	175 447	175 447	20 000	25 000	30 000
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving funds	-	-	134 777	220 408	175 447	175 447	20 000	25 000	30 000
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	2 428 611	2 631 424	2 685 459	2 708 246	2 768 232	2 768 232	2 964 338	3 043 139	3 192 966
Social benefits	-	-	34	-	50	50	-	-	-
Other transfers to households	2 428 611	2 631 424	2 685 425	2 708 246	2 768 182	2 768 182	2 964 338	3 043 139	3 192 966
Payments for capital assets	27 477	11 310	3 071	75 964	50 645	50 645	105 635	20 964	21 000
Buildings and other fixed structures	27 477	11 022	2 861	75 464	49 145	49 145	105 135	20 464	20 500
Buildings	27 477	11 022	2 861	75 464	49 145	49 145	105 135	20 464	20 500
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	288	210	500	1 500	1 500	500	500	500
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	-	288	210	500	1 500	1 500	500	500	500
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	2 845 033	2 772 854	3 077 411	3 238 428	3 278 584	3 278 584	3 273 045	3 313 983	3 547 298

Table 8.H : Payments and estimates by economic classification: Human Settlements Development grant - Programme 3

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Current payments	8 087	12 221	6 654	40 279	63 571	63 571	69 962	86 790	86 790
Compensation of employees	609	10 262	500	27 511	40 000	40 000	55 137	58 666	58 666
Salaries and wages	609	10 262	78	27 511	40 000	40 000	55 137	58 666	58 666
Social contributions	-	-	422	-	-	-	-	-	-
Goods and services	7 286	1 959	6 154	12 768	23 463	23 463	14 825	28 124	28 124
Administrative fees	-	-	-	-	150	150	-	-	-
Advertising	638	392	1 021	900	1 000	1 000	900	1 591	1 591
Assets less than the capitalisation threshold	-	14	366	400	400	400	450	450	450
Catering: Departmental activities	203	171	305	500	1 000	1 000	500	500	500
Communication (G&S)	-	-	25	200	200	200	250	250	250
Computer services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Business and advisory services	3 833	119	223	5 668	5 252	5 252	7 615	16 173	16 173
Cons & prof serv: Infras and planning	-	-	175	-	446	446	-	-	-
Cons & prof serv: Legal costs	-	43	-	-	-	-	-	-	-
Contractors	-	-	3	70	920	920	80	80	80
Inventory: Learner and teacher support material	12	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	500	500	-	-	-
Consumable supplies	-	-	98	250	250	250	250	250	250
Consumable: Stationery, printing and office supplies	-	-	-	-	20	20	-	-	-
Operating leases	14	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	31	5	100	600	600	100	150	150
Travel and subsistence	535	736	3 265	3 500	5 095	5 095	3 500	6 500	6 500
Training and development	-	-	-	-	-	-	-	-	-
Operating payments	6	20	39	80	130	130	80	80	80
Venues and facilities	2 045	433	604	1 000	7 000	7 000	1 000	2 000	2 000
Rental and hiring	-	-	25	100	500	500	100	100	100
Interest and rent on land	192	-	-	-	108	108	-	-	-
Interest	192	-	-	-	108	108	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to	2 422 811	2 629 063	2 905 067	3 018 654	3 087 616	3 087 616	3 000 527	3 098 848	3 260 770
Provinces and municipalities	128 000	-	115 000	100 000	152 437	152 437	36 689	40 209	37 804
Municipalities	128 000	-	115 000	100 000	152 437	152 437	36 689	40 209	37 804
Municipalities	128 000	-	115 000	100 000	152 437	152 437	36 689	40 209	37 804
Departmental agencies and accounts	-	-	134 777	220 408	175 447	175 447	20 000	25 000	30 000
Entities receiving funds	-	-	134 777	220 408	175 447	175 447	20 000	25 000	30 000
Households	2 294 811	2 629 063	2 655 290	2 698 246	2 759 732	2 759 732	2 943 838	3 033 639	3 192 966
Social benefits	-	-	34	-	50	50	-	-	-
Other transfers to households	2 294 811	2 629 063	2 655 256	2 698 246	2 759 682	2 759 682	2 943 838	3 033 639	3 192 966
Payments for capital assets	27 477	11 310	1 219	15 500	16 392	16 392	65 170	500	500
Buildings and other fixed structures	27 477	11 022	1 009	15 000	14 892	14 892	64 670	-	-
Buildings	27 477	11 022	1 009	15 000	14 892	14 892	64 670	-	-
Machinery and equipment	-	288	210	500	1 500	1 500	500	500	500
Other machinery and equipment	-	288	210	500	1 500	1 500	500	500	500
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	2 458 375	2 652 594	2 912 940	3 074 433	3 167 579	3 167 579	3 135 659	3 186 138	3 348 060

Table 8.I : Payments and estimates by economic classification: Human Settlements Development grant - Programme 4

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Current payments	27 333	33 734	29 255	25 731	23 101	23 101	11 040	11 023	6 842
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	27 333	33 734	29 255	25 731	23 101	23 101	11 040	11 023	6 842
Assets less than the capitalisation threshold	-	-	31	-	-	-	-	-	-
Computer services	-	-	53	74	176	176	75	80	80
Cons & prof serv: Business and advisory services	8 215	1 160	198	3 616	328	328	-	-	-
Cons & prof serv: Infrast and planning	-	20	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	170	187	700	5 156	1 427	1 427	1 520	1 394	2 269
Contractors	-	275	2 185	2 000	2 627	2 627	1 000	1 000	500
Agency and support / outsourced services	-	148	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	10	11	150	148	148	150	150	150
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	1 414	4 818	862	3 645	2 050	2 050	2 540	2 525	1 025
Consumable supplies	-	10	1	80	85	85	85	90	90
Property payments	17 534	27 106	25 214	11 010	16 260	16 260	5 670	5 784	2 728
Transfers and subsidies to	225 525	84 165	105 727	74 800	50 651	50 651	85 881	96 358	171 896
Provinces and municipalities	225 525	84 165	103 195	64 800	42 151	42 151	65 381	86 858	171 896
Municipalities	225 525	84 165	103 195	64 800	42 151	42 151	65 381	86 858	171 896
Municipalities	225 525	84 165	103 195	64 800	42 151	42 151	65 381	86 858	171 896
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Households	-	-	2 532	10 000	8 500	8 500	20 500	9 500	-
Social benefits	-	-	-	-	-	-	-	-	-
Other transfers to households	-	-	2 532	10 000	8 500	8 500	20 500	9 500	-
Payments for capital assets	-	-	1 852	60 464	34 253	34 253	40 465	20 464	20 500
Buildings and other fixed structures	-	-	1 852	60 464	34 253	34 253	40 465	20 464	20 500
Buildings	-	-	1 852	60 464	34 253	34 253	40 465	20 464	20 500
Other fixed structures	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	252 858	117 899	136 834	160 995	108 005	108 005	137 386	127 845	199 238

Table 8.J : Payments and estimates by economic classification: Housing Disaster Relief grant - Programme 3

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Current payments	-	-	-	-	-	-	-	-	-
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	-	-	-	-	-	-	-	-	-
Transfers and subsidies to	133 800	2 361	27 637	-	-	-	-	-	-
Households	133 800	2 361	27 637	-	-	-	-	-	-
Other transfers to households	133 800	2 361	27 637	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	133 800	2 361	27 637	-	-	-	-	-	-

Table 8.K : Payments and estimates by economic classification: EPWP - Programme 3

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Current payments	-	-	-	3 000	3 000	3 000	-	-	-
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	-	-	-	3 000	3 000	3 000	-	-	-
Contractors	-	-	-	3 000	3 000	3 000	-	-	-
Transfers and subsidies to	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	-	-	-	3 000	3 000	3 000	-	-	-

Table 8.L : Human Settlements - Payments of infrastructure by category

No.	Project name	Municipality / Region	Type of infrastructure		Project duration		Source of funding	Budget programme name	Targeted number of jobs for 2014/15	Total project cost	Expenditure to date from previous years	Total available		MTEF Forward estimates
			School - primary/ secondary/ specialised; admin block; water; electricity; sanitation/toilet; fencing, etc)	Units	Date: Start	Date: Finish						2014/15	MTEF 2015/16	
R thousands														
New and replacement assets														
1	Social and Economic Amenities	eThekweni	Parks, creche facilities, taxi ranks and community halls, etc	Several	01 April 2011	30 March 2014	HSDG	Programme 3	-	-	-	64 670	-	-
Total New and replacement assets														
Upgrades and additions														
Rehabilitations, renovations and refurbishments														
1	Rectification of pre-1994 housing stock	eThekweni	Housing	Several	Ongoing	Ongoing	HSDG	Programme 4	-	-	-	40 465	20 464	20 500
Total Rehabilitation, renovations and refurbishments														
Maintenance and repairs														
1	Housing Property Maintenance	Various	Housing	Several	01 April 2011	31 March 2017	HSDG	Programme 4	-	-	-	10 051	10 160	12 104
Total Maintenance and repairs														
Infrastructure transfers - current														
1	Rectification of pre-1994 housing stock	eThekweni	Housing	Several	Ongoing	Ongoing	HSDG	Programme 4	-	-	-	50 881	66 962	145 000
Total Infrastructure transfers - current														
Infrastructure transfers - capital														
Total Human Settlements Infrastructure														
												166 067	97 586	177 604

Table 8.M : Summary of transfers to local government

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
A KZN2000 eThekweni	216 412	6 235	190 575	163 992	166 435	166 435	73 664	96 897	174 094
Total: Ugu Municipalities	27	62	58	55	1 542	1 542	1 560	2 701	1 840
B KZN211 Vulamehlo	8	-	-	-	-	-	-	-	-
B KZN212 Umdoni	4	43	48	45	45	45	50	55	55
B KZN213 Umzumbe	-	-	-	-	-	-	-	-	-
B KZN214 uMuziwabantu	-	-	-	-	-	-	-	-	-
B KZN215 Ezinqoleni	-	-	-	-	-	-	-	-	-
B KZN216 Hibiscus Coast	15	19	10	10	1 497	1 497	1 510	2 646	1 785
C DC21 Ugu District Municipality	-	-	-	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	8 616	2 635	5 736	3 857	9 342	9 342	11 691	15 915	15 671
B KZN221 uMshwathi	87	80	20	-	-	-	-	-	-
B KZN222 uMngeni	56	144	113	5	5	5	5	5	5
B KZN223 Mpošana	-	-	-	-	-	-	-	-	-
B KZN224 Impendle	-	-	-	-	-	-	-	-	-
B KZN225 Msunduzi	8 455	2 390	5 600	3 842	9 327	9 327	11 671	15 890	15 646
B KZN226 Mkhambathini	-	-	-	10	10	10	15	20	20
B KZN227 Richmond	18	21	3	-	-	-	-	-	-
C DC22 uMgungundlovu District Municipality	-	-	-	-	-	-	-	-	-
Total: Uthukela Municipalities	58	57	40	62	735	735	1 930	2 072	2 572
B KZN232 Emnambithi/Ladysmith	51	57	40	60	733	733	1 922	2 070	2 570
B KZN233 Indaka	-	-	-	-	-	-	-	-	-
B KZN234 Umtshezi	7	-	-	2	2	2	8	2	2
B KZN235 Okhahlamba	-	-	-	-	-	-	-	-	-
B KZN236 Imbabazane	-	-	-	-	-	-	-	-	-
C DC23 Uthukela District Municipality	-	-	-	-	-	-	-	-	-
Total: Umzinyathi Municipalities	3	-	427	-	-	-	-	-	-
B KZN241 Endumeni	-	-	427	-	-	-	-	-	-
B KZN242 Ngutu	-	-	-	-	-	-	-	-	-
B KZN244 Msinga	-	-	-	-	-	-	-	-	-
B KZN245 Umvoti	3	-	-	-	-	-	-	-	-
C DC24 Umzinyathi District Municipality	-	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities	17	-	297	-	5 439	5 439	3 000	2 000	2 000
B KZN252 Newcastle	17	-	297	-	5 439	5 439	3 000	2 000	2 000
B KZN253 eMadlangeni	-	-	-	-	-	-	-	-	-
B KZN254 Dannhauser	-	-	-	-	-	-	-	-	-
C DC25 Amajuba District Municipality	-	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	-	-	4 007	10	4 861	4 861	10	15	15
B KZN261 eDumbe	-	-	-	-	-	-	-	-	-
B KZN262 uPhongolo	-	-	-	-	-	-	-	-	-
B KZN263 Abaqulusi	-	-	-	-	-	-	-	-	-
B KZN265 Nongoma	-	-	-	-	-	-	-	-	-
B KZN266 Ulundi	-	-	4 007	10	4 861	4 861	10	15	15
C DC26 Zululand District Municipality	-	-	-	-	-	-	-	-	-
Total: Umkhanyakude Municipalities	-	-	-	-	-	-	-	-	-
B KZN271 Umhlabuyalingana	-	-	-	-	-	-	-	-	-
B KZN272 Jozini	-	-	-	-	-	-	-	-	-
B KZN273 The Big 5 False Bay	-	-	-	-	-	-	-	-	-
B KZN274 Hlabisa	-	-	-	-	-	-	-	-	-
B KZN275 Mtubatuba	-	-	-	-	-	-	-	-	-
C DC27 Umkhanyakude District Municipality	-	-	-	-	-	-	-	-	-
Total: uThungulu Municipalities	8 392	827	20 166	150	4 398	4 398	7 426	4 087	3 249
B KZN281 Umfolozi	-	-	-	-	-	-	-	-	-
B KZN282 uMhlatuze	8 392	827	20 159	135	4 383	4 383	7 411	4 072	3 234
B KZN283 Ntambanana	-	-	-	15	15	15	15	15	15
B KZN284 uMlalazi	-	-	-	-	-	-	-	-	-
B KZN285 Mthonjaneni	-	-	7	-	-	-	-	-	-
B KZN286 Nkandla	-	-	-	-	-	-	-	-	-
C DC28 uThungulu District Municipality	-	-	-	-	-	-	-	-	-
Total: Ilembe Municipalities	-	-	-	-	5 162	5 162	2 789	3 380	3 260
B KZN291 Mandeni	-	-	-	-	-	-	-	-	-
B KZN292 KwaDukuza	-	-	-	-	5 162	5 162	2 789	3 380	3 260
B KZN293 Ndwedwe	-	-	-	-	-	-	-	-	-
B KZN294 Maphumulo	-	-	-	-	-	-	-	-	-
C DC29 Ilembe District Municipality	-	-	-	-	-	-	-	-	-
Total: Sisonke Municipalities	-	-	-	-	-	-	-	-	-
B KZN431 Ingwe	-	-	-	-	-	-	-	-	-
B KZN432 Kwa Sani	-	-	-	-	-	-	-	-	-
B KZN433 Greater Kokstad	-	-	-	-	-	-	-	-	-
B KZN434 Ubuhlebezwe	-	-	-	-	-	-	-	-	-
B KZN435 Umzimkulu	-	-	-	-	-	-	-	-	-
C DC43 Sisonke District Municipality	-	-	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	233 525	9 816	221 306	168 126	197 914	197 914	102 070	127 067	202 700

Table 8.N : Transfers to local government - CRU Programme

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
A KZN2000 eThekweni	120 000	-	95 000	100 000	100 000	100 000	-	-	-
Total: Ugu Municipalities	-	-	-	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	-	-	-	-	-	-	-	-	-
Total: Uthukela Municipalities	-	-	-	-	-	-	-	-	-
Total: Umzinyathi Municipalities	-	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities	-	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	-	-	-	-	-	-	-	-	-
Total: Umkhanyakude Municipalities	-	-	-	-	-	-	-	-	-
Total: uThungulu Municipalities	8 000	-	20 000	-	-	-	-	-	-
Total: Ilembe Municipalities	-	-	-	-	-	-	-	-	-
Total: Sisonke Municipalities	-	-	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	128 000	-	115 000	100 000	100 000	100 000	-	-	-

Table 8.O : Transfers to local government - Municipal rates and taxes

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
A KZN2000 eThekweni	6 412	4 784	8 272	8 666	13 656	13 656	10 232	13 615	13 615
Total: Ugu Municipalities	27	62	58	55	65	65	65	75	75
B KZN211 Vulamehlo	8	-	-	-	-	-	-	-	-
B KZN212 Umdoni	4	43	48	45	45	45	50	55	55
B KZN216 Hibiscus Coast	15	19	10	10	20	20	15	20	20
Total: uMgungundlovu Municipalities	8 616	2 635	5 736	3 857	8 857	8 857	3 969	5 969	5 969
B KZN221 uMshwathi	87	80	20	-	-	-	-	-	-
B KZN222 uMngeni	56	144	113	5	5	5	5	5	5
B KZN225 Msunduzi	8 455	2 390	5 600	3 842	8 842	8 842	3 949	5 944	5 944
B KZN226 Mkhambathini	-	-	-	10	10	10	15	20	20
B KZN227 Richmond	18	21	3	-	-	-	-	-	-
Total: Uthukela Municipalities	58	57	40	62	62	62	74	72	72
B KZN232 Emnambithi/Ladysmith	51	57	40	60	60	60	66	70	70
B KZN233 Indaka	-	-	-	-	-	-	-	-	-
B KZN234 Umtshezi	7	-	-	2	2	2	8	2	2
Total: Umzinyathi Municipalities	3	-	427	-	-	-	-	-	-
B KZN241 Endumeni	-	-	427	-	-	-	-	-	-
B KZN245 Umvoti	3	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities	17	-	297	-	-	-	-	-	-
B KZN252 Newcastle	17	-	297	-	-	-	-	-	-
Total: Zululand Municipalities	-	-	4 007	10	4 861	4 861	10	15	15
B KZN266 Ulundi	-	-	4 007	10	4 861	4 861	10	15	15
Total: Umkhanyakude Municipalities	-	-	-	-	-	-	-	-	-
Total: uThungulu Municipalities	392	827	166	150	150	150	150	150	150
B KZN282 uMhlatuze	392	827	159	135	135	135	135	135	135
B KZN283 Ntambanana	-	-	-	15	15	15	15	15	15
B KZN285 Mthonjaneni	-	-	7	-	-	-	-	-	-
Total: Ilembe Municipalities	-	-	-	-	-	-	-	-	-
Total: Sisonke Municipalities	-	-	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	15 525	8 365	19 003	12 800	27 651	27 651	14 500	19 896	19 896

Table 8.P : Transfers to local government - Maintenance of R293 Hostels and EEDBS

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
A KZN2000 eThekweni	90 000	-	84 192	52 000	14 500	14 500	50 881	66 962	145 000
Total: Ugu Municipalities	-	-	-	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	-	-	-	-	-	-	-	-	-
Total: Uthukela Municipalities	-	-	-	-	-	-	-	-	-
Total: Umzinyathi Municipalities	-	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities	-	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	-	-	-	-	-	-	-	-	-
Total: Umkhanyakude Municipalities	-	-	-	-	-	-	-	-	-
Total: uThungulu Municipalities	-	-	-	-	-	-	-	-	-
Total: Ilembe Municipalities	-	-	-	-	-	-	-	-	-
Total: Sisonke Municipalities	-	-	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	90 000	-	84 192	52 000	14 500	14 500	50 881	66 962	145 000

Table 8.Q : Transfers to local government - Transfer of R293 staff

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
A KZN2000 eThekweni	-	1 451	3 111	3 326	3 326	3 326	-	-	-
Total: Ugu Municipalities	-	-	-	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	-	-	-	-	-	-	-	-	-
Total: Uthukela Municipalities	-	-	-	-	-	-	-	-	-
Total: Umzinyathi Municipalities	-	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities	-	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	-	-	-	-	-	-	-	-	-
Total: Umkhanyakude Municipalities	-	-	-	-	-	-	-	-	-
Total: uThungulu Municipalities	-	-	-	-	-	-	-	-	-
Total: Ilembe Municipalities	-	-	-	-	-	-	-	-	-
Total: Sisonke Municipalities	-	-	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	-	1 451	3 111	3 326	3 326	3 326	-	-	-

Table 8.R : Transfers to local government - Operational costs for accredited municipalities

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
A KZN2000 eThekweni	-	-	-	-	34 953	34 953	12 551	16 320	15 479
Total: Ugu Municipalities	-	-	-	-	1 477	1 477	1 495	2 626	1 765
B KZN216 Hibiscus Coast	-	-	-	-	1 477	1 477	1 495	2 626	1 765
Total: uMgungundlovu Municipalities	-	-	-	-	485	485	7 722	9 946	9 702
B KZN225 Msunduzi	-	-	-	-	485	485	7 722	9 946	9 702
Total: Uthukela Municipalities	-	-	-	-	673	673	1 856	2 000	2 500
B KZN232 Emnambithi/Ladysmith	-	-	-	-	673	673	1 856	2 000	2 500
Total: Umzinyathi Municipalities	-	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities	-	-	-	-	5 439	5 439	3 000	2 000	2 000
B KZN252 Newcastle	-	-	-	-	5 439	5 439	3 000	2 000	2 000
Total: Zululand Municipalities	-	-	-	-	-	-	-	-	-
Total: Umkhanyakude Municipalities	-	-	-	-	-	-	-	-	-
Total: uThungulu Municipalities	-	-	-	-	4 248	4 248	7 276	3 937	3 099
B KZN282 uMhlatuze	-	-	-	-	4 248	4 248	7 276	3 937	3 099
Total: Ilembe Municipalities	-	-	-	-	5 162	5 162	2 789	3 380	3 260
B KZN292 KwaDukuza	-	-	-	-	5 162	5 162	2 789	3 380	3 260
Total: Sisonke Municipalities	-	-	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	52 437	52 437	36 689	40 209	37 804

VOTE 9

Community Safety and Liaison

Operational budget	R 181 295 000
MEC remuneration	Nil
Total amount to be appropriated	R 181 295 000
Responsible MEC	Mr. T. W. Mchunu, MEC for Transport, Community Safety and Liaison ¹
Administering department	Community Safety and Liaison
Accounting officer	Head: Community Safety and Liaison

1. Overview

Vision

The department's vision is to see that: *The people of KwaZulu-Natal live in a safe and secure environment.*

Mission statement

The mission set for the department is: *To be the lead agency in driving the integration of community safety initiatives, towards a crime free KwaZulu-Natal.*

Strategic objectives

Strategic policy direction: By focussing on its role of creating a secure environment in which all South Africans can live, the department seeks to align its operations and strategic position with the overall aim of government to achieve accountability and effective service delivery for all citizens of the province in the following areas: that all people in South Africa are and feel safe, and a long and healthy life for all is achieved.

The strategic objectives set by the department are to:

- Evaluate police service delivery and compliance with national policy standards and make recommendations for redress where required.
- Assess the effectiveness of visible policing in the province.
- Improve South African Police Service (SAPS) efficiency and effectiveness through independent service delivery evaluation and reward.
- Improve public confidence and trust in the police.
- Address service delivery complaints against the police to support the raising of service standards.
- Oversee the establishment and functioning of Community Policing Forums (CPFs) at all police stations in the province.
- Enhance the capacity of community police structures to improve co-operation between the police and the community.
- Promote community dialogue and participation in support of crime prevention initiatives and activities.
- Execute social crime prevention programmes at provincial and local level.

¹ The salary of the MEC for Transport, Community Safety and Liaison is budgeted for under Vote 12: Transport.

- Research and develop social crime prevention responses to community safety priorities.
- Consolidate the community safety network structure.
- Promote the establishment of a victim support network.
- Promote special support programmes for victims.
- Raise awareness of protective rights among vulnerable groups.
- Promote corporate governance and provide strategic project support.
- Implement the Volunteer Social Crime Prevention Programme (VSCPP).

Core functions

The provincial department is responsible for the following functions in line with the effective implementation of the Civilian Secretariat for Police Services Act, 2011:

- Promoting democratic accountability and transparency in the police service.
- Promoting good relations and establishing partnerships between the police and communities.
- Directing the SAPS toward effectively addressing provincial needs and priorities.
- Facilitating the development and co-ordination of social crime prevention initiatives.
- Promoting and supporting victim empowerment.

Legislative mandates

The principal legislative mandates governing the operations of the department are:

- The Constitution of the Republic of South Africa, 1996
- South African Police Service Act, 1995 and regulations
- National Crime Prevention Strategy, 1996 (Revised 1999)
- Firearms Control Act, 2000
- KwaZulu-Natal Commissions Act, 1999
- Domestic Violence Act, 1998
- Child Care Act, 1983
- Maintenance Act, 1998
- Criminal Procedure Act, 1977
- Public Finance Management Act, 1999, as amended, and the Treasury Regulations
- Public Service Act, 1994 and regulations
- Labour Relations Act, 1995
- Basic Conditions of Employment Act, 1997
- Employment Equity Act, 1998
- Skills Development Act, 1998
- Promotion of Equality and Prevention of Unfair Discrimination Act, 2000
- Promotion of Administrative Justice Act, 2000
- Promotion of Access to Information Act, 2000
- Preferential Procurement Policy Framework Act, 2001
- KwaZulu-Natal Provincial Supply Chain Management Policy Framework, 2006
- Electronic Communications and Transactions Act, 2002

- Regulation of Interception and Provision of Communication-Related Information Act, 2002
- State Information Technology Agency Act, 1999
- Second-Hand Goods Act, 2009
- National Youth Development Agency Act, 2008
- Criminal Law (Sexual Offences and Related Matters) Amendment Act, 2007
- Older Persons' Act, 2006
- Children's Act, 2005
- Child Justice Act, 2008
- Civilian Secretariat for Police Services Act, 2011

2. Review of the 2013/14 financial year

Section 2 provides a review of 2013/14, outlining the main achievements and the progress made by the department during the year, as well as providing a discussion on challenges and new developments.

Civilian Secretariat for Police Services Act, 2011

The department derives its mandate from Sections 206 and 208 of Chapter 11 of the Constitution, which states that a civilian secretariat for the police must be established. Accordingly, the Civilian Secretariat for Police Services Act was enacted in 2011.

In order to effectively implement the Act, the department revised its organisational structure, and the new organogram was approved by the Department of Public Service and Administration (DPSA) in December 2012. In line with the new organisational structure, all posts except the HOD's were subjected to a Job Evaluation (JE), to ensure the correct placement and level within the new structure. As a result of the JE process, employees needed to be matched and placed into various new posts according to the post requirements and their skills. This process took longer than anticipated and therefore vacant posts could not be advertised until this process was completed in July 2013. In all, the department commenced with the advertising of 83 vacant posts in line with phase one of the roll-out of the new organisational structure. Of the 83 posts advertised, 35 were not filled by year-end. The full implementation of the Civilian Secretariat for Police Services Act will take place in a phased-in approach, with phases two and three taking place over the period 2014/15 to 2016/17. Phases two and three aim to fill the full organisational structure, from 184 in 2014/15 to 202 in 2015/16.

Decentralisation strategy

The new organisational structure aims to decentralise services to a district level in order to deliver these services at community level, in line with the implementation of the Civilian Secretariat for Police Services Act, rather than operating from one head office. The department anticipates achieving all of its targets in 2013/14 with the existing staff complement. However, with the roll-out of the decentralisation strategy and the implementation of the Civilian Secretariat for Police Services Act, increased capacity will be required to effectively meet the new targets, as required by this Act going forward. These targets included the number of police station monitoring reports, the number of Domestic Violence Act (DVA) compliance reports, among others. In addition, the department anticipated signing 11 lease agreements for the new district offices within various district municipalities in 2013/14. However, due to delays in 2013/14 in acquiring the leases, this will only take place in 2014/15. The additional staff already employed as part of the new organisational structure are currently being housed between the department's head office in Pietermaritzburg and its eThekweni office.

Holistic community liaison framework

The department currently uses the Justice Crime Prevention Strategy (JCPS), voluntary crime prevention structures, etc., to form partnerships with relevant stakeholders and to drive crime prevention. The need for a permanent advisory and consultative platform at a provincial level was identified to allow for greater consultation between provincial departments. The KZN Council Against Crime (hereafter referred to as

the Council) was established in 2013/14, and comprises various stakeholders, including representatives of the Premier, MECs, JCPS members, House of Traditional Leaders, religious leaders, business leaders, etc. The Council focussed on a number of issues during 2013/14, such as rhino poaching, the high road death toll, anti-foreigner sentiments, and taxi conflicts, among others. In addition, the department hosted the KZN Council Against Crime Summit in September 2013, initiating the KZN Council against Crime programme, which focussed on providing strategic advice and guidance on safety and crime prevention strategies for KZN.

Communities-in-Dialogue programme (CiDP)

The department continued to mobilise communities using the CiDP to resolve intra and inter-community conflicts. During 2013/14, various types of disputes within communities, such as land invasion, stock theft and political unrest, placed an increased burden on the department. In this regard, the department was able to put a number of interventions in place to promote peaceful co-existence and political tolerance in respect of taxi violence, political conflict, tribal conflict, hostel violence and xenophobic attacks.

Integrated Youth Development Strategy (IYDS)

The department hosted a number of workshops and training sessions in 2013/14, such as social crime prevention, drug awareness, etc. The department also continued to use sport, especially soccer, as a tool to divert youth from delinquent behaviour, and to promote more constructive use of leisure time within all communities. The Sports Against Crime initiative is one of the programmes that the department employs to encourage youth to be involved in the fight against crime. Soccer festivals, where trophies were handed out and youth were furnished with soccer kits, and Youth Day celebrations were held in various areas. In hosting these interventions, the department worked closely with the Department of Education (DOE), and is currently in the process of signing an agreement with the Department of Sport and Recreation (DOSR).

Stock theft

Stock theft cuts across and threatens both the commercial and subsistence farming economy. Farm murders and other crime directed at farming communities continue to negatively affect the agricultural sector, which in turn threatens food security. The department prioritised the issue of stock theft and collaborated with the SAPS to improve visibility within areas such as Weenen and Estcourt, among others. Statistics indicate that stock theft declined as a result of this integrated approach, which included the Department of Agriculture, Environmental Affairs and Rural Development (DAEARD).

Societal Education to Build Safer Communities programme (Lwisana Nobugebengu)

The department has, in the past, built community capacity to understand and respond to safety threats through a number of training courses. These have included, among others, a programme for CPFs, school safety courses, training of Traditional Leaders in social crime prevention and human rights, and life-skills programmes that have been provided to young people. During 2013/14, the department began to consolidate the various training modules and expand the training offered in order to provide a more comprehensive training programme which included all spheres within communities, and used a targeted approach within community based structures. The department's existing *Thathulwazi* programme was used as a model for the expansion and delivery of the revised training programme. The Department of Higher Education and Training (DHET), which has been an integral partner in the *Thathulwazi* programme, agreed to continue its partnership with the department. The department conducted training in 10 district municipalities during the year. This training took place over a period of four weeks, with a total of 354 people trained.

Volunteer Social Crime Prevention Programme (VSCPP)

The VSCPP involves the recruitment of volunteers in order to establish a community engagement mechanism for law enforcement agencies, with the key objective being to drive social crime prevention at district level. During 2013/14, this programme achieved good success, particularly in the area of monitoring crime hotspots such as taverns, ATMs and shopping malls, such as The Pavilion, Harbour Crossing, etc., during the festive season. In addition, the department recruited 241 new volunteers throughout the province who were trained and inducted into the VSCPP, and are now fully fledged members of this programme.

3. Outlook for the 2014/15 financial year

Section 3 looks at the key focus areas of 2014/15, outlining what the department is hoping to achieve during the year, as well as briefly looking at challenges and proposed new developments. It should be noted that, during 2014/15, the department will continue to roll-out the Civilian Secretariat for Police Services Act, through the continued phasing in of the new organogram which is linked to the decentralisation strategy.

Decentralisation strategy

The department will continue to roll-out the second and third phases of the decentralisation strategy over the MTEF period. The department aims to increase its organisational structure, in line with the approved organogram, from 154 employees in 2013/14 to 202 in 2015/16. The department envisages having fully functional and operational district offices (10 in the districts, and three in eThekweni) by the end of 2016/17. The second phase of the roll-out will fill some 18 additional posts (as well as any unfilled posts from 2013/14) at Assistant Manager level and the third phase a further 16 at the same level. These additional posts, dealing with police service and conduct and crime prevention and partnerships, will increase capacity at a district level which should lead to improved service delivery on the ground – i.e. at ward level.

Holistic community liaison framework

In 2014/15, the Council will aim to achieve, among others, guiding the implementation and monitoring of safety and crime prevention strategies, facilitating, guiding and contributing to safety and crime prevention research, etc.

Communities-in-Dialogue Programme (CiDP)

The CiDP has proved to be a very effective programme to create peace and harmony within communities. The department will continue this approach, especially to deal with increasing political violence as the 2014 general elections and the 2015 municipal elections approach.

Societal Education to Build Safer Communities programme (Lwisana Nobugebengu)

This programme will form an integral part of the department's partnership and relationship with the communities of KZN from 2014/15 onward. As explained above, the department has, in the past built community capacity to understand and respond to safety threats through a number of training courses. These have included, among others, a programme for CPFs, school safety courses, training of Traditional Leaders in social crime prevention and human rights and life-skills programmes that have been provided to young people. The department will continue to consolidate the various training modules in order to provide a more comprehensive training programme that includes community based structures. Topics included are understanding the Constitution, self-defence, financial management, etc.

Station evaluations

The department's civilian oversight mandate remains a central focus of its operations. Police station performance monitoring and evaluation will continue to be undertaken in order to ensure that police stations throughout the province deliver a service that meets the need and expectations of communities.

Establishment and maintenance of safety structures

The department's strategy of extending its crime fighting responsibility will be aggressively approached using existing structures such as street committees and CPFs as well as new structures, such as district ward safety committees, from ward level upward.

KZN Community Crime Prevention Association (KZNCCPA)

KZN is the first province to regularise the activities of voluntary crime fighting organisations. In the past, these organisations, such as neighbourhood watch, street committees and other groupings, operated in isolation. The SAPS viewed these groupings as vigilante groups and tension between communities and the SAPS drastically increased, leading to confrontation and crime. The department drafted a constitution at provincial and district level for the implementation of the KZNCCPA in 2014/15. The KZNCCPA has been accepted by SAPS.

4. Receipts and financing

4.1 Summary of receipts and financing

Table 9.1 shows the sources of funding of Vote 9 over the seven-year period 2010/11 to 2016/17. It also compares actual and budgeted receipts against actual and budgeted payments.

Table 9.1 : Summary of receipts and financing

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Equitable share	140 744	150 139	159 661	166 978	164 978	164 978	173 715	181 069	190 747
Conditional grants	-	-	1 673	5 369	5 369	5 369	2 580	-	-
Social Sector EPWP Incentive Grant for Provinces	-	-	1 673	5 369	5 369	5 369	2 580	-	-
Total receipts	140 744	150 139	161 334	172 347	170 347	170 347	176 295	181 069	190 747
Total payments	129 186	145 239	135 892	172 347	171 347	167 521	181 295	186 069	198 470
Surplus/(Deficit) before financing	11 558	4 900	25 442	-	(1 000)	2 826	(5 000)	(5 000)	(7 723)
Financing									
of which									
Provincial roll-overs	-	-	-	-	-	-	-	-	-
Provincial cash resources	-	-	-	-	1 000	1 000	5 000	5 000	7 723
Surplus/(Deficit) after financing	11 558	4 900	25 442	-	-	3 826	-	-	-

In order to assist with the provincial overdraft situation in 2010/11, the department was able to absorb the higher than anticipated 2010 wage agreement within its original budget allocation. In addition, it pledged to reduce spending during the year by R1.500 million. The department continued to implement cost-cutting throughout the year, managing to save approximately R10 million. The balance of the under-expenditure related to the fact that the full complement of VSCPP volunteers was not achieved, due to resignations.

In 2011/12, the department ended the year with an under-spending of R4.900 million, mainly as a result of the non-filling of vacant posts pending the finalisation of the organisational structure.

The department substantially under-spent its 2012/13 budget by R25.442 million. This was due to the non-filling of vacant posts pending the finalisation of the organisational structure, cost-cutting, delays in the roll-out of the decentralisation strategy, and the discontinuation of the call-centre. The call-centre was a pilot study, whereby volunteers were linked, *via* two-way radios, to a central point under the VSCPP. The centre was discontinued because the contract with the service provider came to an end, and was not renewed as the department intends to run the call centre in-house to reduce costs. Also in 2012/13, the department received a grant of R1.673 million, being the Social Sector EPWP Incentive Grant for Provinces. The department uses this grant for the payment of stipends for VSCPP members. Note that this grant only caters for new recruits and not existing ones. This grant was under-spent by R881 000 due to the late finalisation of the list of new VSCPP recruits. The recruitment process involves conducting security checks and approvals by local bodies. This grant, which aims to create work opportunities through providing recruits with knowledge and skills in the areas of crime prevention and safety as a whole, was also allocated in 2013/14, with the department receiving R5.369 million in this regard. In 2013/14, the department anticipates to have fully spent its conditional grant allocation by year-end. Over the 2014/15 MTEF, the department receives grant funding in 2014/15, amounting to R2.580 million, with no grant funding being allocated in the outer year of the MTEF, at this stage.

The amount of R1 million against provincial cash resources in the 2013/14 Adjusted Appropriation pertains to additional funding for Operation *Sukuma Sakhe* (OSS) initiatives. The department is projecting to end 2013/14 with an under-spending of R3.826 million, as per the 2013/14 Revised Estimate, due to the non-filling of posts resulting from delays in the finalisation of the JE process (hence advertising only commenced in September 2013), and natural attrition.

Over the MTEF, the department receives additional allocations of R5 million per year in 2014/15 and 2015/16, for the phasing in of the new approved organogram, and a roll-over of R7.723 million from 2012/13 to 2016/17 also for this purpose. It was agreed between the department and Treasury that the amount of R7.723 million requested to be rolled over from 2012/13, would be rolled over to 2016/17 in

order to assist with the continued implementation of the decentralisation strategy. In addition, the department was allocated additional funds for the carry-through of the previous wage agreements, while its allocation is reduced over the 2014/15 MTEF to cater for the centralisation of parts of the communications budget under OTP.

4.2 Departmental receipts collection

Table 9.2 shows the sources of own revenue collected by the department. Details of departmental receipts are presented in *Annexure – Vote 9: Community Safety and Liaison*.

Table 9.2 : Summary of departmental receipts collection

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	43	54	54	57	57	54	63	69	73
Transfers received	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	1	1	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transactions in financial assets and liabilities	61	15	21	-	-	21	22	23	24
Total	105	70	75	57	57	75	85	92	97

Sale of goods and services other than capital assets forms the bulk of the revenue and is largely collected against commission received from insurance companies for the collection of monthly contributions. The department is projecting to collect R54 000 by the end of 2013/14, mainly with regard to commission from insurances. This category is expected to grow steadily over the 2014/15 MTEF.

The department collected revenue against *Interest, dividends and rent on land* in 2010/11 and 2011/12 in respect of interest earned on staff debts. No revenue estimates have been made for this category from 2013/14 onward, as it is difficult to accurately budget for this.

From 2010/11 to 2013/14, the department collected revenue against *Transactions in financial assets and liabilities* in respect of the recovery of outstanding staff debts, recovery of supplier over-payments and recovery of expenses related to breach of bursary contracts. Revenue against this category grows steadily over the 2014/15 MTEF.

4.3 Donor funding – Nil

5. Payment summary

This section provides information pertaining to the vote as a whole at an aggregated level, including the payments and budgeted estimates in terms of programmes and economic classification. Further details are given in Section 6 below, as well as in the *Annexure – Vote 9: Community Safety and Liaison*.

5.1 Key assumptions

The following assumptions and factors were taken into account in finalising the budget allocations:

- Provision was made for the carry-through costs of the 2013 wage agreement and an inflationary wage adjustment of 6.4 per cent in 2014/15 and 2015/16, respectively, and 6.3 per cent in 2016/17, and an annual 1.5 per cent pay progression.
- The expanded cost-cutting measures, as reissued by Provincial Treasury in 2013/14, will continue to be adhered to over the 2014/15 MTEF, in conjunction with National Treasury Instruction 01 of 2013/14: Cost-containment measures.

- CPI projections were considered when inflation related items were calculated.
- Implementation of the department's new approved organogram in phases over the MTEF.

5.2 Additional allocations for the 2012/13 to 2014/15 MTEF

Table 9.3 shows additional funding received by the department over the three MTEF periods: 2012/13, 2013/14 and 2014/15. The purpose of such a table is two-fold. Firstly, it shows the quantum of additional funding allocated to the department in the past and current MTEF periods. Secondly, it indicates the policies and purposes for which the additional funding was allocated.

The carry-through allocations for the 2012/13 and 2013/14 MTEF periods (i.e. for the financial year 2016/17) are based on the incremental percentage used in the 2014/15 MTEF.

Table 9.3 : Summary of additional provincial allocations for the 2012/13 to 2014/15 MTEF

R thousand	2012/13	2013/14	2014/15	2015/16	2016/17
2012/13 MTEF period	2 613	3 643	4 676	4 891	5 116
Carry-through of 2011/12 Adjustments Estimate - 2011 wage agreement	613	643	676	707	740
Establishment of community safety structures	2 000	3 000	4 000	4 184	4 376
2013/14 MTEF period		(2 302)	231	12	(5 218)
Census data update and 1%, 2% and 3% baseline cuts		(2 302)	(4 769)	(4 988)	(5 218)
Implementation of structure to roll-out Civilian Secretariat for Police Services Act		-	5 000	5 000	-
2014/15 MTEF period			(1 767)	(1 558)	6 164
Compensation of employees roll-over from 2012/13 to 2016/17			-	-	7 723
Carry-through of previous wage agreements			333	642	742
Centralisation of communications budget under OTP			(2 100)	(2 200)	(2 301)
Total	2 613	1 341	3 140	3 345	6 062

Over the 2012/13 MTEF, the department received additional funding for the carry-through costs of the higher than anticipated 2011 wage agreement. The department also received additional funding for the establishment of community safety structures which aim to ensure that the nature of crime in KZN is clearly understood and that the operations of the department and the SAPS are effectively and properly directed to ensure that effective counter-measures to crime are implemented.

In the 2013/14 MTEF, National Treasury took a decision to impose 1, 2 and 3 per cent baseline cuts on all spheres of government (i.e. National, Provincial and Local) in order to curb the national deficit as public spending is growing faster than revenue collection. In addition, KZN received reduced equitable share allocations as a result of the reduced proportion in terms of population numbers as reported in the 2011 Census data results. The effect of this on the department was a substantial reduction in the budget over the entire period. The department received additional funding in 2014/15 and 2015/16 for the implementation of the new organisational structure, in line with the decentralisation strategy which supports the implementation of the Civilian Secretariat for Police Services Act.

In the 2014/15 MTEF, the department received additional funding for the carry-through of previous wage agreements. The budget of the department was decreased by R2.100 million, R2.200 million and R2.301 million in 2014/15, 2015/16 and 2016/17, respectively for the centralisation of parts of the communications budget under OTP. To provide certainty of funding for another year for the increased organogram, an amount of R7.723 million (being a portion of the under-spending in 2012/13) was rolled over from 2012/13 to 2016/17 for the implementation of the revised organisational structure, in line with the Civilian Secretariat for Police Services Act.

5.3 Summary by programme and economic classification

Tables 9.4 and 9.5 provide a summary of payments and budgeted estimates by programme and economic classification, respectively, for the period 2010/11 to 2016/17. Overall, there is an increase in the department's budget over the seven-year period.

It must be noted that, in line with the implementation of the Civilian Secretariat for Police Services Act, and the relevant functions the department performs, the department amalgamated its previous two service delivery programmes, Programme 2: Civilian Oversight and Programme 3: Crime Prevention into one

programme, which is now called the Provincial Civilian Secretariat. As such, the historical figures for Programme 2 are the amalgamated historic spending trends of Programmes 2 and 3 combined.

It is noted that this revised programme structure does not conform to the budget and programme structure set for the Safety and Liaison Sector, as KZN is the first province to roll-out the Civilian Secretariat for Police Services Act. National Treasury, however, has granted formal approval to the department to deviate from the sector specific programme structure.

Table 9.4 : Summary of payments and estimates by programme: Community Safety and Liaison

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
1. Administration	33 230	38 082	32 265	39 238	38 238	35 412	47 804	50 783	53 845
2. Provincial Civilian Secretariat	95 956	107 157	103 627	133 109	133 109	132 109	133 491	135 286	144 624
Total	129 186	145 239	135 892	172 347	171 347	167 521	181 295	186 069	198 470

Table 9.5 : Summary of payments and estimates by economic classification: Community Safety and Liaison

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Current payments	127 050	142 551	135 070	170 246	165 039	160 961	180 133	184 853	197 189
Compensation of employees	31 591	32 658	37 307	48 566	49 366	45 288	74 572	86 485	91 811
Goods and services	95 459	109 893	97 763	121 680	115 673	115 673	105 561	98 368	105 379
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	17	473	16	12	19	66	12	13	14
Provinces and municipalities	10	10	10	12	12	12	12	13	14
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	289	-	-	-	-	-	-	-
Households	7	174	6	-	7	54	-	-	-
Payments for capital assets	2 101	2 215	794	2 089	6 289	6 494	1 150	1 203	1 267
Buildings and other fixed structures	-	-	-	-	-	312	-	-	-
Machinery and equipment	1 248	2 215	612	2 089	6 289	6 182	1 150	1 203	1 267
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	853	-	182	-	-	-	-	-	-
Payments for financial assets	18	-	12	-	-	-	-	-	-
Total	129 186	145 239	135 892	172 347	171 347	167 521	181 295	186 069	198 470

The fluctuating trend from 2010/11 to 2012/13 is due to the fact that, in 2010/11, the department under-spent its budget by R11.558 million in order to assist with the provincial overdraft situation, as detailed above. The fluctuating trend can also be explained by the substantial under-expenditure of R25.442 million in 2012/13 resulting from the non-filling of posts, cost-cutting, delays in the roll-out of the decentralisation strategy, etc. The significant increase from the 2013/14 Main Appropriation onward relates to increased conditional grant funding as well as additional funding for the establishment of community safety structures, and the implementation of the new organisational structure (2014/15 onward). The low Revised Estimate pertains to the non-filling of posts due to delays in the finalisation of the JE process, and natural attrition.

The increase in Programme 1: Administration from 2010/11 to 2011/12 was due to inflationary increases, salary adjustments and increased administrative costs, such as advertising. The increased advertising was to provide for the marketing of events (school safety and social crime awareness initiatives, among others) by way of radio broadcasts, newspaper articles and advertisements, etc. The decrease from 2011/12 to 2012/13 was mainly due to cost-cutting, particularly on administrative expenses, such as stationery and printing, as well as a decrease in spending against *Machinery and equipment* resulting from high spending in the previous year, where the department had purchased computers and equipment to replace obsolete assets. The department also purchased motor vehicles in 2011/12.

The increase from 2012/13 to the 2013/14 Main Appropriation was due to the department budgeting for the filling of posts in line with the new organisational structure. Also accounting for the increase in 2013/14 was the fact that, in 2012/13, spending against *Goods and services* was very low, as detailed previously, hence the increase in 2013/14. The decrease from the 2013/14 Adjusted Appropriation to the Revised Estimate is mainly attributed to the non-filling of posts resulting from delays in the implementation of the new structure. Toward the latter part of 2013/14, the department commenced with the roll-out of phase one of the new organisational structure, however, not all budgeted posts were filled due to the JE process taking longer than expected, hence the advertising of posts only commenced in September 2013. The increase over the MTEF is due to the anticipated filling of vacant posts in line with the decentralisation strategy and the implementation of the Civilian Secretariat for Police Services Act.

The increase in Programme 2: Provincial Civilian Secretariat from 2010/11 to 2011/12 was mainly attributed to the additional funding allocated for community safety structures. In addition, 2010/11 was very low as all departments were asked to cut costs in order to assist with the provincial cash position. The decrease from 2011/12 to 2012/13 was due to the non-filling of posts resulting mainly from delays in the finalisation of the new organisational structure. Also, the leasing of district offices did not go ahead pending the finalisation of the new organogram, and delays in the acquiring process. The substantial increase from 2012/13 to the 2013/14 Main Appropriation was the result of significant under-spending in 2012/13 against *Compensation of employees, Goods and services* and *Machinery and equipment*. The rise is also attributed to an increase in the Social Sector EPWP Incentive Grant for Provinces allocation. The lower spending in the 2013/14 Revised Estimate compared to the Main Appropriation is mainly due to the non-filling of posts, resulting from delays in the JE process. The department does not receive a conditional grant allocation in 2015/16 and 2016/17, accounting for the decrease in the outer years of the MTEF. The increasing trend over the 2014/15 MTEF is mainly due to additional funding for implementation of the new organisational structure in line with the roll-out of the Civilian Secretariat for Police Services Act.

The increase in *Compensation of employees* from 2012/13 to the 2013/14 Main Appropriation is due to the department anticipating filling vacant posts in line with the new organisational structure and the implementation of the decentralisation strategy. The decrease from the 2013/14 Main Appropriation to Revised Estimate is in respect of the non-filling of posts resulting from delays in the implementation of the new organisational structure brought about by the JE process taking longer than anticipated, and posts only being advertised in September 2013. In all, the department advertised 83 posts of which 35 remain unfilled. The trend over the 2014/15 MTEF projects a substantial increase against this category resulting from the continued roll-out of the new structure and the projected filling of vacant posts. In addition, amounts of R5 million (2014/15 and 2015/16) and R7.723 million (2016/17) were allocated to the department for the implementation of the Civilian Secretariat for Police Services Act.

The substantial decrease in *Goods and services* from 2011/12 to 2012/13 was mainly due to cost-cutting, delays in leasing district offices and discontinuation of the call-centre. The decrease from the 2013/14 Main to the Adjusted Appropriation is due to savings realised under this category resulting from cost-cutting being moved to *Machinery and equipment* to provide for the purchasing of nine motor vehicles. The decrease from 2013/14 to 2014/15 is ascribed to the movement of funds from this category to *Compensation of employees* to cater for costs associated with the implementation of the new organisational structure. The department anticipates that the reduction in *Goods and services* will not impact on service delivery, but will review the *Goods and services* budget in-year and will make adjustments where necessary. The further decrease from 2014/15 to 2015/16 is mainly attributed to the department not receiving the Social Sector EPWP Incentive Grant for Provinces in 2015/16, at this stage.

The budget against *Transfers and subsidies to: Provinces and municipalities* relates to the payment of motor vehicle licence fees, and remains fairly steady over the seven-year period.

In 2011/12, an amount of R289 000 was paid from *Transfers and subsidies to: Non-profit institutions* for the procurement and transfer of a park-home in Umlazi to a non-governmental organisation (NGO) community policing structure.

Transfers and subsidies to: Households is mainly in respect of the payment of staff exit costs. There is no budget against this category over the 2014/15 MTEF due to its unpredictable nature.

The amount of R312 000 against *Buildings and other fixed structures* in 2013/14 pertains to the purchase of a park-home in the Ugu District which will serve as a temporary district office in line with the decentralisation strategy. This park-home will be at the Department of Transport's (DOT) regional office. The department undertook a cost-benefit analysis which showed that the cost of leasing office accommodation in the area was twice as much as purchasing the park-home.

The fluctuating trend against *Machinery and equipment* from 2010/11 onward relates to the department purchasing vehicles and equipment on a cyclical basis. In 2010/11, the department had to replace its main server. The increase from 2010/11 to 2011/12 pertains to the purchase of computers and furniture. The increase from 2012/13 to the 2013/14 Adjusted Appropriation relates to the purchase of vehicles, thus accounting for the reduction in 2014/15.

In 2010/11, the department spent R853 000 on the licensing and installation of a new server against *Software and other intangible assets*. The amount of R182 000 against this category in 2012/13 relates to the renewal of software licence fees for the Novell System.

The amounts reflected against *Payments for financial assets* in 2010/11 and 2012/13 relate to the write-off of staff debts.

5.4 Summary of payments and estimates by district municipal area

Table 9.6 below summarises the departmental payments within district municipal areas, excluding administrative costs.

Spending in district municipal areas by the department is largely made up of the category *Goods and services*, which includes projects and activities in respect of CPFs.

Table 9.6 : Summary of payments and estimates by district municipal area

R thousand	Audited Outcome	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16	2016/17
eThekweni	20 422	21 432	19 061	18 046	19 399
Ugu	5 304	7 144	6 000	5 585	6 004
uMgungundlovu	11 108	12 494	11 026	10 379	11 181
Uthukela	7 434	7 507	6 508	6 093	6 550
Umzinyathi	5 719	7 146	6 100	5 685	6 111
Amajuba	3 302	6 140	5 100	4 685	5 036
Zululand	7 229	8 200	7 100	6 685	7 186
Umkhanyakude	6 086	7 013	6 012	5 597	6 017
uThungulu	5 405	6 500	5 500	5 085	5 466
Ilembe	5 160	7 500	6 300	5 885	6 326
Sisonke	6 188	8 148	7 100	6 685	7 193
Total	83 357	99 224	85 807	80 410	86 469

During 2012/13, the department embarked on a decentralisation strategy which aims to make its services more accessible to the people of KZN, as well as to enhance and intensively support community-based structures for the creation of sustainable safety. To cater for this, the department embarked on establishing district offices in all 11 districts. The functions being performed are delivered as a basket of services for each district, and these include:

- Evaluating police service delivery in each district.
- Rolling out capacity building programmes for a range of audiences in each district.
- Delivering programmes to develop young people, such as the Youth Against Crime programme.
- Supporting community based crime prevention structures and initiatives through village committees, neighbourhood watch, etc.

The decreasing trend from 2013/14 to 2015/16 pertains to the movement of funds from *Goods and services* to *Compensation of employees* to assist with the roll-out of the new organisational structure, but this movement will be reviewed in-year and adjustments will be made accordingly, as explained above.

5.5 Summary of conditional grant payments and estimates

Table 9.7 illustrates conditional grant payments and estimates for the period 2010/11 to 2016/17. Details are given in *Annexure – Vote 9: Community Safety and Liaison*. It should be noted that the historical figures set out in Table 9.7 reflect actual expenditure per grant, and should not be compared to those figures reflected in Table 9.1, which represents the actual receipts for the grant.

Table 9.7 : Summary of conditional grants payments and estimates by name

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Social Sector EPWP Incentive Grant for Provinces	-	-	792	5 369	5 369	5 369	2 580	-	-
Total	-	-	792	5 369	5 369	5 369	2 580	-	-

The department received the Social Sector EPWP Incentive Grant for Provinces in 2012/13, 2013/14 and 2014/15, the purpose of which is to create work opportunities. The department uses this funding for the payment of stipends for social crime prevention volunteers who are employed within the VSCPP, and is allocated against the economic classification *Goods and services*. The reduced allocation from 2013/14 to 2014/15 is dependent on the evaluation by the national DOPW of targets achieved. No grant allocation has been given to the department in 2015/16 or 2016/17, at this stage.

5.6 Summary of infrastructure payments and estimates

Table 9.8 below presents a summary of infrastructure payments and estimates by category for the vote, including both capital and current expenditure for the period 2010/11 to 2016/17. The department's infrastructure budget is placed solely against *New and replacement assets*.

Table 9.8 : Summary of infrastructure payments and estimates by category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
New and replacement assets	-	-	-	-	-	312	-	-	-
Existing infrastructure assets	-	-	-	-	-	-	-	-	-
Upgrades and additions	-	-	-	-	-	-	-	-	-
Rehabilitation, renovations and refurbishments	-	-	-	-	-	-	-	-	-
Maintenance and repairs	-	-	-	-	-	-	-	-	-
Infrastructure transfers	-	-	-	-	-	-	-	-	-
Current	-	-	-	-	-	-	-	-	-
Capital	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	312	-	-	-

The 2013/14 amount of R312 000 against *New and replacement assets* pertains to the purchase of a park-home in the Ugu District which will serve as a temporary district office in line with the decentralisation strategy. This park-home will be placed at the DOT regional office, as explained previously.

5.7 Summary of Public Private Partnerships – Nil

5.8 Transfers to public entities listed in terms of Schedule 3 of the PFMA – Nil

5.9 Transfers to other entities

Table 9.9 below provides a summary of transfers to other entities. In 2011/12, the department transferred R289 000 for the procurement and transfer of a park-home in Umlazi to a community policing NGO.

Table 9.9 : Summary of departmental transfers to other entities

R thousand	Sub-programme	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
		2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Community policing structure	2.1 Comm Safety Ptnerships & Crime Prev Init.	-	289	-	-	-	-	-	-	-
Total		-	289	-	-	-	-	-	-	-

5.10 Transfers to local government

The department makes no transfer payments to local government, although it does pay motor vehicle licence fees against this category, which are not a direct transfer to a municipality. Therefore, the table reflecting transfers to local government is excluded.

5.11 Transfers and subsidies

Table 9.10 below provides a summary of transfers and subsidies per programme.

Table 9.10 : Summary of transfers and subsidies by programme and main category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
1. Administration	17	152	16	12	14	61	12	13	14
Provinces and municipalities	10	10	10	12	12	12	12	13	14
Motor vehicle licences	10	10	10	12	12	12	12	13	14
Households	7	142	6	-	2	49	-	-	-
Leave gratuity/social benefits	7	142	6	-	2	49	-	-	-
2. Provincial Civilian Secretariat	-	321	-	-	5	5	-	-	-
Non-profit institutions	-	289	-	-	-	-	-	-	-
Community policing structure	-	289	-	-	-	-	-	-	-
Households	-	32	-	-	5	5	-	-	-
Leave gratuity/social benefits	-	31	-	-	5	5	-	-	-
Donation - CPF member's funeral	-	1	-	-	-	-	-	-	-
Total	17	473	16	12	19	66	12	13	14

Spending under Programme 1 against *Provinces and municipalities* relates to the payment of motor vehicle licences.

Households pertains to the payment of leave gratuities, except for the amount of R1 000 shown under Programme 3, which is for a donation toward a CPF member's funeral.

The spending of R289 000 in Programme 3 against *Non-profit institutions* in 2011/12 relates to the procurement and transfer of a park-home in Umlazi to a community policing NGO, as mentioned previously.

6. Programme description

As mentioned previously, in line with the implementation of the Civilian Secretariat for Police Services Act, and the functions the department performs, the department amalgamated its previous two service delivery programmes, Programme 2: Civilian Oversight and Programme 3: Crime Prevention into one programme, which is now called the Provincial Civilian Secretariat. As such, the historical figures for Programme 2 are the amalgamated historic spending trends of Programmes 2 and 3 combined.

It is noted that this revised programme structure does not conform to the budget and programme structure set for the Safety and Liaison Sector, as KZN is the first province to roll-out the Civilian Secretariat for Police Services Act. However, National Treasury has granted approval for the department to deviate from the sector specific programme structure. The payments and budgeted estimates for each programme are summarised in terms of economic classification, details of which are presented in the *Annexure – Vote 9: Community Safety and Liaison*.

6.1 Programme 1: Administration

This programme comprises five sub-programmes, namely Office of the HOD, Financial Management, Corporate Management, Legal and Security. Corporate Management includes internal monitoring and evaluation, as well as special projects and inter-governmental relations. The Ministry is shared with DOT, who bears the cost of the shared Ministry. The objective of Programme 1 is to provide essential administrative and management support, while the purpose is to provide strategic direction and support,

administrative, financial, executive and legal support, and human resource services. This programme is in line with the sector specific Safety and Liaison programme structure.

Tables 9.11 and 9.12 give a summary of payments and estimates for the seven-year period up to 2016/17.

Table 9.11 : Summary of payments and estimates by sub-programme: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
1. Office of the HOD	3 854	5 339	6 050	7 577	7 080	4 618	8 031	8 400	8 845
2. Financial Management	9 484	7 236	7 576	10 126	10 126	9 618	10 734	11 228	11 823
3. Corporate Management	16 636	22 468	15 427	16 781	16 483	16 422	24 000	25 884	27 627
4. Legal	1 841	1 542	1 882	2 935	2 730	2 935	3 111	3 254	3 426
5. Security	1 415	1 497	1 330	1 819	1 819	1 819	1 928	2 017	2 124
Total	33 230	38 082	32 265	39 238	38 238	35 412	47 804	50 783	53 845

Table 9.12 : Summary of payments and estimates by economic classification: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Current payments	33 019	36 062	31 623	38 816	37 814	34 736	47 346	50 303	53 339
Compensation of employees	14 270	14 249	17 217	21 365	21 365	18 287	30 172	32 345	34 432
Goods and services	18 749	21 813	14 406	17 451	16 449	16 449	17 174	17 958	18 907
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	17	152	16	12	14	61	12	13	14
Provinces and municipalities	10	10	10	12	12	12	12	13	14
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	7	142	6	-	2	49	-	-	-
Payments for capital assets	176	1 868	614	410	410	615	446	467	492
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	167	1 868	432	410	410	615	446	467	492
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	9	-	182	-	-	-	-	-	-
Payments for financial assets	18	-	12	-	-	-	-	-	-
Total	33 230	38 082	32 265	39 238	38 238	35 412	47 804	50 783	53 845

This programme shows fairly steady growth over the seven-year period. However, there is a decrease from 2011/12 to 2012/13 due to cost-cutting on administrative expenses such as stationery and printing costs and low spending on *Machinery and equipment* resulting from the purchase of *Machinery and equipment* being on a cyclical basis. The increase from 2012/13 to the 2013/14 Adjusted Appropriation is to cater for posts in line with the roll-out of phase one of the new organisational structure. Also included in the Adjusted Appropriation is a decrease of funds pertaining to the centralisation of parts of the communications budget under OTP. The decrease in the Revised Estimate pertains to the non-filling of posts due to delays in the JE process and the late advertising of posts. The increase over the MTEF relates to the roll-out of phases two and three of the new organisational structure, and additional funding for the carry-through of previous wage agreements, accounting for the substantial increase from the 2013/14 Revised Estimate to 2014/15. In 2014/15, funds are reprioritised from Programme 2 to Programme 1 to assist with the continued roll-out of the new organisational structure and include Senior Manager posts for inter-governmental relations and special projects and integrated planning and evaluation.

The overall increase in the sub-programmes: Office of the HOD and Security from 2010/11 to 2011/12 was mainly due to the annual wage agreements, as well as inflationary adjustments. The low Revised Estimate against the sub-programme: Office of the HOD is due to the resignation of the Office Manager, natural attrition, and cost-cutting particularly on stationery and printing. The substantial increase from 2014/15 onwards against this sub-programme is due to the anticipated filling of the HOD and Office Manager posts.

The decrease in the Financial Management and Legal sub-programmes from 2010/11 to 2011/12 was due to cost-cutting. The drop from the 2013/14 Adjusted Appropriation to the Revised Estimate against the sub-programme: Financial Management is the result of the non-filling of vacant posts due to the JE process taking longer than anticipated, as explained previously. The increase over the MTEF is due to the projected filling of vacant posts.

The decrease in the Corporate Management sub-programme from 2011/12 to 2012/13 was a result of lower than anticipated personnel expenditure due to the late finalisation of the department's organogram, and the fact that service delivery programmes, such as crime prevention and awareness, were moved to Programme 2 in 2012/13, in line with the decentralisation strategy. Furthermore, fixed and administrative costs associated with the decentralisation strategy did not materialise as planned because of the late finalisation of the organisational structure.

The trend over the seven years against *Compensation of employees* fluctuates. The low Revised Estimate compared to the 2013/14 Adjusted Appropriation is due to the non-filling of vacant posts resulting from delays in the JE process and the fact that posts were only advertised in September 2013. Also contributing was natural attrition and resignations. In 2014/15, the department has reprioritised funds from *Goods and services* in Programme 2 to Programme 1 (*Compensation of employees*) to cater for the roll-out of the new organisational structure.

The decrease in *Goods and services* from 2011/12 to 2012/13 was due to service delivery programmes, such as crime prevention and awareness being moved to Programme 2, in line with the decentralisation strategy and the 2014/15 revised APP.

Transfers and subsidies to: Provinces and municipalities is for motor vehicle licences.

Spending on *Transfers and subsidies to: Households* relates to staff exit costs. The fluctuating trend over the seven-year period relates to the number of staff exits, which is difficult to accurately project.

The increase in *Machinery and equipment* from 2010/11 to 2011/12 is due to the fact that the department purchased computers and equipment to replace obsolete assets. The department also purchased motor vehicles in 2011/12. The fluctuating trend over the seven-year period against this category results from its cyclical nature.

In 2010/11, the department spent R9 000 on software licence fees relating to the installation of a new server. This was allocated against *Software and other intangible assets*. The spending of R182 000 against this category in 2012/13 relates to the renewal of software licences for the Novell System.

The amounts of R18 000 and R12 000 reflected against *Payments for financial assets* in 2010/11 and 2012/13, respectively, relate to the write-off of staff debts.

6.2 Programme 2: Provincial Civilian Secretariat

Tables 9.13 and 9.14 below illustrate the summary of payments and estimates relating to Programme 2 presented per sub-programme and economic classification.

Programme 2 is the main service delivery programme of the department. The main purpose of this programme is to perform the function of oversight over the Office of the Provincial Commissioner and specialised units, as well as community police relations at a provincial level. In addition, it performs the function of safety information analysis and conceptualisation which has to be done at a provincial level. The major key performance indicators within this programme are the VSCPP focused and integrated interventions and events, community training programmes, etc. Various crime awareness projects, including school safety, substance abuse, stock theft, etc., characterise these interventions and events. The training programme, as mentioned previously, is called the Societal Education to Build Safer Communities programme (*Lwisana Nobugebengu*). This training programme was initiated in 2013/14. The CiDP, the capacitation and establishment of CPFs, and street committees form the major part of interventions and partnerships with communities.

Table 9.13 : Summary of payments and estimates by sub-programme: Provincial Civilian Secretariat

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
1. Comm Safety Ptnshps and Crime Prev Init.	80 950	92 366	87 829	85 602	114 209	114 143	110 104	108 452	116 370
2. Police Service and Conduct	13 034	14 161	14 863	44 557	15 950	15 450	20 221	23 401	24 640
3. Police Policies, Practice and Research	1 972	630	935	2 950	2 950	2 516	3 166	3 433	3 615
Total	95 956	107 157	103 627	133 109	133 109	132 109	133 491	135 286	144 625

Table 9.14 : Summary of payments and estimates by economic classification: Provincial Civilian Secretariat

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Current payments	94 031	106 489	103 447	131 430	127 225	126 225	132 787	134 550	143 850
Compensation of employees	17 321	18 409	20 090	27 201	28 001	27 001	44 400	54 140	57 378
Goods and services	76 710	88 080	83 357	104 229	99 224	99 224	88 387	80 410	86 472
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	-	321	-	-	5	5	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	289	-	-	-	-	-	-	-
Households	-	32	-	-	5	5	-	-	-
Payments for capital assets	1 925	347	180	1 679	5 879	5 879	704	736	775
Buildings and other fixed structures	-	-	-	-	-	312	-	-	-
Machinery and equipment	1 081	347	180	1 679	5 879	5 567	704	736	775
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	844	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	95 956	107 157	103 627	133 109	133 109	132 109	133 491	135 286	144 625

The increase in spending from 2010/11 to 2011/12 against the sub-programme: Community Safety Partnerships and Crime Prevention Initiatives was mainly attributed to the additional funding allocated for community safety structures. In addition, 2010/11 was very low, as all departments were asked to cut costs in order to assist with the provincial cash position. The decrease from 2011/12 to 2012/13 is due to the substantial under-spending against *Goods and services* in 2012/13 due to cost-cutting and the discontinuation of the call-centre. The increase in the Adjusted from the Main Appropriation is due to the fact that crime awareness projects such as victim empowerment, drug abuse, etc., were previously placed against the sub-programme: Police Service and Conduct. In order to ensure alignment with the 2014/15 APP, these projects were moved to the sub-programme: Community Safety Partnerships and Crime Prevention Initiatives. The department has corrected its historical figures in both sub-programmes.

The sub-programme: Community Safety Partnerships and Crime Prevention Initiatives houses the Social Sector EPWP Incentive Grant for Provinces. The department initially received this grant in 2012/13. In 2013/14, the department continued to receive this grant, the purpose of which is to create work opportunities. The department uses this funding for social crime prevention volunteers who are employed within the VSCPP. This funding is allocated against *Goods and services*. An amount of R2.580 million was allocated to the department in respect of this grant in 2014/15, with no allocation in 2015/16 or 2016/17, at this stage.

The Police Service and Conduct sub-programme shows steady growth over the seven-year period, with the exception of the 2013/14 Main Appropriation. This is due to the fact that crime awareness projects were previously placed against this sub-programme. In order to ensure alignment with the 2013/14 APP, these projects were moved to the sub-programme: Community Safety Partnerships and Crime Prevention Initiatives. The department has corrected its historical figures in both sub-programmes, as mentioned.

The Police Policies, Practice and Research sub-programme shows a decrease from 2010/11 to 2011/12 due to the Chief Directorate: Police Oversight being moved from this sub-programme to the Community

Safety Partnerships and Crime Prevention Initiatives sub-programme in order to ensure alignment with the department's APP. The slight increase from 2011/12 to 2012/13 results from an increase in research on crime prevention strategies, and all policing needs of the province. The large increase from 2012/13 to the 2013/14 Main Appropriation is due to the implementation of the Civilian Secretariat for Police Services Act which includes an increase in *Compensation of employees* costs in respect of police service and conduct and crime prevention and partnerships initiatives, among others.

The increase from 2012/13 to the 2013/14 Main Appropriation against *Compensation of employees* was to cater for the decentralisation of offices to a district level, as mentioned previously. The organogram was approved in December 2012, and the roll-out of the new organisational structure commenced from July 2013 after the JE process was finalised. The increase over the 2014/15 MTEF is due to the implementation of phases two and three of the new organisational structure. The department received additional funding for the implementation of the structure to roll-out the Civilian Secretariat for Police Services Act (R5 million in both 2014/15 and 2015/16). The increase from 2015/16 to 2016/17 is in respect of the roll-over from 2012/13 to cater for the roll-out of the new organisational structure.

The decrease in *Goods and services* from 2011/12 to 2012/13 was due to delays in the finalisation of the decentralisation strategy and the roll-out of the new organogram, delays in the leasing of district offices and the discontinuation of the call centre. The substantial decrease from the 2013/14 Adjusted Appropriation to 2014/15 is ascribed to the movement of funding to *Compensation of employees* in Programme 1 and Programme 2 to cater for the roll-out of the new organisational structure. This reprioritisation will not affect service delivery, as the department has enforced greater cost-cutting in areas such as catering, contractors, and transport provided for departmental activities. This will be reviewed throughout the year, and adjustments will be made if need be. The decrease in 2015/16 is also attributed to the Social Sector EPWP Incentive Grant for Provinces not being allocated after 2014/15, at this stage.

The amount of R289 000 against *Transfers and subsidies to: Non-profit institutions* relates to the purchase of a park-home in Umlazi, as mentioned previously.

Transfers and subsidies to: Households in 2011/12 relates to staff exit costs and a donation to a funeral. The R5 000 in the 2013/14 Adjusted Appropriation pertains to staff exit costs.

The amount of R312 000 against *Buildings and other fixed structures* in 2013/14 pertains to the purchase of a park-home in the Ugu District which will serve as a temporary district office in line with the decentralisation strategy. As previously mentioned, this park-home will be placed at the DOT regional office. The fluctuating trend against *Machinery and equipment* relates to the fact that the department purchases machinery and equipment on a cyclical basis. The high spending in 2013/14 is mainly the result of the purchase of nine motor vehicles.

Service delivery measures – Programme 2: Provincial Civilian Secretariat

Table 9.15 illustrates the main service delivery information relating to Programme 2, which were aligned, as far as possible, to the generic service delivery measures of the sector in 2013/14. The performance target “new” in the 2013/14 Estimated performance and in 2014/15 illustrates that the indicator did not exist in 2013/14 or in 2014/15, and that it is a new indicator.

Table 9.15 : Service delivery measures – Programme 2: Provincial Civilian Secretariat

Outputs	Performance indicators	Estimated performance			
		2013/14	2014/15	2015/16	2016/17
1. Monitor SAPS levels of service delivery in KZN	• No. of stations monitored	78	78	130	130
	• Annual report on the implementation of National Monitoring Tool (NMT)	1	1	1	1
	• No. of Domestic Violence Act compliance reports	26	26	26	26
	• No. of specialised units monitored	8	8	8	8
	• No. of provincial SAPS headquarters monitored	1	1	1	1
	• No. of service delivery complaints management reports	390	390	390	390

Table 9.15 : Service delivery measures – Programme 2: Provincial Civilian Secretariat

Outputs	Performance indicators	Estimated performance		Medium-term targets	
		2013/14	2014/15	2015/16	2016/17
2. Establish and maintain community safety partnerships	• No. of functional CPFs	13	13	13	13
	• No. of community safety structures established	65	65	65	65
	• No. of community safety partnerships established and maintained	10	10	10	10
3. Implement social crime prevention programmes	• No. of social crime prevention programmes implemented	11	11	11	11
4. Safety training for community	• No. of community safety training sessions conducted	1	1	4	4
5. Research into the policing needs of the province	• No. of research reports on special projects	New	New	1	1
	• Research into the policing needs of the province	1	1	1	1
	• No. of policing policies and directives reviewed	1	1	1	1
	• No. of police performance, practices and methodologies developed and reviewed	1	1	1	1

7. Other programme information

7.1 Personnel numbers and cost

Tables 9.16 and 9.17 below reflect the personnel numbers and estimates pertaining to the department over the seven-year period.

Table 9.16 illustrates personnel numbers per programme, while Table 9.17 reflects details of personnel numbers at a departmental level.

As is evident from the tables, the department is increasing its permanent staff numbers from 114 (as per the Revised Estimate) in 2013/14 to 186 in 2016/17. This is due to the department budgeting to fill its full staff complement in line with the new approved organisational structure, hence the increase in *Compensation of employees* over the 2014/15 MTEF period.

The decrease in personnel costs from the 2013/14 Adjusted Appropriation to the Revised Estimate in Table 9.17 is due to the non-filling of posts, resulting from delays in the roll-out of the new organisational structure. The increase over the MTEF is due to the department anticipating filling vacant posts in line with the new organisational structure.

The department hires contract workers who are additional to the establishment. These contract personnel assist with the running of the VSCPP, are facilitators in the CPF programme, etc. The decrease in contract workers from 2013/14 to 2014/15 results from the fact that the department is projecting for its full organisational structure over the MTEF, hence reducing the need to hire contract workers.

Table 9.16 : Personnel numbers and costs by programme

Personnel numbers	As at 31 March 2011	As at 31 March 2012	As at 31 March 2013	As at 31 March 2014	As at 31 March 2015	As at 31 March 2016	As at 31 March 2017
1. Administration	57	56	64	57	80	80	80
2. Provincial Civilian Secretariat	58	65	62	97	104	122	122
Total	115	121	126	154	184	202	202
Total personnel cost (R thousand)	31 591	32 658	37 307	45 288	74 572	86 485	91 810
Unit cost (R thousand)	275	270	296	294	405	428	455

Table 9.17 : Summary of departmental personnel numbers and costs by component

	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Total for the department									
Personnel numbers (head count)	115	121	126	140	189	154	184	202	202
Personnel cost (R thousands)	31 591	32 658	37 307	48 566	49 366	45 288	74 572	86 485	91 810
Human resources component									
Personnel numbers (head count)	5	5	6	6	6	6	11	11	11
Personnel cost (R thousands)	1 616	2 041	1 878	2 678	2 678	2 678	2 852	3 052	3 214
Head count as % of total for department	4.35	4.13	4.76	4.29	3.17	3.90	5.98	5.45	5.45
Personnel cost as % of total for department	5.12	6.25	5.03	5.51	5.42	5.91	3.82	3.53	3.50
Finance component									
Personnel numbers (head count)	15	15	17	17	17	17	18	18	18
Personnel cost (R thousands)	3 101	3 529	5 131	4 883	4 883	4 883	5 200	5 564	5 859
Head count as % of total for department	13.04	12.40	13.49	12.14	8.99	11.04	9.78	8.91	8.91
Personnel cost as % of total for department	9.82	10.81	13.75	10.05	9.89	10.78	6.97	6.43	6.38
Full time workers									
Personnel numbers (head count)	82	85	90	125	149	114	168	186	186
Personnel cost (R thousands)	29 937	30 495	36 670	45 309	41 096	41 096	73 792	85 675	90 957
Head count as % of total for department	71.30	70.25	71.43	89.29	78.84	74.03	91.30	92.08	92.08
Personnel cost as % of total for department	94.76	93.38	98.29	93.29	83.25	90.74	98.95	99.06	99.07
Part-time workers									
Personnel numbers (head count)	-	-	-	15	-	-	-	-	-
Personnel cost (R thousands)	-	-	-	575	-	-	-	-	-
Head count as % of total for department	-	-	-	10.71	-	-	-	-	-
Personnel cost as % of total for department	-	-	-	1.18	-	-	-	-	-
Contract workers									
Personnel numbers (head count)	33	36	36	-	40	40	16	16	16
Personnel cost (R thousands)	1 654	1 857	2 069	2 682	4 192	4 192	780	810	853
Head count as % of total for department	28.70	29.75	28.57	-	21.16	25.97	8.70	7.92	7.92
Personnel cost as % of total for department	5.24	5.69	5.55	5.52	8.49	9.26	1.05	0.94	0.93

7.2 Training

Tables 9.18 and 9.19 below reflect the actual and estimated expenditure on training per programme for the period 2010/11 to 2016/17, as well as the number of people involved in training for the period. The amounts reflected pertain to capacitating and improving the skills of the staff. The department is required by the Skills Development Act to budget at least 1 per cent of its salary expense on staff training. This requirement gives credence to government policy on human resource development. The department is abiding by this, and in most instances is exceeding the required 1 per cent.

Table 9.18 illustrates the number of staff affected by the various training programmes and initiatives. It also includes a gender breakdown, an indication of the types of training, as well as details of the number of bursaries and learnerships.

The expenditure on training against Programme 2 from 2010/11 to 2012/13 is due to the department using a portion of the funds allocated for improving the effectiveness of the SAPS programme, for capacitating SAPS members. It should be noted that the department did not train SAPS members on the tactical aspect of policing, but rather on how to deal with communities affected by crime. More specifically, SAPS members are taught how to deal with rape victims, and other victims of abuse.

The increase in the training budget allocated in Programme 2 from 2012/13 to 2013/14 and over the 2014/15 MTEF, relates to the implementation of the Societal Education to Build Safer Communities programme (*Lwisana Nobugebengu*). The funding for this training was realised through reprioritisation. As mentioned previously, this project will be an integral part of the department's partnership and relationship with the communities of KZN. The department has, in the past, built community capacity to understand and respond to safety threats through a number of training courses. This has included, among others, the programme for CPFs, school safety courses, training of Traditional Leaders in social crime prevention and human rights, and life-skills programmes that have been provided to young people. The department will continue to consolidate the various training modules and expand the training at a "grass roots" level.

Table 9.18 : Payments on training by programme

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
1. Administration	13	166	234	458	458	458	485	507	534
Subsistence and travel	-	5	-	-	-	-	-	-	-
Payments on tuition	13	161	234	458	458	458	485	507	534
Other	-	-	-	-	-	-	-	-	-
2. Provincial Civilian Secretariat	1 171	2 677	677	7 894	4 300	4 300	4 335	2 482	2 614
Subsistence and travel	680	164	27	-	-	-	-	-	-
Payments on tuition	491	2 513	650	7 894	4 300	4 300	4 335	2 482	2 614
Other	-	-	-	-	-	-	-	-	-
Total	1 184	2 843	911	8 352	4 758	4 758	4 820	2 989	3 147

Table 9.19 : Information on training: Community Safety and Liaison

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Number of staff	115	121	126	189	189	154	184	202	202
Number of personnel trained	100	69	40	118	118	118	125	131	131
<i>of which</i>									
Male	38	28	12	56	56	56	60	62	62
Female	62	41	28	62	62	62	65	69	69
Number of training opportunities	30	31	14	21	21	21	24	26	26
<i>of which</i>									
Tertiary	4	8	6	8	8	8	10	12	12
Workshops	8	22	7	12	12	12	13	13	13
Seminars	3	1	1	1	1	1	1	1	1
Other	15	-	-	-	-	-	-	-	-
Number of bursaries offered	27	8	6	8	8	8	12	12	12
Number of interns appointed	15	15	15	15	15	15	15	15	15
Number of learnerships appointed	-	-	-	-	-	-	-	-	-
Number of days spent on training	80	57	21	82	82	82	86	90	90

ANNEXURE – VOTE 9: COMMUNITY SAFETY AND LIAISON

Table 9.A : Details of departmental receipts: Community Safety and Liaison

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	43	54	54	57	57	54	63	69	73
Sale of goods and services produced by dept. (excl. capital assets)	43	54	54	57	57	54	63	69	73
Sales by market establishments	-	-	30	31	31	31	34	37	39
Administrative fees	-	-	-	-	-	-	-	-	-
Other sales	43	54	24	26	26	23	29	32	34
<i>Of which</i>									
Administration	24	34	-	-	-	-	-	-	-
Commission on insurance	19	20	24	26	26	23	29	32	34
Sale of scrap, waste, arms and other used current goods (excl. capital assets)	-	-	-	-	-	-	-	-	-
Transfers received from:	-	-	-	-	-	-	-	-	-
Other governmental units	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments	-	-	-	-	-	-	-	-	-
International organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households and non-profit institutions	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	1	1	-	-	-	-	-	-	-
Interest	1	1	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Other capital assets	-	-	-	-	-	-	-	-	-
Transactions in financial assets and liabilities	61	15	21	-	-	21	22	23	24
Total	105	70	75	57	57	75	85	92	97

Table 9.B : Payments and estimates by economic classification: Community Safety And Liaison

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Current payments	127 050	142 551	135 070	170 246	165 039	160 961	180 133	184 853	197 189
Compensation of employees	31 591	32 658	37 307	48 566	49 366	45 288	74 572	86 485	91 810
Salaries and wages	27 711	29 008	31 378	43 428	44 228	40 150	69 147	76 987	81 808
Social contributions	3 880	3 650	5 929	5 138	5 138	5 138	5 425	9 498	10 002
Goods and services	95 459	109 893	97 763	121 680	115 673	115 673	105 561	98 368	105 379
Administrative fees	4	-	-	2	-	-	2	2	3
Advertising	2 633	8 342	9 194	5 844	5 095	5 095	2 329	1 025	1 078
Assets less than the capitalisation threshold	69	106	158	207	961	961	978	1 014	1 067
Audit cost: External	1 561	1 390	1 509	1 783	1 783	1 783	1 890	1 977	2 082
Bursaries: Employees	45	105	90	133	133	133	141	147	155
Catering: Departmental activities	-	3 502	4 682	3 921	7 021	8 486	4 119	3 091	3 255
Communication (G&S)	5 340	4 819	1 848	5 308	2 147	1 969	2 214	2 301	2 421
Computer services	544	825	558	758	1 374	1 363	803	840	884
Cons & prof serv: Business and advisory services	6 661	3 554	2 525	4 096	3 048	1 517	2 030	3 135	3 301
Cons & prof serv: Infras and planning	-	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	2 043	1 472	-	536	536	401	568	594	625
Contractors	4 444	6 076	7 401	5 164	5 645	6 803	3 851	1 889	1 989
Agency and support / outsourced services	10 150	9 358	8 058	7 256	7 878	7 827	7 055	7 655	7 436
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	1 085	1 633	1 618	1 699	3 678	2 262	1 990	2 063	2 173
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	91	41	29	119	119	119	184	191	203
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	37	146	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medias inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	2 681	315	921	1 914	1 035	1 035	1 008	1 042	1 097
Consumable: Stationery, printing and office supplies	5 234	2 265	1 249	9 859	2 645	2 645	5 430	5 649	5 948
Operating leases	3 555	4 788	4 065	4 567	7 067	7 067	11 898	11 361	11 963
Property payments	1 298	1 126	1 054	1 590	790	790	1 685	1 763	1 855
Transport provided: Departmental activity	2 939	5 765	4 700	3 459	4 718	6 675	4 032	2 169	2 284
Travel and subsistence	4 656	7 289	6 851	6 987	8 881	9 293	7 320	7 283	7 672
Training and development	504	2 674	884	8 352	10 258	10 258	4 820	2 989	5 570
Operating payments	34 055	32 407	29 162	38 260	34 026	31 037	36 861	35 446	37 324
Venues and facilities	5 867	12 041	11 207	9 866	6 798	8 008	4 353	4 742	4 994
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	17	473	16	12	19	66	12	13	14
Provinces and municipalities	10	10	10	12	12	12	12	13	14
Provinces	10	-	10	12	12	12	12	13	14
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	10	-	10	12	12	12	12	13	14
Municipalities	-	10	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	10	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	289	-	-	-	-	-	-	-
Households	7	174	6	-	7	54	-	-	-
Social benefits	7	173	6	-	7	54	-	-	-
Other transfers to households	-	1	-	-	-	-	-	-	-
Payments for capital assets	2 101	2 215	794	2 089	6 289	6 494	1 150	1 203	1 267
Buildings and other fixed structures	-	-	-	-	-	312	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	312	-	-	-
Machinery and equipment	1 248	2 215	612	2 089	6 289	6 182	1 150	1 203	1 267
Transport equipment	-	677	-	-	-	-	-	-	-
Other machinery and equipment	1 248	1 538	612	2 089	6 289	6 182	1 150	1 203	1 267
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	853	-	182	-	-	-	-	-	-
Payments for financial assets	18	-	12	-	-	-	-	-	-
Total	129 186	145 239	135 892	172 347	171 347	167 521	181 295	186 069	198 470

Table 9.C : Payments and estimates by economic classification: Administration

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Current payments	33 019	36 062	31 623	38 816	37 814	34 736	47 346	50 303	53 339
Compensation of employees	14 270	14 249	17 217	21 365	21 365	18 287	30 172	32 345	34 432
Salaries and wages	12 566	12 949	13 206	19 484	19 484	16 406	28 193	29 276	31 200
Social contributions	1 704	1 300	4 011	1 881	1 881	1 881	1 979	3 069	3 232
Goods and services	18 749	21 813	14 406	17 451	16 449	16 449	17 174	17 958	18 907
Administrative fees	2	-	-	2	-	-	2	2	3
Advertising	2 337	7 995	3 774	1 095	1 095	1 095	576	856	899
Assets less than the capitalisation threshold	31	87	77	161	161	161	171	179	187
Audit cost: External	1 561	1 390	1 509	1 783	1 783	1 783	1 890	1 977	2 082
Bursaries: Employees	45	105	90	133	133	133	141	147	155
Catering: Departmental activities	-	23	152	82	182	82	87	91	96
Communication (G&S)	822	786	816	947	947	1 059	1 004	1 050	1 104
Computer services	544	819	558	758	1 374	1 363	803	840	884
Cons & prof serv: Business and advisory services	1 910	412	267	283	735	735	56	59	62
Cons & prof serv: Infrast and planning	-	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	1 483	15	-	536	536	401	568	594	625
Contractors	1 015	205	160	264	264	264	9	47	49
Agency and support / outsourced services	102	250	134	253	303	555	268	281	296
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	267	401	449	450	1 100	847	478	500	527
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	51	18	13	78	78	78	83	87	93
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	2	90	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medcas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	-	158	23	-	35	35	-	-	-
Consumable: Stationery, printing and office supplies	3 042	1 257	581	2 650	545	545	2 809	2 938	3 094
Operating leases	3 555	4 788	4 062	4 567	4 567	4 567	4 841	5 064	5 332
Property payments	1 298	1 126	889	1 590	790	790	1 685	1 763	1 855
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	263	1 039	456	1 116	1 116	998	970	717	757
Training and development	13	161	234	458	458	458	485	507	534
Operating payments	1	10	24	6	26	26	6	6	6
Venues and facilities	407	768	138	239	219	384	242	253	267
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	17	152	16	12	14	61	12	13	14
Provinces and municipalities	10	10	10	12	12	12	12	13	14
Provinces	10	-	10	12	12	12	12	13	14
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	10	-	10	12	12	12	12	13	14
Municipalities	-	10	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	10	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	7	142	6	-	2	49	-	-	-
Social benefits	7	142	6	-	2	49	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	176	1 868	614	410	410	615	446	467	492
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	167	1 868	432	410	410	615	446	467	492
Transport equipment	-	677	-	-	-	-	-	-	-
Other machinery and equipment	167	1 191	432	410	410	615	446	467	492
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	9	-	182	-	-	-	-	-	-
Payments for financial assets	18	-	12	-	-	-	-	-	-
Total	33 230	38 082	32 265	39 238	38 238	35 412	47 804	50 783	53 845

Table 9.D : Payments and estimates by economic classification: Provincial Civilian Secretariat

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Current payments	94 031	106 489	103 447	131 430	127 225	126 225	132 787	134 550	143 850
Compensation of employees	17 321	18 409	20 090	27 201	28 001	27 001	44 400	54 140	57 378
Salaries and wages	15 145	16 059	18 172	23 944	24 744	23 744	40 954	47 711	50 608
Social contributions	2 176	2 350	1 918	3 257	3 257	3 257	3 446	6 429	6 770
Goods and services	76 710	88 080	83 357	104 229	99 224	99 224	88 387	80 410	86 472
Administrative fees	2	-	-	-	-	-	-	-	-
Advertising	296	347	5 420	4 749	4 000	4 000	1 753	169	179
Assets less than the capitalisation threshold	38	19	81	46	800	800	807	835	880
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	-	3 479	4 530	3 839	6 839	8 404	4 032	3 000	3 159
Communication (G&S)	4 518	4 033	1 032	4 361	1 200	910	1 210	1 251	1 317
Computer services	-	6	-	-	-	-	-	-	-
Cons & prof serv: Business and advisory services	4 751	3 142	2 258	3 813	2 313	782	1 974	3 076	3 239
Cons & prof serv: Infras and planning	-	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	560	1 457	-	-	-	-	-	-	-
Contractors	3 429	5 871	7 241	4 900	5 381	6 539	3 842	1 842	1 940
Agency and support / outsourced services	10 048	9 108	7 924	7 003	7 575	7 272	6 787	7 374	7 140
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	818	1 232	1 169	1 249	2 578	1 415	1 512	1 563	1 646
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	40	23	16	41	41	41	101	104	110
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	35	56	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medcas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	2 681	157	898	1 914	1 000	1 000	1 008	1 042	1 097
Consumable: Stationery, printing and office supplies	2 192	1 008	668	7 209	2 100	2 100	2 621	2 711	2 854
Operating leases	-	-	3	-	2 500	2 500	7 057	6 297	6 631
Property payments	-	-	165	-	-	-	-	-	-
Transport provided: Departmental activity	2 939	5 765	4 700	3 459	4 718	6 675	4 032	2 169	2 284
Travel and subsistence	4 393	6 250	6 395	5 871	7 765	8 295	6 350	6 566	6 915
Training and development	491	2 513	650	7 894	9 800	9 800	4 335	2 482	5 036
Operating payments	34 054	32 397	29 138	38 254	34 000	31 011	36 855	35 440	37 318
Venues and facilities	5 460	11 273	11 069	9 627	6 579	7 624	4 111	4 489	4 727
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	-	321	-	-	5	5	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	289	-	-	-	-	-	-	-
Households	-	32	-	-	5	5	-	-	-
Social benefits	-	31	-	-	5	5	-	-	-
Other transfers to households	-	1	-	-	-	-	-	-	-
Payments for capital assets	1 925	347	180	1 679	5 879	5 879	704	736	775
Buildings and other fixed structures	-	-	-	-	-	312	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	312	-	-	-
Machinery and equipment	1 081	347	180	1 679	5 879	5 567	704	736	775
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	1 081	347	180	1 679	5 879	5 567	704	736	775
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	844	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	95 956	107 157	103 627	133 109	133 109	132 109	133 491	135 286	144 625

Table 8.E : Payments and estimates by economic classification: Conditional grant: Social Sector EPWP Inc. Grant for Provinces

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriati	Appropriati	Estimate	2014/15	2015/16	2016/17
Current payments	-	-	792	5 369	5 369	4 492	2 580	-	-
Compensation of employees	-	-	-	-	-	-	-	-	-
Salaries and wages	-	-	-	-	-	-	-	-	-
Social contributions	-	-	-	-	-	-	-	-	-
Goods and services	-	-	792	5 369	5 369	4 492	2 580	-	-
Administrative fees	-	-	-	-	-	-	-	-	-
Advertising	-	-	-	-	-	-	-	-	-
Assets less than the capitalisation threshold	-	-	-	-	-	-	-	-	-
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	-	-	-	-	-	-	-	-	-
Communication (G&S)	-	-	-	-	-	-	-	-	-
Computer services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Business and advisory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Infras and planning	-	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	-	-	-	-	-	-	-	-	-
Contractors	-	-	-	-	-	-	-	-	-
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	-	-	-	-	-	-	-	-	-
Consumable: Stationery,printing and office supplies	-	-	-	-	-	-	-	-	-
Operating leases	-	-	-	-	-	-	-	-	-
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	-	-	-	-	-	-	-	-	-
Training and development	-	-	-	-	-	-	-	-	-
Operating payments	-	-	792	5 369	5 369	4 492	2 580	-	-
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to	-	-	-	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving funds	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Social benefits	-	-	-	-	-	-	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	-	-	792	5 369	5 369	4 492	2 580	-	-

VOTE 10

The Royal Household

Operational budget	R 54 211 000
MEC remuneration	Nil
Total amount to be appropriated	R 54 211 000
<i>of which:</i>	
Unauthorised expenditure (1 st charge) not available for spending	R 2 500 000
Vote 10 baseline available for spending after 1 st charge	R 51 711 000
Responsible Executive Authority	The Premier, Mr. E. S. Mchunu¹
Administering department	The Royal Household
Accounting officer	Head: Royal Household

1. Overview

Vision

The vision of the Department of the Royal Household is: *To enhance and promote the status of the Zulu Monarch and to establish the necessary institutional arrangement in support of the Zulu Monarchy and members of the Royal Family.*

Mission statement

The mission of the Department of the Royal Household is: *To create a sustainable, conducive environment for the Zulu Monarch in which to lead, develop and protect the Zulu Nation.*

Strategic objectives

Strategic policy direction: The Royal Household seeks to align its operations and strategic position with the overall direction of government and to serve His Majesty, the King in the following areas: to create decent employment through inclusive economic growth, and to protect and enhance environmental assets and natural resources.

The main strategic objectives of the department are as follows:

- To monitor progress in establishing and running the Royal Household Trust (hereafter referred to as the Royal Trust).
- To identify potential challenges in the implementation of Executive Council directives.
- To identify His Majesty, the King's mandatory responsibilities in terms of legislation.
- To establish His Majesty, the King's mandatory responsibilities in terms of custom/tradition.
- To determine Inter-Governmental Relations (IGR) and other protocol requirements.
- To investigate sustainability strengths and opportunities in respect of each palace.
- To collaborate with other government departments and/or agencies with a view to identifying a role for palaces in income-generating tourism activity.
- To investigate potential twinning opportunities that are likely to yield long-term benefits for palaces.
- To position the palaces as critical heritage sites without compromising traditional/customary protocols.

¹ The salary of the Executive Authority for the Royal Household is budgeted under Vote 1: Office of the Premier.

- To identify Royal Household assets that can play a major role toward the enhancement of the Zulu brand.
- To develop an operational business plan for each farm that belongs to His Majesty, the King.
- To develop and implement a business strategy for the protection and promotion of Nguni cattle.

Core functions

The core functions of the department are as follows:

- To facilitate the smooth introduction and functioning of the Royal Trust.
- The maintenance of the Royal residences and His Majesty, the King's farms.
- To enable His Majesty, the King to participate in various government initiatives as an ambassador to KZN.

Legislative mandate

The mandate of the department is derived from the following pieces of legislation and policy directives:

- The Constitution of the Republic of South Africa, 1996
- KZN Royal Household Trust Act, 2007
- Traditional Leadership and Governance Framework Act, 2003
- KZN Traditional Leadership and Governance Act, 2005
- Municipal Structures Act, 1998
- Municipal Systems Act, 2000
- Municipal Demarcation Act, 1998
- Traditional Leadership and Governance Act, 2005
- Public Finance Management Act, 1999, as amended, and Treasury Regulations
- Skills Development Act, 1998
- Labour Relations Act, 1995
- Employment Equity Act, 1998
- KZN Provincial SCM Policy Framework, 2006
- Remuneration of Public Office Bearers Act, 1998

2. Review of the 2013/14 financial year

Section 2 provides a review of 2013/14, outlining the main achievements and progress made by the department during the year, as well as providing a brief discussion on challenges and new developments.

The Royal Trust

The Royal Trust was established in 2009 in terms of the KZN Royal Household Trust Act and has as its objective to administer the following for the benefit of the Monarch and the Royal Household:

- To provide for the Royal Household, including educational needs of His Majesty's children, running costs of the Royal residences, His Majesty's Queens' expenses, etc.
- To develop administrative systems, processes and controls to administer the operations of the Royal Household.
- To ensure the sustainable, financial independence of the Royal Household.
- To market the Royal Trust, and its related activities.

In 2013/14, the department continued to transfer funds to the Royal Trust to cater for, among others, staff remuneration, emolument for Trustees, as well as the Queens' expenses. Also, some functions relating to palace maintenance and farming operations were transferred to the Royal Trust.

Staff transfer processes were not finalised as anticipated, with negotiations with organised labour, being co-ordinated by the Office of the Premier (OTP), taking longer than expected. The department therefore continued to pay for staff who were performing functions on behalf of the Royal Trust.

Renovations to palaces

The department implemented many capital projects such as major renovation, upgrading and refurbishment of buildings, emergency repairs to both the inside and outside of the palaces, paving of driveways, as well as providing for water reticulation systems, and upgrading of the sewerage system at KwaKhethomthandayo, KwaDlamahlaha, KwaLinduzulu, Ingwavuma and KwaKhangela palaces. It must be noted that the department received R12 million in 2013/14 which was specifically and exclusively appropriated for the renovation and refurbishment of palaces. The department also received a roll-over of R3.466 million from 2012/13, being unspent funds ring-fenced for renovation and refurbishment of palaces, in order to continue with Ingwavuma palace infrastructure projects which commenced in 2012/13.

His Majesty, the King's activities

During 2013/14, His Majesty, the King undertook the following:

- Participated in government events and ceremonies, such as the opening of the KZN Provincial Legislature, and many other events organised by various departments.
- Hosted major traditional events, such as the Reed Dance, First Fruits and *Amaganu* (amarula) ceremonies.
- Installed *Amakhosi* both statutorily and customarily.
- Was involved in farming activities, such as crop and animal production.

Feasibility studies of His Majesty, the King's farms

It must be noted that the commercialisation of three of His Majesty's farms will now be undertaken by the Royal Trust. The department, however, continued with subsistence farming activities. The farming activities undertaken on the farms included animal disease control, Nguni and Boran breeding, providing and fencing of grazing areas, plant production which included providing inputs, ploughing and planting, harvesting of crops such as beans and maize, and fencing of arable land.

3. Outlook for the 2014/15 financial year

Section 3 looks at the key focus areas of 2014/15, outlining what the department is hoping to achieve during the year, as well as briefly looking at challenges and proposed new developments.

The Royal Trust

The department will continue to give support to the Royal Trust and transfer funds for operational costs such as staff remuneration, emolument for Trustees, Queens' expenses, palace maintenance and farming operations costs.

It is anticipated that negotiations with organised labour will be finalised during 2014/15. The department will continue to pay for staff performing functions on behalf of the Royal Trust until the transfer of staff is finalised. The ultimate objective over the next three to five years will be for Vote 10 to only have one budget programme, with two sub-programmes, namely the King's Office Support Services and Royal Trust. The King's Office Support Services sub-programme will cater only for the administrative costs in respect of His Majesty, the King, including the salaries of all support staff to His Majesty, His Majesty's salary, and other associated costs, such as His Majesty's subsistence and travel costs. All costs relating to the remainder of the Royal Family (His Majesty's Queens', school fees, transport, etc.), as well as the maintenance of palaces and all farming activities, will be administered by the Royal Trust, under the sub-programme: Royal Trust. The department will therefore be left with a small staff complement to render

administrative support services to His Majesty, the King. The decision to retain Vote 10 as a separate department, or to incorporate it as a programme (with these two sub-programmes) under the OTP, is still under discussion at a political level.

Renovations to palaces

The department intends to finalise all infrastructure projects, such as extension of His Majesty's house, construction of four rondavels and a garage, in 2014/15, as the funding stream for this ends in 2014/15. It is anticipated that all palace maintenance functions will be transferred to the Royal Trust during the year.

His Majesty, the King's activities

During 2014/15, His Majesty, the King will continue to participate in government ceremonies and events, install *Amakhosi*, host the First Fruits ceremony and the Reed Dance ceremony, among others. The department will continue to provide logistic arrangements to His Majesty, the King for national and international trips undertaken as a business ambassador to KZN.

Farming activities

The department intends to transfer all farming activities to the Royal Trust during the financial year.

4. Receipts and financing

4.1 Summary of receipts

Table 10.1 gives the sources of funding used for Vote 10 over the seven-year period 2010/11 to 2016/17. The table also compares actual and budgeted receipts against actual and budgeted payments. The department is liable for the repayment of unauthorised expenditure relating to prior years, in line with SCOPA Resolutions 18 of 2009, 20 and 21 of 2010, and 71 of 2011, as explained in further detail in Section 5.3.

Table 10.1 : Summary of receipts and financing

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Equitable share	45 113	55 643	59 566	63 330	63 837	63 837	54 211	56 536	59 549
Total receipts	45 113	55 643	59 566	63 330	63 837	63 837	54 211	56 536	59 549
Total payments	50 627	59 409	61 367	63 330	68 746	68 804	54 211	56 536	59 549
Surplus/(Deficit) before financing	(5 514)	(3 766)	(1 801)	-	(4 909)	(4 967)	-	-	-
Financing									
of which									
Provincial roll-overs	236	-	5 383	-	3 909	3 909	-	-	-
Provincial cash resources	1 800	5 000	412	-	1 000	1 000	-	-	-
Surplus/(Deficit) after financing	(3 478)	1 234	3 994	-	-	(58)	-	-	-

In 2010/11, the department received a roll-over of R236 000 from 2009/10, and additional funding of R1.800 million allocated as provincial cash resources to cater for back-pay in respect of the King's salary which was inadvertently under-paid since 2000/01. After the repayment of the first charge of R3.767 million (see Section 5.3), the department ended the year with over-expenditure of R3.478 million.

In 2011/12, the department received provincial cash resources of R5 million, specifically allocated as once-off seed funding to establish (i.e. for the set-up and operational costs) the Royal Trust, in line with a Cabinet resolution. After the repayment of the second instalment of the first charge of R3.767 million, the budget was under-spent by R1.234 million due to under-spending on ring-fenced funds. As mentioned previously, the department received R8 million which was specifically and exclusively appropriated for the rehabilitation, renovation and refurbishment of palaces. Section 43(4)(a) of the PFMA prohibits the department from using savings realised against these infrastructure projects to offset over-expenditure in other areas. The under-spending of R5.383 million relating to these funds must therefore be taken into account when calculating the real net over-spending, which resulted in over-expenditure for the vote as a whole of R4.239 million (not in the table).

In 2012/13, the department received a roll-over of R5.383 million from 2011/12, being the under-spending on funds which were specifically and exclusively appropriated for the rehabilitation, renovation and refurbishment of palaces. Also, the department was allocated provincial cash resources of R412 000 for the higher than budgeted 2012 wage agreement. The under-expenditure of R3.994 million again largely relates to under-spending against ring-fenced funds, as explained above.

In 2013/14, the department received a roll-over of R3.909 million, of which R3.466 million was under-spending of funds which were specifically and exclusively appropriated for the rehabilitation, renovation and refurbishment of palaces and R443 000 to cater for commitments for services such as consultants, accommodation, etc. Also, the department received R1 million in the form of provincial cash resources for Operation *Sukuma Sakhe* (OSS) initiatives as identified by the Premier, aimed at improving the lives of the people of KZN. The department is anticipating year-end over expenditure of R58 000, mainly due to the expansion of scope of the Ingwavuma palace infrastructure projects.

The increase in the budget allocation over the 2014/15 MTEF is largely attributed to additional funding for the re-grading of clerical posts and carry-through costs for previous wage agreements, as well as inflation. The reduction from 2013/14 to 2014/15 is due to the fact that the infrastructure allocation for the renovations to palaces comes to an end in 2013/14, in line with project requirements.

4.2 Departmental receipts collection

Table 10.2 below provides a summary of the sources of revenue for the department. Details of the receipts are provided in *Annexure – Vote 10: Royal Household*.

Table 10.2 : Summary of departmental receipts collection

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	81	104	96	103	103	90	109	110	117
Transfers received	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	-	-	-	-	-	-	-	-	-
Sale of capital assets	335	-	-	-	-	594	-	-	-
Transactions in financial assets and liabilities	97	50	3	-	-	11	-	-	-
Total	513	154	99	103	103	695	109	110	117

Sale of goods and services other than capital assets is the department's main source of revenue and this shows a fluctuating trend over the seven-year period. The revenue is derived from rent from officials occupying state accommodation and commission on payroll deductions, such as insurance and garnishee orders. The increase reflected in 2011/12 relates to higher than anticipated insurance and garnishee orders received by the department. The revenue increase over the MTEF is due to inflationary increments.

Sale of capital assets reflects receipts from the sale of redundant assets such as land, vehicles and equipment. The amounts of R335 000 and R594 000 collected in 2010/11 and the 2013/14 Revised Estimate, respectively, related to sale of redundant vehicles. There are no projections provided by the department over the 2014/15 MTEF due to its uncertain nature.

Transactions in financial assets and liabilities reflects revenue recovered from staff debts. In 2010/11, the department received an amount of R97 000 recovered from staff debts dating back to 2005/06. During 2011/12, R50 000 was collected, relating to a stale cheque for staff exit costs. The 2012/13 amount of R3 000 relates to reversals from contribution and salaries incurred from previous years. The 2013/14 Revised Estimate reflects R11 000 related to over-payment on insurance premiums. Revenue from this source is difficult to project due to its uncertain nature, hence there are no projections over the 2014/15 MTEF.

4.3 Donor funding – Nil

5. Payment summary

This section summarises payments and budgeted estimates for the vote in terms of programme and economic classification, details of which are given in *Annexure – Vote 10: Royal Household*.

5.1 Key assumptions

Broad assumptions have been made in the setting of priorities, the determining of service levels and allocation of financial resources. These assumptions are as follows:

- Provision was made through internal reprioritisation for the inflationary wage adjustment of 6.4 per cent in 2014/15, 6.4 per cent in 2015/16 and 6.3 per cent in 2016/17, as well as the annual 1.5 per cent pay progression.
- Inflation related items are based on CPI projections.
- The expanded cost-cutting measures, as reissued by Provincial Treasury in 2013/14, will continue to be adhered to over the 2014/15 MTEF, in conjunction with National Treasury Instruction 01 of 2013/14: Cost-containment measures.
- The operations of the Royal Trust will be phased in over the next three to five years, and various staff will be transferred to the Royal Trust.

5.2 Additional allocation for the 2012/13 to 2014/15 MTEF

Table 10.3 shows additional funding received by the department over the three MTEF periods 2012/13, 2013/14 and 2014/15. Note that the table reflects only the provincial additional allocations, and excludes additional allocations in respect of conditional grants.

The purpose of the table is two-fold. Firstly, it shows the quantum of additional funding allocated in the past and current MTEF periods. Secondly, it indicates the policies and purposes for which the additional funding was allocated. The carry-through allocations for the 2012/13 and 2013/14 MTEF periods (i.e. for the financial year 2016/17) are based on the incremental percentage used in the 2014/15 MTEF.

Table 10.3 : Summary of additional provincial allocations for the 2012/13 to 2014/15 MTEF

R thousand	2012/13	2013/14	2014/15	2015/16	2016/17
2012/13 MTEF period	132	138	(12 575)	(13 153)	(13 759)
Carry-through of 2011/12 Adjustments Estimate - 2011 wage agreement	132	138	145	152	159
Prov. priorities: Renovations, refurbishment of the Royal residences	-	-	(12 720)	(13 305)	(13 917)
2013/14 MTEF period		(873)	(782)	(870)	(870)
Census data update and 1%, 2% and 3% baseline cuts		(873)	(1 464)	(1 816)	(1 900)
2014/15 MTEF period			341	473	515
Re-grading of clerical staff			200	200	200
Carry-through of previous wage agreements			141	273	315
Total	132	(735)	(13 016)	(13 550)	(14 113)

The department received additional funding in the 2012/13 MTEF to provide for the carry-through costs of the higher than anticipated 2011 wage agreement. The decrease from 2014/15 onward is due to the removal of the palace renovations funding, in line with project requirements.

In the 2013/14 MTEF, National Treasury took a decision to impose 1, 2 and 3 per cent baseline cuts on all spheres of government (i.e. National, Provincial and Local) in order to curb the national deficit as public spending is growing faster than revenue collection. In addition, KZN received reduced equitable share allocations as a result of the reduced proportion in terms of population numbers as reported in the 2011 Census data results. The effect of this on the department was a substantial reduction in the budget over the entire period.

In the 2014/15 MTEF, the department received additional funding to provide for the re-grading of clerical posts, in line with DPSA requirements, as well as carry-through costs of previous wage agreements.

5.3 Summary by programme and economic classification

Tables 10.4 and 10.5 below provide a summary of the vote's expenditure and budgeted estimates by programme and economic classification, respectively, for the period 2010/11 to 2016/17.

Table 10.4 : Summary of payments and estimates by programme: Royal Household

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
1. Support Services - His Majesty, the King	36 120	43 215	34 421	39 027	40 539	38 707	42 226	43 952	46 109
2. Royal Household Planning and Development	11 964	14 336	24 393	20 575	26 744	28 417	9 047	9 513	10 206
3. His Majesty, the King's Farms	2 543	1 858	2 553	3 728	1 463	1 680	2 938	3 071	3 234
Total	50 627	59 409	61 367	63 330	68 746	68 804	54 211	56 536	59 549
Unauth. Exp. (1st charge) not available for spending	(3 767)	(3 767)	(1 800)	(2 500)	(2 500)	(2 500)	(2 500)	(4 694)	-
Baseline available for spending after 1st charge	46 860	55 642	59 567	60 830	66 246	66 304	51 711	51 842	59 549

Table 10.5 : Summary of payments and estimates by economic classification: Royal Household

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Current payments	38 973	41 086	34 910	26 122	33 303	32 516	26 760	25 734	32 056
Compensation of employees	20 238	20 093	21 615	13 938	20 976	20 981	13 815	14 567	15 485
Goods and services	18 735	20 993	13 295	12 184	12 327	11 535	12 945	11 167	16 571
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	6 564	11 524	11 134	20 541	15 800	15 844	22 548	23 575	24 825
Provinces and municipalities	19	-	28	9	9	27	10	10	11
Departmental agencies and accounts	5 857	11 300	10 500	20 393	15 393	15 300	22 393	23 415	24 656
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	688	224	606	139	398	517	145	150	158
Payments for capital assets	1 106	3 032	13 355	14 167	17 143	17 944	2 403	2 533	2 668
Buildings and other fixed structures	259	2 527	12 738	12 866	16 332	16 716	1 063	1 112	1 171
Machinery and equipment	763	505	617	1 301	811	1 228	1 340	1 421	1 497
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	84	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	3 984	3 767	1 968	2 500	2 500	2 500	2 500	4 694	-
Total	50 627	59 409	61 367	63 330	68 746	68 804	54 211	56 536	59 549
Unauth. Exp. (1st charge) not available for spending	(3 767)	(3 767)	(1 800)	(2 500)	(2 500)	(2 500)	(2 500)	(4 694)	-
Baseline available for spending after 1st charge	46 860	55 642	59 567	60 830	66 246	66 304	51 711	51 842	59 549

In terms of Section 34(2) of the PFMA, and in line with SCOPA Resolutions 18 of 2009, 20 and 25 of 2010, the department is liable for the repayment of over-expenditure from 2005/06 to 2008/09, resulting in a first charge against the department's budget of R11.301 million spread over the three-year period 2010/11 to 2012/13. The first and second instalments of R3.767 million were implemented against the 2010/11 and 2011/12 budgets. In 2010/11, the instalment was paid but there was further unauthorised expenditure, which became a further first charge. Due to budget constraints, it was agreed that the department could extend the period – i.e. pay the remaining instalments over six years, in line with SCOPA Resolution 71 of 2011. In 2011/12, the second instalment of R3.767 million was paid but there was further unauthorised expenditure, which became a further first charge. In terms of SCOPA Resolution 7 of 2012, the instalments of R1.800 million and R2.500 million were paid in 2012/13 and 2013/14, respectively, with instalments of R2.500 million and R4.694 million to be implemented in 2014/15 and 2015/16, respectively. The first charge implemented was allocated under Programme 1, against *Payments for financial assets*, and the amounts available for spending from 2010/11 to 2015/16 have been reduced by the instalment amounts.

The increase in Programme 1 in 2011/12 related to an additional R5 million, being seed funding for the establishment of the Royal Trust, and R343 000 for the higher than anticipated 2011 wage agreement. The decrease in 2012/13 was due to the above-mentioned once-off seed funding. The increase in the 2013/14 Adjusted Appropriation relates to additional funding received for OSS initiatives aimed at improving the

lives of the people of KZN, as well as the higher than anticipated 2013 wage agreement and re-grading of clerical posts, in line with DPSA requirements. The decrease in the 2013/14 Revised Estimate largely relates to the non-purchase of office furniture and equipment in order to offset spending pressures under Programme 2 due to the non-transfer of staff to the Royal Trust. The increase over the 2014/15 MTEF is due to the increase in transfers to the Royal Trust as staff are transferred to the Royal Trust, assuming finalisation of negotiations with organised labour. These funds are shifted from Programmes 2 and 3, to provide for the Royal Trust as it takes over more and more functions from the department.

The increase in Programme 2 in 2011/12 related to the higher than budgeted 2011 wage agreement, as well as the renovations and refurbishment of palaces. The department received additional funding from 2011/12 for the renovations and maintenance of Royal residences, with this coming to an end in 2013/14, in line with project requirements, explaining the substantial decrease in 2014/15. The department, however, did not fully spend the funds allocated for renovations and refurbishment of palaces in 2011/12 due to delays in the implementation of certain infrastructure projects, such as the construction of the King's residence at eNyokeni, emanating from the fact that His Majesty, the King was not completely satisfied with the infrastructure plan. In 2012/13, R5.383 million was rolled over from 2011/12, being unspent funds ring-fenced for infrastructure projects, accounting for the increase in 2012/13. The increase in the 2013/14 Adjusted Appropriation relates to a roll-over of R3.466 million from 2012/13, again being unspent funds ring-fenced for infrastructure projects, in order to cater for commitments relating to Ingwavuma palace infrastructure projects. Also, funds were moved from Programme 3 to Programme 2 to address spending pressures as the department continued to pay for staff who were performing functions on behalf of the Royal Trust. The increase in the 2013/14 Revised Estimate relates to the expansion of scope of the Ingwavuma palace infrastructure projects.

Spending against Programme 3 shows a fluctuating trend over the seven-year period. The decrease in 2011/12 was due to the non-filling of vacant posts and implementation of cost-cutting, which resulted in savings against training and development costs. The increase in 2012/13 relates to the fact that the department continued to pay for staff who were anticipated to be transferred to the Royal Trust, as the negotiations with organised labour were not finalised. The decrease in the 2013/14 Adjusted Appropriation relates to the fact that R2.300 million, being savings from the non-filling of vacant posts, pending the transfer of staff to the Royal Trust, was moved to Programme 2 to address some spending pressures, as previously mentioned. The increase in the 2013/14 Revised Estimate relates to the correction of the misallocation of some staff salaries, such as farm manager, which were erroneously allocated under Programme 1. The increases over the 2014/15 MTEF are inflationary.

The increase against *Compensation of employees* in 2012/13 was mainly in respect of the higher than anticipated 2012 wage agreement. The decrease in the 2013/14 Main Appropriation relates to the then anticipated transfer of staff to the Royal Trust, which did not take place, as explained previously. In the 2013/14 Adjusted Appropriation, funds were moved from *Transfers and subsidies to: Departmental agencies and accounts to Compensation of employees* to cater for the payment of salaries of staff who were performing functions on behalf of the Royal Trust, accounting for the increase against *Compensation of employees*. The decrease in 2014/15 again relates to the anticipated transfer of staff to the Royal Trust, assuming finalisation of labour negotiations, being co-ordinated by the Office of the Premier. The increases from 2015/16 onward can be ascribed to additional funding allocated to the department for the re-grading of posts and carry-through costs of previous wage agreements.

The increase in *Goods and services* in 2011/12 related to the fact that the department continued to perform many of the functions which the Royal Trust was anticipated to perform, such as paying for expenditure relating to His Majesty's Queens, municipal and maintenance costs, etc., as the Royal Trust was not yet fully functional. The decrease in 2012/13 was due to cost-cutting, as well as the fact that some of the costs relating to the Royal Family, such as costs in respect of His Majesty's Queens, school fees and transport, were administered by the Royal Trust. The decrease in the 2013/14 Main Appropriation and over the 2014/15 MTEF is to cater for the anticipated transfer of all palace maintenance and farming operations functions to the Royal Trust. The decrease in the 2013/14 Revised Estimate can be ascribed to cost-cutting to offset spending pressures in other areas. The increase in 2016/17 relates to the department's intention to cater for pressures that exist against items such as travel and subsistence, consultants' fees, etc.

Transfers and subsidies to: Provinces and municipalities relates to motor vehicle licences. The department did not receive invoices from the Department of Transport (DOT) in 2011/12, which accounts for no spending recorded against this category and the substantial increase in 2012/13. The increase in the 2013/14 Revised Estimate relates to incorrect allocation of expenditure relating to *Transfers and subsidies to: Households*. The increase in 2016/17 is due to the anticipated increase in annual tariffs.

Transfers to the Royal Trust are reflected against *Transfers and subsidies to: Departmental agencies and accounts*. The increase in 2011/12 was due to the fact that the Royal Trust was allocated once-off seed funding of R5 million for establishment costs, in line with a Cabinet resolution. The decrease in 2012/13 related to the decision taken by the department not to transfer the full allocation of the Royal Trust as the department continued to pay for functions which were anticipated to be paid for by the Royal Trust. The low 2013/14 Adjusted Appropriation and Revised Estimate can be ascribed to the movement of funds to *Compensation of employees*, as the department continued to pay for staff who were performing functions on behalf of the Royal Trust. The increase over the 2014/15 MTEF is due to the anticipated increase in transfers as staff are transferred to the Royal Trust, assuming finalisation of labour negotiations.

The amounts reflected against *Transfers and subsidies to: Households* over the seven-year period relate to the payment of staff exit costs. The high spending in 2010/11 and 2012/13 was due to higher than anticipated staff exits. The increase in the 2013/14 Revised Estimate relates to higher than anticipated staff exits. The reduction from 2014/15, with inflationary adjustments thereafter, is due to fewer anticipated staff exits from the Vote itself, because staff are going to be transferred to the Royal Trust. Any exit costs would therefore be paid for by the Royal Trust, rather than the department.

Buildings and other fixed structures shows substantial growth from 2011/12, where the department's budget was increased in line with a funding request which indicated that the palaces were in dire need of renovations and repairs. The department commenced with the renovations and refurbishment of two palaces, i.e. KwaKhethomthandayo and KwaDlamahlaha, in 2011/12. The department however, did not fully spend the funds allocated for renovations and refurbishment of palaces in 2011/12, due to delays in the implementation of certain infrastructure projects, as His Majesty, the King was not completely satisfied with the infrastructure plan. The increase in 2012/13 comprises a roll-over of R5.383 million relating to 2011/12 unspent funds ring-fenced for infrastructure projects. The increase in the 2013/14 Adjusted Appropriation is due to the roll-over of R3.466 million relating to 2012/13 unspent funds ring-fenced for infrastructure projects in order to cater for commitments from Ingwavuma palace infrastructure projects, as the appointed contractor abandoned the project in 2012/13. All the renovations, upgrading and refurbishment of palaces are expected to be completed by 2013/14, which is when the funding stream for these projects ends, explaining the decrease in 2014/15. The 2014/15 MTEF allocation provides for the completion of existing projects such the Ingwavuma palace projects, as well as head office renovations.

Machinery and equipment includes provision for the acquisition of vehicles and office equipment. The fluctuating trend is due to the cyclical nature of such purchases, such as the acquisition of new vehicles for His Majesty, and replacement of vehicles in the departmental fleet. The decrease in the 2013/14 Adjusted Appropriation relates to savings identified against this category due to cost-cutting which were moved to ease spending pressures in other categories. The increase in the 2013/14 Revised Estimate was due to the incorrect allocation of expenditure against this category instead of *Buildings and other fixed structures* because of challenges with BAS. This is currently being addressed by National Treasury. The steady increase over the 2014/15 MTEF results from the department's plan to replenish the departmental fleet.

The amount of R84 000 against *Biological assets* in 2010/11 relates to the purchase of 12 Nguni cattle.

The amounts reflected against *Payments for financial assets* can largely be ascribed to payments in respect of the first charge. A portion of the 2010/11 amount pertained to the write-off of staff debts. In 2010/11, the first instalment of R3.767 million was paid but further unauthorised expenditure was incurred, which became a further first charge. In 2011/12, the second instalment of R3.767 million was paid but again unauthorised expenditure was incurred, which became a further first charge. The third and fourth instalments of R1.800 million and R2.500 million were paid in 2012/13 and 2013/14, respectively. The instalments of R2.500 million and R4.694 million will be implemented in 2014/15 and 2015/16, respectively, as previously explained.

5.4 Summary of payments and estimates by district municipal area

The spending by the department is concentrated in the Zululand district municipal area, given the fact that the department's prime function is to provide services to the Royal Household.

5.5 Summary of conditional grant payments and estimates – Nil

5.6 Summary of infrastructure payments and estimates

Table 10.6 presents a summary of infrastructure payments and estimates by category for Vote 10.

Detailed information on infrastructure is given in *Annexure – Vote 10: Royal Household*.

Table 10.6 : Summary of infrastructure payments and estimates by category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
New and replacement assets	-	-	-	-	-	-	-	-	-
Existing infrastructure assets	997	4 027	16 266	13 366	16 832	17 281	1 563	1 642	1 733
Upgrades and additions	-	-	-	-	-	-	-	-	-
Rehabilitation, renovations and refurbishments	259	2 527	12 738	12 866	16 332	16 716	1 063	1 112	1 171
Maintenance and repairs	738	1 500	3 528	500	500	565	500	530	562
Infrastructure transfers	-	-	-	-	-	-	-	-	-
Current	-	-	-	-	-	-	-	-	-
Capital	-	-	-	-	-	-	-	-	-
Total	997	4 027	16 266	13 366	16 832	17 281	1 563	1 642	1 733

The maintenance and repair work that is undertaken at the royal residences is recorded as *Maintenance and repairs*. Capital additions are reflected against *Rehabilitation, renovations and refurbishments*.

In 2011/12, the department received additional funds for the upgrading, refurbishment and rehabilitation of palaces allocated against *Rehabilitation, renovations and refurbishments*. The department commenced in 2011/12 with the process of renovating and repairing two palaces, i.e. KwaKhethomthandayo and KwaDlamahlaha. This allocation was substantially under-spent in 2011/12 due to delays in the implementation of certain infrastructure projects, such as the construction of the King's residence at eNyokeni, emanating from the fact that His Majesty, the King was not completely satisfied with the infrastructure plan and, as a consequence, R5.383 million was rolled over to 2012/13, explaining the increase in 2012/13. The allocation was under-spent in 2012/13 due to delays in the implementation of Ingwavuma palace infrastructure projects, such as the extension of His Majesty, the King's house, etc., as the appointed contractor abandoned the project. The increase in the 2013/14 Adjusted Appropriation can be ascribed to the 2012/13 unspent funds which were rolled over to 2013/14 to cater for commitments with regard to Ingwavuma palace infrastructure projects. The increase in the 2013/14 Revised Estimate relates to the expansion of scope of the Ingwavuma palace infrastructure projects.

All the renovations, upgrading and refurbishment of palaces, such as the construction of rondavels at Ingwavuma palace, providing water reticulation systems, etc., are envisaged to be completed by the end of 2013/14, which is when the funding stream for these projects ends. The allocation over the 2014/15 MTEF provides for the completion of existing projects, such as the Ingwavuma palace projects, as well as head office renovations.

The department reduced its *Maintenance and repairs* spending in 2010/11, by not commencing with certain maintenance projects to palaces which were not considered urgent, in an attempt to remain within budget. The increase in 2012/13 related to projects which were scheduled in 2011/12, but commenced in 2012/13 due to the above-mentioned delays with the implementation of infrastructure projects. The allocation over the 2014/15 MTEF provides for general repairs and maintenance at head office.

5.7 Summary of Public Private Partnerships – Nil

5.8 Transfers to public entities listed in terms of Schedule 3 of the PFMA

Table 10.7 presents the summary of transfer payments made to other entities by Vote 10.

Financial summaries in respect of the public entity is presented in *Annexure – Vote 10: Royal Household*.

Table 10.7 : Summary of departmental transfers to public entities

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Royal Household Trust	5 857	11 300	10 500	20 393	15 393	15 300	22 393	23 415	24 656
Total	5 857	11 300	10 500	20 393	15 393	15 300	22 393	23 415	24 656

The Royal Trust was established in 2009 as an entity in terms of the KZN Royal Household Trust Act and registered as a Schedule 3C provincial public entity during 2012/13.

In 2010/11 and 2011/12, funds were transferred to the Royal Trust to cater for the set-up and operational costs of the Royal Trust, the remuneration of the Trustees, as well as various costs of the Royal Household which were administered by the Royal Trust. This included municipal costs, fuel, food supplies, etc., relating to His Majesty's Queens and other members of the Royal Family. It should be noted that the original purpose of funds appropriated for the operations of the Royal Trust did not change, but were merely being administered by the Royal Trust.

In 2011/12, according to a Cabinet Resolution, the Royal Trust received once-off seed funding of R5 million for establishment costs. The decrease in 2012/13 related to the fact that the department continued to pay for functions which were anticipated to be paid by the Royal Trust as the Royal Trust was not fully functional. The decrease in the 2013/14 Adjusted Appropriation related to the fact that, though some functions relating to palace maintenance and farming operations were transferred to the Royal Trust, the department continued to pay for staff who were performing these functions on behalf of the Royal Trust, as negotiations with organised labour, being co-ordinated by the OTP, are taking longer than anticipated. The decrease in the 2013/14 Revised Estimate relates to a decision taken by the department to cater for expenditure, such as His Majesty's Queens cell phone accounts, paid by the department on behalf of the Royal Trust. The department indicated that adjustments in this regard will be finalised together with the Royal Trust upon the preparation of the annual financial statements (AFS).

It is envisaged that the transfer of palace support staff in Programme 2 and farm staff from Programme 3 will take place from 2014/15, assuming finalisation of the labour negotiations. This accounts for the anticipated increase in transfers to the Royal Trust over the 2014/15 MTEF.

5.9 Transfers to other entities – Nil

5.10 Transfers to local government

The Royal Household makes no transfer payments to local government.

Although the payment of motor vehicle licences falls under *Transfers and subsidies to: Provinces and municipalities*, these funds will not be transferred to any municipality, and therefore the table reflecting transfers to local government is excluded.

5.11 Transfers and subsidies

Table 10.8 below provides a summary of transfers and subsidies per programme.

Table 10.8 : Summary of transfers and subsidies by programme and main category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
1. Support Services- His Majesty the King	6 357	11 392	10 800	20 402	15 502	15 347	22 403	23 425	24 667
Provinces and municipalities	19	-	28	9	9	2	10	10	11
Motor vehicle licences	19	-	28	9	9	2	10	10	11
Departmental agencies and accounts	5 857	11 300	10 500	20 393	15 393	15 300	22 393	23 415	24 656
Royal Household Trust	5 857	11 300	10 500	20 393	15 393	15 300	22 393	23 415	24 656
Households	481	92	272	-	100	45	-	-	-
Social benefits	481	92	272	-	100	45	-	-	-
2. Royal Household Planning and Dev	192	132	253	139	298	461	145	150	158
Households	192	132	253	139	298	461	145	150	158
Motor vehicle licences	-	-	-	-	-	25	-	-	-
Social benefits	192	132	253	139	298	436	145	150	158
3. His Majesty the King's Farms	15	-	81	-	-	36	-	-	-
Households	15	-	81	-	-	36	-	-	-
Social benefits	15	-	81	-	-	36	-	-	-
Total	6 564	11 524	11 134	20 541	15 800	15 844	22 548	23 575	24 825

Provinces and municipalities in Programme 1 reflects the payment of motor vehicle licences. No expenditure was recorded against this category in 2011/12 due to the fact that the department did not receive invoices from DOT, which accounts for the increase in 2012/13. Also contributing to the increase in 2012/13 was the registration and licensing of new departmental vehicles. The increase in 2016/17 is due to the anticipated increase in annual tariffs. It must be noted that the amount reflected against this category under Programme 2 in the 2013/14 Revised Estimate relates to an error in the classification of expenditure, as this cost is centralised under Programme 1.

The large transfers against *Departmental agencies and accounts* in Programme 1 relate to the transfer of funds to the Royal Trust. The increase in 2011/12 relates to once-off seed funding of R5 million received by the Royal Trust to cater for establishment costs, in line with a Cabinet resolution. The decrease in 2012/13 is due to the fact that the department continued to perform many of the functions that the Royal Trust was anticipated to perform, as it was not yet fully functional. The decrease in the 2013/14 Adjusted Appropriation relates to the fact that, though some functions relating to palace maintenance and farming operations were transferred to the Royal Trust, the department continued to pay for staff who were performing these functions on behalf of the Royal Trust, as the negotiations with organised labour are taking longer than anticipated. The decrease in the 2013/14 Revised Estimate relates to the department's decision to cater for expenditure, such as His Majesty's Queens cell phone accounts, paid by the department on behalf of the Royal Trust. The department indicated that adjustments in this regard will be finalised together with the Royal Trust upon the preparation of the AFS. The increase over the 2014/15 MTEF relates to the anticipated transfer of staff to the Royal Trust, assuming finalisation of the labour negotiations.

Households, against all programmes, pertains mainly to the payment of leave gratuities and other staff exit costs over the seven years, which are difficult to predict. The decrease in 2014/15 relates to fewer anticipated staff exits from the Vote itself, as staff are going to be transferred to the Royal Trust.

6. Programme description

The services rendered by this department are categorised under three programmes. The expenditure and budgeted estimates for each of these programmes are summarised in terms of sub-programme and economic classification below, details of which are given in *Annexure – Vote 10: Royal Household*.

6.1 Programme 1: Support Services – His Majesty, the King

The purpose of this programme is to provide administrative and auxiliary services to His Majesty, the King and the Royal Family. It is charged with the responsibility of ensuring that His Majesty, the King and the Royal Family execute the mandate as provided in the legislation. It is also responsible for the development and protection of the Monarchy as a provincial brand.

This programme consists of two sub-programmes. The sub-programme: King's Office Support Services caters for all costs in respect of His Majesty, the King, such as the salary of His Majesty, the King and all administrative costs. The sub-programme: Royal Trust caters for the operational costs of the Royal Trust, the running costs of the Royal Household, in respect of His Majesty's Queens and the rest of the Royal Family, as well as running costs of the palace maintenance and farming operations (over the MTEF).

Tables 10.9 and 10.10 reflect information relating to the programme for the period 2010/11 to 2016/17.

Table 10.9 : Summary of payments and estimates by sub-programme: Support Services - His Majesty, the King

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
1. King's Office Support Services	30 263	31 915	23 921	18 634	25 146	23 407	19 833	20 537	21 453
2. Royal Trust	5 857	11 300	10 500	20 393	15 393	15 300	22 393	23 415	24 656
Total	36 120	43 215	34 421	39 027	40 539	38 707	42 226	43 952	46 109
Unauth. Exp. (1st charge) not available for spending	(3 767)	(3 767)	(1 800)	(2 500)	(2 500)	(2 500)	(2 500)	(4 694)	-
Baseline available for spending after 1st charge	32 353	39 448	32 621	36 527	38 039	36 207	39 726	39 258	46 109

Table 10.10 : Summary of payments and estimates by economic classification: Support Services - His Majesty, the King

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Current payments	25 265	27 549	21 231	15 029	21 841	20 844	16 198	14 637	20 182
Compensation of employees	10 482	9 801	10 151	4 585	10 701	10 474	5 064	5 367	5 609
Goods and services	14 783	17 748	11 080	10 444	11 140	10 370	11 134	9 270	14 573
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	6 357	11 392	10 800	20 402	15 502	15 347	22 403	23 425	24 667
Provinces and municipalities	19	-	28	9	9	2	10	10	11
Departmental agencies and accounts	5 857	11 300	10 500	20 393	15 393	15 300	22 393	23 415	24 656
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	481	92	272	-	100	45	-	-	-
Payments for capital assets	514	507	590	1 096	696	16	1 125	1 196	1 260
Buildings and other fixed structures	-	2	-	-	-	-	-	-	-
Machinery and equipment	514	505	590	1 096	696	16	1 125	1 196	1 260
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	3 984	3 767	1 800	2 500	2 500	2 500	2 500	4 694	-
Total	36 120	43 215	34 421	39 027	40 539	38 707	42 226	43 952	46 109
Unauth. Exp. (1st charge) not available for spending	(3 767)	(3 767)	(1 800)	(2 500)	(2 500)	(2 500)	(2 500)	(4 694)	-
Baseline available for spending after 1st charge	32 353	39 448	32 621	36 527	38 039	36 207	39 726	39 258	46 109

As mentioned under Section 5.3 above, in terms of Section 34(2) of the PFMA, and in line with various SCOPA resolutions, the department is liable for the repayment of previous year's over-expenditure, resulting in a first charge against the department's budget. The last two instalments of R2.500 million and R4.694 million will be implemented in 2014/15 and 2015/16, respectively. The first charge implemented was allocated under Programme 1, against the King's Office Support Services sub-programme, under *Payments for financial assets*, and the amounts available for spending from 2010/11 to 2015/16 have been reduced by the instalment amounts.

The high spending against this programme in 2011/12 largely related to spending pressures that exist within the department against *Goods and services*, such as audit fees, financial management consultants' fees, catering, entertainment and subsistence and travel costs. The decrease in 2012/13 was due to the effects of cost-cutting, as well as the fact that some costs relating to the Royal Family, such as costs relating to His Majesty's Queens, school fees, transport, etc., were administered by the Royal Trust.

The increase in the sub-programme: King's Office Support Services in 2011/12 was mainly due to unanticipated pressures in audit costs, financial management consultants, property payments, fleet services

and travel and subsistence costs, largely affecting *Goods and services*. Also, the department continued to perform many of the functions which the Royal Trust was anticipated to perform, such as paying for expenditure relating to His Majesty's Queens, municipal and maintenance costs, etc., as the Royal Trust was not yet fully functional. The decrease in 2012/13 related to cost-cutting, as well as the transfer of functions relating to the Royal Family to the Royal Trust, as previously mentioned. The increase in the 2013/14 Adjusted Appropriation can be ascribed to the fact that the department continued to pay for staff who were performing functions on behalf of the Royal Trust. The decrease in the 2013/14 Revised Estimate relates to enforced savings in order to cater for spending pressure under Programme 2 due to the non-transfer of staff to the Royal Trust, as previously mentioned. The expenditure of this sub-programme is expected to decrease in 2014/15, with inflationary increases from 2015/16 onward, as more of the activities of the department are devolved to the Royal Trust.

In 2010/11, the sub-programme: Royal Trust was created. Funds were transferred to this sub-programme to provide for the set-up and operational costs of the Royal Trust, as well as various running costs of the Royal Household. The increase in 2011/12 was due to once-off seed funding which was transferred to the Royal Trust, as per Cabinet resolution. The decrease in 2012/13 was due to the fact that the department continued to perform many of the functions that the Royal Trust was anticipated to perform, as it was not fully functional. The increase in the 2013/14 Main Appropriation relates to the anticipated transfer of staff to the Royal Trust. The decrease in the 2013/14 Adjusted Appropriation relates to the fact that funds were moved to *Compensation of employees* under the King's Office Support Services sub-programme to cater for the payment of staff who were performing functions on behalf of the Royal Trust, as the anticipated transfer did not take place. The increase over the 2014/15 MTEF relates to the further phasing in of the running costs of the Royal Household that are to be administered by the Royal Trust, such as the anticipated transfer of staff, palace maintenance and farming operations.

Compensation of employees was high in 2010/11 when compared to ensuing years due to the back-pay for His Majesty, the King's salary which was inadvertently under-paid since 2000/01 and His Majesty, the King's salary increases in line with Remuneration of Public Office Bearers Act. The increase in 2012/13 relates to the higher than anticipated 2012 wage agreement, as well as the non-transfer of staff to the Royal Trust. The decrease in the 2013/14 Main Appropriation relates to the then anticipated transfer of staff to the Royal Trust. The increase in the 2013/14 Adjusted Appropriation can be attributed to the fact that funds were moved from *Transfers and subsidies to: Departmental agencies and accounts* to *Compensation of employees* to cater for the fact that the department continued to pay for staff who are performing functions on behalf of the Royal Trust. The decrease in 2014/15 provides for the transfer of staff from the department to the Royal Trust, assuming finalisation of labour negotiations. The increases from 2015/16 onward relate to additional funding allocated to the department for the re-grading of clerical posts and carry-through of previous wage agreements.

The increase in *Goods and services* in 2011/12 was attributed to the fact that the department continued to perform many of the functions that the Royal Trust was anticipated to perform, as it was not fully functional. The decrease in 2012/13 relates to cost-cutting and the transfer of functions relating to the Royal Family to the Royal Trust. The increase in the 2013/14 Adjusted Appropriation can be ascribed to additional funds allocated to the department for OSS initiatives, aimed at improving the lives of the people of KZN. The decrease in the 2013/14 Revised Estimate is due to enforced savings to cater for other spending pressures within the department. The increase in 2016/17 relates to the department's intention to cater for pressures that exist against items such as travel and subsistence, consultants' fees, etc.

Transfers and subsidies to: Provinces and municipalities relates to motor vehicle licences. The department did not receive invoices from DOT in 2011/12, which accounts for no spending recorded in that year and the substantial increase in 2012/13. The decrease in the 2013/14 Revised Estimate is due to the non-receipt of invoices. The increase from 2014/15 onward relates to the anticipated increase in annual tariffs.

Transfers to the Royal Trust are reflected against *Transfers and subsidies to: Departmental agencies and accounts*. The increase in 2011/12 was due to the fact that the Royal Trust was allocated once-off seed funding of R5 million for establishment costs, in line with a Cabinet resolution. The decrease in 2012/13 related to the decision taken by the department not to transfer the full allocation of the Royal Trust as the

department continued to pay for functions which were anticipated to be paid for by the Royal Trust. The decrease in the 2013/14 Adjusted Appropriation can be ascribed to the movement of funds to *Compensation of employees*, as the department continued to pay for staff who were performing functions on behalf of the Royal Trust. The decrease in the 2013/14 Revised Estimate relates to the decision taken by the department to cater for expenditure, such as His Majesty's Queens cell phone accounts, paid by the department on behalf of the Royal Trust. The department indicated that adjustments in this regard will be finalised together with the Royal Trust upon the preparation of the AFS. The increase over the 2014/15 MTEF is due to the anticipated increase in transfers as staff are transferred to the Royal Trust, assuming finalisation of the labour negotiations.

Transfers and subsidises to: Households relates to staff exit costs.

Machinery and equipment provides for the acquisition of vehicles and office equipment which is purchased on a cyclical basis. The increase in the 2013/14 Main Appropriation was to cater for the replenishment of the departmental fleet. The decrease from the 2013/14 Main to Adjusted Appropriation relates to the movement of savings, as a result of cost-cutting, to cater for spending pressures against *Transfers and subsidises to: Households* and *Compensation of employees*, brought about by higher than anticipated staff exits, and the fact that the department continues to pay for staff who are performing functions on behalf of the Royal Trust. The allocations over the 2014/15 MTEF provide for the purchase of motor vehicles, office equipment and computers.

The repayment of unauthorised expenditure (i.e. the first charge) is reflected against *Payments for financial assets*. Also, the 2010/11 amount includes R217 000 relating to the write-off of staff debts.

Service delivery measures – Programme 1: Support Services – His Majesty, the King

Table 10.11 below shows the service delivery information for Programme 1.

Table 10.11 : Service delivery measures - Programme 1: Support Services - His Majesty, the King

Outputs	Performance indicators	Estimated performance		Medium-term targets	
		2013/14	2014/15	2015/16	2016/17
To support His Majesty, the King in fulfilling his legislative mandate	• No. of <i>Amakhosi</i> installed statutorily	5	5	5	5
	• No. of <i>Amakhosi</i> installed in terms of custom	5	5	5	5

6.2 Programme 2: Royal Household Planning and Development

This programme is responsible for the overall infrastructure design and maintenance of the Royal residences, with its core activity being the refurbishment of the palaces.

Tables 10.12 and 10.13 reflect payments and estimates for the period 2010/11 to 2016/17.

The low spending against this programme in 2010/11 was due to cost-cutting, largely against *Goods and services*. Also, the department placed certain maintenance projects to the palaces, which were not urgent, on hold, in an attempt to break-even at year-end. The increase from 2011/12 to the 2013/14 Main Appropriation relates to additional funding allocated in the 2011/12 MTEF, ring-fenced for the renovations and refurbishment of palaces. The further increase in the 2013/14 Adjusted Appropriation related largely to these unspent ring-fenced funds being rolled over from 2012/13 to 2013/14 to continue with renovations and refurbishment of palaces. The roll-over was requested as the original contractor had abandoned the project. The decrease in 2014/15 can be ascribed to the anticipated completion of renovations and refurbishment of palaces, with the funding for this coming to an end in 2013/14.

Table 10.12 : Summary of payments and estimates by sub-programme: Royal Household Planning and Development

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
1. Support Services - His Majesty, the King	11 964	14 336	24 393	20 575	26 744	28 417	9 047	9 513	10 206
Total	11 964	14 336	24 393	20 575	26 744	28 417	9 047	9 513	10 206

Table 10.13 : Summary of payments and estimates by economic classification: Royal Household Planning and Development

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Current payments	11 264	11 679	11 375	7 480	10 114	10 028	7 744	8 151	8 772
Compensation of employees	8 384	9 102	10 037	6 630	9 452	9 274	6 864	7 226	7 798
Goods and services	2 880	2 577	1 338	850	662	754	880	925	974
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	192	132	253	139	298	461	145	150	158
Provinces and municipalities	-	-	-	-	-	25	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	192	132	253	139	298	436	145	150	158
Payments for capital assets	508	2 525	12 765	12 956	16 332	17 928	1 158	1 212	1 276
Buildings and other fixed structures	259	2 525	12 738	12 866	16 332	16 716	1 063	1 112	1 171
Machinery and equipment	249	-	27	90	-	1 212	95	100	105
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	11 964	14 336	24 393	20 575	26 744	28 417	9 047	9 513	10 206

The decrease in *Compensation of employees* in the 2013/14 Main Appropriation relates to the anticipated transfer of staff to the Royal Trust. The transfer was not done in 2013/14 due to the ongoing negotiations with organised labour. The increase in the 2013/14 Adjusted Appropriation is due to additional funding allocated to the department for the higher than anticipated 2013 wage agreement, as well as the movement of funds from Programme 3 to cater for pressures as the department continued to pay for staff who were performing functions on behalf of the Royal Trust. The decrease from 2013/14 to 2014/15 can be attributed to the anticipated transfer of staff to the Royal Trust. The increases from 2015/16 onward relate mainly to additional funding allocated to the department for the re-grading of clerical posts and carry-through costs of previous wage agreements.

The amount reflected against *Provinces and municipalities* in Programme 2 in the 2013/14 Revised Estimate relates to an error in the classification of expenditure as the cost against this category relates to motor vehicle licences which is centralised under Programme 1.

The amounts against *Transfers and subsidies to: Households* relate to staff exit costs.

With regard to *Buildings and other fixed structures*, the department received additional funding from 2011/12, ring-fenced for the renovations and refurbishment of palaces. In 2011/12, major renovations of two palaces, KwaKhethomthandayo and KwaDlamahlaha, commenced. The department, however, did not fully spend the ring-fenced funds in 2011/12 due to delays in the implementation of certain infrastructure projects, as His Majesty, the King was not completely satisfied with the infrastructure plan. The increase in 2012/13 was due to the 2011/12 unspent ring-fenced funds being rolled over to 2012/13 for the renovations and refurbishment of palaces. The increase in the 2013/14 Adjusted Appropriation relates to unspent ring-fenced funds rolled over from 2012/13 to cater for commitments relating to Ingwavuma palace infrastructure projects as the appointed contractor abandoned the project in 2012/13. It is anticipated that the department will complete the renovations of palaces in 2013/14, as the funding stream for this comes to an end in that year. The budget over the 2014/15 MTEF provides for the completion of existing projects, such the Ingwavuma palace projects, as well as head office renovations, such as the installation of air-conditioners, etc.

The department purchases *Machinery and equipment* on a cyclical basis, hence the fluctuating trend. The increase in the 2013/14 Revised Estimate relates to incorrect classification of infrastructure expenditure against this category instead of *Buildings and other fixed structures*, due to challenges with BAS.

Service delivery measures – Programme 2: Royal Household Planning and Development

Table 10.14 shows the service delivery information for Programme 2. The number of maintenance projects significantly decreases from 2014/15, in line with the additional funding for the rehabilitation, renovation and refurbishment of palaces, coming to an end in 2013/14.

Table 10.14 : Service delivery measures – Programme 2: Royal Household Planning and Development

Outputs	Performance indicators	Estimated performance		Medium-term targets	
		2013/14	2014/15	2015/16	2016/17
Maintenance of the Royal Residences	• No. of maintenance projects	10	4	4	4

6.3 Programme 3: His Majesty, the King's Farms

This programme is responsible for the operation and maintenance of His Majesty, the King's farms. It ensures subsistent and customary relevance in terms of the farms being able to contribute to poverty alleviation and other responsibilities of His Majesty, the King, in his role as guardian and protector of the vulnerable. Tables 10.15 and 10.16 summarise payments and estimates from 2010/11 to 2016/17.

Table 10.15 : Summary of payments and estimates by sub-programme: His Majesty, the King's Farms

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
1. His Majesty, the King's Farms	2 543	1 858	2 553	3 728	1 463	1 680	2 938	3 071	3 234
Total	2 543	1 858	2 553	3 728	1 463	1 680	2 938	3 071	3 234

Table 10.16 : Summary of payments and estimates by economic classification: His Majesty, the King's Farms

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Current payments	2 444	1 858	2 304	3 613	1 348	1 644	2 818	2 946	3 102
Compensation of employees	1 372	1 190	1 427	2 723	823	1 233	1 887	1 974	2 078
Goods and services	1 072	668	877	890	525	411	931	972	1 024
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	15	-	81	-	-	36	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	15	-	81	-	-	36	-	-	-
Payments for capital assets	84	-	-	115	115	-	120	125	132
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	115	115	-	120	125	132
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	84	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	168	-	-	-	-	-	-
Total	2 543	1 858	2 553	3 728	1 463	1 680	2 938	3 071	3 234

The decrease in this programme in 2011/12 related mainly to cost-cutting, which resulted in savings against training and development costs. The increase in 2012/13 relates to the purchase of farming supplies, such vaccines, due to the purchase of cattle by His Majesty, the King. The allocation for this

programme decreases from the 2013/14 Main Appropriation to 2014/15, in line with the department's plan to transfer staff to the Royal Trust. It must be noted that adjustments will be made to the allocation in-year, depending on the progress made on the transfer of staff to the Royal Trust over the MTEF.

The decrease against *Compensation of employees* in 2011/12 related to the non-filling of posts which became vacant due to staff exits, as well as the fact that some officials, such as the farm manager were incorrectly paid from Programme 1. The increase in 2012/13 relates to the higher than anticipated 2012 wage agreement. The increase in the 2013/14 Main Appropriation relates to the anticipated filling of vacant posts. The department then took a decision not to fill posts, pending the transfer of staff to the Royal Trust, and moved R2.300 million from Programme 3 in the 2013/14 Adjustments Estimate, to cater for spending pressures in Programme 2, as the department continued to pay for staff who are performing functions on behalf of the Royal Trust, accounting for the increase in the 2013/14 Adjusted Appropriation. The allocation increases over the 2014/15 MTEF due to additional funding allocated to the department to cater for the re-grading of clerical posts and carry-through costs of previous wage agreements.

Spending against *Goods and services* was low in 2010/11, with a further significant decrease in 2011/12 due to cost-cutting, which arose from savings in training and development costs. The increase in 2012/13 relates to the purchase of vaccines for new cattle. The decrease in the 2013/14 Adjusted Appropriation relates to the transfer of some farming operations to the Royal Trust, with inflationary increases over the MTEF, as the Royal Trust takes over more and more functions from the department. The decrease in the 2013/14 Revised Estimate relates to the transfer of some of the farming functions to the Royal Trust. The budget over the 2014/15 MTEF caters for current commitments, such as leases for cattle grazing, etc.

The amounts against *Transfers and subsidies to: Households* relate to staff exit costs.

The amounts against *Machinery and equipment* relate to the purchase of farming implements, such as brush cutters and farm fencing material. The department does not intend to purchase these in future, as farming operations were transferred to the Royal Trust. This accounts for no provisions made from the 2013/14 Revised Estimate onward.

The amount of R84 000 against *Biological assets* in 2010/11 relates to the purchase of 12 Nguni cattle.

The amount reflected against *Payments for financial assets* in 2012/13 relates to irrecoverable staff debts written off.

Service delivery measures – Programme 3: His Majesty, the King's Farms

Table 10.17 shows the service delivery for Programme 3: His Majesty, the King's Farms.

Table 10.17 : Service delivery measures – Programme 3: His Majesty, the King's Farms

Outputs	Performance indicators	Estimated performance			
		2013/14	2014/15	2015/16	2016/17
To facilitate and manage the sustainability of His Majesty, the King's Farms	• No. of animals vaccinated	1 300	1 300	1 300	1 300
Crop production	• No. of hectares planted	120	120	120	120

7. Other programme information

7.1 Personnel numbers and costs

Tables 10.18 and 10.19 summarise personnel information relating to the department, indicating the number of filled and estimated posts over the seven-year period.

As reflected in the table below, the department did not transfer staff to the Royal Trust as originally anticipated due to negotiations with organised taking longer than anticipated. The department therefore

continued to pay staff who are performing functions on behalf of the Royal Trust, accounting for the increase in personnel costs in the 2013/14 Adjusted Appropriation and Revised Estimate. The department is projecting to transfer more staff to the Royal Trust in 2014/15, hence the reduction in staff numbers. It must be noted the allocation against *Compensation of employees* may be adjusted in-year over the MTEF depending on the progress made with the transfer of staff to the Royal Trust.

Table 10.18 : Personnel numbers and costs by programme

Personnel numbers	As at	As at	As at	As at	As at	As at	As at
	31 March 2011	31 March 2012	31 March 2013	31 March 2014	31 March 2015	31 March 2016	31 March 2017
1. Support Services - His Majesty, the King	33	33	33	33	17	17	17
2. Royal Household Planning and Development	93	93	93	79	55	55	55
3. His Majesty, the King's Farms	14	14	15	15	8	8	8
Total	140	140	141	127	80	80	80
Total personnel cost (R thousand)	20 238	20 093	21 615	20 981	13 815	14 567	15 485
Unit cost (R thousand)	145	144	153	165	173	182	194

Table 10.19 : Summary of departmental personnel numbers and costs by component

	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Total for the department									
Personnel numbers (head count)	140	140	141	92	127	127	80	80	80
Personnel cost (R thousands)	20 238	20 093	21 615	13 938	20 976	20 981	13 815	14 567	15 485
Human resources component									
Personnel numbers (head count)	6	6	6	6	6	6	6	6	6
Personnel cost (R thousands)	1 428	1 735	1 522	1 735	1 735	1 735	1 830	1 940	2 066
Head count as % of total for department	4.29	4.29	4.26	6.52	4.72	4.72	7.50	7.50	7.50
Personnel cost as % of total for department	7.06	8.63	7.04	12.45	8.27	8.27	13.25	13.32	13.34
Finance component									
Personnel numbers (head count)	13	13	13	13	13	13	13	13	13
Personnel cost (R thousands)	3 306	3 922	3 679	3 922	3 922	3 922	3 922	3 922	4 176
Head count as % of total for department	9.29	9.29	9.22	14.13	10.24	10.24	16.25	16.25	16.25
Personnel cost as % of total for department	16.34	19.52	17.02	28.14	18.70	18.69	28.39	26.92	26.97
Full time workers									
Personnel numbers (head count)	140	140	141	92	127	127	80	80	80
Personnel cost (R thousands)	20 238	20 093	21 615	13 938	20 976	20 981	13 815	14 567	15 485
Head count as % of total for department	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Personnel cost as % of total for department	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Part-time workers									
Personnel numbers (head count)	-	-	-	-	-	-	-	-	-
Personnel cost (R thousands)	-	-	-	-	-	-	-	-	-
Head count as % of total for department	-	-	-	-	-	-	-	-	-
Personnel cost as % of total for department	-	-	-	-	-	-	-	-	-
Contract workers									
Personnel numbers (head count)	-	-	-	-	-	-	-	-	-
Personnel cost (R thousands)	-	-	-	-	-	-	-	-	-
Head count as % of total for department	-	-	-	-	-	-	-	-	-
Personnel cost as % of total for department	-	-	-	-	-	-	-	-	-

The information contained in the tables above is provisional, pending the finalisation of negotiations with organised labour being co-ordinated by the OTP. It is noted that the average unit cost is higher from 2014 compared to 2013, even though the number of personnel decreases. This is due to the fact that the majority of staff to be transferred to the Royal Trust consists of farm workers in lower level salary scales.

7.2 Training

Tables 10.20 and 10.21 give a summary of departmental spending and information on training for the period 2010/11 to 2011/12, with no provisions for any expenditure from 2013/14 onward due to the anticipated transfer of staff to the Royal Trust.

Table 10.20 illustrates the number of staff affected by the various training programmes and initiatives, as well as a gender breakdown. The department spent a minimal amount of R3 000 on training in 2010/11

and R44 000 in 2011/12. However, no provision has been made for training in 2013/14 and over the 2014/15 MTEF, pending the establishment of the Royal Trust.

Table 10.20 : Payments on training by programme

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
1. Support Services - His Majesty, the King	3	44	-	-	-	-	-	-	-
Subsistence and travel	3	44	-	-	-	-	-	-	-
Payments on tuition	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
2. Royal Household Planning and Development	-	-	-	-	-	-	-	-	-
Subsistence and travel	-	-	-	-	-	-	-	-	-
Payments on tuition	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
3. His Majesty, the King's Farms	-	-	-	-	-	-	-	-	-
Subsistence and travel	-	-	-	-	-	-	-	-	-
Payments on tuition	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total	3	44	-	-	-	-	-	-	-

Table 10.21 : Information on training: Royal Household

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Number of staff	140	140	141	92	127	127	80	80	80
Number of personnel trained	2	2	-	-	-	-	-	-	-
of which									
Male	-	-	-	-	-	-	-	-	-
Female	2	2	-	-	-	-	-	-	-
Number of training opportunities	-	-	-	-	-	-	-	-	-
of which									
Tertiary	-	-	-	-	-	-	-	-	-
Workshops	-	-	-	-	-	-	-	-	-
Seminars	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Number of bursaries offered	-	-	-	-	-	-	-	-	-
Number of interns appointed	-	-	-	-	-	-	-	-	-
Number of learnerships appointed	-	-	-	-	-	-	-	-	-
Number of days spent on training	-	-	-	-	-	-	-	-	-

ANNEXURE – VOTE 10: ROYAL HOUSEHOLD

Table 10.A : Details of departmental receipts: Royal Household

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	81	104	96	103	103	90	109	110	117
Sale of goods and services produced by dept. (excl. capital assets)	81	104	96	103	103	90	109	110	117
Sales by market establishments	-	-	-	-	-	-	-	-	-
Administrative fees	-	-	-	-	-	-	-	-	-
Other sales	81	104	96	103	103	90	109	110	117
<i>Of which</i>									
<i>Commission on insurance</i>	81	104	96	103	103	90	109	110	117
Sale of scrap, waste, arms and other used current goods (excl. capital assets)	-	-	-	-	-	-	-	-	-
Transfers received from:	-	-	-	-	-	-	-	-	-
Other governmental units	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments	-	-	-	-	-	-	-	-	-
International organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households and non-profit institutions	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Sale of capital assets	335	-	-	-	-	594	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Other capital assets	335	-	-	-	-	594	-	-	-
Transactions in financial assets and liabilities	97	50	3	-	-	11	-	-	-
Total	513	154	99	103	103	695	109	110	117

Table 10.B : Payments and estimates by economic classification: Royal Household

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Current payments	38 973	41 086	34 910	26 122	33 303	32 516	26 760	25 734	32 056
Compensation of employees	20 238	20 093	21 615	13 938	20 976	20 981	13 815	14 567	15 485
Salaries and wages	17 506	17 300	18 849	11 763	18 801	18 806	11 590	12 216	13 110
Social contributions	2 732	2 793	2 766	2 175	2 175	2 175	2 225	2 351	2 375
Goods and services	18 735	20 993	13 295	12 184	12 327	11 535	12 945	11 167	16 571
Administrative fees	-	-	-	-	-	-	-	-	-
Advertising	-	46	21	55	55	(252)	58	60	63
Assets less than the capitalisation threshold	52	59	14	7	7	-	7	7	7
Audit cost: External	245	1 909	1 411	1 200	1 200	2 304	1 320	1 200	1 764
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	140	120	307	-	-	77	-	-	-
Communication (G&S)	1 182	1 239	929	1 240	1 240	659	1 250	1 020	945
Computer services	242	166	107	-	-	87	-	-	500
Cons & prof serv: Business and advisory services	1 996	1 705	491	723	1 019	1 312	754	640	1 674
Cons & prof serv: Infras and planning	-	764	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	-	-	-	-	-	-	-	-	-
Contractors	-	1 126	132	500	500	-	500	530	558
Agency and support / outsourced services	1 960	-	-	-	-	-	-	-	-
Entertainment	782	969	374	960	1 960	1 273	980	930	979
Fleet services (incl. govt motor transport)	-	-	-	100	100	1 400	120	110	116
Housing	-	-	-	33	33	10	50	36	38
Inventory: Clothing material and accessories	-	-	-	-	-	20	-	-	-
Inventory: Farming supplies	-	-	-	-	35	182	-	-	-
Inventory: Food and food supplies	521	1 576	624	7	7	63	25	7	7
Inventory: Fuel, oil and gas	36	1 031	27	100	100	2	110	115	121
Inventory: Learner and teacher support material	30	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	904	212	313	-	-	2	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medcas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	775	-	-	-	-	-	-
Consumable supplies	5	502	-	320	320	103	349	363	382
Consumable: Stationery, printing and office supplies	122	517	127	340	340	50	380	360	379
Operating leases	353	260	251	163	163	51	210	120	126
Property payments	600	1 083	820	11	(289)	54	50	60	105
Transport provided: Departmental activity	2 490	-	-	1 440	840	(38)	1 480	1 320	2 390
Travel and subsistence	6 695	6 070	4 415	4 365	4 477	4 176	4 652	3 609	5 701
Training and development	3	44	-	-	-	-	-	-	-
Operating payments	377	1 595	2 157	620	220	-	650	680	716
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	6 564	11 524	11 134	20 541	15 800	15 844	22 548	23 575	24 825
Provinces and municipalities	19	-	28	9	9	27	10	10	11
Provinces	19	-	28	9	9	27	10	10	11
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	19	-	28	9	9	27	10	10	11
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	5 857	11 300	10 500	20 393	15 393	15 300	22 393	23 415	24 656
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	5 857	11 300	10 500	20 393	15 393	15 300	22 393	23 415	24 656
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	688	224	606	139	398	517	145	150	158
Social benefits	688	224	606	139	398	517	145	150	158
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	1 106	3 032	13 355	14 167	17 143	17 944	2 403	2 533	2 668
Buildings and other fixed structures	259	2 527	12 738	12 866	16 332	16 716	1 063	1 112	1 171
Buildings	259	-	-	-	-	-	-	-	-
Other fixed structures	-	2 527	12 738	12 866	16 332	16 716	1 063	1 112	1 171
Machinery and equipment	763	505	617	1 301	811	1 228	1 340	1 421	1 497
Transport equipment	-	-	405	1 211	811	16	1 245	1 321	1 392
Other machinery and equipment	763	505	212	90	-	1 212	95	100	105
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	84	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	3 984	3 767	1 968	2 500	2 500	2 500	2 500	4 694	-
Total	50 627	59 409	61 367	63 330	68 746	68 804	54 211	56 536	59 549
Unauth. Exp. (1st charge) not available for spending	(3 767)	(3 767)	(1 800)	(2 500)	(2 500)	(2 500)	(2 500)	(4 694)	-
Baseline available for spending after 1st charge	46 860	55 642	59 567	60 830	66 246	66 304	51 711	51 842	59 549

Table 10.C : Payments and estimates by economic classification: Support Services - His Majesty, the King

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
				2013/14					
Current payments	25 265	27 549	21 231	15 029	21 841	20 844	16 198	14 637	20 182
Compensation of employees	10 482	9 801	10 151	4 585	10 701	10 474	5 064	5 367	5 609
Salaries and wages	9 233	8 611	9 012	3 365	9 481	9 254	3 730	3 958	4 186
Social contributions	1 249	1 190	1 139	1 220	1 220	1 220	1 334	1 409	1 423
Goods and services	14 783	17 748	11 080	10 444	11 140	10 370	11 134	9 270	14 573
Administrative fees	-	-	-	-	-	-	-	-	-
Advertising	-	46	21	55	55	7	58	60	63
Assets less than the capitalisation threshold	14	59	14	7	7	-	7	7	7
Audit cost: External	245	1 909	1 411	1 200	1 200	2 044	1 320	1 200	1 764
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	140	120	307	-	-	-	-	-	-
Communication (G&S)	1 182	1 239	950	1 240	1 240	659	1 250	1 020	945
Computer services	242	166	107	-	-	77	-	-	500
Cons & prof serv: Business and advisory services	-	1 705	491	723	1 019	1 040	754	640	1 674
Cons & prof serv: Infras and planning	-	764	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	-	-	-	-	-	-	-	-	-
Contractors	-	3	109	-	-	-	-	-	-
Agency and support / outsourced services	1 960	-	-	-	-	-	-	-	-
Entertainment	782	931	374	960	1 960	1 262	980	930	979
Fleet services (incl. govt motor transport)	-	-	-	100	100	1 399	120	110	116
Housing	-	-	-	33	33	10	50	36	38
Inventory: Clothing material and accessories	-	-	-	-	-	20	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	262	1 555	621	7	7	63	25	7	7
Inventory: Fuel, oil and gas	7	934	4	-	-	-	-	-	-
Inventory: Learner and teacher support material	30	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	(451)	127	-	-	1	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	168	-	-	-	-	-	-
Consumable supplies	5	460	-	-	-	8	-	-	-
Consumable: Stationery, printing and office supplies	122	517	127	340	340	50	380	360	379
Operating leases	251	159	163	163	163	51	210	120	126
Property payments	267	771	53	11	11	11	50	60	105
Transport provided: Departmental activity	2 490	-	-	1 440	840	(38)	1 480	1 320	2 390
Travel and subsistence	6 457	6 009	4 181	4 165	4 165	3 706	4 450	3 400	5 480
Training and development	3	44	-	-	-	-	-	-	-
Operating payments	324	1 595	1 852	-	-	-	-	-	-
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	-	(787)	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	6 357	11 392	10 800	20 402	15 502	15 347	22 403	23 425	24 667
Provinces and municipalities	19	-	28	9	9	2	10	10	11
Provinces	19	-	28	9	9	2	10	10	11
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	19	-	28	9	9	2	10	10	11
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	5 857	11 300	10 500	20 393	15 393	15 300	22 393	23 415	24 656
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	5 857	11 300	10 500	20 393	15 393	15 300	22 393	23 415	24 656
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	481	92	272	-	100	45	-	-	-
Social benefits	481	92	272	-	100	45	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	514	507	590	1 096	696	16	1 125	1 196	1 260
Buildings and other fixed structures	-	2	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	2	-	-	-	-	-	-	-
Machinery and equipment	514	505	590	1 096	696	16	1 125	1 196	1 260
Transport equipment	-	-	405	1 096	696	16	1 125	1 196	1 260
Other machinery and equipment	514	505	185	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	3 984	3 767	1 800	2 500	2 500	2 500	2 500	4 694	-
Total	36 120	43 215	34 421	39 027	40 539	38 707	42 226	43 952	46 109
Unauth. Exp. (1st charge) not available for spending	(3 767)	(3 767)	(1 800)	(2 500)	(2 500)	(2 500)	(2 500)	(4 694)	-
Baseline available for spending after 1st charge	32 353	39 448	32 621	36 527	38 039	36 207	39 726	39 258	46 109

Table 10.D : Payments and estimates by economic classification: Royal Household Planning and Development

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Current payments	11 264	11 679	11 375	7 480	10 114	10 028	7 744	8 151	8 772
Compensation of employees	8 384	9 102	10 037	6 630	9 452	9 274	6 864	7 226	7 798
Salaries and wages	7 065	7 600	8 532	6 094	8 916	8 738	6 269	6 594	7 172
Social contributions	1 319	1 502	1 505	536	536	536	595	632	626
Goods and services	2 880	2 577	1 338	850	662	754	880	925	974
Administrative fees	-	-	-	-	-	-	-	-	-
Advertising	-	-	-	-	-	(259)	-	-	-
Assets less than the capitalisation threshold	38	-	-	-	-	-	-	-	-
Audit cost: External	-	-	-	-	-	260	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	-	-	-	-	-	77	-	-	-
Communication (G&S)	-	-	(21)	-	-	-	-	-	-
Computer services	-	-	-	-	-	10	-	-	-
Cons & prof serv: Business and advisory services	1 996	-	-	-	-	272	-	-	-
Cons & prof serv: Infras and planning	-	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	-	-	-	-	-	-	-	-	-
Contractors	-	1 123	-	500	500	-	500	530	558
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	38	-	-	-	11	-	-	-
Fleet services (incl. govt motor transport)	-	-	-	-	-	1	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	259	21	3	-	-	-	-	-	-
Inventory: Fuel, oil and gas	29	97	23	100	100	2	110	115	121
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	35	211	178	-	-	1	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medcas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	105	-	-	-	-	-	-
Consumable supplies	-	-	-	100	100	7	110	115	121
Consumable: Stationery, printing and office supplies	-	-	-	-	-	-	-	-	-
Operating leases	-	-	-	-	-	-	-	-	-
Property payments	333	248	708	-	(300)	43	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	158	52	154	150	262	329	160	165	174
Training and development	-	-	-	-	-	-	-	-	-
Operating payments	32	-	188	-	-	-	-	-	-
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	-	787	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	192	132	253	139	298	461	145	150	158
Provinces and municipalities	-	-	-	-	-	25	-	-	-
Provinces	-	-	-	-	-	25	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	25	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	192	132	253	139	298	436	145	150	158
Social benefits	192	132	253	139	298	436	145	150	158
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	508	2 525	12 765	12 956	16 332	17 928	1 158	1 212	1 276
Buildings and other fixed structures	259	2 525	12 738	12 866	16 332	16 716	1 063	1 112	1 171
Buildings	259	-	-	-	-	-	-	-	-
Other fixed structures	-	2 525	12 738	12 866	16 332	16 716	1 063	1 112	1 171
Machinery and equipment	249	-	27	90	-	1 212	95	100	105
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	249	-	27	90	-	1 212	95	100	105
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	11 964	14 336	24 393	20 575	26 744	28 417	9 047	9 513	10 206

Table 10.E : Payments and estimates by economic classification: His Majesty, the King's Farms

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Current payments	2 444	1 858	2 304	3 613	1 348	1 644	2 818	2 946	3 102
Compensation of employees	1 372	1 190	1 427	2 723	823	1 233	1 887	1 974	2 078
Salaries and wages	1 208	1 089	1 305	2 304	404	814	1 591	1 664	1 752
Social contributions	164	101	122	419	419	419	296	310	326
Goods and services	1 072	668	877	890	525	411	931	972	1 024
Administrative fees	-	-	-	-	-	-	-	-	-
Advertising	-	-	-	-	-	-	-	-	-
Assets less than the capitalisation threshold	-	-	-	-	-	-	-	-	-
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	-	-	-	-	-	-	-	-	-
Communication (G&S)	-	-	-	-	-	-	-	-	-
Computer services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Business and advisory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Infras and planning	-	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	-	-	-	-	-	-	-	-	-
Contractors	-	-	23	-	-	-	-	-	-
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	35	182	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	869	452	8	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medcas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	502	-	-	-	-	-	-
Consumable supplies	-	42	-	220	220	88	239	248	261
Consumable: Stationery, printing and office supplies	-	-	-	-	-	-	-	-	-
Operating leases	102	101	88	-	-	-	-	-	-
Property payments	-	64	59	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	80	9	80	50	50	141	42	44	47
Training and development	-	-	-	-	-	-	-	-	-
Operating payments	21	-	117	620	220	-	650	680	716
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	15	-	81	-	-	36	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	15	-	81	-	-	36	-	-	-
Social benefits	15	-	81	-	-	36	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	84	-	-	115	115	-	120	125	132
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	115	115	-	120	125	132
Transport equipment	-	-	-	115	115	-	120	125	132
Other machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	84	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	168	-	-	-	-	-	-
Total	2 543	1 858	2 553	3 728	1 463	1 680	2 938	3 071	3 234

Table 10.F : Royal Household - Payments of infrastructure by category

No. Project name	Municipality / Region	Type of infrastructure		Project duration		Source of funding	Budget programme name	Targeted number of jobs for 2014/15	Total project cost	Expenditure to date from previous years	Total available		MTEF Forward estimates	
		School - primary/secondary/ specialised; admin block; water, electricity; sanitation/toilet; fencing etc)	Units	Date. Start	Date. Finish						2014/15	2015/16	2016/17	
R thousands														
New and replacement assets Upgrades and additions														
Rehabilitation, renovations and refurbishments														
1. Refurbishment of head office projects	Zululand District Municipality	General refurbishment	1	Ongoing	Ongoing	Equitable share	Programme 2	-	3 346	-	1 063	1 112	1 171	
Total Rehabilitation, renovations and refurbishments									3 346		1 063	1 112	1 171	
Maintenance and repairs														
1. Repairs and maintenance projects	Zululand District Municipality	General repairs and maintenance	1	Ongoing	Ongoing	Equitable share	Programme 2	-	1 592	-	500	530	562	
Total Maintenance and repairs									1 592		500	530	562	
Infrastructure transfers - current														
Infrastructure transfers - capital														
Total Royal Household Infrastructure									4 938		1 563	1 642	1 733	

Table 10.G : Financial summary for Royal Household Trust (RHT)

R thousand	Audited Outcome			Revised Estimates 2013/14	Medium-term Estimates		
	2010/11	2011/12	2012/13		2014/15	2015/16	2016/17
Revenue							
Tax revenue	-	-	-	-	-	-	-
Non-tax revenue	81	55	206	127	-	-	-
Sale of goods and services other than capital assets	-	-	-	-	-	-	-
Interest, dividends and rent on land	81	28	6	7	-	-	-
Other non-tax revenue	-	28	200	120	-	-	-
Transfers received*	6 980	12 000	10 800	15 300	22 393	23 415	24 656
Sale of capital assets	-	-	-	-	-	-	-
Total revenue	7 062	12 055	11 006	15 427	22 393	23 415	24 656
Expenses							
Current expense	6 664	13 378	12 207	16 344	19 059	20 187	20 871
Compensation of employees	1 143	2 393	2 601	3 459	4 758	5 091	5 449
Use of goods and services	5 507	10 578	8 288	11 561	14 301	15 096	15 422
Depreciation	13	406	1 318	1 324	-	-	-
Transfers and subsidies	-	-	-	-	-	-	-
Total expenses	6 664	13 378	12 207	16 344	19 059	20 187	20 871
Surplus / (deficit)	398	(1 322)	(1 202)	(917)	3 334	3 228	3 785
Cash flow summary							
Adjust surplus / (deficit) for accrual transactions	13	434	1 673	1 324	-	-	-
Adjustments for:							
Depreciation	13	406	1 318	1 324	-	-	-
Net (profit) / loss on disposal of fixed assets	-	-	202	-	-	-	-
Other	-	28	153	-	-	-	-
Operating surplus / (deficit) before changes in working capital	411	(888)	471	407	3 334	3 228	3 785
Changes in working capital	271	2 028	554	(1 729)	-	-	-
(Decrease) / increase in accounts payable	330	3 556	(555)	(1 729)	-	-	-
Decrease / (increase) in accounts receivable	(60)	(1 528)	1 109	-	-	-	-
(Decrease) / increase in provisions	-	-	-	-	-	-	-
Cash flow from operating activities	681	1 140	1 025	(1 322)	3 334	3 228	3 785
Transfers from government	6 980	12 000	10 800	15 300	22 393	23 415	24 656
Capital	(529)	3 888	53	227	3 334	3 228	3 786
Current	7 509	8 112	10 747	15 073	19 059	20 187	20 870
Cash flow from investing activities	(529)	(4 101)	(53)	(227)	(3 334)	(3 228)	(3 785)
Acquisition of assets	(529)	(3 888)	(53)	(227)	(3 334)	(3 228)	(3 785)
Non-residential buildings	-	-	-	-	(1 235)	(997)	(1 047)
Computer equipment	-	(178)	-	-	-	-	-
Furniture and office equipment	(529)	(280)	(53)	-	(487)	(507)	(533)
Other machinery and equipment	-	-	-	(57)	-	-	-
Transport assets	-	(3 356)	-	(143)	(1 582)	(1 693)	(2 173)
Computer software	-	(74)	-	(27)	(29)	(31)	(32)
Other flows from investing activities	-	(213)	-	-	-	-	-
Loan receivable	-	(213)	-	-	-	-	-
Cash flow from financing activities	-	3 155	(1 203)	(1 203)	-	-	-
Finance lease	-	3 155	(1 203)	(1 203)	-	-	-
Net increase / (decrease) in cash and cash equivalents	152	194	(231)	(2 753)	-	-	-
Statement of financial position							
Carrying value of assets	516	3 997	2 530	1 392	3 567	3 730	4 844
Computer equipment	-	131	49	12	118	123	137
Furniture and office equipment	516	649	314	273	634	663	629
Other machinery and equipment	-	-	85	56	386	404	485
Transport assets	-	3 169	2 051	1 051	1 754	1 834	2 038
Computer software	-	48	31	-	38	40	91
Investments	-	-	-	286	-	-	-
1<5 Years	-	-	-	286	-	-	-
Cash and cash equivalents	153	347	117	-	329	333	842
Bank	86	119	93	-	329	333	842
Cash on hand	-	1	(1)	-	-	-	-
Call accounts	66	228	25	-	-	-	-
Receivables and prepayments	60	1 800	691	100	328	343	548
Trade receivables	60	-	-	-	328	343	548
Other receivables	-	286	286	-	-	-	-
Prepaid expenses	-	815	106	100	-	-	-
Accrued income	-	700	300	-	-	-	-
Inventory	-	-	-	-	-	-	-
Total assets	728	6 145	3 338	1 778	4 224	4 406	6 234
Capital and reserves	292	(1 030)	(2 232)	(3 149)	426	451	4 236
Accumulated reserves	(105)	292	(1 030)	(2 232)	(109)	(109)	451
Surplus / (deficit)	398	(1 322)	(1 202)	(917)	535	560	3 785
Borrowings	-	3 183	2 133	1 002	1 663	1 569	822
1<5 Years	-	3 183	2 133	1 002	1 663	1 569	822
Post retirement benefits	-	-	-	-	-	-	-
Trade and other payables	436	3 543	3 227	3 387	1 484	1 400	757
Trade payables	-	3 543	3 227	2 969	1 484	1 400	757
Other	436	-	-	418	-	-	-
Deferred income	-	-	-	-	-	-	-
Provisions	-	448	209	538	652	614	419
Leave pay provision	-	-	34	182	286	223	-
13th cheque provision	-	448	174	356	366	391	419
Funds managed (e.g. Poverty alleviation fund)	-	-	-	-	-	-	-
Contingent liabilities	-	-	-	-	(1)	372	-
Total equity and liabilities	728	6 145	3 338	1 778	4 224	4 406	6 234

*Note: Some of the amounts reflected as Transfers received do not equal the amounts reflected in Table 10.7, as portion of the transfers is reflected against other items in the statement of financial position.

Table 10.H : Personnel summary for Royal Household Trust (RHT)

Headcount	Audited Outcome			Revised Estimates	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
A. Permanent and full-time-contract employees							
Personnel cost (R thousand)	1 143	2 393	901	3 459	4 758	5 091	5 449
Personnel numbers (head count)	2	6	2	7	10	10	10
Unit cost	572	399	451	494	476	509	545
B. Part-time and temporary contract employees							
Personnel cost (R thousand)	-	-	1 508	-	-	-	-
Personnel numbers (head count)	-	-	6	-	-	-	-
Unit cost	-	-	251	-	-	-	-
C. Interns							
Personnel cost (R thousand)	-	-	192	-	-	-	-
Personnel numbers (head count)	-	-	2	-	-	-	-
Unit cost	-	-	96	-	-	-	-
Total for entity							
Personnel cost (R thousand)	1 143	2 393	2 601	3 459	4 758	5 091	5 449
Personnel numbers (head count)	2	6	10	7	10	10	10
Unit cost	572	399	260	494	476	509	545
D. Learnerships							
Personnel cost (R thousand)	-	-	-	-	-	-	-
Personnel numbers (head count)	-	-	-	-	-	-	-
Unit cost	-	-	-	-	-	-	-
Details of personnel numbers according to salary level							
Salary level							
Board Members	7	7	7	7	7	7	7
Executive Management	1	-	-	-	-	-	-
Senior Management	-	2	1	3	3	3	3
Middle Management	-	2	4	3	3	3	3
Professionals	1	-	1	-	-	-	-
Semi-skilled	-	-	2	3	3	3	3
Very low skilled	-	2	2	1	1	1	1
Total	9	13	17	17	17	17	17

VOTE 11

Co-operative Governance and Traditional Affairs

Operational budget	R 1 346 341 165
MEC remuneration	R 1 734 835
Total amount to be appropriated	R 1 348 076 000
Responsible MEC	Ms. N. Dube, MEC for Co-operative Governance and Traditional Affairs
Administering department	Co-operative Governance and Traditional Affairs
Accounting officer	Head: Co-operative Governance and Traditional Affairs

1. Overview

Vision

The vision of the Department of Co-operative Governance and Traditional Affairs (COGTA) is: *People centred sustainable co-operative governance, which focuses on effective service delivery responsive to the needs of the communities.*

Mission statement

The department's mission statement is: *To strengthen co-operation among all spheres of government, support and build capacity of local governance institutions, facilitate and co-ordinate stakeholder engagement, in pursuance of people-centred, accelerated service delivery.*

Strategic objectives

The department has five main *strategic policy directions*, namely five key priorities of government including the creation of sustainable livelihood, skills development, healthy communities, rural development, and the fight against corruption; KZN Provincial Government Integrated Programme of Action; national outcome relating to a responsive, accountable, effective and efficient Local Government system; the Local Government Turnaround Strategy; and the "new mandate" ranging from the co-ordination of organs of state to ensure maximum impact of co-operative governance to clarifying the role of the private sector and of state-owned enterprises in the new dispensation.

The strategic goals of the department for 2014/15 are as follows:

- *Sustained performance of institutions of local governance* will be achieved through objectives of development, support and strengthening capacity of municipalities and traditional institutions to ensure effective and efficient planning of service delivery and integration of communities. The strategic objective supporting this goal is: effective support to Local Government and Traditional Institutions for:
 - Strengthened governance.
 - Clean financial management.
 - Sustained and accelerated service delivery.
 - Effective integrated planning.
- *Strengthened co-operative governance* will be achieved by improving and strengthening co-ordination across all spheres of government, organs of state and all stakeholders in government programmes, to make government function better in a more integrated manner in order to accelerate development that is sustainable and improves the lives of people. The strategic objectives supporting this goal are:

- Empowered stakeholder participation in government programmes at local level (stakeholders are communities including businesses and unions).
- Improve co-operative governance between provincial and local spheres for effective service delivery.
- Improve participation of traditional institutions in the governance system.
- *Efficient and effective oversight* will be achieved by supporting municipalities and traditional institutions to enhance accountability to its communities and to comply with all good governance policies, practices and legislation. The strategic objectives supporting this goal are:
 - Improved oversight of Local Government and Traditional Institutions in respect of governance and service delivery.
 - Effective departmental monitoring, evaluation and reporting systems in respect of Local Government and Traditional Institutions.
 - Improved accountability of Local Government and Traditional Institutions to communities in respect of governance and service delivery.

Core functions

The mandate of the department highlights co-operative governance, which is essential for integrated development, with the department focussing on the following functions:

- Co-ordination, both vertically and horizontally, and doing away with the silo approach across KZN.
- The key area of focus is planning and the department is repositioned as a critical ally of the Provincial Planning Commission to align planning across the three spheres of government, by strengthening Integrated Development Plans (IDPs).
- Ensuring the alignment of priorities of both national and provincial departments implemented in a local space in the municipal IDPs.
- Ensure that IDPs encapsulate the provincial priorities and budget in a co-ordinated manner.
- Enhance the Inter-Governmental Relations (IGR) framework to support integration.
- Ensure seamless service delivery in a co-ordinated manner supported by emerging legislated processes.
- Put development planning at centre stage and put people at the centre of development.

Legislative mandate

The legislative mandate of COGTA is presented below.

Constitutional mandate

The Constitution of the Republic of South Africa, 1996 defines a number of key functions for COGTA, namely Support (Sections 154 and 155), Intervention (Section 139) and Monitoring (Section 155).

Specific legislation for the department

- Municipal Structures Act (Act No. 117 of 1998)
- Municipal Systems Act (Act No. 32 of 2000)
- Traditional Leadership and Governance Framework Act (Act No. 41 of 2003)
- Municipal Finance Management Act (Act No. 56 of 2003)
- Inter-Governmental Relations Framework Act (Act No. 13 of 2005)
- Disaster Management Act (Act No. 57 of 2002)

- KZN Traditional Leadership and Governance Act (Act No. 3 of 2005) as amended (KZN Traditional Leadership and Governance Amendment Act (Act No. 9 of 2007))
- KZN Planning and Development Act (Act No. 6 of 2008)
- White Paper on Developmental Local Government

General legislation for departments dealing with local government and traditional affairs

- Public Finance Management Act (Act No. 1 of 1999, as amended) and Treasury Regulations
- KZN Provincial Supply Chain Management Policy Framework (2006)
- Public Service Regulations
- Annual Division of Revenue Act

Specific legislation applicable to municipalities

In addition to the above, there are particular pieces of legislation which apply specifically to municipalities and relate to the department's oversight, co-operation, co-ordination and alignment functions:

- KZN Pound Act (Act No. 3 of 2006)
- Development Facilitation Act (Act No. 67 of 1995)
- Municipal Property Rates Act (Act No. 6 of 2004)
- Water Services Act (Act No. 108 of 1997)
- KZN Cemeteries and Crematoria Act (Act No. 12 of 1996), as amended by Act No. 2 of 2005
- Communal Land Rights Act (Act No. 11 of 2004)

2. Review of the 2013/14 financial year

Section 2 provides a review of 2013/14, outlining the main achievements and progress made by the department during the year, as well as providing a brief discussion on challenges and new developments.

Municipal administration

The department established focus groups and steering committees to address issues raised by municipalities as part of the Local Government Turn-Around Strategy (LGTAS), and support was provided in respect of by-laws.

District IGR structures and systems were supported to ensure functionality. A diagnostic assessment tool was developed and distributed to various districts such as Amajuba, Umkhanyakude, Ugu, Uthukela, uThungulu, Umzinyathi, Zululand and uMgungundlovu. Support was provided to the respective municipalities through presentations to council, at strategic planning sessions and the formation of a core working group to implement IGR in the districts.

One formal councillor training programme was conducted, and training was undertaken in 10 district municipalities. The second phase (which involves the roll-out of the remaining training modules such as municipal finance, municipal planning and the municipal performance management system) commenced and the process of acquiring accredited service providers is underway.

Municipal finance

The department supported 20 municipalities toward achieving unqualified reports. The support provided included attending finance oversight and Operation Clean Audit meetings, tracking resolutions of issues raised by the Auditor-General (A-G), asset verification and review of the Annual Financial Statements (AFS) and Municipal Public Accounts Committee (MPAC) training. Six municipalities were supported with preparation of AFS and working paper files, and all 61 municipalities submitted their respective AFS to the A-G by the statutory deadline.

Simplified revenue plans for three pilot municipalities (the Big Five False Bay, Mkhambathini and Uthukela) were handed over to the municipalities for implementation, and 10 municipalities were

consulted on the expenditure management project (which aims to empower municipalities to regulate expenditure trends in the SCM and budget fields to curb over- and under-expenditure). Introductory sessions were held at seven municipalities, and five municipalities are ready to implement the project.

Also, the department supported 30 municipalities with the implementation of anti-corruption/fraud prevention strategies/plans. Communication and a questionnaire to guide preparation for fraud risk assessment workshops were disseminated to the municipalities.

Public participation

A ward committee functionality assessment was undertaken using functionality assessment tools, and comments on the state of the functionality were provided to the municipalities. The municipalities were supported with the roll-out of the ward committee functionality assessment tool, and the refinement of the ward committee support plans was undertaken.

The war-room functionality assessment tool was received and piloted in all 462 war-rooms where Community Development Workers (CDWs) are deployed, and a ward profiling framework was developed. The department continuously supported the functionality of war-rooms, and a war-room support plan was developed. In line with the war-room support plans, 411 ward profiles and 10 district profiles were developed, covering 48 local municipalities.

Municipal performance, monitoring, reporting and evaluation

The department provided support to 20 municipalities to develop functional Performance Management Systems (PMS), and diagnostic assessments and action plans were drafted. The department provided support in the alignment of IDP and scorecards to allow municipalities to address amendments during their mid-year review.

The same 20 municipalities were also supported to develop and submit annual performance reports in terms of Section 46 of the Municipal Systems Act. The municipalities were supported with the preparation of annual performance reports, reporting on standardised templates and conducting quarterly reviews.

Development information services

The 2013/14 mobile Geographic Information System (GIS) Development programme was developed and the mobile GIS conceptual framework was established. An Information Communication and Technology (ICT) framework for supporting web-enabled mobile GIS applications was established and configured. One GIS programme was developed and implemented to support spatial analysis of priority capital investment projects for the department.

The 10 districts and the eThekweni Metro were supported with spatial analysis of infrastructure and services backlogs (electricity, water and sanitation). Census data was downloaded at provincial and district levels and analysed. Spatial reports were compiled and disseminated to the 10 districts and the Metro. Datasets were collected and processed and spatial reports of backlogs for households, schools and clinics at municipal level were also completed.

The department provided support to 10 Development Planning Shared and Service Centres. Municipal GIS meetings were convened to discuss the 2013/14 GIS operational plan. One Spatial Development Framework (SDF) mapping was compiled, cadastral data was captured for 45 municipalities and spatial linkage of four municipal valuation rolls and cadastral layers was processed. A system was established to integrate provincial and municipal spatial data. A web GIS integration strategy was developed. Five municipal web pages were developed and one web data access point was updated.

Local economic development (LED): Community service centres

Two municipalities (Abaqulusi and Umfolozi) were supported with Grade 1 level Community Service Centres (CSCs), established in line with the CSC framework. Five projects (Amahlubi, Kwambonambi, Biyela, Xulu and Ngwenya) were supported with Grade 2 level CSCs, established in line with the CSC framework. A total of 22 CSCs were refurbished and maintained. Support was provided to four municipalities in respect of CSC operations to enable functionality. Municipalities supported included

Umkhanyakude, Vulamehlo, Umhlabuyalingana and Imbabazane. The department created 70 employment opportunities through the implementation of the CSC programme.

Disaster management

The department conducted workshops on risk profiling for municipalities, and data was collected from all 10 district municipalities and the eThekweni Metro, and a draft provincial risk profile and trend analysis report was produced.

The Cabinet sub-committee on Disaster Management met during their visit to the USA for discussions regarding the USA 911 Fund. The focus was on the development of fire fighting capacity in the province, and on supporting municipalities to meet minimum requirements. This trip resulted in the USA 911 Fund undertaking to provide various equipment, including vehicles and fire fighting equipment. Once the USA 911 Fund delivers the equipment for the disaster centres, then the minimum requirements will be met. The department anticipates the delivery in 2014/15.

The refurbishing of the Provincial Disaster Management Centre (PDMC) commenced and is due to be completed in 2014/15. The department supported the Sisonke district municipality with grant funding for a district DMC. Technical support was provided to the 10 districts and the Metro for fully operational district DMCs.

Traditional institutional administration

The department verified and updated 230 Traditional Administrative Centres' (TACs) movable asset registers. The consolidated AFS for 300 Traditional Councils (TCs) were prepared and submitted to the A-G by 31 May 2013. The department supported 280 TCs to implement the financial management practice notes. Support was also provided through workshops, compliance audits, spot checks and compliance assessments.

During 2013/14, four *Amakhosi* were installed and six *Amakhosi* were recognised. The Dispute Resolution and Conflict Management framework was implemented and reports were produced on a quarterly basis.

3. Outlook for the 2014/15 financial year

Section 3 looks at the key focus areas of 2014/15, outlining what the department is hoping to achieve during the year, as well as briefly looking at challenges and proposed new developments.

Local governance

In light of the re-demarcation of municipality boundaries in the province, the department will focus on supporting and facilitating transitional arrangements necessary in preparation for the next local government elections in 2016. Support to municipalities in key areas of human resource management and development, as well as governance, will be a key priority. Capacitation and empowerment of councillors and municipal officials will be achieved through accredited training programmes, various workshops and knowledge sharing opportunities.

Operation Clean Audit remains a key programme in ensuring all municipalities display good financial governance, sound financial management and accountability. Revenue management and enhancement will be a focus through support in the preparation of the second cycle of general valuation rolls by municipalities in terms of the Municipal Property Rates Act. The department will ensure the establishment and orientation of valuation appeal boards in the province. The promotion of effective performance monitoring, reporting and evaluation in municipalities will be a focus area toward clean audit and effective oversight.

In order to ensure that the community as a key component of the institution of local government is effectively engaged on the functionality of ward committees, war-rooms remain a priority within the department. Support programmes will be provided through the establishment of community-based structures and support in the development of community participation plans. These programmes aim to strengthen public participation and enhance governance, accountability and service delivery.

Development and planning

The department will further focus on the development of fire fighting capacity in the province, and will support municipalities to meet the minimum requirements. This will be done in partnership with the support of the USA 911 Fund. The department will procure relief stock such as blankets, plastic sheeting, tents, portable houses, as well as parcels with kitchen utensils for humanitarian purposes, and will roll-out community awareness training to councillors, *Amakhosi*, and volunteers and a capacity building programme for the promotion of an informed, alert and self-reliant society in respect of risk reduction.

The department will continue to provide support in the roll-out of the development agencies and will intensify LED capacity building through accredited training focusing on municipalities with limited capacity in their LED units. It will also continue to support all Small Town Rehabilitation and Corridor Development and dedicated municipal LED initiatives. In ensuring that the province focuses on the development of a green economy, the department will also support the implementation of green initiative projects such as solar street lights, a wind energy farm and other mitigation strategies. COGTA will continue to support the development and roll-out of CSCs as the first level of economic activity stimulation.

Traditional institutional management

The department will continue to support Local Houses with social cohesion and moral regeneration engagements aimed at alleviating prevalent social ills. It will also support traditional communities by facilitating the establishment of vital development partnerships. The department will provide ongoing support, monitor the programme and propose critical reviews necessary to strengthen the partnerships. Focus will also be given to TCs and ward committees. The department will support capacity building programmes for the Institution of Traditional Leadership in order to ensure the functionality of all structures within the institution by enrolling more traditional leaders into accredited leadership development programmes.

The department will continue to support the institution of traditional leadership in terms of recognition of new *Amakhosi* to fill existing vacancies, to resolve emerging disputes and to support the Commission on Traditional Leadership Disputes and Claims. The department will also continue to provide support to TCs in ensuring proper financial management, in line with the MFMA, in respect of revenue collection and accounting for monies collected in traditional communities.

In supporting the orderly development of traditional communities, the department will continue to support TCs in the performance of land administration functions through capacity building, development of land-use databases and the lodging of land rights applications.

4. Receipts and financing

4.1 Summary of receipts

Table 11.1 below indicates the sources of funding for Vote 11 for the period 2010/11 to 2016/17. The table also compares actual and budgeted receipts against actual and budgeted payments.

The department receives a provincial allocation in the form of an equitable share, and a national conditional grant allocation in respect of the EPWP Integrated Grant for Provinces for the first time in 2014/15, which the department will use for its Food for Waste programme in communities, where the most needy members collect domestic waste from households and in public places and, in return, they receive food parcels.

Table 11.1 shows generally steady growth of the department's budget over the period under review.

Table 11.1 : Summary of receipts and financing

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Equitable share	1 061 903	1 140 995	1 208 003	1 245 296	1 228 982	1 228 982	1 303 955	1 360 269	1 435 607
Conditional grants	-	-	-	-	-	-	3 471	-	-
EPWP Integrated Grant for Provinces	-	-	-	-	-	-	3 471	-	-
Total receipts	1 061 903	1 140 995	1 208 003	1 245 296	1 228 982	1 228 982	1 307 426	1 360 269	1 435 607
Total payments	1 002 589	1 106 349	1 314 550	1 247 696	1 246 342	1 246 342	1 348 076	1 362 669	1 435 607
Surplus/(Deficit) before financing	59 314	34 646	(106 547)	(2 400)	(17 360)	(17 360)	(40 650)	(2 400)	-
Financing									
of which									
Provincial roll-overs	-	2 000	29 024	-	-	-	-	-	-
Provincial cash resources	-	13 000	79 100	2 400	17 360	17 360	40 650	2 400	-
Surplus/(Deficit) after financing	59 314	49 646	1 577	-	-	-	-	-	-

In 2010/11, the department under-spent by R59.314 million, of which R37.787 million relates to the non-completion of six Multi-Purpose Community Centres (MPCCs), which were not finalised before year-end. The balance of R21.527 million was in respect of cost-cutting, as well as non-filling of vacant posts due to the moratorium on the filling of non-critical vacant posts.

In 2011/12, the department received a roll-over of R2 million from 2010/11 for its co-ordination function to ensure that the 2010/11 disaster management funds were correctly utilised by implementing departments. In addition, R10 million was allocated in respect of the TC elections, and R3 million to put water, sanitation and electricity infrastructure in place at voting stations.

The department under-spent in 2011/12 by R49.646 million, of which R29.024 million was rolled over to 2012/13 relating to the construction of TACs and *Imizi Yesizwe* (project where houses are built for *Amakhosi*), the installation of water purification plants, the payment of computer servers, re-holding of TC elections where necessary, as there were disputes (technical problems such as mis-spelled names on ballot papers) that occurred in the first TC elections, etc. The balance of R20.622 million relates to cost-cutting, as well as an internal moratorium on the filling of vacant posts due to the department's continual restructuring.

In 2012/13, the department received a roll-over of R29.024 million from 2011/12 for various departmental projects, as explained above. In addition, an amount of R79.100 million was allocated in respect of the following:

- uMsekeli Municipal Support Services pensioners' medical aid obligation.
- Funds for the purchase of laptops, two minibuses and a double cab for each district to cater for travelling needs of CDWs in the districts.
- Councillor training on municipal structures and management throughout the province.
- Formalisation of 13 towns to uplift the towns for improved service delivery to take place.
- Improvement to various of disaster management centres' capabilities.
- Provision of water, sanitation and electricity services through the implementation of projects in respect of the Massification programme.
- Establishment of an animal pound in the Nongoma Municipality.

The department under-spent in 2012/13 by R1.577 million largely due to office furniture and equipment not purchased due to non-filling of vacant posts and leave gratuities that were not processed on time for payment before year-end. In addition, funds were earmarked to be transferred to the Imbabazane Municipality relating to the operational support for *Thusong* Service Centres (TSCs) but were put on hold due to the appointment of an acting municipal manager not being finalised, as the municipality was placed under administration in 2012/13.

Over the 2013/14 MTEF, the department was allocated R2.400 million in each year of the MTEF in respect of the uMsekeli Municipal Support Services pensioners' medical aid obligation.

In the 2013/14 Adjusted Appropriation, the department was allocated additional funding of R17.360 million in respect of the following:

- The Nelson Mandela Marathon event.
- The second BRICS Urbanisation Forum and the third Friendship Cities and Local Government Co-operation Forum.
- The reimbursement of funds returned by the Independent Electoral Commission (IEC). The IEC was allocated R3 million for the facilitation of the TC elections in 2011/12. The IEC has now refunded the department the unspent balance of R960 000, which will be used for the voter education campaign in respect of the upcoming elections in 2014.
- Operation *Sukuma Sakhe* (OSS) initiatives aimed at improving the daily lives of people in KZN.
- The completion of the Ugu DMC, and the finalisation of the PDMC at Mkhondeni.
- These additional funds were offset by the suspension of funds in 2013/14 to be allocated back to the department in 2014/15, for transfer to the public entity Agri-business Development Agency (ADA) to implement the Uthukela *Amakhosi* programme and the Msinga Asisukume Co-operative due to capacity constraints in municipalities. In 2013/14, the department appointed ADA to implement these projects. However, ADA indicated that negotiations were not yet finalised, and therefore the projects will only commence in 2014/15, and also taking into account the seasonal nature of the agriculture projects. As a result, the department and ADA agreed to suspend the proposed transfer of funds to 2014/15. In addition, funds were suspended in respect of the centralisation of parts of the communications budget under the Office of the Premier (OTP), and carried through over the MTEF.

In 2014/15, the department was allocated funds relating to the EPWP Integrated Grant for Provinces for the first time, as previously explained. The amount in 2014/15 against the provincial cash resources includes additional funds allocated in respect of the construction and rehabilitation of various CSCs, and the re-allocation of funds relating to the transfer to ADA for the implementation of the Uthukela *Amakhosi* programme and the Msinga Asisukume Co-operative, as mentioned above.

The department was allocated additional funds for carry-through costs of previous wage agreements, which increases significantly from 2015/16, as well as the carry-through (R2.400 million) of the uMsekeli Municipal Support Services pensioners' medical aid obligation over the MTEF. Also, in the 2014/15 MTEF, funds were suspended from the department in respect of the centralisation of parts of the communications budget, as well as the centralisation of the external bursaries budget under OTP.

The department's budget shows an increasing trend over the 2014/15 MTEF.

4.2 Departmental receipts collection

Table 11.2 below reflects departmental receipts for the period 2010/11 to 2016/17. Details of these receipts are presented in *Annexure – Vote 11: Co-operative Governance and Traditional Affairs*.

Table 11.2 : Summary of departmental receipts collection

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	1 089	1 263	1 293	1 406	1 406	1 406	1 416	1 428	1 504
Transfers received	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	389	2 141	1 549	36	36	36	40	44	46
Sale of capital assets	2 229	-	-	800	800	1 486	900	1 000	1 200
Transactions in financial assets and liabilities	1 915	555	4 736	770	770	3 641	847	932	981
Total	5 622	3 959	7 578	3 012	3 012	6 569	3 203	3 404	3 731

The department collects a substantial part of its revenue against *Sale of goods and services other than capital assets* in respect of commission received from monthly PERSAL deductions, such as insurance and garnishees, the sale of maps and publications, parking fees and rental for officials occupying state houses. This revenue category increases over the seven-year period. Over the 2014/15 MTEF, projections are based on previous revenue collections and an inflationary increment.

Interest, dividends and rent on land relates to interest received on staff debts. The substantial amounts reflected in 2011/12 and 2012/13 were due to interest received on prepayments made to the Independent Development Trust (IDT) for the construction of *Imizi Yesizwe*, as well as the construction of TACs in rural areas. The department is likely to fully collect its budget as shown in the 2013/14 Revised Estimate. The 2014/15 MTEF revenue budget is increasing slightly and only relates to interest on staff debts such as breached bursary contracts.

The collection against *Sale of capital assets* results from the sale of redundant assets such as motor vehicles and old furniture. No auction took place in 2011/12 and 2012/13. The department anticipated to collect R1.486 million in the 2013/14 Revised Estimate related to the sale of redundant motor vehicles. It is difficult to project revenue from this source, as it relies on the price attained at the auction. The revenue projections increase steadily over the MTEF.

Transactions in financial assets and liabilities reflect a fluctuating trend between 2010/11 and 2013/14 due to the uncertain nature of this category. This revenue category mainly includes refunds resulting from over-payments or unsuccessful projects funded by the department, and also recoveries from staff debts such as breached bursary contracts from previous financial years. In 2012/13, the significant revenue collection related to funds returned to the department by the Eziqoleni and Umzumbe Municipalities, in respect of failed projects in 2010/11. The 2013/14 Revised Estimate reflects a significant collection due to refunds from Umdoni Municipality, which amounted to R1.111 million, as a result of breached provisions of the Memorandum of Agreement (MOA) and the Business Plan which it had entered into with the department. The municipality did not commence the project (establishment of animal pound in the district) within the specified time frame. Adding to the over-collection is an unbudgeted refund from the IEC of an unused balance of R960 000 in respect of Traditional Council (TC) elections. Furthermore, the over-collection relates to a refund of R800 000 from the Umkhanyakude Municipality as they failed to adhere to the terms of the Municipal Governance and Admin Experts: Shared Deployment Grant. The remainder of this amount relates to the collection of staff debts.

4.3 Donor funding

Table 11.3 reflects donor funding payments by the department for the period 2010/11 to 2016/17.

Table 11.3 : Details of payments and estimates of donor funding

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Donor funding	1 473	118	-	-	452	452	-	-	-
Development Bank of SA	1 473	118	-	-	452	452	-	-	-
Total	1 473	118	-	-	452	452	-	-	-

The department received funding from the Development Bank of South Africa (DBSA), which was provided from 2008/09 to 2010/11, aimed at building municipal capacity. The funding relates to financial assistance for the implementation of the Municipal Property Rates Act (MPRA), public participation of ward committees, and for a contractor to manage the DBSA projects for the department, after which the department budgeted for departmental officials to continue with these duties.

The donor funding was received by the department prior to 2010/11 (not seen in the table), and has been spent over the years, with the final expenditure in this regard anticipated to be incurred in 2013/14.

The amount in 2010/11 is part of the expenditure for capacity building in municipalities from previous years. An amount of R118 000 was spent on the establishment of ward committees, and the balance of R452 000 in the 2013/14 Adjusted Appropriation is for the training of councillors and ward committees.

The department does not anticipate receiving donor funding over the 2014/15 MTEF, as it has achieved the donor funding intended outputs of the implementation of the MPRA, and the public participation of ward committees.

5. Payment summary

Section 5 reflects payments and budgeted estimates in terms of programmes and economic classification. Further details are given in Section 6, as well as in *Annexure – Vote 11: Co-operative Governance and Traditional Affairs*.

5.1 Key assumptions

The department applied the following broad assumptions when compiling the budget:

- The expanded cost-cutting measures, as reissued by PT in 2014/15, will continue to be adhered to over the 2014/15 MTEF, in conjunction with National Treasury Instruction 01 of 2013/14: Cost-containment measures.
- Provision was made for an inflationary wage adjustment of 6.4, 6.4 and 6.3 per cent for each of the three years of the 2014/15 MTEF, respectively. The department also provided for the 1.5 per cent pay progression.
- Additional funding was allocated for the carry-through costs of previous wage agreements, and provision has been made for the filling of vacant posts, while taking into account the moratorium on the filling of non-critical vacant posts. All inflation related increases are based on CPI projections.

5.2 Additional allocations for the 2012/13 to 2014/15 MTEF

Table 11.4 below shows additional funding received by the department over the three MTEF periods: 2012/13, 2013/14 and 2014/15.

The purpose of such a table is two-fold. Firstly, it shows the quantum of additional funding allocated to the department in the past and current MTEF periods. Secondly, it indicates the policies and purposes for which the additional funding was allocated. The carry-through allocations for the 2012/13 and 2013/14 MTEF periods (i.e. for the financial year 2016/17) are based on the incremental percentage used in the 2014/15 MTEF.

Table 11.4 : Summary of additional provincial allocations for the 2012/13 to 2014/15 MTEF

R thousand	2012/13	2013/14	2014/15	2015/16	2016/17
2012/13 MTEF period	17 956	9 254	9 567	10 007	10 467
Carry-through of 2011/12 Adjustments Estimate - 2011 wage agreement	5 956	6 254	6 567	6 869	7 185
Disaster Management	12 000	3 000	3 000	3 138	3 282
2013/14 MTEF period		(14 771)	(33 000)	(41 513)	(43 533)
Census data update and 1%, 2% and 3% baseline cuts		(17 171)	(35 400)	(43 913)	(45 933)
Carry-through uMsekeli Municipal Support Services pensioners' medical aid obligation		2 400	2 400	2 400	2 400
2014/15 MTEF period			39 632	4 662	5 626
Suspension of trf to ADA for Uthukela <i>Amakhosi</i> prog & Msinga Co-op			18 850	-	-
Community Service Centres - Bulwer and rehab. of 3 others			19 400	-	-
Carry-through of previous wage agreements			3 582	6 917	7 992
Centralisation of communications budget under OTP			(1 000)	(1 000)	(1 053)
Centralisation of external bursaries budget under OTP			(1 200)	(1 255)	(1 313)
Total	17 956	(5 517)	16 199	(26 844)	(27 440)

The 2012/13 MTEF reflects the carry-through effect of the 2011 wage agreement. Additional funding was also allocated for the establishment of a fully functional PDMC at Mkondeni in terms of Section 29 of the Disaster Management Act.

In the 2013/14 MTEF, National Treasury took a decision to impose 1, 2 and 3 per cent baseline cuts on all spheres of government (i.e. National, Provincial and Local) in order to curb the national deficit as public spending is growing faster than revenue collection. In addition, KZN received reduced equitable share

allocations as a result of the reduced proportion in terms of population numbers as reported in the 2011 Census data results. The effect of this on the department was a substantial reduction in the budget over the entire period. Also in the 2013/14 MTEF, additional funding was allocated for the uMsekeli Municipal Support Services pensioners' medical aid obligation.

In the 2014/15 MTEF, the department received R18.850 million being funds suspended in the 2013/14 Adjustments Estimate to be allocated back in 2014/15, for transfer to ADA, as previously explained. Also, in the 2014/15 MTEF, additional funding was allocated for the construction and rehabilitation of CSCs, as well as for the carry-through costs of previous wage agreements, which increases significantly from 2015/16. Also in the 2014/15 MTEF, funds were suspended from the department in respect of the centralisation of parts of the communications budget and external bursaries budget under the OTP.

5.3 Summary by programme and economic classification

The services rendered by the department are categorised under four programmes, which are aligned to the uniform budget and programme structure of the Co-operative Governance and Traditional Affairs sector, as illustrated in Table 11.5 below.

Tables 11.5 and 11.6 provide a summary of the vote's payments and budgeted estimates over the seven-year period, by programme and economic classification, respectively.

Table 11.5 : Summary of payments and estimates by programme: Co-operative Governance and Traditional Affairs

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
1. Administration	182 707	249 299	298 049	245 922	305 081	305 081	318 005	330 889	345 095
2. Local Governance	183 568	166 716	182 089	193 190	229 644	229 644	208 791	217 971	230 510
3. Development and Planning	476 780	451 194	614 226	581 377	420 719	420 719	525 621	506 432	536 742
4. Traditional Institutional Management	159 534	239 140	220 186	227 207	290 898	290 898	295 659	307 377	323 260
Total	1 002 589	1 106 349	1 314 550	1 247 696	1 246 342	1 246 342	1 348 076	1 362 669	1 435 607

Table 11.6 : Summary of payments and estimates by programme: Co-operative Governance and Traditional Affairs

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Current payments	586 678	712 234	799 663	1 205 926	966 792	961 855	1 087 152	1 148 529	1 206 289
Compensation of employees	293 722	343 521	411 741	478 510	531 485	523 624	600 466	666 637	713 983
Goods and services	292 956	368 713	387 922	727 416	435 307	438 231	486 686	481 892	492 306
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	398 590	357 371	456 986	10 462	221 915	225 804	180 112	140 511	137 553
Provinces and municipalities	394 926	348 281	444 587	6 251	210 825	210 825	156 057	135 277	131 077
Departmental agencies and accounts	-	1 700	1 000	-	-	3 571	20 651	2 000	2 142
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	558	-	-	-	-	-	-
Non-profit institutions	-	-	100	-	-	-	-	-	-
Households	3 664	7 390	10 741	4 211	11 090	11 408	3 404	3 234	4 334
Payments for capital assets	16 456	36 569	57 757	31 308	57 635	58 683	80 812	73 629	91 765
Buildings and other fixed structures	11 985	22 625	24 225	20 250	36 488	36 488	59 903	60 644	78 612
Machinery and equipment	4 461	13 914	29 188	11 058	17 063	18 082	18 209	10 478	10 653
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	10	30	4 344	-	4 084	4 113	2 700	2 507	2 500
Payments for financial assets	865	175	144	-	-	-	-	-	-
Total	1 002 589	1 106 349	1 314 550	1 247 696	1 246 342	1 246 342	1 348 076	1 362 669	1 435 607

The budget reflects steady growth over the period under review, with a slight reduction in 2013/14, which can be attributed to various once-off allocations in 2012/13, as explained below.

Programme 1: Administration expenditure reflects a substantial increase in 2011/12 and 2012/13 due to additional liability claims by the Government Employees Pension Fund (GEPF) for officials retiring prior

to the pensionable age (both early retirement and voluntary severance packages), as well as the communication and consultation for departmental projects, such as the installation of *Amakhosi*, the LED summit, etc. In addition, the department undertook virements from other programmes to this programme in 2012/13 to cater for various once-off costs such as vehicle maintenance, computer services and training costs that were under-budgeted for, hence the reduction in the 2013/14 Main Appropriation. The substantial increase in the 2013/14 Adjusted Appropriation relates to the improvement of the ICT system in the department as per the recommendations of the A-G, and the maintenance and upgrading of various departmental buildings as recommended by Public Works, the increase in operating leases with the re-negotiation of lease agreements in 2013 for the Southern Life Plaza building in Pietermaritzburg, the expansion of the external bursary programme, the increase in fuel costs for the departmental fleet, the cost of advertising departmental events and recruitment, etc. Also, additional funding was allocated for the Nelson Mandela Marathon event, which took place on 25 August 2013. The increase over the MTEF is mainly to cater for the filling of vacant posts, while taking into account the moratorium on the filling of non-critical posts, as well as additional funding allocated for the carry-through costs of previous wage agreements. This was offset by the suspension of funds in respect of the centralisation of parts of the communications budget and the external bursaries budget under OTP.

Programme 2: Local Governance shows a decrease in 2011/12 mainly due to delays such as longer than anticipated tender processes in the municipal audit queries project, special interventions (such as Municipal Governance and Administration Experts: Shared Deployment), as well as the water purification plant projects. The increase in 2012/13 can be attributed to the establishment of an animal pound in the Nongoma Municipality, and Councillor training on municipal structures and management. The increase in the 2013/14 Adjusted Appropriation relates to virements from Programme 3 due to non-transfers of earmarked allocations for the Corridor Development and the Small Town Rehabilitation programmes as a result of slow spending by the municipalities to cater for the shortfall in the appointment of additional 127 CDWs to ensure functionality in wards in respect of OSS. In addition, the virements were utilised for the deployment of additional skilled professionals and administrators in municipalities who provided municipal governance and administration hands-on support, and assisted municipalities in determining, reviewing and implementing appropriate municipal governance and administration processes, systems, plans, frameworks and procedures. Most of these projects were once-off, hence the decrease in 2014/15. The growth over the MTEF is mainly inflationary increments.

The decrease in 2011/12 against Programme 3: Development and Planning was as a result of the reprioritisation of funding for the Corridor Development and the Small Town Rehabilitation programmes, due to slow spending by the municipalities to Programme 4 for the installation of TCs and the induction of new TC and Local House members, among others. The substantial increase in 2012/13 relates to the roll-over for the construction of three TACs by IDT, and the installation of water purification plants. In addition, the department undertook the improvement of disaster management centres' capabilities, the formalisation of 13 towns and the Massification programme. These were once-off, hence the reduction in the 2013/14 Main Appropriation. The decrease in the 2013/14 Adjusted Appropriation can be ascribed to funds reprioritised to Programmes 1, 2 and 4. The department, prior to 2014/15, budgeted for projects such as Corridor Development, Massification, Small Town Rehabilitation and LED programmes under *Goods and services* during the budget process, but shifted funds to *Transfers and subsidies to: Provinces and municipalities* in-year, after an annual departmental exercise indicated that the municipalities had the necessary capacity to deliver on the particular projects themselves. However, as a result of slow spending by these municipalities in 2012/13 and in the early part of 2013/14, the department did not transfer the funds as anticipated. As such, the funds were moved to other programmes to offset spending pressures in the 2013/14 Adjusted Appropriation. The decrease in 2015/16 is due to reprioritisation to Programme 4. However, additional funding was allocated against this programme in respect of the construction and rehabilitation of CSCs, as well as the re-allocation of funds for transfer to ADA for the Uthukela *Amakhosi* programme and the Msinga Co-operative in 2014/15 only, hence the decrease in 2015/16. The 2014/15 budget includes funding in respect of the EPWP Integrated Grant for Provinces, which will be used for the Food for Waste programme, as previously explained. This grant is allocated annually and is based on previous year's performance, hence there is no allocation in the two outer years of the MTEF.

With regard to Programme 4: Traditional Institutional Management, the substantial increase in 2011/12 relates to the once-off back-dated salary adjustments of *Amakhosi*, the induction of new TC and Local House members, etc. The decrease in 2012/13 mainly relates to funds reprioritised from this programme due to the slow start in the construction of *Imizi Yesizwe* as a result of the longer than anticipated consultations with the *Amakhosi* with regard to the approval of plans and designs, such as changing tiled roofing to thatch and installing solar power as there is no Eskom supply of electricity in some areas. Also contributing to the decrease was the cancellation of the *Ondlunkulu* project, which is a structured co-operative programme for the wives of *Amakhosi*, due to other departments, such as Arts and Culture, Land Reform and Agriculture, Environmental Affairs and Rural Development, being involved with a similar project, as well as the cancellation of the Community Development Project which did not adequately address job creation, poverty reduction and enhancement of community livelihood. The increase in the 2013/14 Adjusted Appropriation can be attributed to funds reprioritised from Programme 3 to cater for the increase in the salaries of *Amakhosi*, as per the President's proclamation, the increase in stipends paid to *Izinduna* and the TC secretaries, as well as the sitting allowance for the TC members. In addition, the funding was to cater for the amendment of legislation and refinement of the PMS policy, the purchase of Pastel software for the traditional levies and trust account in TCs, a seminar on Umzimkulu (which involves research on Umzimkulu and the former Natal regarding Traditional Leadership in general), and the establishment of a Commission on Disputes to resolve disputes among *Amakhosi*. The increase over the MTEF is to cater for the filling of vacant posts (taking into account the moratorium on the filling of non-critical vacant posts), and the increase in infrastructure support (including the construction of *Imizi Yesizwe*), office equipment/furniture for TACs and renovations and maintenance of existing infrastructure.

Compensation of employees reflects a substantial increase, especially from 2011/12 onward, due to above-budget wage agreements, as well as the carry-through costs of the third phase (which is the last phase) of OSD for technicians such as land surveyors, engineers and legal staff. The first and second phases of the OSD were implemented in 2009/10 and 2010/11, respectively. The increase in the 2013/14 Adjusted Appropriation was to cater for the salaries of 127 newly appointed CDWs, the deployment of additional skilled professionals and administrators in municipalities, the payment of acting allowances for officials, as well as officials being upgraded from levels 9 to 10 and 11 to 12 in terms of the DPSA circular issued. The reduction in the 2013/14 Revised Estimate relates to funds reprioritised as a result of slower than anticipated filling of vacant posts to other categories to cater for spending pressures, which is explained in each category below. The growth over the MTEF is mainly in respect of filling of posts, as well as inflationary increases. Additional funds are allocated for the carry-through costs of previous wage agreements over the MTEF.

Goods and services reflects an increasing trend over the period under review. The high growth in 2011/12 and 2012/13 was due to the implementation of projects such as audit and financial support to municipalities, Councillor training on municipal structures and management, among others. Prior to 2014/15, the department budgeted for programmes such as the Massification, Corridor Development, LED, Disaster Management and Small Town Rehabilitation under this category during the budget process, as previously explained. The department then undertook an annual exercise which indicated which municipalities had the necessary capacity to deliver on the particular projects themselves. Once the municipalities were identified, the department shifted the funds to *Transfers and subsidies to: Provinces and municipalities* during the Adjustments Estimate. This explains the high amount in the 2013/14 Main Appropriation. However, during the 2014/15 budget process, the department was requested by Provincial Treasury to identify the beneficiary municipalities and budget for them accordingly, rather than budgeting for these projects under *Goods and services* and then shifting the funds in the Adjustments Estimate. This is done in order to gazette the transfers so that the municipalities can plan and budget for the various projects. This also explains the trend against *Transfers and subsidies to: Provinces and municipalities* over the same period. The amounts shifted from this category to *Transfers and subsidies to: Provinces and municipalities* in the 2013/14 Adjusted Appropriation relate to the above-mentioned projects, to be implemented by the municipalities. The increase in the 2013/14 Revised Estimate was mainly to cater for costs of venues and facilities in respect of the second BRICS Urbanisation Forum and the third Friendship Cities and Local Government Co-operation Forum that were higher than anticipated. The department reprioritised funds from *Compensation of employees* to *Goods and services* in 2014/15 only for the

finalisation of the PDMC at Mkondeni, and this explains the slight decrease in 2015/16. The 2014/15 budget includes funding for the EPWP Integrated Grant for Provinces, which will be used for the Food for Waste programme, as previously explained. Funds in respect of the centralisation of parts of the communications budget and external bursaries budget were suspended to OTP over the MTEF period.

With regard to *Transfers and subsidies to: Provinces and municipalities*, there is a correlation between this category and *Goods and services* in prior years, as explained above. However, from the 2014/15 MTEF, the department will be budgeting for transfers to municipalities against this category. The amount in the 2013/14 Main Appropriation was in respect of projects such as the Development Planning Shared Services, community participation in IDPs, operational support to TSCs, etc., undertaken by municipalities. The amounts against this category also provide for the payment of motor vehicle licences. The decreasing amounts over the MTEF can be attributed to reprioritisation undertaken to *Goods and services* in respect of tools of trade for the additional CDWs that will be appointed over the MTEF. The department was requested to appoint CDWs in all 828 wards in terms of a Cabinet resolution. According to the department, an additional 359 CDWs need to be appointed. The department intends appointing 100 CDWs for the next three years, until all the wards have a CDW.

The amounts reflected against *Transfers and subsidies to: Departmental agencies and accounts* in 2011/12 and 2012/13 relate to transfers to public entities, such as ADA for various LED projects (such as KwaSani communal vegetable farming and for an agri-processing facility at Middlerus in Mpofana) and the KZN Tourism Authority (TKZN) for the erection of tourism signage. The amount in the 2013/14 Revised Estimate relates to funds to be transferred to ADA to commence with the implementation of the Uthukela *Amakhosi* programme and the Msinga Asisukume Co-operative in 2013/14, which will be fully implemented in 2014/15, and hence the high amount in 2014/15. The amounts over the MTEF also cater for the Public Service Sector Education and Training Authority (PSETA) levy. The department is required to set aside 30 per cent of 1 per cent of the *Compensation of employees* budget for training, and pay over to the PSETA in terms of the Skills Development Act.

With regard to *Transfers and subsidies to: Public corporations and private enterprises*, the once-off amount in 2012/13 relates to donations to the South African Planning Institute (SAPI) in respect of the Planning Africa Conference (PAC) which promotes information sharing and/or continuous professional development in the planning arena. Also in 2012/13, the KZN Top Business Portfolio received a once-off amount for the update of promotional DVDs to showcase successful growth in the province.

The once-off amount against *Transfers and subsidies to: Non-profit institutions* in 2012/13 was in respect of a donation to Sakhisizwe Management Agency (who undertakes the co-ordination, managing and organising of various traditional music in various forms and crafts) for the heritage month celebration.

Transfers and subsidies to: Households fluctuates over the period due to the payment of voluntary severance packages, staff exit costs and bursaries to students. The substantial increase in 2012/13 was to cater for leave gratuities, early retirement and voluntary severance packages to supernumerary staff, as well as the payment of the uMsekeli Municipal Support Services pensioners' medical aid obligation, which is continued over the 2014/15 MTEF. The high 2013/14 Adjusted Appropriation was in respect of the higher than anticipated expenditure with regard to the expansion of the external bursary programme offered by the department in areas such as civil and electrical engineering, town planning, municipal finance, general accounting, etc., as well as higher than anticipated staff exit costs.

The expenditure against *Buildings and other fixed structures* relates to the construction and rehabilitation of TSCs, TACs and *Imizi Yesizwe*. The increase in 2011/12 and 2012/13 was due to the increased demand for the construction of TACs and *Imizi Yesizwe*, hence the slight decrease in the 2013/14 Main Appropriation. The increase in the 2013/14 Adjusted Appropriation was mainly for the completion of the Mkondeni PDMC and the construction of CSCs in Jozini (Ingwenya CSC), uMlalazi (Biyela CSC) and Abaqulusi (Xulu CSC) to incorporate a wide spectrum of government, commercial, local economic development, educational and private sector services and ensure localised integrated service delivery for communities. The growth over the MTEF includes allocations for the construction of TACs, *Imizi Yesizwe*, etc. Additional funding was allocated for the construction and rehabilitation of CSCs in 2014/15 only.

Machinery and equipment fluctuates due to the filling of vacant posts and the related costs of the purchase and replacement of office furniture, computer equipment and vehicles. The low amount in 2010/11 can be attributed to computer servers and vehicles ordered but not delivered before year-end, and hence the increase in 2011/12 when the invoices were paid. The substantial increase in 2012/13 relates to the purchase of tools of trade for CDWs, roll-over of funds for the payment of computer servers ordered but not delivered before year-end, as well as the purchase of computer equipment. These additional allocations were once-off, and hence the decrease in the 2013/14 Main Appropriation. The increase in the 2013/14 Adjusted Appropriation and the 2013/14 Revised Estimate relates to funds reprioritised for the purchase of furniture and computer equipment for new appointees and TSCs, as well as the replacement of computer equipment in terms of the department's IT policy. The decrease in 2015/16 and 2016/17 can be ascribed to the department not anticipating any major purchases such as vehicles and computer servers, at this stage. This will be reviewed in future MTEFs.

Spending in 2010/11 and 2011/12 against *Software and other intangible assets* was in respect of once-off computer software packages (system hosting servers, Blackberry Enterprise Services software, etc.). The amounts from 2012/13 onward are in respect of the purchase of the Pastel Evolution software for the traditional levies and trust account in TCs.

The amounts from 2010/11 to 2012/13 against *Payments for financial assets* relate to the write-off of irrecoverable staff debts.

5.4 Summary of expenditure by district municipal area

Table 11.7 below illustrates spending within district municipal areas, excluding administrative costs. The variation of spending in each area is in line with the particular needs in the district municipal areas.

Table 11.7 : Summary of payments and estimates by district municipal area

R thousand	Audited Outcome	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16	2016/17
eThekweni	10 080	8 671	1 000	1 000	1 000
Ugu	4 898	5 815	13 810	14 171	10 400
uMgungundlovu	493 402	506 493	473 512	505 540	530 388
Uthukela	4 639	4 266	5 850	24 750	21 486
Umzinyathi	9 925	7 361	7 050	17 250	18 187
Amajuba	11 326	5 810	11 000	12 250	3 400
Zululand	6 573	12 260	6 850	250	13 186
Umkhanyakude	14 922	5 010	250	8 100	7 400
uThungulu	8 249	4 966	37 055	3 250	13 186
Ilembe	5 423	4 466	28 131	18 206	8 400
Sisonke	7 177	10 145	11 250	4 100	3 400
Total	576 614	575 263	595 758	608 867	630 433

Spending against the district municipal areas reflects an increasing trend, with the exception of a slight drop in 2013/14 due to slow spending by municipalities and, as such, not all funding is transferred to them by year-end.

The spending is notably high against uMgungundlovu due to the bulk of the funding allocated for Corridor Development, Massification and the Small Town Rehabilitation programmes being implemented by the department's head office, which is based in this district. Also, the department has centrally allocated the bulk of its budget against uMgungundlovu over the MTEF, and will allocate this funding to the respective municipalities as and when projects are undertaken. These are projects that will be undertaken by the department.

The fluctuations in the districts are due to the PGDP and PGDS initiatives, which are gradually being implemented. The spread across districts reflects construction, maintenance and repairs of TSCs and TACs, as well as the rehabilitation that was done to TACs and TSCs. The high spending in most municipalities in 2012/13 relates to the Corridor Development, Massification and the Small Town Rehabilitation programmes being implemented.

The amounts in 2012/13 and the 2013/14 Revised Estimate against the eThekweni Metro were mainly in respect of the Massification and Corridor Development programmes. The amounts over the MTEF are for the sustainable living exhibition in eThekweni to showcase sustainability efforts such as community development, and to provide a learning and shared experience in development planning to the public, especially school learners as they are the future leaders.

The fluctuating trends against all the municipalities are based on the projects in respect of Corridor Development, Massification and the Small Town Rehabilitation programmes undertaken.

5.5 Summary of conditional grant payments and estimates

Table 11.8 provides a summary of the conditional grant payments and budgeted estimates over the seven-year period, by grant name and economic classification, respectively. Detailed information on the conditional grant is given in the *Annexure – Vote 11: Co-operative Governance and Traditional Affairs*.

Table 11.8 : Summary of conditional grants payments and estimates by name

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
EPWP Integrated Grant for Provinces	-	-	-	-	-	-	3 471	-	-
Total	-	-	-	-	-	-	3 471	-	-

The department received the EPWP Integrated Grant for Provinces for the first time in 2014/15 as reflected in Table 11.8. The funds are allocated against *Goods and services* to be utilised for the creation of EPWP job opportunities through the Food for Waste Programme, which involves the most needy community members. The members collect domestic waste from households and in public areas and, in return, receive food parcels. This grant is allocated on an annual basis and is based on previous year's performance, hence no funds are allocated in the two outer years of the 2014/15 MTEF, at this stage.

5.6 Summary of infrastructure payments and estimates

Table 11.9 below summarises the infrastructure expenditure and estimates relating to the department. With regard to the infrastructure expenditure and budget, this category reflects a healthy growth over the period under review, with substantial growth from the 2013/14 Adjusted Appropriation and over the MTEF.

Table 11.9 : Summary of infrastructure payments and estimates by category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
New and replacement assets	7 764	3 782	18 270	13 250	25 488	25 488	47 730	53 839	70 948
Existing infrastructure assets	4 613	12 843	5 955	7 000	11 000	11 000	12 173	6 825	7 664
Upgrades and additions	-	-	-	-	-	-	-	-	-
Rehabilitation, renovations and refurbishments	4 221	12 843	5 955	7 000	11 000	11 000	12 173	6 825	7 664
Maintenance and repairs	392	-	-	-	-	-	-	-	-
Infrastructure transfers	-	6 000	-	-	-	-	-	-	-
Current	-	-	-	-	-	-	-	-	-
Capital	-	6 000	-	-	-	-	-	-	-
Total	12 377	22 625	24 225	20 250	36 488	36 488	59 903	60 664	78 612

New and replacement assets reflects the provision for the construction of TACs and *Imizi Yesizwe*. The decrease in 2011/12 was due to slow progress in the construction of the TACs and the houses for *Amakhosi* before year-end, which is attributed to the longer than anticipated local labour negotiations with *Amakhosi* and the council, as well as the longer than anticipated consultations with *Amakhosi* with regard to the approval of plans and designs, respectively. The increase in 2012/13 relates to funds rolled over in respect of the construction of these TACs and houses for *Amakhosi*, hence the decrease in the 2013/14 Main Appropriation. The growth in the 2013/14 Adjusted Appropriation was attributed to additional funding toward the completion of the PDMC at Mkondeni, as well as funds reprioritised for the construction of CSCs in various municipalities. The substantial growth over the MTEF can be ascribed to funds allocated in respect of the construction of further CSCs and houses for *Amakhosi*.

Rehabilitation, renovations and refurbishments reflects the refurbishment and renovation of existing TACs, TSCs and MPCCs. The high expenditure in 2011/12 was due to more work undertaken by IDT in refurbishing the centres. The department reprioritised funds away from this category in 2012/13 due to the slow progress in respect of the refurbishment of existing TACs and TSCs, to other categories to offset spending pressures such as recruitment and selection, maintenance and repairs of various departmental buildings, etc. The increase in the 2013/14 Adjusted Appropriation was for the rehabilitation of TSCs, which were higher than anticipated. The high amount in 2014/15 is due to the once-off additional allocation for the rehabilitation of three CSCs.

The expenditure against *Maintenance and repairs* in 2010/11 was in respect of the maintenance of TACs and TSCs in terms of the Rural Connectivity programme, in order to provide support to the communities and traditional institutions. The department no longer allocates funds to this category from 2011/12 onward due to the department taking over the function and maintaining of these buildings itself.

The amount against *Infrastructure transfers: Capital* in 2011/12 was in respect of transfer payments to municipalities for the construction of TSCs. The department moved funds away from this category from 2012/13 onward, as it plans to undertake the construction of these centres itself.

Further details of the department's infrastructure payments and estimates are presented in *Annexure – Vote 11: Co-operative Governance and Traditional Affairs*.

5.7 Summary of Public Private Partnerships – Nil

5.8 Transfers to public entities listed in terms of Schedule 3 of the PFMA

Table 11.10 below summarises the transfer payments to public entities that are listed in terms of Schedule 3 of the PFMA.

It should be noted that these public entities do not fall under the auspices of the department. The department is only using them as implementing agents.

Table 11.10 : Summary of departmental transfers to public entities

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Agri-business Development Agency	-	1 700	-	-	-	3 571	18 850	-	-
KwaZulu-Natal Tourism Authority	-	-	1 000	-	-	-	-	-	-
Total	-	1 700	1 000	-	-	3 571	18 850	-	-

The department made a once-off transfer in 2011/12 to ADA in respect of a communal vegetable farming project at KwaSani, and an agri-processing facility at Middlerus in Mpofana. The amount in the 2013/14 Revised Estimate is to commence with the implementation of the Uthukela *Amakhosi* programme and the Msinga Asisukume Co-operative, with full implementation being planned in 2014/15, hence the high amount in 2014/15. The department, prior to 2014/15, budgeted for various projects under *Goods and services* during the budget process, and then shifted the funds to *Transfers and subsidies to: Provinces and municipalities* during the Adjustments Estimate, as previously explained. However, due to capacity constraints in the municipalities in 2013/14, the department appointed ADA to implement these projects. As such, the funds were moved to *Transfers and subsidies to: Departmental agencies and accounts* rather than *Transfers and subsidies to: Provinces and municipalities*. But ADA indicated that negotiations were not yet finalised, and therefore the projects will only fully commence in 2014/15, and also taking into account the seasonal nature of the agriculture projects. As a result, the department and ADA agreed to suspend the proposed transfer of funds to 2014/15.

The once-off amount reflected in 2012/13 relates to a transfer to TKZN for the erection of tourism signage in municipalities.

5.9 Transfers to other entities

Table 11.11 reflects a summary of transfers to other entities.

Table 11.11 : Summary of departmental transfers to other entities

R thousand	Sub-programme	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
		2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
KZN Top Business	2.1: Municipal Administration	-	-	158	-	-	-	-	-	-
Sakhisizwe Org.	3.1: Spatial Planning	-	-	100	-	-	-	-	-	-
SAPI	4.1: Traditional Institutional Adm.	-	-	400	-	-	-	-	-	-
Total		-	-	658	-	-	-	-	-	-

The department made once-off donations in 2012/13 to the KZN Top Business Portfolio with regard to the update of promotional DVDs to showcase successful growth in the province, SAPI in respect of the PAC and Sakhisizwe Management Agency for the heritage month celebration.

5.10 Transfers to local government

Table 11.12 details the transfers to local government, summarised according to categories A, B and C. Table 11.13 provides the departmental transfers to local government by grant name.

Detailed information on the departmental transfers to local government by transfer/grant type, category and municipality is given in *Annexure – Vote 11: Co-operative Governance and Traditional Affairs*.

Transfers to local government include funds in respect of motor vehicle licences. These funds will not be transferred to any municipality and, hence, the amounts are not reflected in Table 11.12.

Table 11.12 : Summary of departmental transfers to local government by category

R thousand	Category	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
		2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
	Category A	21 800	6 925	-	-	4 000	4 000	1 000	1 000	1 000
	Category B	143 459	169 020	244 481	2 000	174 824	174 824	40 232	18 000	9 786
	Category C	229 554	172 216	199 963	2 000	31 750	31 750	114 645	116 077	120 090
	Unallocated	-	-	-	2 000	-	-	-	-	-
Total		394 813	348 161	444 444	6 000	210 574	210 574	155 877	135 077	130 876

Table 11.13 : Summary of departmental transfers to local government by grant name

R thousand	Sub-programme	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
		2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
	Mun. Govt. & Fin. Experts: Shared Deployment		5 800	5 600	-	-	-	-	-	-
	Implementation of Pound Act		12 000	-	-	-	-	-	-	-
	Inter-Governmental Relations		4 170	-	-	-	-	-	-	-
	Provincial Interventions		1 300	-	-	-	-	-	-	-
	Umzimkulu Support		36 873	25 320	-	-	-	-	-	-
	Public Part. Citizen Satisf. Survey		-	-	2 260	-	-	-	-	-
	Municipal Excellence award		-	-	3 000	-	3 000	-	-	-
	Schemes Support Programme		-	2 250	-	-	-	2 705	-	-
	Town Settlement Form. Support		800	1 000	-	-	-	-	-	-
	Corridor Development		114 068	96 447	111 300	-	70 700	58 500	54 421	52 500
	Municipal LED		6 400	12 080	-	-	-	-	-	-
	Small Town Rehabilitation		92 769	74 220	125 545	-	83 797	26 300	22 500	17 500
	Construction of TSCs		-	6 000	-	-	-	-	-	-
	Operational Support for TSCs		148	5 000	1 600	2 000	250	5 250	-	-
	Provisional Security (MPCCs)		-	4 500	-	-	-	-	-	-
	Urban Development Framework		3 758	-	-	-	-	-	-	-
	Massification Programme		101 000	102 033	145 800	-	39 827	31 372	52 956	55 076
	uMhlathuze Water		-	-	-	-	-	21 000	-	-
	Disaster Management		11 500	3 000	17 740	-	8 000	5 000	-	-
	Community participation in IDPs		-	-	2 000	2 000	2 000	-	-	-
	Development Planning and Shared Services		4 227	5 461	2 000	2 000	2 000	4 750	4 200	4 800
	District Growth and Dev. Summit		-	-	4 000	-	-	-	-	-
	Sustainable Living Exhibition		-	-	-	-	1 000	1 000	1 000	1 000
	Community Development Projects		-	5 250	-	-	-	-	-	-
	Various		-	-	29 199	-	-	-	-	-
Total		394 813	348 161	444 444	6 000	210 574	210 574	155 877	135 077	130 876

The amounts against transfers to local government reflect a fluctuating trend over the period under review. As previously explained, the bulk of the transfer payments, such as the Corridor Development, Massification and the Small Town Rehabilitation programmes, were budgeted for under *Goods and services* during the budget process and were reclassified as *Transfers and subsidies to: Provinces and municipalities* in the Adjustments Estimate, and hence the low 2013/14 Main Appropriation. However, in the 2014/15 budget process, the department was requested to budget for these projects against *Transfers and subsidies to: Provinces and municipalities*, hence the amounts over the MTEF. This is done in order to gazette the transfers so that the municipalities can plan and budget for the various projects.

The decrease in 2011/12 was largely due to once-off funding in 2010/11 in respect of the implementation of the Pound Act, the decrease in funding for the Umzimkulu support, non-transfers of the full budgeted Corridor Development programme and Disaster Management allocations due to slow spending by the municipalities. As previously explained, the increase in the 2013/14 Adjusted Appropriation was due to funds shifted from *Goods and services* for various Corridor Development, Massification and Small Town Rehabilitation programmes. The MTEF allocations are mainly in respect of these projects that will be undertaken by municipalities.

The once-off amount allocated in 2014/15 against uMhlathuze Water is for the bucket eradication programme, as well as provision of water tankers (reserve for times of need) in the uMhlathuze area.

The amount against Unallocated in the 2013/14 Main Appropriation was due to the department not being able to identify the recipient municipalities during the 2013/14 budget process. This was addressed in the 2013/14 Adjusted Appropriation.

5.11 Transfers and subsidies

Table 11.14 below is a summary of transfers and subsidies expenditure and estimates at an item level for each programme of the department. The category shows a fluctuating trend over the seven-year period.

As previously explained, the fluctuations relate mainly to the department budgeting for projects such as the Corridor Development, Massification and the Small Town Rehabilitation programmes under *Goods and services* during the budget process and these are reclassified as *Provinces and municipalities* in the Adjustments Estimate. The department now budgets for these projects under *Provinces and municipalities* during the budget process. Details of the main fluctuations are provided above and below the table.

The low expenditure in 2011/12 can be ascribed to various transfers for the Corridor Development programme and Disaster Management allocations that were not transferred to municipalities due to slow spending by these municipalities.

- The amounts against *Households* in all four programmes cater for the payment of leave gratuities, early retirement, as well as severance packages. Programme 1 also reflects the uMsekeli Municipal Support Services pensioners' medical aid obligation, as well as bursaries to students not employed by the department. This category is difficult to forecast, accounting for the fluctuations from 2010/11 onward.
- *Transfers and subsidies* under Programme 1 fluctuates over the seven years, largely due to the nature of transfers.
 - *Provinces and municipalities* relates to the payment of motor vehicle licences.
 - *Departmental agencies and accounts* caters for the payment to PSETA, as previously explained.
- *Transfers and subsidies* under Programme 2 fluctuates over the seven-year period due to the following:
 - *Provinces and municipalities* in respect of various municipal projects such as the support to Umzimkulu, implementation of the Pound Act, municipal governance, etc., some of which were once-off.

Table 11.14 : Summary of transfers and subsidies by programme and main category

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
1. Administration	2 029	6 658	8 839	4 002	8 984	8 984	4 615	4 734	4 927
Provinces and municipalities	113	120	143	251	251	251	180	200	201
Motor vehicle licences	113	120	143	251	251	251	180	200	201
Departmental agencies and accounts	-	-	-	-	-	-	1 801	2 000	2 142
PSETA	-	-	-	-	-	-	1 801	2 000	2 142
Households	1 916	6 538	8 696	3 751	8 733	8 733	2 634	2 534	2 584
Other (Bursaries & Claims against the state)	1 208	2 389	3 948	1 200	5 543	5 543	-	-	-
Social benefits - Post retirement benefits	708	4 149	4 748	2 551	3 190	3 190	2 634	2 534	2 584
2. Local Governance	60 599	31 348	15 401	100	3 690	3 809	450	150	550
Provinces and municipalities	60 143	30 920	14 160	-	3 000	3 000	-	-	-
Umzimkulu Support	36 873	25 320	-	-	-	-	-	-	-
Mun. Govt. & Fin. Experts	5 800	5 600	-	-	-	-	-	-	-
Implementation of Pound Act	12 000	-	-	-	-	-	-	-	-
Inter-Governmental Relations	4 170	-	-	-	-	-	-	-	-
Provincial Interventions	1 300	-	-	-	-	-	-	-	-
Pounds Act	-	-	1 000	-	-	-	-	-	-
Public Participation Citizen Satisfaction survey	-	-	2 260	-	-	-	-	-	-
Municipal Excellence Awards	-	-	3 000	-	3 000	3 000	-	-	-
Accredited Councillor Training	-	-	2 000	-	-	-	-	-	-
Municipal Data Cleansing	-	-	4 300	-	-	-	-	-	-
Deployment of Skilled professionals	-	-	1 600	-	-	-	-	-	-
Public corporations and private enterprises	-	-	158	-	-	-	-	-	-
KZN Top Business	-	-	158	-	-	-	-	-	-
Households	456	428	1 083	100	690	809	450	150	550
Other transfers to households	-	36	11	-	-	-	-	-	-
Social benefits - Post retirement benefits	456	392	1 072	100	690	809	450	150	550
3. Development and Planning	335 180	313 691	431 707	6 000	207 947	211 717	174 847	135 077	130 876
Provinces and municipalities	334 670	311 991	430 284	6 000	207 574	207 574	155 877	135 077	130 876
Small Town Rehabilitation	92 769	74 220	125 545	-	83 797	83 797	26 300	22 500	17 500
Corridor Development	114 068	96 447	111 300	-	70 700	70 700	58 500	54 421	52 500
Massification	101 000	102 033	145 800	-	39 827	39 827	31 372	52 956	55 076
LED	6 400	12 080	14 100	-	-	-	-	-	-
Operational Support for TSCs	148	5 000	1 600	2 000	250	250	5 250	-	-
Provisional Security (MPCCs)	-	4 500	-	-	-	-	-	-	-
Construction of TSCs	-	6 000	-	-	-	-	-	-	-
Development Planning Shared Services	4 227	5 461	2 000	2 000	2 000	2 000	4 750	4 200	4 800
Disaster Management	11 500	3 000	17 740	-	8 000	8 000	5 000	-	-
Town Settlement Formalisation Support	800	1 000	-	-	-	-	-	-	-
Community Participation in IDPs	-	-	2 000	2 000	2 000	2 000	-	-	-
District Growth and Development Summit	-	-	4 000	-	-	-	-	-	-
Operations and Maintenance	-	-	4 925	-	-	-	-	-	-
MIG and MIS Grant	-	-	74	-	-	-	-	-	-
Formalisation of Small Towns	-	-	1 200	-	-	-	-	-	-
Urban Development Framework	3 758	-	-	-	-	-	-	-	-
Schemes Support Programme	-	2 250	-	-	-	-	2 705	-	-
Sustainable Living Exhibition	-	-	-	-	1 000	1 000	1 000	1 000	1 000
uMhlathuze Water	-	-	-	-	-	-	21 000	-	-
Departmental agencies and accounts	-	1 700	1 000	-	-	3 571	18 850	-	-
ADA	-	1 700	-	-	-	3 571	18 850	-	-
TKZN	-	-	1 000	-	-	-	-	-	-
Public corporations and private enterprises	-	-	400	-	-	-	-	-	-
SAPI	-	-	400	-	-	-	-	-	-
Households	510	-	23	-	373	572	120	-	-
Social benefits - Post retirement benefits	510	-	23	-	373	572	120	-	-
4. Traditional Institutional Management	782	5 674	1 039	360	1 294	1 294	200	550	1 200
Provinces and municipalities	-	5 250	-	-	-	-	-	-	-
Community Development Project	-	5 250	-	-	-	-	-	-	-
Non-profit institutions	-	-	100	-	-	-	-	-	-
Sakhisizwe Organisation	-	-	100	-	-	-	-	-	-
Households	782	424	939	360	1 294	1 294	200	550	1 200
Social benefits - Post retirement benefits	782	424	939	360	1 294	1 294	200	550	1 200
Total	398 590	357 371	456 986	10 462	221 915	225 804	180 112	140 511	137 553

Public corporations and private enterprises in respect of a donation to the KZN Top Business Portfolio with regard to the update of promotional DVDs to showcase successful growth in the province.

- *Transfers and subsidies* under Programme 3 shows significant fluctuations due to the following:
 - *Provinces and municipalities* represents municipal projects such as the Corridor Development, Massification and the Small Town Rehabilitation programmes, etc. The allocations decrease in

2015/16 and 2016/17 due to once-off projects in 2014/15. The amount allocated in 2014/15 against uMhlathuze Water is for the bucket eradication programme, as well as provision of water tankers in the uMhlathuze area.

- o *Departmental agencies and accounts* relates to a transfer to ADA for the Middlerus agri-processing facility at Mpofana and a communal vegetable farming project at KwaSani in 2011/12, as well as a transfer to TKZN for the erection of tourism signage in 2012/13. The amount against ADA in the 2013/14 Revised Estimate is to commence with the implementation of the Uthukela *Amakhosi* programme and the Msinga Asisukume Co-operative, with full implementation in 2014/15.
- o *Public corporations and private enterprises* relates to a donation to SAPI in respect of the PAC.
- *Transfers and subsidies* under Programme 4 also fluctuates over the seven-year period due to:
 - o *Provinces and municipalities* represents the transfer of funds for rural community development projects, such as urban development frameworks, etc.
 - o *Non-profit institutions* relates to a donation to Sakhisizwe Management Agency for the heritage month celebration.

6. Programme description

The services rendered by the department are categorised under four programmes.

As mentioned earlier, the department's budget and programme structures for the 2014/15 MTEF complies with the uniform budget and programme structure for the sector. It should be noted that the department does not adhere to the sector specific performance indicators for the Co-operative Governance and Traditional Affairs sector.

The payments and estimates for each programme are summarised in terms of economic classification. Details are given in the *Annexure – Vote 11: Co-operative Governance and Traditional Affairs*.

6.1 Programme 1: Administration

This programme is responsible for the provision of all corporate and financial support services to the department, as well as the Office of the MEC. The programme consists of two sub-programmes, namely: Office of the MEC and Corporate Services.

Tables 11.15 and 11.16 below illustrate a summary of payments and estimates for the financial years 2010/11 to 2016/17 relating to Programme 1.

As shown in the tables, the expenditure and budget against Programme 1 reflects an increasing trend over the seven-year period under review, with substantial increases from 2011/12 onward.

The decrease in the 2013/14 Main Appropriation can be attributed to various once-off allocations in 2012/13, and these are explained below.

Table 11.15 : Summary of payments and estimates by sub-programme: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
1. Office of the MEC	20 545	17 232	18 001	22 556	22 025	22 025	23 802	26 396	28 299
2. Corporate Services	162 162	232 067	280 048	223 366	283 056	283 056	294 203	304 493	316 796
Total	182 707	249 299	298 049	245 922	305 081	305 081	318 005	330 889	345 095

Table 11.16 : Summary of payments and estimates by economic classification: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14	2013/14	2013/14	2014/15	2015/16	2016/17
Current payments	177 023	235 526	271 187	238 922	288 883	288 883	300 224	322 377	336 326
Compensation of employees	77 052	87 367	117 636	136 342	135 966	134 266	155 576	174 270	186 540
Goods and services	99 971	148 159	153 551	102 580	152 917	154 617	144 648	148 107	149 786
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	2 029	6 658	8 839	4 002	8 984	8 984	4 615	4 734	4 927
Provinces and municipalities	113	120	143	251	251	251	180	200	201
Departmental agencies and accounts	-	-	-	-	-	-	1 801	2 000	2 142
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	1 916	6 538	8 696	3 751	8 733	8 733	2 634	2 534	2 584
Payments for capital assets	2 996	7 011	17 991	2 998	7 214	7 214	13 166	3 778	3 842
Buildings and other fixed structures	-	-	-	-	-	-	4 000	-	-
Machinery and equipment	2 986	6 981	17 695	2 998	6 719	6 710	9 166	3 771	3 842
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	10	30	296	-	495	504	-	7	-
Payments for financial assets	659	104	32	-	-	-	-	-	-
Total	182 707	249 299	298 049	245 922	305 081	305 081	318 005	330 889	345 095

The decrease in the sub-programme: Office of the MEC in 2011/12 and 2012/13 was due to cost-cutting on items such as administrative fees, communication costs, advertising, etc., and non-filling of posts, respectively. The slight decrease in the 2013/14 Adjusted Appropriation can be attributed to funds reprioritised due to non-filling of posts to *Goods and services* for various projects such as the improvement in the department's ICT system, maintenance and repairs of departmental buildings, etc. The increase over the MTEF period is due to the filling of posts, taking into account the moratorium on the filling of non-critical vacant posts, and the related increase in operational costs.

The sub-programme: Corporate Services reflects an increasing trend over the period under review. The substantial increase in 2011/12 was in respect of recruitment and selection costs incurred in an effort to fill vacant posts, the replacement of vehicles and computer servers, and for departmental projects (such as the LED summit in municipalities). The increase in 2012/13 was due to various once-off allocations including funds rolled over for computer servers. Funds were also reprioritised in respect of the above-mentioned recruitment and selection costs, vehicle maintenance, computer services and training costs, as well as maintenance and repairs of various departmental buildings. In addition, provision was made for the uMsekeli Municipal Support Services pensioners' medical aid obligation. These resulted in the decrease in the 2013/14 Main Appropriation. The increase in the 2013/14 Adjusted Appropriation can be ascribed to the improvement of the ICT system in the department as per the recommendations of the A-G, and the maintenance and upgrading of various departmental buildings as recommended by Public Works. In addition, the funds will cater for the increase in operating leases with the re-negotiation of lease agreements in 2013 for the Southern Life Plaza building in Pietermaritzburg, the expansion of the external bursary programme, etc. Also, funds were allocated from the Strategic Cabinet Initiatives Fund under Vote 6: Provincial Treasury relating to the Nelson Mandela Marathon event. This was offset by funds suspended in respect of the centralisation of parts of the communications budget under the OTP, with carry-through over the MTEF. The increase over the 2014/15 MTEF is to cater for the filling of vacant posts (in line with the moratorium on the filling of non-critical vacant posts), and the uMsekeli Municipal Support Services pensioners' medical aid obligation. The increase is offset by the suspension of funds relating to the centralisation of the external bursaries budgets under OTP.

Compensation of employees shows an increasing trend from 2011/12 onward mainly due to the filling of posts, as well as annual salary increases. The slight decrease in the 2013/14 Adjusted Appropriation was due to the non-filling of posts, due to difficulty in finding suitable candidates, hence the further decrease in the 2013/14 Revised Estimate. The increase over the MTEF is to cater for the filling of vacant posts in line with the moratorium on the filling of non-critical vacant posts, as well as annual salary increases.

Goods and services reflects an increasing trend from 2011/12 to 2012/13, and thereafter the trend fluctuates. The substantial 2011/12 increase was for the recruitment and selection processes, property payments, etc. The growth in 2012/13 was in respect of recruitment and selection costs, vehicle maintenance, computer services and training costs, as well as maintenance and repairs of various departmental buildings, resulting in a decrease in the 2013/14 Main Appropriation. The increase in the 2013/14 Adjusted Appropriation can be attributed to reprioritisation undertaken for various projects such as the improvement in the department's ICT system, maintenance and repairs of departmental buildings, etc., as mentioned earlier. Funds were allocated for the Nelson Mandela Marathon event, as previously explained. This was offset by the suspension of funds in respect of the centralisation of parts of the communications budget under the OTP. Some of these allocations are once-off and account for the decrease over the MTEF. The growth over the MTEF in comparison to the 2013/14 Main Appropriation is ascribed to property payments, vehicle maintenance, etc., as well as inflationary increases.

The amounts against *Transfers and subsidies to: Departmental agencies and accounts* over the MTEF relate to the payment to PSETA, as explained previously. This was not paid prior to 2014/15, as it was introduced in late 2013/14 and will be implemented from 2014.

The high amount against *Transfers and subsidies to: Households* in 2011/12 was in respect of the additional liability claims by the GEPF for officials retiring prior to the pensionable age. The increase in 2012/13 was due to funds reprioritised to cater for leave gratuities, early retirement and severance packages, hence the decrease in the 2013/14 Main Appropriation. The growth in the 2013/14 Adjusted Appropriation pertains to the expansion of the external bursary programme offered by the department in areas such as civil and electrical engineering, town planning, municipal finance, general accounting, etc., as well as higher than anticipated staff exit costs. The MTEF allocations mainly relate to additional funds for the uMsekeli Municipal Support Services pensioners' medical aid obligation.

The once-off amount in 2014/15 against *Buildings and other fixed structures* is to purchase a park home office accommodation to accommodate the additional staff appointed for the department's Traditional Affairs unit, as well as the additional CDWs appointed in the Ixopo area.

Machinery and equipment fluctuates over the period under review. The low 2010/11 amount was due to minimal acquisitions of furniture and computer equipment due to non-filling of vacant posts. The increase in 2011/12 relates to the replacement of vehicles and computer servers. The substantial growth in 2012/13 was mainly due to payments for computer servers ordered in 2011/12 but not delivered before year-end, as well as the purchase of computer equipment that was under-budgeted for. These allocations are once-off, and hence the decrease in the 2013/14 Main Appropriation. The increase in the 2013/14 Adjusted Appropriation relates to the payment of official vehicles ordered in 2012/13, but only delivered and paid for in 2013/14. The MTEF allocations are linked to the filling of posts, and replacement of vehicles and computer equipment that are obsolete. The high 2014/15 amount is in respect of official vehicles that will be purchased.

Spending against *Software and other intangible assets* was in respect of once-off computer software packages (system hosting servers, Blackberry Enterprise Services software, etc.) required. The amount in the 2013/14 Adjusted Appropriation relates to 2012/13 invoices for Adobe Creative Suite 6 Design and Web Premium Software for the Development Information Services (DIS), which involves the establishment and maintenance of a comprehensive and accessible provincial GIS, which supports flagship projects such as the war on poverty in the province, provision of a wide range of standardised and customised maps, as well as storage and printing of orthophoto maps and plans.

The amounts from 2010/11 to 2012/13 against *Payments for financial assets* relate to the write-off of irrecoverable staff debts.

6.2 Programme 2: Local Governance

The purpose of this programme is to implement an institutional, administrative, financial and public participation framework. This programme conforms to the uniform budget and programme structure for

the Co-operative Governance and Traditional Affairs sector. The programme consists of five sub-programmes in line with the sector specific budget format, namely: Municipal Administration, Municipal Finance, Public Participation, Capacity Development and Municipal Performance Monitoring, Reporting and Evaluation.

Tables 11.17 and 11.18 below illustrate a summary of payments and estimates for 2010/11 to 2016/17 relating to Programme 2. Programme 2 shows a fluctuating trend over the period under review, as explained below.

Table 11.17 : Summary of payments and estimates by sub-programme: Local Governance

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
1. Municipal Administration	80 862	58 673	28 551	34 376	34 538	34 538	33 811	37 043	39 135
2. Municipal Finance	24 395	16 746	22 771	38 662	40 424	40 424	28 977	30 743	33 680
3. Public Participation	72 794	85 684	114 785	99 724	138 557	138 557	126 571	132 577	139 206
4. Capacity Development	618	1 311	4 422	11 750	4 752	4 752	4 990	5 189	5 449
5. Municipal Performance, Reporting & Evaluation	4 899	4 302	11 560	8 678	11 373	11 373	14 442	12 419	13 040
Total	183 568	166 716	182 089	193 190	229 644	229 644	208 791	217 971	230 510

Table 11.18 : Summary of payments and estimates by economic classification: Local Governance

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Current payments	122 583	134 790	165 391	191 925	224 285	224 166	207 419	217 482	229 473
Compensation of employees	86 476	102 203	111 694	124 253	148 737	148 618	157 007	170 811	185 053
Goods and services	36 107	32 587	53 697	67 672	75 548	75 548	50 412	46 671	44 420
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	60 599	31 348	15 401	100	3 690	3 809	450	150	550
Provinces and municipalities	60 143	30 920	14 160	-	3 000	3 000	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	158	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	456	428	1 083	100	690	809	450	150	550
Payments for capital assets	331	573	1 240	1 165	1 669	1 669	922	339	487
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	331	573	1 240	1 165	1 669	1 669	922	339	487
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	55	5	57	-	-	-	-	-	-
Total	183 568	166 716	182 089	193 190	229 644	229 644	208 791	217 971	230 510

The decrease against the sub-programme: Municipal Administration from 2011/12 onward mainly relates to the decrease with regard to Umzimkulu support, due to the incorporation of the municipality into the province being largely on target, etc. The further decrease in 2012/13 relates to the cancellation of the appointment of a panel of experts who were to undertake the implementation of the audit and financial support to municipalities, as a result of tender appeals. The decrease was mitigated by spending on the establishment of an animal pound in the Nongoma Municipality, and Councillor training on municipal structures and management. The slight increase in the 2013/14 Adjusted Appropriation was to cater for the deployment of administrators in affected municipalities. The slight decrease in 2014/15 can be attributed to the decreased amounts in respect of early retirement as a result of the decrease in the number of R293 staff. The increase from 2015/16 onward mainly caters for inflationary increases, the filling of vacant posts (bearing in mind the moratorium on the filling of non-critical posts), and annual salary increases.

The sub-programme: Municipal Finance decreased in 2011/12 mainly due to the longer than anticipated tender processes in the municipal audit queries project and the special interventions project, the slow start to the asset management framework roll-out, etc. The increase in 2012/13 and the 2013/14 Main Appropriation was for the filling of vacant posts, and associated operational expenditure, as well as the

increase in the provision for projects such as Operation Clean Audit, etc. The increase in the 2013/14 Adjusted Appropriation was in respect of financial interventions in affected municipalities. The decrease over the 2014/15 MTEF in comparison to the 2013/14 Main Appropriation can be ascribed to the completion of services in municipalities with regard to the above-mentioned projects.

The sub-programme: Public Participation reflects a fluctuating trend over the period. The increase in 2012/13 was mainly due to allocations for the employment of additional CDWs, as well as once-off allocations for the purchase of tools of trade for CDWs, the payment of leave gratuities, and early retirement and voluntary severance packages, hence the drop in the 2013/14 Main Appropriation. The increase in the 2013/14 Adjusted Appropriation was mainly due to funds reprioritised from Programme 3 to cater for the salaries, cell phone contracts, laptops, travel and subsistence and furniture, etc., of the newly appointed 127 CDWs, in order to improve their work and reporting, and for the deployment of additional skilled professionals and administrators in municipalities. The increase over the 2014/15 MTEF relates to the planned filling of vacant posts, which is also aimed at providing support to OSS in addressing service delivery needs of the communities, particularly communities in remote and rural areas and the carry-through cost of the CDWs. Additional funding was also allocated over the MTEF for the carry-through costs of previous wage agreements.

The functions of the sub-programme: Capacity Development are to ensure the development and implementation of a comprehensive capacity building strategy for municipalities. It should be noted that the sub-programme was introduced in 2012/13 in line with the budget and programme structure. The department largely adjusted the prior years (where possible) for comparative purposes. The high amount in the 2013/14 Main Appropriation can be attributed to capacitation of new council members and municipal officials, to bring them in line with requirements of their posts and functions, especially with regard to the upcoming 2014 general elections, hence the decreased allocations over the MTEF. However, the reduction in the 2013/14 Adjusted Appropriation can be ascribed to savings realised in respect of the slow progress in the filling of vacant posts. The savings were moved to other areas of spending pressures.

The sub-programme: Municipal Performance Monitoring, Reporting and Evaluation relates to strategic planning support to municipalities, with a focus on development planning, capacity building and the review and development of IDPs. The high 2012/13 amount relates to the implementation of the Monitoring and Evaluation database system for municipalities, resulting in the decrease in the 2013/14 Main Appropriation. The growth in the 2013/14 Adjusted Appropriation can be attributed to funds reprioritised relating to the municipal excellence awards. The allocations over the MTEF are to support municipalities to improve standards of service delivery and governance through the improvement of the performance management system in municipalities. The drop in 2015/16 can be attributed to the once-off project relating to the Monitoring and Evaluation Database system that will be purchased in 2014/15 to assist with the monitoring of performance information of municipalities.

Compensation of employees reflects an increasing trend over the period under review due to annual salary adjustments, the carry-through costs of the previously mentioned OSD, as well as the employment of additional CDWs to undertake community development work in all districts from 2012/13 onward. The increase in the 2013/14 Adjusted Appropriation was mainly to cater for the salaries of the newly appointed 127 CDWs. The increase over the MTEF is to cater for the planned filling of vacant posts (in line with the moratorium on the filling of non-critical vacant posts), annual salary increases, reprioritisation from *Goods and services* in respect of the additional CDWs appointed, as well as funds allocated for the carry-through costs of previous wage agreements.

Goods and services decreases in 2011/12 due to the longer than anticipated tender processes in the municipal audit queries project, as explained previously. The high 2012/13 amount relates to various projects such as the Public Participation Citizen Satisfaction Survey, municipal governance, deployment of skilled professionals, etc. The growth in the 2013/14 Adjusted Appropriation relates to funds reprioritised in respect of cell phone contracts, laptops, travel and subsistence and furniture, etc., for the newly appointed CDWs in order to improve their work and reporting, and for the deployment of additional skilled professionals and administrators in municipalities. The declining MTEF amounts relate to the reprioritisation of funds to *Compensation of employees* to cater for the carry-through costs of the CDWs appointed per ward.

The expenditure against *Transfers and subsidies to: Provinces and municipalities* from 2010/11 to 2011/12 was mainly in respect of Umzimkulu support. The decrease in 2011/12 was due to the reduced expenditure with regard to the incorporation of the municipality into the province as the bulk of the project was implemented in 2010/11, as well as once-off projects such as the implementation of the Pound Act, inter-governmental relations, etc. The low 2012/13 amount was due to the completion of the Umzimkulu support and municipal governance and financial experts projects in 2011/12. Also, the 2012/13 amount consists of funds shifted from *Goods and services* in respect of the Public Participation Citizen Satisfaction Survey in various municipalities, additional funds allocated for the implementation of the Pound Act, municipal data cleansing, accredited councillor training, etc. The amount in the 2013/14 Adjusted Appropriation relates to the 2011/12 municipal excellence awards. There are no allocations against this category over the MTEF as most of the projects undertaken are once-off, and are based on requests from municipalities.

The amount against *Transfers and subsidies to: Public corporations and private enterprises* in 2012/13 was a donation to the KZN Top Business Portfolio with regard to the update of promotional DVDs to showcase successful growth in the province.

The fluctuation against *Machinery and equipment* from 2010/11 onward is linked to the filling of vacant posts and the related purchase of office and computer equipment. The increase in 2012/13 was in respect of the purchase of tools of trade for the CDWs. The slight increase in the 2013/14 Adjusted Appropriation was to cater for the purchase of furniture and equipment for new appointees, as well as the replacement of computers in line with the department's IT policy. The allocation over the MTEF is linked to the filling of posts, as well as the replacement of vehicles and computer equipment.

The amounts from 2010/11 to 2012/13 against *Payments for financial assets* relate to the write-off of irrecoverable staff debts.

Service delivery measures – Programme 2: Local Governance

Table 11.19 illustrates the main service delivery measures pertaining to Programme 2. The performance target “new” in the 2013/14 Estimated performance illustrates that the indicator did not exist in 2013/14, and that it is a new indicator from 2014/15 onward. The department reviewed its service delivery measures for 2014/15, and hence a number of new targets are included. The targets indicated as “n/a” means that the target is completed, as some of these targets are support or intervention programmes and have a limited time line.

It should be noted that the department is not adhering to the sector performance indicators set by the Co-operative Governance and Traditional Affairs sector.

Table 11.19 : Service delivery measures – Programme 2: Local Governance

Outputs	Performance indicators	Estimated performance	Medium-term targets		
		2013/14	2014/15	2015/16	2016/17
2.1	Municipal Administration				
2.1.1	To enhance municipal governance by municipalities applying appropriate frameworks, policies and guidelines				
	• No. of municipalities supported on LGTAS (moved to Municipal Finance)	23	n/a	n/a	n/a
	• No. of district municipalities supported to implement appropriate frameworks, policies and guidelines	10	10	10	10
	• No. of progs supported on strengthening of local govt. legislation	3	1	1	1
	• No. of municipalities supported in terms of legal competency	15	n/a	n/a	n/a
	• No. of procedural and policy frameworks developed to implement formal interventions	1	n/a	n/a	n/a
	• No. of municipalities supported to implement administrative policies, plans and frameworks	15	n/a	n/a	n/a
	• No. of progs to support the establishment of municipalities	1	1	1	1
	• No. of packages of support progs developed	new	1	1	1
	• No. of draft standard by-laws developed	new	5	5	5
	• No. of statutory intervention progs implemented	new	1	1	1

Table 11.19 : Service delivery measures – Programme 2: Local Governance

Outputs	Performance indicators	Estimated performance	Medium-term targets			
		2013/14	2014/15	2015/16	2016/17	
2.1.2	To promote effective co-operative governance to improve co-ordination and communication within 10 districts	• No. of municipal administration support progs developed and implemented	new	1	1	1
		• No. of reports on the filling of municipal managers and section 56 managers' posts compiled (DCOG indicator)	new	4	4	4
		• No. of municipalities supported with functional district IGR structures and systems	10	10	10	10
		• No. of platforms established for inter-municipal co-operation (LG Summit, Munimec, Councillor Learning Network, International Municipal Relations, Web-Based Single Window of Co-ordination)	5	n/a	n/a	n/a
2.1.3	To improve Councillor oversight in 61 municipalities	• No. of inter-municipal co-operation initiatives facilitated	new	10	5	5
		• No. of municipalities supported with functional oversight structures	15	15	15	15
2.1.4	To enhance municipal governance by municipalities applying appropriate frameworks, policies and guidelines	• No. of formal councillor training progs conducted	2	n/a	n/a	n/a
2.2	Municipal Finance					
2.2.1	Ensure sound financial management in all 61 municipalities in KZN	• No. of municipalities that are supported to improve audit outcomes	20	20	20	20
		• No. of municipalities that are supported to submit their AFS timeously	5	n/a	n/a	n/a
		• No. of identified municipalities supported to fully implement simplified revenue plans	15	15	15	15
		• No. of municipalities supported with expenditure management	10	10	20	20
		• No. of frameworks developed to address unauthorised and fruitless expenditure	1	n/a	n/a	n/a
		• No. of municipalities supported to implement legal compliance framework	20	n/a	n/a	n/a
		• No. of CFO forums convened to support 61 municipalities	2	2	2	2
		• No. of municipalities supported on LGTAS	23	10	10	10
2.2.2	To monitor and report on municipal legislative compliance in all 61 municipalities	• No. of reports submitted on state of municipal finances in terms of Section 131 of MFMA	1	1	1	1
		• No. of reports submitted on state of municipal finances in terms of Section 80 of the MPRA	1	1	1	1
2.2.3	To combat corruption, promote ethics and ensure accountability in all 61 municipalities in KZN by 2014	• No. of municipalities supported with implementation of anti-corruption/fraud prevention strategies/plans	15	15	15	15
2.3	Public Participation					
2.3.1	Provision of support to municipal governance structures to improve community participation and accessibility	• No. of municipalities supported with maintenance of functional ward committees	25	51	51	51
		• No. of municipalities supported with development of community participation plans	25	51	51	51
		• No. of municipalities supported with maintenance of functional war rooms	50	50	50	50
		• No. of procedural frameworks implemented to accommodate community awareness and dissatisfaction	1	1	1	1
		• No. of municipalities supported on LGTAS	20	20	20	20
2.4	Capacity Building					
2.4.1	To enhance municipal governance by municipalities applying appropriate frameworks, policies and guidelines	• No. of formal councillor training programmes	2	2	2	2
2.4.2	To enhance provincial capacity building	• No. of provincial capacity strategies developed	n/a	1	n/a	n/a
2.5	Municipal Performance Monitoring, Reporting and Evaluation					
2.5.1	Establishment and support of 61 functional municipal Organisational Performance Management Systems (OPMS) to report on progress with implementing municipal IDP	• No. of municipalities supported to develop functional PMS	20	20	20	20
		• No. of municipalities supported to develop and submit annual performance reports in terms of Sec 46 of MSA	20	20	20	20
		• No. of consolidated annual municipal performance reports prepared	1	1	1	1
		• No. of Municipal Excellence Awards held	1	1	1	1
		• No. of municipalities supported on LGTAS	5	5	5	5

6.3 Programme 3: Development and Planning

The purpose of this programme is to promote integrated development planning and facilitate the development of credible and simplified IDPs. This programme conforms to the uniform budget and programme structure for the Co-operative Governance and Traditional Affairs sector.

This programme consists of six sub-programmes in the 2014/15 MTEF, in line with the sector specific budget format, namely: Spatial Planning, Land Use Management, Local Economic Development, Municipal Infrastructure, Disaster Management and IDP Co-ordination. The seventh sub-programme, the Provincial Planning and Development Commission (PPDC) was discontinued at the end of 2010/11. Tables 11.20 and 11.21 below illustrate a summary of payments and estimates for 2010/11 to 2016/17 relating to Programme 3. This programme reflects a fluctuating trend over the seven-year period.

Table 11.20 : Summary of payments and estimates by sub-programme: Development and Planning

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
1. Spatial Planning	18 445	20 665	22 625	39 649	36 578	31 877	39 723	40 483	43 130
2. Land Use Management	15 740	14 267	14 855	23 903	19 209	17 926	21 911	21 260	22 650
3. Local Economic Development	252 564	244 788	311 689	301 449	201 456	212 440	236 943	222 961	237 543
4. Municipal Infrastructure	130 060	118 371	163 238	147 587	76 846	71 846	128 028	125 650	131 070
5. Disaster Management	47 802	40 081	83 315	47 664	66 943	66 943	76 560	74 289	79 135
6. IDP Co-ordination	10 756	13 022	18 504	21 125	19 687	19 687	22 456	21 789	23 214
7. PPDC	1 413	-	-	-	-	-	-	-	-
Total	476 780	451 194	614 226	581 377	420 719	420 719	525 621	506 432	536 742

Table 11.21 : Summary of payments and estimates by economic classification: Development and Planning

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Current payments	140 607	135 632	159 896	568 642	192 397	187 579	296 970	314 518	333 037
Compensation of employees	39 698	48 022	57 960	87 561	97 282	96 704	119 116	135 214	144 670
Goods and services	100 909	87 610	101 936	481 081	95 115	90 875	177 854	179 304	188 367
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	335 180	313 691	431 707	6 000	207 947	211 717	174 847	135 077	130 876
Provinces and municipalities	334 670	311 991	430 284	6 000	207 574	207 574	155 877	135 077	130 876
Departmental agencies and accounts	-	1 700	1 000	-	-	3 571	18 850	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	400	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	510	-	23	-	373	572	120	-	-
Payments for capital assets	888	1 871	22 616	6 735	20 375	21 423	53 804	56 837	72 829
Buildings and other fixed structures	392	475	15 230	5 250	17 488	17 488	48 903	51 644	67 612
Machinery and equipment	496	1 396	7 386	1 485	2 719	3 747	4 701	5 193	5 217
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	168	188	200	-	-
Payments for financial assets	105	-	7	-	-	-	-	-	-
Total	476 780	451 194	614 226	581 377	420 719	420 719	525 621	506 432	536 742

The upward trend in the sub-programme: Spatial Planning from 2011/12 onward was in respect of the filling of vacant posts. The increase in 2013/14 and over the MTEF is in line with plans to fill vacant posts in terms of the new organisational structure (bearing in mind the moratorium of the filling of non-critical vacant posts) and to cater for projects such as the Schemes Support (such as housing schemes in support of home-ownership) and Spatial Development Framework Support in municipalities. The decrease in the 2013/14 Adjusted Appropriation can be ascribed to funds reprioritised to other programmes due to non-transfer of funds to municipalities as a result of slow spending by the municipalities. This also explains the further decrease in the 2013/14 Revised Estimate. The growth over the MTEF is in anticipation that municipalities will improve their spending on various municipal projects, as mentioned above.

The amount against sub-programme: Land Use Management was high in 2010/11 in respect of a transfer of functions from the PPDC to the department during this period. The 2011/12 decrease was mainly due to lower spending in respect of the appeals board relating to land appeals (which is dependent on the number of appeals), and the slow implementation of the town settlement project due to non-submission of business plans by the municipalities. The 2013/14 amount was to provide for the filling of posts in line with the moratorium on the filling of non-critical posts, and for projects such as the Town Settlement Formalisation Support, etc. As previously explained, the decrease in the 2013/14 Adjusted Appropriation relates to funds not transferred to municipalities for various projects due to slow spending. The decrease in the 2013/14 Revised Estimate relates to funds moved to the Local Economic Development sub-programme in respect of the transfer to ADA to commence with various projects, as indicated previously. The department reprioritised funds to Programme 1 over the MTEF in respect of the increase in operating leases with the re-negotiation of lease agreements in 2013 for the Southern Life Plaza building in Pietermaritzburg, the expansion of the external bursary programme, etc. The slight decrease in 2015/16 compared to 2014/15 can be attributed to the Development Plan Legislation and Town Settlement Formalisation support which is higher in 2014/15.

The high 2010/11 amount against sub-programme: Local Economic Development relates to more Small Town Rehabilitation and the Corridor Development programmes undertaken due to more requests from the municipalities. The low growth in 2011/12 was mainly a result of non-implementation of projects such as the Shared Service Support, IDP Support to Weak Municipalities, etc., due to non-filling of posts (lack of capacity in the department). The substantial increase in 2012/13 was due to the roll-over of funds for the construction of three TACs by IDT, resulting from the longer than anticipated local labour negotiations with *Amakhosi*. The department shifted funds from Programme 4 to this sub-programme in respect of rural connectivity projects such as the TACs, MPCCs, etc., hence the decrease in the 2013/14 Main Appropriation. Funds were also reprioritised from this sub-programme in the 2013/14 Adjusted Appropriation to other programmes due to slow spending by municipalities in respect of the Small Town Rehabilitation and the Corridor Development programmes. Further reprioritisation was undertaken over the 2014/15 MTEF to Programme 1, as explained above. The increase in the 2013/14 Revised Estimate can be attributed to funds moved from other sub-programmes for the purchase of furniture and equipment for new appointees, the replacement of computers in line with the department's IT policy, as well as a transfer to ADA to commence with the implementation of the various projects, as previously explained. The department suspended funds in 2013/14 and these are re-allocated for transfer to ADA in 2014/15 for these projects, accounting for the high 2014/15 allocation, as previously mentioned.

The decrease in 2011/12 against the sub-programme: Municipal Infrastructure relates to the reprioritisation of funds to Programme 4 to offset spending pressures relating to the salary adjustments of *Amakhosi*, laptops for 22 *Amakhosi* enrolled in a Leadership Training programme at the UKZN, delays with the installation of water purification plants, etc. The increase in 2012/13 relates to the roll-over of funding received for the installation of water purification plants in various municipalities. Also, additional funds were received for projects in respect of the Massification programme, hence the decrease in the 2013/14 Main Appropriation. The decrease in the 2013/14 Adjusted Appropriation relates to funds not transferred to the municipalities due to slow spending by municipalities, hence the further decrease in the 2013/14 Revised Estimate. The allocation over the MTEF caters for the anticipated filling of posts in line with the moratorium on the filling of non-critical posts, as well as funding for the operation and maintenance programme of existing and new municipal infrastructure and the Massification programme. The decrease over the MTEF compared to the 2013/14 Main Appropriation is attributed to reprioritisation to other programmes to cater for spending pressures such as the appointment of CDWs in Programme 2. Additional funds were allocated in 2014/15 only, for the construction of the Bulwer CSC and rehabilitation of three CSCs in Jozini, Abaqulusi and Umlalazi.

The high expenditure in 2010/11 under the sub-programme: Disaster Management was largely due to the establishment and operation of the PDMC at Mkondeni, as well as the purchase of blankets, tents, etc., for disasters that occurred in 2010/11. The substantial increase in 2012/13 relates to the roll-out of community capacity building and awareness campaigns relating to disaster management, as well as once-off spending on improving the disaster management centres' capabilities. This explained the decrease in the 2013/14 Main Appropriation. The increase in the 2013/14 Adjusted Appropriation was mainly for the payment of

backdated acting allowances for officials, as well as officials being upgraded from levels 9 to 10 and 11 to 12, and backpaid. In 2011, a DPSA circular was issued prohibiting the appointment of Assistant Managers on level 10 and Deputy Managers on level 12. A further DPSA circular 16/P dated 25 February 2013 repealed that original decision, and made provision for the appointment of Assistant Managers on level 10 and Deputy Managers on level 12 if the job evaluation found them to be rated at these levels. This resulted in officials that were appointed after 1 July 2011 being upgraded and receiving backpay to 1 August 2012. The MTEF allocations mainly cater for the establishment of fully operational disaster management centres in all districts. The slight drop in 2015/16 is in accordance with the allocations for the construction of disaster management centres in the district municipalities.

The sub-programme: IDP Co-ordination reflects a largely increasing trend over the period under review and caters for shared services projects in municipalities (which is dependent on the number of municipalities needing the services at a particular time). The increase in 2012/13 can be attributed to projects such as the Community Participation in IDPs, Development Planning Shared Services and Shared Service Support undertaken. The reduction in the 2013/14 Adjusted Appropriation relates to funds reprioritised to other programmes due to slow spending by municipalities. The growth over the MTEF is mainly due to inflationary increments. The slight drop in 2015/16 is due to various once-off projects such as IDP Assessment Support, Traditional Settlement Master Plans, the purchase of furniture and laptops for new appointees, etc. in 2014/15.

The sub-programme: PPDC was discontinued in 2010/11 with the implementation of the KZN Planning and Development Act, hence no further allocations from 2011/12.

The increase in *Compensation of employees* over the period can be attributed to the filling of vacant posts, as well as the carry-through costs of the OSD for technical staff implemented in 2011/12, etc. The increase in the 2013/14 Adjusted Appropriation was for the payment of backdated acting allowances for officials, as well as officials being upgraded from levels 9 to 10 and 11 to 12, and backpaid. The 2014/15 MTEF reflects a substantial increase for the filling of vacant posts in terms of the new organisational structure (which will take into account the moratorium on the filling of non-critical vacant posts).

The decrease in 2011/12 against *Goods and services* was due to delays in the implementation of various projects such as the Shared Service Support, IDP Support to Weak Municipalities, improvement to Operational Frameworks Systems, etc., as explained previously. Prior to the 2014/15 MTEF, the department budgeted for projects such as the Corridor Development and the Small Town Rehabilitation programmes against *Goods and services*, and then shifted the funds to *Transfers and subsidies to: Provinces and municipalities* in-year after an annual exercise indicated that the municipalities had the necessary capacity to deliver on the particular projects themselves, and hence the high amount in the 2013/14 Main Appropriation and the subsequent reduction in the 2013/14 Adjusted Appropriation. However, during the 2014/15 budget process, the department, together with Provincial Treasury, agreed to budget for these programmes against *Transfers and subsidies to: Provinces and municipalities*. This explains the reduction over the MTEF in comparison to the 2013/14 Main Appropriation.

With regard to *Transfers and subsidies to: Provinces and municipalities*, the decrease in 2011/12 was due to delays in the implementation of business plans for various projects, such as the Small Town Rehabilitation programme, by the municipalities. The substantial increase in 2012/13 relates to the increase in projects in respect of Corridor Development, Small Town Rehabilitation, as well as once-off projects such as the district growth and development summit, etc. Also, additional funding was for the Massification programme (for the provision of electricity, water and sanitation in various municipalities). As explained above, the low 2013/14 Main Appropriation was due to the department budgeting against *Goods and services* during the budget process, then shifting the funds to this category in the Adjustments Estimate. This explains the increase in the 2013/14 Adjusted Appropriation. Funds were also allocated in the 2013/14 Adjusted Appropriation for the completion of the Ugu DMC. The allocations over the MTEF mainly relate to Corridor Development, Massification and Small Town Rehabilitation programmes.

The 2011/12 expenditure against *Transfers and subsidies to: Departmental agencies and accounts* relates to a transfer to ADA for the communal vegetable farming project at KwaSani, and for an agri-processing facility at Middlerus in Mpofana. The 2012/13 amount relates to a transfer to TKZN for the erection of

tourism signage, as explained previously. The amount in the 2013/14 Revised Estimate relates to a transfer to ADA to commence with the implementation of the Uthukela *Amakhosi* programme and the Msinga Asisukume Co-operative, with full implementation in 2014/15.

The amount against *Transfers and subsidies to: Public corporations and private enterprises* relates to a donation to SAPI in respect of the PAC.

Transfers and subsidies to: Households caters mainly for staff exit costs, which fluctuate over the period due to the difficulty in forecasting accurately for this category as a result of its uncertain nature.

Buildings and other fixed structures makes provision for the construction of TACs. This category fluctuates over the seven-year period due to challenges experienced in the construction of TACs. This led to the department appointing IDT to assist with the construction of these centres. The amount in 2012/13 relates mainly to the roll-over of funds from 2011/12 for the construction of TACs that were not completed before year-end due to longer than anticipated local labour negotiations with *Amakhosi*. The department also shifted funds to this category in this regard. The increase in the 2013/14 Adjusted Appropriation relates to additional funds allocated for the construction of the PDMC at Mkondeni, as well as reprioritisation to this category for the construction of CSCs. The amounts over the MTEF relate to reprioritisation from *Goods and services* for the construction of additional TACs, as well as additional funds allocated in 2014/15 only for the construction and rehabilitation of CSCs.

The fluctuations against *Machinery and equipment* from 2010/11 onward are linked to the filling of vacant posts and the related purchase of office and computer equipment. The high amount in 2012/13 was mainly due to the installation of lightning conductors at disaster management centres, as well as the purchase of office furniture and computer equipment for new appointees.

The amounts in the 2013/14 Adjusted Appropriation and in 2014/15 against *Software and other intangible assets* relate to the establishment and maintenance of a comprehensive and accessible provincial GIS, which supports flagship projects such as war on poverty in the province, provision of a wide range of standardised and customised maps, and the storage and printing of orthophoto maps and plans. There is no allocation in the outer years of the MTEF, as the department anticipates completing the GIS in 2014/15.

Service delivery measures – Programme 3: Development and Planning

Table 11.22 below gives the main service delivery measures pertaining to Programme 3. The performance target “new” in the 2013/14 Estimated performance shows that the indicator did not exist in 2013/14, and that it is a new indicator from 2014/15 onward. The department reviewed its service delivery measures for 2014/15, and hence the substantial number of new targets reflected. The term “n/a” means that the target is completed, as some of these targets are support or intervention programmes and had a limited time line.

It should be noted that the department is not adhering to the sector performance indicators set by the Co-operative Governance and Traditional Affairs sector.

Table 11.22 : Service delivery measures – Programme 3: Development and Planning

Outputs	Performance indicators	Estimated performance	Medium-term targets		
		2013/14	2014/15	2015/16	2016/17
3.1 Spatial Planning					
3.1.1 To provide a provincial Spatial Development Framework (SDF) for improved and aligned municipal SDFs and Land Use Management Systems (LUMS), so as to promote orderly development and investment confidence in 61 municipalities	<ul style="list-style-type: none"> • No. of municipalities supported to produce legally compliant SDFs • No. of regional plans prepared • No. of municipalities supported with developing a densification framework • No. of reports produced i.r.o. SDF compliance (incl. alignment with PGDS) • No. of municipalities supported to produce legally compliant schemes • No. of spatial planning initiatives undertaken • No. of reports produced i.r.o. provincial scheme compliance framework (incl. implementation of LUMS) • No. of municipalities supported on LGTAS 	30 new 2 1 25 6 1 9	12 1 2 1 12 2 1 9	12 1 2 1 12 2 1 9	16 1 2 1 16 2 1 9

Table 11.22 : Service delivery measures – Programme 3: Development and Planning

Outputs	Performance indicators	Estimated performance				
		2013/14	2014/15	2015/16	2016/17	
3.2 Development Information Services						
3.2.1	To provide spatial information management support to province, dept., municipalities and traditional institutions to improve govt. services	<ul style="list-style-type: none"> No. of mobile GIS systems developed with information dashboards to support COGTA's internal and external functions No. of GIS progs implemented to support spatial analysis of priority capital investment projects for dept. No. of GIS progs implemented to support the province and municipalities with spatial analysis of infrastructure and services backlogs (electricity, water and sanitation) No. of progs implemented to support provincial and departmental initiatives supported with management of spatial information No. of Development Planning Shared Services supported No. of systems established to integrate provincial and municipal spatial data No. of GIS progs implemented to support the management of municipal revenue base (Municipal Property Rates Act Implementation) No. of web based GIS systems and mobile mapping applications maintained to integrate provincial and municipal spatial data for effective spatial reporting on COGTA and municipal projects No. of GIS progs implemented to support alignment of COGTA budget and projects with national and provincial priorities No. of GIS progs implemented to support municipal planning processes (DPSS) & municipal capital infrastructure management 	1 1 11 5 10 1 1 1 1 1 new	n/a n/a 11 1 n/a n/a 1 8 1 1	n/a n/a 11 1 n/a n/a 1 13 1 1	n/a n/a 11 1 n/a n/a 1 15 1 1
3.3 Land Use Management						
3.3.1	To implement the PDA efficiently and effectively in KZN	<ul style="list-style-type: none"> No. of municipalities evaluated against LUM benchmark No. of municipalities supported by LUM Municipal Support Prog. No. of municipalities supported with formalisation of settlements 	51 10 12	51 10 12	51 8 12	51 8 12
3.3.2	To implement and monitor effective implementation of Provincial Norms and Standards in development planning applications and approvals	<ul style="list-style-type: none"> No. of provincial norms and standards developed No. of progs implemented for the development and roll-out of Provincial Norms and Standards No. of municipalities supported with LGTAS 	1 1 5	n/a 1 5	n/a 1 5	n/a 1 5
3.4 Local Economic Development						
3.4.1	Create decent employment opportunities through municipal LED initiatives in support of Corridor Development Prog.	<ul style="list-style-type: none"> No. of catalytic projects packaged for support No. of strategic infrastructure projects facilitated for implementation in priority nodes and corridors No. of corridor sub-regional plans aligned to Strategic Infrastructure Progs (SIPS) developed No. of urban renewal framework plans supported for implementation No. of green initiative projects facilitated in response to climatic change 	10 2 1 3 2	10 2 n/a 3 2	10 2 n/a 3 2	10 2 n/a 3 2
3.4.2	Support revitalisation of towns through nodal regeneration plans, rehabilitation of infrastructure and beautification of towns to enhance economic development	<ul style="list-style-type: none"> No. of small town nodes supported to implement macro regeneration plans to inform long term future growth No. of rural nodes supported for revitalisation to attract investment and regenerate economy No. of projects facilitated to support further development of industrial and commercial sites 	3 6 2	4 6 3	4 6 3	4 6 3
3.4.3	To provide LED capacity support and institutional development	<ul style="list-style-type: none"> No. of districts supported with functional LED Forums No. of LED capacity building progs rolled out No. of districts supported with District Wide LED plans aligned to PGDP and PGDS No. of people trained in accredited LED progs No. of Provincial LED Summits facilitated No. of LED initiatives facilitated in partnership with Local Houses (LHs) of Traditional Leadership No. of LED summits facilitated in partnership with District Houses (DHs) of Traditional Leadership No. of municipalities supported with LGTAS 	10 2 10 15 1 2 4 20	10 2 10 n/a 1 3 4 20	10 2 10 n/a 1 4 4 20	10 2 10 n/a 1 5 4 20
3.4.4	To support municipalities with the establishment of CSCs within previously disadvantaged communities and ensure habitability of old CSCs	<ul style="list-style-type: none"> No. of municipalities supported with CSCs establishment in line with CSC Hierarchy Framework No. of Grade 2 level CSCs established in line with CSC framework No. of municipalities supported with CSC operations No. of district CSC gap analysis reports developed 	2 4 4 10	5 n/a 4 n/a	2 n/a 4 n/a	2 n/a 4 n/a

Table 11.22 : Service delivery measures – Programme 3: Development and Planning

Outputs	Performance indicators	Estimated performance		Medium-term targets	
		2013/14	2014/15	2015/16	2016/17
3.4.5 To support rural development in KZN in line with national comprehensive rural development prog. and provincial integrated rural development strategy	• No. of CSCs refurbished and maintained	20	20	20	20
	• No. of employment opportunities created through the implementation of CSC prog.	200	160	480	480
	• No. of municipalities supported with business plan development in line with prioritised CSC Spatial Establishment Framework	10	10	10	10
	• No. of municipalities supported in the implementation of the CSC functionality framework	15	45	51	51
	• No. of municipalities supported with implementation of CWP with inclusion of traditional communities	29	29	29	29
	• No. of work opportunities maintained in CWP	30 500	30 500	30 500	30 500
	• No. of CWP site business plans reviewed	29	29	29	29
	• No. of CWP reference committees sustained and functional in all CWP Sites	29	29	29	29
	• No. of effective partnerships established	new	1	1	1
	• No. of CWP sites provided with accredited training	new	29	29	29
3.4.6 Create decent employment opportunities, through implementation of EPWP, poverty alleviation and food security progs	• No. of municipalities supported with successful implementation of Food for Waste (FFW) prog.	7	7	7	7
	• No. of work opportunities created through FFW prog.	700	700	700	700
	• No. of municipalities supported to develop and review EPWP policies	11	61	61	61
	• No. of municipalities supported to implement EPWP policies	new	17	17	17
	• No. of municipalities with signed EPWP protocol and incentive agreements	61	n/a	n/a	n/a
	• No. of municipalities supported to sign EPWP protocol agreements	n/a	61	n/a	n/a
	• No. of municipalities supported to comply with incentive agreements	57	61	61	61
	• No. of municipalities supported with reporting on EPWP work opportunities	61	61	61	61
	• No. of EPWP job opportunities created through implementation of COGTA funded initiatives	1 600	1 500	2 000	2 500
	• No. of municipalities supported to report and access incentive grants for EPWP	51	61	61	61
	• No. of EPWP municipal turn-around strategies developed	new	1	1	1
	• No. of direct employment opportunities secured through corridor projects implementation	250	250	250	250
	• No. of direct employment opportunities secured through small town rehabilitation projects implementation	200	200	200	200
	3.5 Municipal Infrastructure				
3.5.1 To manage and co-ordinate municipal infrastructure development through facilitating municipal infrastructure investment planning, infrastructure development programme implementation and appropriate operation and maintenance in 61 municipalities	• No. of water service authorities supported in the development of UAPs	14 UAPs	14 revised UAPs	annual review (report)	annual review (report)
	• No. of WSAs supported in the quantification of backlogs in water provision	13	annual review (report)	annual review (report)	annual review (report)
	• No. of municipalities supported in developing infrastructure implementation plans	24	21	18	15
	• No. of municipalities (WSAs) supported with operation and maintenance plans	3	3	3	n/a
	• No. of infrastructure development co-ordinating forums	5	5	5	5
	• No. of municipalities supported in implementation of LGTAS	23	23	23	23
	• No. of municipalities supported on MIG implementation	25	20	17	14
	• No. of municipalities supported on implementation of Massification prog.	14	12	12	12
	• No. of shared services for infrastructure development	1 pilot	2	3	4
	• No. of capacity building progs implemented	2	1	n/a	n/a
3.5.2 To monitor and evaluate municipal performance i.r.o. infrastructure development and delivery of basic services	• No. of reports produced on infrastructure development and service delivery progress	2	2	2	2
	• No. of reports on water quality and waste water in terms of blue and green drop assessments	1	2	2	2
	• No. of municipalities evaluated against infrastructure benchmark	30	40	50	60
3.6 Disaster Management					
3.6.1 To co-ordinate and manage development and effective functioning of provincial disaster management institutions	• No. of risk profile and trend analysis reports produced	1	n/a	n/a	n/a
	• No. of provincial contingency plans developed (winter, summer, events, etc.)	2	2	2	2
	• No. of Cabinet sub-committee meetings on disaster management facilitated for sector alignment	4	n/a	n/a	n/a
	• No. of Provincial Disaster Management Advisory Forum meetings held for sector co-ordination	4	4	4	4

Table 11.22 : Service delivery measures – Programme 3: Development and Planning

Outputs	Performance indicators	Estimated performance		Medium-term targets	
		2013/14	2014/15	2015/16	2016/17
3.6.2 To develop and improve disaster management capacity of stakeholders in order to deal with disaster occurrences in the province	• No. of Joint Operations Committee meetings activated in response to predicated risks and incidents occurred (<i>ad hoc</i>)	2	n/a	n/a	n/a
	• No. of District Disaster Management Advisory Forums supported for effective co-ordination of disaster management at local level	11	11	11	11
	• No. of buildings (Mkondeni) refurbished into a suitable PDMC	1	1	n/a	n/a
	• No. of vacant positions filled in line with structural demands (24hr call centre, fire services unit, etc.)	45	n/a	n/a	n/a
	• No. of sector departmental Disaster Risk Management (DRM) plans facilitated	7	n/a	n/a	n/a
	• No. of municipal DRM plans facilitated for alignment with IDPs	11	11	11	11
	• No. of stakeholders DRM plans facilitated for alignment with provincial plan	3	n/a	n/a	n/a
	• No. of municipalities supported with grant funding for the DDMCs	3	3	3	3
	• No. of municipalities where capacity building is rolled out	11	11	11	11
	• No. of structures activated to mainstream DRM (CDWs, OSS, etc.)	3	n/a	n/a	n/a
	• No. of municipalities facilitated to establish and operate DRM volunteers (each district)	11	n/a	n/a	n/a
	• No. of weather intelligence and early warning systems developed	1	n/a	n/a	n/a
	• No. of DRM public awareness campaigns conducted	2	2	2	2
	• No. of monthly incident reports consolidated and processed	12	12	12	12
	• No. of municipalities supported with emergency relief measures	11	11	11	11
	• No. of quarterly disaster rehabilitation reports facilitated	4	n/a	n/a	n/a
	• No. of fire services capacity assessment reports compiled	1	n/a	n/a	n/a
	• No. of fire fighters trained from needy municipalities	30	30	30	30
	• No. of provincial annual reports submitted to NDMC	1	1	1	1
• No. of quarterly national disaster management advisory forum meetings attended by PDMC for alignment	4	n/a	n/a	n/a	
• No. of municipalities supported with LGTAS	9	9	9	9	
3.7 IDP Co-ordination					
3.7.1 To promote improved alignment through implementation of a provincial IDP assessment framework and annual support and assessment plan in order to improve the credibility rating of 61 municipal IDPs and improved service delivery	• No. of provincial IDP management and support plan adopted	1	1	1	1
	• No. of municipal IDPs supported with capacity building initiatives	10	10	10	10
	• No. of sector depts and SOEs supported with IDP capacity building initiatives	8	10	11	11
	• No. of reports produced i.r.o. IDP credibility framework	1	1	1	1
3.7.2 To build dev. planning capacity of municipalities to facilitate improved municipal strategic planning, spatial planning and perf. mgt through establishment of 10 district wide DPSS	• No. of districts supported to maintain planning capacity in the form of district Development Planning Shared Services	10	10	10	10
	• No. of LGTAS municipal support reports produced	4	1	1	1
	• No. of District Growth and Development Summits supported	10	n/a	n/a	n/a
	• No. of reports on districts supported with the development of Growth and Development Plans	4	1	1	1
	• No. of sustainable reports on development support progs for municipalities	new	3	3	3
• No. of traditional settlement master plans reports developed	new	4	1	1	

6.4 Programme 4: Traditional Institutional Management

The purpose of this programme is to promote and facilitate viable and sustainable Traditional Institutions. This programme conforms to the uniform budget and programme structure for the Co-operative Governance and Traditional Affairs sector. The programme consists of four sub-programmes in the 2014/15 MTEF, in line with the sector specific budget format, namely: Traditional Institutional Administration, Traditional Resource Administration, Rural Development Facilitation and Traditional Land Administration. Tables 11.23 and 11.24 below illustrate a summary of payments and estimates for 2010/11 to 2016/17 relating to Programme 4.

Table 11.23 : Summary of payments and estimates by sub-programme: Traditional Institutional Management

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
1. Traditional Institutional Administration	86 532	129 974	120 174	94 326	153 286	153 286	151 768	153 723	159 606
2. Traditional Resource Administration	45 702	56 308	66 502	88 212	100 062	100 062	101 551	105 075	113 461
3. Rural Development Facilitation	14 121	36 636	17 418	23 829	18 357	18 357	17 976	23 288	24 580
4. Traditional Land Administration	13 179	16 222	16 092	20 840	19 193	19 193	24 364	25 291	25 613
Total	159 534	239 140	220 186	227 207	290 898	290 898	295 659	307 377	323 260

Table 11.24 : Summary of payments and estimates by economic classification: Traditional Institutional Management

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Current payments	146 465	206 286	203 189	206 437	261 227	261 227	282 539	294 152	307 453
Compensation of employees	90 496	105 929	124 451	130 354	149 500	144 036	168 767	186 342	197 720
Goods and services	55 969	100 357	78 738	76 083	111 727	117 191	113 772	107 810	109 733
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	782	5 674	1 039	360	1 294	1 294	200	550	1 200
Provinces and municipalities	-	5 250	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	100	-	-	-	-	-	-
Households	782	424	939	360	1 294	1 294	200	550	1 200
Payments for capital assets	12 241	27 114	15 910	20 410	28 377	28 377	12 920	12 675	14 607
Buildings and other fixed structures	11 593	22 150	8 995	15 000	19 000	19 000	7 000	9 000	11 000
Machinery and equipment	648	4 964	2 867	5 410	5 956	5 956	3 420	1 175	1 107
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	4 048	-	3 421	3 421	2 500	2 500	2 500
Payments for financial assets	46	66	48	-	-	-	-	-	-
Total	159 534	239 140	220 186	227 207	290 898	290 898	295 659	307 377	323 260

Programme 4 shows a fluctuating trend over the period under review.

The sub-programme: Traditional Institutional Administration shows a substantial increase in 2011/12 and 2012/13 due to the establishment costs of the Provincial Committee on Traditional Leadership Disputes and Claims Commission to deal with distortions and misrepresentation of *Ubukhosi* (kingship) in the province, of which the bulk of the project was implemented in 2011/12, hence the slight drop in 2012/13 and the substantial decrease in the 2013/14 Main Appropriation. The increase in the Adjusted Appropriation was mainly due to the sitting allowance of TC members, the establishment of a Commission on Disputes, a seminar on Umzimkulu, the increase in the salaries of *Amakhosi*, the increase in the salaries of *Izinduna* and TC secretaries, etc. These are carried over to the MTEF, and account for the growth.

The sub-programme: Traditional Resource Administration reflects a steady increase over the period under review. The growth in 2012/13 was in respect of the construction of *Imizi Yesizwe*. The increase in the 2013/14 Adjusted Appropriation was due to funds reprioritised from Programme 3 for the payment of backdated acting allowances and the re-grading of staff from levels 9 to 10 and 11 to 12. The allocation over the MTEF is for the construction of *Imizi Yesizwe*, rehabilitation of TACs, establishment of a training college for *Amakhosi*, capacity building for *Amakhosi*, etc.

The high amount against the sub-programme: Rural Development Facilitation in 2011/12 relates to the establishment of TSCs, etc. The decrease in 2012/13 was mainly due to funds reprioritised, as a result of the slow start in the construction of TACs to Programme 1 for vehicle and office maintenance, computer services and training costs, as well as funds shifted from this sub-programme to Programme 3 within the same economic categories in respect of rural connectivity projects such as the TACs, MPCCs, etc., as they were better placed in Programme 3. The decrease in the 2013/14 Adjusted Appropriation was due to

reprioritisation as a result of slower than anticipated filling of posts to other areas of spending pressures. The decrease in 2014/15 and 2015/16 compared to the 2013/14 Main Appropriation is largely due to the completion of TSCs, many of which are in the close-out phase.

The sub-programme: Traditional Land Administration shows a steady increase over the seven years. The slight decrease in the 2013/14 Adjusted Appropriation was due to delays in the implementation of Section 81 of the Municipal Structures Act. The project involves the participation of traditional leaders in providing inputs in respect of service delivery projects. The increase over the MTEF is for the filling of posts, in line with the moratorium on the filling of non-critical vacant posts.

Compensation of employees reflects a steady increase from 2010/11 due to the annual salary adjustments, as well as the carry-through costs of OSD, etc. The increase in the 2013/14 Adjusted Appropriation was due to the increase in the salaries of *Amakhosi*, as well as the increase in the salaries of *Izinduna* and TC secretaries. The increase over the MTEF is in respect of the filling of posts in line with the moratorium on the filling of non-critical posts, as well as inflationary increases.

The low amount against *Goods and services* in 2010/11 can be attributed to the re-classification of infrastructure spending to *Buildings and other fixed structures*, as per the A-G's recommendation relating to the construction of *Imizi Yesizwe*. The substantial increase in 2011/12 was due to a once-off allocation for the induction of new TCs and Local House members, and the provision of tools of trade for the House of Traditional Leaders, explaining the decrease in 2012/13. The increase in the 2013/14 Adjusted Appropriation relates to the sitting allowance of TC members, the establishment of a Commission on Disputes, a seminar on Umzimkulu, etc., as previously mentioned. The increase over the MTEF relates to various provisions such as tools of trade for new TCs, Local House members, the House of Traditional Leaders, as well as inflationary increments.

The amount in 2011/12 against *Transfers and subsidies to: Provinces and municipalities* relates to the operational support for the TSCs in the Abaqulusi Municipality for the establishment of a TSC, as well as for the operational support of TSCs and provisional security at MPCCs. The department has undertaken to carry out these functions itself, hence no further transfers were made.

The amount in 2012/13 against *Transfers and subsidies to: Non-profit institutions* relates to a donation to Sakhisizwe Management Agency for the heritage month celebration.

Transfers and subsidies to: Households caters mainly for staff exit costs, which fluctuate over the period due to the difficulty in forecasting accurately for this category as a result of its uncertain nature.

The high amount in 2011/12 against *Buildings and other fixed structures* can be attributed to the increase in the number of houses built for *Amakhosi* in respect of *Imizi Yesizwe*. The substantial decrease in 2012/13 was due to the slow start in the construction of *Imizi Yesizwe*, as previously explained. The increase in 2013/14 was to cater for additional houses. The increase in the 2013/14 Adjusted Appropriation was in respect of the rehabilitation of TSCs. The allocation over the MTEF caters for additional houses, as well as the rehabilitation of TACs and is based on the need for these houses and centres.

The fluctuations against *Machinery and equipment* from 2010/11 onward are mainly linked to the filling of vacant posts and the related purchase of office and computer equipment, vehicles, etc. The decrease in 2012/13 relates to furniture and equipment for TACs that was not purchased due to non-completion of TACs. The high amount in 2013/14 compared to 2014/15 and 2015/16 caters for the anticipated purchase of additional vehicles, office and computer equipment. The department will review the allocations in future MTEFs.

The amounts against *Software and other intangible assets* in 2012/13, the 2013/14 Adjusted Appropriation and over the MTEF relates to the purchase of the Pastel Evolution software for the traditional levies and trust account in TCs.

Service delivery measures – Programme 4: Traditional Institutional Management

Table 11.25 below illustrates the main service delivery measures pertaining to Programme 4.

The performance target “new” in the 2013/14 Estimated performance illustrates that the indicator did not exist in 2013/14, and that it is a new indicator from 2014/15 onward. The department reviewed its service delivery measures for 2014/15, and hence the number of new targets reflected. The targets indicated as “n/a” means that the target is completed, as some of these targets are support or intervention programmes and had a limited time line.

It should be noted that the department is not adhering to the sector performance indicators set by the Co-operative Governance and Traditional Affairs sector.

Table 11.25 : Service delivery measures – Programme 4: Traditional Institutional Management

Outputs	Performance indicators	Estimated performance		Medium-term targets		
		2013/14	2014/15	2015/16	2016/17	
4.1. Traditional Institutional Administration						
4.1.1	To implement financial management tools aimed at improving financial management of 300 traditional institutions (incl. Umzimkulu)	<ul style="list-style-type: none"> No. of TACs with updated movable asset registers No. of consolidated financial statement for TCs No. of TCs using Pastel Evolution Point of Sale Accounting software 	257 1 new	257 1 120	257 1 180	257 1 240
4.1.2	To implement financial practice notes in traditional institutions	<ul style="list-style-type: none"> No. of TCs supported to implement financial management practice notes 	267	267	267	267
4.1.3	To enhance traditional institutional governance by supporting traditional institutions in the application of appropriate legislation, policies and frameworks	<ul style="list-style-type: none"> No. of governance manuals implemented No. of <i>Amakhosi</i> installed No. of <i>Amakhosi</i> recognised No. of dispute resolution and conflict management frameworks implemented No. of conflict resolution workshops implemented for <i>Amakhosi</i> 	1 7 10 1 framework implemented new	n/a 7 10 1 framework implemented 12	n/a 7 10 1 framework implemented 12	n/a 7 10 1 framework implemented 12
4.2. Traditional Resource Administration						
4.2.1	To develop and implement a skills capacity building prog. for traditional institutions	<ul style="list-style-type: none"> No. of capacity building progs implemented for <i>Amakhosi</i> No. of capacity building progs implemented for PH and LH No. of capacity building progs implemented for TCs No. of research initiatives undertaken for establishment of a traditional learning institution 	1 1 1 1	1 1 1 1	1 1 1 1	1 1 1 1
4.2.2	To provide infrastructural support to Traditional institutions	<ul style="list-style-type: none"> No. of <i>Imizi Yesizwe</i> constructed No. of TACs provided with office infrastructure No. of <i>Amakhosi</i> on the leadership prog. provided with IT equipment No. of houses supported with the development of annual plans No. of PMS developed for the Institution of Traditional Leadership 	5 20 new new new	5 22 20 1 1	5 20 20 n/a n/a	5 20 n/a n/a n/a
4.3. Rural Development Facilitation						
4.3.1	Formalise and strengthen synergistic partnerships in 11 district houses within the province	<ul style="list-style-type: none"> No. of municipalities with <i>Amakhosi</i> participating in terms of Section 81 of Municipal Structures Act 1998 No. of frameworks in terms of Section 81 of Municipal Structures Act 1998 reviewed No. of reports prepared for the participation of <i>Amakhosi</i> in municipalities No. of workshops facilitated for <i>Amakhosi</i> on development priority 	41 1 new new	n/a 1 4 4	n/a 1 4 4	n/a 1 4 4
4.3.2	To support rural development in KZN in line with national Comprehensive Rural Development Prog. and Provincial Integrated Rural Development Strategy	<ul style="list-style-type: none"> No. of development initiatives supported in traditional communities No. of development initiatives supported in traditional communities in terms of business support plans No. of development partnerships facilitated in traditional communities No. of PHs and LHs supported to promote social cohesion 	3 new new 12 (1 PH and 11 LH)	3 3 3 12 (1 PH and 11 LH)	6 6 4 12 (1 PH and 11 LH)	10 10 6 12 (1 PH and 11 LH)
4.4. Traditional Land Administration						
4.4.1	To develop and implement a land utilisation capacity building prog. for TCs	<ul style="list-style-type: none"> No. of capacity building progs undertaken to support TCs with land allocation processes No. of <i>Izizwe</i> supported with alignment of land allocation processes 	1 286	1 296	1 296	1 296

Table 11.25 : Service delivery measures – Programme 4: Traditional Institutional Management

Outputs	Performance indicators	Estimated performance			
		2013/14	2014/15	2015/16	2016/17
4.4.2 To develop and maintain a database of <i>Ubukhosi</i> and <i>Izinduna</i> in terms of provincial directives	• Percentage of received land right applications attended to	2 000	100%	100%	100%
	• No. of <i>Izizwe</i> with <i>Izigodi</i> surveyed	40	35	35	n/a
	• No. of <i>Izizwe</i> covered in collection of land utilisation information toward development of a database	280	296	296	296
	• Percentage of TC Areas of Jurisdiction defined, redefined and land related disputes attended to	new	100%	100%	100%

7. Other programme information

7.1 Personnel numbers and costs

Table 11.26 below illustrates the personnel estimates pertaining to the department at a programme level.

Table 11.26 : Personnel numbers and costs by programme

Personnel numbers	As at		As at		As at		As at	
	31 March 2011	31 March 2012	31 March 2013	31 March 2014	31 March 2015	31 March 2016	31 March 2017	
1. Administration	401	415	460	528	533	548	548	
2. Local Governance	441	479	563	573	596	596	596	
of which								
CDWs	347	347	463	471	550	550	550	
3. Development and Planning	120	160	176	240	256	257	257	
4. Traditional Institutional Management	241	278	283	381	406	417	417	
Total	1 203	1 332	1 482	1 722	1 791	1 818	1 818	
Total personnel cost (R thousand)	293 722	343 521	411 741	523 624	600 466	666 637	713 983	
Unit cost (R thousand)	244	258	278	304	335	367	393	

The personnel numbers reflect an increase from 31 March 2012 onward, which is largely attributed to the planned filling of vacant posts. The department will continue to fill posts over the MTEF, while bearing in mind the moratorium on the filling of non-critical posts.

There is a general increase in the total personnel cost over the period 31 March 2011 to 31 March 2017, which relates to the anticipated filling of posts according to the new organisational structure, the implementation of OSD for technical staff and annual salary increases.

Table 11.27 below summarises the numbers and costs related to various components and categories of workers in the department.

Contract workers are employed to manage various special projects such as the Small Town Rehabilitation programme.

The department aims to achieve the required capacity to support municipalities to meet their service delivery mandate and to create high levels of efficiency.

The departmental head count shows a steady increase from 2013/14 onward, as it is anticipated that vacant posts will be filled, which is not likely, considering the slow pace of filling of vacant posts. The increase in the 2013/14 Adjusted Appropriation can be attributed to the reprioritisation undertaken, as previously explained.

The substantial decrease in 2014/15 and 2015/16 against contract workers relates to the anticipation that most vacant posts will be filled, and the use of contract appointments will therefore be minimised. Also, part-time workers are not budgeted for over the MTEF, as they are only needed when the need arises.

Table 11.27 : Summary of departmental personnel numbers and costs by component

	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Total for the department									
Personnel numbers (head count)	1 203	1 332	1 482	1 736	1 722	1 722	1 791	1 818	1 818
Personnel cost (R thousands)	293 722	343 521	411 741	478 510	531 485	523 624	600 466	666 637	713 983
Human resources component									
Personnel numbers (head count)	147	127	156	117	174	174	182	183	183
Personnel cost (R thousands)	8 620	19 234	27 435	37 251	37 251	37 251	36 304	39 584	41 451
Head count as % of total for department	12.22	9.53	10.53	6.74	10.10	10.10	10.16	10.07	10.07
Personnel cost as % of total for department	2.93	5.60	6.66	7.78	7.01	7.11	6.05	5.94	5.81
Finance component									
Personnel numbers (head count)	92	93	112	108	105	105	99	99	99
Personnel cost (R thousands)	19 728	20 812	25 057	28 635	28 635	28 635	29 943	31 638	33 603
Head count as % of total for department	7.65	6.98	7.56	6.22	6.10	6.10	5.53	5.45	5.45
Personnel cost as % of total for department	6.72	6.06	6.09	5.98	5.39	5.47	4.99	4.75	4.71
Full time workers									
Personnel numbers (head count)	1 108	1 258	1 392	1 673	1 606	1 606	1 747	1 780	1 780
Personnel cost (R thousands)	282 404	328 648	337 437	465 290	466 840	458 979	540 313	604 570	639 187
Head count as % of total for department	92.10	94.44	93.93	96.37	93.26	93.26	97.54	97.91	97.91
Personnel cost as % of total for department	96.15	95.67	81.95	97.24	87.84	87.65	89.98	90.69	89.52
Part-time workers									
Personnel numbers (head count)	8	11	10	-	7	7	-	-	-
Personnel cost (R thousands)	1 840	2 672	2 779	-	1 883	1 883	-	-	-
Head count as % of total for department	0.67	0.83	0.67	-	0.41	0.41	-	-	-
Personnel cost as % of total for department	0.63	0.78	0.67	-	0.35	0.36	-	-	-
Contract workers									
Personnel numbers (head count)	87	63	80	63	109	109	44	38	38
Personnel cost (R thousands)	9 478	12 201	71 525	13 220	62 762	62 762	60 153	62 067	74 796
Head count as % of total for department	7.23	4.73	5.40	3.63	6.33	6.33	2.46	2.09	2.09
Personnel cost as % of total for department	3.23	3.55	17.37	2.76	11.81	11.99	10.02	9.31	10.48

7.2 Training

Tables 11.28 and 11.29 below reflect departmental training expenditure pertaining to the department per programme for the period under review. The training budget is centralised under Programme 1: Administration against the sub-programme: Corporate Services, which aims to facilitate the management of all training undertaken in the department and ensuring that training is obtained from accredited training institutions.

Table 11.28 : Payments on training by programme

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
1. Administration	2 249	882	1 783	750	1 400	1 400	1 835	1 872	1 965
Subsistence and travel	-	-	-	-	-	-	-	-	-
Payments on tuition	2 249	882	1 783	750	1 400	1 400	1 835	1 872	1 965
Other	-	-	-	-	-	-	-	-	-
2. Local Governance	-	-	-	-	-	-	-	-	-
Subsistence and travel	-	-	-	-	-	-	-	-	-
Payments on tuition	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
3. Development and Planning	-	-	-	-	-	-	-	-	-
Subsistence and travel	-	-	-	-	-	-	-	-	-
Payments on tuition	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
4. Traditional Institutional Management	-	-	-	-	-	-	-	-	-
Subsistence and travel	-	-	-	-	-	-	-	-	-
Payments on tuition	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total	2 249	882	1 783	750	1 400	1 400	1 835	1 872	1 965

Expenditure on training was high in 2010/11, as more capacity building programmes were implemented in the department. The decrease in 2011/12 was due to the fact that the Human Capital Development component did not have the capacity to manage all the planned training for the year. The increase in 2012/13, the 2013/14 Adjusted Appropriation and over the MTEF relates to the training needs of

additional staff employed during this period, as well as those that will be employed over the MTEF period. The department will review the staff training needs on an annual basis.

The budgeted amounts over the 2014/15 MTEF are lower than 1 per cent of the total personnel costs, which is required to be set aside for training in terms of the Skills Development Act. According to the department, funds are allocated during the Adjustments Estimate toward this, when savings are realised due to non-filling of posts.

Table 11.29 illustrates the number of staff affected by the various training programmes and initiatives. It also includes a gender breakdown, an indication of the types of training, as well as details of the number of bursaries and learnerships.

Table 11.29 : Information on training: Co-operative Governance and Traditional Affairs

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Number of staff	1 203	1 332	1 482	1 736	1 722	1 722	1 791	1 818	1 818
Number of personnel trained	563	629	685	660	685	685	685	685	695
of which									
Male	237	224	284	235	284	284	284	284	247
Female	326	405	401	425	401	401	401	401	448
Number of training opportunities	592	629	685	660	685	685	685	685	692
of which									
Tertiary	4	-	-	-	-	-	-	-	-
Workshops	12	31	46	32	46	46	46	46	34
Seminars	13	4	1	4	1	1	1	1	1
Other	563	594	638	624	638	638	638	638	657
Number of bursaries offered	53	101	80	80	80	348	80	80	84
Number of interns appointed	111	139	114	114	114	71	114	114	120
Number of learnerships appointed	13	-	-	-	-	-	-	-	-
Number of days spent on training	140	140	140	140	140	140	140	140	147

ANNEXURE – VOTE 11: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

Table 11.A : Details of departmental receipts: Co-operative Governance and Traditional Affairs

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	1 089	1 263	1 293	1 406	1 406	1 406	1 416	1 428	1 504
Sale of goods and services produced by dept. (excl. capital assets)	1 088	1 258	1 290	1 406	1 406	1 406	1 416	1 428	1 504
Sales by market establishments	1 088	1 258	1 290	1 406	1 406	1 406	1 416	1 428	1 504
Sale of scrap, waste, arms and other used current goods (excl. capital assets)	1	5	3	-	-	-	-	-	-
Transfers received from:	-	-	-	-	-	-	-	-	-
Other governmental units	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments	-	-	-	-	-	-	-	-	-
International organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households and non-profit institutions	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	389	2 141	1 549	36	36	36	40	44	46
Interest	-	-	-	-	-	-	-	-	-
Dividends	389	2 141	1 549	36	36	36	40	44	46
Rent on land	-	-	-	-	-	-	-	-	-
Sale of capital assets	2 229	-	-	800	800	1 486	900	1 000	1 200
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Other capital assets	2 229	-	-	800	800	1 486	900	1 000	1 200
Transactions in financial assets and liabilities	1 915	555	4 736	770	770	3 641	847	932	981
Total	5 622	3 959	7 578	3 012	3 012	6 569	3 203	3 404	3 731

Table 11.B : Payments and estimates by economic classification: Co-operative Governance and Traditional Affairs

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Current payments	586 678	712 234	799 663	1 205 926	966 792	961 855	1 087 152	1 148 529	1 206 289
Compensation of employees	293 722	343 521	411 741	478 510	531 485	523 624	600 466	666 637	713 983
Salaries and wages	257 931	303 256	365 628	417 218	472 335	465 198	533 198	592 043	627 495
Social contributions	35 791	40 265	46 113	61 292	59 150	58 426	67 268	74 594	86 488
Goods and services	292 956	368 713	387 922	727 416	435 307	438 231	486 686	481 892	492 306
Administrative fees	939	192	475	202	205	254	84	-	-
Advertising	4 690	11 655	9 997	4 461	9 794	10 815	3 731	5 090	5 162
Assets less than the capitalisation threshold	9 355	5 507	15 293	6 312	7 479	7 784	7 626	13 070	14 052
Audit cost: External	4 913	5 716	5 270	5 894	5 857	5 857	5 100	6 631	6 965
Bursaries: Employees	618	714	828	800	801	801	1 000	1 060	1 116
Catering: Departmental activities	1 777	2 282	17 430	2 053	5 994	6 736	6 380	6 540	6 696
Communication (G&S)	6 193	6 946	10 205	6 795	13 672	13 687	8 343	8 734	9 193
Computer services	11 832	14 453	19 594	10 205	18 904	18 904	20 802	22 456	22 467
Cons & prof serv: Business and advisory services	133 096	120 295	98 965	531 506	136 053	130 082	207 050	189 522	193 920
Cons & prof serv: Infras and planning	-	-	308	500	428	428	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	5 302	7 292	5 732	3 310	6 432	6 432	4 800	6 000	6 004
Contractors	11 005	58 765	29 896	32 035	37 580	34 210	31 149	30 727	32 243
Agency and support / outsourced services	4 106	6 669	6 608	5 356	4 094	4 469	6 604	6 720	7 033
Entertainment	14	4	23	10	10	-	-	-	-
Fleet services (incl. govt motor transport)	4 958	7 245	9 433	6 127	11 235	11 235	11 006	12 776	13 097
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	171	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	150	267	340	439	-	13	-	-	-
Inventory: Fuel, oil and gas	1	44	2	2	-	-	-	-	-
Inventory: Learner and teacher support material	5	20	1	15	-	-	-	-	-
Inventory: Materials and supplies	80	129	165	89	-	-	-	-	-
Inventory: Medical supplies	-	-	-	21	-	-	-	-	-
Inventory: Medicine	235	154	273	150	-	-	-	-	-
Medcas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	4 583	-	-	-	-	-	-
Consumable supplies	393	1 057	946	959	2 066	1 953	2 491	2 359	2 526
Consumable: Stationery, printing and office supplies	3 879	8 049	8 835	5 892	9 277	9 244	9 030	9 412	9 689
Operating leases	17 288	18 792	25 919	23 075	26 733	26 179	28 649	30 762	31 137
Property payments	10 525	17 785	27 322	12 359	28 816	30 526	27 764	22 175	22 220
Transport provided: Departmental activity	114	387	108	215	36	36	-	-	-
Travel and subsistence	29 802	39 887	48 310	45 682	63 730	70 596	61 252	63 006	63 705
Training and development	2 249	882	1 783	750	1 400	1 400	1 835	1 872	1 965
Operating payments	27 094	29 176	33 633	20 352	41 192	40 809	39 673	40 600	40 703
Venues and facilities	2 343	4 349	5 451	1 850	3 231	5 319	2 317	2 380	2 413
Rental and hiring	-	-	194	-	288	291	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	398 590	357 371	456 986	10 462	221 915	225 804	180 112	140 511	137 553
Provinces and municipalities	394 926	348 281	444 587	6 251	210 825	210 825	156 057	135 277	131 077
Provinces	113	120	143	251	251	251	180	200	201
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	113	120	143	251	251	251	180	200	201
Municipalities	394 813	348 161	444 444	6 000	210 574	210 574	155 877	135 077	130 876
Municipalities	394 813	348 161	444 444	6 000	210 574	210 574	155 877	135 077	130 876
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	1 700	1 000	-	-	3 571	20 651	2 000	2 142
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	-	1 700	1 000	-	-	3 571	20 651	2 000	2 142
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	558	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	558	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	558	-	-	-	-	-	-
Non-profit institutions	-	-	100	-	-	-	-	-	-
Households	3 664	7 390	10 741	4 211	11 090	11 408	3 404	3 234	4 334
Social benefits	2 456	4 965	6 782	3 011	5 547	5 746	3 404	3 234	3 984
Other transfers to households	1 208	2 425	3 959	1 200	5 543	5 662	-	-	350
Payments for capital assets	16 456	36 569	57 757	31 308	57 635	58 683	80 812	73 629	91 765
Buildings and other fixed structures	11 985	22 625	24 225	20 250	36 488	36 488	59 903	60 644	78 612
Buildings	11 985	22 625	24 225	20 250	36 488	36 488	59 903	60 644	78 612
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	4 461	13 914	29 188	11 058	17 063	18 082	18 209	10 478	10 653
Transport equipment	1 433	4 724	8 949	2 310	3 759	3 759	6 500	3 000	3 000
Other machinery and equipment	3 028	9 190	20 239	8 748	13 304	14 323	11 709	7 478	7 653
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	10	30	4 344	-	4 084	4 113	2 700	2 507	2 500
Payments for financial assets	865	175	144	-	-	-	-	-	-
Total	1 002 589	1 106 349	1 314 550	1 247 696	1 246 342	1 246 342	1 348 076	1 362 669	1 435 607

Table 11.C : Payments and estimates by economic classification: Administration

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Current payments	177 023	235 526	271 187	238 922	288 883	288 883	300 224	322 377	336 326
Compensation of employees	77 052	87 367	117 636	136 342	135 966	134 266	155 576	174 270	186 540
Salaries and wages	67 171	76 841	104 762	117 802	120 883	119 183	137 660	154 149	165 067
Social contributions	9 881	10 526	12 874	18 540	15 083	15 083	17 916	20 121	21 473
Goods and services	99 971	148 159	153 551	102 580	152 917	154 617	144 648	148 107	149 786
Administrative fees	312	-	20	-	120	121	-	-	-
Advertising	4 304	9 268	8 930	3 669	9 221	10 472	3 464	4 863	4 901
Assets less than the capitalisation threshold	198	787	1 355	450	1 049	1 049	763	135	151
Audit cost: External	4 913	5 716	5 270	5 894	5 857	5 857	5 100	6 631	6 965
Bursaries: Employees	618	714	828	800	801	801	1 000	1 060	1 116
Catering: Departmental activities	260	332	296	128	298	394	215	231	237
Communication (G&S)	4 243	4 431	4 477	3 979	5 389	5 389	5 009	5 312	5 578
Computer services	11 353	14 246	18 002	9 055	18 000	18 000	20 802	22 418	22 428
Cons & prof serv: Business and advisory services	25 075	25 912	11 905	4 400	5 399	5 399	5 694	1 314	1 114
Cons & prof serv: Infras and planning	-	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	4 358	6 284	5 413	2 310	5 446	5 446	3 800	5 000	5 004
Contractors	1 503	25 351	16 054	19 908	16 587	15 191	16 340	18 899	18 550
Agency and support / outsourced services	2 339	824	658	356	355	355	96	152	161
Entertainment	14	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	4 958	7 245	9 433	6 127	11 235	11 235	11 006	12 776	13 097
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	87	131	157	206	-	-	-	-	-
Inventory: Fuel, oil and gas	1	1	2	2	-	-	-	-	-
Inventory: Learner and teacher support material	-	13	1	12	-	-	-	-	-
Inventory: Materials and supplies	43	82	92	70	-	-	-	-	-
Inventory: Medical supplies	-	-	-	1	-	-	-	-	-
Inventory: Medicine	234	154	273	150	-	-	-	-	-
Medas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	322	513	598	590	1 292	1 292	1 461	1 572	1 664
Consumable: Stationery, printing and office supplies	2 899	6 055	6 272	3 249	7 010	7 010	5 784	6 276	6 508
Operating leases	10 055	11 130	22 703	18 688	22 213	22 213	24 039	25 917	25 988
Property payments	7 513	14 677	26 430	11 950	28 517	30 214	27 419	21 801	21 821
Transport provided: Departmental activity	8	-	-	-	-	-	-	-	-
Travel and subsistence	11 138	11 754	10 786	9 406	11 539	11 539	10 103	11 315	11 940
Training and development	2 249	882	1 775	750	1 400	1 400	1 835	1 872	1 965
Operating payments	880	1 607	1 193	390	676	676	454	283	304
Venues and facilities	94	50	612	40	225	276	264	280	294
Rental and hiring	-	-	16	-	288	288	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	2 029	6 658	8 839	4 002	8 984	8 984	4 615	4 734	4 927
Provinces and municipalities	113	120	143	251	251	251	180	200	201
Provinces	113	120	143	251	251	251	180	200	201
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	113	120	143	251	251	251	180	200	201
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	1 801	2 000	2 142
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	-	-	-	-	-	-	1 801	2 000	2 142
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	1 916	6 538	8 696	3 751	8 733	8 733	2 634	2 534	2 584
Social benefits	708	4 149	4 748	2 551	3 190	3 190	2 634	2 534	2 584
Other transfers to households	1 208	2 389	3 948	1 200	5 543	5 543	-	-	-
Payments for capital assets	2 996	7 011	17 991	2 998	7 214	7 214	13 166	3 778	3 842
Buildings and other fixed structures	-	-	-	-	-	-	4 000	-	-
Buildings	-	-	-	-	-	-	4 000	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	2 986	6 981	17 695	2 998	6 719	6 710	9 166	3 771	3 842
Transport equipment	1 433	4 724	8 949	2 310	3 759	3 759	6 500	3 000	3 000
Other machinery and equipment	1 553	2 257	8 746	688	2 960	2 951	2 666	771	842
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	10	30	296	-	495	504	-	7	-
Payments for financial assets	659	104	32	-	-	-	-	-	-
Total	182 707	249 299	298 049	245 922	305 081	305 081	318 005	330 889	345 095

Table 11.D : Payments and estimates by economic classification: Local Governance

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Current payments	122 583	134 790	165 391	191 925	224 285	224 166	207 419	217 482	229 473
Compensation of employees	86 476	102 203	111 694	124 253	148 737	148 618	157 007	170 811	185 053
Salaries and wages	72 226	86 314	94 675	103 794	127 142	127 023	134 556	146 380	159 415
Social contributions	14 250	15 889	17 019	20 459	21 595	21 595	22 451	24 431	25 638
Goods and services	36 107	32 587	53 697	67 672	75 548	75 548	50 412	46 671	44 420
Administrative fees	-	-	-	-	-	-	-	-	-
Advertising	147	282	430	469	414	91	162	167	176
Assets less than the capitalisation threshold	12	183	455	259	210	254	176	116	124
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	408	735	14 736	-	1 251	1 614	128	134	140
Communication (G&S)	129	810	3 231	441	5 727	5 709	269	279	295
Computer services	-	1	72	-	-	-	-	38	39
Cons & prof serv: Business and advisory services	29 150	15 146	19 414	55 126	45 809	40 864	34 837	33 799	33 560
Cons & prof serv: Infras and planning	-	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	-	-	-	-	-	-	-	-	-
Contractors	72	490	66	37	280	512	57	59	61
Agency and support / outsourced services	29	3 607	3 042	-	976	2 411	1 508	1 268	1 280
Entertainment	-	2	1	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	7	15	35	39	-	13	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	4	7	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	12	14	10	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	1	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	3	-	184	-	124	62	318	28	31
Consumable: Stationery, printing and office supplies	248	554	1 139	805	897	749	851	898	924
Operating leases	381	463	694	509	742	754	675	701	730
Property payments	10	-	-	-	-	1	-	-	-
Transport provided: Departmental activity	106	375	108	215	-	-	-	-	-
Travel and subsistence	3 296	6 315	7 809	7 256	16 211	17 264	8 907	6 673	4 505
Training and development	-	-	8	-	-	-	-	-	-
Operating payments	722	1 525	520	1 406	820	832	751	778	760
Venues and facilities	1 382	2 065	1 739	1 100	2 087	4 418	1 773	1 733	1 795
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	60 599	31 348	15 401	100	3 690	3 809	450	150	550
Provinces and municipalities	60 143	30 920	14 160	-	3 000	3 000	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	60 143	30 920	14 160	-	3 000	3 000	-	-	-
Municipalities	60 143	30 920	14 160	-	3 000	3 000	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	158	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	158	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	158	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	456	428	1 083	100	690	809	450	150	550
Social benefits	456	392	1 072	100	690	690	450	150	200
Other transfers to households	-	36	11	-	-	119	-	-	350
Payments for capital assets	331	573	1 240	1 165	1 669	1 669	922	339	487
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	331	573	1 240	1 165	1 669	1 669	922	339	487
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	331	573	1 240	1 165	1 669	1 669	922	339	487
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	55	5	57	-	-	-	-	-	-
Total	183 568	166 716	182 089	193 190	229 644	229 644	208 791	217 971	230 510

Table 11.E : Payments and estimates by economic classification: Development and Planning

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Current payments	140 607	135 632	159 896	568 642	192 397	187 579	296 970	314 518	333 037
Compensation of employees	39 698	48 022	57 960	87 561	97 282	96 704	119 116	135 214	144 670
Salaries and wages	35 225	42 765	51 687	77 221	87 183	86 850	106 659	121 475	128 942
Social contributions	4 473	5 257	6 273	10 340	10 099	9 854	12 457	13 739	15 728
Goods and services	100 909	87 610	101 936	481 081	95 115	90 875	177 854	179 304	188 367
Administrative fees	591	191	455	202	85	133	84	-	-
Advertising	210	418	279	323	159	252	105	60	85
Assets less than the capitalisation threshold	8 923	4 032	11 765	4 404	4 112	4 649	5 517	12 338	13 254
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	288	261	622	208	1 773	1 477	787	845	906
Communication (G&S)	536	289	357	584	648	612	277	282	304
Computer services	441	176	266	-	-	-	-	-	-
Cons & prof serv: Business and advisory services	74 716	63 301	66 157	456 560	66 325	65 160	149 955	141 543	148 222
Cons & prof serv: Infras and planning	-	-	-	-	233	233	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	264	-	-	-	-	-	-	-	-
Contractors	3 505	4 716	755	27	4 335	2 171	70	29	29
Agency and support / outsourced services	1 578	2 025	2 908	5 000	2 763	1 703	5 000	5 300	5 592
Entertainment	-	2	22	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	171	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	29	56	54	83	-	-	-	-	-
Inventory: Fuel, oil and gas	-	43	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	1	-	-	3	-	-	-	-	-
Inventory: Materials and supplies	8	12	13	6	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	4 583	-	-	-	-	-	-
Consumable supplies	6	224	-	71	273	198	221	238	240
Consumable: Stationery, printing and office supplies	355	791	720	922	571	681	794	897	869
Operating leases	709	832	784	1 209	1 118	1 042	1 210	1 171	1 241
Property payments	1 169	366	773	209	276	288	312	341	366
Transport provided: Departmental activity	-	12	-	-	36	36	-	-	-
Travel and subsistence	5 297	6 387	7 798	9 821	11 361	11 045	12 876	14 469	15 424
Training and development	-	-	-	-	-	-	-	-	-
Operating payments	1 558	2 069	1 086	859	889	860	386	1 445	1 533
Venues and facilities	725	1 407	2 539	590	158	164	260	346	302
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	335 180	313 691	431 707	6 000	207 947	211 717	174 847	135 077	130 876
Provinces and municipalities	334 670	311 991	430 284	6 000	207 574	207 574	155 877	135 077	130 876
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	334 670	311 991	430 284	6 000	207 574	207 574	155 877	135 077	130 876
Municipalities	334 670	311 991	430 284	6 000	207 574	207 574	155 877	135 077	130 876
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	1 700	1 000	-	-	3 571	18 850	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	-	1 700	1 000	-	-	3 571	18 850	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	400	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	400	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	400	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	510	-	23	-	373	572	120	-	-
Social benefits	510	-	23	-	373	572	120	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	888	1 871	22 616	6 735	20 375	21 423	53 804	56 837	72 829
Buildings and other fixed structures	392	475	15 230	5 250	17 488	17 488	48 903	51 644	67 612
Buildings	392	475	15 230	5 250	17 488	17 488	48 903	51 644	67 612
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	496	1 396	7 386	1 485	2 719	3 747	4 701	5 193	5 217
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	496	1 396	7 386	1 485	2 719	3 747	4 701	5 193	5 217
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	168	188	200	-	-
Payments for financial assets	105	-	7	-	-	-	-	-	-
Total	476 780	451 194	614 226	581 377	420 719	420 719	525 621	506 432	536 742

Table 11.F : Payments and estimates by economic classification: Traditional Institutional Management

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Current payments	146 465	206 286	203 189	206 437	261 227	261 227	282 539	294 152	307 453
Compensation of employees	90 496	105 929	124 451	130 354	149 500	144 036	168 767	186 342	197 720
Salaries and wages	83 309	97 336	114 504	118 401	137 127	132 142	154 323	170 039	174 071
Social contributions	7 187	8 593	9 947	11 953	12 373	11 894	14 444	16 303	23 649
Goods and services	55 969	100 357	78 738	76 083	111 727	117 191	113 772	107 810	109 733
Administrative fees	36	1	-	-	-	-	-	-	-
Advertising	29	1 687	358	-	-	-	-	-	-
Assets less than the capitalisation threshold	222	505	1 718	1 199	2 108	1 832	1 170	481	523
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	821	954	1 776	1 717	2 672	3 251	5 250	5 330	5 413
Communication (G&S)	1 285	1 416	2 140	1 791	1 908	1 977	2 788	2 861	3 016
Computer services	38	30	1 254	1 150	904	904	-	-	-
Cons & prof serv: Business and advisory services	4 155	15 936	1 489	15 420	18 520	18 659	16 564	12 866	11 024
Cons & prof serv: Infrast and planning	-	-	308	500	195	195	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	680	1 008	319	1 000	986	986	1 000	1 000	1 000
Contractors	5 925	28 208	13 021	12 063	16 378	16 336	14 682	11 740	13 603
Agency and support / outsourced services	160	213	-	-	-	-	-	-	-
Entertainment	-	-	-	10	10	-	-	-	-
Fleet services (incl. govt motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	27	65	94	111	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	29	23	46	3	-	-	-	-	-
Inventory: Medical supplies	-	-	-	20	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	62	320	164	298	377	401	491	521	591
Consumable: Stationery, printing and office supplies	377	649	704	916	799	804	1 601	1 341	1 388
Operating leases	6 143	6 367	1 738	2 669	2 660	2 170	2 725	2 973	3 178
Property payments	1 833	2 742	119	200	23	23	33	33	33
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	10 071	15 431	21 917	19 199	24 619	30 748	29 366	30 549	31 836
Training and development	-	-	-	-	-	-	-	-	-
Operating payments	23 934	23 975	30 834	17 697	38 807	38 441	38 082	38 094	38 106
Venues and facilities	142	827	561	120	761	461	20	21	22
Rental and hiring	-	-	178	-	-	3	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	782	5 674	1 039	360	1 294	1 294	200	550	1 200
Provinces and municipalities	-	5 250	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	5 250	-	-	-	-	-	-	-
Municipalities	-	5 250	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	100	-	-	-	-	-	-
Households	782	424	939	360	1 294	1 294	200	550	1 200
Social benefits	782	424	939	360	1 294	1 294	200	550	1 200
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	12 241	27 114	15 910	20 410	28 377	28 377	12 920	12 675	14 607
Buildings and other fixed structures	11 593	22 150	8 995	15 000	19 000	19 000	7 000	9 000	11 000
Buildings	11 593	22 150	8 995	15 000	19 000	19 000	7 000	9 000	11 000
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	648	4 964	2 867	5 410	5 956	5 956	3 420	1 175	1 107
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	648	4 964	2 867	5 410	5 956	5 956	3 420	1 175	1 107
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	4 048	-	3 421	3 421	2 500	2 500	2 500
Payments for financial assets	46	66	48	-	-	-	-	-	-
Total	159 534	239 140	220 186	227 207	290 898	290 898	295 659	307 377	323 260

Table 11.G : Payments and estimates by economic classification: Conditional grants (EPWP Integrated Grant for Provinces)

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Current payments	-	-	-	-	-	-	3 471	-	-
Compensation of employees	-	-	-	-	-	-	-	-	-
Salaries and wages	-	-	-	-	-	-	-	-	-
Social contributions	-	-	-	-	-	-	-	-	-
Goods and services	-	-	-	-	-	-	3 471	-	-
Administrative fees	-	-	-	-	-	-	-	-	-
Advertising	-	-	-	-	-	-	-	-	-
Assets less than the capitalisation threshold	-	-	-	-	-	-	-	-	-
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	-	-	-	-	-	-	-	-	-
Communication (G&S)	-	-	-	-	-	-	-	-	-
Computer services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Business and advisory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Infras and planning	-	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	-	-	-	-	-	-	-	-	-
Contractors	-	-	-	-	-	-	3 471	-	-
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	-	-	-	-	-	-	-	-	-
Consumable: Stationery, printing and office supplies	-	-	-	-	-	-	-	-	-
Operating leases	-	-	-	-	-	-	-	-	-
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	-	-	-	-	-	-	-	-	-
Training and development	-	-	-	-	-	-	-	-	-
Operating payments	-	-	-	-	-	-	-	-	-
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to	-	-	-	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving funds	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Social benefits	-	-	-	-	-	-	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	3 471	-	-

Table 11.H: Co-operative and Traditional Affairs - Payments of infrastructure by category

No.	Project name	Municipality / Region	Type of infrastructure		Project duration		Source of funding	Budget programme name	Targeted number of jobs for 2014/15	Total project cost	Expenditure to date from previous years	Total available		MTEF Forward estimates
			School - primary/ secondary/ specialised; admin block; water; electricity; sanitation/toilet; fencing etc)	Units	Date: Start	Date: Finish						2014/15	MTEF 2015/16	
R thousand														
New and replacement assets														
1	Imizi Yesizwe	Various	Houses for Amakhosi	Various	2007/04/01	Ongoing	Equitable share	Traditional Institutional Mgt.	-	-	-	7 000	9 000	11 000
2	New Community Service Centres	Various	Community Service Centres	3	2013/04/01	2014/03/31	Equitable share	Development and Planning	80	23 500	18 270	-	-	-
3	New Community Service Centres	Various	Community Service Centres	3	2014/04/01	2015/03/31	Equitable share	Development and Planning	40	15 000	-	6 477	-	-
4	New Community Service Centres	Various	Community Service Centres	3	2015/04/01	2016/03/31	Equitable share	Development and Planning	40	15 000	-	-	44 839	-
5	New Community Service Centres	Various	Community Service Centres	2	2016/04/01	2017/06/30	Equitable share	Development and Planning	80	16 000	-	14 000	-	59 948
Total New and replacement assets									240	96 341	18 270	47 730	53 839	70 948
Upgrades and additions														
Rehabilitation, renovations and refurbishments														
1	Rehabilitation of TACs	Various	Admin Centres	20	2010/04/01	2014/03/31	Equitable share	Traditional Institutional Mgt.	160	12 000	5 955	-	-	-
2	Rehabilitation of TACs	Various	Admin Centres	20	2014/04/01	2015/03/31	Equitable share	Traditional Institutional Mgt.	160	12 000	-	6 773	-	-
3	Rehabilitation of TACs	Various	Admin Centres	20	2015/04/01	2016/03/31	Equitable share	Traditional Institutional Mgt.	160	12 000	-	-	6 825	7 664
4	Rehabilitation of CSCs	Various	Community Service Centres	3	2014/04/01	2015/03/31	Equitable share	Development and Planning	-	-	-	5 400	-	-
Total Rehabilitation, renovations and refurbishments									480	36 000	5 955	12 173	6 825	7 664
Maintenance and repairs														
Infrastructure transfers - current														
Infrastructure transfers - capital														
Total Co-operative Governance and Traditional Affairs Infrastructure									720	132 341	24 225	59 903	60 664	76 612

Table 11.1 : Summary of transfers to local government

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
A KZN2000 eThekweni	21 800	6 925	-	-	4 000	4 000	1 000	1 000	1 000
Total: Ugu Municipalities	66 468	22 585	28 630	1 200	30 131	30 131	13 810	14 171	10 400
B KZN211 Vulamehlo	725	900	-	-	-	-	-	-	-
B KZN212 Umdoni	1 000	9 080	1 000	-	15 931	15 931	-	-	-
B KZN213 Umzumbane	1 000	1 000	-	-	-	-	500	-	-
B KZN214 uMuziwabantu	4 225	1 000	5 000	200	7 200	7 200	-	-	-
B KZN215 Ezingoloni	5 752	-	200	-	-	-	-	-	-
B KZN216 Hibiscus Coast	1 000	1 000	9 000	-	1 000	1 000	-	-	-
C DC21 Ugu District Municipality	52 766	9 605	13 430	1 000	6 000	6 000	13 310	14 171	10 400
Total: uMgungundlovu Municipalities	44 017	37 527	71 611	1 200	71 221	71 221	33 631	31 750	30 831
B KZN221 uMshwathi	-	-	1 500	-	-	-	-	-	-
B KZN222 uMngeni	5 900	-	4 000	-	15 000	15 000	-	-	-
B KZN223 Mpošana	725	900	600	-	-	-	-	-	-
B KZN224 Impendle	1 500	11 300	5 400	200	9 825	9 825	-	-	-
B KZN225 Msunduzi	14 900	300	34 000	-	12 500	12 500	4 277	9 000	-
B KZN226 Mkhambathini	1 000	-	-	-	23 896	23 896	-	-	-
B KZN227 Richmond	10 448	-	2 200	-	9 000	9 000	-	-	-
C DC22 uMgungundlovu District Municipality	9 544	25 027	23 911	1 000	1 000	1 000	29 354	22 750	30 831
Total: Uthukela Municipalities	21 183	50 447	65 334	200	15 400	15 400	5 850	24 750	21 486
B KZN232 Emnambithi/Ladysmith	9 701	18 000	15 500	-	9 200	9 200	-	-	-
B KZN233 Indaka	925	-	-	-	-	-	-	-	-
B KZN234 Umtshezi	-	7 220	9 200	-	6 000	6 000	-	-	-
B KZN235 Okhahlamba	6 600	1 167	10 900	-	-	-	-	-	-
B KZN236 Imbabazane	-	-	-	200	200	200	-	-	-
C DC23 Uthukela District Municipality	3 957	24 060	29 734	-	-	-	5 850	24 750	21 486
Total: Umzinyathi Municipalities	25 930	22 533	20 605	200	3 200	3 200	7 050	17 250	18 187
B KZN241 Endumeni	1 150	-	-	-	-	-	-	-	-
B KZN242 Nqutu	9 000	6 167	3 000	200	3 200	3 200	-	-	-
B KZN244 Msinga	3 156	2 667	200	-	-	-	-	-	-
B KZN245 Umvoti	-	1 167	1 000	-	-	-	-	-	-
C DC24 Umzinyathi District Municipality	12 624	12 532	16 405	-	-	-	7 050	17 250	18 187
Total: Amajuba Municipalities	7 804	11 550	51 365	200	200	200	11 000	12 250	3 400
B KZN252 Newcastle	2 134	9 920	8 446	-	-	-	-	9 000	-
B KZN253 eMadlangeni	2 550	-	-	200	200	200	-	-	-
B KZN254 Dannhauser	-	-	25 575	-	-	-	-	-	-
C DC25 Amajuba District Municipality	3 120	1 630	17 344	-	-	-	11 000	3 250	3 400
Total: Zululand Municipalities	22 286	37 020	50 021	200	14 700	14 700	6 850	250	13 186
B KZN261 eDumbe	-	-	200	-	-	-	-	-	-
B KZN262 uPhongolo	1 725	3 600	12 100	200	3 200	3 200	-	-	-
B KZN263 Abaqulusi	-	9 600	17 590	-	11 500	11 500	1 600	-	-
B KZN265 Nongoma	-	-	1 000	-	-	-	-	-	-
B KZN266 Ulundi	-	750	-	-	-	-	-	-	-
C DC26 Zululand District Municipality	20 561	23 070	19 131	-	-	-	5 250	250	13 186
Total: Umkhanyakude Municipalities	53 869	20 405	32 167	200	450	450	250	8 100	7 400
B KZN271 Umhlabuyalingana	7 500	1 000	200	-	-	-	-	-	-
B KZN272 Jozini	7 300	-	4 500	-	-	-	-	-	-
B KZN273 The Big 5 False Bay	-	-	-	200	200	200	-	-	-
B KZN274 Hlabisa	7 000	1 000	-	-	-	-	-	-	-
B KZN275 Mtubatuba	10 660	-	-	-	-	-	-	-	-
C DC27 Umkhanyakude District Municipality	21 409	18 405	27 467	-	250	250	250	8 100	7 400
Total: uThungulu Municipalities	14 336	37 263	35 800	200	24 200	24 200	37 055	3 250	13 186
B KZN281 Umfolozi	2 000	4 250	1 800	-	1 000	1 000	4 855	-	-
B KZN282 uMhlatuze	3 758	-	9 500	-	-	-	21 000	-	9 786
B KZN283 Ntambanana	-	1 167	3 000	-	2 000	2 000	-	-	-
B KZN284 uMlalazi	1 000	500	-	200	200	200	-	-	-
B KZN285 Mthonjaneni	-	14 000	12 600	-	-	-	500	-	-
B KZN286 Nkandla	6 800	7 500	-	-	-	-	-	-	-
C DC28 uThungulu District Municipality	778	9 846	8 900	-	21 000	21 000	10 700	3 250	3 400
Total: Ilembe Municipalities	61 104	36 170	37 841	200	11 529	11 529	28 131	18 206	8 400
B KZN291 Mandeni	-	-	3 000	200	11 029	11 029	500	-	-
B KZN292 KwaDukuza	-	1 665	11 000	-	-	-	-	-	-
B KZN293 Ndwedwe	725	2 000	4 600	-	-	-	7 000	-	-
B KZN294 Maphumulo	1 700	13 000	200	-	-	-	-	-	-
C DC29 Ilembe District Municipality	58 679	19 505	19 041	-	500	500	20 631	18 206	8 400
Total: Sisonke Municipalities	56 016	65 736	51 070	200	35 543	35 543	11 250	4 100	3 400
B KZN431 Ingwe	400	10 000	-	-	-	-	-	-	-
B KZN432 Kwa Sani	1 000	9 930	-	-	-	-	-	-	-
B KZN433 Greater Kokstad	1 500	6 200	1 200	-	8 000	8 000	-	-	-
B KZN434 Ubuhlebezwe	6 000	6 720	16 400	-	12 643	12 643	-	-	-
B KZN435 Umzimkulu	1 000	4 350	8 870	200	11 900	11 900	-	-	-
C DC43 Sisonke District Municipality	46 116	28 536	24 600	-	3 000	3 000	11 250	4 100	3 400
Unallocated	-	-	-	2 000	-	-	-	-	-
Total	394 813	348 161	444 444	6 000	210 574	210 574	155 877	135 077	130 876

Table 11.J : Transfers to local government - Massification programme

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation 2013/14	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
A KZN2000 eThekweni	5 000	-	-	-	-	-	-	-	-
Total: Ugu Municipalities	39 697	7 850	11 700	-	15 931	15 931	4 060	7 000	-
B KZN212 Umdoni	-	-	-	-	15 931	15 931	-	-	-
C DC21 Ugu District Municipality	39 697	7 850	11 700	-	-	-	4 060	7 000	-
Total: uMgungundlovu Municipalities	8 127	4 118	13 511	-	23 896	23 896	10 381	9 000	15 931
B KZN225 Msunduzi	-	-	2 000	-	-	-	4 277	9 000	-
B KZN226 Mkhambathini	-	-	-	-	23 896	23 896	-	-	-
C DC22 uMgungundlovu District Municipality	8 127	4 118	11 511	-	-	-	6 104	-	15 931
Total:Uthukela Municipalities	3 540	17 760	21 334	-	-	-	-	9 000	9 786
C DC23 Uthukela District Municipality	3 540	17 760	21 334	-	-	-	-	9 000	9 786
Total: Umzinyathi Municipalities	11 907	11 513	11 000	-	-	-	-	9 000	9 787
C DC24 Umzinyathi District Municipality	11 907	11 513	11 000	-	-	-	-	9 000	9 787
Total: Amajuba Municipalities	3 112	9 050	14 946	-	-	-	-	9 000	-
B KZN252 Newcastle	1 134	7 420	6 946	-	-	-	-	9 000	-
C DC25 Amajuba District Municipality	1 978	1 630	8 000	-	-	-	-	-	-
Total: Zululand Municipalities	3 670	11 870	17 271	-	-	-	-	-	9 786
B KZN263 Abaqulusi	-	3 600	6 190	-	-	-	-	-	-
C DC26 Zululand District Municipality	3 670	8 270	11 081	-	-	-	-	-	9 786
Total: Umkhanyakude Municipalities	1 792	15 956	17 127	-	-	-	-	-	-
C DC27 Umkhanyakude District Municipality	1 792	15 956	17 127	-	-	-	-	-	-
Total: uThungulu Municipalities	361	8 717	10 000	-	-	-	-	-	9 786
B KZN282 uMhlatuze	-	-	2 000	-	-	-	-	-	9 786
C DC28 uThungulu District Municipality	361	8 717	8 000	-	-	-	-	-	-
Total: Ilembe Municipalities	20 231	13 705	8 111	-	-	-	16 931	9 956	-
B KZN293 Ndwedwe	-	-	-	-	-	-	7 000	-	-
C DC29 Ilembe District Municipality	20 231	13 705	8 111	-	-	-	9 931	9 956	-
Total: Sisonke Municipalities	3 563	1 494	20 800	-	-	-	-	-	-
C DC43 Sisonke District Municipality	3 563	1 494	20 800	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	101 000	102 033	145 800	-	39 827	39 827	31 372	52 956	55 076

Table 11.K : Transfers to local government - District Growth and Development Summit

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation 2013/14	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
A KZN2000 eThekweni	-	-	-	-	-	-	-	-	-
Total: Ugu Municipalities	-	-	400	-	-	-	-	-	-
C DC21 Ugu District Municipality	-	-	400	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	-	-	400	-	-	-	-	-	-
C DC22 uMgungundlovu District Municipality	-	-	400	-	-	-	-	-	-
Total:Uthukela Municipalities	-	-	400	-	-	-	-	-	-
C DC23 Uthukela District Municipality	-	-	400	-	-	-	-	-	-
Total: Umzinyathi Municipalities	-	-	400	-	-	-	-	-	-
C DC24 Umzinyathi District Municipality	-	-	400	-	-	-	-	-	-
Total: Amajuba Municipalities	-	-	400	-	-	-	-	-	-
C DC25 Amajuba District Municipality	-	-	400	-	-	-	-	-	-
Total: Zululand Municipalities	-	-	400	-	-	-	-	-	-
C DC26 Zululand District Municipality	-	-	400	-	-	-	-	-	-
Total: Umkhanyakude Municipalities	-	-	400	-	-	-	-	-	-
C DC27 Umkhanyakude District Municipality	-	-	400	-	-	-	-	-	-
Total: uThungulu Municipalities	-	-	400	-	-	-	-	-	-
C DC28 uThungulu District Municipality	-	-	400	-	-	-	-	-	-
Total: Ilembe Municipalities	-	-	400	-	-	-	-	-	-
C DC29 Ilembe District Municipality	-	-	400	-	-	-	-	-	-
Total: Sisonke Municipalities	-	-	400	-	-	-	-	-	-
C DC43 Sisonke District Municipality	-	-	400	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	-	-	4 000	-	-	-	-	-	-

Table 11.L : Transfers to local government - Small Town Rehabilitation programme

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation 2013/14	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
A KZN2000 eThekweni	-	-	-	-	-	-	-	-	-
Total: Ugu Municipalities	8 852	1 000	5 000	-	7 000	7 000	-	-	-
B KZN214 uMuziwabantu	3 500	1 000	5 000	-	7 000	7 000	-	-	-
B KZN215 Eziqoleni	5 352	-	-	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	10 300	6 300	6 600	-	13 625	13 625	-	-	-
B KZN223 Mpofana	-	-	600	-	-	-	-	-	-
B KZN224 Impendle	-	6 300	5 000	-	4 625	4 625	-	-	-
B KZN227 Richmond	10 300	-	1 000	-	9 000	9 000	-	-	-
Total:Uthukela Municipalities	15 001	23 220	27 100	-	10 000	10 000	5 600	12 500	7 500
B KZN232 Emnambithi/Ladysmith	9 401	16 000	7 000	-	4 000	4 000	-	-	-
B KZN234 Umtshezi	-	7 220	9 200	-	6 000	6 000	-	-	-
B KZN235 Okhahlamba	5 600	-	10 900	-	-	-	-	-	-
C DC23 Uthukela District Municipality	-	-	-	-	-	-	5 600	12 500	7 500
Total: Umzinyathi Municipalities	11 706	3 000	-	-	-	-	-	5 000	5 000
B KZN242 Nqutu	9 000	3 000	-	-	-	-	-	-	-
B KZN244 Msinga	2 706	-	-	-	-	-	-	-	-
C DC24 Umzinyathi District Municipality	-	-	-	-	-	-	-	5 000	5 000
Total: Amajuba Municipalities	2 550	-	25 375	-	-	-	5 000	-	-
B KZN253 eMadlangeni	2 550	-	-	-	-	-	-	-	-
B KZN254 Dannhauser	-	-	25 375	-	-	-	-	-	-
C DC25 Amajuba District Municipality	-	-	-	-	-	-	5 000	-	-
Total: Zululand Municipalities	-	-	14 400	-	11 500	11 500	-	-	-
B KZN262 uPhongolo	-	-	3 000	-	-	-	-	-	-
B KZN263 Abaqulusi	-	-	11 400	-	11 500	11 500	-	-	-
Total: Umkhanyakude Municipalities	29 160	1 000	3 500	-	-	-	-	-	-
B KZN271 Umhlabuyalingana	6 500	1 000	-	-	-	-	-	-	-
B KZN272 Jozini	6 300	-	3 500	-	-	-	-	-	-
B KZN274 Hlabisa	7 000	-	-	-	-	-	-	-	-
B KZN275 Mtubatuba	9 360	-	-	-	-	-	-	-	-
Total: uThungulu Municipalities	6 800	14 000	13 200	-	-	-	-	-	-
B KZN281 Umfolozi	-	-	600	-	-	-	-	-	-
B KZN285 Mthonjaneni	-	10 000	12 600	-	-	-	-	-	-
B KZN286 Nkandla	6 800	4 000	-	-	-	-	-	-	-
Total: Ilembe Municipalities	2 400	4 000	7 000	-	10 829	10 829	4 700	5 000	5 000
B KZN291 Mandeni	-	-	3 000	-	10 829	10 829	-	-	-
B KZN293 Ndwedwe	-	-	4 000	-	-	-	-	-	-
B KZN294 Maphumulo	1 700	4 000	-	-	-	-	-	-	-
C DC29 Ilembe District Municipality	700	-	-	-	-	-	4 700	5 000	5 000
Total: Sisonke Municipalities	6 000	21 700	23 370	-	30 843	30 843	11 000	-	-
B KZN432 Kwa Sani	-	4 430	-	-	-	-	-	-	-
B KZN433 Greater Kokstad	-	6 200	-	-	8 000	8 000	-	-	-
B KZN434 Ubuhlebezwe	6 000	6 720	14 500	-	11 143	11 143	-	-	-
B KZN435 Umzimkulu	-	4 350	8 870	-	11 700	11 700	-	-	-
C DC43 Sisonke District Municipality	-	-	-	-	-	-	11 000	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	92 769	74 220	125 545	-	83 797	83 797	26 300	22 500	17 500

Table 11.M : Transfers to local government - Sustainable Living Exhibition

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation 2013/14	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
A KZN2000 eThekweni	-	-	-	-	1 000	1 000	1 000	1 000	1 000
Total: Ugu Municipalities	-	-	-	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	-	-	-	-	-	-	-	-	-
Total:Uthukela Municipalities	-	-	-	-	-	-	-	-	-
Total: Umzinyathi Municipalities	-	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities	-	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	-	-	-	-	-	-	-	-	-
Total: Umkhanyakude Municipalities	-	-	-	-	-	-	-	-	-
Total: uThungulu Municipalities	-	-	-	-	-	-	-	-	-
Total: Ilembe Municipalities	-	-	-	-	-	-	-	-	-
Total: Sisonke Municipalities	-	-	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	1 000	1 000	1 000	1 000	1 000

Table 11.N : Transfers to local government - Corridor Development

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
A KZN2000 eThekweni	16 800	4 425	-	-	3 000	3 000	-	-	-
Total: Ugu Municipalities	10 152	10 000	10 000	-	-	-	9 000	6 921	10 000
B KZN212 Umdoni	-	8 000	1 000	-	-	-	-	-	-
B KZN213 Umzumbe	-	1 000	-	-	-	-	-	-	-
B KZN216 Hibiscus Coast	-	1 000	9 000	-	-	-	-	-	-
C DC21 Ugu District Municipality	10 152	-	-	-	-	-	9 000	6 921	10 000
Total: uMgungundlovu Municipalities	21 400	26 200	46 000	-	32 500	32 500	23 000	22 500	14 500
B KZN222 uMngeni	5 500	-	4 000	-	15 000	15 000	-	-	-
B KZN223 Mprofana	-	900	-	-	-	-	-	-	-
B KZN224 Impendle	1 500	5 000	-	-	5 000	5 000	-	-	-
B KZN225 Msunduzi	14 400	300	32 000	-	12 500	12 500	-	-	-
C DC22 uMgungundlovu District Municipality	-	20 000	10 000	-	-	-	23 000	22 500	14 500
Total: Uthukela Municipalities	-	-	6 500	-	5 200	5 200	-	3 000	3 000
B KZN232 Emnambithi/Ladysmith	-	-	6 500	-	5 200	5 200	-	-	-
C DC23 Uthukela District Municipality	-	-	-	-	-	-	-	3 000	3 000
Total: Umzinyathi Municipalities	300	2 000	3 000	-	3 000	3 000	1 800	3 000	3 000
B KZN242 Nqutu	-	2 000	3 000	-	3 000	3 000	-	-	-
C DC24 Umzinyathi District Municipality	300	-	-	-	-	-	1 800	3 000	3 000
Total: Amajuba Municipalities	-	1 000	1 500	-	-	-	5 000	3 000	3 000
B KZN252 Newcastle	-	1 000	1 500	-	-	-	-	-	-
C DC25 Amajuba District Municipality	-	-	-	-	-	-	5 000	3 000	3 000
Total: Zululand Municipalities	14 000	15 600	12 200	-	3 000	3 000	5 000	-	3 000
B KZN262 uPhongolo	-	3 600	5 700	-	3 000	3 000	-	-	-
C DC26 Zululand District Municipality	14 000	12 000	6 500	-	-	-	5 000	-	3 000
Total: Umkhanyakude Municipalities	18 000	2 000	-	-	-	-	-	7 000	7 000
B KZN274 Hlabisa	-	1 000	-	-	-	-	-	-	-
B KZN275 Mtubatuba	1 300	-	-	-	-	-	-	-	-
C DC27 Umkhanyakude District Municipality	16 700	1 000	-	-	-	-	-	7 000	7 000
Total: uThungulu Municipalities	2 000	4 000	10 500	-	22 000	22 000	9 700	3 000	3 000
B KZN281 Umfolozi	2 000	3 500	-	-	-	-	-	-	-
B KZN282 uMhlatuze	-	-	7 500	-	-	-	-	-	-
B KZN283 Ntambanana	-	-	3 000	-	2 000	2 000	-	-	-
B KZN284 uMlalazi	-	500	-	-	-	-	-	-	-
C DC28 uThungulu District Municipality	-	-	-	-	20 000	20 000	9 700	3 000	3 000
Total: Ilembe Municipalities	29 916	14 500	18 400	-	500	500	5 000	3 000	3 000
B KZN292 KwaDukuza	-	-	11 000	-	-	-	-	-	-
B KZN293 Ndwedwe	-	2 000	-	-	-	-	-	-	-
B KZN294 Maphumulo	-	9 000	-	-	-	-	-	-	-
C DC29 Ilembe District Municipality	29 916	3 500	7 400	-	500	500	5 000	3 000	3 000
Total: Sisonke Municipalities	1 500	16 722	3 200	-	1 500	1 500	-	3 000	3 000
B KZN431 Ingwe	-	10 000	-	-	-	-	-	-	-
B KZN432 Kwa Sani	-	5 000	-	-	-	-	-	-	-
B KZN434 Ubuhlebezwe	-	-	-	-	1 500	1 500	-	-	-
C DC43 Sisonke District Municipality	1 500	1 722	3 200	-	-	-	-	3 000	3 000
Unallocated	-	-	-	-	-	-	-	-	-
Total	114 068	96 447	111 300	-	70 700	70 700	58 500	54 421	52 500

Table 11.O : Transfers to local government - Public Participation Citizen Satisfaction Survey

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
A KZN2000 eThekweni	-	-	-	-	-	-	-	-	-
Total: Ugu Municipalities	-	-	1 130	-	-	-	-	-	-
C DC21 Ugu District Municipality	-	-	1 130	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	-	-	-	-	-	-	-	-	-
Total: Uthukela Municipalities	-	-	-	-	-	-	-	-	-
Total: Umzinyathi Municipalities	-	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities	-	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	-	-	-	-	-	-	-	-	-
Total: Umkhanyakude Municipalities	-	-	-	-	-	-	-	-	-
Total: uThungulu Municipalities	-	-	-	-	-	-	-	-	-
Total: Ilembe Municipalities	-	-	1 130	-	-	-	-	-	-
C DC29 Ilembe District Municipality	-	-	1 130	-	-	-	-	-	-
Total: Sisonke Municipalities	-	-	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	-	-	2 260	-	-	-	-	-	-

Table 11.P : Transfers to local government - Development Planning and Shared Services

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
A KZN2000 eThekweni	-	-	-	-	-	-	-	-	-
Total: Ugu Municipalities	-	955	-	1 000	1 000	1 000	250	250	400
C DC21 Ugu District Municipality	-	955	-	1 000	1 000	1 000	250	250	400
Total: uMgungundlovu Municipalities	-	909	-	1 000	1 000	1 000	250	250	400
C DC22 uMgungundlovu District Municipality	-	909	-	1 000	1 000	1 000	250	250	400
Total: Uthukela Municipalities	-	2 400	-	-	-	-	250	250	1 200
C DC23 Uthukela District Municipality	-	2 400	-	-	-	-	250	250	1 200
Total: Umzinyathi Municipalities	-	219	950	-	-	-	250	250	400
C DC24 Umzinyathi District Municipality	-	219	950	-	-	-	250	250	400
Total: Amajuba Municipalities	-	-	-	-	-	-	1 000	250	400
C DC25 Amajuba District Municipality	-	-	-	-	-	-	1 000	250	400
Total: Zululand Municipalities	1 474	-	950	-	-	-	250	250	400
C DC26 Zululand District Municipality	1 474	-	950	-	-	-	250	250	400
Total: Umkhanyakude Municipalities	-	649	-	-	-	-	250	1 100	400
C DC27 Umkhanyakude District Municipality	-	649	-	-	-	-	250	1 100	400
Total: uThungulu Municipalities	-	329	-	-	-	-	1 000	250	400
C DC28 uThungulu District Municipality	-	329	-	-	-	-	1 000	250	400
Total: Ilembe Municipalities	1 215	-	100	-	-	-	1 000	250	400
C DC29 Ilembe District Municipality	1 215	-	100	-	-	-	1 000	250	400
Total: Sisonke Municipalities	1 538	-	-	-	-	-	250	1 100	400
C DC43 Sisonke District Municipality	1 538	-	-	-	-	-	250	1 100	400
Unallocated	-	-	-	-	-	-	-	-	-
Total	4 227	5 461	2 000	2 000	2 000	2 000	4 750	4 200	4 800

Table 11.Q : Transfers to local government - Community participation in IDPs

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
A KZN2000 eThekweni	-	-	-	-	-	-	-	-	-
Total: Ugu Municipalities	-	-	200	200	200	200	-	-	-
B KZN214 uMuziwabantu	-	-	-	200	200	200	-	-	-
B KZN215 Ezingoleni	-	-	200	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	-	-	200	200	200	200	-	-	-
B KZN224 Impendle	-	-	-	200	200	200	-	-	-
B KZN227 Richmond	-	-	200	-	-	-	-	-	-
Total: Uthukela Municipalities	-	-	-	200	200	200	-	-	-
B KZN236 Imbabazane	-	-	-	200	200	200	-	-	-
Total: Umzinyathi Municipalities	-	-	200	200	200	200	-	-	-
B KZN242 Nqutu	-	-	-	200	200	200	-	-	-
B KZN244 Msinga	-	-	200	-	-	-	-	-	-
Total: Amajuba Municipalities	-	-	200	200	200	200	-	-	-
B KZN253 eMadlangeni	-	-	-	200	200	200	-	-	-
B KZN254 Dannhauser	-	-	200	-	-	-	-	-	-
Total: Zululand Municipalities	-	-	200	200	200	200	-	-	-
B KZN261 eDumbe	-	-	200	-	-	-	-	-	-
B KZN262 uPhongolo	-	-	-	200	200	200	-	-	-
Total: Umkhanyakude Municipalities	-	-	200	200	200	200	-	-	-
B KZN271 Umhlabuyalingana	-	-	200	-	-	-	-	-	-
B KZN273 The Big 5 False Bay	-	-	-	200	200	200	-	-	-
Total: uThungulu Municipalities	-	-	200	200	200	200	-	-	-
B KZN281 Umfolozi	-	-	200	-	-	-	-	-	-
B KZN284 uMlalazi	-	-	-	200	200	200	-	-	-
Total: Ilembe Municipalities	-	-	400	200	200	200	-	-	-
B KZN291 Mandeni	-	-	-	200	200	200	-	-	-
B KZN293 Ndwedwe	-	-	200	-	-	-	-	-	-
B KZN294 Maphumulo	-	-	-	-	-	-	-	-	-
Total: Sisonke Municipalities	-	-	200	200	200	200	-	-	-
B KZN433 Greater Kokstad	-	-	200	-	-	-	-	-	-
B KZN435 Umzimkulu	-	-	-	200	200	200	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	-	-	2 000	2 000	2 000	2 000	-	-	-

Table 11.R : Transfers to local government - Disaster Management

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation 2013/14	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
A KZN2000 eThekweni	-	-	-	-	-	-	-	-	-
Total: Ugu Municipalities	2 500	-	-	-	5 000	5 000	-	-	-
C DC21 Ugu District Municipality	2 500	-	-	-	5 000	5 000	-	-	-
Total: uMgungundlovu Municipalities	-	-	-	-	-	-	-	-	-
Total:Uthukela Municipalities	-	1 500	5 000	-	-	-	-	-	-
C DC23 Uthukela District Municipality	-	1 500	5 000	-	-	-	-	-	-
Total: Umzinyathi Municipalities	-	-	-	-	-	-	5 000	-	-
C DC24 Umzinyathi District Municipality	-	-	-	-	-	-	5 000	-	-
Total: Amajuba Municipalities	-	1 500	5 000	-	-	-	-	-	-
B KZN252 Newcastle	-	1 500	-	-	-	-	-	-	-
C DC25 Amajuba District Municipality	-	-	5 000	-	-	-	-	-	-
Total: Zululand Municipalities	-	-	-	-	-	-	-	-	-
Total: Umkhanyakude Municipalities	2 500	-	7 740	-	-	-	-	-	-
C DC27 Umkhanyakude District Municipality	2 500	-	7 740	-	-	-	-	-	-
Total: uThungulu Municipalities	-	-	-	-	-	-	-	-	-
Total: Ilembe Municipalities	5 000	-	-	-	-	-	-	-	-
C DC29 Ilembe District Municipality	5 000	-	-	-	-	-	-	-	-
Total: Sisonke Municipalities	1 500	-	-	-	3 000	3 000	-	-	-
C DC43 Sisonke District Municipality	1 500	-	-	-	3 000	3 000	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	11 500	3 000	17 740	-	8 000	8 000	5 000	-	-

Table 11.S : Transfers to local government - Operational Support for TSCs

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation 2013/14	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
A KZN2000 eThekweni	-	-	-	-	-	-	-	-	-
Total: Ugu Municipalities	-	1 000	-	-	-	-	-	-	-
B KZN211 Vulamehlo	-	500	-	-	-	-	-	-	-
B KZN212 Umdoni	-	500	-	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	148	-	400	-	-	-	-	-	-
B KZN224 Impendle	-	-	400	-	-	-	-	-	-
B KZN227 Richmond	148	-	-	-	-	-	-	-	-
Total:Uthukela Municipalities	-	500	-	-	-	-	-	-	-
B KZN235 Okhahlamba	-	500	-	-	-	-	-	-	-
Total: Umzinyathi Municipalities	-	1 500	-	-	-	-	-	-	-
B KZN242 Nqutu	-	500	-	-	-	-	-	-	-
B KZN244 Msinga	-	500	-	-	-	-	-	-	-
B KZN245 Umvoti	-	500	-	-	-	-	-	-	-
Total: Amajuba Municipalities	-	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	-	500	400	-	-	-	1 250	-	-
B KZN262 uPhongolo	-	-	400	-	-	-	-	-	-
B KZN263 Abaqulusi	-	-	-	-	-	-	1 250	-	-
B KZN266 Ulundi	-	500	-	-	-	-	-	-	-
Total: Umkhanyakude Municipalities	-	-	-	-	250	250	-	-	-
C DC27 Umkhanyakude District Municipality	-	-	-	-	250	250	-	-	-
Total: uThungulu Municipalities	-	1 000	-	-	-	-	4 000	-	-
B KZN281 Umfolozi	-	-	-	-	-	-	4 000	-	-
B KZN283 Ntambanana	-	500	-	-	-	-	-	-	-
B KZN286 Nkandla	-	500	-	-	-	-	-	-	-
Total: Ilembe Municipalities	-	500	400	-	-	-	-	-	-
B KZN292 KwaDukuza	-	500	-	-	-	-	-	-	-
B KZN293 Ndwedwe	-	-	400	-	-	-	-	-	-
Total: Sisonke Municipalities	-	-	400	-	-	-	-	-	-
B KZN434 Ubuhlebezwe	-	-	400	-	-	-	-	-	-
Unallocated	-	-	-	2 000	-	-	-	-	-
Total	148	5 000	1 600	2 000	250	250	5 250	-	-

Table 11.T : Transfers to local government - Municipal Excellence Awards

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation 2013/14	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
A KZN2000 eThekweni	-	-	-	-	-	-	-	-	-
Total: Ugu Municipalities	-	-	-	-	1 000	1 000	-	-	-
B KZN216 Hibiscus Coast	-	-	-	-	1 000	1 000	-	-	-
Total: uMgungundlovu Municipalities	-	-	2 000	-	-	-	-	-	-
B KZN227 Richmond	-	-	1 000	-	-	-	-	-	-
C DC22 uMgungundlovu District Municipality	-	-	1 000	-	-	-	-	-	-
Total: Uthukela Municipalities	-	-	-	-	-	-	-	-	-
Total: Umzinyathi Municipalities	-	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities	-	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	-	-	-	-	-	-	-	-	-
Total: Umkhanyakude Municipalities	-	-	-	-	-	-	-	-	-
Total: uThungulu Municipalities	-	-	-	-	2 000	2 000	-	-	-
B KZN281 Umfolozi	-	-	-	-	1 000	1 000	-	-	-
C DC28 uThungulu District Municipality	-	-	-	-	1 000	1 000	-	-	-
Total: Ilembe Municipalities	-	-	-	-	-	-	-	-	-
Total: Sisonke Municipalities	-	-	1 000	-	-	-	-	-	-
B KZN433 Greater Kokstad	-	-	1 000	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	-	-	3 000	-	3 000	3 000	-	-	-

Table 11.U : Transfers to local government - Schemes Support programmes

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation 2013/14	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
A KZN2000 eThekweni	-	-	-	-	-	-	-	-	-
Total: Ugu Municipalities	-	-	-	-	-	-	500	-	-
B KZN213 Umzumbe	-	-	-	-	-	-	500	-	-
Total: uMgungundlovu Municipalities	-	-	-	-	-	-	-	-	-
Total: Uthukela Municipalities	-	-	-	-	-	-	-	-	-
Total: Umzinyathi Municipalities	-	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities	-	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	-	-	-	-	-	-	350	-	-
B KZN263 Abaqulusi	-	-	-	-	-	-	350	-	-
Total: Umkhanyakude Municipalities	-	-	-	-	-	-	-	-	-
Total: uThungulu Municipalities	-	-	-	-	-	-	1 355	-	-
B KZN281 Umfolozi	-	-	-	-	-	-	855	-	-
B KZN285 Mthonjaneni	-	-	-	-	-	-	500	-	-
Total: Ilembe Municipalities	-	-	-	-	-	-	500	-	-
B KZN291 Mandeni	-	-	-	-	-	-	500	-	-
Total: Sisonke Municipalities	-	-	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	2 705	-	-

Table 11.V : Transfers to local government - uMhlatuze Water

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation 2013/14	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
A KZN2000 eThekweni	-	-	-	-	-	-	-	-	-
Total: Ugu Municipalities	-	-	-	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	-	-	-	-	-	-	-	-	-
Total: Uthukela Municipalities	-	-	-	-	-	-	-	-	-
Total: Umzinyathi Municipalities	-	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities	-	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	-	-	-	-	-	-	-	-	-
Total: Umkhanyakude Municipalities	-	-	-	-	-	-	-	-	-
Total: uThungulu Municipalities	-	-	-	-	-	-	21 000	-	-
B KZN282 uMhlatuze	-	-	-	-	-	-	21 000	-	-
Total: Ilembe Municipalities	-	-	-	-	-	-	-	-	-
Total: Sisonke Municipalities	-	-	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	21 000	-	-

Table 11.W : Transfers to local government - Construction of TSCs, Umzimkulu Support, IGR and various

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
A KZN2000 eThekweni	-	2 500	-	-	-	-	-	-	-
Total: Ugu Municipalities	5 267	1 780	200	-	-	-	-	-	-
B KZN211 Vulamehlo	725	400	-	-	-	-	-	-	-
B KZN212 Umdoni	1 000	580	-	-	-	-	-	-	-
B KZN213 Umzumbe	1 000	-	-	-	-	-	-	-	-
B KZN214 uMuziwabantu	725	-	-	-	-	-	-	-	-
B KZN215 Ezingoleni	400	-	-	-	-	-	-	-	-
B KZN216 Hibiscus Coast	1 000	-	-	-	-	-	-	-	-
C DC21 Ugu District Municipality	417	800	200	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	4 042	-	2 500	-	-	-	-	-	-
B KZN221 uMshwathi	-	-	1 500	-	-	-	-	-	-
B KZN222 uMngeni	400	-	-	-	-	-	-	-	-
B KZN223 Mpofana	725	-	-	-	-	-	-	-	-
B KZN224 Impendle	-	-	-	-	-	-	-	-	-
B KZN225 Msunduzi	500	-	-	-	-	-	-	-	-
B KZN226 Mkhambathini	1 000	-	-	-	-	-	-	-	-
B KZN227 Richmond	-	-	-	-	-	-	-	-	-
C DC22 uMgungundlovu District Municipality	1 417	-	1 000	-	-	-	-	-	-
Total: Uthukela Municipalities	2 642	5 067	5 000	-	-	-	-	-	-
B KZN232 Emnambithi/Ladysmith	300	2 000	2 000	-	-	-	-	-	-
B KZN233 Indaka	925	-	-	-	-	-	-	-	-
B KZN235 Okhahlamba	1 000	667	-	-	-	-	-	-	-
B KZN236 Imbabazane	-	-	-	-	-	-	-	-	-
C DC23 Uthukela District Municipality	417	2 400	3 000	-	-	-	-	-	-
Total: Umzinyathi Municipalities	2 017	4 301	5 055	-	-	-	-	-	-
B KZN241 Endumeni	1 150	-	-	-	-	-	-	-	-
B KZN242 Nqutu	-	667	-	-	-	-	-	-	-
B KZN244 Msinga	450	2 167	-	-	-	-	-	-	-
B KZN245 Umvoti	-	667	1 000	-	-	-	-	-	-
C DC24 Umzinyathi District Municipality	417	800	4 055	-	-	-	-	-	-
Total: Amajuba Municipalities	2 142	-	3 944	-	-	-	-	-	-
B KZN252 Newcastle	1 000	-	-	-	-	-	-	-	-
C DC25 Amajuba District Municipality	1 142	-	3 944	-	-	-	-	-	-
Total: Zululand Municipalities	3 142	9 050	4 200	-	-	-	-	-	-
B KZN262 uPhongolo	1 725	-	3 000	-	-	-	-	-	-
B KZN263 Abaqulusi	-	6 000	-	-	-	-	-	-	-
B KZN265 Nongoma	-	-	1 000	-	-	-	-	-	-
B KZN266 Ulundi	-	250	-	-	-	-	-	-	-
C DC26 Zululand District Municipality	1 417	2 800	200	-	-	-	-	-	-
Total: Umkhanyakude Municipalities	2 417	800	3 200	-	-	-	-	-	-
B KZN271 Umhlabuyalingana	1 000	-	-	-	-	-	-	-	-
B KZN272 Jozini	1 000	-	1 000	-	-	-	-	-	-
C DC27 Umkhanyakude District Municipality	417	800	2 200	-	-	-	-	-	-
Total: uThungulu Municipalities	5 175	9 217	1 500	-	-	-	-	-	-
B KZN281 Umfolozi	-	750	1 000	-	-	-	-	-	-
B KZN282 uMhlatuze	3 758	-	-	-	-	-	-	-	-
B KZN283 Ntambanana	-	667	-	-	-	-	-	-	-
B KZN284 uMlalazi	1 000	-	-	-	-	-	-	-	-
B KZN285 Mthonjaneni	-	4 000	-	-	-	-	-	-	-
B KZN286 Nkandla	-	3 000	-	-	-	-	-	-	-
C DC28 uThungulu District Municipality	417	800	500	-	-	-	-	-	-
Total: Ilembe Municipalities	2 342	3 465	1 900	-	-	-	-	-	-
B KZN292 KwaDukuza	-	1 165	-	-	-	-	-	-	-
B KZN293 Ndwedwe	725	-	-	-	-	-	-	-	-
C DC29 Ilembe District Municipality	1 617	2 300	1 900	-	-	-	-	-	-
Total: Sisonke Municipalities	41 915	25 820	1 700	-	-	-	-	-	-
B KZN431 Ingwe	400	-	-	-	-	-	-	-	-
B KZN432 Kwa Sani	1 000	500	-	-	-	-	-	-	-
B KZN433 Greater Kokstad	1 500	-	-	-	-	-	-	-	-
B KZN434 Ubuhlebezwe	-	-	1 500	-	-	-	-	-	-
B KZN435 Umzimkulu	1 000	-	-	-	-	-	-	-	-
C DC43 Sisonke District Municipality	38 015	25 320	200	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	71 101	62 000	29 199	-	-	-	-	-	-

VOTE 12

Transport

Operational budget	R 9 058 860 165
MEC remuneration	R 1 734 835
Total amount to be appropriated	R 9 060 595 000
Responsible MEC	Mr. T. W. Mchunu, MEC for Transport and Community Safety and Liaison
Administering department	Transport
Accounting officer	Head: Transport

1. Overview

Vision

The department's vision is: *Prosperity through mobility.*

Mission statement

The department's mission is: *While delivering on the department's mandate and addressing the developmental needs of the province, the department will strive to provide the public with a road transportation system that is safe, integrated, regulated, affordable and accessible.*

Strategic objectives

Strategic policy direction: The department's strategic policy direction is to support rural development, poverty alleviation and job creation as the department builds roads and bridges, provides safe integrated public transport systems, and manages traffic and the safety of all road users.

The department has set the following goals in order to achieve this:

- Provide access and mobility within the province.
- Effective management of the transport infrastructure network.
- Create an integrated land transport system.
- Promote a safe road environment.

Core functions

Turning the vision of the department into reality can only be achieved by focusing the attention and energy of all employees and relevant stakeholders on the performance of its core functions, namely:

Construct, maintain and repair the provincial road network

The department's mandate is to construct and maintain a balanced road network that meets the mobility needs of the citizens of KZN, and supports the national and provincial growth and development strategies.

Plan, regulate and provide an integrated transportation system

The department's mandate is to regulate public transport and ensure access to safe, efficient and affordable public transport. The department is further mandated to facilitate development in the freight transport industry and the minimisation of negative externalities resultant from the transport of freight.

Manage road traffic

The department's mandate is to create a safe road environment, through the reduction of road accidents. The main services rendered include road traffic enforcement, road safety education, the analysis and re-engineering of hazardous locations and the registration and licensing of vehicles.

Legislative mandate

The key legislative mandates of the department are derived mainly from the following legislation:

- Administrative Adjudication of Road Traffic Offences Act (Act No. 46 of 1998)
- Broad-Based Black Economic Empowerment Act (Act No. 53 of 2003)
- Cross-border Act (Act No. 4 of 1998)
- Intergovernmental Relations Framework Act (Act No. 13 of 2005)
- KZN Provincial Minibus Taxi Act (Act No. 4 of 1998)
- KZN Provincial Roads Act (Act No. 4 of 2001)
- KZN Provincial Supply Chain Management Policy Framework (2006)
- KZN Public Transport Act (Act No. 3 of 2005)
- KZN Road Traffic Act (Act No. 7 of 1997)
- National Land Transport Transition Act (Act No. 22 of 2000)
- National Roads Act (Act No. 54 of 1971)
- National Road Traffic Act (Act No. 93 of 1996)
- Preferential Procurement Policy Framework Act (Act No. 5 of 2000)
- Public Finance Management Act (Act No. 1 of 1999, as amended) and Treasury Regulations
- Public Service Act (Act No. 103 of 1994) and Regulations
- Road Traffic Act (Act No. 29 of 1989)
- Road Traffic Management Corporation Act (Act No. 20 of 1999)
- The Constitution of the Republic of South Africa (Act No. 108 of 1996)
- Construction Industry Development Board Act (Act No. 38 of 2000)
- Urban Transport Act (Act No. 78 of 1977)

2. Review of the 2013/14 financial year

Section 2 provides a review of 2013/14, outlining the main achievements and progress made by the department during the year, as well as providing a brief discussion on challenges and new developments.

Transport infrastructure

Nearly 75 per cent of the department's budget is allocated toward the upgrading and maintenance of road infrastructure in line with the goal of providing a balanced road network that meets the mobility needs of KZN citizens, and providing a logistics platform for South Africa's global trade, in accordance with the National and Provincial Growth and Development Strategies (PGDS) and the Provincial Growth and Development Plan (PGDP).

In 2013/14, the department continued with the road upgrade and construction programme that supports the corridors of the primary and secondary nodes through:

- The African Renaissance Roads Upgrading Programme (ARRUP), which encompasses the upgrading of roads to blacktop standards. The following are some projects currently in progress:
 - Main Road P700, located between Ulundi and Empangeni, entails the upgrading of 95 kilometres of gravel road to a blacktop surface. Approximately 45 kilometres have been completed to date, with a

further 15 kilometres to be completed by the end of March 2014. The remaining 35 kilometres will be completed in 2014/15.

- o Main Road P230, located from Empangeni to Eshowe, entails the upgrading of 31.3 kilometres of gravel road to a blacktop surface and the construction of one underpass road. Approximately 25.2 kilometres have been completed and the balance of 6.1 kilometres will be completed in 2014/15.

Operation KuShunquthuli

Operation *KuShunquthuli* focuses on transport infrastructure development in rural areas, which are the areas of emphasis for service delivery. The department continued with key projects that will be a stimulus in linking rural communities to the provincial hubs of activity. Some of the projects over the 2013/14 MTEF include the following:

- Main Road P127, located from Impendle to Himeville, entails the upgrading of 55 kilometres of gravel road to a blacktop surface, of which 22.5 kilometres have been completed to date.
- Main Road P73, located between Sipofu and Ixopo, entails the upgrading of 75 kilometres of gravel road to blacktop standards, of which 32 kilometres have been completed to date, and a further 7 kilometres will be completed by the end of March 2014. The balance of 36 kilometres will be completed in 2014/15.

Roads for rural development

This programme consists of the following major projects, among others:

- Main Road P58, located between Diemount Store and Eziqoleni, comprises the upgrade of 26 kilometres to blacktop standards, of which 13.4 kilometres have been completed to date. A target of 3 kilometres will be completed by March 2014. The contractor for this project has not resumed work on site due to cashflow problems. The balance of 9.6 kilometres is anticipated to be completed in 2014/15 by a new contractor.
- Main Road P732, located between Eziqoleni and Bushy Valley, consists of the upgrading of 19 kilometres of gravel road to blacktop standards, of which 13 kilometres have been completed to date. A target of 2.5 kilometres is anticipated to be completed by March 2014. However, there have been some challenges with the contractor that was appointed as the contractor withdrew from the project due to cashflow problems and the project had to be re-advertised.

Transport operations

The department is implementing the Public Transport Transformation Strategy which will provide for the incorporation of all modes of transport into the public transport subsidised contracts. The implementation of the strategy remains one of the priorities of the department. The programme was successfully implemented in Port Shepstone in 2013/14. Taxi operators and small bus owners have ownership in the operating company and actively participate in the day-to-day running of the business. The strategy is currently being rolled out to other services in other areas of the province, such as Umkhanyakude and uThungulu.

Road safety

The effects of road accidents, especially those involving heavy duty vehicles, have resulted in added focus by the department on safety matters involving all road users with particular attention on pedestrian safety, young road users, community involvement, and public and freight transport safety. The department placed added focus on the prevention of accidents involving heavy load vehicles, especially at hazardous spots in the province, because of the frequency of these accidents. This accounts for the re-launched programme called Operation *Phezukwabo*, which strives to crack down on heavy load vehicles that put people's lives in danger on the roads.

Although the number of road fatalities decreased from 2011/12, this decrease does not impact on or lessen the efforts at improving road safety through awareness campaigns and enforcement activities such as *S'hamba sonke*.

Learner transport

In 2013/14, the department received an allocation of R124.815 million suspended from the Department of Education to provide learner transport services. During the year, the department indicated it would provide learner transport services to 206 schools and 19 560 learners. The department indicated that funding is one of the challenges in delivering the full scope of the services to the beneficiary schools and learners and, as such, the department is unable to expand the services to other schools and learners. However, the department, together with the Department of Education, made provision for emergency services, where learners not on the schedule are picked up and transported.

Integrated Public Transport Networks

The aim of the Integrated Public Transport Networks (IPTNs) is to provide seamless transfers across transport modes, by creating ease of access at stations and precincts, and by using electronic ticketing and providing passenger safety and security.

The department completed five IPTNs in Ugu, Umkhanyakude uMgungundlovu, Ilembe and uThungulu, and four IPTNs in Uthukela, Zululand, Umzinyathi and Amajuba are currently in progress. The department anticipates completing them in June 2014. The delay resulted from lack of sufficient routes information. The service providers have requested extension in terms of time, due to insufficient Geographic Information System (GIS) data to indicate the exact public transport routes. The service providers are traveling on all the routes with a GPS in order to capture all these routes to a GIS.

Expanded Public Works Programme (EPWP)

The department continued to expand community-based labour-intensive road construction and maintenance programmes, which are aligned with the objectives of EPWP. The department created 5 267 000 person days of employment, equating to 59 160 jobs created in 2013/14. This programme has contributed to the alleviation of poverty and created employment opportunities for people who will not normally find employment in the formal sector due to lack of formal education.

3. Outlook for the 2014/15 financial year

Section 3 looks at the key focus areas of 2014/15, outlining what the department is hoping to achieve during the year, as well as briefly looking at challenges and proposed new developments.

Transport infrastructure

Departmental programmes (like Operation *KuShunquthuli*) will continue to focus on road infrastructure development in rural areas. The department has identified key projects that will be the stimulus in linking the rural communities to provincial hubs of activity, which achieves the strategic goal of providing access and mobility within the province, where the priority is in rural areas. The department will continue to allocate a substantial amount of funding toward the construction of 13 pedestrian bridges in 2014/15.

The department will undertake the upgrading and rehabilitation of the provincial road network to improve and prolong the lifespan of the provincial infrastructure network. Some of the major projects that will be undertaken include:

- Main Road P234, located in Nongoma, comprises the upgrade of 40 kilometres from gravel to blacktop.
- Main Road P104, located in Ndwedwe, comprises the upgrade of 22 kilometres from gravel to blacktop.
- Main Road P1-1(M13), located between Hillcrest and Pinetown, consisting of the rehabilitation of 11 kilometres of blacktop road.
- Main Road P398-1, located between KwaMsane and Mtubatuba, comprises the rehabilitation of 6 kilometres of blacktop.

Transport operations

The department will undertake the last IPTN in Sisonke, which is anticipated to commence in early 2014/15.

Learner transport

The department will continue to provide learner transport services in KZN over the 2014/15 MTEF, with a budget of R168.430 million allocated in 2014/15, which will provide 260 schools and 24 000 learners with the service. The challenges in respect of this service include the fact that demand far exceeds supply.

Expanded Public Works Programme (EPWP)

The department will continue to expand the community-based labour-intensive road construction and maintenance programmes, which are aligned with the objectives of EPWP principles. In 2014/15, the department is committed to creating over 5 336 000 days of employment, equating to 60 000 jobs created, of which 43 850 are for women and 11 850 for youth.

The department received funding in 2014/15 in respect of the EPWP Integrated Grant for Provinces to be utilised for the creation of EPWP job opportunities. The department will continue with the development of a Broad-Based Black Economic Empowerment (B-BBEE) road construction and maintenance industry, through the provision of accredited business skills training for the *Vukuzakhe* contractors.

4. Receipts and financing**4.1 Summary of receipts**

Table 12.1 gives the sources of funding of Vote 12 over the seven-year period 2010/11 to 2016/17. The table also compares actual and budgeted receipts against actual and budgeted payments.

The department receives a provincial allocation in the form of an equitable share, and national conditional grant allocations for the maintenance and construction of road infrastructure, the subsidising of bus transport in the province and creating job opportunities through EPWP projects.

Table 12.1 : Summary of receipts and financing

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Equitable share	3 811 715	4 470 772	5 045 133	5 446 603	5 450 741	5 450 741	6 308 211	6 571 305	6 919 682
Conditional grants	2 040 505	2 157 272	2 373 740	2 619 732	2 464 340	2 464 340	2 752 384	2 932 722	3 082 273
<i>Transport Disaster Management grant</i>	-	29 736	-	-	-	-	-	-	-
<i>Public Transport Operations grant</i>	714 587	773 473	808 279	852 325	852 325	852 325	904 783	945 972	995 610
<i>EPWP Integrated Grant for Provinces</i>	153 130	117 415	64 290	88 487	88 487	88 487	59 443	-	-
<i>Provincial Roads Maintenance grant</i>	958 390	1 236 648	1 501 171	1 678 920	1 523 528	1 523 528	1 788 158	1 986 750	2 086 663
<i>Provincial Disaster Relief grant</i>	214 398	-	-	-	-	-	-	-	-
Total receipts	5 852 220	6 628 044	7 418 873	8 066 335	7 915 081	7 915 081	9 060 595	9 504 027	10 001 955
Total payments	5 958 923	6 639 855	7 650 308	8 066 335	8 046 081	8 046 081	9 060 595	9 504 027	10 001 955
Surplus/(Deficit) before financing	(106 703)	(11 811)	(231 435)	-	(131 000)	(131 000)	-	-	-
Financing									
<i>of which</i>									
Provincial roll-overs	432	-	-	-	-	-	-	-	-
Provincial cash resources	100 000	-	224 921	-	131 000	131 000	-	-	-
Surplus/(Deficit) after financing	(6 271)	(11 811)	(6 514)	-	-	-	-	-	-

The department received various conditional grants over the period including the Public Transport Operations grant (PTOG), the EPWP Integrated Grant for Provinces, the Provincial Roads Maintenance grant and disaster grants relating to various disasters that have occurred in KZN, such as the flood disaster in the South Coast area.

In 2010/11, R100 million was allocated from the provincial cash resources to continue with the construction of the John Ross Highway, the upgrading of the R102 linking the Dube TradePort (DTP) and the King Shaka International Airport (KSIA), the Sani Pass road, as well as funding for the higher than anticipated 2010 wage agreement.

Also in 2010/11, the department received funding of R153.130 million in respect of the EPWP Integrated Grant for Provinces. The department also received a roll-over of R432 066 from 2009/10 in respect of this grant for exceeding the 2009/10 EPWP targets.

The over-spending of R6.271 million in 2010/11 was largely due to unforeseen repairs in respect of flood damaged roads in the Ladysmith area that occurred toward the end of 2010 and early 2011.

With regard to 2011/12, the department over-spent its allocation by R11.811 million, largely due to the ongoing costs of the reconstruction (betterment and re-gravelling) of roads, undertaken in respect of the flood damage to the provincial road network that occurred mainly in the Ladysmith area in December 2010 and January 2011. In addition, the higher than anticipated rehabilitation of roads undertaken in line with a detailed technical analysis of the road conditions in KZN contributed to the over-expenditure.

In 2012/13, the department was allocated R19.921 million in respect of the EPWP Integrated Grant for Provinces. This was transferred to the Provincial Revenue Fund (PRF) in 2011/12, but only allocated in 2012/13 to be utilised for the creation of EPWP job opportunities. In addition, R205 million was allocated in respect of the rehabilitation and upgrade of various roads. This included the upgrade of 44.5 kilometres of gravel roads to blacktop roads and the construction of one pedestrian bridge. These amounts are reflected against provincial cash resources in Table 12.1.

The department over-spent against the 2012/13 budget by R6.514 million mainly due to the early commencement of the construction of the Mahlabathini gravel roads, Umzimkhulwana River Bridge, Main road P728 in Ugu and the Main road P700 in Ulundi and Empangeni that were put on hold in 2011/12. This was due to internal project reprioritisation in that year to offset unbudgeted expenditure which resulted from the reconstruction of roads damaged as a result of heavy rainfall in December 2010 and January 2011 in the Ladysmith area. The increased costs in construction materials such as cement, fuel, bitumen, etc., also contributed to the over-expenditure.

In the 2013/14 Adjusted Appropriation, the department was allocated R131 million, made up of R70 million for road rehabilitation and construction backlogs, R60 million for various public transport projects, as well as R1 million for Operation *Sukuma Sakhe* (OSS) initiatives. Also, the department was allocated R6.800 million for the re-grading of clerical staff from level 4 to 5 in line with DPSA requirements.

Also in the 2013/14 Adjusted Appropriation, an amount of R157.007 million was reduced from the Provincial Roads Maintenance grant in line with a directive from National Treasury. The department was notified of the reduction in June 2013 after the 2013/14 MTEF process. The original allocation was based on a new allocation formula which saw a significant increase in this grant for KZN, and an equally significant reduction in other provinces. National Treasury wrote to the province to indicate that the reviewed formula was being implemented too rapidly for those provinces that were losing funding as a result of the revised allocation formula. These provinces cited that they had contractual obligations in place, and had already committed some of the funds they would be losing as a result of the revised formula. National Treasury therefore agreed that the formula be phased-in over the MTEF to allow the losing provinces to adjust to their downward revised allocations. As such, the allocation for KZN decreased as the province lost some of the additional funding that had been allocated. In addition, an amount of R2.662 million was suspended from Vote 12: Transport in respect of the centralisation of parts of the communications budget under the Office of the Premier (OTP).

As at the end of December 2013, the department is projecting to fully spend the 2013/14 allocation. However, the department is projecting to over-spend by R61.018 million entirely against the PTOG due to higher than anticipated claims on public transport subsidies relating to bus subsidies, as a result of increases in fuel prices and, hence, increased transportation costs. The department's contracts with the bus operators include an escalation clause linked to labour and fuel indices, among others. National Treasury indicated that the PTOG is a Schedule 4 or supplementary grant, to provinces. These grant allocations to provinces are meant to supplement the funding or the function funded from provincial budgets. As such, any projected grant shortfall should be covered from the provincial budget of the department.

Over the 2014/15 MTEF, additional funds are allocated in respect of road maintenance and construction projects. Also, the department received additional funds in respect of the re-grading of clerical staff, the carry-through of previous wage agreements, as well as the final shift of funds from Vote 5: Education for the learner transport services. The department also received additional funding in respect of PTOG over

the MTEF, with a substantial increase in 2016/17, as well as an allocation for the EPWP Integrated Grant for Provinces (in 2014/15 only). The department received an increase in the Provincial Roads Maintenance grant in 2014/15, but was substantially reduced in 2015/16 and to a lesser extent in 2016/17, by National Treasury, in line with the adjustment in the conditional grant formula. Also, funds have been suspended to OTP in respect of the centralisation of the communications budget, as well as the external bursaries budgets. The budget shows a healthy increase over the 2014/15 MTEF.

It should be noted that R63 million of the Provincial Roads Maintenance grant has been reprioritised from the Mpumalanga Coal Haulage funds toward KwaZulu-Natal in respect of the Avon Peaking Power Plant project in 2014/15. Detailed explanation is given under *Section: 5.5 Summary of conditional grants payments and estimates*.

4.2 Departmental receipts collection

Table 12.2 below indicates the estimated departmental receipts for Vote 12. Details of departmental receipts are presented in *Annexure – Vote 12: Transport*.

Table 12.2 : Summary of departmental receipts collection

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Tax receipts	1 083 507	1 231 524	1 318 621	1 343 000	1 343 000	1 391 888	1 420 000	1 510 000	1 570 000
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	1 083 507	1 231 524	1 318 621	1 343 000	1 343 000	1 391 888	1 420 000	1 510 000	1 570 000
Sale of goods and services other than capital assets	106 198	122 587	126 819	110 000	110 000	123 728	120 000	127 000	134 000
Transfers received	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	46 952	45 148	50 318	45 000	45 000	40 000	25 000	27 500	30 000
Interest, dividends and rent on land	42	350	274	150	150	200	160	170	180
Sale of capital assets	4 009	3 558	1 951	4 500	4 500	2 500	2 500	2 650	2 800
Transactions in financial assets and liabilities	5 271	6 315	4 282	1 250	1 250	2 974	4 500	4 750	5 000
Total	1 245 979	1 409 482	1 502 265	1 503 900	1 503 900	1 561 290	1 572 160	1 672 070	1 741 980

Table 12.2 shows a generally steady increase in the total amount of revenue collected by the department over the seven-year period. The increase in revenue collection can be attributed to improved revenue collection strategies, higher than anticipated applications for new and renewal of motor vehicle licences, as well as higher than anticipated applications for learners' and drivers' licences.

As reflected in Table 12.2, the majority of the department's revenue is derived from *Tax receipts (Motor vehicle licences)* collected in terms of the Road Traffic Act. This revenue stream consists of motor vehicle licence fees. The steady annual growth from 2010/11 onward can be attributed to the growth in vehicle population and higher than anticipated application of new and the renewal of motor vehicle licences.

Sale of goods and services other than capital assets consists of motor vehicle registration, sale of personalised and specific number plates, registration of classification of vehicles, such as abnormal loads and special vehicles, applications for learners' and drivers' licences. Further to these revenue sources are boarding services, and course fees related to Traffic Inspectorate Training College and commission on PERSAL deductions, etc. The revenue collection increased from 2010/11 to 2012/13 due to the higher than anticipated application of learners' and drivers' licences, sale of personalised specific number plates, as well as improved registration of classification of vehicles, such as abnormal loads and special vehicles. The fluctuating trend relates to the volatile means of budgeting for this category, as it rely on wide range of population such as individuals, businesses and vehicle population. The 2013/14 Revised Estimate projected to over-collect due to the higher than anticipated application of learners and drivers' licences. The increase over the MTEF can be ascribed to the continuous increase in demand for drivers' licences, as well as inflationary increments. At this stage, the revenue over the 2014/15 MTEF excludes the effect of changing from town specific number plates to KZN registration numbers.

Fines, penalties and forfeits reflect the collection of traffic fines resulting from road traffic transgressions. The revenue collected from 2010/11 to 2012/13 can be attributed to improved recovery strategies and

measures put in place for the collection of fines receivable (such as traffic fines, parking transgressions, etc.). The revenue fluctuation is due to the nature of this category which is difficult to project. The decline over the 2014/15 MTEF can be attributed to the implementation of Administrative Adjudication of Road Traffic Offences (AARTO). AARTO stipulates the retention of 50 per cent of fines issued. The remaining 50 per cent is paid over to the Provincial Revenue Fund (PRF). However, any collection authority (i.e. collecting penalties where the notice was issued by another authority) will retain 3 per cent of this penalty as a collecting authority fee, (irrespective of the number of days), 47 per cent will be paid over to PRF and 50 per cent paid over to AARTO.

Interest, dividends and rent on land mainly consists of items such as interest on staff debts. The fluctuating trend can be attributed to the difficulty in accurately projecting for these items due to their uncertain nature.

Sale of capital assets reflects the sale of redundant vehicles and departmental plant. The fluctuating trend from 2010/11 to the 2013/14 Revised Estimate can be attributed to the difficulty in projecting with certainty the collection of these receipts, hence the slow growth over the MTEF. The decrease in the 2013/14 Revised Estimate can also be attributed to delays by the service providers in auctioning the redundant motor vehicles.

The department also collects revenue from *Transactions in financial assets and liabilities*, which are made up of recoveries of staff debts and stale cheques. The high 2011/12 collection was due to improved revenue and debt collection strategies relating to recoveries from previous years. The fluctuations over the seven years can be attributed to the difficulty in budgeting for this category due to its uncertain nature.

4.3 Agency receipts

Tables 12.3 and 12.4 below present details of agency receipts that are received by the department.

Table 12.3 : Details of agency receipts

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Agency receipt	7 420	8 517	7 585	8 290	8 290	-	8 500	8 800	9 200
South African Road Agency Limited (SANRAL)	7 420	8 517	7 585	8 290	8 290	-	8 500	8 800	9 200
Total	7 420	8 517	7 585	8 290	8 290	-	8 500	8 800	9 200

Table 12.4 : Details of payments and estimates of agency receipts

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Agency receipt	7 420	8 517	7 585	8 290	8 290	-	8 500	8 800	9 200
South African Road Agency Limited (SANRAL)	7 420	8 517	7 585	8 290	8 290	-	8 500	8 800	9 200
Total	7 420	8 517	7 585	8 290	8 290	-	8 500	8 800	9 200

The department receives funding from the South African National Roads Agency Limited (SANRAL), to cater for an extended overload control function on the national road network in the province.

In 2013/14, the department's contract with SANRAL expired, and the process of renewing the contract is underway. The department has indicated that SANRAL amended the contract to only pay for the number of vehicles weighed. At the stage of writing this report, the department does not agree with the new contract and, as such, has not signed the contract and is negotiating with SANRAL to revert to the old contract where SANRAL pays the salaries of the traffic officers undertaking the weighing, as well as all administrative costs, where applicable.

The department is not anticipating to receive funds from SANRAL in 2013/14, at this stage, which explains why there is no amount in the 2013/14 Revised Estimate. This will have an impact on the department's budget as the department will have to then fund this service. The increase over the 2014/15 MTEF is due to inflationary increments.

5. Payment summary

This section summarises the payments and budget estimates for the vote in terms of programmes and economic classification. Details of the economic classification per programme are presented in *Annexure – Vote 12: Transport*.

5.1 Key assumptions

The department applied the following broad assumptions when compiling the budget:

- The expanded cost-cutting measures, as reissued by PT in 2013/14, will continue to be adhered to over the 2014/15 MTEF, in conjunction with National Treasury Instruction 01 of 2013/14: Cost-containment measures.
- Provision was made for an inflationary wage adjustment of 6.4, 6.4 and 6.3 per cent for each of the three years of the 2014/15 MTEF, respectively. The department also provided for the 1.5 per cent pay progression. In addition, the department received additional funding for the re-grading of clerical staff, as well as for the carry-through of previous wage agreements over the 2014/15 MTEF.
- Provision has been made for the filling of vacant posts, while taking into account the moratorium on the filling of non-critical vacant posts.
- The incremental budgeting approach was used for the 2014/15 MTEF, as was the case in the 2013/14 MTEF.
- All inflation related increases are based on CPI projections.

5.2 Additional allocations for the 2012/13 to 2014/15 MTEF

Table 12.5 shows additional funding received by the department over the three MTEF periods: 2012/13, 2013/14 and 2014/15. Note that the table reflects only the provincial additional allocations, and excludes additional allocations in respect of conditional grants.

The purpose of such a table is two-fold. Firstly, it shows the quantum of additional funding allocated to the department in the past and current MTEF periods. Secondly, it indicates the policies and purposes for which the additional funding was allocated. The carry-through allocations for the 2012/13 and 2013/14 MTEF periods (i.e. for the financial year 2016/17) are based on the incremental percentage used in the 2014/15 MTEF.

Table 12.5 : Summary of additional provincial allocations for the 2012/13 to 2014/15 MTEF

R thousand	2012/13	2013/14	2014/15	2015/16	2016/17
2012/13 MTEF period	205 543	149 767	677 544	708 711	741 312
Carry-through of 2011/12 Adjustments Estimate - 2011 wage agreement	14 716	15 451	16 224	16 970	17 751
Provincial priorities - Road maintenance backlog	84 746	134 316	661 320	691 741	723 561
Learner transport (portion moved from Education)	106 081	-	-	-	-
2013/14 MTEF period		51 435	(33 605)	(67 249)	(70 342)
Census data update and 1%, 2% and 3% baseline cuts		(73 380)	(165 035)	(204 725)	(214 142)
Learner transport (portion moved from Education)		124 815	131 430	137 476	143 800
2014/15 MTEF period			104 147	113 952	120 089
Re-grading of clerical staff			5 000	5 000	5 000
Carry-through of previous wage agreements			9 352	18 058	20 867
Road maintenance and construction projects			60 000	60 000	60 000
Learner Transport - final shift from Education			37 000	38 500	42 200
Centralisation of communications budget under OTP			(5 705)	(6 016)	(6 293)
Centralisation of external bursaries budget under OTP			(1 500)	(1 590)	(1 685)
Total	205 543	201 202	748 086	755 414	791 058

Over the 2012/13 MTEF, additional funding was allocated for the carry-through effect of the higher than anticipated 2011 wage agreement. Also, in the 2012/13 MTEF, the department received an additional allocation in respect of the provincial road maintenance backlog, as well as funding in respect of learner transport suspended from Vote 5: Education in 2012/13 only.

In the 2013/14 MTEF, the department received further funding relating to learner transport, suspended from Vote 5: Education. Also in the 2013/14 MTEF, National Treasury took a decision to impose 1, 2 and 3 per cent baseline cuts on all spheres of government (i.e. National, Provincial and Local) in order to curb the national deficit as public spending is growing faster than revenue collection. In addition, KZN received reduced equitable share allocations as a result of the reduced proportion in terms of population numbers as reported in the 2011 Census data results. The effect of this on the department was a substantial reduction in the budget over the entire period.

In the 2014/15 MTEF, additional funding was allocated for the re-grading of clerical staff from level 4 to 5 in line with DPSA requirements, as well as the carry-through of previous wage agreements. In addition, funding was allocated for road maintenance and construction projects. Also in the 2014/15 MTEF, funds were suspended from the department in respect of the centralisation of parts of the communications and external bursaries budgets under OTP. Again, additional funding was suspended from Vote 5: Education, being the final shift of funding in respect of learner transport services.

5.3 Summary by programme and economic classification

The services rendered by the department are categorised under five programmes, which are fully aligned to the uniform budget and programme structure of the Transport sector. The department's mission is to provide the public with integrated and accessible road and public transport infrastructure and to promote road and public transport safety, through the interaction of these five programmes. Tables 12.6 and 12.7 provide a summary of the vote's payments and budgeted estimates over the seven-year period, by programme and economic classification, respectively.

Table 12.6 : Summary of payments and estimates by programme: Transport

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
					2013/14				
1. Administration	362 581	204 483	250 657	260 532	243 870	243 870	254 624	254 063	267 560
2. Transport Infrastructure	4 252 323	4 948 311	5 766 900	5 981 398	5 975 806	5 975 806	6 877 668	7 156 086	7 529 168
3. Transport Operations	770 535	887 181	1 012 986	1 078 735	1 133 735	1 133 735	1 184 123	1 288 008	1 357 434
4. Transport Regulation	517 698	559 145	566 332	700 660	655 660	655 660	699 740	760 770	801 091
5. Community Based Programme	55 786	40 735	53 433	45 010	37 010	37 010	44 440	45 100	46 702
Total	5 958 923	6 639 855	7 650 308	8 066 335	8 046 081	8 046 081	9 060 595	9 504 027	10 001 955
Unauth. Exp. (1st charge) not available for spending	(185 666)	-	-	-	-	-	-	-	-
Baseline available for spending after 1st charge	5 773 257	6 639 855	7 650 308	8 066 335	8 046 081	8 046 081	9 060 595	9 504 027	10 001 955

Table 12.7 : Summary of payments and estimates by economic classification: Transport

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
					2013/14				
Current payments	2 939 554	3 408 533	3 802 271	4 675 150	4 058 769	3 802 381	5 050 727	5 138 857	5 420 271
Compensation of employees	1 023 620	1 100 404	1 176 174	1 473 824	1 387 624	1 375 505	1 507 280	1 657 756	1 762 384
Goods and services	1 915 934	2 308 129	2 626 096	3 201 326	2 671 145	2 426 876	3 543 447	3 481 101	3 657 887
Interest and rent on land	-	-	1	-	-	-	-	-	-
Transfers and subsidies to:	726 582	785 190	819 214	864 090	865 590	926 608	922 357	963 138	1 012 409
Provinces and municipalities	550	652	2 379	1 600	1 600	1 600	1 600	1 600	1 685
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	715 294	773 473	808 877	852 325	853 825	914 843	910 783	950 972	999 610
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	10 738	11 065	7 958	10 165	10 165	10 165	9 974	10 566	11 114
Payments for capital assets	2 107 096	2 445 913	3 028 705	2 527 095	3 121 718	3 316 578	3 087 511	3 402 032	3 569 275
Buildings and other fixed structures	2 058 342	2 374 923	2 901 214	2 425 650	3 020 265	3 214 570	2 947 285	3 193 438	3 351 780
Machinery and equipment	44 705	68 247	123 986	101 445	101 445	101 445	140 226	208 594	217 495
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	4 049	2 743	3 505	-	8	563	-	-	-
Payments for financial assets	185 718	219	118	-	4	514	-	-	-
Total	5 958 950	6 639 855	7 650 308	8 066 335	8 046 081	8 046 081	9 060 595	9 504 027	10 001 955
Unauth. Exp. (1st charge) not available for spending	(185 666)	-	-	-	-	-	-	-	-
Baseline available for spending after 1st charge	5 773 284	6 639 855	7 650 308	8 066 335	8 046 081	8 046 081	9 060 595	9 504 027	10 001 955

The amount in 2010/11 against *Unauthorised expenditure (1st charge) not available for spending* resulted from the department's 2008/09 over-expenditure. The over-expenditure was mainly due to project cost increases, which arose from increased construction costs such as petrol, cement, steel, bitumen and other construction indices. In addition, the Department of Trade and Industry (DTI) withdrew funding of R77.500 million due to the budget for the Critical Infrastructure Programme for 2007/08 being limited. In terms of Section 34(2) of the PFMA, the department was liable for the repayment of the over-expenditure, which resulted in a first charge against its budget in 2009/10 and 2010/11. The first charge amount for 2010/11 is reflected under Programme 1: Administration, against *Payments for financial assets*, as reflected as a footnote in Tables 12.6 and 12.7 above.

Despite the first charge, as well as the above-mentioned budget cuts, the budget over the period under review reflects healthy growth, as explained below.

In Programme 1: Administration, the high amount in 2010/11 relates to the above-mentioned first charge, hence the decrease thereafter. The department placed an internal moratorium on the filling of posts due to a review of the department's organisational structure in 2010/11 and 2011/12, hence the further decrease in 2011/12. The moratorium was lifted in February 2012, and the department filled critical posts, which accounted for the increase in 2012/13. The reduction in the 2013/14 Adjusted Appropriation was due to funds reprioritised to Programme 2 as a result of the slower than anticipated filling of vacant posts, as well as resignations, to offset spending pressures in that programme. In addition, funds were suspended in respect of the centralisation of parts of the communications budget under OTP. The growth over the 2014/15 MTEF in comparison to the 2013/14 Adjusted Appropriation relates mainly to inflationary growth, as well as the anticipation that vacant posts will be filled, in line with the moratorium on the filling of non-critical vacant posts. This was slightly offset by the suspension of funds in respect of the centralisation of parts of the communications and external bursaries budget to OTP over the MTEF.

Programme 2: Transport Infrastructure reflects a steady increase over the seven-year period. The increase relates to the department's investment in the provincial road network. The increase in 2012/13 mainly relates to funds reprioritised from other programmes to provide for higher than anticipated capital expenditure, which resulted from the commencement of construction projects that were put on hold in 2011/12. In addition to the reprioritisation, amounts of R205 million and R19.921 million were allocated in 2012/13 in respect of the rehabilitation and upgrade of various roads and the EPWP Integrated Grant for Provinces, respectively. In the 2013/14 Adjusted Appropriation, the department was allocated funding by National Treasury, being an allocation to the Provincial Roads Maintenance grant for repairs to roads and infrastructure damage caused by floods in 2011/12. In addition, funding was allocated for road rehabilitation and construction backlogs, as well as for the re-grading of clerical staff from level 4 to 5 in line with DPSA requirements. Also, the department reprioritised funds from other programmes to this programme to fund higher than anticipated capital expenditure, which resulted from fast-tracking the upgrading of gravel roads to surfaced roads in order to avoid possible delays in the rainy season, as well as the completion of some construction projects carried over from 2012/13. However, the additional funding was offset by the reduction of R157.007 million relating to the Provincial Roads Maintenance grant in line with a directive from National Treasury, as previously explained, hence the slight reduction in the 2013/14 Adjusted Appropriation. The growth over the 2014/15 MTEF relates to additional funding in respect of the provincial road maintenance backlog and the Provincial Roads Maintenance grant in 2014/15. Additional funding was also received in respect of the EPWP Integrated Grant for Provinces in 2014/15 only. The growth over the MTEF was offset by a substantial reduction in the Provincial Roads Maintenance grant in 2015/16 and, to a lesser extent, in 2016/17 by National Treasury, in line with the amendment in the conditional grant formula. It should be noted that portion of the Provincial Roads Maintenance grant of R52.194 million in 2014/15 and R55.114 million in 2015/16 is earmarked for repairs relating to flood damage to roads in the province.

Programme 3: Transport Operations reflects healthy growth specifically from 2012/13 onward. This allocation mainly relates to the PTOG for the payment of bus subsidies to bus operators, as well as learner transport services, which was moved from Vote 5: Education to Vote 12: Transport from 2011/12. The increase in the 2013/14 Adjusted Appropriation relates to once-off funding allocated in respect of various public transport projects, accounting for the low growth from 2013/14 to 2014/15. The increase over the

2014/15 MTEF mainly relates to additional funding allocated in respect of the PTOG, with a substantial increase in 2016/17, as well as the final shift of the funding from Vote 5: Education in respect of the learner transport services.

Programme 4: Transport Regulation reflects steady growth over the seven-year period. The growth relates to the investment in the computerised licence testing system and an increase in law enforcement and road safety campaigns. The decrease in the 2013/14 Adjusted Appropriation is attributed to funds reprioritised to Programme 2 as a result of slower than anticipated filling of vacant posts and resignations. The growth over the MTEF in comparison to the 2013/14 Adjusted Appropriation is attributed to the enhancement of law enforcement and road safety campaigns, which form part of the additional funding for roads and other economic functions received in 2009/10, as well as inflationary increments.

Programme 5: Community Based Programme reflects a fluctuating trend over the period under review. The decrease in 2011/12 was due to funds reprioritised to Programme 2 to provide for the higher than anticipated rehabilitation of roads. The further decrease in the 2013/14 Adjusted Appropriation was due to funds reprioritised to Programme 2 due to the slower than anticipated filling of vacant posts, and resignations, to fast-track the upgrading of gravel roads to surfaced roads, and to complete some of the construction projects carried over from 2012/13. The slight increase over the MTEF relates to inflationary increments.

Compensation of employees shows a steady increase over the seven-year period. The increase can be attributed to the filling of vacant posts, as well as the annual wage agreements. The decrease in the 2013/14 Adjusted Appropriation and the further decrease in the Revised Estimate was due to the slow filling of posts, as well as resignations. The savings were reprioritised to Programme 2 against *Buildings and other fixed structures* in respect of higher than anticipated capital expenditure, as explained previously. The increase over the 2014/15 MTEF is in respect of filling of vacant posts in line with the moratorium on the filling of non-critical posts, and the annual salary increments.

Goods and services reflects a steady increase over the period under review and includes road safety awareness campaigns conducted, as well as the maintenance of the provincial road network. The reduction in the 2013/14 Adjusted Appropriation relates to funds reduced from the department relating to the Provincial Roads Maintenance grant in line with a directive from National Treasury, as well as funds suspended in respect of the centralisation of parts of the communications budget under OTP. In addition, funds were reprioritised from this category as a result of slow progress with regard to road maintenance work (re-gravelling and blading) undertaken due to appeals in the awarding of contracts, as well as the shortage of grader operators, and were moved to *Buildings and other fixed structures* for the fast-tracking of the upgrading of gravel roads to surfaced roads in order to avoid possible delays in the rainy season, as well as the completion of some construction projects carried over from 2012/13. The low 2013/14 Revised Estimate is partly as a result of enforced savings to offset projected over-expenditure against *Transfers and subsidies to: Public corporations and private enterprises* against the PTOG, as well as to *Buildings and other fixed structures*, as previously explained. The increase over the MTEF relates to the carry-through funding in respect of learner transport, the Provincial Roads Maintenance grant and the EPWP Integrated Grant for Provinces (only in 2014/15 at this stage). It should be noted that the Provincial Roads Maintenance grant saw a substantial reduction in 2015/16 and, to a lesser extent, in 2016/17 by National Treasury, in line with the adjustment in the conditional grant formula. Funds were also suspended to OTP relating to the centralisation of parts of the communications budget over the MTEF. As previously mentioned, portion of the Provincial Roads Maintenance grant is earmarked for repairs relating to flood damage to roads in the province in 2014/15 and 2015/16.

The allocation against *Transfers and subsidies to: Provinces and municipalities* is in respect of the payment of motor vehicle licences.

The allocations against *Transfers and subsidies to: Public corporations and private enterprises* relate mainly to the PTOG. The slight increase in the 2013/14 Adjusted Appropriation is in respect of the Vukuzakhe Emerging Contractors Association (VECA) for the monitoring of the Vukuzakhe emerging contractors for compliance to norms and standards. The association is aimed at playing a pivotal role in

the acceleration of empowerment and development of emerging contractors. The department committed itself to working together with the association in fast-tracking the development of emerging contractors through the provision of training and development support. Funds have been allocated over the MTEF in this regard. The high 2013/14 Revised Estimate is in respect of the projected over-expenditure against the PTOG due to the increase in fuel prices, which has resulted in higher than anticipated claims in respect of bus subsidies. The increase over the MTEF relates mainly to additional funding allocated in respect of the grant, with a substantial increase in 2016/17.

Transfers and subsidies to: Households caters mainly for staff exit costs, which fluctuate over the period due to the difficulty in forecasting accurately for this category as a result of its uncertain nature. Funds were suspended from this category to OTP relating to the centralisation of the external bursaries budgets over the MTEF.

The category *Buildings and other fixed structures* reflects healthy growth over the seven-year period due to the increase in construction work. The high amount in 2012/13 was attributed to the early commencement of the construction of roads that was put on hold in 2011/12, as explained previously, and hence the reduction in the 2013/14 Main Appropriation. The increase in the 2013/14 Adjusted Appropriation was due to funds reprioritised from *Compensation of employees* and *Goods and services* to cater for higher than anticipated capital expenditure, as explained in detail under Programme 2 above. In addition, once-off funds were allocated in respect of road rehabilitation and construction backlogs in 2013/14, hence the decrease in 2014/15. The increase over the MTEF in comparison to the 2013/14 Main Appropriation is attributed to inflationary increments.

Machinery and equipment reflects a substantial increase from 2011/12 onward, mainly due to the provision for the appointment of new staff, as well as the replacement of computer equipment, vehicles, etc., including the replacement of aged plant such as graders and tractors. The substantial growth over the MTEF is to cater for the computerised licence testing system, as well as any obsolete and replacement equipment and vehicles.

The once-off amounts against *Software and other intangible assets* from 2010/11 to the 2013/14 Adjusted Appropriation and the Revised Estimate relate to the upgrade of computer software licences such as Microsoft.

As previously explained, the 2010/11 amount against *Payments for financial assets* relates to the first charge. The amounts in 2011/12 to the 2013/14 Adjusted Appropriation relate to claims (removal of vehicles) against the state, dishonoured cheques, salary over-payments, write-off of irrecoverable staff debts, etc. This category is not usually budgeted for due to its uncertain nature.

5.4 Summary of payments and estimates by district municipal area

Table 12.8 provides a summary of spending (excluding administrative costs) by the department in each district municipality.

Table 12.8 : Summary of payments and estimates by district municipal area

R thousand	Audited Outcome	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16	2016/17
eThekweni	883 242	902 560	995 702	1 075 112	1 107 038
Ugu	383 052	391 430	431 824	466 264	480 109
uMgungundlovu	1 037 594	1 060 287	1 169 706	1 262 994	1 300 499
Uthukela	603 165	616 357	679 963	734 194	755 995
Umzinyathi	444 626	454 350	501 238	541 214	557 285
Amajuba	182 457	186 448	205 688	222 093	228 688
Zululand	775 986	792 958	874 789	944 557	972 605
Umkhanyakude	322 737	329 796	363 830	392 846	404 511
uThungulu	931 711	952 088	1 050 342	1 134 109	1 167 787
Ilembe	283 085	289 276	319 128	344 580	354 813
Sisonke	494 520	505 336	557 486	601 946	619 821
Total	6 342 175	6 480 886	7 149 696	7 719 909	7 949 151

The department reprioritised its budget to support the PGDP and PGDS, and service delivery is fairly equitably distributed throughout the province.

The budget allocations are determined and projects are prioritised based on various factors, including the relative size of the affected community, the poverty index in the area and the comparative extent of the backlog in the area. As such, there is an equitable balance between areas of high economic activity and large populations, and areas of high poverty levels but low population numbers.

The expenditure reflected against the department's head office in uMgungundlovu includes projects that cannot be easily split across the individual district municipalities.

The amounts against uThungulu are in respect of the upgrade of John Ross Highway and other ARRUP projects, which continue over the 2014/15 MTEF.

Zululand reflects spending on ARRUP projects, as well as other major projects such as the P235, P700, Main road P271 and Main road P303.

The growth in eThekweni mainly relates to the PTOG, as well as the construction of various roads such as the P577 (Duffs Road to KwaDabeka), the upgrading of access roads and pedestrian bridges.

The increase against Uthukela in 2013/14 relates to additional funds allocated for the construction of the district road D2456. The increase over the MTEF relates to projects such as re-gravelling, pedestrian bridges and access roads being undertaken in the area.

The increase in Ilembe from 2013/14 relates to additional funds in respect of Main road P714. The increase over the MTEF is attributed to re-gravelling, pedestrian bridges and access roads being undertaken in the area.

The spending against Sisonke from 2012/13 onward relates to projects in Umzimkulu to improve the area, as well as the upgrading of the P318 Sani Pass.

In addition to the above, there is expenditure and funding across various municipalities in respect of learner transport services.

5.5 Summary of conditional grant payments and estimates

Tables 12.9 and 12.10 provide a summary of the conditional grant payments and budgeted estimates over the seven-year period, by grant name and economic classification, respectively.

Detailed information on the conditional grants is presented in the *Annexure – Vote 12: Transport*.

Note that the historical figures set out in Tables 12.9 and 12.10 below reflect actual expenditure per grant, and should not be compared to those figures reflected in Table 12.1, which represent the actual receipts for each grant.

Table 12.9 : Summary of conditional grants payments and estimates by name

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Transport Disaster Management grant	-	29 736	-	-	-	-	-	-	-
Public Transport Operations grant	715 294	773 473	808 877	852 325	852 325	913 343	904 783	945 972	995 610
EPWP Integrated Grant for Provinces	153 562	117 415	84 211	88 487	88 487	88 487	59 443	-	-
Provincial Roads Maintenance grant	958 390	1 236 648	1 501 171	1 678 920	1 523 528	1 523 528	1 788 158	1 986 750	2 086 663
Provincial Disaster Relief grant	214 398	-	-	-	-	-	-	-	-
Total	2 041 644	2 157 272	2 394 259	2 619 732	2 464 340	2 525 358	2 752 384	2 932 722	3 082 273

Table 12.10 : Summary of conditional grants payments and estimates by economic classification

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Current payments	367 960	147 151	1 585 382	1 767 407	1 610 400	1 610 400	1 847 601	1 986 750	2 086 663
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	367 960	147 151	1 585 382	1 767 407	1 610 400	1 610 400	1 847 601	1 986 750	2 086 663
Other	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	715 294	773 473	808 877	852 325	852 325	913 343	904 783	945 972	995 610
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Universities and technikons	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	715 294	773 473	808 877	852 325	852 325	913 343	904 783	945 972	995 610
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Payments for capital assets	958 390	1 236 648	-	-	1 615	1 615	-	-	-
Buildings and other fixed structures	958 390	1 236 648	-	-	1 615	1 615	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	2 041 644	2 157 272	2 394 259	2 619 732	2 464 340	2 525 358	2 752 384	2 932 722	3 082 273

There is a steady growth against the conditional grant allocation over the period under review, as explained per grant below:

- *Transport Disaster Management grant:* A once-off amount of R29.736 million was allocated against *Goods and services* in 2011/12 in respect of roads and infrastructure damage caused by floods in December 2010 and January 2011.
- *Public Transport Operations grant:* Funds are allocated against *Transfers and subsidies to: Public corporations and private enterprises* in respect of the PTOG for the payment of bus subsidies to bus operators. As previously explained, the high 2013/14 Revised Estimate against the grant is in respect of the projected over-expenditure which resulted from the increase in fuel prices, resulting in higher than anticipated claims in respect of bus subsidies. The increase over the MTEF relates mainly to additional funding allocated, with a substantial increase in 2016/17.
- *EPWP Integrated Grant for Provinces:* Funds were allocated against *Goods and services* in respect of this grant to be utilised for the creation of EPWP job opportunities. This grant is allocated on an annual basis, hence no funds are allocated in the two outer years of the 2014/15 MTEF, as this stage.
- *Provincial Roads Maintenance grant:* The grant allocation, which has increased significantly over the seven years, is in respect of maintenance and construction of road infrastructure in KZN. The allocations were reflected against *Buildings and other fixed structures* in 2010/11 and 2011/12 for road construction. The grant funding was reclassified from 2012/13 onward under *Goods and services*, for road maintenance work, as opposed to construction. The amount in the 2013/14 Adjusted Appropriation includes funds allocated to the department by National Treasury for repairs to roads and infrastructure damage caused by floods in 2011/12. This amount was allocated to *Buildings and other fixed structures* for the upgrade of roads damaged by floods. This was offset by the reduction in the grant in line with the amended allocation for this grant, as directed by National Treasury, as previously explained. The grant funding was reduced substantially in 2015/16 and to a lesser extent in 2016/17, also due to the amendment in the conditional grant formula by National Treasury. Despite the reduction, the grant shows a steady increase over the MTEF. It should be noted that portion of the Provincial Roads Maintenance grant of R52.194 million in 2014/15 and R55.114 million in 2015/16 is earmarked for repairs relating to flood damage to roads in the province. In addition, R63 million of the Provincial Roads Maintenance grant has been reprioritised from the Mpumalanga Coal Haulage funds toward KwaZulu-Natal in respect of the Avon project in

2014/15. In respect of this, the department is required to effect the following road upgrades in and around the Avon Peaking Power Plant in terms of the conditional grant framework, namely:

- o Approximately 2 kilometre portion of the P103 (Sinembe) road.
 - o Approximately 6.4 kilometre portion of the P103 (Glendale) road.
 - o The intersection of the R102 and P104 (Glendale) road.
 - o Approximately 8 kilometre portion of the P467 (Tinley Manor) road.
- *Provincial Disaster Relief grant*: A once-off amount of R214.398 million was allocated against *Goods and services* in 2010/11 for repair to roads and infrastructure damage caused by floods in 2009/10 in the South Coast area.

5.6 Summary of infrastructure payments and estimates

Table 12.11 presents a summary of infrastructure payments and estimates by category for the vote. Note that the *Maintenance and repairs* category includes the salaries of the *Zibambele* contractors and other departmental staff that undertake maintenance. A more detailed listing of infrastructure projects to be undertaken by the department can be found in the *Annexure – Vote 12: Transport*.

Table 12.11 : Summary of infrastructure payments and estimates by category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
New and replacement assets	412 100	392 051	426 008	432 573	432 573	432 573	356 343	368 517	388 048
Existing infrastructure assets	3 651 194	4 371 601	5 141 442	5 385 255	5 372 863	5 374 604	6 350 535	6 608 039	7 033 352
Upgrades and additions	1 121 335	1 390 547	1 738 910	1 326 432	1 648 047	1 842 352	1 704 282	1 843 054	1 962 786
Rehabilitation, renovations and refurbishments	524 907	592 325	736 296	666 645	939 645	939 645	886 660	981 867	1 000 946
Maintenance and repairs	2 004 952	2 388 729	2 666 236	3 392 178	2 785 171	2 592 607	3 759 593	3 783 118	4 069 620
Infrastructure transfers	-	-	-	-	-	-	-	-	-
Current	-	-	-	-	-	-	-	-	-
Capital	-	-	-	-	-	-	-	-	-
Total	4 063 294	4 763 652	5 567 450	5 817 828	5 805 436	5 807 177	6 706 878	6 976 556	7 421 400

The infrastructure expenditure and budget increase substantially over the seven-year period under review. This is due to the increase in construction and maintenance activities in respect of infrastructure investment in the province.

New and replacement assets fluctuates over the period and includes the construction of roads and upgrading of access roads (to clinics and schools) and pedestrian bridges. The decrease in 2011/12 was due to internal reprioritisation to offset spending pressures against *Upgrades and additions* and *Rehabilitation, renovations and refurbishments* in respect of rehabilitation work undertaken, as explained previously. The decrease over the MTEF relates to reprioritisation to *Upgrades and additions* for the upgrading of roads.

The high growth in 2012/13 against *Upgrades and additions* was due to reprioritisation to provide for the commencement of construction projects that were put on hold in 2011/12, increased construction costs and the early commencement of construction projects due to good weather conditions. In addition, funds were allocated in respect of the rehabilitation and upgrade of various roads in 2012/13 only, and hence the reduction in the 2013/14 Main Appropriation. The increase in the 2013/14 Adjusted Appropriation relates to reprioritised funds from other programmes, as well as additional funding allocated for road rehabilitation and construction backlogs. The increase over the MTEF is mainly due to reprioritisation, as well as inflationary increases.

Spending against *Rehabilitation, renovations and refurbishments* relates to the rehabilitation of roads undertaken. The high 2012/13 expenditure was in respect of the higher than anticipated rehabilitation of roads undertaken in line with a detailed technical analysis of KZN's road conditions, hence the decrease in the 2013/14 Main Appropriation. The increase in the 2013/14 Adjusted Appropriation was to provide for the fast-tracking of the upgrading of gravel roads to surfaced roads in order to avoid possible delays in the

rainy season, as well as the completion of various construction projects carried over from 2012/13, as previously explained. The growth over the MTEF is in respect of the continuation of road rehabilitation.

Maintenance and repairs caters for routine, preventative, mechanical and other maintenance. The growth against this category relates to the maintenance of the existing road network. This category reflects steady growth over the period under review due to repairs to roads and infrastructure damage caused by flood, as well as maintenance work undertaken on the provincial road network. The substantial increase in the 2013/14 Main Appropriation includes additional funding in respect of the Provincial Roads Maintenance grant, the EPWP Integrated Grant for Provinces (in 2014/15 only), as well as inflationary increments. The reduction in the 2013/14 Adjusted Appropriation can be ascribed to funds reprioritised to *Upgrades and additions* and *Rehabilitation, renovations and refurbishments* to provide for the fast-tracking of the upgrading of gravel roads to surfaced roads and completion of various construction projects carried over from 2012/13. Also, funds were reduced in respect of the Provincial Roads Maintenance grant in the 2013/14 Adjusted Appropriation in line with a National Treasury directive, as previously mentioned. Although not visible in the table, substantial amounts have been deducted from the grant, particularly in 2015/16 and to a lesser extent in 2016/17, as explained previously. A portion of the Provincial Roads Maintenance grant is earmarked for repairs relating to flood damage to roads in the province in 2014/15 and 2015/16, as previously explained.

5.7 Summary of Public Private Partnerships – Nil

5.8 Transfers to public entities listed in terms of Schedule 3 of the PFMA – Nil

5.9 Transfers to other entities

Table 12.12 below reflects departmental transfers to other entities.

Table 12.12 : Summary of departmental transfers to other entities

R thousand	Sub-programme	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
		2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Bus operators	3.2: Public Transport Services	715 294	773 473	808 877	852 325	852 325	913 343	904 783	945 972	995 610
Total		715 294	773 473	808 877	852 325	852 325	913 343	904 783	945 972	995 610

The budget against *Bus operators* increases steadily over the period under review. The amounts relate to the PTOG for the payment of bus subsidies to operators.

The high 2013/14 Revised Estimate relates to the projected over-expenditure against this grant due to the higher than anticipated claims on public transport subsidies as a result of increases in fuel prices and, hence, increased transportation costs, as previously mentioned. The department has indicated that funds will be reprioritised from *Goods and services* to offset the spending pressures. The increase over the 2014/15 MTEF in comparison to the 2013/14 Adjusted Appropriation mainly relates to additional funding allocated in respect of the grant, which is particularly high in 2016/17.

5.10 Transfers to local government - Nil

The department makes no transfer payments to local government. Although the payment of motor vehicle licences falls under *Transfers and subsidies to: Provinces and municipalities*, these funds will not be transferred to any municipality, and hence the table reflecting transfers to local government is excluded.

5.11 Transfers and subsidies

Table 12.13 is a summary of spending on *Transfers and subsidies* by programme and main category.

Table 12.13 : Summary of transfers and subsidies by programme and main category

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
1. Administration	5 526	2 354	1 454	8 166	8 166	4 193	8 281	8 776	9 241
Provinces and municipalities	7	8	30	30	30	30	30	30	32
Motor vehicle licences	7	8	30	30	30	30	30	30	32
Households	5 519	2 346	1 424	8 136	8 136	4 163	8 251	8 746	9 209
Other transfers to households	3 968	732	1 013	6 513	6 513	1 623	6 539	6 946	7 409
Social benefits	1 551	1 614	411	1 623	1 623	2 540	1 712	1 800	1 800
2. Transport Infrastructure	3 824	8 545	7 251	2 658	2 658	6 158	3 695	3 839	4 043
Provinces and municipalities	320	407	1 911	1 300	1 300	1 206	1 300	1 300	1 369
Motor vehicle licences	320	407	1 911	1 300	1 300	1 206	1 300	1 300	1 369
Households	3 504	8 138	5 340	1 358	1 358	4 952	2 395	2 539	2 674
Other transfers to households	924	4 279	114	125	125	1 233	1 095	1 239	1 374
Social benefits	2 580	3 859	5 226	1 233	1 233	3 719	1 300	1 300	1 300
3. Transport Operations	715 304	773 484	808 916	852 340	852 340	913 399	904 798	945 987	995 626
Provinces and municipalities	10	11	12	15	15	13	15	15	16
Motor vehicle licences	10	11	12	15	15	13	15	15	16
Public corporations and private enterprises	715 294	773 473	808 877	852 325	852 325	913 343	904 783	945 972	995 610
Bus operators	715 294	773 473	808 877	852 325	852 325	913 343	904 783	945 972	995 610
Households	-	-	27	-	-	43	-	-	-
Social benefits	-	-	27	-	-	43	-	-	-
4. Transport Regulation	1 928	807	1 592	921	921	1 353	958	1 001	1 054
Provinces and municipalities	213	226	426	250	250	346	250	250	263
Motor vehicle licences	213	226	426	250	250	346	250	250	263
Households	1 715	581	1 166	671	671	1 007	708	751	791
Other transfers to households	6	11	309	13	13	658	14	14	14
Social benefits	1 709	570	857	658	658	349	694	737	777
5. Community Based Programme	-	-	1	5	1 505	1 505	6 005	5 005	4 005
Provinces and municipalities	-	-	-	5	5	5	5	5	5
Motor vehicle licences	-	-	-	5	5	5	5	5	5
Public corporations and private enterprises	-	-	-	-	1 500	1 500	6 000	5 000	4 000
VECA	-	-	-	-	1 500	1 500	6 000	5 000	4 000
Households	-	-	1	-	-	-	-	-	-
Social benefits	-	-	1	-	-	-	-	-	-
Total	726 582	785 190	819 214	864 090	865 590	926 608	923 737	964 608	1 013 969

The category *Transfers and subsidies* reflects a fluctuating trend over the period under review, due to its unpredictable nature.

- *Households* under all programmes caters for staff exit costs.
- *Provinces and municipalities* against all programmes relates to the payment of motor vehicle licences.
- Under Programme 3, *Public corporations and private enterprises* is in respect of Bus operators relating to the PTOG for the payment of bus subsidies to operators.
- Under Programme 5, *Public corporations and private enterprises* relates to VECA for the monitoring of the Vukuzakhe emerging contractors for compliance to norms and standards. The department committed itself to working together with the association in fast-tracking the development of emerging contractors through the provision of training and development support, hence the amounts allocated over the MTEF. According to the department, the declining amounts over the MTEF are in line with the operational plan submitted by VECA.

6. Programme description

The services rendered by the department are categorised under five programmes, which fully conform to the uniform budget and programme structure of the Transport sector.

The payments and budgeted estimates for each programme are summarised in terms of economic classification, details of which are presented in the *Annexure – Vote 12: Transport*.

6.1 Programme 1: Administration

The purpose of Programme 1 is to provide the department with the overall management and administrative, strategic, financial and corporate support services (including human resource management, labour relations and legal services) in order to ensure that it delivers on its mandate in an integrated, efficient, effective and sustainable manner.

The programme consists of four sub-programmes in line with the sector specific budget format, namely: Office of the MEC, Management, Corporate Support, and Departmental Strategy.

Tables 12.14 and 12.15 below summarise payments and budgeted estimates relating to Programme 1 for the financial years 2010/11 to 2016/17.

Table 12.14 : Summary of payments and estimates by sub-programme: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
1. Office of the MEC	10 996	11 172	11 330	12 410	13 410	12 798	12 530	12 660	13 331
2. Management	202 717	8 274	7 568	9 703	9 703	9 212	10 150	10 600	11 162
3. Corporate Support	130 650	171 094	215 721	216 459	203 797	206 602	211 284	209 933	221 091
4. Departmental Strategy	18 218	13 943	16 038	21 960	16 960	15 258	20 660	20 870	21 976
Total	362 581	204 483	250 657	260 532	243 870	243 870	254 624	254 063	267 560
Unauth. Exp. (1st charge) not available for spending	(185 666)	-	-	-	-	-	-	-	-
Baseline available for spending after 1st charge	176 915	204 483	250 657	260 532	243 870	243 870	254 624	254 063	267 560

Table 12.15 : Summary of payments and estimates by economic classification: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Current payments	166 550	195 521	219 870	247 211	230 537	234 048	242 568	241 292	254 125
Compensation of employees	83 091	88 034	94 403	131 957	116 957	114 892	134 608	140 406	147 848
Goods and services	83 459	107 487	125 466	115 254	113 580	119 156	107 960	100 886	106 277
Interest and rent on land	-	-	1	-	-	-	-	-	-
Transfers and subsidies to:	5 526	2 354	1 454	8 166	8 166	4 193	6 901	7 306	7 681
Provinces and municipalities	7	8	30	30	30	30	30	30	32
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	5 519	2 346	1 424	8 136	8 136	4 163	6 871	7 276	7 649
Payments for capital assets	4 837	6 485	29 273	5 155	5 163	5 166	5 155	5 465	5 754
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	788	3 742	25 768	5 155	5 155	5 158	5 155	5 465	5 754
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	4 049	2 743	3 505	-	8	8	-	-	-
Payments for financial assets	185 668	123	60	-	4	463	-	-	-
Total	362 581	204 483	250 657	260 532	243 870	243 870	254 624	254 063	267 560
Unauth. Exp. (1st charge) not available for spending	(185 666)	-	-	-	-	-	-	-	-
Baseline available for spending after 1st charge	176 915	204 483	250 657	260 532	243 870	243 870	254 624	254 063	267 560

As explained previously, the department was liable for the repayment of the 2008/09 over-expenditure, resulting in a first charge of R185.666 million against the department's budget in 2010/11. This is reflected under the sub-programme: Management, against *Payments for financial assets*, and the amount available for spending in 2010/11 was reduced by the instalment amount, as reflected in the footnote of Tables 12.14 and 12.15 above.

Programme 1 shows a fluctuating trend over the period under review. The slight reduction over the 2014/15 MTEF relates to reprioritisation to Programme 2 to cater for increased construction work.

The sub-programme: Office of the MEC shows a fairly steady increase over the period under review. The slight increase in the 2013/14 Adjusted Appropriation was in respect of funds allocated in respect of OSS initiatives to be used to improve the lives of the people in KZN. The increase over the MTEF relates to inflationary increments.

The high amount against the sub-programme: Management in 2010/11 relates to the first charge, hence the substantial decrease in 2011/12. The growth over the MTEF is in respect of inflationary increases.

The Corporate Support sub-programme increases from 2011/12 and over the MTEF relating to the annual salary adjustments and the filling of vacant posts. The decrease in the 2013/14 Adjusted Appropriation mainly relates to funds moved to Programme 2 against *Buildings and other fixed structures* to provide for the fast-tracking of the upgrading of gravel roads to surfaced roads, as well as the completion of some construction projects carried over from 2012/13. The department has also undertaken reprioritisation over the MTEF in this regard, as well as funds moved to OTP in respect of the centralisation of parts of the communications budget and the external bursaries budgets.

The sub-programme: Departmental Strategy reflects a high amount in 2010/11 mainly due to the filling of vacant posts. The decrease in 2011/12 mainly relates to resignations and non-filling of posts in line with the moratorium on the filling of non-critical posts. The decrease in the 2013/14 Adjusted Appropriation was due to funds being moved to Programme 2 to provide for the fast-tracking of the upgrading of gravel roads to surfaced roads. The department further reprioritised funds to Programme 2 over the MTEF in this regard.

Compensation of employees reflects a fairly steady increase over the seven-year period. The decrease in the 2013/14 Adjusted Appropriation and the Revised Estimate relates to the slower than anticipated filling of vacant posts. Funds were reprioritised to Programme 2 in respect of higher than anticipated capital expenditure. The increase over the MTEF is to cater for annual salary adjustments and the filling of posts, which will take into account the moratorium on the filling of non-critical posts.

The low spending against *Goods and services* in 2010/11 was due to cost-cutting. The increase from 2011/12 to 2012/13 was to cover the higher than anticipated costs of maintenance of the head office building, accounting for the drop in 2013/14. The slight reduction in the 2013/14 Adjusted Appropriation relates to funds suspended in respect of the centralisation of parts of the communications budget under OTP, which continues over the MTEF. The reduction over the MTEF is also due to reprioritisation to *Transfers and subsidies to: Households* to provide for staff exit costs, among others.

Transfers and subsidies to: Households caters mainly for staff exit costs, which fluctuate over the period due to the difficulty in forecasting accurately for this category as a result of its uncertain nature. The low 2013/14 Revised Estimate resulted from lower than anticipated payment of staff exit costs. This has been reprioritised to Programme 2, which is experiencing pressures in this regard. Funds have been suspended from this category in respect of centralisation of the external bursaries budgets to OTP.

The amounts against *Machinery and equipment* are mainly in respect of computer and office equipment, vehicles, etc., that are damaged or obsolete, as well as for the appointment of new staff. The low amount in 2010/11 was due to cost-cutting. The substantial increase in 2012/13 was in respect of the replacement of obsolete equipment and vehicles.

The amounts against *Software and other intangible assets* from 2010/11 to 2013/14 relate to the once-off upgrades of computer software licences.

Payments for financial assets relates to write-off of irrecoverable staff debts. As explained, the high amount in 2010/11 was in respect of the department's first charge for the 2008/09 over-expenditure.

6.2 Programme 2: Transport Infrastructure

The purpose of Programme 2 is to promote accessibility and safe and affordable movement of people, goods and services through the delivery and maintenance of transport infrastructure that is sustainable, integrated and environmentally sensitive, and which supports and facilitates social empowerment and

economic growth. Programme 2 is aimed at determining the needs for the development of road, freight and public transport infrastructure, implementing maintenance programmes, providing access roads for communities to unlock economic potential, and promoting community development and eco-tourism.

The programme consists of five sub-programmes in line with the sector specific budget format, namely: Programme Support Infrastructure, Infrastructure Planning, Infrastructure Design, Construction and Maintenance.

Tables 12.16 and 12.17 below summarise the payments and budgeted estimates relating to Programme 2 for the financial years 2010/11 to 2016/17. There has been a significant increase in the level of funding allocated to this programme over the seven-year period under review.

Table 12.16 : Summary of payments and estimates by sub-programme: Transport Infrastructure

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
1. Programme Support Infrastructure	159 583	131 286	141 624	128 050	134 850	133 109	133 140	139 620	147 020
2. Infrastructure Planning	10 886	36 328	40 286	21 210	21 210	21 210	22 480	23 830	25 093
3. Infrastructure Design	18 560	17 045	17 540	14 310	14 310	14 310	15 170	16 080	16 932
4. Construction	2 058 342	2 374 923	2 901 214	2 425 650	3 020 265	3 214 570	2 947 285	3 193 438	3 351 780
5. Maintenance	2 004 952	2 388 729	2 666 236	3 392 178	2 785 171	2 592 607	3 759 593	3 783 118	3 988 343
Total	4 252 323	4 948 311	5 766 900	5 981 398	5 975 806	5 975 806	6 877 668	7 156 086	7 529 168

Table 12.17 : Summary of payments and estimates by economic classification: Transport Infrastructure

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Current payments	2 165 007	2 539 227	2 761 663	3 486 192	2 885 985	2 687 576	3 824 790	3 804 697	4 013 220
Compensation of employees	549 509	601 843	647 501	757 436	744 236	737 476	794 192	897 342	961 509
Goods and services	1 615 498	1 937 384	2 114 162	2 728 756	2 141 749	1 950 100	3 030 598	2 907 355	3 051 711
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	3 824	8 545	7 251	2 658	2 658	6 158	3 695	3 839	4 043
Provinces and municipalities	320	407	1 911	1 300	1 300	1 206	1 300	1 300	1 369
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	3 504	8 138	5 340	1 358	1 358	4 952	2 395	2 539	2 674
Payments for capital assets	2 083 469	2 400 501	2 997 928	2 492 548	3 087 163	3 282 023	3 049 183	3 347 550	3 511 905
Buildings and other fixed structures	2 058 342	2 374 923	2 901 214	2 425 650	3 020 265	3 214 570	2 947 285	3 193 438	3 351 780
Machinery and equipment	25 127	25 578	96 714	66 898	66 898	66 898	101 898	154 112	160 125
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	555	-	-	-
Payments for financial assets	23	38	58	-	-	49	-	-	-
Total	4 252 323	4 948 311	5 766 900	5 981 398	5 975 806	5 975 806	6 877 668	7 156 086	7 529 168

The amounts against the sub-programme: Programme Support Infrastructure can be attributed to the provision of administrative functions, such as planning and design of construction projects for all regions. The decrease in 2011/12 was due to lower than anticipated costs for administrative functions for all regions in respect of roads and other construction costs, as well as non-filling of vacant posts and resignations. The increase in 2012/13 relates to annual salary adjustments and filling of vacant posts, as well as provision made for designs of construction projects due to the increase in construction projects in the province. The increase in the 2013/14 Adjusted Appropriation relates to funds allocated for the re-grading of clerical staff from level 4 to 5 in line with DPSA requirements. The growth over the MTEF is mainly provision made for the filling of posts, as well as inflationary increases.

The increase in 2011/12 and 2012/13 against the Infrastructure Planning sub-programme relates to provision in respect of the integrated modal transport facilities such as IPTNs. The decrease in 2013/14

and over the MTEF is in respect of funds reprioritised to the sub-programme: Maintenance due to the emphasis placed on the maintenance of the provincial road network.

The high amount in 2010/11 against the sub-programme: Infrastructure Design relates to projects undertaken in respect of the 2010 Soccer World Cup, hence the decrease from 2011/12 onward. The decrease in 2013/14 is due to funds reprioritised to the sub-programme: Maintenance, as explained above. The increase over the MTEF is mainly for inflationary increments.

The Construction sub-programme reflects a fairly steady increase over the period under review. This sub-programme caters mainly for the construction, upgrade and rehabilitation of roads. The substantial increase in 2012/13 relates to funds reprioritised from Programmes 1, 3, 4 and 5 to provide for the higher than anticipated capital expenditure, which resulted from the commencement of construction projects that were put on hold in 2011/12, as well as increased construction costs. In addition, funds were allocated in respect of rehabilitation and upgrade of various roads in 2012/13, including the upgrade of 44.5 kilometres of gravel roads to blacktop roads and the construction of one pedestrian bridge. The increase in the 2013/14 Adjusted Appropriation is ascribed to reprioritised funds from other programmes to fast-track the upgrading of gravel roads to surfaced roads, as well as once-off funding for road rehabilitation and construction backlogs, hence the drop in 2014/15. The department has further reprioritised funds from the sub-programme: Maintenance as a result of slow progress with regard to road maintenance work, as well as the shortage of grader operators to this programme, hence the increase in the 2013/14 Revised Estimate. The funds will be utilised for the fast-tracking of construction projects. The growth over the MTEF is due to inflationary increments. This also explains the trend against *Buildings and other fixed structures*.

The sub-programme: Maintenance reflects healthy growth over the period under review particularly from 2012/13 onward. The increase in 2011/12 relates mainly to the maintenance of the provincial road network. The increase in 2012/13 includes funds relating to the EPWP Integrated Grant for Provinces for the creation of EPWP job opportunities. As explained, the decrease in the 2013/14 Adjusted Appropriation was due to the slow progress with regard to road maintenance work undertaken due to appeals in the awarding of contracts, the shortage of grader operators, as well as the reduction in the Provincial Roads Maintenance grant in line with a directive from National Treasury. A further reduction in the 2013/14 Revised Estimate was due to reprioritisation to the Construction sub-programme, as explained above. The increase over the MTEF includes additional funding for the Provincial Roads Maintenance grant, as well as the EPWP Integrated Grant for Provinces (in 2014/15 only). Although there is healthy growth over the MTEF against this category, the funding for the Provincial Roads Maintenance grant has been reduced substantially in 2015/16 and to a lesser extent in 2016/17. It should be noted that portion of the Provincial Roads Maintenance grant is earmarked for repairs relating to flood damage to roads in the province in 2014/15 and 2015/16, as previously explained. This also explains the trend against *Goods and services*.

Compensation of employees reflects a steady increase over the period under review, with a slight reduction in the 2013/14 Adjusted Appropriation and the Revised Estimate due to non-filling of vacant posts. The savings were moved within the programme to *Buildings and other fixed structures*.

Transfers and subsidies to: Households caters mainly for staff exit costs, which fluctuate over the period due to the difficulty in forecasting accurately for this category as a result of its uncertain nature. The high 2013/14 Revised Estimate resulted from higher than anticipated payment of staff exit costs. Funds were reprioritised from Programme 1, as explained above.

Machinery and equipment reflects a substantial increase in 2012/13 mainly due to provision for additional and replacement of vehicles and plant, resulting in the decrease in 2013/14. The substantial increase from 2014/15 is for the replacement of motor vehicles, as well as aged plant such as graders and tractors.

Service delivery measures – Programme 2: Transport Infrastructure

Table 12.18 illustrates some of the main service delivery measures pertaining to Programme 2. The performance indicators provided comply fully with the customised measures for the Transport sector. The targets indicated as “n/a” means that the target is completed, and the department is in the process of reviewing them.

Table 12.18 : Service delivery measures – Programme 2: Transport Infrastructure

Outputs	Performance indicators	Estimated performance			
		2013/14	2014/15	2015/16	2016/17
2. Transport Infrastructure					
2.1 Construction	• No. of lane-km of new surfaced roads constructed	20	1	n/a	n/a
	• No. of kilometres of new gravel roads constructed	270	255	240	240
	• No. of square metres of surfaced road upgraded	-	32 900	32 900	32 900
	• No. of kilometres of gravel roads upgraded to surfaced roads	82	78	74	74
	• No. of square metres of non-motorised transport facility constructed	25 000	20 000	25 000	25 000
	• No. of bridges constructed	7	7	7	7
	• No. of pedestrian bridges constructed	13	13	13	13
	• No. of designs of integrated public transport networks	2	3	n/a	n/a
	• No. of public transport infrastructure projects implemented	2	1	1	1
2.2 Maintenance	• No. of lane-km of surfaced roads rehabilitated	490	530	730	730
	• No. of square metres of surfaced roads resealed	2 040 000	2 000 000	2 700 000	2 700 000
	• No. of kilometres of roads re-gravelled	2 340	2 540	2 700	2 700
	• No. of square metres of blacktop patching (including pothole repairs)	220 000	240 000	240 000	240 000
	• No. of kilometres of gravel roads bladed	115 000	120 000	120 000	120 000
	• No. of kilometres of surfaced roads assessed (VCIs completed as per TMH 12) - annual	3 590	3 670	3 750	3 750
	• No. of kilometres of gravel roads assessed (VCIs completed as per TMH 9) - annual	7 920	8 190	8 445	8 445
	• No. of weighbridges calibrated to SABS standard - annual	15	15	15	15
	• No. of kilometres of road infrastructure assessed through road safety audits	1 730	1 875	2 050	2 050
	• No. of kilometres maintained using <i>Zimbabwe</i> contractors	26 650	26 650	26 650	26 650
	• % of provincial road network in poor to very poor condition	46%	43%	40%	40%

6.3 Programme 3: Transport Operations

The purpose of Programme 3 is to plan, regulate and facilitate the provision of integrated land transport services through co-ordination and co-operation with national planning authorities, non-governmental organisations (NGOs) and the private sector to enhance the mobility of all communities, especially those without or with limited access, and to implement road safety education and awareness programmes.

The programme consists of three sub-programmes largely in line with the sector specific budget format, namely: Programme Support Operations, Public Transport Services and Transport Safety and Compliance.

The main functions include the development of policies and plans for public and freight transport service and supporting infrastructure, the regulation of public and freight transport services, and the enforcement of legislation in respect of public transport.

Tables 12.19 and 12.20 summarise payments and estimates relating to Programme 3 for the period 2010/11 to 2016/17. Programme 3 reflects a fairly stable increase over the seven-year period.

Table 12.19 : Summary of payments and estimates by sub-programme: Transport Operations

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
1. Programme Support Operations	6 581	20 410	38 430	12 870	12 870	24 519	12 990	13 110	13 805
2. Public Transport Services	750 223	800 499	901 765	990 505	1 045 505	1 045 505	1 095 323	1 198 638	1 263 327
3. Transport Safety and Compliance	13 731	66 272	72 791	75 360	75 360	63 711	75 810	76 260	80 302
Total	770 535	887 181	1 012 986	1 078 735	1 133 735	1 133 735	1 184 123	1 288 008	1 357 434

Table 12.20 : Summary of payments and estimates by economic classification: Transport Operations

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Current payments	54 521	113 658	203 975	226 119	281 119	220 063	279 049	341 728	361 499
Compensation of employees	23 342	24 835	26 704	37 732	32 732	32 569	42 445	44 991	47 376
Goods and services	31 179	88 823	177 271	188 387	248 387	187 494	236 604	296 737	314 123
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	715 304	773 484	808 916	852 340	852 340	913 399	904 798	945 987	995 626
Provinces and municipalities	10	11	12	15	15	13	15	15	16
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	715 294	773 473	808 877	852 325	852 325	913 343	904 783	945 972	995 610
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	27	-	-	43	-	-	-
Payments for capital assets	710	39	95	276	276	273	276	293	309
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	710	39	95	276	276	273	276	293	309
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	770 535	887 181	1 012 986	1 078 735	1 133 735	1 133 735	1 184 123	1 288 008	1 357 434

The low 2010/11 amount against the sub-programme: Programme Support Operations and against *Goods and services* was due to cost-cutting. The high amounts in 2011/12 and 2012/13 was to provide for the designs of the learner transport services, and hence the decrease in 2013/14 and over the MTEF.

The sub-programme: Public Transport Services mainly caters for the PTOG received from NDOT for the payment of bus subsidies to bus operators. This sub-programme reflects a steady increase from 2011/12 onward due to the growth of the grant, as well as funds allocated for the learner transport services which the department started taking over in 2011/12. The increase in the 2013/14 Adjusted Appropriation relates to once-off funds allocated in respect of various public transport projects. The increase over the 2014/15 MTEF is mainly due to inflationary increases. This also explains the trend against *Transfers and subsidies to: Public corporations and private enterprises*. However, the projected over-expenditure against this category in the 2013/14 Revised Estimate resulted from the increase in fuel prices due to higher than anticipated claims in respect of bus subsidies. The department will offset the pressure from enforced savings in *Goods and services* in the same sub-programme.

The sub-programme: Transport Safety and Compliance was substantially low in 2010/11 due to cost-cutting, where funds were reprioritised to Programme 2 to offset spending pressures such as repairs and maintenance to roads damaged by floods. The increase from 2011/12 onward relates to the filling of vacant posts and inflationary increments. The budget increases steadily over the MTEF.

Compensation of employees reflects a steady increase over the period under review. The slight reduction in the 2013/14 Adjusted Appropriation was attributed to slower than anticipated filling of posts. The funds were reprioritised to Programme 2, for capital expenditure. The growth over the 2014/15 MTEF relates mainly to the filling of posts in line with the moratorium of the filling of non-critical vacant posts, as well as inflationary increments.

The low amount against *Goods and services* in 2010/11 was due to cost-cutting to offset spending pressures in Programme 2. The growth from 2011/12 onward relates to the additional funding allocated in respect of various public transport services (such as learner transport services). The projected under-expenditure in the 2013/14 Revised Estimate is enforced savings, which will be utilised to offset the projected over-expenditure against *Transfers and subsidies to: Public corporations and private enterprises*, as explained above. The growth in *Goods and services* over the MTEF relates to allocations in respect of learner transport services. The high amounts in 2015/16 and 2016/17 relate to the public transport facilities such as IPTN in support of the Taxi Recapitalisation Programme that will be undertaken.

The amounts against *Machinery and equipment* is in respect of the replacement of computer equipment, vehicles, etc., that are damaged or obsolete. The allocations over the 2014/15 MTEF are in this regard.

Service delivery measures – Programme 3: Transport Operations

Table 12.21 below illustrates some of the main service delivery measures applicable to Programme 3. The performance indicators provided comply fully with the customised measures for the Transport sector.

Table 12.21 : Service delivery measures – Programme 3: Transport Operations

Outputs	Performance indicators	Estimated performance	Medium-term targets		
		2013/14	2014/15	2015/16	2016/17
3. Transport Operations					
3.1 Public Transport Services	<ul style="list-style-type: none"> No. of vehicles subsidised No. of routes subsidised No. of vehicle kilometres subsidised No. of kilometres operated per vehicle No. of passengers per vehicle No. of passengers per trip operated No. of staff per vehicle No. of subsidised passengers No. of unsubsidised passengers No. of trips subsidised No. of trips monitored Subsidy per passenger No. of passenger trips subsidies No. of schools receiving learner transport services No. of learners transported 	1 320 1 715 43 176 803 32 415 4 300 52 2.1 138 890 17 860 1 327 900 796 700 R13.89 69 300 300 206 19 560	1 320 1 715 42 645 000 32 170 4 350 57 2.1 138 800 17 800 1 221 800 939 100 R14.01 69 306 800 260 24 000	1 320 1 715 42 645 000 32 570 4 350 57 2.1 138 800 17 800 1 221 800 939 100 R14.27 69 306 800 260 24 000	1 320 1 715 42 645 000 32 570 4 350 57 2.1 138 800 17 800 1 221 800 939 100 R15.22 69 306 800 260 24 000
3.2 Transport Safety and Compliance	<ul style="list-style-type: none"> No. of road safety awareness interventions conducted No. of schools involved in road safety education prog. Undertake goal directed enforcement of public transport (Operation <i>Shanela</i>) – No. of compulsory road blocks for public transport No. of school children trained on road safety No. of adults trained on road safety No. of crossing patrols provided 	5 950 500 235 000 43 000 105	5 950 500 235 000 43 000 105	5 950 500 235 000 46 400 105	5 950 500 235 000 46 400 105

6.4 Programme 4: Transport Regulation

The purpose of this programme is to ensure the provision of a safe road environment through the regulation of traffic on public infrastructure, law enforcement and the registration and licensing of vehicles and drivers. The programme consists of four sub-programmes namely: Programme Support Regulation, Transport Administration and Licensing, Operator Licences and Permits and Law Enforcement.

Tables 12.22 and 12.23 below summarise payments and estimates relating to Programme 4 for the period 2010/11 to 2016/17.

Table 12.22 : Summary of payments and estimates by sub-programme: Transport Regulation

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
1. Programme Support Regulation	6 543	272	346	5 000	5 000	5 000	5 000	5 000	5 265
2. Transport Administration and Licensing	104 061	119 263	103 272	110 270	110 270	94 647	113 440	116 770	122 959
3. Operator Licences and Permits	42 319	27 362	39 584	23 750	23 750	41 773	25 170	26 680	28 094
4. Law Enforcement	364 775	412 248	423 130	561 640	516 640	514 240	556 130	612 320	644 773
Total	517 698	559 145	566 332	700 660	655 660	655 660	699 740	760 770	801 091

Table 12.23 : Summary of payments and estimates by economic classification: Transport Regulation

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Current payments	497 804	519 395	563 339	671 008	626 008	625 574	666 270	711 453	749 160
Compensation of employees	357 173	375 061	395 032	524 000	479 000	476 260	515 620	553 258	582 581
Goods and services	140 631	144 334	168 307	147 008	147 008	149 314	150 650	158 195	166 579
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	1 928	807	1 592	921	921	1 353	958	1 001	1 054
Provinces and municipalities	213	226	426	250	250	346	250	250	263
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	1 715	581	1 166	671	671	1 007	708	751	791
Payments for capital assets	17 939	38 888	1 401	28 731	28 731	28 731	32 512	48 316	50 877
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	17 939	38 888	1 401	28 731	28 731	28 731	32 512	48 316	50 877
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	27	55	-	-	-	2	-	-	-
Total	517 698	559 145	566 332	700 660	655 660	655 660	699 740	760 770	801 091

The vast decrease in 2011/12 and 2012/13 against the Programme Support Regulation sub-programme can be ascribed to funds moved to the sub-programme: Law Enforcement due to the non-filling of vacant posts in order to cater for the higher than anticipated 2011 wage agreement. The department indicated that the posts became vacant and were unable to be filled due to the internal moratorium on the filling of vacant posts as a result of the review of the department's organisational structure. The increase in 2013/14 was in line with the expansion of the component as a result of the restructuring.

The sub-programme: Transport Administration and Licensing fluctuates over the period under review, and caters for the registration and licensing of vehicles and drivers. The decrease in 2012/13 relates to the unanticipated delays in the replacement of a damaged roof of the Motor Transport Services building, as the building is a landmark building of historical significance, which cannot be altered without the approval of Amafa aKwaZulu-Natali (Amafa), the funds were reprioritised to Programme 2 in respect of the higher than anticipated capital expenditure. The decrease in the 2013/14 Revised Estimate can be attributed to funds reprioritised due to the anticipation that not all vacant posts will be filled to the sub-programme: Operator Licence and Permits with regard to licencing and issuing of permits.

The high 2010/11 amount against the sub-programme: Operator Licence and Permits can be mainly ascribed to the purchase of vehicles, hence the decrease in 2011/12. The amount in 2012/13 was in respect of filling vacant posts.

The sub-programme: Law Enforcement shows a fairly steady increase over the period, which is attributed to the employment of additional traffic officers to enhance law enforcement on roads, the higher than anticipated wage agreements and the extended road safety awareness campaigns conducted over the festive seasons. The decrease in the 2013/14 Adjusted Appropriation was as a result of slower than anticipated filling of vacant posts and resignations, and funds were reprioritised to Programme 2 in respect of capital expenditure. The increase over the MTEF is in respect of the department's investment in the computerised licence testing system and an increase in law enforcement and road safety campaigns.

Compensation of employees reflects steady growth over the period under review, with the exception of the reprioritisation from this category in the 2013/14 Adjusted Appropriation due to the non-filling of vacant posts. These funds were reprioritised to Programme 2 for the fast-tracking of the upgrading of gravel roads to surfaced roads, as well as the completion of some construction projects carried over from 2012/13.

The high 2012/13 amount against *Goods and services* can be attributed to the extended road safety campaigns. The increase in the 2013/14 Revised Estimate also resulted from the higher than anticipated

road safety campaigns over the festive seasons. The increase over the MTEF relates to inflationary increments.

The amounts against *Transfers and subsidies to: Provinces and municipalities* are in respect of motor vehicle licences.

Transfers and subsidies to: Households caters mainly for staff exit costs, which fluctuate over the period due to the difficulty in forecasting accurately for this category as a result of its uncertain nature.

Machinery and equipment reflects an erratic trend over the period under review, in line with the filling of posts, as well as the replacement of computer equipment, vehicles, etc., that are damaged or obsolete. The increase in 2011/12 was in respect of the appointment of new staff, as well as computer equipment, vehicles, etc., that were damaged or obsolete, hence the decrease in 2012/13. The increase in 2013/14 and over the MTEF relates to reprioritisation undertaken to cater for the computerised licence testing system, as well as for computer equipment, vehicles, etc., that are damaged or obsolete.

Service delivery measures – Programme 4: Transport Regulation

Table 12.24 illustrates the main service delivery measures relating to Programme 4. The performance indicators provided comply fully with the customised performance indicators for the Transport sector.

Table 12.24 : Service delivery measures – Programme 4: Transport Regulation

Outputs	Performance indicators	Estimated performance	Medium-term targets		
		2013/14	2014/15	2015/16	2016/17
4. Transport Regulation					
4.1 Transport Administration and Licensing	• No. of licence compliance inspections conducted	288 000	291 000	294 000	297 000
4.2 Operator Licence and Permits	• No. of operator permits converted to licences	400	400	400	400
	• No. of abnormal load permits issued	18 700	19 600	20 500	21 400
4.3 Traffic Law Enforcement	• No. of speed operations conducted	18 250	18 250	18 250	18 250
	• No. of K78 roadblocks held	1 100	1 100	1 100	1 100
	• No. of hours weighbridges operated	15 000	15 000	20 000	20 000
	• No. of road side vehicles check point operations	36 000	36 000	36 000	36 000
	• No. of kilometres patrolled	6 090 000	6 090 000	6 090 000	6 090 000
	• No. of law enforcement officers trained: Diploma courses	-	90	50	50
	• No. of law enforcement officers employed	850	940	990	1 040
	• Hours of manual speed timing activities	40 000	40 000	40 000	40 000
	• No. of vehicles exceeding the speed limit	267 000	267 000	267 000	267 000
	• No. of vehicles checked in roadblocks	2 040 000	2 040 000	2 040 000	2 040 000
	• No. of heavy vehicles screened	3 100 000	3 200 000	3 300 000	3 400 000
	• No. of heavy vehicles weighed	155 000	155 000	155 000	155 000
	• No. of vehicles which are overloaded	24 600	24 600	24 600	24 600
• No. of vehicles detained	7 050	7 050	7 050	7 050	

6.5 Programme 5: Community Based Programme

The purpose of this programme is to direct and manage the implementation of programmes and strategies that lead to the development and empowerment of communities. These include the following:

- The strategic planning and monitoring of programmes to further B-BBEE.
- Programmes to bring about the development and empowerment of impoverished communities.
- The co-ordination of EPWP in the province.

The programme consists of four sub-programmes in line with the sector specific budget format, namely: Programme Support Community Based, Community Development, Innovation and Empowerment and

EPWP Co-ordination and Monitoring. Tables 12.25 and 12.26 below summarise this programme's payments and estimates relating to Programme 5 for the financial years 2010/11 to 2016/17.

Table 12.25 : Summary of payments and estimates by sub-programme: Community Based Programme

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
1. Programme Support Community Based	4 215	7 784	5 041	7 620	6 620	6 620	7 990	8 400	8 845
2. Community Development	16 854	12 102	11 934	14 200	9 200	9 200	11 650	12 690	13 522
3. Innovation and Empowerment	31 368	16 681	20 733	16 640	15 640	15 640	17 940	16 820	16 764
4. EPWP Co-ordination and Monitoring	3 349	4 168	15 725	6 550	5 550	5 550	6 860	7 190	7 571
Total	55 786	40 735	53 433	45 010	37 010	37 010	44 440	45 100	46 702

Table 12.26 : Summary of payments and estimates by economic classification: Community Based Programme

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Current payments	55 672	40 732	53 424	44 620	35 120	35 120	38 050	39 687	42 267
Compensation of employees	10 505	10 631	12 534	22 699	14 699	14 308	20 415	21 759	23 070
Goods and services	45 167	30 101	40 890	21 921	20 421	20 812	17 635	17 928	19 197
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	-	-	1	5	1 505	1 505	6 005	5 005	4 005
Provinces and municipalities	-	-	-	5	5	5	5	5	5
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	1 500	1 500	6 000	5 000	4 000
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	1	-	-	-	-	-	-
Payments for capital assets	114	-	8	385	385	385	385	408	430
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	114	-	8	385	385	385	385	408	430
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	3	-	-	-	-	-	-	-
Total	55 786	40 735	53 433	45 010	37 010	37 010	44 440	45 100	46 702

The sub-programme: Programme Support Community Based reflects the provision for the administrative functions for community-based programmes. The low amounts in 2010/11 and 2012/13 were mainly due to cost-cutting and non-filling of vacant posts, respectively. The reduction in the 2013/14 Adjusted Appropriation was due to reprioritised funds from non-filling of posts to Programme 2, for capital expenditure. Amounts reflected over the MTEF are mainly for the filling of vacant posts in line with the moratorium on the filling of non-critical posts, as well as inflationary increments.

The sub-programme: Community Development decreased in 2011/12 and 2012/13 due to cost-cutting, as well as training of the CDWs that was not undertaken due to non-finalisation of the training material. The decrease in the 2013/14 Adjusted Appropriation was due to reprioritisation of funds from the non-filling of posts to Programme 2. The department has reprioritised funds over the MTEF to Programme 2 in respect of the maintenance of the provincial road network, thus the low amounts in comparison to the 2013/14 Main Appropriation.

The decrease in 2011/12 and 2012/13 against the sub-programme: Innovation and Empowerment was mainly due to savings from cost-cutting, as well as the Rural Road Transport Forum (RRTF) workshop and the *Zibambele* consultation sessions that were delayed, and the funds were moved to Programme 2 to cater for the higher than anticipated rehabilitation of roads undertaken in line with a detailed technical analysis of the road conditions in KZN. Again, the decrease in the 2013/14 Adjusted Appropriation relates to reprioritisation as a result of non-filling of posts to Programme 2 in respect of the maintenance of the provincial road network.

The low amounts in 2010/11 and 2011/12 against the EPWP Co-ordination and Monitoring sub-programme was mainly due to cost-cutting savings reprioritised to Programme 2 to fund the higher than anticipated rehabilitation of roads undertaken. The high amount in 2012/13 resulted from the once-off training that was undertaken for the *Zimbabwe* contractors in that year. The increase over the MTEF is due to inflationary increments.

Compensation of employees reflects an increasing trend over the period. The increase in the 2013/14 Main Appropriation and over the MTEF relates to the filling of vacant posts in line with the expansion of components due to the restructuring of the organisational structure. However, due to slower than anticipated filling of vacant posts during 2013/14, the department reprioritised funds to Programme 2 for capital expenditure, hence the reduction in the 2013/14 Adjusted Appropriation.

The decrease in 2011/12 against *Goods and services* relates to savings identified due to cost-cutting and moved to Programme 2 to cater for the higher than anticipated rehabilitation of roads undertaken. The slight reduction in the 2013/14 Adjusted Appropriation relates to funds reprioritised to *Transfers and subsidies to: Public corporations and private enterprises* in respect of VECA for the monitoring of the Vukuzakhe emerging contractors for compliance to norms and standards. The increase over the MTEF relates to inflationary increments.

As explained above, the amount in the 2013/14 Adjusted Appropriation against *Transfers and subsidies to: Public corporations and private enterprises* was in respect of VECA. The department committed itself to working together with the association in fast-tracking the development of emerging contractors through the provision of training and development support, thus the substantial allocation over the MTEF against *Transfers and subsidies to: Public corporations and private enterprises*. The declining growth against this category is in line with the operational plan of VECA.

Machinery and equipment reflects a fluctuating trend over the period under review. No expenditure was incurred in 2011/12 due to cost-cutting. The allocations over the MTEF are in respect of provision made for the appointment of new staff, as well as computer equipment, vehicles, etc., that are damaged or obsolete.

Service delivery measures – Programme 5: Community Based Programme

Table 12.27 below reflects the main service delivery measures relevant to Programme 5. The performance indicators provided comply fully with the customised measures for the Transport sector.

Table 12.27 : Service delivery measures – Programme 5: Community Based Programme

Outputs	Performance indicators	Estimated performance	Medium-term targets		
		2013/14	2014/15	2015/16	2016/17
5. Community Based Programme					
5.1 Community Development	• No. of <i>Zimbabwe</i> contractors employed	41 000	41 000	41 000	41 000
	• No. of small contractors created through the <i>Vukuzakhe</i> Emerging Contractor Development Prog.	250	300	300	300
5.2 EPWP Co-ordination and Monitoring	• No. of jobs created	59 160	60 000	62 700	62 700
	• No. of Full-Time Equivalents	22 900	23 200	24 000	24 000
	• No. of youths employed (18-35)	11 600	11 850	12 660	12 660
	• No. of women employed	43 600	43 850	44 640	44 640
	• No. of people living with disabilities employed	15	18	19	19
	• No. of employment days created	5 267 000	5 336 000	5 520 000	5 520 000
	• No. of people trained	10 470	11 430	11 890	11 890

7. Other programme information

7.1 Personnel numbers and costs

Personnel numbers per programme for full-time equivalent positions are given in Table 12.28 below for the previous and current financial years, along with estimates over the MTEF.

The increase over the MTEF is due to the department budgeting for the vote's full structure. Filling of vacant posts will be undertaken in phases over the MTEF, in line with the moratorium on the filling of non-critical posts.

Table 12.28 : Personnel numbers and costs by programme

Personnel numbers	As at 31 March 2011	As at 31 March 2012	As at 31 March 2013	As at 31 March 2014	As at 31 March 2015	As at 31 March 2016	As at 31 March 2017
1. Administration	286	309	309	341	341	341	341
2. Transport Infrastructure	2 150	2 154	2 088	2 588	2 588	2 588	2 588
3. Transport Operations	66	76	76	76	76	76	76
4. Transport Regulation	1 468	1 578	1 513	1 603	1 633	1 643	1 643
5. Community Based Programme	25	37	37	37	37	37	37
Total	3 995	4 154	4 023	4 645	4 675	4 685	4 685
Total personnel cost (R thousand)	1 023 620	1 100 404	1 176 174	1 375 505	1 507 280	1 657 756	1 762 384
Unit cost (R thousand)	256	265	292	296	322	354	376

Table 12.29 below reflects the summary of personnel numbers in the department, specifying the number of posts in the Human Resources and Finance components, incorporating Financial Management Services, SCM and associated services.

The personnel costs reflect an increasing trend over the period under review. As a result of the slower than anticipated filling of vacant posts, contract workers were used for support functions. The review was completed in February 2012, and critical vacant posts are being filled, and the department will also review the number of contract workers as posts are being filled. The drop as at March 2013 can be attributed to resignations.

Table 12.29 : Summary of departmental personnel numbers and costs by component

	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Total for the department									
Personnel numbers (head count)	3 995	4 154	4 023	4 906	4 645	4 645	4 675	4 685	4 685
Personnel cost (R thousands)	1 023 620	1 100 404	1 176 174	1 473 824	1 387 624	1 375 505	1 507 280	1 657 756	1 762 384
Human resources component									
Personnel numbers (head count)	86	67	86	90	90	90	95	100	100
Personnel cost (R thousands)	29 165	17 220	30 066	54 200	54 200	54 200	58 265	62 635	67 333
Head count as % of total for department	2.15	1.61	2.14	1.83	1.94	1.94	2.03	2.13	2.13
Personnel cost as % of total for department	2.85	1.56	2.56	3.68	3.91	3.94	3.87	3.78	3.82
Finance component									
Personnel numbers (head count)	87	85	78	82	82	82	90	95	100
Personnel cost (R thousands)	35 850	22 555	39 330	53 775	53 775	53 775	57 808	62 144	66 805
Head count as % of total for department	2.18	2.05	1.94	1.67	1.77	1.77	1.93	2.03	2.13
Personnel cost as % of total for department	3.50	2.05	3.34	3.65	3.88	3.91	3.84	3.75	3.79
Full time workers									
Personnel numbers (head count)	3 655	3 761	3 578	4 553	4 292	4 292	4 322	4 332	4 332
Personnel cost (R thousands)	958 932	1 051 865	1 119 164	1 388 507	1 335 299	1 323 270	1 451 031	1 597 288	1 697 381
Head count as % of total for department	91.49	90.54	88.94	92.80	92.40	92.40	92.45	92.47	92.47
Personnel cost as % of total for department	93.68	95.59	95.15	94.21	96.23	96.20	96.27	96.35	96.31
Part-time workers									
Personnel numbers (head count)	-	-	-	-	-	-	-	-	-
Personnel cost (R thousands)	-	-	-	-	-	-	-	-	-
Head count as % of total for department	-	-	-	-	-	-	-	-	-
Personnel cost as % of total for department	-	-	-	-	-	-	-	-	-
Contract workers									
Personnel numbers (head count)	340	393	445	353	353	353	353	353	353
Personnel cost (R thousands)	64 688	48 539	57 010	85 317	52 325	52 325	56 249	60 468	65 003
Head count as % of total for department	8.51	9.46	11.06	7.20	7.60	7.60	7.55	7.53	7.53
Personnel cost as % of total for department	6.32	4.41	4.85	5.79	3.77	3.80	3.73	3.65	3.69

7.2 Training

Tables 12.30 and 12.31 give a summary of departmental spending and information on training for the period 2010/11 to 2012/13, and budgeted expenditure for the period 2013/14 to 2016/17. It is noted that the tables include information relating to the Traffic Training College and the Technical Training Centre.

The decrease in the training budget in 2011/12 can be attributed to cost-cutting. The department reduced its training budget in order to under-taking in-house training and capacity building. The increase from 2012/13 onward is mainly due to inflationary increases.

Table 12.30 : Payments on training by programme

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
1. Administration	1 552	2 594	2 464	3 245	3 245	3 245	3 440	3 646	3 839
Subsistence and travel	-	-	-	-	-	-	-	-	-
Payments on tuition	1 552	2 594	2 464	3 245	3 245	3 245	3 440	3 646	3 839
Other	-	-	-	-	-	-	-	-	-
2. Transport Infrastructure	4 359	3 265	5 101	3 436	3 436	3 436	3 606	3 822	4 025
Subsistence and travel	-	-	-	-	-	-	-	-	-
Payments on tuition	4 359	3 265	5 101	3 436	3 436	3 436	3 606	3 822	4 025
Other	-	-	-	-	-	-	-	-	-
3. Transport Operations	19	133	69	166	166	166	176	187	197
Subsistence and travel	-	-	-	-	-	-	-	-	-
Payments on tuition	19	133	69	166	166	166	176	187	197
Other	-	-	-	-	-	-	-	-	-
4. Transport Regulation	727	414	139	518	518	518	549	582	613
Subsistence and travel	-	-	-	-	-	-	-	-	-
Payments on tuition	727	414	139	518	518	518	549	582	613
Other	-	-	-	-	-	-	-	-	-
5. Community Based Programme	7 491	41	19	51	51	51	54	57	60
Subsistence and travel	-	-	-	-	-	-	-	-	-
Payments on tuition	7 491	41	19	51	51	51	54	57	60
Other	-	-	-	-	-	-	-	-	-
Total	14 148	6 447	7 792	7 416	7 416	7 416	7 825	8 294	8 734

Table 12.31 : Information on training: Transport

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Number of staff	3 995	4 154	4 023	4 906	4 645	4 645	4 675	4 685	4 685
Number of personnel trained	1 204	815	1 345	1 600	1 600	1 600	1 600	1 600	1 600
of which									
Male	613	421	629	900	900	900	900	900	900
Female	591	394	716	700	700	700	700	700	700
Number of training opportunities	100	1 626	69	265	265	265	265	265	265
of which									
Tertiary	-	-	-	-	-	-	-	-	-
Workshops	13	80	11	15	15	15	15	15	15
Seminars	4	58	2	-	-	-	-	-	-
Other	83	1 488	56	250	250	250	250	250	250
Number of bursaries offered	185	122	98	200	200	200	200	200	200
Number of interns appointed	65	23	4	35	35	35	35	35	35
Number of learnerships appointed	189	185	-	185	185	185	185	185	185
Number of days spent on training	232	232	295	200	200	200	200	200	200

The training in Programme 1 relates to administrative functions. The training in Programme 2 is in respect of training for the *Zimbabwe* contractors relating to maintenance of the provincial roads.

Under Programme 3, the training is in respect of safety and compliance such as road safety education, including pedestrian safety.

The training under Programme 4 includes the costs for the Traffic Training College in respect of the training of traffic officers, and the training conducted under Programme 5 relates to training, learnerships and mentorships for the *Vukuzakhe* projects.

With regard to Programme 5, the training undertaken is in respect of training provided to the *Vukuzakhe* contractors to provide them with skills to grow and sustain their businesses. The substantial decrease from 2011/12 onward is due to the review into the training course to ensure its efficiency.

The department is required by the Skills Development Act to budget at least 1 per cent of its salary expense for staff training. The department has set aside 2 per cent of the total personnel costs in this regard. The training needs will be reviewed on an ongoing basis. This requirement gives credence to government policy on human resource development. To facilitate this process, the department is affiliated to the line function Sectoral Education and Training Authority (SETA), and the Construction Education and Training Authority (CETA).

ANNEXURE – VOTE 12: TRANSPORT

Table 12.A : Details of departmental receipts: Transport

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Tax receipts	1 083 507	1 231 524	1 318 621	1 343 000	1 343 000	1 391 888	1 420 000	1 510 000	1 570 000
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	1 083 507	1 231 524	1 318 621	1 343 000	1 343 000	1 391 888	1 420 000	1 510 000	1 570 000
Sale of goods and services other than capital assets	106 198	122 587	126 819	110 000	110 000	123 728	120 000	127 000	134 000
Sale of goods and services produced by dept. (excl. capital assets)	106 198	122 587	126 819	110 000	110 000	123 728	120 000	127 000	134 000
Sales by market establishments	-	-	-	-	-	-	-	-	-
Administrative fees	-	-	-	-	-	-	-	-	-
Other sales	106 198	122 587	126 819	110 000	110 000	123 728	120 000	127 000	134 000
Sale of scrap, waste, arms and other used current goods	-	-	-	-	-	-	-	-	-
Transfers received from:	-	-	-	-	-	-	-	-	-
Other governmental units	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments	-	-	-	-	-	-	-	-	-
International organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households and non-profit institutions	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	46 952	45 148	50 318	45 000	45 000	40 000	25 000	27 500	30 000
Interest, dividends and rent on land	42	350	274	150	150	200	160	170	180
Interest	-	-	-	-	-	-	-	-	-
Dividends	42	350	274	150	150	200	160	170	180
Rent on land	-	-	-	-	-	-	-	-	-
Sale of capital assets	4 009	3 558	1 951	4 500	4 500	2 500	2 500	2 650	2 800
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Other capital assets	4 009	3 558	1 951	4 500	4 500	2 500	2 500	2 650	2 800
Transactions in financial assets and liabilities	5 271	6 315	4 282	1 250	1 250	2 974	4 500	4 750	5 000
Total	1 245 979	1 409 482	1 502 265	1 503 900	1 503 900	1 561 290	1 572 160	1 672 070	1 741 980

Table 12.B : Payments and estimates by economic classification: Transport

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14	2013/14	2013/14	2014/15	2015/16	2016/17
Current payments	2 939 554	3 408 533	3 802 271	4 675 150	4 058 769	3 802 381	5 050 727	5 138 857	5 420 271
Compensation of employees	1 023 620	1 100 404	1 176 174	1 473 824	1 387 624	1 375 505	1 507 280	1 657 756	1 762 384
Salaries and wages	912 622	983 209	1 055 825	1 337 532	1 251 332	1 239 213	1 363 603	1 505 580	1 602 143
Social contributions	110 998	117 195	120 349	136 292	136 292	136 292	143 677	152 176	160 241
Goods and services	1 915 934	2 308 129	2 626 096	3 201 326	2 671 145	2 426 876	3 543 447	3 481 101	3 657 887
Administrative fees	75	32	21	57	57	57	60	63	66
Advertising	7 546	18 551	15 856	20 559	20 559	20 559	21 484	22 456	23 647
Assets less than the capitalisation threshold	7 044	8 525	9 435	9 649	9 649	9 649	10 088	10 548	11 107
Audit cost: External	6 790	4 791	6 593	5 511	5 511	5 511	5 529	5 548	5 842
Bursaries: Employees	2 283	1 882	1 170	2 164	2 164	2 164	2 044	2 044	2 154
Catering: Departmental activities	5 721	7 521	10 217	2 641	2 641	2 641	2 731	2 824	2 974
Communication (G&S)	28 094	30 486	32 735	35 057	32 395	32 059	30 704	31 813	33 542
Computer services	37 989	23 204	32 269	20 415	20 415	20 415	20 923	21 456	22 584
Cons & prof serv: Business and advisory services	76 693	97 029	101 847	75 258	133 758	67 863	67 376	111 571	118 765
Cons & prof serv: Infras and planning	77 710	45 334	53 193	36 716	36 716	36 715	38 552	40 479	42 622
Cons & prof serv: Laboratory services	-	-	194	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	7 327	17 599	18 195	20 236	20 236	20 329	20 580	20 942	22 051
Contractors	1 366 371	1 196 930	1 238 951	1 905 400	1 319 381	1 275 125	2 167 251	2 000 643	2 096 943
Agency and support / outsourced services	6 865	7 094	4 766	8 086	8 086	8 086	8 456	8 843	9 311
Entertainment	75	112	11	129	129	129	129	129	136
Fleet services (incl. govt motor transport)	2	-	47 677	30 050	30 050	48 071	31 050	32 050	33 749
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	155	158	657	181	181	181	189	198	208
Inventory: Fuel, oil and gas	56 354	71 593	45 641	82 839	82 839	82 839	86 879	91 120	95 950
Inventory: Learner and teacher support material	1 484	618	628	711	711	711	722	733	773
Inventory: Materials and supplies	28 644	27 355	36 504	31 448	31 448	31 448	33 014	34 658	36 494
Inventory: Medical supplies	1 013	61	48	70	70	70	73	77	81
Inventory: Medicine	3 881	4 179	3 561	4 806	4 806	4 806	4 809	4 812	5 066
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	55 125	-	-	-	-	-	-
Consumable supplies	57 390	67 539	-	74 022	74 022	43 786	77 712	81 587	85 910
Consumable: Stationery, printing and office supplies	11 828	12 221	15 825	15 006	15 006	15 006	15 679	16 385	17 254
Operating leases	7 346	21 779	280 749	25 784	25 784	25 313	26 753	27 771	29 243
Property payments	54 160	54 822	67 859	54 151	54 151	51 048	56 598	59 168	62 304
Transport provided: Departmental activity	2 134	33 815	98 563	136 255	136 255	136 255	180 422	188 554	199 244
Travel and subsistence	42 676	54 115	54 579	55 868	55 868	55 256	58 182	60 612	63 824
Training and development	6 716	6 448	8 151	7 416	7 416	7 416	7 638	7 871	8 289
Operating payments	1 260	4 882	5 807	5 617	5 617	5 617	5 872	6 139	6 465
Venues and facilities	8 403	13 405	13 645	2 712	2 712	2 712	2 810	2 912	3 077
Rental and hiring	1 905	476 049	365 624	532 512	532 512	412 289	559 138	587 095	618 212
Interest and rent on land	-	-	1	-	-	-	-	-	-
Interest	-	-	1	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	726 582	785 190	819 214	864 090	865 590	926 608	922 357	963 138	1 012 409
Provinces and municipalities	550	652	2 379	1 600	1 600	1 600	1 600	1 600	1 685
Provinces	550	652	2 379	1 600	1 600	1 600	1 600	1 600	1 685
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	550	652	2 379	1 600	1 600	1 600	1 600	1 600	1 685
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	715 294	773 473	808 877	852 325	853 825	914 843	910 783	950 972	999 610
Public corporations	715 294	773 473	808 877	852 325	853 825	914 843	910 783	950 972	999 610
Subsidies on production	715 294	773 473	808 877	852 325	852 325	913 343	904 783	945 972	995 610
Other transfers	-	-	-	-	1 500	1 500	6 000	5 000	4 000
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	10 738	11 065	7 958	10 165	10 165	10 165	9 974	10 566	11 114
Social benefits	4 172	6 043	6 500	3 514	3 514	3 557	2 326	2 459	2 577
Other transfers to households	6 566	5 022	1 458	6 651	6 651	6 608	7 648	8 107	8 537
Payments for capital assets	2 107 069	2 445 913	3 028 705	2 527 095	3 121 718	3 316 578	3 087 511	3 402 032	3 569 275
Buildings and other fixed structures	2 058 342	2 374 923	2 901 214	2 425 650	3 020 265	3 214 570	2 947 285	3 193 438	3 351 780
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	2 058 342	2 374 923	2 901 214	2 425 650	3 020 265	3 214 570	2 947 285	3 193 438	3 351 780
Machinery and equipment	44 678	68 247	123 986	101 445	101 445	101 445	140 226	208 594	217 495
Transport equipment	17 966	30 972	109 370	93 628	93 628	93 628	133 220	201 167	209 674
Other machinery and equipment	26 712	37 275	14 616	7 817	7 817	7 817	7 006	7 427	7 821
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	4 049	2 743	3 505	-	8	563	-	-	-
Payments for financial assets	185 718	219	118	-	4	514	-	-	-
Total	5 958 923	6 639 855	7 650 308	8 066 335	8 046 081	8 046 081	9 060 595	9 504 027	10 001 955
Unauth. Exp. (1st charge) not available for spending	(185 666)	-	-	-	-	-	-	-	-
Baseline available for spending after 1st charge	5 773 257	6 639 855	7 650 308	8 066 335	8 046 081	8 046 081	9 060 595	9 504 027	10 001 955

Table 12.C : Payments and estimates by economic classification: Administration

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Current payments	166 550	195 521	219 870	247 211	230 537	234 048	242 568	241 292	254 125
Compensation of employees	83 091	88 034	94 403	131 957	116 957	114 892	134 608	140 406	147 848
Salaries and wages	72 318	76 808	82 811	119 996	104 996	102 931	122 099	127 266	134 012
Social contributions	10 773	11 226	11 592	11 961	11 961	11 961	12 509	13 140	13 836
Goods and services	83 459	107 487	125 466	115 254	113 580	119 156	107 960	100 886	106 277
Administrative fees	-	(16)	-	-	-	-	-	-	-
Advertising	4 345	1 789	2 106	2 059	2 059	2 059	2 059	2 059	2 168
Assets less than the capitalisation threshold	81	760	2 180	874	874	874	874	874	921
Audit cost: External	6 766	4 482	5 433	5 154	5 154	5 154	5 154	5 154	5 427
Bursaries: Employees	2 255	1 882	1 170	2 164	2 164	2 164	2 044	2 044	2 154
Catering: Departmental activities	559	752	2 432	865	865	865	865	865	910
Communication (G&S)	8 337	6 976	11 646	8 023	5 361	5 361	2 318	2 007	2 156
Computer services	63	14 362	19 504	10 256	10 256	17 031	10 256	10 256	10 800
Cons & prof serv: Business and advisory services	17 777	17 954	25 616	20 627	20 627	20 627	19 108	12 300	12 952
Cons & prof serv: Infras and planning	-	-	1 320	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	1 361	11 608	9 433	13 349	13 349	13 349	13 349	13 349	14 056
Contractors	12 489	15 112	16 074	15 172	16 160	16 044	15 122	15 067	15 866
Agency and support / outsourced services	3 440	621	341	714	714	714	714	714	751
Entertainment	73	112	11	129	129	129	129	129	136
Fleet services (incl. govt motor transport)	1	-	1 910	1 000	1 000	1 000	1 100	1 200	1 264
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	7	23	408	26	26	26	26	26	27
Inventory: Fuel, oil and gas	1 711	1 670	196	2 035	2 035	2 035	2 035	2 035	2 143
Inventory: Learner and teacher support material	1 220	436	463	501	501	501	501	501	528
Inventory: Materials and supplies	117	120	-	138	138	138	138	138	145
Inventory: Medical supplies	968	-	-	-	-	-	-	-	-
Inventory: Medicine	3 870	4 122	3 558	4 740	4 740	4 740	4 740	4 740	4 991
Medcas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	202	-	-	-	-	-	-
Consumable supplies	119	177	-	203	203	203	203	203	214
Consumable: Stationery, printing and office supplies	1 223	1 347	2 235	1 549	1 549	1 549	1 549	1 549	1 631
Operating leases	2 608	5 551	1 889	6 383	6 383	5 912	6 383	6 383	6 721
Property payments	5 323	4 522	4 901	5 200	5 200	5 200	5 200	5 200	5 476
Transport provided: Departmental activity	4	225	-	259	259	259	259	259	273
Travel and subsistence	6 922	9 198	9 149	9 577	9 577	8 965	9 577	9 577	10 084
Training and development	1 551	2 595	2 464	2 984	2 984	2 984	2 984	2 984	3 143
Operating payments	65	450	609	518	518	518	518	518	545
Venues and facilities	204	657	216	755	755	755	755	755	795
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	1	-	-	-	-	-	-
Interest	-	-	1	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	5 526	2 354	1 454	8 166	8 166	4 193	6 901	7 306	7 681
Provinces and municipalities	7	8	30	30	30	30	30	30	32
Provinces	7	8	30	30	30	30	30	30	32
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	7	8	30	30	30	30	30	30	32
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	5 519	2 346	1 424	8 136	8 136	4 163	6 871	7 276	7 649
Social benefits	1 551	1 614	407	1 623	1 623	1 623	332	345	351
Other transfers to households	3 968	732	1 017	6 513	6 513	2 540	6 539	6 931	7 298
Payments for capital assets	4 837	6 485	29 273	5 155	5 163	5 166	5 155	5 465	5 754
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	788	3 742	25 768	5 155	5 155	5 158	5 155	5 465	5 754
Transport equipment	-	-	23 562	-	-	-	-	-	-
Other machinery and equipment	788	3 742	2 206	5 155	5 155	5 158	5 155	5 465	5 754
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	4 049	2 743	3 505	-	8	8	-	-	-
Payments for financial assets	185 668	123	60	-	4	463	-	-	-
Total	362 581	204 483	250 657	260 532	243 870	243 870	254 624	254 063	267 560
Unauth. Exp. (1st charge) not available for spending	(185 666)	-	-	-	-	-	-	-	-
Baseline available for spending after 1st charge	176 915	204 483	250 657	260 532	243 870	243 870	254 624	254 063	267 560

Table 12.D : Payments and estimates by economic classification: Transport Infrastructure

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Current payments	2 165 007	2 539 227	2 761 663	3 486 192	2 885 985	2 687 576	3 824 790	3 804 697	4 013 220
Compensation of employees	549 509	601 843	647 501	757 436	744 236	737 476	794 192	897 342	961 509
Salaries and wages	501 755	550 492	594 989	696 382	683 182	676 422	729 781	829 067	889 616
Social contributions	47 754	51 351	52 512	61 054	61 054	61 054	64 411	68 275	71 893
Goods and services	1 615 498	1 937 384	2 114 162	2 728 756	2 141 749	1 950 100	3 030 598	2 907 355	3 051 711
Administrative fees	25	42	21	50	50	50	53	56	59
Advertising	1 695	334	2 055	107	107	107	112	118	124
Assets less than the capitalisation threshold	6 051	5 571	6 330	6 252	6 252	6 252	6 565	6 893	7 258
Audit cost: External	-	299	1 137	345	345	345	362	380	400
Bursaries: Employees	28	-	-	-	-	-	-	-	-
Catering: Departmental activities	3 152	4 107	2 275	713	713	713	749	786	828
Communication (G&S)	10 281	13 014	10 963	14 964	14 964	14 964	15 712	16 498	17 372
Computer services	24 282	262	2 072	292	292	292	307	322	339
Cons & prof serv: Business and advisory services	158	24 951	21 012	4 739	4 739	4 739	4 976	5 225	5 502
Cons & prof serv: Infras and planning	68 493	34 787	38 692	36 005	36 005	36 004	37 805	39 695	41 797
Cons & prof serv: Laboratory services	-	-	194	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	4 377	4 891	6 958	5 623	5 623	5 716	5 904	6 199	6 527
Contractors	1 322 158	1 151 198	1 168 075	1 875 285	1 288 278	1 247 138	2 134 851	1 967 248	2 061 778
Agency and support / outsourced services	1 660	5 932	3 234	6 750	6 750	6 750	7 088	7 442	7 837
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	1	-	18 662	18 000	18 000	18 000	18 500	19 000	20 007
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	106	94	192	108	108	108	113	119	126
Inventory: Fuel, oil and gas	43 211	55 149	45 287	63 394	63 394	63 394	66 564	69 892	73 596
Inventory: Learner and teacher support material	1	1	4	1	1	1	1	1	1
Inventory: Materials and supplies	28 376	26 769	36 260	30 773	30 773	30 773	32 312	33 928	35 726
Inventory: Medical supplies	23	2	23	2	2	2	2	2	2
Inventory: Medicine	4	50	3	58	58	58	61	64	67
Medias inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	49 537	-	-	-	-	-	-
Consumable supplies	53 105	60 647	-	67 168	67 168	36 790	70 526	74 052	77 977
Consumable: Stationery, printing and office supplies	2 003	2 340	2 340	2 691	2 691	2 691	2 826	2 967	3 124
Operating leases	(9 765)	971	256 413	1 109	1 109	1 109	1 164	1 222	1 287
Property payments	29 704	29 420	38 128	24 939	24 939	24 939	26 186	27 495	28 952
Transport provided: Departmental activity	1 588	8 488	5 426	9 761	9 761	9 761	10 249	10 761	11 331
Travel and subsistence	14 391	20 298	21 857	20 340	20 340	20 340	21 357	22 425	23 614
Training and development	4 359	3 264	5 158	3 754	3 754	3 754	3 942	4 139	4 359
Operating payments	594	2 026	2 656	2 331	2 331	2 331	2 448	2 570	2 708
Venues and facilities	5 437	6 428	4 463	690	690	690	725	761	801
Rental and hiring	-	476 049	364 735	532 512	532 512	412 289	559 138	587 095	618 212
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	3 824	8 545	7 251	2 658	2 658	6 158	3 695	3 839	4 043
Provinces and municipalities	320	407	1 911	1 300	1 300	1 206	1 300	1 300	1 369
Provinces	320	407	1 911	1 300	1 300	1 206	1 300	1 300	1 369
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	320	407	1 911	1 300	1 300	1 206	1 300	1 300	1 369
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	3 504	8 138	5 340	1 358	1 358	4 952	2 395	2 539	2 674
Social benefits	2 580	3 859	5 241	1 233	1 233	1 233	1 300	1 378	1 451
Other transfers to households	924	4 279	99	125	125	3 719	1 095	1 161	1 223
Payments for capital assets	2 083 469	2 400 501	2 997 928	2 492 548	3 087 163	3 282 023	3 049 183	3 347 550	3 511 905
Buildings and other fixed structures	2 058 342	2 374 923	2 901 214	2 425 650	3 020 265	3 214 570	2 947 285	3 193 438	3 351 780
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	2 058 342	2 374 923	2 901 214	2 425 650	3 020 265	3 214 570	2 947 285	3 193 438	3 351 780
Machinery and equipment	25 127	25 578	96 714	66 898	66 898	66 898	101 898	154 112	160 125
Transport equipment	2 476	568	85 808	66 024	66 024	66 024	101 898	154 112	160 125
Other machinery and equipment	22 651	25 010	10 906	874	874	874	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	555	-	-	-
Payments for financial assets	23	38	58	-	-	49	-	-	-
Total	4 252 323	4 948 311	5 766 900	5 981 398	5 975 806	5 975 806	6 877 668	7 156 086	7 529 168

Table 12.E : Payments and estimates by economic classification: Transport Operations

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Current payments	54 521	113 658	203 975	226 119	281 119	220 063	279 049	341 728	361 499
Compensation of employees	23 342	24 835	26 704	37 732	32 732	32 569	42 445	44 991	47 376
Salaries and wages	20 540	22 190	24 004	34 688	29 688	29 525	39 234	41 588	43 792
Social contributions	2 802	2 645	2 700	3 044	3 044	3 044	3 211	3 403	3 584
Goods and services	31 179	88 823	177 271	188 387	248 387	187 494	236 604	296 737	314 123
Administrative fees	-	6	-	7	7	7	7	7	7
Advertising	135	16 255	11 561	18 193	18 193	18 193	19 103	20 058	21 121
Assets less than the capitalisation threshold	41	72	50	83	83	83	87	91	96
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	228	1 991	5 035	290	290	290	305	320	337
Communication (G&S)	898	2 135	1 013	2 455	2 455	2 455	2 578	2 707	2 851
Computer services	3	-	1	-	-	-	-	-	-
Cons & prof serv: Business and advisory services	17 877	18 672	35 696	20 512	80 512	16 722	21 545	71 801	76 569
Cons & prof serv: Infras and planning	992	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	950	311	279	357	357	357	375	394	415
Contractors	958	10 497	15 541	9 405	9 405	9 405	11 248	11 766	12 390
Agency and support / outsourced services	122	183	143	210	210	210	221	232	244
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	-	-	903	1 000	1 000	1 000	1 100	1 200	1 263
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	13	-	8	-	-	-	-	-	-
Inventory: Fuel, oil and gas	284	371	29	426	426	426	447	469	494
Inventory: Learner and teacher support material	1	30	7	35	35	35	37	39	41
Inventory: Materials and supplies	-	11	7	13	13	13	14	15	15
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medcas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	173	-	-	-	-	-	-
Consumable supplies	5	251	-	288	288	288	302	317	333
Consumable: Stationery, printing and office supplies	1 679	1 167	686	1 342	1 342	1 342	1 409	1 479	1 558
Operating leases	1 983	198	396	228	228	228	239	251	265
Property payments	-	508	519	584	584	3 481	613	644	678
Transport provided: Departmental activity	-	24 052	90 575	125 028	125 028	125 028	168 647	176 204	186 240
Travel and subsistence	3 035	6 093	6 156	7 008	7 008	7 008	7 358	7 726	8 135
Training and development	19	133	75	153	153	153	161	169	178
Operating payments	33	300	310	345	345	345	362	380	400
Venues and facilities	18	5 587	8 084	425	425	425	446	468	493
Rental and hiring	1 905	-	24	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	715 304	773 484	808 916	852 340	852 340	913 399	904 798	945 987	995 626
Provinces and municipalities	10	11	12	15	15	13	15	15	16
Provinces	10	11	12	15	15	13	15	15	16
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	10	11	12	15	15	13	15	15	16
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	715 294	773 473	808 877	852 325	852 325	913 343	904 783	945 972	995 610
Public corporations	715 294	773 473	808 877	852 325	852 325	913 343	904 783	945 972	995 610
Subsidies on production	715 294	773 473	808 877	852 325	852 325	913 343	904 783	945 972	995 610
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	27	-	-	43	-	-	-
Social benefits	-	-	27	-	-	43	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	710	39	95	276	276	273	276	293	309
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	710	39	95	276	276	273	276	293	309
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	710	39	95	276	276	273	276	293	309
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	770 535	887 181	1 012 986	1 078 735	1 133 735	1 133 735	1 184 123	1 288 008	1 357 434

Table 12.F : Payments and estimates by economic classification: Transport Regulation

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Current payments	497 804	519 395	563 339	671 008	626 008	625 574	666 270	711 453	749 160
Compensation of employees	357 173	375 061	395 032	524 000	479 000	476 260	515 620	553 258	582 581
Salaries and wages	308 733	324 264	342 867	465 120	420 120	417 380	453 502	487 413	513 246
Social contributions	48 440	50 797	52 165	58 880	58 880	58 880	62 118	65 845	69 335
Goods and services	140 631	144 334	168 307	147 008	147 008	149 314	150 650	158 195	166 579
Administrative fees	50	-	-	-	-	-	-	-	-
Advertising	1 331	159	131	183	183	183	192	202	214
Assets less than the capitalisation threshold	834	2 121	868	2 439	2 439	2 439	2 561	2 689	2 831
Audit cost: External	24	10	23	12	12	12	13	14	15
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	1 416	31	55	36	36	36	38	40	42
Communication (G&S)	8 422	7 584	8 833	8 722	8 722	8 386	9 158	9 616	10 126
Computer services	13 641	8 580	10 692	9 867	9 867	5 842	10 360	10 878	11 445
Cons & prof serv: Business and advisory services	7 439	24 856	9 213	17 017	17 017	14 521	14 148	14 855	15 642
Cons & prof serv: Infras and planning	16	618	750	711	711	711	747	784	825
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	639	789	1 525	907	907	907	952	1 000	1 053
Contractors	30 403	18 635	28 157	3 877	3 877	877	4 283	4 725	4 975
Agency and support / outsourced services	1 642	358	1 048	412	412	412	433	455	479
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	-	-	26 087	10 000	10 000	28 021	10 300	10 600	11 162
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	23	32	38	37	37	37	39	41	43
Inventory: Fuel, oil and gas	11 082	14 300	48	16 866	16 866	16 866	17 709	18 594	19 580
Inventory: Learner and teacher support material	262	151	154	174	174	174	183	192	203
Inventory: Materials and supplies	151	454	110	523	523	523	549	576	607
Inventory: Medical supplies	22	59	25	68	68	68	71	75	79
Inventory: Medicine	7	7	-	8	8	8	8	8	8
Medias inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	5 204	-	-	-	-	-	-
Consumable supplies	4 161	5 427	-	6 241	6 241	6 383	6 553	6 881	7 245
Consumable: Stationery, printing and office supplies	6 866	7 035	10 481	9 042	9 042	9 042	9 494	9 969	10 498
Operating leases	12 520	15 041	21 963	18 043	18 043	18 043	18 945	19 892	20 946
Property payments	19 133	20 372	24 311	23 428	23 428	17 428	24 599	25 829	27 198
Transport provided: Departmental activity	100	-	3	-	-	-	-	-	-
Travel and subsistence	16 667	15 040	15 579	15 319	15 319	15 319	16 085	16 889	17 783
Training and development	725	414	435	476	476	476	500	525	553
Operating payments	568	2 055	2 168	2 363	2 363	2 363	2 481	2 605	2 743
Venues and facilities	2 487	206	406	237	237	237	249	261	284
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	1 928	807	1 592	921	921	1 353	958	1 001	1 054
Provinces and municipalities	213	226	426	250	250	346	250	250	263
Provinces	213	226	426	250	250	346	250	250	263
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	213	226	426	250	250	346	250	250	263
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	1 715	581	1 166	671	671	1 007	708	751	791
Social benefits	41	570	824	658	658	658	694	736	775
Other transfers to households	1 674	11	342	13	13	349	14	15	16
Payments for capital assets	17 939	38 888	1 401	28 731	28 731	28 731	32 512	48 316	50 877
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	17 939	38 888	1 401	28 731	28 731	28 731	32 512	48 316	50 877
Transport equipment	15 490	30 404	-	27 604	27 604	27 604	31 322	47 055	49 549
Other machinery and equipment	2 449	8 484	1 401	1 127	1 127	1 127	1 190	1 261	1 328
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	27	55	-	-	-	2	-	-	-
Total	517 698	559 145	566 332	700 660	655 660	655 660	699 740	760 770	801 091

Table 12.G : Payments and estimates by economic classification: Community Based Programme

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Current payments	55 672	40 732	53 424	44 620	35 120	35 120	38 050	39 687	42 267
Compensation of employees	10 505	10 631	12 534	22 699	14 699	14 308	20 415	21 759	23 070
Salaries and wages	9 276	9 455	11 154	21 346	13 346	12 955	18 987	20 246	21 477
Social contributions	1 229	1 176	1 380	1 353	1 353	1 353	1 428	1 513	1 593
Goods and services	45 167	30 101	40 890	21 921	20 421	20 812	17 635	17 928	19 197
Administrative fees	-	-	-	-	-	-	-	-	-
Advertising	40	14	3	17	17	17	18	19	20
Assets less than the capitalisation threshold	37	1	7	1	1	1	1	1	1
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	366	640	420	737	737	737	774	813	857
Communication (G&S)	156	777	280	893	893	893	938	985	1 037
Computer services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Business and advisory services	33 442	10 596	10 310	12 363	10 863	11 254	7 599	7 390	8 100
Cons & prof serv: Infras and planning	8 209	9 929	12 431	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	-	-	-	-	-	-	-	-	-
Contractors	363	1 488	11 104	1 661	1 661	1 661	1 747	1 837	1 934
Agency and support / outsourced services	1	-	-	-	-	-	-	-	-
Entertainment	2	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	-	-	115	50	50	50	50	50	53
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	6	9	11	10	10	10	11	12	12
Inventory: Fuel, oil and gas	66	103	81	118	118	118	124	130	137
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	1	127	1	1	1	1	1	1
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medcas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	9	-	-	-	-	-	-
Consumable supplies	-	1 037	-	122	122	122	128	134	141
Consumable: Stationery, printing and office supplies	57	332	83	382	382	382	401	421	443
Operating leases	-	18	88	21	21	21	22	23	24
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	442	1 050	2 559	1 207	1 207	1 207	1 267	1 330	1 400
Travel and subsistence	1 661	3 486	1 838	3 624	3 624	3 624	3 805	3 995	4 208
Training and development	62	42	19	49	49	49	51	54	56
Operating payments	-	51	64	60	60	60	63	66	69
Venues and facilities	257	527	476	605	605	605	635	667	704
Rental and hiring	-	-	865	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	-	-	1	5	1 505	1 505	6 005	5 005	4 005
Provinces and municipalities	-	-	-	5	5	5	5	5	5
Provinces	-	-	-	5	5	5	5	5	5
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	5	5	5	5	5	5
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	1 500	1 500	6 000	5 000	4 000
Public corporations	-	-	-	-	1 500	1 500	6 000	5 000	4 000
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	1 500	1 500	6 000	5 000	4 000
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	1	-	-	-	-	-	-
Social benefits	-	-	1	-	-	-	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	114	-	8	385	385	385	385	408	430
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	114	-	8	385	385	385	385	408	430
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	114	-	8	385	385	385	385	408	430
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	3	-	-	-	-	-	-	-
Total	55 786	40 735	53 433	45 010	37 010	37 010	44 440	45 100	46 702

Table 12.H : Payments and estimates by economic classification: Conditional grants

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation 2013/14	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Current payments	367 960	147 151	1 585 382	1 767 407	1 610 400	1 610 400	1 847 601	1 986 750	2 086 663
Compensation of employees	-	-	-	-	-	-	-	-	-
Salaries and wages	-	-	-	-	-	-	-	-	-
Social contributions	-	-	-	-	-	-	-	-	-
Goods and services	367 960	147 151	1 585 382	1 767 407	1 610 400	1 610 400	1 847 601	1 986 750	2 086 663
Administrative fees	-	-	-	-	-	-	-	-	-
Advertising	-	-	-	-	-	-	-	-	-
Assets less than the capitalisation threshold	-	-	-	-	-	-	-	-	-
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	-	-	-	-	-	-	-	-	-
Communication (G&S)	-	-	-	-	-	-	-	-	-
Computer services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Business and advisory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Infras and planning	-	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	-	-	-	-	-	-	-	-	-
Contractors	367 960	147 151	1 585 382	1 767 407	1 610 400	1 610 400	1 847 601	1 986 750	2 086 663
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	-	-	-	-	-	-	-	-	-
Consumable: Stationery, printing and office supplies	-	-	-	-	-	-	-	-	-
Operating leases	-	-	-	-	-	-	-	-	-
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	-	-	-	-	-	-	-	-	-
Training and development	-	-	-	-	-	-	-	-	-
Operating payments	-	-	-	-	-	-	-	-	-
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to	715 294	773 473	808 877	852 325	852 325	913 343	904 783	945 972	995 610
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving funds	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	715 294	773 473	808 877	852 325	852 325	913 343	904 783	945 972	995 610
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	715 294	773 473	808 877	852 325	852 325	913 343	904 783	945 972	995 610
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	715 294	773 473	808 877	852 325	852 325	913 343	904 783	945 972	995 610
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Social benefits	-	-	-	-	-	-	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	958 390	1 236 648	-	-	1 615	1 615	-	-	-
Buildings and other fixed structures	958 390	1 236 648	-	-	1 615	1 615	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	958 390	1 236 648	-	-	1 615	1 615	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	2 041 644	2 157 272	2 394 259	2 619 732	2 464 340	2 525 358	2 752 384	2 932 722	3 082 273

Table 12.I : Payments and estimates by economic classification: Transport Disaster Mgt grant (Prog 2: Transport Infrastructure)

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Current payments	-	29 736	-	-	-	-	-	-	-
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	-	29 736	-	-	-	-	-	-	-
Contractors	-	29 736	-	-	-	-	-	-	-
Transfers and subsidies to	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	-	29 736	-	-	-	-	-	-	-

Table 12.J : Payments and estimates by economic classification: Public Transport Operations grant (Prog 3: Transport Operations)

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Current payments	-	-	-	-	-	-	-	-	-
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	-	-	-	-	-	-	-	-	-
Transfers and subsidies to	715 294	773 473	808 877	852 325	852 325	913 343	904 783	945 972	995 610
Public corporations and private enterprises	715 294	773 473	808 877	852 325	852 325	913 343	904 783	945 972	995 610
Private enterprises	715 294	773 473	808 877	852 325	852 325	913 343	904 783	945 972	995 610
Other transfers	715 294	773 473	808 877	852 325	852 325	913 343	904 783	945 972	995 610
Payments for capital assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	715 294	773 473	808 877	852 325	852 325	913 343	904 783	945 972	995 610

Table 12.K : Payments and estimates by economic classification: EPWP Inte. Grant for Provinces (Prog 2: Transport Infrastructure)

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Current payments	153 562	117 415	84 211	88 487	88 487	88 487	59 443	-	-
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	153 562	117 415	84 211	88 487	88 487	88 487	59 443	-	-
Contractors	153 562	117 415	84 211	88 487	88 487	88 487	59 443	-	-
Transfers and subsidies to	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	153 562	117 415	84 211	88 487	88 487	88 487	59 443	-	-

Table 12.L : Payments and estimates by economic classification: Provincial Roads Maint. grant (Prog 2: Transport Infrastructure)

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Current payments	-	-	1 501 171	1 678 920	1 521 913	1 521 913	1 788 158	1 986 750	2 086 663
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	-	-	1 501 171	1 678 920	1 521 913	1 521 913	1 788 158	1 986 750	2 086 663
Contractors	-	-	1 501 171	1 678 920	1 521 913	1 521 913	1 788 158	1 986 750	2 086 663
Transfers and subsidies to	-	-	-	-	-	-	-	-	-
Payments for capital assets	958 390	1 236 648	-	-	1 615	1 615	-	-	-
Buildings and other fixed structures	958 390	1 236 648	-	-	1 615	1 615	-	-	-
Other fixed structures	958 390	1 236 648	-	-	1 615	1 615	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	958 390	1 236 648	1 501 171	1 678 920	1 523 528	1 523 528	1 788 158	1 986 750	2 086 663

Table 12.M : Payments and estimates by economic classification: Provincial Disaster Relief grant (Prog 2: Transport Infrastructure)

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Current payments	214 398	-	-	-	-	-	-	-	-
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	214 398	-	-	-	-	-	-	-	-
Contractors	214 398	-	-	-	-	-	-	-	-
Transfers and subsidies to	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	214 398	-	-	-	-	-	-	-	-

Table 12.N : Transport - Payments of infrastructure by category

No.	Project name	Municipality/ Region	Type of infrastructure		Project duration		Source of funding	Budget programme name	Targeted number of jobs for 2014/15	Total project cost	Expenditure to date from previous years	Total available		MTEF Forward estimates	
			School - primary/ secondary/ specialised; admin block; water; electricity; sanitation/toilet; fencing etc)	Units	Date: Start	Date: Finish						2014/15	MTEF 2015/16	MTEF 2016/17	
R thousands															
New and replacement assets															
1	P577	eThekweni	New infrastructure	Km	2012/04/01	2017/03/31	Equitable share	Transport Infrastructure	-	739 900	663 059	-	-	-	-
2	Access Roads	Various	New infrastructure	Several	2012/04/01	2017/03/31	Equitable share	Transport Infrastructure	-	-	-	129 268	193 827	202 877	-
3	Pedestrian Bridges	Various	New infrastructure	Several	2012/04/01	2017/03/31	Equitable share	Transport Infrastructure	-	-	346 579	125 667	133 986	142 025	-
4	Integrated Public Transport Facilities	Various	New infrastructure	Number	2012/04/01	2017/03/31	Equitable share	Transport Operations	-	-	-	101 408	40 704	43 146	-
Total New and replacement assets										739 900	1 009 638	356 343	368 517	388 048	
Upgrades and additions															
1	P496	Various	Upgrades and additions	Km	2005/10/01	2017/03/31	Equitable share	Transport Infrastructure	-	900 000	554 774	-	-	-	-
2	Dube Tradeport Roads	Various	Upgrades and additions	Several	2012/04/01	2017/03/31	Equitable share	Transport Infrastructure	-	-	-	100 235	277 692	294 354	-
3	ARRUP Roads	Various	Upgrades and additions	Several	2012/04/01	2017/03/31	Equitable share	Transport Infrastructure	-	-	-	590 291	568 465	582 822	-
4	Access Roads	Various	Upgrades and additions	Several	2012/04/01	2017/03/31	Equitable share	Transport Infrastructure	-	-	-	828 495	797 120	873 846	-
5	P700	Various	Upgrades and additions	Km	2004/05/01	2017/03/31	Equitable share	Transport Infrastructure	-	475 188	597 184	185 261	199 777	211 764	-
Total Upgrades and additions										1 375 188	1 151 958	1 704 282	1 843 054	1 962 786	
Rehabilitation, renovations and refurbishments															
1	Various Roads	Various	Rehabs, renos and refurb	Several	2012/04/01	2017/03/31	Equitable share	Transport Infrastructure	-	-	-	886 660	981 867	1 000 946	-
Total Rehabilitation, renovations and refurbishments										-	-	886 660	981 867	1 000 946	
Maintenance and repairs															
1	Reseals	Various	Maintenance	Several	2012/04/01	2017/03/31	Prov. Roads Maint. Grant	Transport Infrastructure	-	-	-	370 169	327 018	346 639	-
2	Routine	Various	Maintenance	Several	2012/04/01	2017/03/31	Prov. Roads Maint. Grant	Transport Infrastructure	60 000	-	-	1 385 425	1 398 813	1 458 158	-
3	Preventative	Various	Maintenance	Several	2012/04/01	2017/03/31	Prov. Roads Maint. Grant	Transport Infrastructure	-	-	-	982 314	1 010 444	1 103 071	-
4	Safety	Various	Maintenance	Several	2012/04/01	2017/03/31	Prov. Roads Maint. Grant	Transport Infrastructure	-	-	-	302 142	305 074	378 778	-
5	Special	Various	Maintenance	Several	2012/04/01	2017/03/31	Prov. Roads Maint. Grant	Transport Infrastructure	-	-	-	36 944	38 791	41 118	-
6	Mechanical	Various	Maintenance	Several	2012/04/01	2017/03/31	Prov. Roads Maint. Grant	Transport Infrastructure	-	-	-	137 086	147 940	151 116	-
7	Maintenance Administration	Various	Maintenance	Several	2012/04/01	2017/03/31	Prov. Roads Maint. Grant	Transport Infrastructure	-	-	-	545 513	555 038	590 740	-
Total Maintenance and repairs										-	-	3 759 593	3 783 118	4 069 620	
Infrastructure transfers - current															
Infrastructure transfers - capital															
Total Transport Infrastructure										2 115 088	2 161 596	6 706 878	6 976 556	7 421 400	

VOTE 13

Social Development

Operational budget	R 2 496 217 165
MEC remuneration	R 1 734 835
Total amount to be appropriated	R 2 497 952 000
Responsible MEC	Mrs. W. G. Thusi, MEC for Social Development
Administering department	Social Development
Accounting officer	Head: Social Development

1. Overview

Vision

The vision of the Department of Social Development (DSD) is: *A caring and self-reliant society.*

Mission statement

The department's mission is: *To transform our society by building conscious and capable citizens through the provision of integrated social development services.*

Strategic objectives

Strategic policy direction: By focussing on its role in the enhancement of the quality of life of the people of KwaZulu-Natal, the department seeks to align its operations and strategic position with the overall aim of government to ensure a long and healthy life for all, as well as to create sustainable rural communities. The strategic objectives of the department include the following:

Social welfare services

- To provide care and support social welfare services to older persons.
- To provide care and support social welfare services to persons with disabilities.
- To provide integrated community based care services to persons affected and infected by HIV and AIDS.
- To provide emergency relief to distressed individuals and households.

Children and families

- To provide equitable services that promotes functional families.
- To provide effective child care and protection services.
- To provide equitable access to Early Childhood Development (ECD) and partial care.
- To provide access to alternative care for vulnerable children.
- To provide community-based care services for children.

Restorative services

- To provide effective crime prevention and support services.
- To provide effective services to persons affected by substance abuse.
- To provide effective service to victims of crime and violence.

Development and research

- To promote effective community networks.
- To provide effective support to Non-Profit Organisations (NPOs).
- To alleviate poverty through sustainable and effective community development initiatives.
- To provide reliable information on households and communities for effective social interventions.
- To provide effective youth development services.
- To provide effective support structures for women development.
- To promote population policy implementation and planning.

Core functions

- To provide developmental social welfare services.
- To provide community development services.

Legislative mandate

In carrying out these core functions, the department is governed by various Acts and policies. The basic tenets of the Constitution, as embodied in Chapter 2, contain the Bill of Rights, which emphasises equality, human dignity, freedom and security of the person, health care, food, water and social security and the rights of the child. The department administers all or part of the following Acts:

- The Constitution of South Africa (Act No. 108 of 1996)
- Not for Profit Organisations Act (Act No. 71 of 1997)
- Social Services Professions Act (Act No. 110 of 1978, as amended)
- Children's Act (Act No. 38 of 2005, as amended)
- Older Persons Act (Act No. 13 of 2006)
- White Paper on Population Policy for South Africa of 1998
- Probation Services Act (Act No. 116 of 1991, as amended)
- Prevention and Treatment of Drug Dependency Act (Act No. 20 of 1992)
- Domestic Violence Act (Act No. 116 of 1998)
- White Paper on Social Welfare, 1997
- Public Finance Management Act (Act No. 1 of 1999, as amended) and Treasury Regulations
- Public Service Act (Act No. 103 of 1994) and Public Service Regulations of 2001
- Preferential Procurement Policy Framework Act (Act No. 5 of 2000)
- Child Justice Act (Act No. 75 of 2008)
- Prevention of and Treatment for Substance Abuse Act (Act No. 70 of 2008)
- Advisory Board on Social Development Act (Act No. 3 of 2001)
- Promotion of Access to Information Act (Act No. 2 of 2000)
- Promotion of Administrative Justice Act (Act No. 3 of 2000)
- Promotion of Equality and Prevention of Unfair Discrimination Act (Act No. 4 of 2000)
- Social Assistance Act (Act No. 59 of 1992)
- Social Work Act (Act No. 102 of 1998)
- Skills Development Act (Act No. 9 of 1999)
- South African Qualifications Authority Act (Act No. 58 of 1995)

2. Review of the 2013/14 financial year

Section 2 provides a review of 2013/14, outlining the main achievements and progress made by the department, as well as providing a brief discussion on the challenges and new developments.

Services to older persons

Workshops were held to capacitate departmental officials and Non-Government Organisations (NGOs) on older persons' policies in Ilembe, Durban South, Durban North, Ugu, Amajuba and Umzinyathi. Older persons participated in the Provincial Golden Games held in Newcastle and National Golden Globes Games held in Boksburg (Gauteng), in order to promote healthy living. As part of recognising the rights and wisdom of older persons, KZN was part of a Presidential lunch and centenary celebration held in Pretoria. In 2013/14, 13 new service centres to provide home/community-based care to older persons were developed in Ulundi, Midlands and Pietermaritzburg.

Community dialogues focussing on inter-generational programmes were conducted between older persons and youth as part of prevention of older persons' abuse in Amajuba, Sisonke, Ugu, Umzinyathi, Zululand, Umkhanyakude, uThungulu and Ilembe District Municipalities.

The International Day of Older Persons was commemorated and Senior Citizens' Parliament (co-ordinated by the Provincial Legislature) was held in the Sisonke District Municipality in partnership with other departments, such as the Office of the Premier (OTP), municipalities, and NPOs.

Services to persons with disabilities

Dialogues focussing on women with disabilities were held in the Ulundi, Durban and Pietermaritzburg Clusters. In partnership with Disabled People South Africa (an NPO dealing with issues for people with disabilities), the department participated in the World Deaf Summit and Fun Run/Walk and Wheelchair race held in Durban. The department funded 26 NPOs rendering services to persons with disabilities for awareness programmes, community-based care services and residential care facilities.

A total of 160 social workers were capacitated on disability policies in the Amajuba, Uthukela, Zululand, Umkhanyakude, and uThungulu District Municipalities. Consultation with stakeholders, such as staff and parents of children with disabilities, was held on the situation analysis and strategy for children with disabilities, focussing on gaps and service provision to children with disabilities. Disability mainstreaming (inclusion of people with disabilities into the department's programmes) was also held with departmental staff and other stakeholders, such as Swaziland delegates, NPOs, institutions of higher learning, media, and people with disabilities from the community in order for stakeholders to adapt to the general guidelines on disability mainstreaming. Also, the renovation and upgrading of the Illovo Development Centre was completed, thereby transforming the centre to cater for people with disabilities.

Care and services to families

The International Day for Families was commemorated in Melmoth in the Mthonjaneni Municipality. The event was preceded by community dialogues in all six wards under the Mthonjaneni Municipality, where issues affecting families were discussed. Capacity building programmes for departmental officials and other stakeholders were conducted on various programmes, such as the Active Parenting of Teenagers programmes, parenting skills, etc. The White Paper on Families in South Africa was approved by national Cabinet, and capacity building workshops on this approved White Paper were conducted, facilitated by National DSD for departmental officials, civil society organisations, etc.

Implementation of the Child Justice and Children's Acts

Secure care programmes, as outlined in the Child Justice and Children's Acts, for children in conflict with the law, were implemented at Excelsior, Valley View, Ocean View and Sinethemba Child and Youth Care Centres (CYCCs). Capacity building workshops were conducted on various regulations, such as the Criminal Procedure Act, Child Justice Act, Regulations and Probation Practice Guidelines, etc. The department funded seven NPOs in the field of crime prevention, in line with the Children's Act.

Capacity building programmes were conducted for 234 social workers on the Children's Act, Foster Care Regulations, as well as the Adoption and Draft Guidelines for Registration of CYCCs. Training of social workers on Guidelines for Statutory Services for Child Headed Households, as well as the registration of

drop-in centres, was conducted. Standardised programmes, such as programmes for children living and working on the streets, as well as programmes for CYCCs, were developed to ensure compliance with the relevant regulations. The process of auditing of shelters catering for children living and working on the streets was conducted to facilitate the transformation of these shelters to CYCCs. An assessment of state managed CYCCs was conducted to ensure compliance to norms and standards, in terms of the Children's Act. The Provincial Integrated ECD Plan for 2013/14 was reviewed and implemented in all district municipalities.

Child care and protection programmes were strengthened through the Sponsor a Child, Sponsor a Family campaign, which aims to revive *Ubuntu* within families and societies.

Substance abuse programme

The department continued to manage its two state substance abuse treatment centres, namely Newlands Park and Madadeni Rehabilitation Centres. The department funded and monitored 14 NPOs rendering in-patient, out-patient and community-based services in the field of substance abuse. The department implemented prevention programmes, namely *Ke-Moja* (I am fine without drugs), Teenagers Against Drug Abuse (TADA), a support group for children in schools, and *Wake Up*, with the aim of creating substance abuse awareness. Emphasis was placed on the capacity development of staff and stakeholders on policies, mandates, models and programmes in substance abuse. Also, the department registered four new treatment centres, namely Anti-Addiction In Medicine (AAIM) in Ulundi, South African National Council of Alcoholism (SANCA), Careline Crisis Centre in Botha's Hill, Lulama/Warman House, and a half-way house, Inside Recovery in Durban.

Victim empowerment

The department co-ordinated the provincial victim empowerment programme (VEP) forum, which facilitated inter-sectoral and collaborative service delivery with participation from all cluster departments. Inter-sectoral co-ordination and alignment with other structures included the Human Trafficking, Prostitution, Brothels, Pornography Task Teams, the Provincial Gender Machinery (an OTP initiative to bring about women empowerment and gender equality in KZN), Sexual Offences Task Team and the Restorative Justice Committee. Various events were commemorated, including Victim Rights' Week, Child Protection Week and 16 days of activism on no violence against women and children. The department also capacitated officials and other stakeholders on trauma counselling and debriefing, gender-based violence, human trafficking and on the draft Policy Framework for the Accreditation of Services and Programmes for Organisations Rendering Services to Victims of Trafficking. Consultation and training on the integrated web-based VEP system was held with departmental officials and other stakeholders. Two new shelters for victims of crime and violence were established in uThungulu and Umkhanyakude.

HIV and AIDS programme

The department funded 229 NPOs which provide services aimed at social behavioral change and psycho-social support. A total of 30 920 orphaned and vulnerable children (OVCs) were provided with psycho-social services, with a total of 80 new support groups established across six district municipalities, namely Umkhanyakude, Zululand, Uthukela, Amajuba, Umzinyathi, uMgungundlovu District Municipalities, as well as the eThekweni Metro. A total of 376 community care-givers (CCGs) were trained. The department recruited 462 CCGs and 203 supervisors to capacitate wards which previously had less than three CCGs, who were paid from the Social Sector EPWP Incentive Grant for Provinces. Also, the *Isibindi* model implementation plan was approved.

Sustainable livelihood

The department, in partnership with Food Bank South Africa (which distributes food to food insecure communities), established five Community Nutrition Development Centres (CNDCs) in four districts (Ugu, Umkhanyakude, Umzinyathi, uMgungundlovu) and the eThekweni Metro, which were identified as the most deprived wards in terms of the poverty index. These CNDCs contributed to the reduction of people that are in a severe state of not accessing food by distributing prepared and non-perishable food and linking people to sustainable economic activities, thereby reducing their dependency on hand-outs. People are grouped into co-operatives to grow food and thereafter supply the CNDCs.

A total of 39 sustainable livelihood projects, such as small scale farming, skills development, nutrition support, etc., were supported in line with the reduction of poverty and attainment of sustainable livelihoods among the beneficiaries of projects. These projects are identified as a result of community mobilisation programmes which are informed by the profiling of households and communities.

Research and demography

In 2013/14, the department completed various projects, such as the indigenous knowledge system approach to poverty alleviation. This research provided insights on alternative ways of poverty alleviation and further informed the Integrated Poverty Package (which is strategy to address food insecurity in KZN) developed by the department. Also, research based on the situation analysis of young girls in KZN, which emerged from the previous study on teenage pregnancy, was completed. This now serves as a baseline study to inform programmes and interventions for teenage pregnancy in KZN. In addition, the department compiled demographic profiles of the Umkhanyakude and Umzinyathi District Municipalities.

Population capacity development and advocacy

The department implemented capacity building and advocacy plans which aim to promote the implementation of the population policy in South Africa. The advocacy plan highlights major activities that inform or capacitate stakeholders on the recent trends of demography, as well as the inter-relationship between population and development. World Population Day, attended by more than 3 000 people, was commemorated in Sisonke under the theme Adolescent Pregnancy and Universal Access to Reproductive Health Facilities. Information, education and communication and dialogues workshops which disseminated population and development information were conducted in areas such as Umzimkulu, Mthonjaneni and Nongoma. Capacity development seminars, with accreditation on Adolescent Sexual Reproductive Health and Rights, were conducted in Mthonjaneni, Jozini and Umzinyathi.

3. Outlook for the 2014/15 financial year

Section 3 looks at the key focus areas of 2014/15, outlining what the department is hoping to achieve, as well as briefly looking at the challenges facing the department, and proposed new developments.

Protection and promotion of services for older persons

In 2014/15, awareness programmes on the promotion of the rights of older persons will be conducted in uMgungundlovu, uThungulu and Ugu District Municipalities. Active-ageing programmes will be intensified through community-based care and support services. Inter-generational programmes will be rolled out to Uthukela, uMgungundlovu and the eThekweni Metro.

Care and services to persons with disabilities

Training on disability policies, disability mainstreaming, autism, sign language and *My Confidence* will be conducted for departmental officials. Awareness programmes on dyslexia will be conducted in the eThekweni Metro, to sensitise the community on learning problems experienced by children with disabilities, as well as the expansion of programmes and protective workshops for people with disabilities.

HIV and AIDS programme

Capacity building sessions in the initiation/establishment of child care forums will be intensified. Training on psycho-social support will be conducted to capacitate CCGs in four district municipalities, namely Ilembe, Sisonke, Ugu and uThungulu. The number of CCGs will be increased in order to cater for all wards. Promotional sessions of the policy on services to persons infected and affected with HIV and AIDS will be conducted. Focus will be on programmes that are aimed at career pathing of CCGs in child care and social auxiliary qualifications. The implementation of integrated monitoring and evaluation systems for Home/Community-Based Care (HCBC) organisations will be intensified, in order to ensure compliance with norms and standards. Also, the department intends to roll-out the *Isibindi* model, with the creation of 39 sites in KZN.

Care and support services to families

Care and support services to families will be strengthened through the establishment of an inter-sectoral (comprising government departments and NPOs) forum on families. Parenting programmes will be intensified to ensure spatial distribution. Capacity building sessions will be conducted with department

officials and stakeholders on parenting and family preservation programmes. Support of married couples will be provided through marriage preparation and enrichment programmes, as well as the commemoration of National Marriage Week in September.

Child care and protection services (Children's Act)

Focus will be placed on child protection organisations to ensure compliance with the Children's Act. The provincial register on children awaiting foster care and the provincial register on children in foster care will be developed in line with norms and standards. The provincial strategy on Prevention and Early Intervention Programmes will be developed, and the implementation thereof will be monitored, in order to ensure an early warning to prevent harm and provide appropriate response to children who are abused.

Early childhood development and partial care

The department intends to strengthen its monitoring and evaluation of the Provincial Integrated ECD Action Plan to ensure the improvement of ECD services in the province. The department will commence with the registration of partial care facilities and programmes, in line with the provisions of the Children's Act. The department intends to facilitate the Provincial Integrated ECD Committee to ensure inter-sectoral collaboration with regard to ECD services.

Child and youth care centres

A schedule of children in need of care and protection placed in funded CYCCs will be developed in 2014/15 in order to ensure re-integration and re-unification of children with their families. The department intends to implement the integrated action plan for children living and working in the streets and CYCCs in order to ensure that programmes implemented improve the lives of these children.

Community-based care services to children

The department intends to implement various programmes, such as assessment panels for child-headed households, a provincial child-headed household plan, a provincial integrated action plan for children living and working on the streets, in order to facilitate the registration of drop-in centres, as well the recognition of child-headed households and monitoring of services rendered to these households, in line with the Children's Act.

Crime prevention and support

The department will continue to render services in relation to its mandate in terms of the Probation Services Act, with focus on the implementation of the Child Justice Act. Four CCYCs which provide secure care programmes for children in conflict with the law will be established.

Victim empowerment

The department intends to intensify its capacity building programmes for officials and other front-line workers on critical VEP policies, mandates and programmes, as well as to strengthen partnerships for effective co-ordination and collaboration at ward level for improved service delivery. Prevention and awareness programmes will be strengthened, through a call for proposals to attract new and emerging organisations in the field of victim empowerment. The department will roll-out the integrated web-based VEP system, which is a data collection tool for victims and services provided to them by the department, to all service sites and NPOs rendering services to victims of crime and violence. Also, the department will open the Khuseleka One Stop Development Centre in Inanda for victims of crime and violence to respond to gender-based violence in the province.

Substance abuse prevention and rehabilitation

The department intends to sustain and expand the anti-substance abuse programmes, with emphasis on sustaining the funding and monitoring of NPOs for in-patient, out-patient and prevention services, and the expansion of community-based services, taking into consideration the spatial distribution of services. Capacity building sessions are planned for officials and stakeholders on the policies, mandates, models and programmes developed for substance abuse and monitor the implementation thereof. The department will continue to manage its two state treatment centres, namely Newlands Park and Madadeni Rehabilitation Centres, with emphasis on review of the policies of the centres, expansion of the programmes to admit more females, and strengthening of the aftercare programme aimed at assisting the recovery of persons released from treatment centres.

Food and nutrition security

Food security interventions will be implemented in partnership with other departments, such as the Departments of Health, Education and Agriculture, Environmental Affairs and Rural Development, with a special focus on malnutrition and food insecure communities. Also, the partnership with Food Bank South Africa will be continued with the aim of ensuring access to food by food insecure communities, where food banks will be established at Ugu, Umkhanyakude and Msinga municipalities. A partnership with the National Development Agency (NDA) will be established for technical support and institutional capacity building for all projects related to the implementation of food production activities. The Integrated Poverty Package will be rolled out in partnership with other government departments, local government, private sector, traditional authorities and civil society.

Women development

The department intends to assist women to access opportunities for sustainable living through income generating programmes. The department will co-ordinate and implement women development programmes by developing a database of established women structures, such as women in agriculture, women in transport, women in construction, etc.

Youth development

The department intends to capacitate the youth in order to become active in the economy, and influence social change by establishing youth structures or forums, as well as increasing the number of youth participating in the national youth service programmes. In 2014/15, the department will focus on youth mobilisation programmes, as well as increasing the number of youth participating in skills entrepreneurship programmes. The targeted youth are those affected by substance abuse, crime, HIV and AIDS, unemployment and poverty. The department will further roll-out the Youth Development Academies and Youth Development Centres in partnership with the Department of Higher Education and Training to provide skills training so that the youth become economically active.

Institutional capacity building and support

The department intends to increase the support provided to NPOs for registration, compliance training and development through the establishment of NPO forums throughout the districts. The department will strengthen the provision of interventions that will improve governance of NPOs through ongoing capacity building programmes in partnership with NDA. NPO help desks will be established at all DSD local offices to bring NPO support services closer to communities.

Community mobilisation

The mobilisation of communities is an important element for community development. The department intends to conduct various awareness campaigns on government policies, programmes and services, as part of strengthening community participation in policy development and review.

Population policy promotion

In 2014/15, the department will focus in the process of identifying policies and legislation for advocacy in respect of children, youth, women, older persons and persons with disabilities. The advocacy of policy frameworks, programmes and services to priority groups will ensure that the levels of awareness from the communities are raised and communities and individuals are able to take charge of their livelihoods. The department will also conduct diagnostic research into the main causes of collapse in community level institutions. The findings of the diagnostic research will inform the development and strengthening of strategies to support the NPOs.

4. Receipts and financing

4.1 Summary of receipts and financing

Table 13.1 below gives the sources of funding for the Department of Social Development over the seven-year period, 2010/11 to 2016/17. The table also compares actual and budgeted receipts against actual and budgeted payments. Details are presented in *Annexure – Vote 13: Social Development*.

In 2010/11, the Social Sector EPWP Incentive Grant for Provinces was introduced. The department did not receive the grant in 2012/13. In 2014/15, the department was allocated R3.746 million in respect of this grant. In 2014/15, the department was allocated R2 million relating to the EPWP Integrated Grant for Provinces. It must be noted that both grants are only allocated in the first year of the 2014/15 MTEF at this stage.

Table 13.1 : Summary of receipts and financing

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Equitable share	1 665 482	1 948 462	2 047 812	2 310 575	2 276 243	2 276 243	2 461 206	2 627 481	2 767 560
Conditional grants	2 700	3 821	-	14 610	14 610	14 610	5 746	-	-
Social Sector EPWP Incentive Grant for Provinces	2 700	3 821	-	14 610	14 610	14 610	3 746	-	-
EPWP Integrated Grant for Provinces	-	-	-	-	-	-	2 000	-	-
Total receipts	1 668 182	1 952 283	2 047 812	2 325 185	2 290 853	2 290 853	2 466 952	2 627 481	2 767 560
Total payments	1 416 423	1 934 257	1 985 386	2 325 185	2 315 947	2 263 207	2 497 952	2 627 481	2 767 560
Surplus/(Deficit) before financing	251 759	18 026	62 426	-	(25 094)	27 646	(31 000)	-	-
Financing									
of which									
Provincial roll-overs	-	-	-	-	24 094	24 094	-	-	-
Provincial cash resources	-	-	14 355	-	1 000	1 000	31 000	-	-
Surplus/(Deficit) after financing	251 759	18 026	76 781	-	-	52 740	-	-	-

In 2010/11, the department under-spent its allocation by R251.759 million, due to the rigorous vetting of NPOs to ensure compliance with Section 38(1)(j) of the PFMA, which resulted in transfer payments being delayed until SLAs were signed, as well as savings against *Goods and services* due to the Provincial Treasury intervention in SCM. In addition to these savings, vehicles ordered during the year were only delivered in April 2011, and there were posts that were filled during the year and others which were still in the process of being filled, yet were budgeted for the entire year. Also, cost-cutting on the purchase of *Machinery and equipment* further reduced expenditure.

The department under-spent its allocation in 2011/12 by R18.026 million, partly due to delays in filling funded vacant posts because of a review of the departmental structure. In addition, there was low spending on maintenance of existing infrastructure. Also contributing to the low spending was the Provincial Treasury intervention in SCM and delays in signing of SLAs with NPOs, and the fact that the implementation of transfers is from the date of signing with no arrear payments, as per recommendation by the A-G.

The department under-spent its allocation in 2012/13 by R76.781 million, mainly as a result of the extension of infrastructure projects completion dates by the Independent Development Trust (IDT), after the completion of the value for money audit. The objectives of this audit, which was commissioned by the department were, among others, to assess all infrastructure projects undertaken by IDT, conduct a cost analysis, determine value for money and assess compliance with industry best practices. Also contributing to the under-spending was the non-purchase of furniture and office equipment as the office buildings were not completed. The department received provincial cash resources of R14.355 million in 2012/13, of which R13.681 million was to fund the higher than anticipated 2012 wage agreement. Also, R674 000 was allocated to the department, which relates to funds received in the Provincial Revenue Fund after 2011/12 had closed, for the Social Sector EPWP Incentive Grant for Provinces.

In 2013/14, the department received a roll-over of R24.094 million relating to 2012/13 commitments with regard to child care and protection services infrastructure projects. Also, R1 million was allocated from provincial cash resources for the Operation *Sukuma Sakhe* (OSS) initiatives, as identified by the MEC, aimed at improving the lives of the people of KZN. It is anticipated that the department will under-spend the budget by R52.740 million, mainly due to delays in the submission of claims by IDT and DOPW.

In 2014/15, the department is allocated R31 million from the provincial cash resources, which relates to the *Isibindi* model funds suspended from 2013/14, as the department had indicated that these funds will be used in 2014/15 in line with the approved implementation plan. The department's budget increases steadily over the MTEF, mainly due to funding allocated for national priorities, and the carry-through costs of previous wage agreements.

4.2 Departmental receipts collection

Table 13.2 provides a summary of the receipts that the department is responsible for collecting.

Table 13.2 : Summary of departmental receipts collection

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	3 221	4 753	4 770	4 460	4 460	4 724	5 437	5 775	6 150
Transfers received	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	97	-	15	17	17	23	24	26	28
Sale of capital assets	2 289	-	3 494	-	-	-	450	500	533
Transactions in financial assets and liabilities	1 410	11 664	4 991	971	971	1 491	1 020	1 071	1 130
Total	7 017	16 417	13 270	5 448	5 448	6 238	6 931	7 372	7 841

Sale of goods and services other than capital assets is the major source of revenue for the department, which consists of income derived from commission on insurance and garnishees, housing rent, patient fees (collected from two rehabilitation centres) and the sale of hand crafts that are produced by two state-run centres. The revenue increased from 2010/11 to 2011/12 due to housing rent, relating to SASSA staff occupying departmental houses. The collection in 2012/13 and the over-collection projected in the 2013/14 Revised Estimate is a result of the increased number of staff occupying state houses. The MTEF projections are based on inflationary increments.

The high revenue collected in 2010/11 against *Interest, dividends and rent on land* was in respect of interest on debt recoveries from pension benefits of ex-employees. The collection in 2012/13 and the projected over-collection in the 2013/14 Revised Estimate reflects interest from staff debts. The MTEF projections are relatively constant, as it is difficult to project revenue from interest bearing debts.

Sale of capital assets revenue in 2010/11 and 2012/13 resulted from the disposal of redundant motor vehicles and equipment. The department is not anticipating any asset sales in 2013/14. Over the 2014/15 MTEF, the department is projecting to collect revenue in this regard due to the sale of redundant assets.

Transactions in financial assets and liabilities relates to recoveries from stale cheques, recovery of staff debts such as salary over-payments, breached bursary contracts, etc. In 2011/12, the high collection was due to the process of debt write-offs that was done in 2010/11 and, to a lesser extent, in 2011/12. In 2012/13, the high collection was due to the debts written-off related to NPOs. The projected over-collection in the 2013/14 Revised Estimate is due to an increase in debt collection. Over the MTEF, the growth is due to the ongoing campaign to collect debts.

4.3 Donor funding – Nil

5. Payment summary

This section provides information pertaining to the vote as a whole at an aggregate level, including payments and budgeted estimates in terms of programmes and economic classification. Further details are given in Section 6 below, as well as in *Annexure – Vote 13: Social Development*.

5.1 Key assumptions

The following key assumptions form the basis of the 2014/15 MTEF budget of the department:

- Inflation related items have been based on CPI projections.
- Provision was made for an inflationary wage adjustment of 6.4 per cent in 2014/15, 6.4 per cent in 2015/16 and 6.3 per cent in 2016/17, as well as the annual 1.5 per cent pay progression.

- Funds were received for carry-through costs of previous wage agreements.
- The department provided for a 6 per cent increase in tariffs for private welfare organisations.
- The expanded cost-cutting measures, as issued by Provincial Treasury in 2013/14, will continue to be adhered to over the 2014/15 MTEF, in conjunction with National Treasury Instruction 01 of 2013/14: Cost-containment measures.

5.2 Additional allocations for the 2012/13 to 2014/15 MTEF

Table 13.3 shows additional funding received by the department over the three MTEF periods: 2012/13, 2013/14 and 2014/15. Note that the table reflects only the provincial additional allocations, and excludes additional allocations in respect of conditional grants. The purpose of the table is two-fold. Firstly, it shows the quantum of additional funding allocated to the department in the past and current MTEF periods. Secondly, it indicates the policies and purposes for which the additional funding was allocated.

The carry-through allocations for the 2012/13 and 2013/14 MTEF (i.e. for the financial year 2016/17) are based on the incremental percentage used in the 2014/15 MTEF.

Table 13.3 : Summary of additional provincial allocations for the 2012/13 to 2014/15 MTEF

R thousand	2012/13	2013/14	2014/15	2015/16	2016/17
2012/13 MTEF period	7 238	159 193	138 498	144 869	151 533
Carry-through of 2011/12 Adjustments Estimate - 2011 wage agreement	7 238	7 600	7 980	8 347	8 731
Provincial priorities - Removal of existing infrastructure assets and maintenance in 2014/15	-	-	(34 041)	(35 607)	(37 245)
National priorities - Child and Youth Care and Victim Empowerment	-	151 593	164 559	172 129	180 047
2013/14 MTEF period		16 595	45 142	94 409	98 752
Census data update and 1%, 2% and 3% baseline cuts		(31 200)	(63 535)	(78 815)	(82 440)
National priorities:		47 795	108 677	173 224	181 192
<i>Absorption of social work graduates</i>		26 070	65 645	109 303	114 331
<i>Support to the NGO sector</i>		21 725	43 032	63 921	66 861
2014/15 MTEF period			45 691	21 236	23 184
Suspension of <i>Isibindi</i> model from 2013/14			31 000	-	-
Carry-through of previous wage agreements			7 064	13 640	15 761
Centralisation of communications budget under OTP			(3 100)	(3 100)	(3 242)
National priorities:			10 727	10 696	10 665
<i>Provision of shelters for victims of gender-based violence</i>			10 727	10 696	10 665
Total	7 238	175 788	229 331	260 514	273 469

In the 2012/13 MTEF, the department received additional funding for the carry-through costs of the 2011 wage agreement. The allocation for existing infrastructure and maintenance is removed from 2014/15 onward, in line with project requirements. The department received additional national priority funding over the 2012/13 MTEF for Child and Youth Care and Victim Empowerment. Provinces were required to make provision for the *Isibindi* model to appoint Child and Youth Care Workers (CYCW) that provide direct support to children in their homes at community level. The department's allocation was also moderately increased for victim empowerment programmes, which were previously funded by the European Union.

In the 2013/14 MTEF, the department received additional national priority funding for the absorption of social work graduates. In an attempt to address the shortage of social workers in the country, the National DSD initiated a scholarship programme in conjunction with provincial DSDs where, upon graduation, social work graduates would be absorbed by provincial departments. The department will use these funds to continue with the absorption of graduates until the Integrated Service Delivery Model (norms and standards) target, which is 1:4 500 population is met. National priority funding was also allocated over the MTEF for the improvement of the quality of services provided by NGOs, as well as their financial sustainability.

Also in the 2013/14 MTEF, National Treasury took a decision to impose 1, 2 and 3 per cent baseline cuts on all spheres of government (i.e. National, Provincial and Local) in order to curb the national deficit as public spending is growing faster than revenue collection. In addition, KZN received reduced equitable share allocations as a result of the reduced proportion in terms of population numbers as reported in the

2011 Census data results. The effect of this on the department was a substantial reduction in the budget over the entire period.

In the 2014/15 MTEF, the department was allocated R31 million, being funds suspended from 2013/14 relating to the *Isibindi* model, as the department indicated that these funds will be utilised in 2014/15, in line with the approved implementation plan. The department's allocation is reduced over the 2014/15 MTEF to cater for the centralisation of parts of the communications budget under OTP. The department received additional allocations over the 2014/15 MTEF to cater for the carry-through costs of various wage agreements, as well as national priority funding for the provision of shelters for victims of gender-based violence. These funds are to be allocated as a transfer to NPOs who run shelters for victims of gender-based violence and their children. The allocation is for a 35 per cent increase in bed capacity from the current 1 583 to 2 137. This is in addition to the current transfers to NPOs for shelter services and therefore this additional allocation is meant to complement current shelter service provision.

5.3 Summary by programme and economic classification

National Treasury, in consultation with the national DSD, issued a directive on the new budget structure for the Social Development sector. In this regard, the new budget structure for the 2014/15 MTEF is shown in Table 13.4 below.

Table 13.4 : Reconciliation of structural changes to Vote 13: Social Development

2013/14 structure		2014/15 structure	
Programme	Sub-programme	Programme	Sub-programme
1. Administration	1.1 Office of the MEC 1.2 Corporate Services 1.3 District Management	1. Administration	1.1 Office of the MEC 1.2 Corporate Management Services 1.3 District Management
2. Social Welfare Services	2.1 Professional and Administrative Support 2.2 Substance Abuse, Prevention and Rehabilitation 2.3 Care and Services to Older Persons 2.4 Crime Prevention and Support 2.5 Services to Persons with Disabilities 2.6 Child Care and Protection Services 2.7 Victim Empowerment 2.8 HIV and AIDS 2.9 Social Relief 2.10 Care and Support Services to Families	2. Social Welfare Services	2.1 Management and Support 2.2 Services to Older Persons 2.3 Services to Persons with Disabilities 2.4 HIV and AIDS 2.5 Social Relief
		3. Children and Families	3.1 Management and Support 3.2 Care and Services to Families 3.3 Child Care and Protection 3.4 ECD and Partial Care 3.5 Child and Youth Care Centres 3.6 Community-Based Care Services for Children
		4. Restorative Services	4.1 Management and Support 4.2 Crime Prevention and Support 4.3 Victim Empowerment 4.4 Substance Abuse, Prevention and Rehabilitation
3. Development and Research	3.1 Professional and Administrative Support 3.2 Youth Development 3.3 Sustainable Livelihoods 3.4 Institutional Capacity Building and Support 3.5 Research and Demography 3.6 Population Capacity Development and Advocacy	5. Development and Research	5.1 Management and Support 5.2 Community Mobilisation 5.3 Institutional Capacity Building and Support for NPOs 5.4 Poverty Alleviation and Sustainable Livelihoods 5.5 Community-Based Research and Planning 5.6 Youth Development 5.7 Women Development 5.8 Population Policy Promotion

As is evident from the table above, the department now has five programmes, compared to three in previous years, in line with the new uniform budget and programme structure for the Social Development sector. Programme 1: Administration remains the same, while the previous Programme 2: Social Welfare Services has now been split into three programmes, namely Social Welfare Services, Children and Families and Restorative Services. The previous Programme 3: Development and Research remains the same, with the introduction of two sub-programmes, namely Community Mobilisation and Women Development. To this end, figures for prior years in Programmes 2, 3 and 4 were adjusted, where possible, for comparative purposes. The department is still in the process of implementing the new budget structure

to ensure that clear and accurate information is available for each sub-programme for budgets and expenditure, number of clients receiving each service and number of support staff providing each service.

Tables 13.5 and 13.6 provide a summary of payments and budgeted estimates for the five budget programmes of the department, as well as per economic classification. The department complies fully with the updated uniform programme structure for the Social Development sector.

The department's budget reflects positive growth from 2010/11 to 2016/17. The factors that contribute to the upward growth include policy changes that impact on the provisioning of social welfare services, various national priorities, the OSD for social workers, carry-through costs of previous wage agreements, as well as an increase in the number of personnel.

Table 13.5 : Summary of payments and estimates by programme: Social Development

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
1. Administration	323 866	370 697	389 758	416 653	434 821	442 314	444 523	471 319	484 558
2. Social Welfare Services	358 358	424 782	529 721	496 498	484 998	521 206	509 926	542 107	557 457
3. Children and Families	489 345	814 802	721 061	938 695	922 789	853 933	985 143	1 004 239	1 101 566
4. Restorative Services	132 108	170 067	182 233	234 274	234 274	222 944	288 131	310 673	305 865
5. Development and Research	112 746	153 909	162 613	239 065	239 065	222 810	270 229	299 143	318 114
Total	1 416 423	1 934 257	1 985 386	2 325 185	2 315 947	2 263 207	2 497 952	2 627 481	2 767 560

Table 13.6 : Summary of payments and estimates by economic classification: Social Development

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Current payments	846 623	1 033 142	1 200 137	1 416 062	1 392 072	1 382 326	1 492 215	1 620 860	1 700 703
Compensation of employees	576 981	692 531	848 598	998 554	1 048 107	1 030 671	1 093 582	1 197 215	1 256 257
Goods and services	269 642	340 598	351 481	417 508	343 933	351 503	398 633	423 645	444 446
Interest and rent on land	-	13	57	-	32	152	-	-	-
Transfers and subsidies to:	476 927	732 326	591 367	680 148	707 806	702 092	839 119	828 928	887 129
Provinces and municipalities	800	35 678	516	1 583	1 583	666	1 670	1 747	1 840
Departmental agencies and accounts	637	1 025	810	1 113	1 113	3 255	1 157	1 210	1 684
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	14 500	14 500	13 500	18 765	19 760
Non-profit institutions	472 605	691 989	587 278	672 563	673 349	670 263	803 011	786 516	841 454
Households	2 885	3 634	2 763	4 889	17 261	13 408	19 781	20 690	22 391
Payments for capital assets	83 905	167 912	190 439	228 975	216 069	178 789	166 618	177 693	179 728
Buildings and other fixed structures	72 302	139 909	157 407	177 368	161 462	147 775	106 005	110 881	105 440
Machinery and equipment	11 532	27 519	27 785	50 495	53 424	29 831	59 438	65 584	72 994
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	71	71	-	-	-
Software and other intangible assets	71	484	5 247	1 112	1 112	1 112	1 175	1 228	1 294
Payments for financial assets	8 968	877	3 443	-	-	-	-	-	-
Total	1 416 423	1 934 257	1 985 386	2 325 185	2 315 947	2 263 207	2 497 952	2 627 481	2 767 560

The significant increase in 2011/12 when compared to 2010/11 includes the carry-through cost of the 2010 wage agreement, as well as provincial priority funding to cater for existing infrastructure assets and maintenance. The bulk of the budget comprises *Compensation of employees* and *Transfers and subsidies to: Non-profit institutions*, in line with the department's core functions.

Programme 1: Administration spending was low in 2010/11 due to cost-cutting, as well as the Provincial Treasury SCM intervention. The programme experienced spending pressures against *Goods and services* in 2011/12, caused mainly by contractual obligations that were centralised under Programme 1, such as increased costs relating to audit fees, legal fees, forensic investigations and operating expenditure such as security services, municipal services and travel and subsistence, etc. The increase from the 2013/14 Adjusted Appropriation largely relates to the unbudgeted re-grading of level 4 to 5, 9 to 10 and 11 to 12 posts, in line with DPSA requirements, as well as the carry-through costs of the 2012 wage agreement. The allocation over the 2014/15 MTEF provides for the anticipated filling of posts.

Programme 2: Social Welfare Services grows significantly from 2011/12, mainly due to national priorities (OSD for social workers, ECD and HCBC). The decrease in the 2013/14 Adjusted Appropriation relates mainly to the fact that R31 million of the *Isibindi* model funds was suspended from 2013/14 and allocated back to the department in 2014/15, in line with the approved implementation plan. Additional funding was also allocated over the 2014/15 MTEF for the Social Sector EPWP Incentive Grant for Provinces and the EPWP Integrated Grant for Provinces, allocated in 2014/15 only at this stage, in respect of the appointment of CCGs. The increase in the 2013/14 Revised Estimate relates to the anticipated claims from DOPW and IDT with regard to infrastructure projects. The decrease in 2014/15 relates to the fact that additional funding relating to existing infrastructure assets comes to an end in 2013/14.

Programme 3: Children and Families grows strongly from 2011/12 onward due to national priority funding allocated to the department for the expansion of ECD, child care and protection and absorption of social workers. The peak in 2011/12 relates to once-off transfers to NPOs for the improvement of quality of services. The decreases in the 2013/14 Adjusted Appropriation and Revised Estimate relate mainly to delays in the submission of claims by IDT and DOPW with regard to infrastructure projects. The increases over the 2014/15 MTEF relate to national priority funding and filling of vacant posts.

Programme 4: Restorative Services increases over six of the seven-year period due to additional funding for the improvement of quality of services provided by NPOs, as well as their financial sustainability, expansion of services to children in conflict with the law and victim empowerment programmes. The increases over the 2014/15 MTEF relate to additional national priority funding for the provision of shelters to victims of gender violence. The decrease in the 2013/14 Revised Estimate largely relates to delays in the submission of claims for current infrastructure projects by DOPW. The allocation over the 2014/15 MTEF includes national priority funding relating to the provision of shelters for victims of gender-based violence. The decrease in 2016/17 largely relates to reprioritisation to cater for other spending pressures.

Programme 5: Development and Research grows significantly from 2013/14 due to additional national priority funding that was allocated in the 2013/14 MTEF relating to the improvement of the quality of services provided by NGOs, and their financial sustainability, as well as youth development. The decrease in the 2013/14 Revised Estimate largely relates to delays in the filling of posts due to long procurement processes and submission of claims for capital infrastructure projects by DOPW and IDT.

Compensation of employees shows strong growth over the seven-year period, primarily due to annual wage adjustments, absorption of social work graduates and conditional grant funding to cater for the payment of stipends to CCGs. The increase in the 2013/14 Adjusted Appropriation continued in the Revised Estimate is due to the absorption of social workers, as well as the unbudgeted re-grading of level 4 to 5, 9 to 10 and 11 to 12, in line with DPSA requirements. The increases over the 2014/15 MTEF provide for the filling of vacant posts and absorption of social work graduates.

Goods and services was low in 2010/11, largely as a result of the Provincial Treasury SCM intervention. The increase in 2011/12 mainly relates to increased costs in respect of audit fees, legal fees, forensic investigations and operating expenditure such as security services, municipal services and travel and subsistence, etc. The increase in the 2013/14 Main Appropriation relates to additional funding for existing infrastructure maintenance. The decrease in the 2013/14 Adjusted Appropriation and Revised Estimate relates to delays in the procurement processes between the department and DOPW for the maintenance of service offices and state facilities. The growth over the 2014/15 MTEF is due to inflationary increases.

Expenditure against *Interest and rent on land* relates to interest paid on overdue accounts.

Transfers and subsidies to: Provinces and municipalities caters for motor vehicle licences. The increase in 2011/12 relates to a once-off transfer of R35 million to the Umkhanyakude District Municipality for the expansion of ECD infrastructure in the district. The decrease in the 2013/14 Revised Estimate relates to delays in the submission of invoices by the Department of Transport (DOT). The allocation over the 2014/15 MTEF provides for the anticipated purchase of new vehicles, as well as annual increases.

The category *Transfers and subsidies to: Departmental agencies and accounts* relates to the Health and Welfare Sector Education Training Authority (HWSETA). The peak in 2011/12 relates to the erroneous inclusion of bursary payments under this category. The increase in the 2013/14 Revised Estimate relates to

the anticipated payment to the HWSETA, which includes expenditure from previous years for which invoices were received late.

Transfers and subsidies to: Public corporations and private enterprises relates to transfers to the NDA with regard to the provision of capacity building programmes for NPOs in areas such as financial management, NPO management, etc. It must be noted that the department does not have capacity to adequately conduct these programmes, hence the appointment of an implementing agent.

The increase in *Transfers and subsidies to: Non-profit institutions* in 2011/12 relates to funding national priorities such as ECD and HCBC, as well as once-off transfers to NPOs for the improvement of quality of services. The decrease in 2012/13 relates to the non-implementation of transfer payments relating to the Youth Development and Sustainable Livelihood sub-programmes due to an audit of previously funded projects and the review of standard operating procedures for the funding and monitoring of NPOs. The increase in the 2013/14 Adjusted Appropriation largely relates to the movement of funds relating to NPO support to this category, which were included under *Goods and services* as an implementing agent was appointed to assist with the NPO capacitating programmes, as well as the correction of the allocation of funding with regard to the *Isibindi* model, which was erroneously allocated against *Buildings and other fixed structures*. The decrease in the 2013/14 Revised Estimate relates to the strict application of Section 38(1)(j) of the PFMA. The increase in 2014/15 relates to the allocation of funds relating to the *Isibindi* model, which were suspended in 2013/14, in line with the approved implementation plan, accounting for the reduction in 2015/16. The increase in 2016/17 is attributable to funding allocated for national priorities, such as child and youth care and victim empowerment, the improvement of the quality of services provided by NGOs, as well as their financial sustainability and the provision of shelters for victims of gender-based violence.

Expenditure against *Transfers and subsidies to: Households* relates to staff exit costs which are difficult to predict, as well as disaster relief transfers. The increase in the 2013/14 Adjusted Appropriation relates to the fact that disaster relief transfers, to cater for items such as food parcels, which were previously paid under *Goods and services*, were moved to *Transfers and subsidies to: Households*, in line with a recommendation from the A-G. This also accounts for the increase over the 2014/15 MTEF.

The increase in 2011/12 against *Buildings and other fixed structures* is due to the construction of one-stop development centres and the roll-out of the ECD function in KZN. The increase in 2012/13 relates to the fact that the department continued with infrastructure projects which were not completed in 2011/12 due to delays as a result of the value for money audit. The increase in the 2013/14 Main Appropriation relates to additional funding for renovations and refurbishments of existing infrastructure. The decrease in the 2013/14 Adjusted Appropriation relates to the correction of the allocation of funding with regard to the *Isibindi* model which was erroneously allocated against *Buildings and other fixed structures* instead of *Transfers and subsidies to: Non-profit institutions*. The decrease in the 2013/14 Revised Estimate relates to delays in the submission of claims by DOPW and IDT. The decrease in 2014/15 relates to the fact that additional funding for existing infrastructure renovations and refurbishments ends in 2013/14. The decrease in 2015/16 relates to reprioritisation to cater for other spending pressures, such as the absorption of social work graduates, within the department.

The low spending against *Machinery and equipment* in 2010/11 is due to cost-cutting. The significant increase in 2011/12 relates to the purchase of equipment for newly appointed departmental officials. The substantial increase in 2011/12 and 2012/13 relates to the purchase of motor vehicles, and office equipment, due to the appointment of departmental officials. The increase in the 2013/14 Main Appropriation relates to the anticipated purchase of furniture and office equipment. The decrease in the 2013/14 Revised Estimate relates to the non-purchase of office equipment and furniture due to delays in the completion of infrastructure projects, such as the construction of service offices, etc. The department indicated that issues with the appointed implementing agents have now been resolved. The allocation over the 2014/15 MTEF provides for the anticipated purchase of furniture and office equipment, in line with the filling of posts and absorption of social work graduates.

Spending against *Land and sub-soil assets* relates to the payment for land used for infrastructure assets, such as service offices, etc.

Spending against *Software and other intangible assets* is in respect of computer software packages required by the department. The increase in 2011/12 relates to the purchase of antivirus software and a firewall for the server. The sharp increase in 2012/13 relates to the payment of software licences, such as Microsoft enterprise agreement, Microsoft Office 2010, etc. The increase in the 2013/14 Revised Estimate caters for the increase in licence fees. Provision was made for anticipated software purchases over the 2014/15 MTEF.

The amounts against *Payments for financial assets* relate to the write-off of irrecoverable staff debts.

5.4 Summary of payments and estimates by district municipal area

Table 13.7 shows departmental spending by district municipal area, excluding administrative costs.

Table 13.7 : Summary of payments and estimates by district municipal area

R thousand	Audited Outcome	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16	2016/17
eThekwini	235 414	244 121	258 116	270 422	284 754
Ugu	17 739	15 673	16 711	17 611	18 544
uMgungundlovu	263 777	327 471	354 980	361 707	380 877
Uthukela	27 230	52 274	55 427	58 049	61 126
Umzinyathi	24 967	56 284	58 283	61 062	64 298
Amajuba	23 635	58 745	61 899	64 822	68 258
Zululand	35 639	40 558	42 104	44 256	46 602
Umkhanyakude	38 119	36 336	38 057	40 043	42 165
uThungulu	39 248	39 734	41 384	43 531	45 838
Ilembe	19 638	24 247	26 081	27 407	28 860
Sisonke	19 277	30 706	31 835	33 551	35 329
Total	744 683	926 149	984 877	1022 461	1076 651

Note that variances between district municipal areas are according to the size and the extent of services rendered by the department. It will be noticed that the urban areas (eThekwini and uMgungundlovu) received larger allocations when compared to other district municipal areas, due to the fact that service providers are mostly based in urban rather than in rural areas.

The increase from 2013/14 onward is due to funding received in respect of the Child and Youth Care and Victim Empowerment national priorities, provision of support to the NGO sector for the improvement of the quality of services provided by NGOs and their financial sustainability, as well as an allocation for the provision of shelters for gender-based violence.

All district municipal areas show a steady increase over the 2014/15 MTEF.

5.5 Summary of conditional grant payments and estimates

Tables 13.8 and 13.9 illustrate conditional grant payments and estimates from 2010/11 to 2016/17.

Note that the historical figures in Tables 13.8 and 13.9 below reflect actual expenditure, and should not be compared to those figures reflected in Table 13.1, which represent the actual receipts for the grant.

Table 13.8 : Summary of conditional grants payments and estimates by name

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
EPWP Integrated Grant for Provinces	-	-	-	-	-	-	2 000	-	-
Social Sector EPWP Incentive Grant for Provinces	2 700	3 821	674	14 610	14 610	14 610	3 746	-	-
Total	2 700	3 821	674	14 610	14 610	14 610	5 746	-	-

Table 13.9 : Summary of conditional grants payments and estimates by economic classification

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Current payments	-	-	-	14 610	14 610	14 610	5 746	-	-
Compensation of employees	-	-	-	14 610	14 610	14 610	5 746	-	-
Goods and services	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	2 700	3 821	674	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Universities and technikons	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	2 700	3 821	674	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	2 700	3 821	674	14 610	14 610	14 610	5 746	-	-

In 2014/15, the department is allocated R2 million relating to the EPWP Integrated Grant for Provinces. The allocation will be used for the payment of stipends to CCGs.

The department spent R2.700 million in 2010/11 and R3.821 million in 2011/12 relating to the Social Sector EPWP Incentive Grant for Provinces. The purpose of this grant was to subsidise NPOs that work in HCBC programmes for the Departments of Social Development and Health, to ensure volunteers that did not receive a stipend get a minimum form of remuneration. In 2012/13, the department received R674 000 which were funds relating to 2011/12 but only received after the financial year had closed. In 2013/14, the department is allocated R14.610 million, in respect of the payment of stipends to CCGs, who were previously employed by NPOs. The allocation over the 2014/15 MTEF caters for the payment of stipends to CCGs.

It must be noted that both grants are only allocated in the first year of the 2014/15 MTEF at this stage.

The conditional grants fall under Programme 2: Social Welfare Services, against the sub-programme: HIV and AIDS. The Social Sector EPWP Incentive Grant for Provinces was previously reflected against *Transfers and subsidies to: Non-profit institutions*, and thereafter against *Compensation of employees* from 2013/14 (including the EPWP Integrated Grant for Provinces in 2014/15) as the CCGs were appointed on PERSAL in April 2013, shown in *Annexure – Vote 13: Social Development*.

5.6 Summary of infrastructure payments and estimates

Table 13.10 summarises infrastructure spending by category over the seven-year period, while *Annexure – Vote 13: Social Development* gives details of infrastructure type.

Table 13.10 : Summary of infrastructure payments and estimates by category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
New and replacement assets	54 192	122 616	132 572	141 021	125 115	93 575	93 127	97 100	90 694
Existing infrastructure assets	25 455	22 361	40 974	70 761	70 761	75 855	29 185	30 838	32 707
Upgrades and additions	18 110	10 115	8 861	36 347	36 347	37 327	12 878	13 781	14 746
Rehabilitation, renovations and refurbishments	-	7 178	15 974	-	-	16 873	-	-	-
Maintenance and repairs	7 345	5 068	16 139	34 414	34 414	21 655	16 307	17 057	17 961
Infrastructure transfers	-	35 000	-	-	-	-	-	-	-
Current	-	-	-	-	-	-	-	-	-
Capital	-	35 000	-	-	-	-	-	-	-
Total	79 647	179 977	173 546	211 782	195 876	169 430	122 312	127 938	123 401

The amounts reflected against *New and replacement assets* relate to the provision of office and residential accommodation for staff in rural areas, and construction of one-stop development and secure care centres. The significant growth in 2011/12 was for the construction of one-stop development centres and new office accommodation. The decrease in the 2013/14 Adjusted Appropriation relates to the correction of an error where R40 million relating to the *Isibindi* model was erroneously allocated against this category instead of *Transfers and subsidies to: Non-profit institutions*. The decrease in the 2013/14 Revised Estimate relates to delays in the submission of claims by DOPW and IDT. The allocation over the 2014/15 MTEF caters for the anticipated construction of service offices, state facilities, etc.

Spending was high against *Upgrades and additions* in 2010/11, mainly due to the repair of fire damage to the KwaBadala Old Age Home, as well as upgrade projects at the Richards Bay and Dundee district offices. The decrease in 2012/13 relates to delays in infrastructure projects due to the value for money audit commissioned by the department. The increase in 2013/14 includes a portion of the previously mentioned additional funding for infrastructure assets and maintenance, to cater for upgrades and additions of existing infrastructure assets, such as a children's home and secure care centres (see Table 13.3), decreasing from 2014/15 according to project requirements.

Spending against *Rehabilitation, renovations and refurbishments* increased in 2012/13 due to rehabilitation and renovations of state owned buildings, such as the Illovo Development Centre and Newlands Park Rehabilitation Centre. The increase in the 2013/14 Revised Estimate relates to repairs and maintenance projects which DOPW classified as renovations and refurbishments.

Spending against *Maintenance and repairs* in 2010/11 includes claims from 2009/10 due to delays in the processing of claims in 2009/10, explaining the decrease in 2011/12. The increase in 2012/13 relates to repairs and maintenance projects undertaken as the department was allocated additional funds for this. The increase in the 2013/14 Main Appropriation relates to additional funding allocated to the department for maintenance and repair of existing infrastructure assets. The decrease in the 2013/14 Revised Estimate relates to the fact that some of the repairs and maintenance projects were classified as rehabilitation and refurbishment projects by DOPW. The decrease in 2014/15 relates to the end of additional funding for maintenance and repair of existing infrastructure assets in 2013/14, in line with project requirements.

The amount of R35 million in 2011/12 against *Infrastructure transfers: Capital* relates to a transfer to Umkhanyakude District Municipality for the expansion of ECD facilities in the district.

5.7 Public Private Partnerships (PPPs)

The department registered a PPP for the establishment of secure care centres to accommodate awaiting trial and sentenced children. The PPP project team was revived and a project plan was developed for the project. A site was identified and a preliminary site visit conducted in Vryheid. Three potential sites have been identified in Harding and one in Pietermaritzburg, which will be subjected to a preliminary site visit. There has been no expenditure incurred on PPP specific activities.

5.8 Transfers to public entities listed in terms of Schedule 3 of the PFMA – Nil

5.9 Transfers to other entities

Table 13.11 reflects transfers to entities such as NGOs, Faith-based Organisations (FBOs) and NPOs, as reflected against *Transfers and subsidies to: Non-profit institutions* and *Transfers and subsidies to: Public corporations and private enterprises* in Table 13.6. The department intends increasing tariffs to NPOs by 6 per cent in 2014/15, with inflationary adjustments over the MTEF.

The department transfers funds to almost 2 000 entities in KZN, a list of all these entities will be made available on request. In previous years, the department listed the main entities receiving transfers from the department, while the rest were combined and categorised as *Other*. In an attempt to provide relevant information regarding transfers to these entities, the table was redesigned to indicate transfers per category and sub-programme within Programmes 2 to 5.

Table 13.11 : Summary of departmental transfers to other entities

R thousand	Sub-programme	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
		2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Services to Older Persons		81 971	100 009	94 493	95 373	95 373	93 355	96 586	99 464	104 736
Homes for the Aged	Prog. 2: Services to Older Persons	45 766	61 377	52 422	52 341	52 341	50 323	52 527	54 866	57 774
Service Centres & Lunch Clubs	Prog. 2: Services to Older Persons	28 009	30 010	32 378	33 118	33 118	33 118	33 908	34 323	36 142
Welfare Organisations	Prog. 2: Services to Older Persons	8 196	8 622	9 693	9 914	9 914	9 914	10 151	10 275	10 820
Services to Persons with Disabilities		46 337	59 404	60 085	63 507	63 507	61 590	64 315	66 231	69 742
Homes for the Disabled	Prog. 2: Services to Persons with Disab.	26 907	35 407	27 262	34 847	34 847	32 001	34 971	36 528	38 524
Protective Workshops	Prog. 2: Services to Persons with Disab.	6 004	6 512	10 008	10 169	10 169	11 098	10 412	10 539	11 098
Welfare Organisations	Prog. 2: Services to Persons with Disab.	13 426	17 485	22 815	18 491	18 491	18 491	18 932	19 164	20 120
HIV and AIDS		65 611	67 241	45 111	36 690	45 690	45 690	39 766	40 952	43 122
Home Community-Based Care	Prog. 2: HIV and AIDS	65 611	67 241	45 111	36 690	45 690	45 690	39 766	40 952	43 122
Care and Services to Families		2 991	4 454	4 329	5 199	5 199	4 344	5 266	5 423	5 750
Welfare Organisations	Prog. 3: Care and Services to Families	2 991	4 454	4 329	5 199	5 199	4 344	5 266	5 423	5 750
Child Care and Protection		55 352	81 074	67 152	79 302	79 302	81 015	81 194	82 188	86 544
Private Places of Safety	Prog. 3: Child Care and Protection	1 250	1 850	1 162	1 430	1 430	3 143	1 464	1 482	1 561
Welfare Organisations	Prog. 3: Child Care and Protection	54 102	79 224	65 990	77 872	77 872	77 872	79 730	80 706	84 983
ECD and Partial Care		118 435	246 851	166 249	211 333	206 333	206 333	219 108	220 943	232 653
ECD Centres	Prog. 3: ECD and Partial Care	118 435	246 851	166 249	211 333	206 333	206 333	219 108	220 943	232 653
Child and Youth Care		60 681	73 233	81 116	70 553	70 553	70 553	72 236	73 121	76 997
Children's Homes	Prog. 3: Child and Youth Care	55 157	67 021	73 118	63 091	63 091	63 091	64 596	65 387	68 853
Shelters for Children	Prog. 3: Child and Youth Care	5 524	6 212	7 998	7 462	7 462	7 462	7 640	7 734	8 144
Community-Based Care for Children		-	-	-	-	-	-	102 079	74 348	90 402
Drop-in Centres	Prog. 3: Comm-Based Care for Children	-	-	-	-	-	-	102 079	74 348	90 402
Crime Prevention and Support		19 937	19 825	18 599	21 170	21 170	21 170	21 439	22 077	23 247
Welfare Organisations	Prog. 4: Crime Prevention and Support	19 937	19 825	18 599	21 170	21 170	21 170	21 439	22 077	23 247
Victim Empowerment		2 580	4 164	5 364	14 537	11 323	11 323	25 959	26 382	27 182
Shelters for Women	Prog. 4: Victim Empowerment	2 580	4 164	5 364	14 537	11 323	11 323	25 959	26 382	27 182
Substance Abuse Prev. & Rehab.		9 072	12 181	12 305	19 554	19 554	19 545	19 804	20 393	21 474
Out-patients Clinics	Prog. 4: Substance Abuse Prev. & Rehab.	491	505	1 024	561	561	561	575	582	613
Treatment Centres	Prog. 4: Substance Abuse Prev. & Rehab.	1 337	1 950	1 567	3 265	3 265	3 256	3 343	3 384	3 563
Welfare Organisations	Prog. 4: Substance Abuse Prev. & Rehab.	7 244	9 726	9 714	15 728	15 728	15 728	15 886	16 427	17 298
Institutional Capacity Building for NPOs		-	-	-	-	14 500	14 500	13 500	18 765	19 760
NPO Support Programmes	Prog. 5: Inst. Cap. Building for NPOs	-	-	-	-	14 500	14 500	13 500	18 765	19 760
Poverty Allev. & Sust. Livelihood		8 385	12 574	21 340	17 412	17 412	17 412	11 037	10 073	12 352
Community Dev. Projects	Prog. 5: Poverty Allev. & Sust. Livelihood	8 385	12 574	21 340	17 412	17 412	17 412	11 037	10 073	12 352
Youth Development		1 253	10 979	11 135	37 933	37 933	37 933	39 622	40 221	42 353
Youth Development Projects	Prog. 5: Youth Development	1 253	10 979	11 135	37 933	37 933	37 933	39 622	40 221	42 353
Women Development		-	-	-	-	-	-	4 600	4 700	4 900
Women Development Projects	Prog. 5: Women Development	-	-	-	-	-	-	4 600	4 700	4 900
Total		472 605	691 989	587 278	672 563	687 849	684 763	816 511	805 281	861 214

The increase in 2011/12 was mainly due to allocations for national priorities such as ECD and HCBC. The decrease in 2012/13 is due to strict application of the Section 38(1)(j) of the PFMA, which largely affected ECD and partial care.

The decrease in the 2013/14 Adjusted Appropriation relates to the suspension of funds relating to the *Isibindi* model from 2013/14, as the department intends to utilise these funds in 2014/15, in line with the approved implementation plan.

It must be noted that the payment of disaster relief transfers, e.g. food parcels, which were previously paid under *Goods and services* are reflected against Social Relief from 2013/14 onward, in line with a recommendation by the A-G.

New transfers relating to community-based care for children drop-in centres and women development were introduced from 2014/15 onward. The growth over the 2014/15 MTEF is attributable to additional national priority funding relating to the improvement of the quality of services provided by NGOs and their financial sustainability, youth development, as well as provision of shelters for victims of gender-based violence.

5.10 Transfers to local government

The department makes no transfer payments to local government. However, in 2011/12 a once-off transfer of R35 million (Programme 3: Management and Support sub-programme) was made by the department to the Umkhanyakude District Municipality for the Ndumo Learner Support Centre (including ECD infrastructure development in the district). Although the payment of motor vehicle licences falls under

Transfers and subsidies to: Provinces and municipalities, these funds will not be transferred to any municipality, and therefore the table reflecting transfers to local government is excluded.

5.11 Transfers and subsidies

Table 13.12 below is a summary of spending on *Transfers and subsidies* by programme and main category. The table reflects a fluctuating trend from 2010/11 to 2016/17 for the category as a whole.

Table 13.12 : Summary of transfers and subsidies by programme and main category

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
1. Administration	2 481	3 654	2 149	4 686	4 686	6 144	6 509	6 808	7 585
Provinces and municipalities	800	678	516	1 583	1 583	666	1 670	1 747	1 840
Motor vehicle licences	800	678	516	1 583	1 583	666	1 670	1 747	1 840
Departmental agencies and accounts	637	1 025	810	1 113	1 113	3 255	1 157	1 210	1 684
HWSETA	637	1 025	810	1 113	1 113	3 255	1 157	1 210	1 684
Households	1 044	1 951	823	1 990	1 990	2 223	3 682	3 851	4 061
Social benefits	1 044	1 951	823	1 990	1 990	2 223	3 682	3 851	4 061
2. Social Welfare Services	194 978	227 976	201 171	195 928	217 300	210 106	215 615	222 230	234 587
Non-profit institutions	193 919	226 654	199 689	195 570	204 570	200 635	200 667	206 647	217 600
Care and Services to Older Persons	81 971	100 009	94 493	95 373	95 373	93 355	96 586	99 464	104 736
Services to Persons with Disabilities	46 337	59 404	60 085	63 507	63 507	61 590	64 315	66 231	69 742
HIV and AIDS	65 611	67 241	45 111	36 690	45 690	45 690	39 766	40 952	43 122
Households	1 059	1 322	1 482	358	12 730	9 471	14 948	15 583	16 987
Social benefits	1 059	1 322	1 482	358	358	533	1 895	1 930	2 610
Social relief	-	-	-	-	12 372	8 938	13 053	13 653	14 377
3. Children and Families	238 157	440 964	319 021	367 817	362 817	362 740	480 371	456 576	492 944
Provinces and municipalities	-	35 000	-	-	-	-	-	-	-
ECD infrastructure development	-	35 000	-	-	-	-	-	-	-
Non-profit institutions	237 459	405 612	318 846	366 387	361 387	362 245	479 883	456 023	492 346
Care and Services to Families	2 991	4 454	4 329	5 199	5 199	4 344	5 266	5 423	5 750
Child Care and Protection	55 352	81 074	67 152	79 302	79 302	81 015	81 194	82 188	86 544
ECD and Partial Care	118 435	246 851	166 249	211 333	206 333	206 333	219 108	220 943	232 653
Child and Youth Care	60 681	73 233	81 116	70 553	70 553	70 553	72 236	73 121	76 997
Community-Based Care Services for Children	-	-	-	-	-	-	102 079	74 348	90 402
Households	698	352	175	1 430	1 430	495	488	553	598
Social benefits	698	352	175	1 430	1 430	495	488	553	598
4. Restorative Services	31 673	36 179	36 376	55 857	52 643	52 947	67 322	68 987	72 050
Non-profit institutions	31 589	36 170	36 268	55 261	52 047	52 038	67 202	68 852	71 903
Crime Prevention and Support	19 937	19 825	18 599	21 170	21 170	21 170	21 439	22 077	23 247
Victim Empowerment	2 580	4 164	5 364	14 537	11 323	11 323	25 959	26 382	27 182
Substance Abuse, Prevention and Rehabilitation	9 072	12 181	12 305	19 554	19 554	19 545	19 804	20 393	21 474
Households	84	9	108	596	596	909	120	135	147
Social benefits	84	9	108	596	596	909	120	135	147
5. Development and Research	9 638	23 553	32 650	55 860	70 360	70 155	69 302	74 327	79 963
Non-profit institutions	9 638	23 553	32 475	55 345	69 845	69 845	68 759	73 759	79 365
Institutional Capacity Building for NPOs	-	-	-	-	14 500	14 500	13 500	18 765	19 760
Poverty Alleviation and Sustainable Livelihoods	8 385	12 574	21 340	17 412	17 412	17 412	11 037	10 073	12 352
Youth Development	1 253	10 979	11 135	37 933	37 933	37 933	39 622	40 221	42 353
Women Development	-	-	-	-	-	-	4 600	4 700	4 900
Households	-	-	175	515	515	310	543	568	598
Social benefits	-	-	175	515	515	310	543	568	598
Total	476 927	732 326	591 367	680 148	707 806	702 092	839 119	828 928	887 129

The details of the various *Transfers and subsidies* include:

- *Provinces and municipalities* in Programme 1 reflects the payment of motor vehicle licences. This function is centralised under Programme 1.
- *Departmental agencies and accounts* relates to transfers to the HWSETA. The peak in 2011/12 relates to the erroneous inclusion of bursary payments under this category. It must be noted that these transfers are centralised under Programme 1.
- *Households* (all programmes) fluctuates due to staff exit costs, which are difficult to predict.
- The growth from 2013/14 against *Non-profit institutions* in Programme 2 is due to disaster relief transfers, which were previously paid under *Goods and service*. This change is in line with a recommendation by the A-G.

- Under Programme 3, the amount of R35 million reflected against *Provinces and municipalities* in 2011/12 relates to a once-off transfer made by the department to Umkhanyakude District Municipality for the Ndumo Learner Support Centre (including ECD infrastructure development in the district).
- The increase in 2011/12 against *Non-profit institutions* in Programme 3 is due to additional national priority funding relating to ECD infrastructure development. The decrease in the 2013/14 Adjusted Appropriation relates to the correction of the incorrect allocation of the *Isibindi* model against the Child Care and Protection Services sub-programme instead of the HIV and AIDS sub-programme. The increases over the 2014/15 MTEF largely relate to additional national priority funding for ECD infrastructure development and the introduction of transfers relating to community-based care services for children.
- Under Programme 4, the growth from 2013/14 against *Non-profit institutions* is due to additional national priority funding relating to victim empowerment. The decrease in the 2013/14 Adjusted Appropriation relates to delays in the signing of SLAs between the department and NPOs due to Section 38(1)(j) of the PFMA requirements. The increases over the 2014/15 MTEF relate to additional national priority funding for the provision of shelters to victims of gender-based violence.
- The growth from 2013/14 onward against *Non-profit institutions* in Programme 5 relates to additional national priority funding allocated to the department for the improvement of the quality of services provided by NGOs, and their financial sustainability, as well youth development.

6. Programme description

The services rendered by this department are categorised under five programmes, details of which are presented in *Annexure – Vote 13: Social Development*. The department complies fully with the uniform budget and programme structure for the Social Development sector.

6.1 Programme 1: Administration

Programme 1: Administration consists of three sub-programmes, namely Office of the MEC, Corporate Management Services and District Management. The sub-programmes mainly provide overall strategic management and support services to the department, political and legislative interface between government, civil society and all relevant stakeholders, address policy interpretation and the strategic direction of the department and provide support with regard to corporate management, human resource management, logistics, communication, finance, and legal services, etc.

Tables 13.13 and 13.14 below summarise payments and budgeted estimates relating to Programme 1.

There is a steady increase in the programme as a whole, from R323.866 million in 2010/11 to R484.558 million in 2016/17. All three sub-programmes reflect steady growth over the seven-year period. The significant increases in District Management from 2011/12 onward relate largely to the filling of vacant posts. The increases in the 2013/14 Adjusted Appropriation relate to pressures from the unbudgeted re-grading of posts, in line with the DPSA requirements. The increases over the 2014/15 MTEF are mainly attributable to general wage adjustments.

Table 13.13 : Summary of payments and estimates by sub-programme: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
1. Office of the MEC	12 904	15 140	13 671	15 240	16 240	13 898	16 078	16 818	17 703
2. Corporate Management Services	140 467	153 778	165 035	182 375	182 543	189 384	190 296	199 146	212 324
3. District Management	170 495	201 779	211 052	219 038	236 038	239 032	238 149	255 355	254 531
Total	323 866	370 697	389 758	416 653	434 821	442 314	444 523	471 319	484 558

Table 13.14 : Summary of payments and estimates by economic classification: Administration

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Current payments	313 293	342 724	354 070	389 381	407 549	426 332	413 837	439 168	450 285
Compensation of employees	174 767	191 045	211 778	255 706	276 206	270 038	276 345	298 327	299 768
Goods and services	138 526	151 666	142 235	133 675	131 311	156 142	137 492	140 841	150 517
Interest and rent on land	-	13	57	-	32	152	-	-	-
Transfers and subsidies to:	2 481	3 654	2 149	4 686	4 686	6 144	6 509	6 808	7 585
Provinces and municipalities	800	678	516	1 583	1 583	666	1 670	1 747	1 840
Departmental agencies and accounts	637	1 025	810	1 113	1 113	3 255	1 157	1 210	1 684
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	1 044	1 951	823	1 990	1 990	2 223	3 682	3 851	4 061
Payments for capital assets	8 092	23 442	30 096	22 586	22 586	9 838	24 177	25 343	26 688
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	8 021	22 958	24 849	21 474	21 403	8 655	23 002	24 115	25 394
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	71	71	-	-	-
Software and other intangible assets	71	484	5 247	1 112	1 112	1 112	1 175	1 228	1 294
Payments for financial assets	-	877	3 443	-	-	-	-	-	-
Total	323 866	370 697	389 758	416 653	434 821	442 314	444 523	471 319	484 558

The increase in 2012/13 against *Compensation of employees* relates to the filling of critical vacant funded posts, taking into account the moratorium on the filling of non-critical posts. The increase in the 2013/14 Main Appropriation relates to the filling of vacant posts. The increase in the 2013/14 Adjusted Appropriation relates to savings moved to this programme to cater for spending pressure against this category in the sub-programmes: Corporate Management Services and District Management due to the unbudgeted re-grading of level 4 to 5, 9 to 10 and 11 to 12 posts in line with DPSA requirements, as well as the filling of senior management posts. The low 2013/14 Revised Estimate relates to the non-filling of posts used to offset other spending pressures. The increases over the 2014/15 MTEF relate to the filling of vacant posts, and carry-through costs of previous wage agreements.

The 2011/12 increase in *Goods and services* relates to pressures from audit fees, legal fees, forensic investigations and operating expenditure such as security services, municipal services and travel and subsistence, etc. The decrease in the 2013/14 Main Appropriation is mainly due to reprioritisation within the department to cater for other spending pressures, such as *Compensation of employees*. The decrease in the 2013/14 Adjusted Appropriation relates to the centralisation of parts of the communications budget under OTP. The increase in the 2013/14 Revised Estimate is due to fleet management being centralised under this programme and journalised to respective programmes at year-end.

Interest and rent on land relates to interest paid on over-due accounts.

Transfers and subsidies to: Provinces and municipalities caters for payments of motor vehicle licences which are paid as and when invoices are received from the DOT, accounting for the fluctuating trend.

Transfers and subsidies to: Departmental agencies and accounts caters for payments to HWSETA, which are made as and when invoices are received. The peak in the 2013/14 Revised Estimate takes into account payments relating to previous years, as invoices were not received timeously.

Transfers and subsidies to: Households relates to staff exit costs, which are difficult to predict.

Expenditure on *Machinery and equipment* is in respect of computer equipment, office furniture and motor vehicles, of which the latter is the largest contributor to this category. The low spending in 2010/11 relates to cost-cutting, as well as tight controls over the purchasing of vehicles, computer equipment and office furniture. The decrease in the 2013/14 Revised Estimate relates to motor vehicles ordered but not yet received. The increases over the 2014/15 MTEF relate to the anticipated purchase of furniture, office equipment and motor vehicles, in line with the anticipated filling of posts.

The increase in 2011/12 against *Software and other intangible assets* relates to the purchase of anti-virus software and a firewall for the server. The sharp increase in 2012/13 relates to the payment of software licences, such as Microsoft enterprise agreement, Microsoft Office 2010, etc. The increase in the 2013/14 Revised Estimate caters for the anticipated increase in licence fees. The growth from 2014/15 to 2016/17 provides for anticipated purchases of software, such as Microsoft licences, over the MTEF.

Land and sub-soil assets caters for payments for land use for infrastructure assets, such as service offices.

Payments for financial assets relates to the write-off of irrecoverable staff debts.

6.2 Programme 2: Social Welfare Services

Programme 2 caters for the provision of developmental social welfare services. These services are either provided directly by the department or by subsidised welfare organisations. The programme consists of five sub-programmes, namely, Management and Support, Services to Older Persons, Services to Persons with Disabilities, HIV and AIDS and Social Relief. The activities of the programme include the following:

- Design and implement integrated services for the care, support and protection of older persons.
- Design and implement integrated community based care programmes and services aimed at mitigating the social and economic impact of HIV and AIDS.
- Respond to emergency needs identified in communities affected by disasters not declared, and or any other social condition resulting in undue hardship.

Tables 13.15 and 13.16 below reflect a summary of payments and estimates for this programme.

Table 13.15 : Summary of payments and estimates by sub-programme: Social Welfare Services

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
1. Management and Support	129 806	161 129	235 833	177 098	156 598	239 904	188 080	214 718	214 257
2. Services to Older Persons	89 843	105 191	107 694	108 020	108 020	103 341	111 277	114 831	120 175
3. Services to Persons with Disabilities	62 100	75 590	79 423	78 681	78 681	78 045	81 223	83 916	87 870
4. HIV and AIDS	66 228	70 185	91 223	120 327	129 327	90 978	116 293	114 989	120 778
5. Social Relief	10 381	12 687	15 548	12 372	12 372	8 938	13 053	13 653	14 377
Total	358 358	424 782	529 721	496 498	484 998	521 206	509 926	542 107	557 457

Table 13.16 : Summary of payments and estimates by economic classification: Social Welfare Services

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Current payments	119 005	156 766	242 509	265 450	232 578	251 027	253 525	272 166	272 629
Compensation of employees	69 013	86 604	153 708	159 102	176 855	171 441	175 836	185 006	184 815
Goods and services	49 992	70 162	88 801	106 348	55 723	79 586	77 689	87 160	87 814
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	194 978	227 976	201 171	195 928	217 300	210 106	215 615	222 230	234 587
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	193 919	226 654	199 689	195 570	204 570	200 635	200 667	206 647	217 600
Households	1 059	1 322	1 482	358	12 730	9 471	14 948	15 583	16 987
Payments for capital assets	35 410	40 040	86 041	35 120	35 120	60 073	40 786	47 711	50 241
Buildings and other fixed structures	34 336	38 985	85 203	30 518	30 518	55 123	33 805	35 360	37 448
Machinery and equipment	1 074	1 055	838	4 602	4 602	4 950	6 981	12 351	12 793
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	8 965	-	-	-	-	-	-	-	-
Total	358 358	424 782	529 721	496 498	484 998	521 206	509 926	542 107	557 457

Contributing to the overall increases (and across sub-programmes) is the additional allocation for the following national priorities:

- Expansion of HCBC (allocated to the HIV and AIDS sub-programme) with additional funding from 2010/11, growing steadily from 2012/13 onward.
- Additional national priority funding from 2013/14 (see Table 13.3), which was allocated to transfers to NGOs (under the HIV and AIDS sub-programme).
- Additional funding for the absorption of social work graduates over the 2013/14 MTEF, which was allocated against *Compensation of employees*.
- Additional funding relating to two conditional grants as mentioned previously, namely EPWP Integrated Grant for Provinces (allocated in 2014/15 only at this stage) and the Social Sector EPWP Incentive Grant for Provinces (allocated from 2010/11 to 2014/15 at this stage), to cater for the appointment of CCGs.

The increases against the Management and Support sub-programme from 2011/12 onward largely relate to general wage adjustments and the absorption of social work graduates. The high 2013/14 Revised Estimate relates to the filling of posts. However, it was noted that posts were not filled as anticipated in 2013/14 due to long recruitment processes and this projected spending therefore appears to be too high. The department intends to fill these vacant posts from 2014/15 onward.

The Social Relief sub-programme makes provision in the event of a natural disaster occurring in the province, accounting for the fluctuations. It must be noted that social relief spending was previously reflected against *Goods and services* and thereafter against *Transfers and subsidies to: Households* from 2013/14, in line with the A-G's recommendation, as shown in *Annexure – Vote 13: Social Development*.

The sharp increase against *Compensation of employees* from 2012/13 to the 2013/14 Adjusted Appropriation, as well as increases over the 2014/15 MTEF relate to the absorption of social work graduates. It must be noted, though, that the additional funding allocated for this over the 2014/15 MTEF does not fully cater for the full impact of the absorption of social work graduates. To this end, the department had to fund the shortfall through internal reprioritisation from *Goods and services* against items such as contractors, computer services, etc. Also contributing to the increases over the 2014/15 MTEF are the conditional grants allocated to the department to cater for the payment of stipends to CCGs.

The increase against *Goods and services* in the 2013/14 Main Appropriation relates to additional funding for repairs and maintenance of state facilities. The decrease in the 2013/14 Adjusted Appropriation and Revised Estimate relates to reprioritisation within the department provide for pressures against *Compensation of employees*.

With regard to *Transfers and subsidies to: Non-profit institutions*, the increase in 2011/12 related to once-off transfers to NPOs for the improvement of the quality of services in line with norms and standards. The decrease in 2012/13 relates to the appointment of CCGs on PERSAL from 1 April 2012, who were previously paid under *Transfers and subsidies to: Non-profit institutions*. Also, spending was low as a result of funding entities once all the requirements of Section 38(1)(j) of the PFMA were met and the department has provided financial management training to NPOs. The increase in the 2013/14 Adjusted Appropriation relates to the correction of the allocation of funding with regard to the *Isibindi* model which was erroneously allocated to the Child Care and Protection sub-programme under Programme 3 instead of the HIV and AIDS sub-programme against *Transfers and subsidies to: Non-profit institutions*. It must be noted that R31 million relating to the *Isibindi* model was suspended from 2013/14, as the department intends to utilise these funds in 2014/15, in line with the approved implementation plan. Also, in the 2013/14 Adjustments Estimate, R12.372 million, being disaster relief transfers, was moved from *Goods and services* to *Transfers and subsidies to: Non-profit institutions*, in line with A-G's recommendation.

Transfers and subsidies to: Households relates to staff exit costs, which are difficult to predict, as well as disaster relief transfers. The sharp increase in the 2013/14 Adjusted Appropriation relates to the movement of disaster relief transfers from *Goods and services*, in line with the A-G's recommendation.

The increase against *Buildings and other fixed structures* in 2012/13 was due to the fact that the department continued with infrastructure projects, such as the construction of Manguzi, KwaShukela, Nkunzana and Godlwayo service offices, which commenced in 2011/12. The increase in 2012/13 relates to additional funding for renovations and refurbishment of existing infrastructure. The increase in the 2013/14 Revised Estimate relates to pressures as a result of the rescheduling of project end-dates by IDT due to delays caused by the value for money audit. The decrease in 2014/15 relates to the fact that the additional funding for renovations and refurbishment of existing infrastructure ends in 2013/14. The steady increase over the 2014/15 MTEF relates to the anticipated construction of state facilities and service offices.

The decrease against *Machinery and equipment* in 2012/13 relates to the non-purchase of furniture and office equipment as the construction of office accommodation was not completed due to delays in infrastructure projects as a result of the value for money audit. The increases from 2013/14 onward relate to the purchase of furniture, office equipment and motor vehicles, in line with the anticipated filling of posts, absorption of social workers and completion of infrastructure projects.

The amount against *Payments for financial assets* relates to the write-off of irrecoverable staff debts.

Service delivery measures – Programme 2: Social Welfare Services

Table 13.17 below lists the main service delivery measures pertinent to this programme. The department's measures are aligned to those of the Social Development sector. A number of measures were introduced by the sector in 2013/14 and are indicated as "new" in the 2013/14 Estimated performance.

Table 13.17 : Service delivery measures – Programme 2: Social Welfare Services

Outputs	Performance indicators	Estimated performance	Medium-term targets		
		2013/14	2014/15	2015/16	2016/17
1. Services to older persons					
	• No. of older persons accessing funded residential facilities	2 473	3 123	3 279	3 443
	• No. of older persons accessing community based care and support services	17 125	19 462	20 435	21 357
2. Services to persons with disabilities					
	• No. of persons with disabilities in funded residential facilities	583	1 000	1 050	1 103
	• No. of persons with disabilities accessing services in funded protective workshops	1 240	2 732	2 869	3 012
3. HIV and AIDS					
	• No. of organisations trained on social and behaviour change programmes	new	298	313	329
	• No. of people reached through social and behaviour change programmes	new	18 691	19 626	20 607
	• No. of community conversations on HIV and AIDS response conducted	new	497	522	548
4. Social relief					
	• No. of beneficiaries who benefited from social relief of distress programmes	7 766	35 630	37 412	39 283

6.3 Programme 3: Children and Families

The purpose of this programme is to provide comprehensive child and family care and support services to communities in partnerships with stakeholders and civil society organisations. The programme has six sub-programmes, namely, Management and Support, Care and Services to Families, Child Care and Protection, ECD and Partial Care, Child and Youth Care and Community-Based Care Services for Children. The activities of the programme include the following:

- Provide programmes and services that promote functional families and prevent their vulnerability.
- Design and implement integrated programmes and services that provide for the development, care and protection of the rights of children.
- Provide comprehensive early childhood development services.
- Provide alternative care and support to vulnerable children.

- Provide protection, care and support to vulnerable children in communities.

Tables 13.18 and 13.19 reflect a summary of payments and estimates by programme and economic classification for the period 2010/11 to 2016/17.

Table 13.18 : Summary of payments and estimates by sub-programme: Children and Families

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
1. Management and Support	178 452	334 307	324 301	310 269	339 363	372 300	368 846	402 280	401 526
2. Care and Services to Families	2 991	4 893	6 148	5 456	5 456	4 392	5 611	5 784	6 090
3. Child Care and Protection	128 786	155 518	143 247	341 084	301 084	200 355	217 263	227 763	293 898
4. ECD and Partial Care	118 435	246 851	166 249	211 333	206 333	206 333	219 108	220 943	232 653
5. Child and Youth Care	60 681	73 233	81 116	70 553	70 553	70 553	72 236	73 121	76 997
6. Community-Based Care Services for Children	-	-	-	-	-	-	102 079	74 348	90 402
Total	489 345	814 802	721 061	938 695	922 789	853 933	985 143	1 004 239	1 101 566

Table 13.19 : Summary of payments and estimates by economic classification: Children and Families

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Current payments	249 942	321 790	364 823	467 897	472 897	440 277	492 478	539 328	595 133
Compensation of employees	209 306	262 603	306 692	389 636	394 636	378 020	390 569	435 253	486 422
Goods and services	40 636	59 187	58 131	78 261	78 261	62 257	101 909	104 075	108 711
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	238 157	440 964	319 021	367 817	362 817	362 740	480 371	456 576	492 944
Provinces and municipalities	-	35 000	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	237 459	405 612	318 846	366 387	361 387	362 245	479 883	456 023	492 346
Households	698	352	175	1 430	1 430	495	488	553	598
Payments for capital assets	1 246	52 048	37 217	102 981	87 075	50 916	12 294	8 335	13 489
Buildings and other fixed structures	-	50 461	36 102	88 839	72 933	47 051	-	-	-
Machinery and equipment	1 246	1 587	1 115	14 142	14 142	3 865	12 294	8 335	13 489
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	489 345	814 802	721 061	938 695	922 789	853 933	985 143	1 004 239	1 101 566

In general, this programme shows an increasing trend over the seven-year period. Growth against the Management and Support sub-programme from 2011/12 onward relates mainly to the filling of vacant posts and absorption of social work graduates. The significant growth over the period across various sub-programmes relates to additional national priority funding allocated to the department as follows:

- Expansion of ECD (allocated to the ECD and Partial Care sub-programme) which received funding in 2010/11, as well as further funding over the 2013/14 MTEF.
- Additional funding for the Child Care and Protection national priority over the 2013/14 MTEF (see Table 13.3), which was allocated for transfers to NGOs (under the Child Care and Protection sub-programme).
- Additional national priority funding for the absorption of social work graduates over the 2013/14 MTEF (see Table 13.3), which was allocated against *Compensation of employees* (under the Management and Support sub-programme).

A new sub-programme was introduced in 2014/15, namely Community-Based Care and Services for Children, in line with the new budget structure. These functions were previously performed under the HIV and AIDS, and Child Care and Protection Services sub-programmes. However, the department was unable to provide comparative information as financial records were not captured at this level.

The increase against *Compensation of employees* in the 2013/14 Adjusted Appropriation relates to spending pressures facing the department due to the absorption of social workers, as well as the general wage adjustments. The increases over the 2014/15 MTEF relate to the absorption of social work graduates.

The low spending against *Goods and services* in 2010/11 relates to cost-cutting. The decrease in the 2013/14 Revised Estimate relates to reprioritisation to cater for pressures against *Compensation of employees*. The increase in 2014/15 relates to the introduction of the Community-Based Care Services for Children sub-programme. The increases over the 2014/15 MTEF cater for inflation.

The amount against *Transfers and subsidies to: Provinces and municipalities* in 2011/12 relates to a once-off transfer to the Umkhanyakude District Municipality for the Ndumo Learner Support Centre (including ECD infrastructure development in the district).

The sharp increase against *Transfers and subsidies to: Non-profit institutions* in 2011/12 relates to once-off transfers to NPOs to improve the quality of services in line with norms and standards, accounting for the decrease in 2012/13. The decrease in the 2013/14 Adjusted Appropriation relates to under-spending due to delays in finalisation of SLAs with NPOs. This also accounts for the increase in 2014/15.

Transfers and subsidies to: Households relates to staff exit costs, which are difficult to predict.

There was no spending in 2010/11 against *Buildings and other fixed structures* as the expenditure was centralised under Programme 2. The decrease in 2012/13 relates to delays in infrastructure projects as a result of the value for money audit commissioned by the department. The increase in the 2013/14 Main Appropriation relates to additional funding for the renovations and rehabilitation of state facilities. The decrease in the 2013/14 Adjusted Appropriation is due to the correction of the allocation of the *Isibindi* model funds which were erroneously allocated against this category instead of *Transfers and subsidies to: Non-profit institutions*. The decrease in the 2013/14 Revised Estimates relates to delays in the submission of invoices by DOPW and IDT. No provision is made for infrastructure development over the 2014/15 MTEF to cater for other spending pressures, such as absorption of social workers, within the department.

The sharp increase against *Machinery and equipment* in the 2013/14 Main Appropriation is due to the anticipated completion of infrastructure projects. The significant decrease in the 2013/14 Revised Estimate relates to non-purchase of office equipment and furniture due to delays in infrastructure projects. The 2014/15 MTEF allocation provides for the purchase of furniture, office equipment and motor vehicles.

Service delivery measures – Programme 3: Children and Families

Table 13.20 below illustrates service delivery measures for Programme 3. As with Programme 2, the measures are aligned with those of the Social Development sector. A number of measures have been introduced in 2014/15 and are indicated as “new” in the 2013/14 Estimated performance.

Table 13.20 : Service delivery measures – Programme 3: Children and Families

Outputs	Performance indicator	Estimated performance	Medium-term targets		
		2013/14	2014/15	2015/16	2016/17
1. Care and services to families					
	• No. of families participating in family preservation programmes	3 270	11 661	12 244	12 856
	• No. of family members reunited with their families	1 949	1 100	1 155	1 213
	• No. of families participating in the parenting programme	2 929	7 079	7 433	7 805
2. Child care and protection					
	• No. of orphans and vulnerable children receiving psycho-social support	18 641	34 353	36 071	37 875
	• No. of children placed in foster care	4 231	19 124	20 080	21 084
3. ECD and partial care					
	• No. of children between 0-5 years accessing registered ECD programmes	79 449	99 520	104 496	109 720
	• No. of children accessing registered partial care sites (excl. ECD)	new	620	651	684
	• No. of registered ECD sites	1 673	2 319	2 435	2 557
	• No. of registered partial care sites (excl. ECD)	new	14	15	16

Table 13.20 : Service delivery measures – Programme 3: Children and Families

Outputs	Performance indicator	Estimated performance	Medium-term targets		
		2013/14	2014/15	2015/16	2016/17
4. Child and youth care					
	• No. of children in need of care and protection placed in funded CYCCs	3 833	4 019	4 220	4 431
5. Community-based care services for children					
	• No. of children accessing drop-in centres	new	9 887	10 381	10 900
	• No. of children accessing services through the <i>Isibindi</i> model	new	1 396	1 466	1 539
	• No. of CYCW trainees who received training through the <i>Isibindi</i> model	251	20 819	21 860	22 953

6.4 Programme 4: Restorative Services

The purpose of this programme is to provide integrated developmental social crime prevention and anti-substance abuse services to the most vulnerable in partnership with stakeholders and civil society organisations.

The programme consists of the following sub-programmes, namely Management and Support, Crime Prevention and Support, Victim Empowerment and Substance Abuse, Prevention and Rehabilitation.

The activities of the programme include the following:

- Develop and implement social crime prevention programmes and provide probation services targeting children, youth and adult offenders and victims within the criminal justice process.
- Design and implement integrated programmes and services to support, care and empower victims of violence and crime, in particular women and children.
- Design and implement integrated services for substance abuse, prevention, treatment and rehabilitation.

Tables 13.21 and 13.22 reflect a summary of payments and estimates by programme and economic classification for the period 2010/11 to 2016/17.

The increases in the Management and Support sub-programme from 2011/12 onward relate to the filling of posts and absorption of social work graduates. However, posts were not filled in 2013/14 as anticipated due to long recruitment processes. The department intends to fill these vacant posts from 2014/15 onward.

The significant growth in the Victim Empowerment sub-programme in 2011/12 is dictated by claims received from NGOs who render services on behalf of the department. The high growth from 2011/12 onward caters for the continued roll-out of this service in the province, as well as the expansion of services to Children in Conflict with the Law (under the Crime Prevention and Support sub-programme) in 2010/11, followed by strong growth over the ensuing financial years. The increase in 2014/15 relates to additional national priority funding for the provision of shelters for victims of gender-based violence

Table 13.21 : Summary of payments and estimates by sub-programme: Restorative Services

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
1. Management and Support	57 792	79 605	93 617	102 273	102 273	127 800	128 879	144 816	144 366
2. Crime Prevention and Support	41 967	42 861	41 489	70 845	70 845	39 596	85 143	88 711	81 133
3. Victim Empowerment	2 580	4 164	6 776	15 838	15 838	11 476	26 848	28 033	28 804
4. Substance Abuse, Prevention and Rehabilitation	29 769	43 437	40 351	45 318	45 318	44 072	47 261	49 113	51 562
Total	132 108	170 067	182 233	234 274	234 274	222 944	288 131	310 673	305 865

Table 13.22 : Summary of payments and estimates by economic classification: Restorative Services

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Current payments	99 244	133 540	145 823	176 255	179 469	166 051	207 530	227 797	231 304
Compensation of employees	80 052	101 910	114 173	125 805	128 605	141 873	151 809	165 748	166 403
Goods and services	19 192	31 630	31 649	50 450	50 864	24 178	55 721	62 049	64 901
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	31 673	36 179	36 376	55 857	52 643	52 947	67 322	68 987	72 050
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	31 589	36 170	36 268	55 261	52 047	52 038	67 202	68 852	71 903
Households	84	9	108	596	596	909	120	135	147
Payments for capital assets	1 191	348	34	2 162	2 162	3 946	13 279	13 889	2 511
Buildings and other fixed structures	-	-	-	-	-	-	10 998	11 504	582
Machinery and equipment	1 191	348	34	2 162	2 162	3 946	2 281	2 385	1 929
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	132 108	170 067	182 233	234 274	234 274	222 944	288 131	310 673	305 865

Expenditure against *Compensation of employees* reflects a significant upward trend from 2011/12 due to the filling of vacant funded posts, while taking cognisance of the moratorium on the filling of non-critical posts. The increase over the MTEF relates mainly to the absorption of social work graduates, for which the department received additional funding.

The low spending against *Goods and services* in 2010/11 was due to cost-cutting in order to defray spending pressures in other programmes. The increases in 2011/12 and 2012/13 relate to repairs and maintenance of state facilities such as the Excelsior Place of Safety. The increase in the 2013/14 Main Appropriation relates to additional funding allocated for repairs and maintenance of state facilities. The decrease in the 2013/14 Revised Estimate relates to delays in submission of claims for current infrastructure projects by DOPW. The increase over the MTEF relates to additional national priority funding for victim empowerment.

The increase against *Transfers and subsidies to: Non-profit institutions* in 2013/14 relates to additional national priority funding allocated to the department for victim empowerment. The decrease in the 2013/14 Revised Estimate relates to delays in the signing of SLAs between the department and NPOs due to the requirements of Section 38(1)(j) of the PFMA. The increases over the 2014/15 MTEF relate to additional national priority funding for the provision of shelters for victims of gender-based violence.

Transfers and subsidies to: Households relates to staff exit costs, which are difficult to predict.

Buildings and other fixed structures relates to renovations and refurbishment of state facilities. Prior year expenditure was centralised against Programme 2. The allocation over the 2014/15 MTEF relates to the anticipated infrastructure development projects, such as renovations of state facilities (e.g. Madadeni Rehabilitation Centre, etc.).

Spending against *Machinery and equipment* relates to the purchase of office equipment, furniture and vehicles. The increase from the 2013/14 Main Appropriation onward relates to the anticipated purchase of furniture and office equipment, in line with the anticipated completion of infrastructure projects.

Service delivery measures – Programme 4: Restorative Services

Table 13.23 below illustrates service delivery measures for Programme 4. The measures are aligned with those of the Social Development sector. A number of measures have been introduced in 2014/15 and are indicated as “new” in the 2013/14 Estimated performance.

Table 13.23 : Service delivery measures – Programme 4: Restorative Services

Outputs	Performance indicator	Estimated performance	Medium-term targets		
		2013/14	2014/15	2015/16	2016/17
1. Crime prevention and support					
	• No. of children in conflict with the law assessed	1 205	4 523	4 749	4 986
	• No. of children in conflict with the law awaiting trial in secure care centres	763	674	708	743
	• No. of children in conflict with the law referred to diversion programmes	486	1 613	1 694	1 779
	• No. of children in conflict with the law who completed diversion programmes	309	1 126	1 182	1 241
2. Victim empowerment					
	• No. of victims of crime and violence in funded VEP service sites	2 145	1 885	1 979	2 078
	• No. of victims of crime and violence receiving psycho-social support	new	4 375	4 594	4 824
3. Substance abuse, prevention and rehabilitation					
	• No. of children 18 years and below reached through drug prevention programmes	new	31 394	32 964	34 612
	• No. of youth between 19 and 35 years reached through drug prevention programmes	new	19 052	20 005	
	• No. of service users who accessed in-patient treatment service centres at funded treatment centres	125	615	646	678
	• No. of service users who accessed out-patient based treatment services	348	823	864	907

6.5 Programme 5: Development and Research

The purpose of this programme is to provide sustainable development programmes which facilitate empowerment of communities, based on empirical research and demographic information. The programme consists of the following sub-programmes, namely, Management and Support, Community Mobilisation, Institutional Capacity Building and Support for NPOs, Poverty Alleviation and Sustainable Livelihoods, Community-Based Research and Planning, Youth Development, Women Development and Population Policy Promotion.

The activities of the programme include the following:

- Building safe and sustainable communities through the creation of strong community networks, based on principles of trust and respect for local diversity, and nurturing a sense of belonging and confidence in local people.
- Support NPO registration and compliance monitoring, NPO stakeholder liaison and communication, provide institutional capacity building, manage NPO funding and monitoring and create a conducive environment for all NPOs to flourish.
- Manage Social Facilitation and Poverty for Sustainable Livelihood programmes (including EPWP).
- Provide communities an opportunity to learn about the life and conditions of their locality and uplift the challenges and concerns facing their communities, as well as their strengths and assets to be leveraged to address their challenges.
- Create an environment to help young people to develop constructive, affirmative and sustainable relationships while concurrently providing opportunities for them to build their competencies and needed skills to engage as partners in their own development and that of their communities.
- Create an environment to help women to develop constructive, affirmative and sustainable relationships while concurrently providing opportunities for them to build their competencies and needed skills to engage as partners in their own development and that of their communities.
- Promote the implementation of the Population Policy within all spheres of government and civil society through population research, advocacy, and capacity building and by monitoring and evaluating the implementation of the policy.

Tables 13.24 and 13.25 reflect a summary of payments and estimates by programme and economic classification for the period 2010/11 to 2016/17.

Table 13.24 : Summary of payments and estimates by sub-programme: Development and Research

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
1. Management and Support	97 868	122 983	121 284	141 194	144 694	131 523	153 150	158 436	168 083
2. Community Mobilisation	-	-	-	-	-	-	1 070	1 500	1 750
3. Institutional Capacity Building and Support for NPOs	1 447	2 763	3 786	32 776	29 276	32 776	53 010	76 116	80 150
4. Poverty Alleviation and Sustainable Livelihoods	9 795	14 786	21 437	17 411	17 411	17 412	11 037	10 073	12 352
5. Community-Based Research and Planning	341	679	145	1 593	1 593	338	1 681	1 758	1 851
6. Youth Development	2 193	11 350	14 827	44 280	44 280	39 684	42 089	42 803	45 072
7. Women Development	-	-	-	-	-	-	4 600	4 700	4 900
8. Population Policy Promotion	1 102	1 348	1 134	1 811	1 811	1 077	3 592	3 757	3 956
Total	112 746	153 909	162 613	239 065	239 065	222 810	270 229	299 143	318 114

Table 13.25 : Summary of payments and estimates by economic classification: Development and Research

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Current payments	65 139	78 322	92 912	117 079	99 579	98 639	124 845	142 401	151 352
Compensation of employees	43 843	50 369	62 247	68 305	71 805	69 299	99 023	112 881	118 849
Goods and services	21 296	27 953	30 665	48 774	27 774	29 340	25 822	29 520	32 503
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	9 638	23 553	32 650	55 860	70 360	70 155	69 302	74 327	79 963
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	14 500	14 500	13 500	18 765	19 760
Non-profit institutions	9 638	23 553	32 475	55 345	55 345	55 345	55 259	54 994	59 605
Households	-	-	175	515	515	310	543	568	598
Payments for capital assets	37 966	52 034	37 051	66 126	69 126	54 016	76 082	82 415	86 799
Buildings and other fixed structures	37 966	50 463	36 102	58 011	58 011	45 601	61 202	64 017	67 410
Machinery and equipment	-	1 571	949	8 115	11 115	8 415	14 880	18 398	19 389
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	3	-	-	-	-	-	-	-	-
Total	112 746	153 909	162 613	239 065	239 065	222 810	270 229	299 143	318 114

In general, this programme shows an increasing trend over the seven-year period. The significant growth over the MTEF relates to additional national priority funding allocated to the department (under the Institutional Capacity Building and Support for NPOs sub-programme) for the improvement of the quality of services provided by NPOs, as well as their financial sustainability, which was allocated against *Transfers and subsidies*.

New sub-programmes, namely Community Mobilisation and Women Development, were introduced in the 2014/15 MTEF in line with a change in the budget structure. These functions were previously undertaken by the department under the Poverty Alleviation and Sustainable Livelihood sub-programmes. However, the department was unable to provide comparative information as financial records were not captured at this level.

The low spending against the Institutional Capacity Building and Support for NPOs sub-programme from 2010/11 to 2012/13 was due to the fact that capacity building was organised in-house. The increase from 2013/14 relates to additional national priority funding allocated to the department for the improvement of the quality of services provided by NGOs, as well as their financial sustainability.

The low spending in the sub-programme: Poverty Alleviation and Sustainable Livelihoods in 2010/11 and 2011/12 was as a result of forensic investigations into entity compliance to the PFMA. The increase in 2012/13 relates to more projects funded as investigations were completed.

The sharp increase in the sub-programme: Youth Development from 2012/13 to 2013/14 and over the 2014/15 MTEF is due to reprioritisation within Programme 5 to cater for transfer to NPOs to fund the operations of youth academies, such as Esicabazini Youth Academy, aimed at providing youth skills.

Expenditure against *Compensation of employees* was low in 2010/11 due to the moratorium on the filling of vacant posts. This category reflects a significant upward trend from 2013/14 due to the anticipated filling of vacant funded posts.

The low spending against *Goods and services* in 2010/11 was due to cost-cutting in order to defray spending pressures in other programmes. The increase in 2011/12 and 2012/13 relates to the increase in costs such as fleet services, travel and subsistence, etc. due to the filling of posts. The decrease in the 2013/14 Adjusted Appropriation relates to the fact that R14.500 million was moved from this category to *Transfers and subsidies to: Non-profit institutions* with regard to funds allocated for NGO support, where an implementing agent was appointed to assist the department with the implementation of NGO capacitating programmes, as the department does not have capacity to adequately implement these programmes.

Transfers and subsidies to: Public corporations and private enterprises caters for transfers to the NDA for the implementation of capacity building programmes for NPOs in areas such as financial management, NPO management, etc., as the department does not have capacity to adequately conduct these programmes.

The low spending against *Transfers and subsidies to: Non-profit institutions* in 2010/11 results from the forensic investigations into entity compliance to the PFMA. The increase in the 2013/14 Adjusted Appropriation relates to the movement of funds from *Goods and services* to cater for the appointment of an implementing agent to assist the department with the implementation of NGO capacitating programmes, as the department does not have capacity to adequately implement these programmes. The increase over the 2014/15 MTEF relates to additional national priority funding allocated to the department for the improvement of the quality of services provided by NGOs, and their financial sustainability, as well as youth development.

Transfers and subsidies to: Households relates to staff exit costs, which are difficult to predict.

The low spending in 2012/13 against *Buildings and other fixed structures* relates mainly to delays in infrastructure projects due to the value for money audit commissioned by the department. The decrease in the 2013/14 Revised Estimate relates to delays in the submission of invoices by DOPW and IDT. The increases over the 2014/15 MTEF relate to the anticipated completion of infrastructure projects, such as the construction of one-stop development centres.

Spending against *Machinery and equipment* was low in 2012/13 due to the non-purchase of furniture and office equipment as office buildings were not completed due to the value for money audit. The increase in the 2013/14 Adjusted Appropriation relates to provision made for the purchase of furniture and office equipment for finance monitors, who will ensure that NPOs comply with relevant prescripts before funds are transferred. The increases over the 2014/15 MTEF cater for the anticipated purchases of furniture, machinery and equipment for newly constructed office accommodation and community centres.

Expenditure shown against *Payments for financial assets* relates to the write-off of long outstanding staff debts in 2010/11 only.

Service delivery measures – Programme 5: Development and Research

Table 13.26 below illustrates service delivery measures for Programme 5.

The measures are aligned with those of the Social Development sector. A number of measures have been introduced in 2014/15 and are indicated as “new” in the 2013/14 Estimated performance.

Table 13.26 : Service delivery measures – Programme 5: Development and Research

Outputs	Performance indicator	Estimated performance	Medium-term targets		
		2013/14	2014/15	2015/16	2016/17
1. Community mobilisation					
	• No. of people reached through community mobilisation programmes	new	30 525	32 051	33 654
2. Institutional capacity building and support for NPOs					
	• No. of NPOs capacitated according to the capacity building framework	589	3 679	3 863	4 056
3. Poverty alleviation and sustainable livelihoods					
	• No. of poverty reduction projects supported through capacity building and/or funding initiatives	new	585	614	645
	• No. of people participating in income generating programmes	new	3 019	3 170	3 329
	• No. of households accessing food through DSD food security programmes	4 218	17 822	18 713	19 647
	• No. of people accessing food through DSD feeding programmes (centre based)	new	40 253	42 266	44 379
4. Community-based research and planning					
	• No. of households profiled	1 964	20 709	21 744	22 831
	• No. of communities profiled	62	487	511	537
	• No. of community based plans developed	new	469	492	517
5. Youth development					
	• No. of youth development structures supported through capacity building and/or funding initiatives	43	309	324	340
	• No. of youth participating in National Youth Service Programme	715	1 968	2 066	2 169
	• No. of youth participating in skills development programmes	new	3 136	3 293	3 458
	• No. of youth participating in entrepreneurship programmes	new	1 704	1 789	1 878
6. Women development					
	• No. of women participating in socio-economic empowerment programmes	new	2 749	2 886	3 030
7. Population policy promotion					
	• No. of dissemination workshops for populations and development conducted	4	13	14	15
	• No. of stakeholders who participated in dissemination workshops for population development	150	160	168	176
	• No. of stakeholders who participated in capacity building training	34	80	84	88
	• No. of research projects completed	1	2	2	2
	• No. of demographic profiles completed	1	2	2	2

7. Other programme information

7.1 Personnel numbers and costs

Table 13.27 presents personnel numbers and costs relating to the department over the seven-year period. Table 13.28 provides a more detailed breakdown of departmental personnel numbers and costs, focussing on the Human Resources and Finance components.

The personnel numbers show an increase over the seven-year period, attributable to the revision of the departmental structure in an attempt to cope with policy changes such as the implementation of SCM and the district municipality model to improve service delivery. This process is not yet fully completed due to budget constraints, and will be finalised over the MTEF. Although there is a general increase in staffing levels from 2009/10 to 2011/12, the fluctuations in personnel numbers at programme level over this period relate to adjustments on PERSAL linking staff to the relevant programmes in line with the change in budget structure.

Also contributing to the escalating personnel costs are the increased number of social work staff, the social worker retention strategy (salary upgrades) and the annual salary improvements.

The significant increase of contract workers in 2012/13 relates to the appointment of CCGs on PERSAL from 1 March 2012, who were previously paid against *Transfers and subsidies to: Non-profit institutions*.

The increase over the 2014/15 MTEF relates to the absorption of social work graduates in line with national priorities, and the anticipated filling of vacant funded posts.

Table 13.27 : Personnel numbers and costs by programme

Personnel numbers	As at 31 March 2011	As at 31 March 2012	As at 31 March 2013	As at 31 March 2014	As at 31 March 2015	As at 31 March 2016	As at 31 March 2017
1. Administration	833	964	1 032	1 080	1 080	1 080	1 080
2. Social Welfare Services	502	625	3 079	3 069	3 133	3 080	3 057
3. Children and Families	1 034	1 079	1 172	1 703	1 527	1 642	1 796
4. Restorative Services	341	517	404	529	582	671	689
5. Development and Research	145	212	246	246	246	246	359
Total	2 855	3 398	5 933	6 627	6 568	6 719	6 981
Total personnel cost (R thousand)	576 981	692 531	848 598	1 030 671	1 093 582	1 197 215	1 256 257
Unit cost (R thousand)	202	204	143	156	166	178	180

Table 13.28 : Summary of departmental personnel numbers and costs by component

	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Total for the department									
Personnel numbers (head count)	2 855	3 398	5 933	6 415	6 415	6 627	6 568	6 719	6 981
Personnel cost (R thousands)	576 981	692 531	848 598	998 554	1 048 107	1 030 671	1 093 582	1 197 215	1 256 257
Human resources component									
Personnel numbers (head count)	108	123	130	236	236	236	247	256	264
Personnel cost (R thousands)	14 638	14 368	18 388	52 398	52 398	52 398	54 215	57 453	61 073
Head count as % of total for department	3.78	3.62	2.19	3.68	3.68	3.56	3.76	3.81	3.78
Personnel cost as % of total for department	2.54	2.07	2.17	5.25	5.00	5.08	4.96	4.80	4.86
Finance component									
Personnel numbers (head count)	153	157	202	244	244	244	258	265	273
Personnel cost (R thousands)	37 619	37 619	42 300	65 174	65 174	65 174	69 120	73 259	77 874
Head count as % of total for department	5.36	4.62	3.40	3.80	3.80	3.68	3.93	3.94	3.91
Personnel cost as % of total for department	6.52	5.43	4.98	6.53	6.22	6.32	6.32	6.12	6.20
Full time workers									
Personnel numbers (head count)	2 843	3 194	3 366	3 570	3 570	3 782	3 723	3 874	4 136
Personnel cost (R thousands)	576 675	687 411	772 319	946 691	996 244	978 808	1 040 869	1 143 865	1 202 152
Head count as % of total for department	99.58	94.01	56.73	55.65	55.65	57.07	56.68	57.65	59.25
Personnel cost as % of total for department	99.95	99.26	91.01	94.81	95.05	94.97	95.18	95.54	95.69
Part-time workers									
Personnel numbers (head count)	-	-	-	-	-	-	-	-	-
Personnel cost (R thousands)	-	-	-	-	-	-	-	-	-
Head count as % of total for department	-	-	-	-	-	-	-	-	-
Personnel cost as % of total for department	-	-	-	-	-	-	-	-	-
Contract workers									
Personnel numbers (head count)	12	204	2 567	2 845	2 845	2 845	2 845	2 845	2 845
Personnel cost (R thousands)	306	5 120	76 279	51 863	51 863	51 863	52 713	53 350	54 105
Head count as % of total for department	0.42	6.00	43.27	44.35	44.35	42.93	43.31	42.34	40.75
Personnel cost as % of total for department	0.05	0.74	8.99	5.19	4.95	5.03	4.82	4.46	4.31

7.2 Training

Tables 13.29 and 13.30 below give a summary of departmental spending and information on training.

Table 13.29 includes payments and estimates for training items such as bursaries, as well as normal training costs, as detailed in *Annexure 13.B* reflected against the items *Bursaries (employees)* and *Training and development*.

Training includes short courses for in-house staff, as well as internships in the various programmes. The drop in 2010/11 and 2012/13 is due to cost-cutting and the cost of bursaries being borne by the National DSD. It must be noted that the number of bursaries to employees depends on the number of officials registered with educational institutions, contributing to an erratic trend.

Table 13.30 illustrates the number of staff affected by the various training programmes and initiatives. It also includes a gender breakdown, an indication of the types of training, as well as details of the number of bursaries and learnerships.

Table 13.29 : Payments on training by programme

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
				2013/14					
1. Administration	389	865	259	4 474	4 474	4 474	4 720	2 971	3 128
Subsistence and travel	-	-	-	-	-	-	-	-	-
Payments on tuition	-	-	259	-	-	-	-	-	-
Other	389	865	-	4 474	4 474	4 474	4 720	2 971	3 128
2. Social Welfare Services	44	1 263	795	2 369	2 369	1 125	1 843	2 123	2 236
Subsistence and travel	-	-	-	-	-	-	-	-	-
Payments on tuition	-	-	122	-	-	-	-	-	-
Other	44	1 263	673	2 369	2 369	1 125	1 843	2 123	2 236
3. Children and Families	366	862	400	1 064	1 064	996	1 685	1 514	1 594
Subsistence and travel	-	-	-	-	-	-	-	-	-
Payments on tuition	-	-	-	-	-	-	-	-	-
Other	366	862	400	1 064	1 064	996	1 685	1 514	1 594
4. Restorative Services	8	211	100	340	370	352	890	984	1 037
Subsistence and travel	-	-	-	-	-	-	-	-	-
Payments on tuition	-	-	-	-	-	-	-	-	-
Other	8	211	100	340	370	352	890	984	1 037
5. Development and Research	1 121	1 320	8	445	445	445	469	491	517
Subsistence and travel	-	-	-	-	-	-	-	-	-
Payments on tuition	-	-	8	-	-	-	-	-	-
Other	1 121	1 320	-	445	445	445	469	491	517
Total	1 928	4 521	1 562	8 692	8 722	7 392	9 607	8 083	8 512

Table 13.30 : Information on training: Social Development

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
				2013/14					
Number of staff	2 855	3 398	5 933	6 415	6 415	6 627	6 568	6 719	6 981
Number of personnel trained	1 800	1 839	1 466	2 200	2 200	2 200	2 276	2 070	2 280
<i>of which</i>									
Male	600	598	344	800	800	800	855	920	980
Female	1 200	1 241	1 122	1 400	1 400	1 400	1 421	1 150	1 300
Number of training opportunities	280	293	332	475	475	475	500	545	600
<i>of which</i>									
Tertiary	140	95	141	230	230	230	235	175	180
Workshops	40	73	84	95	95	95	100	105	120
Seminars	100	125	107	150	150	150	165	265	300
Other	-	-	-	-	-	-	-	-	-
Number of bursaries offered	80	34	141	60	60	60	70	80	90
Number of interns appointed	20	56	52	85	85	85	96	110	120
Number of learnerships appointed	-	-	-	210	210	210	210	216	150
Number of days spent on training	-	-	-	-	-	-	-	-	-

ANNEXURE – VOTE 13: SOCIAL DEVELOPMENT

Table 13.A : Details of departmental receipts: Social Development

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	3 221	4 753	4 770	4 460	4 460	4 724	5 437	5 775	6 150
Sale of goods and services produced by dept. (excl. capital assets)	3 221	4 753	4 770	4 460	4 460	4 724	5 437	5 775	6 150
Sales by market establishments	-	-	-	-	-	-	-	-	-
Administrative fees	-	-	-	-	-	-	-	-	-
Other sales	3 221	4 753	4 770	4 460	4 460	4 724	5 437	5 775	6 150
<i>Of which</i>									
<i>Rent for parking</i>	79	-	83	90	90	95	98	104	111
<i>Housing rent recoveries</i>	2 366	3 824	3 634	3 735	3 735	4 241	4 914	5 220	5 558
<i>Other</i>	776	929	1 053	635	635	388	425	451	481
Sale of scrap, waste, arms and other used current goods (excl. capital assets)	-	-	-	-	-	-	-	-	-
Transfers received from:	-	-	-	-	-	-	-	-	-
Other governmental units	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments	-	-	-	-	-	-	-	-	-
International organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households and non-profit institutions	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	97	-	15	17	17	23	24	26	28
Interest	97	-	15	17	17	23	24	26	28
Dividends	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Sale of capital assets	2 289	-	3 494	-	-	-	450	500	533
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Other capital assets	2 289	-	3 494	-	-	-	450	500	533
Transactions in financial assets and liabilities	1 410	11 664	4 991	971	971	1 491	1 020	1 071	1 130
Total	7 017	16 417	13 270	5 448	5 448	6 238	6 931	7 372	7 841

Table 13.B : Payments and estimates by economic classification: Social Development

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Current payments	846 623	1 033 142	1 200 137	1 416 062	1 392 072	1 382 326	1 492 215	1 620 860	1 700 703
Compensation of employees	576 981	692 531	848 598	998 554	1 048 107	1 030 671	1 093 582	1 197 215	1 256 257
Salaries and wages	487 511	583 443	731 724	859 263	908 816	906 821	946 711	1 039 002	1 047 392
Social contributions	89 470	109 088	116 874	139 291	139 291	123 850	146 871	158 213	208 865
Goods and services	269 642	340 598	351 481	417 508	343 933	351 503	398 633	423 645	444 446
Administrative fees	235	97	243	369	369	220	360	382	397
Advertising	4 165	11 478	13 926	12 749	12 749	7 639	6 529	6 830	7 195
Assets less than the capitalisation threshold	984	7 324	6 430	9 501	9 501	5 738	15 329	12 921	12 372
Audit cost: External	3 795	7 007	2 874	4 272	4 272	4 703	4 495	4 702	4 964
Bursaries: Employees	53	261	1 369	3 559	3 227	2 935	3 967	4 150	4 370
Catering: Departmental activities	9 473	15 613	12 072	26 233	19 001	10 707	21 168	23 869	22 670
Communication (G&S)	25 908	26 369	34 543	22 315	19 283	27 288	23 936	24 924	28 465
Computer services	12 552	8 703	7 584	22 988	15 988	25 121	19 959	23 698	24 966
Cons & prof serv: Business and advisory services	8 325	1 526	2 571	33 282	16 529	11 872	27 324	29 231	47 891
Cons & prof serv: Infras and planning	-	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	1 195	12 904	643	1 444	1 444	1 861	1 518	1 587	1 677
Contractors	21 869	13 003	21 325	49 299	37 299	28 847	35 396	36 886	32 859
Agency and support / outsourced services	33 950	14 480	13 289	44 197	28 573	17 666	37 507	46 161	41 778
Entertainment	5	313	56	621	621	1 173	637	666	709
Fleet services (incl. govt motor transport)	5 525	24 396	28 567	14 963	14 963	19 948	18 472	15 193	15 342
Housing	-	-	-	-	-	11 062	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	10	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	11 100	11 898	15 722	12 425	546	1 949	416	466	608
Inventory: Fuel, oil and gas	2 164	89	168	1 579	1 579	395	2 125	860	902
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	409	162	857	334	334	2 227	916	2 611	2 501
Inventory: Medical supplies	253	494	234	384	384	597	1 158	1 211	1 274
Inventory: Medicine	-	-	50	-	-	55	-	-	-
Medcas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	1 441	-	-	-
Consumable supplies	2 360	3 780	3 831	8 106	7 969	6 715	10 488	10 968	11 172
Consumable: Stationery, printing and office supplies	5 121	6 190	8 333	11 525	11 525	7 013	12 011	12 564	13 033
Operating leases	39 228	34 574	32 921	40 660	40 660	31 087	43 074	44 074	45 502
Property payments	40 543	60 212	63 062	45 731	45 731	56 841	53 084	56 775	58 762
Transport provided: Departmental activity	4 192	8 054	5 166	7 350	7 350	5 143	1 919	2 007	2 113
Travel and subsistence	26 350	42 165	52 735	33 101	33 515	50 626	30 997	32 445	34 896
Training and development	1 875	4 260	4 903	5 133	5 133	2 680	7 118	5 995	5 403
Operating payments	3 932	14 285	9 881	3 493	3 493	3 209	6 285	6 575	6 232
Venues and facilities	4 082	9 802	6 016	1 895	1 895	1 978	5 264	5 739	5 700
Rental and hiring	-	1 160	2 110	-	-	2 217	7 209	10 155	10 693
Interest and rent on land	-	13	57	-	32	152	-	-	-
Interest	-	13	-	-	32	152	-	-	-
Rent on land	-	-	57	-	-	-	-	-	-
Transfers and subsidies	476 927	732 326	591 367	680 148	707 806	702 092	839 119	828 928	887 129
Provinces and municipalities	800	35 678	516	1 583	1 583	666	1 670	1 747	1 840
Provinces	800	678	516	1 583	1 583	666	1 670	1 747	1 840
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	800	678	516	1 583	1 583	666	1 670	1 747	1 840
Municipalities	-	35 000	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	35 000	-	-	-	-	-	-	-
Departmental agencies and accounts	637	1 025	810	1 113	1 113	3 255	1 157	1 210	1 684
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	637	1 025	810	1 113	1 113	3 255	1 157	1 210	1 684
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	14 500	14 500	13 500	18 765	19 760
Public corporations	-	-	-	-	14 500	14 500	13 500	18 765	19 760
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	14 500	14 500	13 500	18 765	19 760
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	472 605	691 989	587 278	672 563	673 349	670 263	803 011	786 516	841 454
Households	2 885	3 634	2 763	4 889	17 261	13 408	19 781	20 690	22 391
Social benefits	2 885	3 634	2 763	4 889	4 889	4 470	6 728	7 037	8 014
Other transfers to households	-	-	-	-	12 372	8 938	13 053	13 653	14 377
Payments for capital assets	83 905	167 912	190 439	228 975	216 069	178 789	166 618	177 693	179 728
Buildings and other fixed structures	72 302	139 909	157 407	177 368	161 462	147 775	106 005	110 881	105 440
Buildings	72 302	139 909	157 407	177 368	161 462	147 775	106 005	110 881	104 644
Other fixed structures	-	-	-	-	-	-	-	-	796
Machinery and equipment	11 532	27 519	27 785	50 495	53 424	29 831	59 438	65 584	72 994
Transport equipment	8 046	21 496	22 108	16 270	16 270	4 738	19 002	20 400	21 482
Other machinery and equipment	3 486	6 023	5 677	34 225	37 154	25 093	40 436	45 184	51 512
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	71	71	-	-	-
Software and other intangible assets	71	484	5 247	1 112	1 112	1 112	1 175	1 228	1 294
Payments for financial assets	8 968	877	3 443	-	-	-	-	-	-
Total	1 416 423	1 934 257	1 985 386	2 325 185	2 315 947	2 263 207	2 497 952	2 627 481	2 767 560

Table 13.C : Payments and estimates by economic classification: Administration

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Current payments	313 293	342 724	354 070	389 381	407 549	426 332	413 837	439 168	450 285
Compensation of employees	174 767	191 045	211 778	255 706	276 206	270 038	276 345	298 327	299 768
Salaries and wages	149 491	162 776	180 927	222 595	243 095	242 923	241 413	261 788	261 292
Social contributions	25 276	28 269	30 851	33 111	33 111	27 115	34 932	36 539	38 476
Goods and services	138 526	151 666	142 235	133 675	131 311	156 142	137 492	140 841	150 517
Administrative fees	225	(19)	2	239	239	91	252	264	278
Advertising	2 733	4 727	4 936	5 025	5 025	2 377	5 302	5 546	5 841
Assets less than the capitalisation threshold	209	1 767	2 349	2 156	2 156	2 124	2 212	2 338	2 461
Audit cost: External	3 795	5 349	2 874	4 037	4 037	4 703	4 259	4 455	4 691
Bursaries: Employees	36	111	490	1 763	1 431	1 400	1 860	1 946	2 049
Catering: Departmental activities	167	420	1 596	2 737	3 737	1 207	2 887	3 020	3 180
Communication (G&S)	17 330	18 624	20 288	15 201	12 169	17 491	13 937	14 675	17 664
Computer services	12 552	5 653	3 724	6 128	6 128	18 390	6 377	6 584	6 932
Cons & prof serv: Business and advisory services	8 210	-	2 571	3 055	3 055	2 477	3 223	3 371	3 550
Cons & prof serv: Infras and planning	-	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	1 195	12 904	643	1 327	1 327	1 861	1 400	1 464	1 541
Contractors	6 918	2 910	740	5 962	5 962	2 038	5 999	6 185	6 513
Agency and support / outsourced services	7 886	2 656	2 290	4 384	4 384	2 312	4 625	4 838	5 095
Entertainment	2	40	18	268	268	1 068	283	296	312
Fleet services (incl. gov motor transport)	2 840	14 441	11 329	3 896	3 896	19 152	4 110	4 299	4 526
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	85	23	166	173	173	37	182	190	200
Inventory: Fuel, oil and gas	1 033	5	12	222	222	129	242	253	266
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	184	17	121	334	334	1 763	352	368	387
Inventory: Medical supplies	1	-	-	-	-	38	-	-	-
Inventory: Medicine	-	-	-	-	-	11	-	-	-
Medisas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	(1)	-	-	219	-	-	-
Consumable supplies	588	1 593	1 047	3 633	3 633	2 972	3 833	4 009	4 222
Consumable: Stationery, printing and office supplies	3 731	2 331	4 888	6 254	6 254	4 571	6 598	6 902	7 268
Operating leases	26 298	25 654	27 147	25 630	25 630	21 139	26 039	26 283	27 676
Property payments	23 720	21 469	20 535	18 439	18 439	17 930	19 454	20 349	21 428
Transport provided: Departmental activity	147	-	-	-	-	-	-	-	-
Travel and subsistence	17 534	24 235	24 290	16 777	16 777	27 367	17 699	18 513	19 495
Training and development	353	754	2 099	2 711	2 711	1 175	2 860	1 025	1 080
Operating payments	342	5 777	7 421	2 641	2 641	1 549	2 786	2 914	3 068
Venues and facilities	412	225	478	683	683	375	721	754	794
Rental and hiring	-	-	182	-	-	176	-	-	-
Interest and rent on land	-	13	57	-	32	152	-	-	-
Interest	-	13	-	-	32	152	-	-	-
Rent on land	-	-	57	-	-	-	-	-	-
Transfers and subsidies	2 481	3 654	2 149	4 686	4 686	6 144	6 509	6 808	7 585
Provinces and municipalities	800	678	516	1 583	1 583	666	1 670	1 747	1 840
Provinces	800	678	516	1 583	1 583	666	1 670	1 747	1 840
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	800	678	516	1 583	1 583	666	1 670	1 747	1 840
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	637	1 025	810	1 113	1 113	3 255	1 157	1 210	1 684
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	637	1 025	810	1 113	1 113	3 255	1 157	1 210	1 684
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	1 044	1 951	823	1 990	1 990	2 223	3 682	3 851	4 061
Social benefits	1 044	1 951	823	1 990	1 990	2 223	3 682	3 851	4 061
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	8 092	23 442	30 096	22 586	22 586	9 838	24 177	25 343	26 688
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	8 021	22 958	24 849	21 474	21 403	8 655	23 002	24 115	25 394
Transport equipment	7 089	21 496	22 108	16 270	16 270	4 738	17 165	17 955	18 907
Other machinery and equipment	932	1 462	2 741	5 204	5 133	3 917	5 837	6 160	6 487
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	71	71	-	-	-
Software and other intangible assets	71	484	5 247	1 112	1 112	1 112	1 175	1 228	1 294
Payments for financial assets	-	877	3 443	-	-	-	-	-	-
Total	323 866	370 697	389 758	416 653	434 821	442 314	444 523	471 319	484 558

Table 13.D : Payments and estimates by economic classification: Social Welfare Services

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Current payments	119 005	156 766	242 509	265 450	232 578	251 027	253 525	272 166	272 629
Compensation of employees	69 013	86 604	153 708	159 102	176 855	171 441	175 836	185 006	184 815
Salaries and wages	58 450	73 494	139 925	142 443	160 196	156 024	158 338	166 473	165 300
Social contributions	10 563	13 110	13 783	16 659	16 659	15 417	17 498	18 533	19 515
Goods and services	49 992	70 162	88 801	106 348	55 723	79 586	77 689	87 160	87 814
Administrative fees	2	63	132	71	71	62	48	52	51
Advertising	248	2 872	1 232	3 993	3 993	1 825	347	278	293
Assets less than the capitalisation threshold	50	1 967	1 695	2 646	2 646	922	3 250	3 000	2 418
Audit cost: External	-	1 658	-	-	-	(235)	-	-	-
Bursaries: Employees	9	82	437	1 281	1 281	849	702	1 318	1 388
Catering: Departmental activities	2 416	3 722	3 265	9 251	1 019	2 003	6 879	7 196	7 578
Communication (G&S)	3 470	2 230	5 438	1 111	1 111	4 944	1 744	2 473	1 805
Computer services	-	1 326	2 123	8 238	1 238	3 495	3 381	3 552	3 740
Cons & prof serv: Business and advisory services	-	-	-	2 565	312	9 058	3 292	3 288	3 462
Cons & prof serv: Infrast and planning	-	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	-	-	(101)	-	-	(117)	-	-	-
Contractors	6 617	4 013	10 134	27 418	15 418	14 266	17 568	18 643	17 209
Agency and support / outsourced services	8 563	3 152	2 122	4 189	(4 935)	(10 499)	13 394	16 056	16 907
Entertainment	-	253	4	130	130	(50)	80	104	110
Fleet services (incl. govt motor transport)	963	3 976	7 068	5 306	5 306	(4 950)	2 886	3 649	3 842
Housing	-	-	-	-	-	11 062	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	11	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	10 459	11 759	15 393	11 911	32	1 890	-	31	33
Inventory: Fuel, oil and gas	475	21	23	576	576	150	513	103	109
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	80	132	166	(48)	(48)	241	167	726	764
Inventory: Medical supplies	13	300	1	(424)	(424)	275	-	-	-
Inventory: Medicine	-	-	-	-	-	3	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	1	-	-	672	-	-	-
Consumable supplies	328	522	827	393	256	2 624	1 021	985	1 037
Consumable: Stationery, printing and office supplies	454	1 794	1 564	1 783	1 783	960	1 284	1 342	1 412
Operating leases	6 430	3 884	2 782	7 616	7 616	5 153	6 072	7 266	7 651
Property payments	3 486	13 150	17 638	7 049	7 049	16 281	7 216	9 691	10 205
Transport provided: Departmental activity	1 223	1 524	943	3 645	3 645	2 580	738	772	813
Travel and subsistence	3 169	6 473	11 948	6 658	6 658	12 668	4 310	4 116	4 334
Training and development	35	1 181	236	1 088	1 088	276	1 141	805	848
Operating payments	121	802	919	101	101	1 587	759	794	836
Venues and facilities	1 381	2 761	2 125	(199)	(199)	517	897	920	969
Rental and hiring	-	545	686	-	-	1 063	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	194 978	227 976	201 171	195 928	217 300	210 106	215 615	222 230	234 587
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	193 919	226 654	199 689	195 570	204 570	200 635	200 667	206 647	217 600
Households	1 059	1 322	1 482	358	12 730	9 471	14 948	15 583	16 987
Social benefits	1 059	1 322	1 482	358	358	533	1 895	1 930	2 610
Other transfers to households	-	-	-	-	12 372	8 938	13 053	13 653	14 377
Payments for capital assets	35 410	40 040	86 041	35 120	35 120	60 073	40 786	47 711	50 241
Buildings and other fixed structures	34 336	38 985	85 203	30 518	30 518	55 123	33 805	35 360	37 448
Buildings	34 336	38 985	85 203	30 518	30 518	55 123	33 805	35 360	37 234
Other fixed structures	-	-	-	-	-	-	-	-	214
Machinery and equipment	1 074	1 055	838	4 602	4 602	4 950	6 981	12 351	12 793
Transport equipment	957	(172)	-	-	-	-	1 837	2 445	2 575
Other machinery and equipment	117	1 227	838	4 602	4 602	4 950	5 144	9 906	10 218
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	8 965	-	-	-	-	-	-	-	-
Total	358 358	424 782	529 721	496 498	484 998	521 206	509 926	542 107	557 457

Table 13.E : Payments and estimates by economic classification: Children and Families

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Current payments	249 942	321 790	364 823	467 897	472 897	440 277	492 478	539 328	595 133
Compensation of employees	209 306	262 603	306 692	389 636	394 636	378 020	390 569	435 253	486 422
Salaries and wages	174 390	219 232	261 117	329 019	334 019	324 483	336 790	378 310	383 366
Social contributions	34 916	43 371	45 575	60 617	60 617	53 537	53 779	56 943	103 056
Goods and services	40 636	59 187	58 131	78 261	78 261	62 257	101 909	104 075	108 711
Administrative fees	8	43	86	47	47	45	49	52	55
Advertising	470	1 846	1 095	2 967	2 967	1 291	578	646	681
Assets less than the capitalisation threshold	136	1 539	1 484	2 708	2 708	1 335	5 844	4 557	4 759
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	6	54	286	353	353	549	702	709	746
Catering: Departmental activities	2 628	5 506	2 637	6 418	6 418	2 678	4 512	4 721	4 971
Communication (G&S)	2 920	2 544	3 703	3 589	3 589	2 824	4 425	4 418	5 705
Computer services	-	1 449	1 390	5 657	5 657	2 401	6 890	10 313	10 860
Cons & prof serv: Business and advisory services	-	1	-	2 558	2 558	1 518	5 593	3 870	4 075
Cons & prof serv: Infras and planning	-	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	-	-	-	-	-	-	-	-	-
Contractors	4 584	3 361	7 616	9 601	9 601	9 247	4 034	4 377	2 718
Agency and support / outsourced services	10 327	5 541	5 199	8 053	8 053	5 872	12 013	15 450	16 269
Entertainment	-	(253)	33	85	85	30	78	120	126
Fleet services (incl. govt motor transport)	679	2 786	5 460	4 227	4 227	3 827	9 292	4 940	5 201
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	(1)	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	427	115	152	229	229	(48)	223	233	245
Inventory: Fuel, oil and gas	391	14	22	453	453	92	1 020	173	182
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	137	-	117	11	11	119	134	691	727
Inventory: Medical supplies	223	190	225	678	678	274	1 057	1 106	1 164
Inventory: Medicine	-	-	50	-	-	16	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	440	-	-	-
Consumable supplies	777	1 335	1 682	3 092	3 092	807	3 819	4 526	4 767
Consumable: Stationery, printing and office supplies	515	1 287	416	1 951	1 951	665	1 868	1 954	2 057
Operating leases	3 563	3 135	1 827	4 343	4 343	3 453	6 871	6 285	6 618
Property payments	7 801	14 977	12 651	11 836	11 836	15 863	16 610	16 504	17 378
Transport provided: Departmental activity	1 183	3 351	1 750	2 504	2 504	1 706	612	640	674
Travel and subsistence	2 298	5 176	8 060	5 165	5 165	6 443	4 918	4 260	4 486
Training and development	360	808	114	711	711	447	983	805	848
Operating payments	77	681	702	373	373	(59)	1 046	1 094	1 152
Venues and facilities	1 126	3 122	509	652	652	93	1 529	1 476	1 554
Rental and hiring	-	579	865	-	-	330	7 209	10 155	10 693
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	238 157	440 964	319 021	367 817	362 817	362 740	480 371	456 576	492 944
Provinces and municipalities	-	35 000	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	35 000	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	35 000	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	237 459	405 612	318 846	366 387	361 387	362 245	479 883	456 023	492 346
Households	698	352	175	1 430	1 430	495	488	553	598
Social benefits	698	352	175	1 430	1 430	495	488	553	598
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	1 246	52 048	37 217	102 981	87 075	50 916	12 294	8 335	13 489
Buildings and other fixed structures	-	50 461	36 102	88 839	72 933	47 051	-	-	-
Buildings	-	50 461	36 102	88 839	72 933	47 051	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	1 246	1 587	1 115	14 142	14 142	3 865	12 294	8 335	13 489
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	1 246	1 587	1 115	14 142	14 142	3 865	12 294	8 335	13 489
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	489 345	814 802	721 061	938 695	922 789	853 933	985 143	1 004 239	1 101 566

Table 13.F : Payments and estimates by economic classification: Restorative Services

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Current payments	99 244	133 540	145 823	176 255	179 469	166 051	207 530	227 797	231 304
Compensation of employees	80 052	101 910	114 173	125 805	128 605	141 873	151 809	165 748	166 403
Salaries and wages	66 778	85 150	97 091	104 890	107 690	121 442	129 821	142 519	141 942
Social contributions	13 274	16 760	17 082	20 915	20 915	20 431	21 988	23 229	24 461
Goods and services	19 192	31 630	31 649	50 450	50 864	24 178	55 721	62 049	64 901
Administrative fees	0	10	22	12	12	10	11	14	13
Advertising	565	2 185	6 069	700	700	1 912	237	292	308
Assets less than the capitalisation threshold	562	513	420	1 234	1 234	458	3 208	2 174	1 854
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	2	14	72	162	162	137	703	177	187
Catering: Departmental activities	1 474	4 164	1 297	4 299	4 299	976	3 929	4 829	5 085
Communication (G&S)	987	1 026	1 263	1 552	1 552	1 051	2 699	2 175	2 290
Computer services	-	275	347	2 730	2 730	600	3 075	3 002	3 161
Cons & prof serv: Business and advisory services	-	1 127	-	6 491	6 491	380	6 409	8 839	9 307
Cons & prof serv: Infras and planning	-	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	-	-	101	-	-	-	-	-	-
Contractors	1 765	1 803	1 781	5 958	5 958	2 725	6 291	6 158	6 484
Agency and support / outsourced services	6 486	3 595	3 293	7 684	7 684	3 215	7 268	9 601	10 109
Entertainment	-	-	1	21	21	8	78	23	25
Fleet services (incl. govt motor transport)	158	683	1 247	1 175	1 175	1 035	1 241	1 288	1 356
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	101	1	4	-	-	(42)	-	-	-
Inventory: Fuel, oil and gas	126	24	31	328	328	24	347	328	345
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	3	13	40	37	37	104	39	592	623
Inventory: Medical supplies	16	4	8	130	130	10	101	105	110
Inventory: Medicine	-	-	-	-	-	25	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	110	-	-	-
Consumable supplies	272	315	248	969	969	293	1 450	1 066	1 124
Consumable: Stationery, printing and office supplies	120	407	964	986	986	474	1 502	1 572	1 656
Operating leases	1 304	1 339	838	2 993	2 993	1 264	3 158	3 292	3 466
Property payments	3 124	7 095	8 505	8 268	8 268	6 626	8 726	9 107	9 589
Transport provided: Departmental activity	380	2 562	918	1 201	1 201	354	569	595	626
Travel and subsistence	576	1 095	2 154	2 671	3 085	1 752	2 820	4 226	4 450
Training and development	6	197	28	178	178	215	187	807	850
Operating payments	18	303	462	242	242	(4)	923	966	1 018
Venues and facilities	1 146	2 845	1 344	429	429	248	750	821	865
Rental and hiring	-	36	192	-	-	218	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	31 673	36 179	36 376	55 857	52 643	52 947	67 322	68 987	72 050
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	31 589	36 170	36 268	55 261	52 047	52 038	67 202	68 852	71 903
Households	84	9	108	596	596	909	120	135	147
Social benefits	84	9	108	596	596	909	120	135	147
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	1 191	348	34	2 162	2 162	3 946	13 279	13 889	2 511
Buildings and other fixed structures	-	-	-	-	-	-	10 998	11 504	582
Buildings	-	-	-	-	-	-	10 998	11 504	-
Other fixed structures	-	-	-	-	-	-	-	-	582
Machinery and equipment	1 191	348	34	2 162	2 162	3 946	2 281	2 385	1 929
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	1 191	348	34	2 162	2 162	3 946	2 281	2 385	1 929
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	132 108	170 067	182 233	234 274	234 274	222 944	288 131	310 673	305 865

Table 13.G : Payments and estimates by economic classification: Development and Research

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Current payments	65 139	78 322	92 912	117 079	99 579	98 639	124 845	142 401	151 352
Compensation of employees	43 843	50 369	62 247	68 305	71 805	69 299	99 023	112 881	118 849
Salaries and wages	38 402	42 791	52 664	60 316	63 816	61 949	80 349	89 912	95 492
Social contributions	5 441	7 578	9 583	7 989	7 989	7 350	18 674	22 969	23 357
Goods and services	21 296	27 953	30 665	48 774	27 774	29 340	25 822	29 520	32 503
Administrative fees	-	-	1	-	-	12	-	-	-
Advertising	149	(152)	594	64	64	234	65	68	72
Assets less than the capitalisation threshold	26	1 538	482	757	757	899	815	852	880
Audit cost: External	-	-	-	235	235	235	236	247	273
Bursaries: Employees	-	-	84	-	-	-	-	-	-
Catering: Departmental activities	2 787	1 801	3 277	3 528	3 528	3 843	2 961	4 103	1 856
Communication (G&S)	1 201	1 945	3 851	862	862	1 518	1 131	1 183	1 001
Computer services	-	-	-	235	235	235	236	247	273
Cons & prof serv: Business and advisory services	115	398	-	18 613	4 113	(1 561)	8 807	9 863	27 497
Cons & prof serv: Infras and planning	-	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	-	-	-	117	117	117	118	123	136
Contractors	1 986	916	1 054	360	360	571	1 504	1 523	(65)
Agency and support / outsourced services	687	(464)	385	19 887	13 387	16 766	207	216	(6 602)
Entertainment	3	273	-	117	117	117	118	123	136
Fleet services (incl. govt motor transport)	885	2 510	3 463	359	359	884	943	1 017	417
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	28	-	7	112	112	112	11	12	130
Inventory: Fuel, oil and gas	139	25	80	-	-	-	3	3	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	5	-	413	-	-	-	224	234	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	396	15	27	19	19	19	365	382	22
Consumable: Stationery, printing and office supplies	301	371	501	551	551	343	759	794	640
Operating leases	1 633	562	327	78	78	78	906	948	91
Property payments	2 412	3 521	3 733	139	139	141	1 078	1 124	162
Transport provided: Departmental activity	1 259	617	1 555	-	-	503	-	-	-
Travel and subsistence	2 773	5 186	6 283	1 830	1 830	2 396	1 250	1 330	2 131
Training and development	1 121	1 320	2 426	445	445	567	1 947	2 553	1 777
Operating payments	3 374	6 722	377	136	136	136	771	807	158
Venues and facilities	16	849	1 560	330	330	745	1 367	1 768	1 518
Rental and hiring	-	-	185	-	-	430	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	9 638	23 553	32 650	55 860	70 360	70 155	69 302	74 327	79 963
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	14 500	14 500	13 500	18 765	19 760
Public corporations	-	-	-	-	14 500	14 500	13 500	18 765	19 760
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	14 500	14 500	13 500	18 765	19 760
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	9 638	23 553	32 475	55 345	55 345	55 345	55 259	54 994	59 605
Households	-	-	175	515	515	310	543	568	598
Social benefits	-	-	175	515	515	310	543	568	598
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	37 966	52 034	37 051	66 126	69 126	54 016	76 082	82 415	86 799
Buildings and other fixed structures	37 966	50 463	36 102	58 011	58 011	45 601	61 202	64 017	67 410
Buildings	37 966	50 463	36 102	58 011	58 011	45 601	61 202	64 017	67 410
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	1 571	949	8 115	11 115	8 415	14 880	18 398	19 389
Transport equipment	-	172	-	-	-	-	-	-	-
Other machinery and equipment	-	1 399	949	8 115	11 115	8 415	14 880	18 398	19 389
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	3	-	-	-	-	-	-	-	-
Total	112 746	153 909	162 613	239 065	239 065	222 810	270 229	299 143	318 114

Table 13.H : Payments and estimates by economic classification: Conditional grants

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Current payments	-	-	-	14 610	14 610	14 610	5 746	-	-
Compensation of employees	-	-	-	14 610	14 610	14 610	5 746	-	-
Salaries and wages	-	-	-	14 610	14 610	14 610	5 746	-	-
Social contributions	-	-	-	-	-	-	-	-	-
Goods and services	-	-	-	-	-	-	-	-	-
Administrative fees	-	-	-	-	-	-	-	-	-
Advertising	-	-	-	-	-	-	-	-	-
Assets less than the capitalisation threshold	-	-	-	-	-	-	-	-	-
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	-	-	-	-	-	-	-	-	-
Communication (G&S)	-	-	-	-	-	-	-	-	-
Computer services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Business and advisory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Infrast and planning	-	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	-	-	-	-	-	-	-	-	-
Contractors	-	-	-	-	-	-	-	-	-
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medcas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	-	-	-	-	-	-	-	-	-
Consumable: Stationery, printing and office supplies	-	-	-	-	-	-	-	-	-
Operating leases	-	-	-	-	-	-	-	-	-
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	-	-	-	-	-	-	-	-	-
Training and development	-	-	-	-	-	-	-	-	-
Operating payments	-	-	-	-	-	-	-	-	-
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to	2 700	3 821	674	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving funds	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	2 700	3 821	674	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Social benefits	-	-	-	-	-	-	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	2 700	3 821	674	14 610	14 610	14 610	5 746	-	-

Table 13.I : Payments and estimates by economic classification: Social Sector EPWP Incentive Grant for Provinces (Social Welfare Services)

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation 2013/14	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Current payments	-	-	-	14 610	14 610	14 610	3 746	-	-
Compensation of employees	-	-	-	14 610	14 610	14 610	3 746	-	-
Salaries and wages	-	-	-	14 610	14 610	14 610	3 746	-	-
Goods and services	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to	2 700	3 821	674	-	-	-	-	-	-
Non-profit institutions	2 700	3 821	674	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	2 700	3 821	674	14 610	14 610	14 610	3 746	-	-

Table 13.J : Payments and estimates by economic classification: EPWP Integrated Grant for Provinces (Social Welfare Services)

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation 2013/14	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Current payments	-	-	-	-	-	-	2 000	-	-
Compensation of employees	-	-	-	-	-	-	2 000	-	-
Salaries and wages	-	-	-	-	-	-	2 000	-	-
Goods and services	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	2 000	-	-

Table 13.K : Social Development - Payments of infrastructure by category

No.	Project name	Municipality / Region	Type of infrastructure		Project duration		Source of funding	Budget programme name	Targeted number of jobs for 2014/15	Total project cost	Expenditure to date from previous years	Total available		MTEF Forward estimates
			School - primary/ secondary/ specialised; admin block; water; electricity; sanitation/foilet; fencing etc)	Units (i.e. number of classrooms or facilities or square meters)	Date: Start	Date: Finish						2014/15	MTEF 2016/17	
R thousands														
New and replacement assets														
1	Umzimkulu Service Office	Umzimkulu	Acquisition of 12 unit office park home, fencing, ablutions, waiting area, Guard house and parking	Various	08 April 2014	31 March 2016	Equitable share	Social Welfare Services	12	8 000	-	3 000	-	-
2	Indumo Regeneration Project	Jozini	Construction of ECD, 'Isibindi' centre, Service office	Various	08 April 2014	30 March 2015	Equitable share	Social Welfare Services	30	41 000	-	14 000	-	-
3	Osizweni Service Office	Newcastle	Construction of new offices	Various	08 April 2014	31 March 2015	Equitable share	Social Welfare Services	15	17 000	-	7 000	-	-
	Impendle Service Office	Impendle	Phase 1 Urgent repairs: Ablutions and paving	Various	31/09/2013	01 November 2014	Equitable share	Social Welfare Services	10	990	-	-	-	-
4	KwaSwaymane ECD and Elderly Centre	Mshwathi	Construction of ECDC and elderly centre	Various	08 April 2014	31 March 2015	Equitable share	Various	30	12 000	-	4 000	-	-
5	Gamaalake Service Office	Hlabisa Coast	Construction of a new service office	Various	08 April 2014	30 June 2013	Equitable share	Various	25	18 000	-	5 000	-	-
6	Lindokuhle ECDC	Hlabisa	Construction of new ECDC	Various	08 April 2014	01 September 2013	Equitable share	Various	15	5 800	-	9 000	-	-
7	Wentworth Youth Development Centre	eThekweni	Construction of youth academy	Various	08 April 2014	31 March 2015	Equitable share	Various	14	18 000	-	9 000	-	-
8	Intshisekelo ECD	Nquthu	Construction of new ECDC	Various	08 April 2014	31 March 2015	Equitable share	Various	16	5 700	-	7 272	-	-
9	Harding Service Office	Hlabisa Coast	Construction of new service office	Various	08 April 2014	31 March 2015	Equitable share	Various	11	6 500	-	3 300	-	-
10	Impendle Service office	Impendle	Construction of new offices	Various	08 April 2014	31 March 2015	Equitable share	Various	15	10 000	-	4 000	-	-
11	Ngobeni ECDC	Msunduzi	Construction of new ECDC	Various	08 April 2014	01 September 2015	Equitable share	Various	14	5 800	-	5 000	-	-
12	Various	Various	New constructions	Various	Ongoing	Ongoing	Equitable share	Various	-	-	-	7 230	81 273	74 263
13	Various	Various	New and replacement assets	Various	Ongoing	Ongoing	Equitable share	Various	-	-	-	15 325	15 827	16 431
Total New and replacement assets									1 132	148 790	-	93 127	97 100	90 894
Upgrades and additions														
1	Various	Various	Upgrades and additions	Various	Ongoing	Ongoing	Equitable share	Various	-	-	-	12 878	13 781	14 746
Total Upgrades and additions									-	-	-	12 878	13 781	14 746
Rehabilitation, renovations and refurbishments														
Maintenance and repairs														
1	Various	Various	Maintenance of buildings	various	Ongoing	Ongoing	Equitable share	Various	-	-	-	16 307	17 057	17 961
Total Maintenance and repairs									-	-	-	16 307	17 057	17 961
Infrastructure transfers - current														
Infrastructure transfers - capital														
Total Social Development Infrastructure									1 132	148 790	-	122 312	127 938	123 401

VOTE 14

Public Works

Operational budget	R 1 367 626 165
MEC remuneration	R 1 734 835
Total amount to be appropriated	R 1 369 361 000
Responsible MEC	Mr. R. Pillay, MEC for Human Settlements and Public Works
Administering department	Public Works
Accounting officer	Head: Public Works

1. Overview

Vision

The department's vision is: *A thriving economy through infrastructure development and property management.*

Mission statement

The department's mission is: *We will lead in infrastructure development and property management in KZN.*

Strategic objectives

Strategic policy direction: The Department of Public Works will continue to focus on its role of providing for the provincial departments' needs for building infrastructure and property management services through acquisition, construction, maintenance and disposal of public land and buildings. In line with its strategic objectives in the 5-year Strategic Plan (2010-2015), the department seeks to align its operations with the overall aims of national and provincial government to achieve an efficient, competitive and responsive economic and social infrastructure network, as well as providing decent employment through inclusive economic growth.

Core functions

In carrying out its mandate, the department undertakes the following core functions:

- The acquisition of public buildings and land.
- The construction of public buildings, involving the physical erection or major improvements in respect of infrastructure in the building environment.
- The maintenance of public buildings and land, including performing the necessary work to keep the required level of operation and the payment of property rates.
- The alienation of public buildings and land, including the disposal of fixed assets by selling, demolition, exchanging and donation.

Legislative mandate

Within the broad statutory mandates of government institutions, the following mandates guide the department's core functions:

- Constitution of the Republic of South Africa (No. 108 of 1996)
- Public Service Act (No. 30 of 2007)

- Public Finance Management Act (Act No. 1 of 1999, as amended) and the Treasury Regulations
- Government Immovable Asset Management Act (No. 19 of 2007)
- Local Government: Municipal Rates Act (No. 6 of 2004)
- Construction Industry Development Board Act (No. 38 of 2000)
- National Building Regulations and Building Standards Act (No. 103 of 1977)
- Occupational Health and Safety Act (No. 85 of 1993)
- State Land Disposal Act (No. 48 of 1961)
- Prevention of Eviction from and Unlawful Occupation of Land Act (No. 19 of 1998)
- KwaZulu-Natal Land Administration Act (No. 3 of 2003)
- KwaZulu-Natal Heritage Act (No. 10 of 1997)
- Broad Based Black Economic Empowerment Act (No. 53 of 2004)
- Labour Relations Act (No. 66 of 1995)
- Employment Equity Act (No. 55 of 1995)
- Skills Development Act (No. 97 of 1998)
- Basic Conditions of Employment Act (No. 75 of 1997)
- Intergovernmental Relations Framework Act (No. 13 of 2005)
- Preferential Procurement Policy Framework Act (No. 5 of 2000)
- Cross-Boundary Municipalities Laws Repeal and Related Matters Act, as amended (No. 8 of 2009)
- Council for the Built Environment Act (No. 43 of 2000)
- Engineering Profession Act (No. 46 of 2000)
- Architectural Profession Act (No. 44 of 2000)
- Quantity Surveying Profession Act (No. 49 of 2000)
- Project and Construction Management Professions Act (No. 48 of 2000)
- Occupational Injuries and Diseases Act (No. 130 of 1993)
- Deeds Registry Act (No. 47 of 1937)
- Expropriation Act (No. 63 of 1975)
- Environmental Act (No. 107 of 1998)
- Promotion of Administrative Justice Act (No. 53 of 2002)
- Promotion of Access to Information Act (No. 54 of 2006)
- Skills Development Qualification Act (No. 58 of 1995)
- KwaZulu-Natal Ingonyama Trust Amendment Act 1997 (No. 9 of 1997)
- KwaZulu-Natal Planning and Development Act 2008 (No. 6 of 2008)

2. Review of the 2013/14 financial year

Section 2 provides a review of 2013/14, outlining the main achievements and progress made by the department, as well as providing a brief discussion on challenges and new developments.

Delivery of building infrastructure and accommodation

The KwaZulu-Natal Infrastructure Delivery Management System (KZN-IDMS) Steering Committee chaired by Provincial Treasury was established to co-ordinate the implementation of the KZN-IDMS and report on progress. The Steering Committee members include senior officials from Department of Public Works (DOPW), Department of Health (DOH), Department of Education (DOE) and Provincial Treasury (PT). Key deliverables during 2013/14 for implementing the KZN-IDMS for the Health and Education sectors are as follows:

- A draft of the Construction Procurement Standard was developed based on CIDB Practice Note 24 – managing the construction procurement process, as well as the National Treasury Standard for a Construction Procurement System (draft).
- A plan was developed to review procurement procedures and delegations for infrastructure in DOPW, DOH, DOE and PT to align to the IDMS gateway system in order to improve service delivery and value for money principles.
- Management of other implementing agents – An implementation plan was developed by DOPW and DOE to determine processes, roles and capacity requirements.
- The department conducted an assessment of systems required for effective and efficient delivery of infrastructure services and scope requirements for a system that provides efficient integration between the department's systems and to phase out systems that are redundant.

Expanded Public Works Programme (EPWP)

The EPWP is a nationwide programme which aims to provide unemployed people with work opportunities and training so that they increase their capacity to earn an income. EPWP objectives are to use public sector budgets to fight unemployment and help workers to earn an income, either through the labour market or through entrepreneurial activity. EPWP targets youth, women and people with disabilities that are unskilled, semi-skilled and unemployed. The department had a target of 35 000 work opportunities, 5 000 actual jobs and 750 full time equivalents (FTEs) for 2013/14. A total of 25 443 work opportunities, 6 506 actual jobs and 2 289 FTEs were created between April and December 2013. Jobs were created for targeted groups as follows: women – 1503, youth – 3 942 and people with disabilities – 21.

KZN Integrated Greening Programme

The department received an allocation of R3 million in respect of the EPWP Integrated Grant for Provinces in 2013/14, for the sustainment of the KZN Integrated Greening Programme. Using these funds, 540 people were employed in this programme between April and October 2013. Women, youth and people with disabilities participated in this programme. The achievements of the programme are as follows:

- 332 612 trees were planted, against a target of 153 333.
- 1 151 094 kilograms of waste was collected and recycled by waste-preneurs, against a target of 1 000 000 kilograms.
- 186 785 trees were propagated against a target of 191 667 across KZN. The project is still underway and the target of propagating trees will be achieved by year-end.
- The green-preneurs continued to trade bicycles, water tanks and solar energy devices in 2013/14.

National Youth Service Programme (NYSP)

The NYSP aims to provide technical skills to young people, while giving them an opportunity to serve their communities as part of nation building. The objectives of the NYSP are as follows:

- To promote social cohesion.
- To inculcate a culture of service to communities.
- To inculcate in young people an understanding of their role in the promotion of civic awareness and national reconstruction.
- To develop the skills, knowledge and abilities of young people to enable them to make a meaningful transition to adulthood.
- To improve youth employability through opportunities for skills development, work experience and support, to gain access to economic and further learning opportunities.

Against a target of 80 learners that were targeted to be trained on accredited modules, 99 learners were trained in 2013/14, therefore exceeding the set targets. All recruited learners will be awarded the National Certificate: Building and Civil Construction at NQF Level 3, comprising 140 credits. These learners were

recruited through the Operation *Sukuma Sakhe* (OSS) task teams. This programme focuses on training in bricklaying and plastering.

Fixed asset register

The fixed asset register has a number of categories of land ownership, which were dealt with as follows:

Finalisation of transfer of Umzimkulu, R293, South African Development Trust (SADT) and Ingonyama Trust Board (ITB) properties: The department completed the registration and vesting of 207 land parcels under Umzimkulu and is currently working with the Department of Rural Development and Land Reform (DRDLR) to finalise surveying and sub-division of 232 State Domestic Facilities (SDFs) in Umzimkulu. In respect of R293 properties, transfer and registration of 727 properties was finalised and these were registered under the name of the Province of KwaZulu-Natal. A target of 950 is set to be achieved by 31 March 2014.

Finalisation of the transfer of SADT and ITB properties: This project was reviewed and put on hold in 2013/14. It will be considered in 2015/16 after DRDLR has finalised the surveying and registration of all farms. The completion of surveying will also enable the department to transfer and register all SDFs built on tribal land/ Ingonyama Trust land which were already in existence on or before 24 April 1994.

Vesting of state properties: The number of properties to be vested has been verified with other stakeholders (National Department of Public Works (NDOPW) and DRDLR). This exercise has resulted in the reduction of land parcels being registered through the vesting process, from a target of 2 956 to 2 021, as detailed below:

- Land parcels with Item 28(1) certificates (which is required when immovable property is to be vested) is 648 (excluding the 2 150 properties vested by the Department of Transport in terms of the 2004 Assignment of Powers).
- Vesting applications submitted and waiting for Item 28(1) certificates is 700.
- Vesting applications to be submitted to the Provincial State Land Vesting and Disposal Committee is currently at 673.

Property valuations: The department had set a target of 750 properties to be valued in 2013/14. This target is set to be achieved by 31 March 2014.

Payment of municipal property rates: These funds were paid to the municipalities, with the bulk relating to properties in the eThekweni Metro. The department paid property rates on properties which were required to undergo a verification process, where these were found to belong to the province.

Government Immovable Asset Management Act (GIAMA): The department appointed service providers to undertake condition assessments on state owned clinics. The service providers are currently inspecting the physical condition of these clinics, so as to prepare a five-year clinic maintenance plan.

Intensification of Izandla Ziyagezana programme: New sites for cleaning were identified, and 59 job opportunities were created relating to this programme. This resulted in an increase in the number of people employed under this programme to 411. The *Izandla Ziyagezana* policy was revised to accommodate environmental and economic challenges, relating to the cost of living and compliance with labour policies such as to prescribed minimum wage and basic terms of employment, thus ensuring the sustainability of the programme.

Administration: Internal capacity building

The department awarded 27 bursaries to external students, and 49 interns were employed in fields such as architect, quantity surveyor, mechanical engineer, civil engineer, electrical engineer, as well as professionals, after passing their assessment examinations with the professional council. Of the seven existing external bursary holders, six completed their studies in December 2013, in the following fields – one mechanical engineer, one quantity surveyor, three architects and one construction manager.

3. Outlook for the 2014/15 financial year

Section 3 looks at the key focus areas of 2014/15, outlining what the department is hoping to achieve during the year, as well as briefly looking at challenges and proposed new developments.

Delivery of building infrastructure and accommodation

The implementation of the KZN-IDMS will continue in 2014/15 and this process will be led by PT. Milestones will be re-assessed and, if necessary, adjustments will be made by the KZN-IDMS Steering Committee. A key impact affecting the implementation process will be the amendments to the PFMA on Construction Procurement announced by National Treasury in 2013, and the circulation of the draft PFMA for inputs from provincial departments.

Expanded Public Works Programme

EPWP is a nationwide programme which aims to provide unemployed people with work opportunities and training so that they increase their capacity to earn an income. The department has set a target of 6 000 work opportunities and 800 FTEs for 2014/15. These targets are in line with a change relating to customised sector indicators from NDOPW, where a work opportunity is now defined as paid work created for an individual on an EPWP project for any period of time, which is the same as an actual job created for a person.

KZN Integrated Greening Programme

The KZN Integrated Greening Programme is a partnership programme led by the Office of the Premier (OTP), which focuses on greening activities through employment creation for unskilled people. The programme aims to develop and implement a comprehensive plan that will support a wide range of community based greening activities, including:

- Treepreneurs – growing and planting indigenous and edible plants.
- Wastepreneurs – collecting recyclable waste.
- Greenpreneurs – trading bicycles, water tanks, and solar energy devices.
- Reforestation projects – restoring community forest assets.

National Youth Service Programme (NYSP)

The NYSP aims to provide technical skills to young people, while giving them an opportunity to serve their communities as part of nation building. The department has set a target of 80 learners to be trained on accredited modules.

The objectives of the NYSP are to promote social cohesion, develop the skills, knowledge and abilities of young people to enable them to make a meaningful transition to adulthood, and to improve youth employability through opportunities for skills development, work experience and support, and to gain access to economic and further learning opportunities.

Fixed asset register

100 per cent migration of PREMIS data into the new Immovable Asset Management System: The contract for the use of PREMIS will expire on 31 March 2014. The fixed asset management tool, namely KZN Integrated Archibus System (KIAS) is being implemented from January 2014. The first phase consists of installation of the new system. The second phase includes data migration, quality control processes, maintenance systems and other IT related programme developments and enhancements. SITA will be engineering the processes to ensure compliance with IT prescripts and standards. KIAS will consolidate and replace some of the current systems (e.g. PREMIS, WIMS). It will also be interfaced with BAS and incorporate project and programme management in relation to capital and maintenance of infrastructure for KZN. The system will be fully implemented by 2015/16 and the benefits include an integrated system, improved project management, efficient financial reporting on infrastructure expenditure, facilities management and planning and fair value of properties for financial disclosures on an annual basis.

Finalisation of property valuations: The property valuation project commenced in December 2013 and will be finalised in the first quarter of 2014/15. As a result of the transfer of properties in terms of section

42 of the PFMA to one custodian department (DOPW), the number of properties to be valued increased substantially to 4 493. The main purpose of this project is to ensure that all properties are valued and the value is disclosed in DOPW AFS, which is one of the key elements in the disclosure note of assets.

Consolidation of land parcels to facilitate infrastructure development: This project aims to address the challenges facing infrastructure development in the province where a facility shares (or is built on) more than one land parcel. This involves accessing a large number of title deeds in order to have building plans approved, which is mandatory in terms of the KZN Planning and Development Act, 2008. Based on this background, it is critical that all facilities built on more than one land parcel be prioritised, and such land parcels be consolidated. This will ensure that the number of title deed documents will be in line with the number of facilities.

Finalisation of R293 properties: The properties still to be transferred from eThekweni Metro, KwaDukuza and eMnambithi Municipalities into the name of the Province of KwaZulu-Natal have been identified in the following former Natal Provincial Administration areas: Lamontville, Chesterville, Shakaville, Steadville and Claremont. These will be transferred in 2014/15.

Finalisation of surveying and sub-divisions of SDFs on tribal land and farms: The SDFs include schools, clinics, offices and hospitals built on tribal land or on farms not owned by government. This project was considered critical to the finalisation of the vesting of state owned immovable assets in terms of Item 28(1) of Schedule 6 of the Constitution of the Republic of South Africa. The SDFs were built on farms registered in the name of the DRDLR and also on tribal land, primarily on land that is governed by the KZN ITB. Section 4 of the KZN Ingonyama Trust Act, 1997 mandates that these SDFs vest in the name of the provincial government. Therefore it is critical that they be surveyed and sub-divided, where necessary, before they are subjected to the vesting process for final registration in the name of the Province of KwaZulu-Natal. The surveying and sub-division of these properties will be finalised by March 2015.

Condition assessments

Condition assessments of Community Health Centres will be undertaken in 2014/15 and maintenance plans will be developed for these facilities. This will ensure that state facilities are maintained at an optimal level to support the services delivered by them. This will be done in consultation with the DOH, as it will ensure that user-specific requirements are addressed and that the project yields beneficial results to the user department.

Izandla Ziyagezana programme

In 2014/15, the department will ensure that the *Izandla Ziyagezana* programme yields sustainable jobs, which will contribute meaningfully to poverty alleviation. Other options on utilisation of these vacant sites will be explored, thereby ensuring that beneficiaries and the department benefit from this relationship.

Administration: Internal capacity building

Bursary programme: Bursaries will be awarded for the 2014 academic year to applicants in professional disciplines – i.e. civil, electrical and mechanical engineering. Female applicants from rural areas will be prioritised. The department will award external bursaries to 24 students and internal bursaries to 42 students. The budget in respect of external bursaries is centralised under OTP.

Internship programme: In 2014/15, the department will employ 53 interns. Four existing interns will be furthering their studies at university and additional seven interns will be appointed, provided that they have completed their degrees.

4. Receipts and financing

4.1 Summary of receipts

Table 14.1 indicates the sources of funding for Vote 14 for the period 2010/11 to 2016/17. The table also compares actual and budgeted receipts against actual and budgeted payments. Note that the Devolution of Property Rate Funds grant was phased into the equitable share from 2013/14 onward.

Table 14.1 : Summary of receipts and financing

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Equitable share	614 352	705 129	758 563	1 258 366	1 257 040	1 257 040	1 313 693	1 372 793	1 846 221
Conditional grants	713 331	465 546	552 608	3 000	3 000	3 000	3 168	-	-
Devolution of Property Rate Funds grant	709 891	463 585	551 100	-	-	-	-	-	-
EPWP Integrated Grant for Provinces	3 440	1 961	1 508	3 000	3 000	3 000	3 168	-	-
Total receipts	1 327 683	1 170 675	1 311 171	1 261 366	1 260 040	1 260 040	1 316 861	1 372 793	1 846 221
Total payments	1 114 209	1 182 268	1 133 311	1 261 366	1 313 731	1 316 396	1 369 361	1 372 793	2 046 221
Surplus/(Deficit) before financing	213 474	(11 593)	177 860	-	(53 691)	(56 356)	(52 500)	-	(200 000)
Financing									
of which									
Provincial roll-overs	2 600	42 295	14 185	-	28 168	28 168	-	-	-
Provincial cash resources	3 300	-	27 032	-	25 523	25 523	52 500	-	200 000
Surplus/(Deficit) after financing	219 374	30 702	219 077	-	-	(2 665)	-	-	-

The aim of the Devolution of Property Rate Funds grant was to provide for the payment of property rates in the province. The high 2010/11 allocation of R709.891 million included an additional once-off amount of R450 million that was received to address shortfalls in funding since the inception of the grant, and this also explains the significant decrease thereafter. As mentioned earlier, from 2013/14, this grant was phased into the equitable share, thus the table shows no grant allocation over the MTEF, but the provincial allocation has increased substantially.

The department was allocated the EPWP Integrated Grant for Provinces from 2010/11 to 2014/15. The department receives an amount of R3.168 million against this grant in 2014/15, and no allocation for the two outer years of the MTEF, at this stage.

In 2010/11:

- An amount of R2.600 million was rolled over from 2009/10 to 2010/11, of which R280 000 was to cater for commitments relating to the EPWP Integrated Grant for Provinces and R243 000 allocated by National Treasury for the same grant in March 2010. Furthermore, roll-overs were received for outstanding payments of property rates for the Devolution of Property Rate Funds grant (R177 000) and for the OSD for professionals, such as architects and artisans (R1.900 million).
- An amount of R3.300 million, allocated against provincial cash resources, was mainly due to the payment of outstanding arrears for municipal services in the Ulundi Municipality.
- The department under-spent by R219.374 million in 2010/11, mainly due to delays in the receipt of invoices for property rates, delays in the filling of vacant posts, reduced purchasing of equipment due to cost-cutting, as well as slow progress of capital infrastructure projects and the project management tool, which was delayed due to slow procurement processes.

In 2011/12:

- An amount of R42.295 million was rolled over from 2010/11 to 2011/12 related to property rates commitments from the previous year. In 2011/12, the department under-spent by R30.702 million, emanating from R16.517 million in respect of the Devolution of Property Rate Funds grant due to unpaid municipal rates and R14.185 million for infrastructure commitments, for which a roll-over was approved.

In 2012/13:

- An amount of R14.185 million was rolled over to 2012/13 relating to the infrastructure commitments from the previous year. The department received R27.032 million additional funding, and this included R25 million relating to the purchase and development of a fixed asset management tool and R2.032 million for the EPWP Integrated Grant for Provinces.
- The department under-spent by R219.077 million in 2012/13, which included an amount of R120.489 million that was identified as over-provision in the Devolution of Property Rate Funds grant, and was surrendered to National Treasury. There was under-spending of R22.090 million mainly due to slow progress with regard to the DOPW head office project, due to sub-division issues

to be finalised with the local municipality. The tenders were awarded later than anticipated, resulting in delays in the commencement of the GIAMA and the procurement of the fixed asset management tool projects.

In 2013/14:

- R28.168 million was rolled over from 2012/13 to 2013/14 in respect of commitments related to property rates.
- The department received R25.523 million provincial cash resources for the Richmond Community Development programme (R24.523 million) and OSS (R1 million).
- The Revised Estimate reflects over-spending of R2.665 million largely due to unanticipated payments in respect of performance bonuses and higher than anticipated staff exit costs.

The department's allocation increases in 2014/15 by R52.500 million, including:

- A roll-over from 2012/13 of R25 million for the fixed asset management tool.
- A once-off additional amount for the Richmond Community Development, and the National Youth Service programmes of R20 million and R7.500 million, respectively.
- R3.265 million for carry-through costs of previous wage agreements.
- The department's allocation is reduced by R3.277 million, in respect of the centralisation of parts of the communications budget and the external bursaries budget under OTP.

In 2016/17, commencement of the government office precinct project is expected, hence funds of R600 million are allocated for this project. An amount of R200 million is allocated from provincial cash resources.

4.2 Departmental receipts collection

Table 14.2 reflects the estimated departmental receipts for Vote 14. The department is a service provider to other provincial departments, and it is therefore not a major revenue generating entity.

The main sources of revenue are of a domestic nature and include housing rent, parking, etc. Details are provided in the *Annexure – Vote 14: Public Works*.

Table 14.2 : Summary of departmental receipts collection

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	3 432	4 717	6 122	5 105	5 105	5 546	6 461	6 962	7 400
Transfers received	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	422	198	220	150	150	177	164	180	192
Sale of capital assets	-	-	15 908	-	-	8 365	755	220	240
Transactions in financial assets and liabilities	2 754	1 201	1 392	779	779	1 334	872	959	1 015
Total	6 608	6 116	23 642	6 034	6 034	15 422	8 252	8 321	8 846

Sale of goods and services other than capital assets is one of the main areas of revenue collection for the department, which relates to housing rent recoveries, parking and state property rentals. The increasing trend between 2010/11 and 2012/13 was due to arrear rentals resulting from the regularisation of a number of cases relating to illegal occupants, where no payments were previously made. The estimated over-collection in 2013/14 was due to the unexpected sale of tender documents. This category shows steady growth over the 2014/15 MTEF.

The revenue collection against *Interest, dividends and rent on land* relates to interest earned on debts. The inconsistent trend over the seven-year period is a result of unanticipated debt recovery, which impacts on the collection of interest.

The substantial collection in 2012/13 against *Sale of capital assets* relates to the sale of redundant motor vehicles. In the 2013/14 Revised Estimate, the collection against this category relates to the sale of land no longer required by the provincial government which was sold by public bid. The department is projecting to collect at a much lower level over the MTEF.

The significantly high revenue collection between 2010/11 and 2012/13 against *Transactions in financial assets and liabilities* relates to a concerted effort by the department to clear outstanding staff debts from prior years, hence the low 2013/14 Main Appropriation. This category shows a steadily increasing trend over the MTEF, as the department continues to focus on debt recovery.

4.3 Donor funding – Nil

5. Payment summary

This section provides information pertaining to the vote as a whole at an aggregated level, including payments and budgeted estimates in terms of programmes and economic classification. Further details are given in Section 6 below, as well as in the *Annexure – Vote 14: Public Works*.

5.1 Key assumptions

The following key assumptions have been used to determine the budget:

- Inflation related items have been based on CPI projections.
- The expanded cost-cutting measures, as reissued by PT in 2013/14, will continue to be adhered to over the 2014/15 MTEF, in conjunction with National Treasury Instruction 01 of 2013/14: Cost-containment measures.
- Provision was made for an inflationary wage adjustment of 6.4, 6.4 and 6.3 per cent for each of the three years of the 2014/15 MTEF, respectively. The department also provided for the 1.5 per cent pay progression. In addition, the department received additional funding for the re-grading of clerical staff, as well as for the carry-through costs of previous wage agreements over the 2014/15 MTEF.
- The *Compensation of employees* budget is based on the human resource provisioning plan of the department.
- The capital budget is based on the department's infrastructure plan.

5.2 Additional allocations for the 2012/13 to 2014/15 MTEF

Table 14.3 shows additional funding received by the department over the three MTEF periods: 2012/13, 2013/14 and 2014/15. Note that the table reflects only the provincial additional allocations, and excludes additional allocations in respect of conditional grants.

The purpose of such a table is two-fold. Firstly, it shows the quantum of additional funding allocated to the department in the past and current MTEF periods. Secondly, it indicates the policies and purposes for which the additional funding was allocated.

The carry-through allocations for the 2012/13, 2013/14 and 2014/15 MTEF periods (i.e. for the financial year 2016/17) are based on the incremental percentage used in the 2014/15 MTEF.

Table 14.3 : Summary of additional provincial allocations for the 2012/13 to 2014/15 MTEF

R thousand	2012/13	2013/14	2014/15	2015/16	2016/17
2012/13 MTEF period	21 788	22 877	16 458	17 215	18 007
Carry-through of 2011/12 Adjustments Estimate - 2011 wage agreement	3 788	3 977	4 176	4 368	4 569
Improving infrastructure support	18 000	18 900	19 845	20 758	21 713
Provincial priorities - Reduction of GIAMA allocation for 2014/15	-	-	(7 563)	(7 911)	(8 275)
2013/14 MTEF period		454 184	469 375	486 887	509 284
Census data update and 1%, 2% and 3% baseline cuts		(10 867)	(22 202)	(27 541)	(28 808)
Phasing in of Devolution of Property Rate Funds grant into Equitable Share		465 051	491 577	514 428	538 092
2014/15 MTEF period			52 488	2 976	603 804
Government office precinct project			-	-	600 000
National Youth Service programme			7 500	-	-
Richmond Community Development programme			20 000	-	-
Roll-over from 12/13 to 14/15 - Fixed Asset Mgt Tool			25 000	-	-
Carry-through of previous wage agreements			3 265	6 305	7 286
Centralisation of communications budget under OTP			(940)	(990)	(1 035)
Centralisation of external bursaries budget under OTP			(2 337)	(2 339)	(2 447)
Total	21 788	477 061	538 321	507 078	1 131 095

In the 2012/13 MTEF, funding was allocated for the carry-through costs of the higher than anticipated 2011 wage agreement and improving the department's capacity for infrastructure support. The decrease in the allocation for GIAMA over the 2012/13 MTEF (commencing in 2014/15) is based on a detailed costing of the funding requirements by the department, which indicated that the original provision was in excess of the calculated requirement.

In the 2013/14 MTEF, National Treasury took a decision to impose 1, 2 and 3 per cent baseline cuts on all spheres of government (i.e. National, Provincial and Local) in order to curb the national deficit as public spending is growing faster than revenue collection. In addition, KZN received reduced equitable share allocations as a result of the reduced proportion in terms of population numbers as reported in the 2011 Census data results. The effect of this on the department was a substantial reduction in the budget.

The Devolution of Property Rate Funds grant was phased into the equitable share from 2013/14 onward. In 2012/13, the department indicated to National Public Works that there was an over-provision in the grant and the funding for property rates was therefore reduced and adjusted accordingly. As a result, the reduced amount was phased into the equitable share.

In the 2014/15 MTEF, the department is allocated once-off additional funding for the National Youth Service and the Richmond Community Development programmes. Also included is a roll-over from 2012/13 to 2014/15 in respect of the fixed asset management tool. The department receives the carry-through costs of previous wage agreements. This was mitigated by a reduction in the department's allocation relating to the centralisation of parts of the communications budget and the external bursaries budgets under OTP. Lastly, an amount of R600 million earmarked for the government office precinct project is allocated in the outer year of this period.

5.3 Summary by programme and economic classification

Tables 14.4 and 14.5 below provide a summary of the vote's expenditure and budgeted estimates over the MTEF period by programme and economic classification, respectively.

The department's budget is divided into three programmes, namely Administration, Property Management and Provision of Buildings, Structures and Equipment. The department's structure is currently not in line with the uniform budget and programme structure for the Public Works sector, and this is under review.

Table 14.4 : Summary of payments and estimates by programme: Public Works

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
1. Administration	238 887	273 601	285 966	317 077	313 751	313 701	332 381	352 353	375 027
2. Property Management	554 635	580 466	474 335	571 505	591 164	577 131	615 691	619 919	653 218
3. Provision of Buildings, Structures and Equipment	320 687	328 201	373 010	372 784	408 816	425 564	421 289	400 521	1 017 976
Total	1 114 209	1 182 268	1 133 311	1 261 366	1 313 731	1 316 396	1 369 361	1 372 793	2 046 221

Table 14.5 : Summary of payments and estimates by economic classification: Public Works

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Current payments	501 754	598 521	625 609	683 113	742 310	740 377	776 511	755 927	803 183
Compensation of employees	361 319	398 023	438 487	486 509	484 509	490 816	520 148	550 737	590 243
Goods and services	140 435	200 498	186 891	196 604	257 795	249 554	256 363	205 190	212 940
Interest and rent on land	-	-	231	-	6	7	-	-	-
Transfers and subsidies to:	520 949	499 986	405 705	470 211	463 379	466 112	488 109	510 122	537 249
Provinces and municipalities	515 538	492 936	396 112	465 198	458 366	458 435	485 110	507 225	534 102
Departmental agencies and accounts	368	375	395	540	540	493	588	598	600
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	5 043	6 675	9 198	4 473	4 473	7 184	2 411	2 299	2 547
Payments for capital assets	82 233	73 381	101 887	108 042	108 042	109 907	104 741	106 744	705 789
Buildings and other fixed structures	65 916	42 669	76 886	84 639	84 639	84 639	78 934	79 248	676 993
Machinery and equipment	16 239	29 781	21 108	20 129	20 129	21 168	21 807	23 296	24 416
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	78	931	3 893	3 274	3 274	4 100	4 000	4 200	4 380
Payments for financial assets	9 273	10 380	110	-	-	-	-	-	-
Total	1 114 209	1 182 268	1 133 311	1 261 366	1 313 731	1 316 396	1 369 361	1 372 793	2 046 221

The department's baseline has increased significantly over the seven years, from R1.114 billion in 2010/11 to R2.046 billion in 2016/17. The slight increase in 2011/12 can be ascribed to additional funding for GIAMA and the fixed asset register, as well as the EPWP Integrated Grant for Provinces. There was a minimal decrease in 2012/13 mainly due to an over-provision identified against property rates funding.

The increase in the 2013/14 Adjusted Appropriation is attributed to a roll-over of R28.168 million approved by National Treasury for commitments relating to invoices for property rates. Furthermore, once-off additional funding was allocated for projects such as the Richmond Community Development programme and OSS initiatives, with these being allocated R24.523 million and R1 million, respectively.

The growth in 2014/15 relates to the once-off funding in respect of the National Youth Service programme, the Richmond Community Development programme, as well as the carry-through costs of previous wage agreements. Further contributing was a roll-over from 2012/13 to 2014/15 for the fixed asset management tool. The sharp growth in 2016/17 relates to a substantial additional allocation for the government office precinct project, with construction planned to commence in this year.

Programme 1: Administration shows a significant increase in 2011/12, mainly due to costs relating to the upgrading of the department's IT infrastructure, and the replacement of official vehicles. There was a further increase in 2012/13 largely due to pressures attributed to an unanticipated increase in expenditure for computer services (SITA), unanticipated payments of staff exit costs, as well as the higher than anticipated wage agreement. The decrease in the 2013/14 Adjusted compared to the Main Appropriation was a result of savings realised against *Compensation of employees* due to the moratorium on the filling of non-critical posts. These savings were moved to other programmes to defray spending pressures related to the higher than budgeted 2013 wage agreement, as well as re-grading of posts on salary levels 9 and 11 to 10 and 12, respectively. The growth over the 2014/15 MTEF can be ascribed to establishing the new Sisonke District office relating to operational costs and *Machinery and equipment*, which were reprioritised from Programme 2 under *Transfers and subsidies to: Provinces and municipalities*.

Programme 2: Property Management reflects an increase in 2011/12 mainly attributed to additional funding for GIAMA and the fixed asset register which was allocated against *Goods and services*. The significant decrease in 2012/13 was mainly attributed to an over-provision against the property rates funding under *Transfers and subsidies to: Provinces and municipalities*. As a result, the property rates funding was reduced and adjusted accordingly. In the 2013/14 Adjusted Appropriation, savings in respect of property rates were moved from *Transfers and subsidies to: Provinces and municipalities* to *Goods and services* to fund the purchase and development of a fixed asset management tool and the rental stock audit,

explaining the growth in that year. A portion of the additional funding for the fixed asset management tool is also allocated in 2014/15 and this therefore explains the minimal growth in 2015/16. Thereafter, the programme shows an inflationary growth in 2016/17.

Programme 3: Provision of Buildings, Structures and Equipment increases significantly in 2012/13 due to capital infrastructure payments in respect of the 191 Prince Alfred Street head office project. The slight drop in the 2013/14 Main Appropriation can be ascribed to baseline cuts that were effected against infrastructure by reducing the budget for the head office project. There is a further increase in the 2013/14 Adjusted Appropriation which is attributed to once-off additional funding for the Provincial Infrastructure Master Plan project. The declining growth from 2014/15 to 2015/16 is driven by once-off additional funding for the National Youth Service and Richmond Community Development programmes allocated in 2014/15. The significant growth in 2016/17 relates to substantial additional funding earmarked for the government office precinct project, as mentioned.

The expenditure trend against *Compensation of employees* from 2010/11 to 2012/13 was due to the carry-through costs of higher than anticipated wage agreements, OSD for professionals (such as architects and artisans), as well as provision made for improving infrastructure support. The decrease in the 2013/14 Adjusted Appropriation relates to a portion of funding allocated for infrastructure capacity support being shifted to *Goods and services* to provide for consultants employed as project managers in the Ulundi region, as the department found it difficult to fill posts in that region. The increase in the 2013/14 Revised Estimate is largely due to unanticipated payments in respect of performance bonuses. The category shows steady growth over the 2014/15 MTEF.

The sharp increase in 2011/12 against *Goods and services* was due to additional funding for GIAMA and the fixed asset register, the EPWP Integrated Grant for Provinces, as well as resettlement costs mainly for those staff linked to the new Mkhuze district office, as well as for consultants in the North Coast region. A reduction in GIAMA spending under Programme 2 contributed to the decreasing trend in 2012/13, as well as a SCOA change in respect of finance leases for cellphones which were moved from *Goods and services* to *Machinery and equipment*. The increase in the 2013/14 Adjusted Appropriation relates to additional funding earmarked for the purchase and development of a fixed asset management tool, the rental stock audit and the Provincial Infrastructure Master Plan projects. The fluctuating growth over the MTEF is mainly driven by additional funding for the fixed asset management tool, and the once-off allocation for the Richmond Community Development programme in 2014/15, accounting for the reduction in 2015/16. Thereafter, the category shows inflationary growth.

The high spending in 2010/11 against *Transfers and subsidies to: Provinces and municipalities* was mainly attributed to the once-off payment of arrears in respect of the Devolution of Property Rate Funds grant. This explains the significant decrease in the ensuing year. In 2012/13, the department identified an over-provision relating to property rates funding which was surrendered to the National Treasury, and the property rates funding was reduced accordingly. Included in 2013/14 is a roll-over relating to previous years' commitments. In the 2013/14 Adjusted Appropriation, the property rates funding was reduced due to savings that were identified against this funding, and were moved to offset spending pressures in other categories. The 2014/15 MTEF grows steadily.

The erratic trend against *Transfers and subsidies to: Departmental agencies and accounts* over the entire period is due to expenditure on workmen's compensation, which is based on claims received. The spending from 2010/11 to 2012/13 relates to a realignment of the budget, in respect of the payment of the skills development levy to SETA. There is steady growth over the 2014/15 MTEF.

Transfers and subsidies to: Households caters for external bursaries and staff exit costs. The unpredictable trend against this category is due to staff exit costs which are difficult to budget for. The significant increase in 2012/13 is attributed to costs relating to high staff turnover – i.e. leave gratuities for staff exits. The increase in the Revised Estimate is due to higher than anticipated staff exit costs. The decrease in 2014/15 is in line with the transfer of the external bursaries budget to OTP which commenced in the 2013/14 Adjusted Appropriation. There is steady growth in the outer years of the MTEF.

Buildings and other fixed structures fluctuates over the seven years, as it is based on actual capital infrastructure requirements, including new and carry-through costs on certain projects. The provision for 2016/17 is significantly higher due to additional funding of R600 million for the government office precinct project, with construction being planned to commence in that year.

In respect of *Machinery and equipment*, the substantial increase in 2011/12 was due to upgrading the department's IT infrastructure and networks for new offices, as well as for the replacement of vehicles. This explains the reduction from 2012/13 onward. There is steady growth over the 2014/15 MTEF, which is ascribed to the department's requirements for that period.

Spending against *Software and other intangible assets* increased in 2011/12 due to the renewal of Cognos user licences. The further significant increases from 2012/13 onward were based on the agreement entered into by the department with Microsoft, which required a three-year commitment and annual billing. The allocation grows steadily over the MTEF period.

The department wrote off various losses of R9.273 million, R10.380 million and R110 000 against *Payments for financial assets* in 2010/11 and 2011/12 and 2012/13, respectively.

5.4 Summary of expenditure and estimates by district municipal area

Table 14.6 presents a summary of the department's spending per district municipal area, excluding administrative costs. The figures below include capital and current infrastructure, as well as the payment of municipal rates.

Table 14.6 : Summary of payments and estimates by district municipal area

R thousand	Audited Outcome	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16	2016/17
eThekwini	202 484	242 168	275 488	291 625	303 419
Ugu	8 938	12 088	9 481	10 077	10 645
uMgungundlovu	105 301	117 679	131 196	133 783	758 692
Uthukela	31 988	42 001	30 303	26 871	25 268
Umzinyathi	20 737	23 324	28 239	29 856	25 378
Amajuba	21 831	8 818	9 870	9 017	9 422
Zululand	34 278	44 839	35 125	36 923	27 577
Umkhanyakude	15 162	9 808	9 691	10 120	10 531
uThungulu	13 466	21 237	12 385	12 854	13 432
Ilembe	13 714	14 974	15 655	17 805	18 163
Sisonke	15 519	13 723	14 506	15 444	16 452
Total	483 418	550 659	571 939	594 375	1218 979

The bulk of the department's service delivery spending is concentrated in eThekwini, uMgungundlovu, Umzinyathi, Uthukela, Zululand and uThungulu district municipal areas. The funding in uMgungundlovu is allocated for the infrastructure development of additional office accommodation for the head office, the Southern regional office and district offices, all situated in Pietermaritzburg, and which continue over subsequent years. One of the department's programmes is the upgrading of the Midlands regional office in Ladysmith (Uthukela) and district offices in Ulundi such as Mtubatuba and Umkhanyakude district office – Mkhuze portion (Zululand and Umkhanyakude).

There is generally steady growth over the 2014/15 MTEF in most district municipalities. However, there is a sharp increase in 2016/17 against uMgungundlovu, which relates to the additional allocation of R600 million which is earmarked for the government office precinct project in Pietermaritzburg.

5.5 Summary of conditional grant payments and estimates

Tables 14.7 and 14.8 below relate to the summary of conditional grants receipts and payments.

Note that the historical figures set out in Table 14.7 below reflect actual expenditure per grant, and should not be compared to those reflected in Table 14.1, which represent the actual receipts for each grant. Further details are provided in the *Annexure – Vote 14: Public Works*.

Table 14.7 : Summary of conditional grants payments and estimates by name

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Devolution of Property Rate Funds Grant to Provinces	509 939	489 480	402 443	-	-	-	-	-	-
EPWP Integrated Grant for Provinces	413	4 683	5 292	3 000	3 000	3 000	3 168	-	-
Total	510 352	494 163	407 735	3 000	3 000	3 000	3 168	-	-

Table 14.8 : Summary of conditional grants payments and estimates by economic classification

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Current payments	413	4 683	5 292	3 000	3 000	3 000	3 168	-	-
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	413	4 683	5 292	3 000	3 000	3 000	3 168	-	-
Other	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	509 939	489 480	402 443	-	-	-	-	-	-
Provinces and municipalities	509 939	489 480	402 443	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Universities and technikons	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	510 352	494 163	407 735	3 000	3 000	3 000	3 168	-	-

The high spending in 2010/11 relates to the payment of arrears, from prior years, in respect of the Devolution of Property Rate Funds grant (additional funding of R450 million was received for the grant in 2010/11). The decreasing trend in 2011/12 emanates from the disputed invoices with the eThekweni Metro where these rates were not paid until the properties had been verified. The funding for the grant was incorporated into the equitable share from 2013/14, and there is thus no allocation from 2013/14 onward.

The department received funding for the EPWP Integrated Grant for Provinces from 2010/11 to 2013/14. The sharp increase in 2011/12 is attributed to payments in respect of the *Izandla Ziyagezana*, as well as the KZN Integrated Greening programmes. The increase in 2012/13 against this grant was due to a roll-over of R2.032 million allocated under *Goods and services*. In 2013/14, the department was allocated R3 million against this grant. An allocation of R3.168 million is made for 2014/15, and no funding for the two outer years of the MTEF at this stage.

5.6 Summary of infrastructure payments and estimates

Table 14.9 below presents a summary of infrastructure payments and estimates by category for the vote. Detailed information on infrastructure is given in the *Annexure – Vote 14: Public Works*.

Table 14.9 : Summary of infrastructure payments and estimates by category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
New and replacement assets	31 032	19 606	13 387	16 144	5 495	5 495	15 422	14 109	600 000
Existing infrastructure assets	42 946	31 987	74 612	74 695	87 144	87 144	71 612	73 264	85 118
Upgrades and additions	23 384	11 691	52 057	45 335	60 736	60 736	52 930	54 881	76 993
Rehabilitation, renovations and refurbishments	11 500	11 372	11 442	21 360	18 408	18 408	10 582	10 258	-
Maintenance and repairs	8 062	8 924	11 113	8 000	8 000	8 000	8 100	8 125	8 125
Infrastructure transfers	-	-	-	-	-	-	-	-	-
Current	-	-	-	-	-	-	-	-	-
Capital	-	-	-	-	-	-	-	-	-
Total	73 978	51 593	87 999	90 839	92 639	92 639	87 034	87 373	685 118

The decrease in spending against *New and replacement assets* in 2011/12 and 2012/13 is mainly due to the completion of construction of new district offices in Mtubatuba, Mkhuze and Ixopo. The decrease in the 2013/14 Adjusted Appropriation is attributed to the reprioritisation from this category under the Umzinyathi sub-district office and the uMgungundlovu new wing to *Upgrades and additions* for the head office project. The allocation over the 2014/15 MTEF is for the construction of the Southern region and the new Richmond offices. The sharp growth in 2016/17 is due to the allocation of additional funds for the government office precinct project.

The category *Upgrades and additions* fluctuates slightly over the seven-year period, as it is based on actual capital infrastructure requirements, including new and carry-through costs on certain projects. The funding in 2013/14 was reduced as a result of the baseline cuts, however, due to cost pressures, funds were reprioritised from other infrastructure categories in the 2013/14 Adjusted Appropriation. The allocation over the 2014/15 MTEF is for the continuation costs of various projects, among others, the Midlands regional office, Greytown district office, the eThekweni office, the CIDB satellite office in uMgungundlovu, as well as the commencement of upgrades and additions to the Zululand district office (Vryheid sub-office).

Funding in 2013/14 against *Rehabilitation, renovations and refurbishments* is to cater for the administrative wing of the former Legislative Assembly (LA) Complex in Ulundi, comprising landscaping, air-conditioning and electrical maintenance. The decrease in the 2013/14 Adjusted Appropriation can be ascribed to the reprioritisation of funds to *Upgrades and additions* for the head office project. The decreasing trend over the MTEF is due to finalisation of projects in respect of the LA Complex in Ulundi, namely the maintenance contract for air-conditioning, upgrade to lifts and the renewal of the palisade fencing.

The high spending against *Maintenance and repairs* from 2012/13 onward was due to higher than anticipated costs in respect of planned projects. The budget over the 2014/15 MTEF is to accommodate planned projects such as maintenance of air-conditioners and lifts in the Midlands, North Coast, eThekweni and Southern regions, as well as for the head office. This category shows steady growth over the 2014/15 MTEF.

Overall, there is a fluctuating trend against infrastructure projects, driven by the commencement and completion of projects. A number of major projects, some of which are multi-year projects, will continue over the 2014/15 MTEF, including the continuation and commencement of phase three of the head office project, the Midlands regional office, the construction of the Southern region, the Richmond office, and phase one of the government office precinct project which is anticipated to commence in 2016/17.

5.7 Public Private Partnerships (PPPs) – Nil

5.8 Transfers to public entities listed in terms of Schedule 3 of the PFMA – Nil

5.9 Transfers to other entities – Nil

5.10 Transfers to local government

Tables 14.10 and 14.11 below indicate transfers to local government per category and per type, respectively. The transfers are in respect of the payment of property rates to municipalities. Further details of these transfers per category are presented in *Annexure – Vote 14: Public Works*.

It is noted that, although the payment of motor vehicle licences falls under *Transfers and subsidies to: Provinces and municipalities*, these funds will not be transferred to any municipality, and hence these are excluded from the tables below.

It is also noted that the amounts indicated as *Unallocated* from 2012/13 onward relate to property rates for properties owned by KZN, but located in other provinces.

Table 14.10 : Summary of departmental transfers to local government by category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Category A	318 754	281 849	195 659	205 056	228 212	228 212	269 459	283 795	297 728
Category B	164 703	205 154	199 952	259 739	229 981	229 981	215 446	223 207	236 133
Category C	31 891	5 764	-	-	-	-	-	-	-
Unallocated	-	-	132	256	26	26	50	60	70
Total	515 348	492 767	395 743	465 051	458 219	458 219	484 955	507 062	533 931

Table 14.11 : Summary of departmental transfers to local government by grant name

R thousand	Sub-programme	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
		2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Property rates	2.1 Personnel & Admin Related	515 348	492 767	395 743	465 051	458 219	458 219	484 955	507 062	533 931
Total		515 348	492 767	395 743	465 051	458 219	458 219	484 955	507 062	533 931

The high spending in 2010/11 relates to once-off additional funding that was received to provide for shortfalls in funding since the inception of the grant. This explains the decrease from 2011/12 onward. In the 2013/14 Adjusted Appropriation, a roll-over was approved by National Treasury to provide for commitments relating to invoices for property rates in respect of the eThekweni Metro. The reduction was due to savings moved to offset spending pressures in *Goods and services*. There is steadily increasing growth in all the categories over the 2014/15 MTEF.

5.11 Transfers and subsidies

Table 14.12 below is a summary of *Transfers and subsidies* per programme.

Table 14.12 : Summary of transfers and subsidies by programme and main category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
1. Administration	3 255	3 676	5 164	3 644	3 644	3 733	1 677	1 839	1 957
Provinces and municipalities	190	169	369	145	145	212	155	163	171
Motor vehicle licences	190	169	369	145	145	212	155	163	171
Departmental agencies and accounts	368	375	394	481	481	447	528	537	538
Workmens compensation	-	-	-	65	65	31	74	57	60
Skills development levy	368	375	394	416	416	416	454	480	478
Households	2 697	3 132	4 401	3 018	3 018	3 074	994	1 139	1 248
Social benefits	1 487	1 336	2 685	801	1 237	1 260	994	1 139	1 248
Other transfers to households	1 210	1 796	1 716	2 217	1 781	1 814	-	-	-
2. Property Management	515 872	492 948	395 814	465 086	458 254	458 489	484 990	507 097	533 966
Provinces and municipalities	515 348	492 767	395 743	465 051	458 219	458 219	484 955	507 062	533 931
Property rates	515 348	492 767	395 743	465 051	458 219	458 219	484 955	507 062	533 931
Departmental agencies and accounts	-	-	-	5	5	5	5	5	5
Workmens compensation	-	-	-	5	5	5	5	5	5
Households	524	181	71	30	30	265	30	30	30
Social benefits	524	181	71	30	30	265	30	30	30
3. Provision of Buildings, Structures and Equipment	1 822	3 362	4 727	1 481	1 481	3 890	1 442	1 186	1 326
Provinces and municipalities	-	-	-	2	2	4	-	-	-
Motor vehicle licences	-	-	-	2	2	4	-	-	-
Departmental agencies and accounts	-	-	1	54	54	41	55	56	57
Workmens compensation	-	-	1	54	54	41	55	56	57
Households	1 822	3 362	4 726	1 425	1 425	3 845	1 387	1 130	1 269
Social benefits	1 822	3 362	4 726	1 425	1 425	3 845	1 387	1 130	1 269
Total	520 949	499 986	405 705	470 211	463 379	466 112	488 109	510 122	537 249

Provinces and municipalities in Programmes 1 and 3 reflect the payment of motor vehicle licences.

Departmental agencies and accounts payments in all programmes are for workmen's compensation, with no payments shown in the prior years against Programme 2 due to no relevant incidents occurring.

The fluctuating trend against *Households* in all programmes can be ascribed to unpredictable staff exit costs. The expenditure from 2010/11 onward against Programme 1 under *Other transfers to households* was for the payment of external bursaries, and there is no provision made over the 2014/15 MTEF as the external bursaries budget is centralised under OTP from the 2013/14 Adjusted Appropriation onward.

The high 2010/11 spending against *Provinces and municipalities* under Programme 2 relates to additional funding of R450 million for the Devolution of Property Rate Funds grant. In the 2013/14 Adjusted Appropriation, a roll-over of R28.168 million in respect of commitments relating to invoices for property rates. Mitigating this to some extent was savings that were moved to address spending pressures in *Goods and services*. The increase in the 2013/14 Revised Estimate can be ascribed to higher than anticipated staff exits costs. The 2014/15 MTEF shows steady growth in this category.

6. Programme description

The services rendered by the department are categorised under three programmes, the details of which are discussed in greater detail below. The information for each programme is summarised in terms of sub-programmes and economic classification. As mentioned, the department's structure is currently not in line with the uniform budget and programme structure for the Public Works sector. Details according to the economic classification are presented in the *Annexure – Vote 14: Public Works*.

6.1 Programme 1: Administration

The main objectives of this programme are to provide strategic leadership and management support to the MEC, to build a positive corporate culture, to render support and advice in terms of human resource practices, all legal matters, security and logistics and effective communication and information management systems, render sound financial management services and risk management. The programme comprises two sub-programmes, namely Minister Support and Management.

Tables 14.13 and 14.14 below summarise expenditure and budgeted estimates relating to Programme 1: Administration, for the financial years 2010/11 to 2016/17.

Table 14.13 : Summary of payments and estimates by sub-programme: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
1. Minister Support	6 775	7 048	10 019	10 403	12 023	11 263	12 255	13 023	13 691
2. Management	232 112	266 553	275 947	306 674	301 728	302 438	320 126	339 330	361 336
Total	238 887	273 601	285 966	317 077	313 751	313 701	332 381	352 353	375 027

Table 14.14 : Summary of payments and estimates by economic classification: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Current payments	219 987	240 252	257 520	291 622	288 296	287 141	306 922	324 585	345 885
Compensation of employees	161 150	177 479	197 989	231 528	228 528	228 178	241 353	258 844	277 684
Goods and services	58 837	62 773	59 359	60 094	59 762	58 956	65 569	65 741	68 201
Interest and rent on land	-	-	172	-	6	7	-	-	-
Transfers and subsidies to:	3 255	3 676	5 164	3 644	3 644	3 733	1 677	1 839	1 957
Provinces and municipalities	190	169	369	145	145	212	155	163	171
Departmental agencies and accounts	368	375	394	481	481	447	528	537	538
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	2 697	3 132	4 401	3 018	3 018	3 074	994	1 139	1 248
Payments for capital assets	15 297	29 673	23 271	21 811	21 811	22 827	23 782	25 929	27 185
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	15 219	28 742	19 378	18 537	18 537	18 727	19 782	21 729	22 805
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	78	931	3 893	3 274	3 274	4 100	4 000	4 200	4 380
Payments for financial assets	348	-	11	-	-	-	-	-	-
Total	238 887	273 601	285 966	317 077	313 751	313 701	332 381	352 353	375 027

The programme shows an increasing trend over the seven years. However, there is a slight decrease in the 2013/14 Adjusted Appropriation, mainly under the Management sub-programme, and the categories *Compensation of employees* and *Goods and services*, as explained below.

The substantial increase against the sub-programme: Minister Support in 2012/13 was due to a realignment exercise where baselines between the various departmental responsibilities were revised in order to correct the placement of budgets to ensure that staff are remunerated from the correct responsibility codes, thereafter the budget was adjusted accordingly. The increase in the 2013/14 Adjusted Appropriation was largely due to additional funding allocated for OSS initiatives, and to address spending pressures on items such as computer services, printing and publications and resettlement costs. The budget shows steady growth over the 2014/15 MTEF.

With regard to the sub-programme: Management, spending increased in 2011/12, mainly due to higher than anticipated wage agreements, the filling of vacant posts, the upgrading of IT infrastructure, as well as the replacement of official vehicles. The increase in 2012/13 and 2013/14 was due to higher than anticipated wage agreements, and the filling of vacant posts. The budget grows steadily over the 2014/15 MTEF period.

Compensation of employees shows an increasing trend from 2010/11 to 2012/13, largely due to the various higher than anticipated wage agreements, as well as the filling of vacant posts. The decrease in the 2013/14 Adjusted Appropriation is due to reprioritisation undertaken to defray spending pressures related to the higher than budgeted 2013 wage agreement, as well as re-grading of posts on salary levels 9 and 11 to 10 and 12, respectively. These funds were reprioritised to other programmes. The budget grows steadily over the 2014/15 MTEF.

The increase in 2011/12 against *Goods and services* was due to movements from Programme 3 for the special investigation unit's fraud investigation, for which no budget was allocated, as well as resettlement costs, mainly for those staff linked to the new Mkhuzo district office. The decrease in 2012/13 was mainly due to a SCOA classification change in respect of finance leases relating to cell phones from *Goods and services* to *Machinery and equipment*. The slight decrease in the 2013/14 Adjusted Appropriation is attributed to the centralisation of parts of the communications budget under OTP. The significant positive growth in 2014/15 is to cater for operational costs and *Machinery and equipment* such as computer, desks, etc. for the newly established Sisonke district office.

The budget against *Transfers and subsidies to: Provinces and municipalities* caters for motor vehicle licences. The increase in 2012/13 relates to the registration of new vehicles that were purchased in 2011/12. The 2013/14 Revised Estimate includes a donation made to war-rooms for computers and printers. Thereafter, it maintains a steadily increasing trend over the 2014/15 MTEF.

The category *Transfers and subsidies to: Departmental agencies and accounts* relates to the skills development levy and workmen's compensation. This category shows a steady trend.

The category *Transfers and subsidies to: Households* provides for staff exit costs and external bursaries. The fluctuating expenditure relates to unpredictable staff exit costs. The significant increase in 2012/13 was due to higher than anticipated staff turnover. The decrease over the 2014/15 MTEF is ascribed to the centralisation of the external bursaries under OTP commencing in the 2013/14 Adjusted Appropriation.

In respect of *Machinery and equipment*, the substantial increase in 2011/12 was due to the replacement of motor vehicles, this explains the slight decrease in 2012/13. In 2013/14, funding was decreased against this category and moved to *Goods and services* to cater for consultants in respect of SITA service level agreements, for information services and mainframe processing. The 2014/15 MTEF grows steadily.

With regard to *Software and other intangible assets*, the significant increase from 2012/13 onward was to fund a three-year commitment and annual billing with Microsoft, as mentioned previously. The increase in the 2014/15 MTEF relates to the commitment and annual billing, as mentioned above.

The spending against *Payments for financial assets* in 2010/11 and 2012/13 reflects various losses which were written off.

6.2 Programme 2: Property Management

The main purpose Programme 2 is to provide and facilitate the provision of accommodation and integrated property management services to clients through planned property life cycle (acquisition, maintenance and disposal), optimal utilisation of immovable assets, land valuation, maintenance of fixed asset register, payment of property rates and integrated service delivery. Programme 2 also includes the leasing of buildings.

There are three sub-programmes within this programme, namely Personnel and Admin Related, Hiring and Acquisition of Land, Control and Disposal.

Tables 14.15 and 14.16 below summarise payments and budgeted estimates from 2010/11 to 2016/17.

Table 14.15 : Summary of payments and estimates by sub-programme: Property Management

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
1. Personnel and Admin Related	551 571	577 636	469 838	568 146	587 836	572 269	610 502	614 448	648 028
2. Hiring	2 925	2 705	4 404	3 148	3 148	4 777	4 973	5 247	4 957
3. Acquisition of Land, Control and Disposal	139	125	93	211	180	85	216	224	233
Total	554 635	580 466	474 335	571 505	591 164	577 131	615 691	619 919	653 218

Table 14.16 : Summary of payments and estimates by economic classification: Property Management

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Current payments	38 445	87 295	78 085	106 096	132 587	118 227	130 335	112 616	119 016
Compensation of employees	22 440	29 143	36 567	38 004	41 004	43 898	41 142	45 107	48 402
Goods and services	16 005	58 152	41 512	68 092	91 583	74 329	89 193	67 509	70 614
Interest and rent on land	-	-	6	-	-	-	-	-	-
Transfers and subsidies to:	515 872	492 948	395 814	465 086	458 254	458 489	484 990	507 097	533 966
Provinces and municipalities	515 348	492 767	395 743	465 051	458 219	458 219	484 955	507 062	533 931
Departmental agencies and accounts	-	-	-	5	5	5	5	5	5
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	524	181	71	30	30	265	30	30	30
Payments for capital assets	318	223	436	323	323	415	366	206	236
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	318	223	436	323	323	415	366	206	236
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	554 635	580 466	474 335	571 505	591 164	577 131	615 691	619 919	653 218

The sub-programme: Personnel and Admin Related shows an increase in 2011/12 due to a roll-over in respect of property rates commitments from the previous year. The significant decrease in 2012/13 was driven by the reduction of property rates funding, where funds in excess were surrendered to National Treasury after the department identified over-provision in respect of the property rates funding. The increase in the 2013/14 Adjusted Appropriation was due to a roll-over in respect of commitments relating to invoices for property rates. The increase in 2014/15 relates to the roll-over from 2012/13 to 2014/15 for the fixed asset management tool.

The increase in 2012/13 against the sub-programme: Hiring was caused by unanticipated pressures in operating leases for the rental of buildings included under *Goods and services* in this sub-programme. The positive growth over the 2014/15 MTEF is attributed to the reprioritisation of funds from *Machinery and equipment* under Programme 1 to *Goods and services*, in respect of pressures in operating leases related to

the unanticipated hiring of office accommodation in Pietermaritzburg, namely the Fedsure Building, for administration staff until the head office renovation is complete, hence the decrease in 2016/17.

The erratic trend against the sub-programme: Acquisition of Land, Control and Disposal is due to the number of valuations of properties made by the department. The decrease in 2012/13 relates to funding reprioritised to the Personnel and Admin Related sub-programme to provide for Windeed research and advisory cost for the system used to access information on property, in respect of property ownership, value of property, etc. The further decrease in 2013/14 can be ascribed to funds that were moved to the sub-programme: Personnel and Admin Related within *Goods and services* to cater for the provision of security services for vacant facilities and the maintenance of sites undertaken in respect of the *Izandla Ziyagezana* programme. The budget shows steady growth over the 2014/15 MTEF.

The increasing trend against *Compensation of employees* from 2011/12 onward caters for the carry-through costs associated with the filling of posts, as well as the various higher than anticipated wage agreements. The slight increase in the 2013/14 Adjusted Appropriation was to provide for the higher than budgeted 2013 wage agreement, as well as re-grading of posts on salary levels 9 and 11 to 10 and 12, respectively. This category grows steadily over the 2014/15 MTEF.

With regard to *Goods and services*, the substantial increase in 2011/12 was due to additional funding for GIAMA and the fixed asset register. The decrease in 2012/13 can be ascribed to a reduction in the GIAMA allocation, based on a calculation of the actual requirements. The significant increase in the 2013/14 Adjusted Appropriation relates to funding for the purchase and development of a fixed asset management tool, as well as for the rental stock audit. The decline in the Revised Estimate is due to projected savings relating to consultants' fees and the GIAMA project. The increase in 2014/15 relates to a roll-over from 2012/13 for the fixed asset management tool, as well as provision for operating costs and *Machinery and equipment* for the newly established Sisonke district office.

The high spending in 2010/11 against *Transfers and subsidies to: Provinces and municipalities* was mainly due to the once-off additional funding to provide for a shortfall in property rates. The decrease in the 2013/14 Adjusted Appropriation is attributed to savings that were moved to fund projects, such as the fixed asset management tool, the rental stock audit and the Provincial Infrastructure Master Plan. The budget grows steadily over the 2014/15 MTEF.

The funding against *Transfers and subsidies to: Departmental agencies and accounts* is for the payment of workmen's compensation, and is linked to claims received, with no payments made in the prior years against this programme. The allocation remains constant over the 2014/15 MTEF, as this cannot be predetermined.

With regard to *Transfers and subsidies to: Households*, the high spending in 2010/11 was due to leave gratuity for staff exits. Over the 2014/15 MTEF, this allocation remains constant because of the difficulties in projecting for staff exit costs.

The erratic trend against *Machinery and equipment* relates to actual requirements. The slight increase in 2012/13 was attributed to the SCOA re-classification of finance leases, which were originally budgeted for under *Goods and services*. The fluctuating growth over the 2014/15 MTEF is due to actual requirements.

Service delivery measures – Programme 2: Property Management

Table 14.17 below reflects the service delivery measures pertaining to Programme 2.

The department has signed service level agreements with its client departments. Although such agreements are in place and the department provides these agreed-to services, outputs are not reflected under this programme due to the fact that the client departments remain accountable for these funds, and thus include these within their votes. This notwithstanding, the department provided internal service delivery measures for Programme 2, which are a mix of sectoral and non-sectoral measures.

Table 14.17 : Service delivery measures – Programme 2: Property Management

Outputs	Performance indicators	Estimated performance	Medium-term targets		
		2013/14	2014/15	2015/16	2016/17
1. Acquisition of properties to satisfy land and building needs of provincial depts. through property acquisition, disposal, hiring and letting	• No. of properties acquired as per client depts	20	22	15	20
	• No. of properties disposed of as per client depts	20	20	20	20
2. Timeous hiring of properties to satisfy land and building needs of provincial depts	• No. of land and buildings hired for KZN	144	200	200	131
3. State properties valued	• No. of properties valued	750	300	100	50
4. Implementation of GIAMA to effectively manage immovable assets	• Developed and approved U-AMPs (No. of U-AMPs)	1	1	1	1
	• No. of C-AMPs	1	1	1	1
5. Successful implementation of <i>Izandla Ziyagezana</i> programme to contribute to job creation (massification of EPWP)	• No. of jobs created through <i>Izandla Ziyagezana</i> programme on new sites	352	430	430	430
6. Vesting of provincial properties to take transfer of all immovable assets	• No. of R293 provincial assets registered	950	300	70	-
	• No. of vesting requests submitted to provincial state land vesting and disposal committee	2 956	100	20	-
7. Effective projection and timely payment of municipal rates to facilitate payment of property rates (conditional grant)	• No. of existing properties	588	621	661	-

6.3 Programme 3: Provision of Buildings, Structures and Equipment

The main purpose of this programme is the erection and/or acquisition of buildings, structures and engineering works and the maintenance of buildings to client specifications.

The core services of Programme 3 are:

- Improving integrated service delivery in the provision of buildings and structures.
- Creating jobs through the EPWP.
- Creating an enabling environment for affirmable business enterprises.
- Initiating and co-ordinating strategic partnerships.
- Co-ordinating and aligning operational activities in line with municipal demarcations.

Tables 14.18 and 14.19 summarise payments and budgeted estimates relating to Programme 3 for the period 2010/11 to 2016/17.

Table 14.18 : Summary of payments and estimates by sub-programme: Provision of Buildings, Structures and Equipment

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
1. Personnel and Admin Related	246 709	276 573	285 008	279 805	315 837	332 973	333 827	312 971	332 659
2. Buildings and Structures	73 978	51 628	88 002	92 979	92 979	92 591	87 462	87 550	685 317
Total	320 687	328 201	373 010	372 784	408 816	425 564	421 289	400 521	1 017 976

Table 14.19 : Summary of payments and estimates by economic classification: Provision of Buildings, Structures and Equipment

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Current payments	243 322	270 974	290 004	285 395	321 427	335 009	339 254	318 726	338 282
Compensation of employees	177 729	191 401	203 931	216 977	214 977	218 740	237 653	246 786	264 157
Goods and services	65 593	79 573	86 020	68 418	106 450	116 269	101 601	71 940	74 125
Interest and rent on land	-	-	53	-	-	-	-	-	-
Transfers and subsidies to:	1 822	3 362	4 727	1 481	1 481	3 890	1 442	1 186	1 326
Provinces and municipalities	-	-	-	2	2	4	-	-	-
Departmental agencies and accounts	-	-	1	54	54	41	55	56	57
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	1 822	3 362	4 726	1 425	1 425	3 845	1 387	1 130	1 269
Payments for capital assets	66 618	43 485	78 180	85 908	85 908	86 665	80 593	80 609	678 368
Buildings and other fixed structures	65 916	42 669	76 886	84 639	84 639	84 639	78 934	79 248	676 993
Machinery and equipment	702	816	1 294	1 269	1 269	2 026	1 659	1 361	1 375
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	8 925	10 380	99	-	-	-	-	-	-
Total	320 687	328 201	373 010	372 784	408 816	425 564	421 289	400 521	1 017 976

The increasing expenditure trend from 2011/12 onward for the sub-programme: Personnel and Admin Related can largely be ascribed to the filling of vacant posts and carry-through costs of the various wage agreements, as well as costs of consultants in the North Coast region. The increase in 2012/13 was mainly attributed to a realignment exercise of *Compensation of employees* between programmes, higher than anticipated expenditure for contractors, maintenance and repairs, as well as for the EPWP Integrated Grant for Provinces, and *Transfers and subsidies to: Households* for unpredictable staff exit costs. The increase in 2013/14 relates to funding reprioritised for projects, such as the Provincial Infrastructure Master Plan, and additional funding allocated for the Richmond Community Development programme. Once-off additional funding is allocated in 2014/15 for the National Youth Service and the Richmond Community Development programmes, accounting for the decrease in 2015/16.

With regard to the sub-programme: Buildings and Structures, the significant increase from 2012/13 can be ascribed to continuation costs relating to the head office project, as well as the uMgungundlovu district office's new administrative wing, with completion expected in 2014/15. The declining growth over the 2014/15 MTEF is in line with the completion of these projects. The commencement of the government office precinct project is anticipated in 2016/17, hence the budget significantly increases in that year.

With regard to *Compensation of employees*, the increasing trend from 2010/11 can be ascribed to the filling of vacant posts and the various higher than anticipated wage agreements, as well as additional funding that was received for improving infrastructure support. In the 2013/14 Adjusted Appropriation, a portion of funds for improving infrastructure support was moved to *Goods and services* to provide for consultants employed as project managers in the Ulundi region, since the department found it difficult to fill posts in that region. The category shows steady growth over the 2014/15 MTEF.

Spending against *Goods and services* showed a steadily increasing trend from 2011/12 to 2012/13. However, the trend increases significantly in the 2013/14 Adjusted Appropriation as a result of additional funds allocated for projects, such as the Provincial Infrastructure Master Plan and the Richmond Community Development programme. The budget increases significantly in 2014/15 because of once-off additional funding for the National Youth Service and the Richmond Community Development programmes. This explains the relatively lower budget in the two outer years.

The budget against *Transfers and subsidies to: Provinces and municipalities* caters for motor vehicle licences. This allocation has been moved to Programme 1 over the 2014/15 MTEF.

Transfers and subsidies to: Departmental agencies and accounts mainly relates to workmen's compensation payments. This budget is kept constant over the 2014/15 MTEF as this item is difficult to budget for accurately.

Transfers and subsidies to: Households relates to staff exit costs, hence the fluctuating trend. The sharp increase in the 2013/14 Revised Estimate can be ascribed to higher than anticipated staff exit costs.

Buildings and other fixed structures fluctuates slightly over the seven years, since it is based on actual capital infrastructure requirements, including new and carry-through costs on certain projects. The increase in 2012/13 was due to a roll-over for capital infrastructure projects in respect of the Ixopo office park, the Southern regional office and the head office project. The growth declines in 2014/15 due to the anticipated completion of projects, such as the head office project. The budget rises significantly in 2016/17 due to additional funding of R600 million in respect of the government office precinct project.

The fluctuating trend under *Machinery and equipment* relates to actual requirements in the programme such as office furniture and computers. The increase in 2012/13 was as a result of a SCOA reclassification in respect of finance leases for cell phones where funds were shifted from *Goods and services* to this category. The budget over the 2014/15 MTEF is in line with the department's requirements.

The department wrote off various losses of R8.925 million, R10.380 million and R99 000 in 2010/11, and 2011/12 and 2012/13 respectively, as reflected against *Payments for financial assets*.

Service delivery measures – Programme 3: Provision of Buildings, Structures and Equipment

As mentioned under Programme 2, the department has signed service level agreements with its client departments. Although such agreements are in place and the department provides these agreed to services, the outputs are not reflected under this programme due to the fact that the client departments remain accountable for these funds and thus include these within their votes. However, the department has provided several internal service delivery measures for Programme 3, which are a mix of sectoral and non-sectoral measures, reflected in Table 14.20 below.

The number of IDIP projects cannot be projected over the MTEF and the practice has been to set a target of achieving 100 per cent. Once the Infrastructure Project Implementation Plan is finalised for the relevant financial year, then a number can be inserted. Therefore performance indicators are measured in both numbers and percentages.

With regard to the job creation in terms of EPWP, in line with a change for the customised sector indicators from National Public Works, where a work opportunity is now defined as paid work created for an individual on an EPWP project for any period of time, which is the same, as an actual job created for a person. In the previous years it was based on a month to month calculation which is number of times a person had had an opportunity to earn a living wage. Thus the target dropped from 25 443 to 4 500 work opportunities between 2013/14 and 2014/15.

Table 14.20 : Service delivery measures – Programme 3: Provision of Buildings, Structures and Equipment

Outputs	Performance indicators	Estimated performance	Medium-term targets		
		2013/14	2014/15	2015/16	2016/17
1. Implementation of IDIP	• No. and % of <i>ad hoc</i> projects completed per client request (maintenance projects)	43 (100%)	100%	100%	100%
	• No. and % of planned projects completed per IPIP	536 (100%)	100%	100%	100%
	• % of budget spent (all provincial departments)	100%	100%	100%	100%
2. Job creation in terms of EPWP	• No. of work opportunities	25 443	4 500	6 000	7 000
	• No. of people employed	6 506	n/a	n/a	n/a
	• No. of FTEs	2 289	800	800	850
3. Implementation of NYS	• No. of learners	99	80	80	80

7. Other programme information

7.1 Personnel numbers and costs

Tables 14.21 and 14.22 below illustrate personnel numbers and estimates, as well as various categories of workers within the department over the seven-year period.

The total number of posts in 2011/12 was high mainly due to new appointments on various levels. The total number of posts in 2011/12 was high and thereafter decreased in 2012/13. This relates to high staff turnover, which resulted in non-filling of vacant posts. The further reduction in 2013/14 is due to the moratorium on the filling of non-critical vacant posts.

The department appointed contract workers to provide support mainly to Programme 3, including works inspectors and industrial technicians.

The increase from 2012/13 onward largely relates to the Property Incubator Programme trainees in Programme 2 who receive a stipend while undergoing practical training.

Table 14.21 : Personnel numbers and costs by programme

Personnel numbers	As at 31 March 2011	As at 31 March 2012	As at 31 March 2013	As at 31 March 2014	As at 31 March 2015	As at 31 March 2016	As at 31 March 2017
1. Administration	814	921	1 019	983	1 020	1 020	1 020
2. Property Management	105	105	145	157	126	126	126
3. Provision of Buildings, Structures and Equipment	1 177	1 052	898	920	975	975	975
Total	2 096	2 078	2 062	2 060	2 121	2 121	2 121
Total personnel cost (R thousand)	361 319	398 023	438 487	490 816	520 148	550 737	590 243
Unit cost (R thousand)	172	192	213	238	245	260	278

Table 14.22 : Summary of departmental personnel numbers and costs by component

	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Total for the department									
Personnel numbers (head count)	2 096	2 078	2 062	2 368	2 060	2 060	2 121	2 121	2 121
Personnel cost (R thousands)	361 319	398 023	438 487	486 509	484 509	490 816	520 148	550 737	590 243
Human resources component									
Personnel numbers (head count)	131	158	149	168	180	180	180	180	180
Personnel cost (R thousands)	17 481	27 775	28 259	38 429	38 429	38 429	41 465	44 741	48 230
Head count as % of total for department	6.25	7.60	7.23	7.09	8.74	8.74	8.49	8.49	8.49
Personnel cost as % of total for department	4.84	6.98	6.44	7.90	7.93	7.83	7.97	8.12	8.17
Finance component									
Personnel numbers (head count)	106	120	124	137	119	119	119	119	119
Personnel cost (R thousands)	14 652	19 423	22 925	23 226	23 226	23 226	25 061	27 041	29 150
Head count as % of total for department	5.06	5.77	6.01	5.79	5.78	5.78	5.61	5.61	5.61
Personnel cost as % of total for department	4.06	4.88	5.23	4.77	4.79	4.73	4.82	4.91	4.94
Full time workers									
Personnel numbers (head count)	2 056	2 016	1 974	2 256	1 929	1 929	1 990	1 990	1 990
Personnel cost (R thousands)	353 143	382 164	409 419	463 562	452 973	457 280	483 963	511 693	548 154
Head count as % of total for department	98.09	97.02	95.73	95.27	93.64	93.64	93.82	93.82	93.82
Personnel cost as % of total for department	97.74	96.02	93.37	95.28	93.49	93.17	93.04	92.91	92.87
Part-time workers									
Personnel numbers (head count)	-	-	-	-	-	-	-	-	-
Personnel cost (R thousands)	-	-	-	-	-	-	-	-	-
Head count as % of total for department	-	-	-	-	-	-	-	-	-
Personnel cost as % of total for department	-	-	-	-	-	-	-	-	-
Contract workers									
Personnel numbers (head count)	40	62	88	112	131	131	131	131	131
Personnel cost (R thousands)	8 176	15 859	29 068	22 947	31 536	33 536	36 185	39 044	42 089
Head count as % of total for department	1.91	2.98	4.27	4.73	6.36	6.36	6.18	6.18	6.18
Personnel cost as % of total for department	2.26	3.98	6.63	4.72	6.51	6.83	6.96	7.09	7.13

7.2 Training

Tables 14.23 and 14.24 give a summary of departmental spending and information on training.

Table 14.23 includes payments and estimates for all training items such as bursaries, skills development levy, as well as normal training costs, hence the amounts are significantly more than the item *Training and development* under *Goods and services*.

Table 14.23 : Payments on training by programme

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
1. Administration	2 313	2 257	4 274	4 452	4 452	4 127	5 641	5 811	5 810
Subsistence and travel	40	33	63	60	60	56	128	132	132
Payments on tuition	1 279	1 077	2 039	2 042	2 042	1 893	520	536	536
Other	994	1 147	2 172	2 350	2 350	2 178	4 993	5 143	5 142
2. Property Management	9	6	8	203	203	69	431	479	513
Subsistence and travel	-	-	-	3	3	1	10	11	12
Payments on tuition	4	3	4	93	93	32	40	44	47
Other	5	3	4	107	107	36	381	424	454
3. Provision of Buildings, Structures and Equipment	1 204	503	506	878	878	776	2 304	2 452	2 624
Subsistence and travel	12	7	8	12	12	10	52	56	60
Payments on tuition	399	240	241	403	403	356	213	226	242
Other	793	256	257	463	463	410	2 039	2 170	2 322
Total	3 526	2 766	4 788	5 533	5 533	4 972	8 376	8 742	8 947

The decrease in 2011/12 was due to cost-cutting and reprioritisation, where funding was moved to core functions. The budget significantly increases in 2014/15 to cater for staff members of the new district offices among others, the Sisonke district office.

Table 14.24 illustrates the number of staff affected by the various training programmes and initiatives. It also includes a gender breakdown, an indication of the types of training, as well as details of the number of bursaries and learnerships. Training includes short courses for in-house staff, as well as internships in the various programmes.

As required by the Skills Development Act, the department budgets at least one per cent of its salary expense for staff training. This requirement gives credence to government policy on human resource development.

Table 14.24 : Information on training: Public Works

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Number of staff	2 096	2 078	2 062	2 368	2 060	2 060	2 121	2 121	2 121
Number of personnel trained	718	865	746	801	801	801	808	818	867
of which									
Male	349	446	336	463	463	463	457	443	469
Female	369	419	410	338	338	338	351	375	398
Number of training opportunities	217	857	790	805	805	805	1 002	1 051	1 114
of which									
Tertiary	-	-	8	8	8	8	10	11	12
Workshops	61	457	98	103	103	103	527	553	586
Seminars	-	10	43	48	48	48	15	15	16
Other	156	390	641	646	646	646	450	472	500
Number of bursaries offered	76	35	65	27	27	27	23	26	28
Number of interns appointed	6	12	12	8	8	8	8	8	8
Number of learnerships appointed	20	3	1	1	1	1	1	1	1
Number of days spent on training	68	186	483	485	485	485	490	500	530

ANNEXURE – VOTE 14: PUBLIC WORKS

Table 14.A : Details of departmental receipts: Public Works

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	3 432	4 717	6 122	5 105	5 105	5 546	6 461	6 962	7 400
Sale of goods and services produced by dept. (excl. capital assets)	3 428	4 711	6 117	5 103	5 103	5 541	6 459	6 960	7 398
<i>Sales by market establishments</i>	3 012	4 256	3 969	3 869	3 869	3 973	4 486	4 830	5 134
<i>Administrative fees</i>	416	455	2 148	1 234	1 234	1 568	1 973	2 130	2 264
<i>Other sales</i>	-	-	-	-	-	-	-	-	-
Sale of scrap, waste, arms and other used current goods (excl. capital assets)	4	6	5	2	2	5	2	2	2
Transfers received from:	-	-	-	-	-	-	-	-	-
Other governmental units	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments	-	-	-	-	-	-	-	-	-
International organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households and non-profit institutions	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	422	198	220	150	150	177	164	180	192
Interest	253	44	140	60	60	67	66	72	77
Dividends	-	-	-	-	-	-	-	-	-
Rent on land	169	154	80	90	90	110	98	108	115
Sale of capital assets	-	-	15 908	-	-	8 365	755	220	240
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Other capital assets	-	-	15 908	-	-	8 365	755	220	240
Transactions in financial assets and liabilities	2 754	1 201	1 392	779	779	1 334	872	959	1 015
Total	6 608	6 116	23 642	6 034	6 034	15 422	8 252	8 321	8 846

Table 14.B : Payments and estimates by economic classification: Public Works

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Current payments	501 754	598 521	625 609	683 113	742 310	740 377	776 511	755 927	803 183
Compensation of employees	361 319	398 023	438 487	486 509	484 509	490 816	520 148	550 737	590 243
Salaries and wages	304 884	335 666	370 786	414 249	412 249	419 900	444 745	472 859	508 197
Social contributions	56 435	62 357	67 701	72 260	72 260	70 916	75 403	77 878	82 046
Goods and services	140 435	200 498	186 891	196 604	257 795	249 554	256 363	205 190	212 940
Administrative fees	-	23	140	21	24	128	361	377	395
Advertising	3 767	6 194	6 839	6 376	5 614	5 723	5 815	5 759	5 649
Assets less than the capitalisation threshold	697	571	1 137	850	840	783	1 149	1 017	1 004
Audit cost: External	4 504	2 029	4 252	4 589	3 789	2 346	4 090	4 241	4 373
Bursaries: Employees	292	497	611	323	323	322	391	430	473
Catering: Departmental activities	367	506	571	202	308	491	276	261	273
Communication (G&S)	8 656	7 359	9 169	7 638	7 618	8 540	7 514	7 716	7 837
Computer services	14 603	15 219	16 307	14 905	35 705	36 497	41 128	14 995	15 664
Cons & prof serv: Business and advisory services	185	585	319	318	2 506	2 448	236	245	255
Cons & prof serv: Infras and planning	116	1 741	158	366	366	312	386	407	228
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	1 143	221	1 064	1 594	1 594	478	1 582	1 569	1 896
Contractors	8 689	8 625	12 229	8 851	8 581	8 485	8 149	8 181	8 386
Agency and support / outsourced services	21 488	69 122	42 042	68 439	82 100	66 434	64 193	67 079	69 845
Entertainment	202	241	153	223	223	181	251	259	289
Fleet services (incl. govt motor transport)	6 636	8 277	8 177	7 911	7 947	9 953	9 427	9 751	10 458
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	63	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	36	114	43	75	84	42	82	85	86
Inventory: Learner and teacher support material	21	89	92	127	127	43	133	139	144
Inventory: Materials and supplies	250	209	447	200	2 286	2 255	200	206	218
Inventory: Medical supplies	7	9	4	35	34	17	51	55	61
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medcas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	1 940	2 329	1 565	2 461	4 546	3 948	3 402	3 046	3 297
Consumable: Stationery, printing and office supplies	3 882	2 990	3 338	4 855	3 989	3 527	4 625	4 834	5 044
Operating leases	8 446	8 592	3 818	4 334	3 973	4 024	4 770	4 819	5 002
Property payments	38 277	38 747	42 122	35 919	49 756	58 051	38 503	40 213	41 542
Transport provided: Departmental activity	33	83	68	14	14	67	37	38	39
Travel and subsistence	12 310	16 827	15 737	14 699	14 768	14 112	15 935	16 419	17 201
Training and development	2 068	4 900	7 670	5 577	14 736	13 718	15 835	5 463	5 852
Operating payments	1 378	3 857	5 130	1 873	2 242	2 480	2 139	1 978	2 099
Venues and facilities	442	542	175	681	531	72	730	361	373
Rental and hiring	-	-	3 514	3 148	3 171	4 014	24 973	5 247	4 957
Interest and rent on land	-	-	231	-	6	7	-	-	-
Interest	-	-	231	-	6	7	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	520 949	499 986	405 705	470 211	463 379	466 112	488 109	510 122	537 249
Provinces and municipalities	515 538	492 936	396 112	465 198	458 366	458 435	485 110	507 225	534 102
Provinces	190	169	369	147	147	216	155	163	171
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	190	169	369	147	147	216	155	163	171
Municipalities	515 348	492 767	395 743	465 051	458 219	458 219	484 955	507 062	533 931
Municipalities	515 348	492 767	395 743	465 051	458 219	458 219	484 955	507 062	533 931
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	368	375	395	540	540	493	588	598	600
Social security funds	-	-	1	124	124	46	134	118	452
Provide list of entities receiving transfers	368	375	394	416	416	447	454	480	148
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	5 043	6 675	9 198	4 473	4 473	7 184	2 411	2 299	2 547
Social benefits	3 833	4 879	7 482	2 256	2 692	5 366	2 411	2 299	2 547
Other transfers to households	1 210	1 796	1 716	2 217	1 781	1 818	-	-	-
Payments for capital assets	82 233	73 381	101 887	108 042	108 042	109 907	104 741	106 744	705 789
Buildings and other fixed structures	65 916	42 669	76 886	84 639	84 639	84 639	78 934	79 248	676 993
Buildings	65 916	42 669	76 886	84 639	84 639	84 639	78 934	79 248	676 993
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	16 239	29 781	21 108	20 129	20 129	21 168	21 807	23 296	24 416
Transport equipment	6 295	16 055	9 468	9 408	8 688	8 188	9 945	10 438	10 925
Other machinery and equipment	9 944	13 726	11 640	10 721	11 441	12 980	11 862	12 858	13 491
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	78	931	3 893	3 274	3 274	4 100	4 000	4 200	4 380
Payments for financial assets	9 273	10 380	110	-	-	-	-	-	-
Total	1 114 209	1 182 268	1 133 311	1 261 366	1 313 731	1 316 396	1 369 361	1 372 793	2 046 221

Table 14.C : Payments and estimates by economic classification: Administration

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Current payments	219 987	240 252	257 520	291 622	288 296	287 141	306 922	324 585	345 885
Compensation of employees	161 150	177 479	197 989	231 528	228 528	228 178	241 353	258 844	277 684
Salaries and wages	134 692	148 639	165 327	196 068	192 203	192 931	204 402	220 086	236 913
Social contributions	26 458	28 840	32 662	35 460	36 325	35 247	36 951	38 758	40 771
Goods and services	58 837	62 773	59 359	60 094	59 762	58 956	65 569	65 741	68 201
Administrative fees	-	14	110	16	19	75	47	48	50
Advertising	2 287	3 199	4 525	4 316	3 573	3 389	3 665	3 727	3 510
Assets less than the capitalisation threshold	422	467	372	370	369	314	659	730	760
Audit cost: External	4 504	2 029	4 252	4 589	3 789	2 346	4 090	4 241	4 373
Bursaries: Employees	292	497	611	323	323	322	391	430	473
Catering: Departmental activities	251	391	504	127	233	405	188	191	199
Communication (G&S)	7 993	7 041	8 666	6 701	6 681	8 154	6 754	6 935	7 022
Computer services	12 061	11 395	12 106	12 128	12 928	13 392	13 201	11 908	12 444
Cons & prof serv: Business and advisory services	55	354	18	27	33	29	20	21	22
Cons & prof serv: Infras and planning	-	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	1 031	118	598	760	760	300	703	704	928
Contractors	646	1 208	1 382	1 161	565	603	364	407	434
Agency and support / outsourced services	9 027	13 693	3 267	6 474	6 016	4 686	6 819	7 126	7 324
Entertainment	189	217	122	184	184	137	209	225	248
Fleet services (incl. govt motor transport)	5 037	6 204	6 222	5 413	5 449	7 179	6 666	6 974	7 403
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	9	59	-	5	5	-	16	16	16
Inventory: Learner and teacher support material	1	41	33	66	66	28	69	72	74
Inventory: Materials and supplies	166	54	172	47	70	45	38	40	42
Inventory: Medical supplies	1	1	4	26	25	15	46	50	52
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medcas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	402	358	241	536	1 841	1 435	1 086	1 113	1 158
Consumable: Stationery, printing and office supplies	2 984	1 857	2 531	3 827	3 096	2 743	3 777	3 912	4 012
Operating leases	4 021	3 976	2 290	3 310	3 178	2 718	4 099	4 076	4 217
Property payments	1 001	978	1 075	1 328	1 969	2 430	2 322	2 329	2 452
Transport provided: Departmental activity	21	79	68	-	-	60	-	-	-
Travel and subsistence	4 652	5 911	5 927	5 628	5 640	5 564	6 333	6 332	6 626
Training and development	810	89	1 616	1 496	1 460	841	2 460	2 562	2 742
Operating payments	576	2 014	2 501	1 091	1 357	1 717	1 442	1 460	1 508
Venues and facilities	398	529	146	145	110	12	105	112	112
Rental and hiring	-	-	-	-	23	17	-	-	-
Interest and rent on land	-	-	172	-	6	7	-	-	-
Interest	-	-	172	-	6	7	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	3 255	3 676	5 164	3 644	3 644	3 733	1 677	1 839	1 957
Provinces and municipalities	190	169	369	145	145	212	155	163	171
Provinces	190	169	369	145	145	212	155	163	171
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	190	169	369	145	145	212	155	163	171
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	368	375	394	481	481	447	528	537	538
Social security funds	-	-	-	65	65	-	74	57	390
Provide list of entities receiving transfers	368	375	394	416	416	447	454	480	148
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	2 697	3 132	4 401	3 018	3 018	3 074	994	1 139	1 248
Social benefits	1 487	1 336	2 685	801	1 237	1 260	994	1 139	1 248
Other transfers to households	1 210	1 796	1 716	2 217	1 781	1 814	-	-	-
Payments for capital assets	15 297	29 673	23 271	21 811	21 811	22 827	23 782	25 929	27 185
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	15 219	28 742	19 378	18 537	18 537	18 727	19 782	21 729	22 805
Transport equipment	6 295	16 055	9 468	9 408	8 688	8 188	9 945	10 438	10 925
Other machinery and equipment	8 924	12 687	9 910	9 129	9 849	10 539	9 837	11 291	11 880
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	78	931	3 893	3 274	3 274	4 100	4 000	4 200	4 380
Payments for financial assets	348	-	11	-	-	-	-	-	-
Total	238 887	273 601	285 966	317 077	313 751	313 701	332 381	352 353	375 027

Estimates of Provincial Revenue and Expenditure

Table 14.D : Payments and estimates by economic classification: Property Management

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Current payments	38 445	87 295	78 085	106 096	132 587	118 227	130 335	112 616	119 016
Compensation of employees	22 440	29 143	36 567	38 004	41 004	43 898	41 142	45 107	48 402
Salaries and wages	19 388	25 016	31 733	32 981	35 579	38 298	35 140	38 789	41 751
Social contributions	3 052	4 127	4 834	5 023	5 425	5 600	6 002	6 318	6 651
Goods and services	16 005	58 152	41 512	68 092	91 583	74 329	89 193	67 509	70 614
Administrative fees	-	5	19	-	-	38	299	312	327
Advertising	(355)	145	173	161	142	84	167	176	185
Assets less than the capitalisation threshold	23	21	75	92	92	31	96	101	106
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	72	42	21	25	25	19	26	28	29
Communication (G&S)	83	70	100	118	118	177	111	115	121
Computer services	83	861	135	127	20 127	20 220	25 134	140	147
Cons & prof serv: Business and advisory services	127	196	268	291	260	226	216	224	233
Cons & prof serv: Infras and planning	-	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	112	102	466	834	834	175	879	865	968
Contractors	4	15	-	-	-	19	-	-	-
Agency and support / outsourced services	11 336	50 467	32 183	60 935	51 096	39 457	54 467	57 310	60 347
Entertainment	3	10	11	14	14	12	15	16	17
Fleet services (incl. govt motor transport)	9	20	55	28	28	43	131	142	153
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	2	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	1	4	-	2	-	-	-	-
Inventory: Medical supplies	-	3	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medcas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	5	50	35	20	253	128	23	24	27
Consumable: Stationery, printing and office supplies	40	114	278	136	133	126	151	160	188
Operating leases	2 989	2 857	903	94	94	793	107	113	118
Property payments	443	1 281	1 830	259	13 359	7 235	273	288	303
Transport provided: Departmental activity	-	4	-	-	-	-	-	-	-
Travel and subsistence	674	1 599	1 330	1 423	1 442	1 255	1 519	1 591	1 685
Training and development	9	6	7	203	203	124	403	449	486
Operating payments	311	281	76	48	89	170	57	59	61
Venues and facilities	35	2	29	136	124	-	146	149	156
Rental and hiring	-	-	3 514	3 148	3 148	3 997	4 973	5 247	4 957
Interest and rent on land	-	-	6	-	-	-	-	-	-
Interest	-	-	6	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	515 872	492 948	395 814	465 086	458 254	458 489	484 990	507 097	533 966
Provinces and municipalities	515 348	492 767	395 743	465 051	458 219	458 219	484 955	507 062	533 931
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	515 348	492 767	395 743	465 051	458 219	458 219	484 955	507 062	533 931
Municipalities	515 348	492 767	395 743	465 051	458 219	458 219	484 955	507 062	533 931
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	5	5	5	5	5	5
Social security funds	-	-	-	5	5	5	5	5	5
Provide list of entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	524	181	71	30	30	265	30	30	30
Social benefits	524	181	71	30	30	265	30	30	30
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	318	223	436	323	323	415	366	206	236
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	318	223	436	323	323	415	366	206	236
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	318	223	436	323	323	415	366	206	236
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	554 635	580 466	474 335	571 505	591 164	577 131	615 691	619 919	653 218

Table 14.E : Payments and estimates by economic classification: Provision of Buildings, Structures and Equipment

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Current payments	243 322	270 974	290 004	285 395	321 427	335 009	339 254	318 726	338 282
Compensation of employees	177 729	191 401	203 931	216 977	214 977	218 740	237 653	246 786	264 157
Salaries and wages	150 804	162 011	173 726	185 200	184 467	188 671	205 203	213 984	229 533
Social contributions	26 925	29 390	30 205	31 777	30 510	30 069	32 450	32 802	34 624
Goods and services	65 593	79 573	86 020	68 418	106 450	116 269	101 601	71 940	74 125
Administrative fees	-	4	11	5	5	15	15	17	18
Advertising	1 835	2 850	2 141	1 899	1 899	2 250	1 983	1 856	1 954
Assets less than the capitalisation threshold	252	83	690	388	379	438	394	186	138
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	44	73	46	50	50	67	62	42	45
Communication (G&S)	580	248	403	819	819	209	649	666	694
Computer services	2 459	2 963	4 066	2 650	2 650	2 885	2 793	2 947	3 073
Cons & prof serv: Business and advisory services	3	35	33	-	2 213	2 193	-	-	-
Cons & prof serv: Infras and planning	116	1 741	158	366	366	312	386	407	228
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	-	1	-	-	-	3	-	-	-
Contractors	8 039	7 402	10 847	7 690	8 016	7 863	7 785	7 774	7 952
Agency and support / outsourced services	1 125	4 962	6 592	1 030	24 988	22 291	2 907	2 643	2 174
Entertainment	10	14	20	25	25	32	27	18	24
Fleet services (incl. govt motor transport)	1 590	2 053	1 900	2 470	2 470	2 731	2 630	2 635	2 902
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	63	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	27	55	43	70	79	42	66	69	70
Inventory: Learner and teacher support material	18	48	59	61	61	15	64	67	70
Inventory: Materials and supplies	84	154	271	153	2 214	2 210	162	166	176
Inventory: Medical supplies	6	5	-	9	9	2	5	5	9
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medcas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	1 533	1 921	1 289	1 905	2 452	2 385	2 293	1 909	2 112
Consumable: Stationery, printing and office supplies	858	1 019	529	892	760	658	697	762	844
Operating leases	1 436	1 759	625	930	701	513	564	630	667
Property payments	36 833	36 488	39 217	34 332	34 428	48 386	35 908	37 596	38 787
Transport provided: Departmental activity	12	-	-	14	14	7	37	38	39
Travel and subsistence	6 984	9 317	8 480	7 648	7 686	7 293	8 083	8 496	8 890
Training and development	1 249	4 805	6 047	3 878	13 073	12 753	12 972	2 452	2 624
Operating payments	491	1 562	2 553	734	796	593	640	459	530
Venues and facilities	9	11	-	400	297	60	479	100	105
Rental and hiring	-	-	-	-	-	-	20 000	-	-
Interest and rent on land	-	-	53	-	-	-	-	-	-
Interest	-	-	53	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	1 822	3 362	4 727	1 481	1 481	3 890	1 442	1 186	1 326
Provinces and municipalities	-	-	-	2	2	4	-	-	-
Provinces	-	-	-	2	2	4	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	2	2	4	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	1	54	54	41	55	56	57
Social security funds	-	-	1	54	54	41	55	56	57
Provide list of entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	1 822	3 362	4 726	1 425	1 425	3 845	1 387	1 130	1 269
Social benefits	1 822	3 362	4 726	1 425	1 425	3 841	1 387	1 130	1 269
Other transfers to households	-	-	-	-	-	4	-	-	-
Payments for capital assets	66 618	43 485	78 180	85 908	85 908	86 665	80 593	80 609	678 368
Buildings and other fixed structures	65 916	42 669	76 886	84 639	84 639	84 639	78 934	79 248	676 993
Buildings	65 916	42 669	76 886	84 639	84 639	84 639	78 934	79 248	676 993
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	702	816	1 294	1 269	1 269	2 026	1 659	1 361	1 375
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	702	816	1 294	1 269	1 269	2 026	1 659	1 361	1 375
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	8 925	10 380	99	-	-	-	-	-	-
Total	320 687	328 201	373 010	372 784	408 816	425 564	421 289	400 521	1 017 976

Table 14.F : Payments and estimates by economic classification: Conditional grants

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Current payments	413	4 683	5 292	3 000	3 000	3 000	3 168	-	-
Compensation of employees	-	-	-	-	-	-	-	-	-
Salaries and wages	-	-	-	-	-	-	-	-	-
Social contributions	-	-	-	-	-	-	-	-	-
Goods and services	413	4 683	5 292	3 000	3 000	3 000	3 168	-	-
Administrative fees	-	-	-	-	-	-	-	-	-
Advertising	-	-	-	-	-	-	-	-	-
Assets less than the capitalisation threshold	-	-	-	-	-	-	-	-	-
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	-	-	-	-	-	-	-	-	-
Communication (G&S)	-	-	-	-	-	-	-	-	-
Computer services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Business and advisory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Infras and planning	-	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	-	-	-	-	-	-	-	-	-
Contractors	-	-	-	-	-	-	-	-	-
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	-	-	-	-	-	-	-	-	-
Consumable: Stationery, printing and office supplies	-	-	-	-	-	-	-	-	-
Operating leases	-	-	-	-	-	-	-	-	-
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	-	-	-	-	-	-	-	-	-
Training and development	413	4 683	5 292	3 000	3 000	3 000	3 168	-	-
Operating payments	-	-	-	-	-	-	-	-	-
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to	509 939	489 480	402 443	-	-	-	-	-	-
Provinces and municipalities	509 939	489 480	402 443	-	-	-	-	-	-
Provinces	509 939	489 480	402 443	-	-	-	-	-	-
Provincial Revenue Funds	509 939	489 480	402 443	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving funds	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Social benefits	-	-	-	-	-	-	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	510 352	494 163	407 735	3 000	3 000	3 000	3 168	-	-

Table 14.G : Payments and estimates by economic classification: EPWP Integrated Grant for Provinces

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Current payments	413	4 683	5 292	3 000	3 000	3 000	3 168	-	-
Goods and services	413	4 683	5 292	3 000	3 000	3 000	3 168	-	-
<i>Training and development</i>	413	4 683	5 292	3 000	3 000	3 000	3 168	-	-
Transfers and subsidies to	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	413	4 683	5 292	3 000	3 000	3 000	3 168	-	-

Table 14.H : Payments and estimates by economic classification: Devolution of Property Rate Funds grant: Property Management

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Current payments	-	-	-	-	-	-	-	-	-
Transfers and subsidies to	509 939	489 480	402 443	-	-	-	-	-	-
Provinces and municipalities	509 939	489 480	402 443	-	-	-	-	-	-
Provinces	509 939	489 480	402 443	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	509 939	489 480	402 443	-	-	-	-	-	-

Table 14.1: Public Works - Payments of infrastructure by category

No.	Project name	Municipality / Region	Type of infrastructure		Project duration		Source of funding	Budget programme name	Targeted number of jobs for 2014/15	Total project cost	Expenditure to date from previous years	Total available	
			School - primary/ secondary/ specialised; admin block; water; electricity; sanitation/toilet; fencing etc)	Units (i.e. no. of classrooms or facilities or square meters)	Date: Start	Date: Finish						2014/15	MTEF Forward estimates
R thousands												MTEF 2015/16	MTEF 2016/17
New and replacement assets													
1	uMgungundlovu new office precinct	Msunduzi	Construction of office park	-	2016/04/01	2020/03/31	Equitable Share	Programme 3	-	-	-	-	600 000
2	Ixopo d/o - new d/o	Ingwe	Construction of new office	1	2010/11/01	2013/11/01	Equitable Share	Programme 3	-	21 310	1 305	-	-
3	Richmond NIP site - con. of Richmond NIP site	Richmond	Construction of NIP site	1	2014/03/14	2014/08/11	Equitable Share	Programme 3	-	5 000	-	3 500	-
4	Richmond NIP site - con. of Richmond NIP site	Richmond	Construction of new office	1	2010/04/01	2013/07/30	Equitable Share	Programme 3	-	650	96	-	-
5	Umkhaya sub-district office (Uthukela Ferry)	Ennambithi/Ladysmith	Construction of new office	1	2011/09/30	2016/08/30	Equitable Share	Programme 3	-	15 500	-	3 774	5 369
6	Offices - southern region	Msunduzi	Completion of contract no. 2 (038518)	1	2013/10/01	2014/06/28	Equitable Share	Programme 3	-	16 000	-	6 700	3 231
7	uMgungundlovu - new admin wing	Msunduzi	Construction of new admin wing	1	2013/04/01	2015/03/30	Equitable Share	Programme 3	-	8 500	-	1 200	3 562
8	Iembe district office	Jozini	Construction of new office	1	2014/04/02	2016/03/31	Equitable Share	Programme 3	-	-	-	248	947
Total New and replacement assets									82 960	1 401	15 422	14 109	600 000
Upgrades and additions													
1	CIBD satellite office & uMgungun. d/o	Msunduzi	Upgrades and additions	1	2010/04/01	2016/03/31	Equitable Share	Programme 3	-	14 760	2 362	2 500	-
2	191 Prince Alfred Street - Phase 1/2/3	Msunduzi	Upgrades to existing office	1	2011/04/01	2017/03/31	Equitable Share	Programme 3	-	335 611	57 857	37 752	41 825
3	Public Works offices	Ennambithi/Ladysmith	Additions and upgrades	1	2009/02/02	2016/01/15	Equitable Share	Programme 3	-	-	-	571	196
4	Greytown sub office - Uthukela	Umvoti	Extension of depot	1	2014/01/15	2016/05/15	Equitable Share	Programme 3	-	20 000	908	-	-
5	Uthukela district office	Ennambithi/Ladysmith	Additions to existing offices	1	2009/02/02	2015/01/15	Equitable Share	Programme 3	-	9 000	-	3 229	2 186
7	Midlands regional office	Ennambithi/Ladysmith	Upgrades to existing offices	1	2014/04/01	2015/03/30	Equitable Share	Programme 3	-	4 222	-	2 493	222
8	Nongoma d/o - LA Building	Nongoma	Nongoma d/o - LA Building	1	2013/11/01	2014/04/30	Equitable Share	Programme 3	-	15 600	9 532	-	-
9	LA Building - Ulundi Campus	Ulundi	Upgrade 1st floor boardroom	1	2014/01/30	2015/01/30	Equitable Share	Programme 3	-	1 300	-	730	-
11	Zululand district office	Ulundi	Revamp of a block & boardroom	1	2014/04/01	2015/03/30	Equitable Share	Programme 3	-	-	-	50	-
12	Zululand district office	Ulundi	Installation of standby generator	1	2014/04/02	2015/03/31	Equitable Share	Programme 3	-	-	-	130	-
13	LA Building - Ulundi Campus	Ulundi	Upgrade electricity supply to campus	1	2012/06/10	2013/12/10	Equitable Share	Programme 3	-	-	-	120	-
17	eThekweni district office	eThekweni	Upgrade & additions to existing registry	1	2012/08/02	2016/12/31	Equitable Share	Programme 3	-	44 871	-	75	5 146
18	eThekweni region office	eThekweni	Installation of security infrastructure	1	2010/04/01	2013/03/30	Equitable Share	Programme 3	-	3 150	-	2 400	-
19	eThekweni d/o	eThekweni	Upgrade & additions to existing registry	1	2014/01/30	2015/01/30	Equitable Share	Programme 3	-	-	-	100	-
Total Upgrades and additions									534 723	90 703	52 930	54 881	76 993
Rehabilitation, renovations and refurbishments													
1	LA Building - Ulundi Campus	Ulundi	Maintenance of electrical	1	2013/04/01	2013/03/30	Equitable Share	Programme 3	-	14 059	-	200	225
2	LA Building - Ulundi Campus	Ulundi	External maintenance	1	2013/04/01	2013/03/30	Equitable Share	Programme 3	-	10 664	-	2 664	5 558
3	LA Building - Ulundi Campus	Ulundi	Maintenance contract for air conditioning	1	2014/04/01	2016/03/30	Equitable Share	Programme 3	-	11 758	-	3 200	3 725
4	LA Building - Ulundi Campus	Ulundi	Upgrade of 8 lifts	1	2014/04/01	2016/03/30	Equitable Share	Programme 3	-	6 000	-	100	550
6	LA Building - Ulundi Campus	Ulundi	LA Building - Ulundi Campus	1	2013/07/30	2014/07/30	Equitable Share	Programme 3	-	18 400	6 900	70	-
7	LA Building - Ulundi Campus	Ulundi	LA Building - Ulundi Campus	1	2012/04/01	2015/03/31	Equitable Share	Programme 3	-	20 228	7 805	380	-
8	LA Building - Ulundi Campus	Ulundi	LA Building - Upgrade water valves	1	2014/04/01	2015/03/27	Equitable Share	Programme 3	-	-	-	530	-
9	LA Building - Ulundi Campus	Ulundi	LA Building - Renew palisade fencing	1	2014/04/01	2015/03/26	Equitable Share	Programme 3	-	-	-	370	-
10	LA Building - Ulundi Campus	Ulundi	LA Building - Electrical Maintenance, renovations, repairs to new wing	1	2014/01/15	2014/09/12	Equitable Share	Programme 3	-	-	-	262	-
11	Umkhaya district office	Ennambithi/Ladysmith	Rehabilitation and refurbishment	1	2012/04/01	2016/03/01	Equitable Share	Programme 3	-	5 000	-	1 565	200
Total Rehabilitation, renovations and refurbishments									100 459	21 663	10 582	10 258	-
Total Maintenance and repairs									-	-	8 100	8 125	8 125
Total Public Works Infrastructure									718 142	113 767	87 034	87 373	665 118

Table 14.J : Summary of transfers to local government

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
A KZN2000 eThekweni	318 754	281 849	195 659	205 056	228 212	228 212	269 459	283 795	297 728
Total: Ugu Municipalities	5 558	8 336	8 840	8 560	11 793	11 793	9 117	9 706	10 339
B KZN211 Vulamehlo	1 043	1 315	1 964	1 382	2 757	2 757	1 472	1 567	1 669
B KZN212 Umdoni	505	308	405	323	377	377	344	366	390
B KZN213 Umzumbi	1 787	1 430	1 782	1 502	1 502	1 502	1 600	1 701	1 814
B KZN214 uMuziwabantu	1 001	1 942	2 016	2 039	2 606	2 606	2 172	2 313	2 463
B KZN215 Ezinqoleni	15	109	138	114	204	204	121	129	138
B KZN216 Hibiscus Coast	295	3 232	2 535	3 200	4 347	4 347	3 408	3 630	3 865
C DC21 Ugu District Municipality	912	-	-	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	42 110	61 920	56 494	69 732	74 625	74 625	77 939	79 142	84 287
B KZN221 uMshwathi	6 255	8 696	5 524	9 131	9 132	9 132	10 211	10 357	11 030
B KZN222 uMngeni	1 271	8 891	5 554	9 780	10 281	10 281	10 937	11 093	11 814
B KZN223 Mpofana	120	716	68	752	752	752	801	853	908
B KZN224 Impendle	75	148	153	155	197	197	165	175	187
B KZN225 Msunduzi	34 203	42 750	44 662	49 161	53 472	53 472	54 975	55 760	59 384
B KZN226 Mkhambathini	186	713	526	748	748	748	797	848	904
B KZN227 Richmond	-	6	7	5	43	43	53	56	60
C DC22 uMgungundlovu District Municipality	-	-	-	-	-	-	-	-	-
Total: Uthukela Municipalities	25 459	20 453	24 476	21 286	29 413	29 413	21 985	22 242	23 243
B KZN232 Emnambithi/Ladysmith	11 039	12 901	16 771	13 971	21 802	21 802	14 670	14 599	15 256
B KZN233 Indaka	549	1 378	1 050	1 446	1 382	1 382	1 446	1 511	1 579
B KZN234 Umsheshezi	6 622	3 441	3 521	3 784	4 242	4 242	3 784	3 954	4 132
B KZN235 Okhahlamba	148	835	1 521	876	1 031	1 031	876	915	956
B KZN236 Imbabazane	1 180	1 152	1 613	1 209	956	956	1 209	1 263	1 320
C DC23 Uthukela District Municipality	5 921	746	-	-	-	-	-	-	-
Total: Umzinyathi Municipalities	26 213	20 497	17 925	22 740	20 742	20 742	22 900	24 287	25 378
B KZN241 Endumeni	17 718	9 257	8 000	10 182	8 814	8 814	9 595	10 027	10 478
B KZN242 Nqutu	380	6 294	4 341	7 552	5 117	5 117	7 552	8 247	8 618
B KZN244 Msinga	5 630	1 905	2 482	1 999	3 515	3 515	2 611	2 729	2 851
B KZN245 Umvoti	582	2 865	3 102	3 007	3 296	3 296	3 142	3 284	3 431
C DC24 Umzinyathi District Municipality	1 903	176	-	-	-	-	-	-	-
Total: Amajuba Municipalities	10 515	8 218	21 437	8 629	7 659	7 659	8 629	9 017	9 422
B KZN252 Newcastle	4 338	5 904	18 569	6 199	4 003	4 003	6 199	6 478	6 769
B KZN253 eMadiangeni	2 527	1 316	1 923	1 382	2 456	2 456	1 382	1 444	1 509
B KZN254 Dannhauser	788	998	945	1 048	1 200	1 200	1 048	1 095	1 144
C DC25 Amajuba District Municipality	2 862	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	24 145	23 397	20 725	13 326	27 441	27 441	23 999	24 556	25 661
B KZN261 eDumbe	8 965	3 916	4 631	4 111	2 989	2 989	4 296	4 489	4 691
B KZN262 uPhongolo	122	2 919	2 273	3 065	3 410	3 410	3 203	3 347	3 498
B KZN263 Abaqulusi	1 874	4 896	2 006	5 141	5 531	5 531	3 000	3 135	3 276
B KZN265 Nongoma	1 070	371	2 731	378	4 034	4 034	3 000	3 135	3 276
B KZN266 Ulundi	7 632	6 981	9 084	631	11 477	11 477	10 500	10 450	10 920
C DC26 Zululand District Municipality	4 482	4 314	-	-	-	-	-	-	-
Total: Umkhanyakude Municipalities	12 465	9 312	11 838	9 546	9 572	9 572	9 545	9 974	10 422
B KZN271 Umhlabuyalingana	3 286	4 234	6 708	4 446	4 765	4 765	4 646	4 855	5 073
B KZN272 Jozini	275	1 769	2 244	1 946	2 954	2 954	2 034	2 125	2 221
B KZN273 The Big 5 False Bay	1 129	879	1 047	923	1 101	1 101	965	1 008	1 053
B KZN274 Hlabisa	681	822	1 036	837	418	418	1 000	1 045	1 092
B KZN275 Mtubatuba	221	1 328	803	1 394	334	334	900	941	983
C DC27 Umkhanyakude District Municipality	6 873	280	-	-	-	-	-	-	-
Total: uThungulu Municipalities	23 300	21 587	13 204	64 346	20 606	20 606	12 300	12 854	13 432
B KZN281 Umfolozi	13 911	3 418	950	3 589	867	867	1 000	1 045	1 092
B KZN282 uMhlatuze	5 360	7 525	4 719	7 030	11 981	11 981	5 000	5 225	5 460
B KZN283 Ntambanana	174	280	254	293	294	294	500	523	546
B KZN284 uMlalazi	1 287	5 812	3 898	34 872	2 865	2 865	2 000	2 090	2 184
B KZN285 Mthonjaneni	29	2 837	1 741	17 022	2 581	2 581	2 000	2 090	2 184
B KZN286 Nkandla	1 217	1 467	1 642	1 540	2 018	2 018	1 800	1 881	1 966
C DC28 uThungulu District Municipality	1 322	248	-	-	-	-	-	-	-
Total: Ilembe Municipalities	18 846	26 617	13 303	28 006	14 407	14 407	14 582	16 041	17 560
B KZN291 Mandeni	2 707	10 205	3 809	11 225	2 808	2 808	2 135	2 349	2 500
B KZN292 KwaDukuza	10 709	10 526	6 226	10 044	4 619	4 619	5 710	6 281	6 909
B KZN293 Ndwedwe	566	319	471	335	1 645	1 645	335	369	405
B KZN294 Maphumulo	1 301	5 567	2 797	6 402	5 335	5 335	6 402	7 042	7 746
C DC29 Ilembe District Municipality	3 563	-	-	-	-	-	-	-	-
Total: Sisonke Municipalities	7 983	10 581	11 710	13 568	13 723	13 723	14 450	15 388	16 389
B KZN431 Ingwe	342	904	1 020	949	949	949	1 011	1 076	1 146
B KZN432 Kwa Sani	232	406	371	426	426	426	454	483	515
B KZN433 Greater Kokstad	2 132	7 219	7 365	7 941	7 941	7 941	8 457	9 007	9 592
B KZN434 Ubuhebezwe	463	613	1 053	643	799	799	685	729	777
B KZN435 Umzimkulu	761	1 439	1 901	3 609	3 608	3 608	3 843	4 093	4 359
C DC43 Sisonke District Municipality	4 053	-	-	-	-	-	-	-	-
Unallocated	-	-	132	256	26	26	50	60	70
Total	515 348	492 767	395 743	465 051	458 219	458 219	484 955	507 062	533 931

VOTE 15

Arts and Culture

Operational budget	R 703 377 165
MEC remuneration	R 1 734 835
Total amount to be appropriated	R 705 112 000
Responsible MEC	Mrs. N. N. Sibhidla-Saphetha, MEC for Arts, Culture, Sport and Recreation
Administering department	Arts and Culture
Accounting officer	Head: Arts and Culture

1. Overview

Vision

The vision of the department is: *Prosperity and social cohesion through arts and culture.*

Mission statement

The department's mission is to *Provide world class services in arts and culture for the people of KwaZulu-Natal* by:

- Developing and promoting arts and culture in the province and mainstreaming its role in social development.
- Developing and promoting the previously marginalised languages and enhancing the linguistic diversity of the province.
- Collecting, managing and preserving the archival, museum, library and other forms of information resources.
- Integrating and providing seamless arts and culture services to the communities of the province.

Strategic objectives

Strategic policy direction:

The strategic policy of the department is to ensure the cultural advancement of all the people of the province, and to encourage and assist emergent artists and to safeguard the history of the province. The following represent the department's strategic objectives:

- To provide efficient, effective and economical administrative support to all stakeholders in an equitable manner.
- To ensure cultural diversity and the advancement of artistic disciplines into viable industries.
- To enhance social cohesion by promoting programmes in moral regeneration, community participation and redress of previously marginalised languages in the province.
- To accelerate the transformation of the country's heritage landscape by establishing and managing museum services.
- To promote multi-lingualism, redress past linguistic imbalances and develop previously marginalised languages.
- To provide library and information services which are free, equitable and accessible, provide for information, reading and learning needs of people and promote a culture of reading, library usage and lifelong learning.

- To render archival and records management services for records of national and provincial significance, proper management and care of public records, equitable access and use of archives.

Core functions

The core functions of the department encompass the development and promotion of arts, culture, museum, archive and library services.

Legislative mandates

The department is governed by the following pieces of legislation and policy directives:

- The Constitution of the Republic of South Africa (Act No. 108 of 1996)
- Culture Promotion Act 1993 (Act No. 35 of 1993)
- Cultural Affairs Act 1989 (Act No. 65 of 1989)
- South African Geographical Names Council Act 1998 (Act No. 118 of 1998)
- National Language Policy Framework 2003
- Pan South African Language Board Act 1995 (Act No. 59 of 1995)
- KwaZulu-Natal Parliamentary Official Languages Act 1998 (Act No. 10 of 1998)
- KwaZulu-Natal Libraries Act 1980 (Act No. 18 of 1980)
- Public Service Act 1994 (Act No. 103 of 1994, as amended) and Public Service Regulations of 2001
- Labour Relations Act 1995 (Act No. 66 of 1995)
- Employment Equity Act 1998 (Act No. 55 of 1998)
- Public Finance Management Act 1999 (Act No. 1 of 1999 as amended), and Treasury Regulations
- KZN Provincial Supply Chain Management Policy Framework of 2006
- Preferential Procurement Policy Framework Act 2000 (Act No. 5 of 2000)
- Intergovernmental Relations Framework Act 2005 (Act No. 13 of 2005)
- Natal Provincial Museum Ordinance (Ordinance 26 of 1973)
- KwaZulu-Natal Archives and Records Services Act (Act No. 8 of 2011)

The following bill has been through the necessary processes and is awaiting adoption by the Legislature:

- Provincial Languages Bill

2. Review of the 2013/14 financial year

Section 2 provides a review of 2013/14, outlining the main achievements and progress made by the department during the year, as well as providing a brief discussion on challenges and new developments.

Arts and culture

The department successfully hosted a number of events such as the Reed Dance, Freedom Day, Africa Day, Youth Day, King Shaka Celebrations, as well as the First Fruit Ceremony. In the 2013/14 Adjustments Estimate, the department received additional funding for the war-room packages emanating from a Cabinet *Lekgotla* resolution which resolved to provide ward-based packages which will be facilitated by the department working with youth ambassadors and other stakeholders. The package approach aims to promote arts and culture at ward level and ensure that services reach communities where the war-rooms are situated. The funding received was utilised to roll out the programme in 274 war-rooms. The bulk of the funding was used for the purchase of musical instruments to be distributed to aspiring artists, and music groups.

The department, in collaboration with Old Mutual, conducted business skills training in all four regional offices. This provided a platform for exhibitions, as well as an opportunity for crafters to market their crafts. Social transformation, moral regeneration and nation building programmes in the form of community conversations/dialogues took place in three districts, namely Umzinyathi, Amajuba and Uthukela. Support was provided to various artists in the form of sponsoring trips to Bangkok (Thailand) and Dublin (Ireland) in order to showcase their talents.

Language services

The Provincial Languages Bill was gazetted in May 2013, which allowed the department to provide interpreting services to other government institutions. Various government departments and municipalities were assisted to develop their institutional language policy. The Language Festival and International Translation Day Celebration was hosted in collaboration with the Department of Education (DOE) as part of the promotion of multi-lingualism. The International Mother Tongue Day was also hosted as a key event. Prescribed text books for Grade 12 learners, in indigenous languages, were dramatised by emerging artists and learners and were showcased to Grade 12 learners in preparation for their final exams in 2013. Reading and writing club workshops were conducted and established at various correctional centres, such as Qalabusha, Ncome, Ekuseni, Kokstad Medium, Kokstad Maximum, and Westville Male and Female correctional centres. The Geographical Naming committee reviewed 20 geographical names and these were approved by Cabinet.

Museum services

The department produced a research paper titled Sol Plaatjie and the 1913 Land Act. The research findings were presented at the South African Museum Association (SAMA) conference held in Kimberley in October 2013, and the amended version was presented to the provincial museum community and conference participants at the Library, Archives, Museum and Language Services Annual Conference held at the ICC in Durban in December 2013.

Two mobile museums were acquired by the department to bring museums to the people. The department launched the mobile museums at the Youth Parliament in June and various events were hosted where the mobile museums were used, such as the Ladysmith Career Exhibition, KwaMaphumulo Operation *Sukuma Sakhe* (OSS) Outreach project, Youth Career Expo and the Human Rights Exhibition.

The Gerhard Bhengu museum was completed, as was the Qhudeni museum in Nkandla. These museums will be officially opened at the beginning of 2014. The construction of the Newcastle and KwaDukuza museums was put on hold, due to the estimated cost of the construction being more than anticipated. The department identified a site to build the Port Shepstone museum in the Ugu district. The museum design plans were approved by the department and the municipality. An environmental impact study was completed, together with a memorandum of agreement between the municipality and the department, and construction of the museum will commence in 2014. A Time Travel event was held in Port Shepstone.

Library services

The conversion of the SITA Library Information Management System (SLIMS) into an automated library system was rolled out in full in 2013/14. The department established five additional internet cafés which provide free internet access with the support of cyber cadets. Internet connectivity was also upgraded with improved bandwidth through satellite installations. The department renovated the Mpophomeni and Nquthu public libraries, and the magistrate court in Ndulinde was converted into a fully functional library (the magistrate court was relocated to new premises). The construction of the Maphumulo library was completed, while the construction of the Nkungumathe, Vulamehlo and Ndumo libraries is on-going. The Radio Frequency Identification (RFID) tender was awarded and the successful bidder started tagging books toward the end of 2013/14. The department completed 50 per cent of the tagging in 2013/14 and the remaining 50 per cent will be finalised in 2014/15. The tagging of books will assist the department with the management and control of library books. All municipalities received funding toward the rendering of public library services in the department's provincialisation initiative to address schedule 5A of the Constitution. The full provincialisation of all libraries in the Umkhanyakude District was at final stage of implementation by the end of 2013/14.

Archives

The department drafted the Provincial Records Management Policy Manual for use by all government institutions. The renovated Pietermaritzburg Repository was re-opened after being closed for three years for full renovations. Twelve schools were visited to create awareness of archive services and provide educational information on the national flag and anthem. An Electronic Records Management stakeholder meeting was held in September to provide guidance to records managers in various governmental bodies on the implementation of electronic records management. The Oral History unit was established and the Family Tree project was expanded to 10 additional schools. The Research unit interviewed struggle veterans and held a conference for veterans of the liberation struggle in October 2013 in celebration of the 20 years of liberation. Interviews and oral recordings were made of the Shobashobane Community commemoration of 19 people who were brutally killed on 25 December 1995 in what became known as the Shobashobane massacre. The department established the Archive Council, in compliance with the KwaZulu-Natal Archives and Records Services Act.

3. Outlook for the 2014/15 financial year

Section 3 looks at the key focus areas of 2014/15, outlining what the department is hoping to achieve during the year, as well as briefly looking at the challenges and proposed new developments.

Arts and culture

The department will complete a feasibility study for the construction of the proposed new Arts and Culture Academy (hereafter referred to as Arts Academy) for which additional funding is allocated in 2015/16. This study will provide full costing of the construction of the Arts Academy and the proposed curriculum, as well as a suitable location for the Arts Academy. All planning will be undertaken to ensure that contractors are on site at the beginning of 2015. The Arts Academy will contribute to the creative industry where creation of products and services is home-based as opposed to factory-based, as well as the development of practical and technical expertise of learners. The department envisages collaborating with the Departments of Basic Education and Higher Education and Training in order to encompass the total spectrum of the needs of the sector.

The department envisages completion of various art centres such as the Umzinyathi art centre and for them to be fully functional. The war-room packages will be further rolled out to an additional 274 wards in the province. This will be done in phases, and the department will reprioritise its current budget to accommodate the implementation. The intention is to reach all wards over the 2014/15 MTEF. The department will continue to play a leading role in the hosting of the main events which include the Reed Dance, First Fruit Ceremony, Africa Day, Freedom Day and King Shaka Celebration. Training will also be strengthened to empower and equip crafters and artists. The department will develop an arts and culture strategy, and recommendations of the strategy will be implemented.

Language services

The department will continue with the implementation of the Provincial Languages Bill, through the provision of translation and interpreting requests for government institutions. The International Mother Tongue Day will be the key event hosted by this directorate. Reading and writing clubs in respect of both the war-room package and correctional centres will continue to be established. The KZN Provincial Geographical Naming committee will continue reviewing names for recommendation to Cabinet.

Museum services

The department will commence the construction of the Port Shepstone and the Utrecht museums, and the Mphohmeni eco-museum will be officially opened. Training programmes aimed at capacitating museum officials will be prioritised. The department will further provincialise museums in order to meet the department's mandate. The department will concentrate on the development of four new Time Travel projects in museums, namely Mooi River, Weenen, Greytown and Hermannsburg.

Library services

The tagging of items with the RFID system, for ease of stock-taking and control of all stock held by provincial libraries, will be completed. The construction of new libraries, such as the Nkungumathe study library, Ndumo library and the extension of the Port Shepstone library, will be completed. In addition, the department will upgrade the KwaMbonambi and Ntambanana libraries and provide satellite services. The department will continue to construct the Manyiseni, Ingwavuma, Charlestown, Bilanyoni and Imbali libraries, as well as the upgrading and extension of the Bruntville library in the Mpofana Municipality. The department will continue to transfer funds to the eThekweni Metro as a contribution toward the construction of the Durban City mega-library (hereafter referred to as the mega-library), which will be completed in 2014/15. Conditional grant funding will be used to purchase five outreach vehicles for public library clusters, among others. Seven additional mini-libraries for the blind will be established, in co-operation with SA Library for the Blind. The full provincialisation of five libraries will be finalised.

Archives

The digitisation strategy for Archives will be implemented in 2014/15 and the action plan to roll-out the KwaZulu-Natal Archives and Records Services Act will be put in place. Oral History will expand the community dialogue programmes and produce transcriptions of oral history interviews for publication. The department will provide additional war-rooms with personal archive boxes for the communities they serve. The department will prioritise sourcing alternative accommodation for the Durban Repository as part of its initiative to back up archives.

4. Receipts and financing**4.1 Summary of receipts and financing**

Table 15.1 provides the sources of funding for Vote 15 over the seven-year period 2010/11 to 2016/17. The table also compares actual and budgeted receipts against actual and budgeted payments. Details of departmental receipts are given in *Annexure – Vote 15: Arts and Culture*.

The department receives a provincial allocation in the form of equitable share and national conditional grant allocations in respect of the Community Library Services grant and the EPWP Integrated Grant for Provinces. It is noted that the EPWP Integrated Grant for Provinces was allocated in the 2012/13 Adjustments Estimate, therefore it is part of provincial cash resources as cash was received in 2012/13 (but related to 2011/12). Funding in respect of the EPWP Integrated Grant for Provinces has not been allocated from 2015/16 to 2016/17, at this stage.

Table 15.1 : Summary of receipts and financing

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Equitable share	321 648	320 847	420 205	548 573	558 929	558 929	574 792	599 088	636 709
Conditional grants	38 282	48 971	48 619	63 695	63 695	63 695	124 856	159 696	169 273
Community Library Services grant	38 282	48 971	48 619	63 145	63 145	63 145	122 754	159 696	169 273
EPWP Integrated Grant for Provinces	-	-	-	550	550	550	2 102	-	-
Total receipts	359 930	369 818	468 824	612 268	622 624	622 624	699 648	758 784	805 982
Total payments	349 369	369 752	479 744	644 964	691 026	711 165	705 112	806 706	805 982
Surplus/(Deficit) before financing	10 561	66	(10 920)	(32 696)	(68 402)	(88 541)	(5 464)	(47 922)	-
Financing									
of which									
Provincial roll-overs	4 992	-	-	-	-	-	-	-	-
Provincial cash resources	-	-	11 033	32 696	68 402	68 402	5 464	47 922	-
Surplus/(Deficit) after financing	15 553	66	113	-	-	(20 139)	-	-	-

In 2010/11, the department received a roll-over of R4.992 million from 2009/10 in respect of the Community Library Services conditional grant, relating to the Mbazwana library and a mobile library bus. The under-expenditure of R15.553 million was due to delays in the building of art centres as a result of inclement weather conditions, as well as problems experienced with the initial contractor.

The slight under-expenditure of R66 000 in 2011/12 can be attributed to minor delays in the construction of the Mbazwana library.

The department received R11.033 million from provincial cash resources in 2012/13, to provide for the following:

- R1.568 million recovered from the initial contractor for the building of the Mbazwana library, whose contract was terminated due to non-performance.
- R50 000 from KZN Oils being a donation toward the department's service excellence awards.
- R410 000 from the Hibiscus Coast Municipality for the installation of air-conditioning at the KwaNdwalane library.
- R5.404 million allocated to assist the department with spending pressures associated with the department's main events such as the Reed Dance, Africa Day Celebrations, etc.
- R3.054 million for the higher than anticipated 2012 wage agreement.
- R547 000 was in respect of the EPWP Integrated Grant for Provinces.

The department under-spent by a minimal R113 000 in 2012/13. This was mainly as a result of delays in the filling of budgeted vacant posts due to difficulty in finding suitable candidates.

In 2013/14, the department received provincial cash resources of R68.402 million as follows:

- R31.696 million for the RFID system for library books.
- R1 million from the uMgungundlovu District Municipality in respect of various arts and culture projects to be held within the district.
- R60 000 from KZN Oils as a donation toward the department's service excellence awards.
- R2.302 million and R3.162 million in respect of the transfer to The Playhouse Company and KZN Philharmonic Orchestra, respectively, in order to increase their budget back to the original allocations (i.e. before the allocations were reduced due to the 2011 Census data updates of the equitable share formula).
- R29.182 million was received in respect of war-room packages. This was requested by the department as per the resolutions taken at the Cabinet *Lekgotla* held in February 2013.
- R1 million was received in respect of OSS initiatives, as identified by the MEC.

Furthermore, in 2013/14, R10.500 million was suspended from Provincial Treasury's Strategic Cabinet Initiatives Fund. Of this, R1 million was for the Amambazo: The Musical, R4.500 million for the KZN Philharmonic Orchestra's participation in the South African French Season, and R5 million for the King and Us project. This was added to the department's equitable share in the 2013/14 Adjusted Appropriation. The estimated over-expenditure reflected against the Revised Estimate of R20.139 million is as a result of the department under-budgeting for various events which it hosts, such as the East Griqualand Festival, Africa Day Celebrations, *Umkhosi Woswela*, etc. The department will attempt to reprioritise funds from within its budget to fund the events.

In 2014/15, the department receives additional funding of R5.464 million from provincial cash resources. Of this, R2.302 million is in respect of The Playhouse Company and R3.120 million is in respect of the KZN Philharmonic Orchestra in order to increase their allocations back to their original allocation, as mentioned above. This has carry-through costs over the MTEF. The peak in the provincial cash resources in 2015/16 is due to once-off funding received for the Arts Academy, as mentioned earlier.

4.2 Departmental receipts collection

Table 15.2 below indicates the estimated departmental receipts for Vote 15. The main sources of revenue of the department are fees in respect of the cultural hall and two campsites which fall under its control, as well as funds received from public libraries for lost/stolen library material.

Details of departmental receipts are presented in *Annexure – Vote 15: Arts and Culture*.

Table 15.2 : Summary of departmental receipts collection

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	195	241	277	205	205	468	524	554	583
Transfers received	-	459	1 060	-	-	-	-	-	-
Fines, penalties and forfeits	101	76	92	100	100	53	96	102	107
Interest, dividends and rent on land	-	-	10	-	-	28	1	2	3
Sale of capital assets	184	-	-	-	-	-	-	-	-
Transactions in financial assets and liabilities	129	1 871	316	100	100	368	94	100	105
Total	609	2 647	1 755	405	405	917	715	758	799

Under the category *Sale of goods and services other than capital assets*, the department receives rentals for the hiring of its hall and campsites, rent from officials occupying state houses, monthly commission on PERSAL deductions such as insurance premiums and garnishee orders, etc. It is difficult to project revenue against this category as it is driven by the demand of hiring campsites and the hall, and hence the 2014/15 MTEF projections are inflation based. In 2010/11, the revenue collected against this category is lower compared to 2011/12 onward, and this is ascribed to renovations at these facilities. This category reflects a high collection in the 2013/14 Revised Estimate, which can be ascribed to an increase in the number of officials utilising state houses.

Transfers received reflects collections in 2011/12 and 2012/13, and these relate to contributions from the Hibiscus Coast Municipality for the air conditioning unit at KwaNdwalane, and uMgungundlovu District Municipality for arts and culture programmes undertaken by the department. These funds were made available to the department due to the lack of capacity and competency in the district municipality to execute these programmes.

Fines, penalties and forfeits relates to fines collected by libraries for lost library material. This category is unpredictable and thus the fluctuating trend over the seven-year period.

The once-off collection against *Sale of capital assets* in 2010/11 relates to the sale of redundant motor vehicles.

The collection against *Transactions in financial assets and liabilities* relates to the recovery of over-paid salaries of ex-employees. In 2011/12, R1.568 million was recovered from the original contractor of the Mbazwana library project, due to the cancellation of the contract. The balance relates to the recovery of over-paid salaries in respect of ex-employees whose salaries were not discontinued when their employment was terminated. The MTEF amounts provide for the collection of this type of revenue. Revenue from this category is difficult to project due to its uncertain nature, thus the high collection in the 2013/14 Revised Estimate which resulted from higher than projected collections in staff debts.

4.3 Donor funding – Nil

5. Payment summary

This section provides information pertaining to the vote as a whole at an aggregated level, including payments and budgeted estimates in terms of programmes and economic classification. Further details are given in Section 6 below, as well as in the *Annexure – Vote 15: Arts and Culture*.

5.1 Key assumptions

The department applied the following broad assumptions when compiling the budget:

- Funding was received for the carry-through costs of the 2013 above-budget wage agreement. An inflationary wage adjustment of 6.4 per cent for 2014/15, 6.4 per cent for 2015/16 and 6.3 per cent for 2016/17 was provided for through internal reprioritisation.
- Provision was made for an annual 1.5 per cent pay progression.
- Provision was made for the filling of vacant posts in terms of the organisational structure, and in line with the moratorium on the filling of non-critical posts.
- All inflation related increases are based on CPI projections.
- The expanded cost-cutting measures, as reissued by Provincial Treasury in 2013/14, will continue to be adhered to over the 2014/15 MTEF, in conjunction with National Treasury Instruction 01 of 2013/14: Cost-containment measures.

5.2 Additional allocations for the 2012/13 to 2014/15 MTEF

Table 15.3 shows the additional funding received by the department over the three MTEF periods: 2012/13, 2013/14 and 2014/15. Note that the table reflects only the provincial allocations and excludes additional allocations in respect of conditional grants.

The purpose of such a table is two-fold. Firstly it shows the quantum of additional funding allocated to the department in the past and current MTEF periods. Secondly, it indicates the policies and purposes for which the additional funding was allocated.

The carry-through allocations for the 2012/13 and 2013/14 MTEF periods (i.e. for the financial year 2016/17) are based on the incremental percentage used in the 2014/15 MTEF.

Table 15.3 : Summary of additional provincial allocations for the 2012/13 to 2014/15 MTEF

R thousand	2012/13	2013/14	2014/15	2015/16	2016/17
2012/13 MTEF period	3 162	1 674	1 758	1 839	1 923
Carry-through of 2011/12 Adjustment Estimate - 2011 wage agreement	1 594	1 674	1 758	1 839	1 923
Guarantee amount received for termination of contractor (Mbazwana)	1 568	-	-	-	-
2013/14 MTEF period		(6 564)	(15 597)	(19 348)	(20 238)
Census data update and 1%, 2% and 3% baseline cuts		(7 564)	(15 597)	(19 348)	(20 238)
Radio Frequency ID for library books		31 696	-	-	-
Funds from uMgungundlovu DM received for various arts and culture events		1 000	-	-	-
2014/15 MTEF period			6 364	49 753	7 797
Playhouse Company - return to pre-cut levels			2 302	2 302	2 407
Philharmonic Orchestra - return to pre-cut levels			3 162	3 120	3 263
Arts and Culture Academy			-	42 500	-
Carry-through of previous wage agreements			1 000	1 931	2 231
Centralisation of external bursaries budget under OTP			(100)	(100)	(104)
Total	3 162	(4 890)	(7 475)	32 244	(10 518)

The department received additional funding of R1.568 million in the 2012/13 MTEF. These funds were recovered from the initial contractor for the building of the Mbazwana library, whose contract was terminated due to non-performance. The department also received funding for the carry-through costs of the 2011 wage agreement.

In the 2013/14 MTEF, National Treasury took a decision to impose 1, 2 and 3 per cent baseline cuts on all spheres of government (i.e. National, Provincial and Local) in order to curb the national deficit as public spending is growing faster than revenue collection. In addition, KZN received reduced allocations as a result of the reduced equitable share allocations due to the reduced proportion in terms of population numbers as reported in the 2011 Census data results. The effect of this on the department was a substantial reduction in the budget over the entire period. Also, the department received once-off funding in 2013/14

only, for the RFID system for library books and an amount of R1 million from the uMgungundlovu District Municipality in respect of various arts and culture projects held in the district.

In the 2014/15 MTEF, the department received additional funding with carry-through in respect of increases to The Playhouse Company and KZN Philharmonic Orchestra, in order to increase their transfers to their original allocations, as mentioned above. The department received funding for previous years' wage agreements, and their allocation was reduced due to the centralisation of the external bursaries budget under OTP. Furthermore, the department received substantial once-off funding in respect of the construction of the Arts Academy in 2015/16, as explained previously.

5.3 Summary by programme and economic classification

Tables 15.4 and 15.5 provide a summary of payments and budgeted estimates by programme and economic classification, respectively, for the period 2010/11 to 2016/17.

The programmes of the department are largely aligned to the uniform programme and budget structure for the Arts and Culture sector, except for the Heritage Resource Services sub-programme which falls under Vote 1: Office of the Premier in KZN.

There is a steady increase in actual spending and the budget over the seven-year period, as explained below the tables.

Table 15.4 : Summary of payments and estimates by programme: Arts and Culture

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
1. Administration	77 340	84 662	87 830	92 275	95 191	95 191	100 579	104 541	110 030
2. Cultural Affairs	132 328	122 844	140 102	129 055	170 201	190 340	149 620	195 308	160 645
3. Library and Archive Services	139 701	162 246	251 812	423 634	425 634	425 634	454 913	506 857	535 307
Total	349 369	369 752	479 744	644 964	691 026	711 165	705 112	806 706	805 982

Table 15.5 : Summary of payments and estimates by economic classification: Arts and Culture

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Current payments	221 011	230 887	249 889	301 861	308 747	326 462	313 838	339 494	354 918
Compensation of employees	107 481	117 359	131 087	151 282	148 365	147 199	171 214	190 855	205 744
Goods and services	113 530	113 528	118 802	150 579	160 382	179 263	142 624	148 639	149 174
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	48 951	84 759	187 296	283 478	304 376	306 800	308 030	318 220	343 692
Provinces and municipalities	22 637	56 083	150 485	259 387	260 264	260 264	271 706	280 140	304 052
Departmental agencies and accounts	6 096	6 401	6 721	4 755	7 057	7 057	7 445	7 787	8 183
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	19 349	21 901	29 105	19 236	36 672	38 570	28 879	30 293	31 457
Households	869	374	985	100	383	909	-	-	-
Payments for capital assets	79 386	53 863	42 387	59 625	77 903	77 903	83 244	148 992	107 372
Buildings and other fixed structures	68 487	46 081	35 460	53 219	49 502	49 502	76 962	133 652	92 007
Machinery and equipment	10 364	7 685	6 927	6 106	28 401	28 401	6 282	15 340	15 365
Heritage Assets	-	97	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	535	-	-	300	-	-	-	-	-
Payments for financial assets	21	243	172	-	-	-	-	-	-
Total	349 369	369 752	479 744	644 964	691 026	711 165	705 112	806 706	805 982

Programme 1: Administration shows an increase in 2011/12 which can be attributed to the shifting of funds from Programme 2: Cultural Affairs and Programme 3: Library and Archive Services to this programme for the My School Cultural Adventure programme and security contracts. The increase in 2012/13 can largely be attributed to the higher than anticipated 2012 wage agreement. The increase in the

2013/14 Adjusted Appropriation is mainly due to funds moved to *Machinery and equipment* from Programme 2 for the payment of vehicles and a departmental server, ordered in the previous year but delivered in 2013/14. Furthermore, the department received R1 million in 2013/14 in respect of OSS, for projects identified by the MEC. The increase over the 2014/15 MTEF can be attributed to the appointment of permanent cleaning staff, in line with the department's strategy of eliminating the use of contractors. Furthermore, the increase can be attributed to the re-grading of some clerical staff from level 4 to 5, as well as employees on level 11 to 12, as per the instruction from DPSA. Also, the increase is due to inflationary increments.

There was high spending in 2010/11 in respect of Programme 2: Cultural Affairs, due to the once-off costs of renovations to the hall and campsites of the department. The decrease in 2011/12 was also a result of the shifting of funding to Programme 1 for the My School Cultural Adventure programme, as previously mentioned. The increase in 2012/13 was due to additional funding for the provincialisation of museums, as well as once-off funding received for main events of the department such as the Reed Dance, Africa Day Celebrations and the payment of artists for the Ugu Jazz Festival. The increase in the 2013/14 Adjusted Appropriation can be attributed to additional funding for various transfers such as Amambazo: The Musical, KZN Philharmonic Orchestra's participation in the South African French Season, The King and Us, as well as funds in respect of the war-room packages. Furthermore, the department received additional funding in respect of The Playhouse Company and KZN Philharmonic Orchestra in order to increase their budget to their original allocations. The projected over-expenditure in the 2013/14 Revised Estimate is due to the department under-budgeting for various events it hosts, such as the East Griqualand Festival, Africa Day Celebrations, *Umkhosi Woswela*, etc. The increase in 2014/15 relates to carry-through funds in respect of The Playhouse Company, KZN Philharmonic Orchestra, as well as reprioritisation of funds from Programme 1: Administration due to an employee being moved from the Financial Management sub-programme in Programme 1 to the Arts and Culture sub-programme in Programme 2. The increase in 2015/16 relates to once-off funding allocated for the construction of the Arts Academy, explaining the reduction in 2016/17.

Programme 3: Library and Archive Services reflects high growth in 2011/12 as a result of provision for the provincialisation of public libraries, as well as additional funding spent on the Mbazwana library. The increase in 2012/13 relates to further provision for the provincialisation of public libraries, which includes funding for the eThekweni Metro and Msunduzi Municipality. Furthermore, the increase is due to additional funds for the higher than anticipated 2012 wage agreement, and funding in respect of the EPWP Integrated Grant for Provinces. The increase in the 2013/14 Adjusted Appropriation is due to additional funding for the RFID system for library books, as well as war-room packages funding. The increase over the 2014/15 MTEF is attributed to the expansion of library material collections within libraries.

Compensation of employees reflects strong growth from 2011/12 to 2012/13 due to the carry-through costs of previous wage agreements, as well as the filling of posts. The decrease in the 2013/14 Adjusted Appropriation can mainly be attributed to funds reprioritised to *Machinery and equipment* for new vehicles and a departmental server ordered in the previous year, but paid for in 2013/14, and to *Transfers and subsidies to: Non-profit institutions* in respect of an increase in transfers to the SA Library for the Blind. The increase over the 2014/15 MTEF is due to the anticipated filling of vacant posts, including permanent cleaning staff, chief interpreters and translators. Furthermore, the increase relates to the re-grading of some clerical staff from level 4 to 5, as well as employees on level 11 to 12, as per instruction from DPSA.

Goods and services includes the cost of the main events hosted by the department and the acquisition of library materials for public libraries. The 2013/14 Main Appropriation includes once-off funding of R31.696 million for the RFID system for library books. The increase in the 2013/14 Adjusted Appropriation can be attributed to once-off additional funding for the implementation of the war-room packages, funds in respect of OSS initiatives, as identified by the MEC, and funds from KZN Oils as a donation toward the department's service excellence awards. The increase over the 2014/15 MTEF relates to the increase in the costs of library materials, computer connectivity costs for public libraries, as well as the cost of hiring artists and performers at various departmental events.

Transfers and subsidies to: Provinces and municipalities reflects transfers made to municipalities for library building projects, museum subsidies, and for the provincialisation of libraries and museums. The increase in 2011/12 is due to a transfer to the eThekweni Metro for portion of the costs of building the mega-library, funding for the purchase of library materials, as well as for the provincialisation of libraries and museums. The significant increase in 2012/13 relates to the carry-through costs of provincialisation of libraries and museums, as well as a further transfer to the eThekweni Metro in respect of the mega-library. Also, the increase in 2012/13 was due to the reprioritisation of funds from *Buildings and other fixed structures* for a provincialisation transfer to the Umtshezi Municipality which was under-budgeted for, museum projects managed by municipalities such as KwaDukuza Municipality and the Carnegie art gallery (Newcastle Municipality), as well as revamping of the Gerhard Bhengu museum (Ingwe Municipality). Funds were also shifted from *Transfers and subsidies to: Non-profit institutions* to *Transfers and subsidies to: Provinces and municipalities* to correct a payment to the Zululand District Municipality relating to art centre subsidies for the Indonsa art centre. The increase in the 2013/14 Adjusted Appropriation can be attributed to funds reprioritised from *Goods and services* in respect of provincialisation funding, as well as an adjustment to salaries for cyber cadets in affiliated public libraries. Furthermore, the increase can be ascribed to funds reprioritised from *Goods and services* and *Buildings and other fixed structures* in respect of provincialisation funding, as well as the department's contribution toward the construction of the Nelson Mandela Capture Site museum. The increase over the 2014/15 MTEF is due to the carry-through costs of provincialisation of public libraries and museums, transfers to the eThekweni Metro for the mega-library, and infrastructure funding for the construction of the Nelson Mandela Capture Site museum in the uMngeni Municipality, Isandlwana museum in the Zululand District Municipality, and renovations to the Tatham art gallery in the Msunduzi Municipality.

Transfers and subsidies to: Departmental agencies and accounts reflects the transfer payments made to The Playhouse Company. The decrease in the 2013/14 Main Appropriation represents the department's decision to implement baseline cuts against this entity related to the effects of the Census data on the equitable share formula. The increase from the 2013/14 Adjusted Appropriation onward is due to additional funding allocated back to this category in order to increase The Playhouse Company's transfer.

Transfers and subsidies to: Non-profit institutions covers transfers made to the KZN Philharmonic Orchestra, arts councils, art centres and museums managed by Boards of Trustees. In addition, support is provided to various art organisations. The increase from 2011/12 to 2012/13 is due to increased transfers to various organisations such as the KZN Philharmonic Orchestra and the BAT art centre, as well as the introduction of new transfers to Sakhisizwe Organisation, NB Productions, Catalina Theatre, Ewushini art centre, etc. The decrease in the 2013/14 Main Appropriation can be attributed to the baseline cuts which were effected against the KZN Philharmonic Orchestra. The increase in the 2013/14 Adjusted Appropriation is due to additional funds received from Provincial Treasury's Strategic Cabinet Initiatives Fund in respect of the Amambazo: The Musical, KZN Philharmonic Orchestra's participation in the South African French Season and the King and Us project. The increase was also in respect of increases to various transfers such as the DCO Matiwane and Ushaka Marine, as well as introduction of new transfers such as to the Dolosfees Festival and Amantshontsho Ka Maskandi. Furthermore, the increase was as a result of an increase in the transfer to the KZN Philharmonic Orchestra in order to increase its allocation to its original level. The increase over the 2014/15 MTEF provides for inclusion of new transfers to Performing Arts Network South Africa (PANSA) Young Performers, KZN Youth Windband, Federation of Community Arts, Durban International Blues Festival, and Orchid Festival. New transfers have been included within the Museum Services directorate such as the Royal Tembe, Project Gateway and *Amazwi Abesifazane* (Voices of Women Museum Exhibition) from 2015/16 onward.

The allocation to *Transfers and subsidies to: Households* relates to staff exit costs, which are difficult to budget for due to their uncertainty.

The high spending against *Buildings and other fixed structures* in 2010/11 was due to once-off costs relating to the renovations to the hall and campsites of the department. The decrease in 2012/13 was due to the department's change in strategy, whereby funding was transferred to various municipalities for projects managed by the municipalities such as the Carnegie art gallery (Newcastle Municipality) and Gerhard Bhengu museum (Ingwe Municipality). The increase in the 2013/14 Main Appropriation relates

to an increase in conditional grant funding which provided for the construction of the Nkungumathe, Vulamehlo, Qhudeneni, Maphumulo and Ndulinde libraries. The decrease in the 2013/14 Adjusted Appropriation is due to delays experienced by IDT with regard to projects managed by them such as Vulamehlo library, and Mbazwana and Bulwer art centres. IDT did not meet the terms and conditions of the contract signed with the department timeously. This resulted in the department postponing some of its infrastructure projects. These funds were reprioritised to *Transfers and subsidies to: Provinces and municipalities, Transfers and subsidies to: Non-profit institutions and Machinery and equipment*. The increase from 2014/15 provides for the upgrade of four regional library depots, library head office buildings and various libraries such as Mpofana, Umtshezi, Hibiscus Coast and Abaqulusi. Also included in the increase is the construction of the Port Shepstone museum, uMzinyathi art centre, and various library building projects such as uMuziwabantu, Newcastle, Vulamehlo, uMngeni, and Umzumbe. The increase in 2015/16 is due to once-off additional funding provided for the construction of the Arts Academy, explaining the decrease in 2016/17.

The high spending against *Machinery and equipment* in 2010/11 was due to the procurement of four mobile library buses to service areas where there are no libraries, and the upgrading of computer equipment, explaining the decrease in 2011/12. The decrease in 2012/13 was due to eight vehicles ordered but not delivered before year-end, as well as delays in the purchase of the departmental server. The significant increase in the 2013/14 Adjusted Appropriation is due to funds reprioritised from *Buildings and other fixed structures*, as mentioned above, to pay for vehicles and a departmental server ordered in 2012/13 but only received and paid for in 2013/14, as well as additional funds received for the war-room packages. The decrease over the 2014/15 MTEF is due to funds shifted to *Goods and services* due to a change in SCOA classifications, whereby minor assets, such as office equipment, furniture and computer equipment, have been moved to *Goods and services*.

The expenditure against *Software and other intangible assets* in 2010/11 relates to the upgrading of the library management system. The funds allocated in the 2013/14 Main Appropriation relate to the installation of the RFID system for library books. This amount was moved to *Goods and services* in the 2013/14 Adjusted Appropriation as a result of a budget re-classification.

Spending against *Payments for financial assets* from 2010/11 to 2012/13 relate to the write-off of staff debts.

5.4 Summary of payments and estimates by district municipal area

Table 15.6 shows non-administrative spending, including conditional grant spending, within each district municipal area.

Table 15.6 : Summary of payments and estimates by district municipal area

R thousand	Audited Outcome	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16	2016/17
eThekwini	141 069	214 163	221 837	226 375	237 926
Ugu	12 884	31 133	19 338	20 980	21 807
uMgungundlovu	65 210	118 468	81 938	132 211	92 749
Uthukela	14 166	19 051	21 661	23 545	24 682
Umzinyathi	10 380	18 905	15 839	18 416	20 177
Amajuba	10 602	12 312	12 472	14 277	14 780
Zululand	28 422	38 859	34 393	37 665	39 042
Umkhanyakude	20 559	23 967	9 549	12 247	13 491
uThungulu	21 124	27 275	18 675	20 555	21 275
Ilembe	17 608	16 882	13 497	15 228	15 505
Sisonke	6 769	9 020	9 957	11 278	11 515
Total	348 793	530 035	459 156	532 777	512 949

The eThekwini Metro reflects the highest spending due to substantial funding for the provincialisation of public libraries and museums, transfers to The Playhouse Company and the KZN Philharmonic Orchestra, and the department's contribution toward the mega-library. Furthermore, the increase against the eThekwini Metro is due to the fact that the majority of art centres are situated within this area.

The second highest spending is in the uMgungundlovu District Municipality. This is due to transfers for the provincialisation of libraries and museums and for the appointment of cyber cadets. The significant increase in 2015/16 is due to additional funding provided to the department for the construction of the Arts Academy. The department will conduct a feasibility study, survey the site, plan and design the Academy during 2014/15. The exact location will be determined during the feasibility study.

Spending in the Ugu District Municipality caters for the construction of a museum in the Hibiscus Coast Municipality in 2012/13, the construction of a new art centre, and a new library building in Umzumbe which commenced in 2013/14. Funding has been provided over the 2014/15 MTEF for the provincialisation of libraries and museums, as well as the appointment of cyber cadets.

The other district municipalities receive funding for various arts and culture activities. These include organising of musical/dance competitions at district level, organising rural workshops on music/dance and craftwork, introducing skills and techniques of film to rural communities, video and script writing, etc.

5.5 Summary of conditional grant payments and estimates

Tables 15.7 and 15.8 show the amounts allocated to the department in respect of the Community Library Services conditional grant and the EPWP Integrated Grant for Provinces.

Note that the historical figures set out in Table 15.7 below reflect actual expenditure per grant, and should not be compared to those reflected in Table 15.1, which represent the actual receipts for each grant.

Details of conditional grants are given in *Annexure – Vote 15: Arts and Culture*.

Table 15.7 : Summary of conditional grants payments and estimates by name

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Community Library Services Grant	41 261	49 444	48 633	63 145	63 145	63 145	122 754	159 696	169 273
EPWP Incentive Grant for Provinces	-	-	547	550	550	550	2 102	-	-
Total	41 261	49 444	49 180	63 695	63 695	63 695	124 856	159 696	169 273

Table 15.8 : Summary of conditional grants payments and estimates by economic classification

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Current payments	12 574	10 123	14 399	15 085	14 305	14 305	33 285	53 452	52 760
Compensation of employees	-	-	-	1 300	300	300	4 443	9 589	10 336
Goods and services	12 574	10 123	14 399	13 785	14 005	14 005	28 842	43 863	42 424
Other	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	9 908	17 433	23 889	23 983	25 063	25 063	27 571	18 244	28 513
Provinces and municipalities	9 840	17 334	22 769	23 741	23 821	23 821	24 883	15 334	25 375
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Universities and technikons	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	68	99	1 120	242	1 242	1 242	2 688	2 910	3 138
Households	-	-	-	-	-	-	-	-	-
Payments for capital assets	18 779	21 888	10 892	24 627	24 327	24 327	64 000	88 000	88 000
Buildings and other fixed structures	12 431	19 347	8 847	22 000	22 000	22 000	60 000	75 000	75 000
Machinery and equipment	6 348	2 541	2 045	2 327	2 327	2 327	4 000	13 000	13 000
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	300	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	41 261	49 444	49 180	63 695	63 695	63 695	124 856	159 696	169 273

The Community Library Services grant increases steadily over the seven-year period. The increase in 2011/12 was due to the carry-through costs of the Mbazwana library, explaining the slight decrease in 2012/13. The EPWP Integrated Grant for Provinces was allocated from 2012/13 to 2014/15 and has not

been allocated over the outer years of the MTEF, at this stage. These funds have been allocated against *Goods and services* for minor repairs and maintenance of art centres, libraries and museums using EPWP employment principles.

Compensation of employees caters for the appointment of system administrators who deal with regional depots and head office with regard to ICT projects, and book processors who process library materials. The decrease in the 2013/14 Adjusted Appropriation is due to delays in filling funded vacant posts as a result of the difficulty in finding suitable candidates. These funds were moved to *Transfers and subsidies to: Non-profit institutions* in order to increase the transfer to the SA Library for the Blind.

The spending against *Goods and services* mainly relates to the purchase of library material, connectivity costs for internet access and the costs of implementing the SLIMS library control systems. The increase in the 2013/14 Adjusted Appropriation is as a result of funds being reprioritised from *Software and other intangible assets* due to an amendment of the SCOA classification for software licences, which was originally provided for against *Software and other intangible assets*.

Spending against *Transfers and subsidies to: Provinces and municipalities* in 2011/12 relates to the transfer to the eThekweni Metro for the building of the new mega-library. The slight increase in the 2013/14 Adjusted Appropriation is due to funds reprioritised from *Goods and services* for the adjustment of cyber cadet salaries in affiliated public libraries, as mentioned above. The department continued to fund the building of the mega-library in 2013/14 and will continue to do so in 2014/15. The decrease from 2015/16 is due to the discontinuation of transfers to the eThekweni Metro in respect of the building of the new mega-library, as the Metro anticipates completing it in 2014/15. The allocation over the 2014/15 MTEF includes payment for mobile library units and salaries of cyber cadets.

Transfers and subsidies to: Non-profit institutions caters for transfer payments in respect of the Family Literacy project, which is run by NGO that trains mothers in rural areas to read so that they can, in turn, promote literacy to their children. The increase in 2012/13 was due to a new transfer payment to the SA Library for the Blind. The aim of this transfer was to make seven public libraries accessible to the blind and visually impaired people through the provision of the necessary equipment, such as reading material, and other facilities. The substantial increase in the 2013/14 Adjusted Appropriation is a result of funds reprioritised from *Compensation of employees* for a transfer to the SA Library for the Blind. The 2014/15 MTEF provides for the continuation of transfers to both the Family Literacy project and the SA Library for the Blind.

The expenditure in respect of *Buildings and other fixed structures* in 2010/11 relates to the construction of the Mbazwana library. In 2011/12, the Mbazwana library was completed and funding was allocated for a library building project in Qhudeni. In addition, the Dannhauser, Steadville and Camperdown libraries were renovated. Spending in 2012/13 relates to the completion of the Qhudeni library and the construction of the Maphumulo library, which was partly funded from the department's equitable share allocation. Spending in 2013/14 includes the construction of the Nkungumathe, Vulamehlo, Qhudeni, Maphumulo and Ndulinde libraries. The increase from 2014/15 provides for new and continued construction of libraries such as Vulamehlo, Maphumulo and Newcastle libraries.

The high spending in 2010/11 against *Machinery and equipment* relates to the costs of converting to the new SLIMS system, the costs of completing the mobile library bus and the installation of counting systems in public libraries. Spending in 2011/12 was for two mobile library buses, the upgrading of computer equipment in libraries, the ongoing conversion to the new SLIMS system, additional internet sites and furniture for the Mbazwana library. The allocations from 2012/13 and over the 2014/15 MTEF are for the further upgrading of computer equipment in public libraries.

The funds allocated to *Software and other intangible assets* in the 2013/14 Main Appropriation relate to the installation of the RFID system for library books. These funds were moved to *Goods and services* due to an amendment of the SCOA classification for software licences, which were originally provided for against *Software and other intangible assets*.

5.6 Summary of infrastructure payments and estimates

Table 15.9 below shows the amounts allocated by the department in respect of infrastructure spending, including both capital and current expenditure.

Full details of the projects to be managed appear in the *Annexure – Vote 15: Arts and Culture*.

Table 15.9 : Summary of infrastructure payments and estimates by category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
New and replacement assets	52 604	34 576	21 059	36 719	32 204	31 366	61 162	115 580	81 879
Existing infrastructure assets	15 883	11 505	14 401	16 500	17 298	18 136	15 800	18 072	10 128
Upgrades and additions	1 115	1 422	9 438	16 500	16 500	16 500	15 800	18 072	10 128
Rehabilitation, renovations and refurbishments	14 768	10 083	4 963	-	798	1 636	-	-	-
Maintenance and repairs	-	-	-	-	-	-	-	-	-
Infrastructure transfers	421	6 409	18 176	17 100	14 717	14 717	17 050	3 500	3 685
Current	-	-	-	-	-	-	-	-	-
Capital	421	6 409	18 176	17 100	14 717	14 717	17 050	3 500	3 685
Total	68 908	52 490	53 636	70 319	64 219	64 219	94 012	137 152	95 692

The substantial spending against *New and replacement assets* in 2010/11 relates to once-off funding for renovations to the hall and campsites and the building of art centres, explaining the lower expenditure in 2011/12. The reduction in 2012/13 relates to the department's strategy, whereby funding was transferred to various municipalities for projects managed by the municipalities such as the Carnegie Art Gallery and Gerhard Bhengu museum and also for the renovations of the Mpophomeni community museum. The decrease in the 2013/14 Adjusted Appropriation is due to delays experienced by IDT with regard to projects managed by them such as Vulamehlo library, and the Mbazwana and Bulwer art centres. IDT did not meet the terms and conditions of the contract signed with the department timeously. This resulted in the department postponing some of its infrastructure projects. The increase from 2014/15 provides for upgrades of various library depots and library head office buildings, as well as the construction of the Port Shepstone museum, Umzinyathi art centre, and various library building projects in uMngeni, Jozini, Umzimkulu and Umzumbe. The peak in 2015/16 relates to the construction of the new Arts Academy, as previously mentioned.

The 2011/12 spending against *Upgrades and additions* relates to the upgrading of the Dannhauser library. The substantial increase in 2012/13 is as a result of the upgrades to the Ndulinde library, as well as continued upgrades to the Dannhauser library. Furthermore, in 2012/13 funds were reprioritised for the expansion of existing art centres in line with the department's strategy, whereby existing art centres would be extended and renovated rather than commencing with the building of new art centres. Spending in 2013/14 includes upgrades to the Utrecht museum. The allocations over the 2014/15 MTEF provide for the upgrading of four regional library depots, the library head office building, as well as existing art centres and libraries which include Mpofana, Umtshezi, Hibiscus Coast and Abaqulusi.

Renovations to the building occupied by the Language Services directorate are provided for under *Rehabilitation, renovations and refurbishments*. The department had anticipated that the renovations would be completed by the end of 2012/13, as this was a carry-through project from 2011/12. In 2011/12, the appointed contractor withdrew from the contract due to under-estimating the costs involved in renovating the building and realised, after reviewing the costs, that it would not be feasible to start the renovations. However, this was inadvertently not included in the department's 2013/14 Main Appropriation, hence the increase from the 2013/14 Adjusted Appropriation.

Infrastructure transfer: Capital reflects transfers to municipalities for the building of libraries and museums. The increase from 2011/12 to 2014/15 is as a result of the funds transferred to the eThekweni Metro in respect of its contribution to the mega-library. Spending in 2012/13 mainly relates to transfers made to municipalities in respect of museum projects managed by them such as the Carnegie art gallery and Gerhard Bhengu museum, and renovations to the Mpophomeni community museum. The allocation in 2013/14 and 2014/15 relates to the department's contribution toward the completion of the mega-library in the eThekweni Metro and the Carnegie art gallery. The decrease in the 2013/14 Adjusted Appropriation is

due to the postponement of certain projects as a result of delays experienced by IDT, as previously mentioned. The decrease in the outer years of the 2014/15 MTEF is due to the discontinuation of transfers to the eThekweni Metro in respect of the mega-library, as well as transfers made in respect of the construction of a cultural museum in the KwaDukuza Municipality.

5.7 Summary of Public Private Partnerships – Nil

5.8 Transfers to public entities listed in terms of Schedule 3 of the PFMA

Table 15.10 below reflects the transfers made to The Playhouse Company, which is listed as a national public entity, and resides under Programme 2: Cultural Affairs.

Table 15.10 : Summary of departmental transfers to public entities listed in terms of Schedule 3 of the PFMA

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
The Playhouse Company	6 096	6 401	6 721	4 755	7 057	7 057	7 445	7 787	8 183
Total	6 096	6 401	6 721	4 755	7 057	7 057	7 445	7 787	8 183

The Playhouse Company is a cultural institution promulgated under the Cultural Institutions Act, No. 119 of 1998. Its primary mandate is to develop and promote artistic works that are representative of the diverse South African artistic and cultural heritage. The department entered into an agreement with the entity based on projects which The Playhouse Company embarked on and which are linked to the mandate of the department. The decrease in the 2013/14 Main Appropriation represents the department's decision to implement the baseline cuts against this category. The increase from the 2013/14 Adjusted Appropriation onward is due to additional funding allocated back to this entity in order to increase its budget to its original allocation, as well as inflationary increments.

5.9 Transfers to other entities

Table 15.11 provides a breakdown of transfers made to other entities. The institutions set out in the table below fall within the category *Transfers and subsidies to: Non-profit institutions*. A brief explanation of the transfers is provided in the paragraphs above and below the table.

KZN Philharmonic Orchestra

Funding is provided to the KZN Philharmonic Orchestra, which is a non-profit institution committed to ensuring the development of artists through nurturing local talent and skills and providing cultural entertainment. The allocation rises steadily from 2011/12 to 2012/13. The reduction in the 2013/14 Main Appropriation is due to the baseline cuts. The increase in the 2013/14 Adjusted Appropriation is due to additional funding allocated back to this entity in order to increase its budget to its original allocation. Furthermore, the department was allocated R4.500 million in respect of the KZN Philharmonic Orchestra's participation in the South African French Season.

Community art centres

The department continues to fund community art centres, which contribute to the development and training of artists. In 2012/13, the transfer to the BAT art centre was increased by R1.100 million for the development and training of artists in poetry, spoken word, folk music, etc. The re-establishment of the Jambo art centre resulted in the transfer being re-introduced in 2011/12, and also two new transfers to the Catalina and Ewushini art centres were introduced in 2012/13. The transfer payment to Indonsa art centre was shifted from *Transfers and subsidies to: Non-profit institutions* to *Provinces and municipalities*, as it was incorrectly allocated to *Non-profit institutions*. However, the funds were paid to the Zululand District Municipality for the same function. The funds in respect of transfer payments to Bulwer, Ladysmith, Mbazwana, Osizweni and uThungulu art centres were shifted from *Non-profit institutions* to *Goods and services* for the procurement of services such as municipal services, cleaning, security and operational requirements required by these art centres, since Section 21 entities have not yet been established to

oversee the operations of the centres. In 2013/14, funds in respect of the Stable Theatre were moved to *Goods and services* due to the expiry of the term of office of the board. The department will continue funding all existing transfers to art centres, with inflationary increases over the 2014/15 MTEF.

Table 15:11 : Summary of departmental transfers to other entities

R thousand	Sub-programme	Audited Outcome			Main Appropriation	Adjusted Appropriation 2013/14	Revised Estimate	Medium-term Estimates		
		2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
KZN Philharmonic Orchestra	2.1 Arts and Culture	8 377	8 796	9 236	6 535	14 197	14 197	10 230	10 700	11 245
Community art centres		4 134	4 198	4 246	4 461	2 822	2 822	4 643	4 820	5 075
BAT art centre	2.1 Arts and Culture	580	609	1 745	1 780	1 780	1 780	1 817	1 853	1 951
Catalina Theatre	2.1 Arts and Culture	-	-	100	158	158	158	166	174	183
Ekhaya art centre	2.1 Arts and Culture	232	-	-	-	-	-	-	-	-
Ewushini art centre	2.1 Arts and Culture	-	-	150	158	158	158	166	174	183
Gobhela art Centre	2.1 Arts and Culture	174	183	192	202	202	202	213	224	236
Indonsa art centre	2.1 Arts and Culture	1 416	1 487	-	-	-	-	-	-	-
Jambo art centre	2.1 Arts and Culture	-	100	150	158	158	158	166	174	183
Khula art centre	2.1 Arts and Culture	158	166	174	183	183	183	193	203	214
Rorkes Drift art centre	2.1 Arts and Culture	158	166	174	183	183	183	193	203	214
Stable Theatre	2.1 Arts and Culture	1 416	1 487	1 561	1 639	-	-	1 729	1 815	1 911
Arts and culture support		3 817	3 833	8 264	2 653	12 725	12 725	7 392	7 893	7 903
Africa Ignite	2.1 Arts and Culture	-	-	-	-	1 027	1 027	-	-	-
Africa Ignite	2.1 Arts and Culture	-	-	2 403	-	-	-	1 477	1 625	1 787
Amambazo: The Musical	2.1 Arts and Culture	-	-	-	-	2 000	2 000	1 000	1 000	1 000
Amantshontsho Ka Maskandi Awards	2.1 Arts and Culture	-	-	675	-	585	585	-	-	-
Art in the Park	2.1 Arts and Culture	100	50	50	50	50	50	50	50	50
Audio Describe	2.1 Arts and Culture	-	-	40	-	-	-	-	-	-
Centre for Creative Arts UKZN	2.1 Arts and Culture	100	100	100	100	100	100	100	100	100
Crown Gospel Music awards	2.1 Arts and Culture	250	250	250	-	-	-	-	250	-
Dolosfees Festival	2.1 Arts and Culture	50	50	-	-	70	70	70	70	70
Durban International Blues Festival	2.1 Arts and Culture	-	-	-	-	-	-	100	100	100
Family Literacy project	2.1 Arts and Culture	68	99	220	242	242	242	266	293	309
Federation of Community Art Centres	2.1 Arts and Culture	-	-	-	-	-	-	200	200	200
Fodo Cultural Village	2.1 Arts and Culture	80	80	80	80	80	80	80	80	80
Hilton Arts Festival	2.1 Arts and Culture	100	100	100	100	100	100	100	100	100
Indigenous Orchestra	2.1 Arts and Culture	500	-	-	-	-	-	-	-	-
Inter-cultural food tasting	2.1 Arts and Culture	65	80	100	100	100	100	100	100	100
iThunga Development (Street Parade)	2.1 Arts and Culture	196	-	-	-	-	-	-	-	-
Khandampevu Productions	2.1 Arts and Culture	-	-	120	120	120	120	120	120	120
KwaCulture	2.1 Arts and Culture	-	-	-	150	150	150	150	150	150
KZN African Film Festival (Ekhaya)	2.1 Arts and Culture	300	544	556	561	561	561	584	613	645
KZN Youth Wind Band	2.1 Arts and Culture	-	-	-	-	-	-	150	150	150
Love to Live	2.1 Arts and Culture	80	80	80	80	80	80	80	80	80
MTN Jazz Festival	2.1 Arts and Culture	500	500	500	-	-	-	-	-	-
NB Productions	1.2 Corporate Services	28	400	-	-	-	-	-	-	-
Orchid Festival	2.1 Arts and Culture	-	-	-	-	-	-	100	100	100
PANSA Young Performers	2.1 Arts and Culture	-	-	-	-	-	-	300	300	300
Royalty Soapie Awards	2.1 Arts and Culture	-	-	-	-	100	100	100	100	100
SA Library for the Blind	2.1 Arts and Culture	-	-	900	-	1 000	1 000	945	992	1 042
SA Traditional Music Awards (SATMA)	2.1 Arts and Culture	500	500	-	-	-	-	-	-	-
Sakhisizwe Organisation	1.2 Corporate Services	-	200	220	220	220	220	220	220	220
Stable Theatre (2010 projects)	1.2 Corporate Services	350	-	-	-	-	-	-	-	-
The King and Us	2.1 Arts and Culture	-	-	-	-	5 000	5 000	-	-	-
Twist Theatre Development	2.1 Arts and Culture	-	200	100	100	100	100	-	-	-
Ugu Jazz Festival	1.2 Corporate Services	-	-	900	150	150	150	150	150	150
Umgababa Youth Festival	1.2 Corporate Services	200	250	250	250	250	250	250	250	250
Ushaka Marine	2.1 Arts and Culture	250	250	540	250	540	540	600	600	600
Wildsfees Festival	2.1 Arts and Culture	100	100	80	100	100	100	100	100	100
Arts Councils	2.1 Arts and Culture	1 445	1 575	1 593	1 705	1 705	1 705	1 798	1 888	1 888
Museum subsidies		1 576	3 499	5 766	3 882	5 223	7 121	4 816	4 992	5 246
Amazwi Abesifazane	2.4 Museum Services	-	-	-	-	-	-	150	158	166
Baynesfield Museum	2.4 Museum Services	240	341	270	284	284	284	299	314	331
Comrades House Museum	2.4 Museum Services	180	341	270	284	284	284	299	314	331
DCO Mafiwane	2.4 Museum Services	-	100	270	284	1 084	1 084	599	314	331
Deutsche Schule Hermannsburg	2.4 Museum Services	120	341	270	284	284	284	299	314	331
East Griqualand Museum Trust	2.4 Museum Services	140	341	270	284	284	284	299	314	331
Heritage Centre Doc Centre	2.4 Museum Services	-	-	150	160	284	284	299	314	331
Himeville Museum	2.4 Museum Services	120	341	270	284	284	284	299	314	331
KwaCulture	2.4 Museum Services	-	-	-	-	-	1 898	-	-	-
Macrorie House Museum	2.4 Museum Services	240	341	371	284	701	701	299	314	331
Mazisi Kunene Museum	2.4 Museum Services	-	100	270	284	284	284	299	314	331
Mpophomeni Community Museum	2.4 Museum Services	-	100	2 245	284	284	284	299	314	331
Natal Arts Trust	2.4 Museum Services	30	30	30	30	30	30	30	30	30
Phansi Museum	2.4 Museum Services	-	100	270	284	284	284	299	314	331
Project Gateway	2.4 Museum Services	-	-	-	-	-	-	150	158	166
Richmond, Byrne and District Museum	2.4 Museum Services	151	341	270	284	284	284	299	314	331
Royal Tembe	2.4 Museum Services	-	-	-	-	-	-	-	250	250
Utrecht Museum	2.4 Museum Services	120	341	270	284	284	284	299	314	331
Vukani Museum	2.4 Museum Services	235	341	270	284	284	284	299	314	331
Total		19 349	21 901	29 105	19 236	36 672	38 570	28 879	30 293	31 457

Arts and culture support

Arts and culture support funding is provided to various organisations to assist in providing a platform for emerging artists. The department enters into MOUs with these institutions and detailed business plans are provided for the funds that are allocated. In 2010/11, the transfer to Fodo Cultural Village and a once-off transfer to the Comrades Marathon Association were introduced. The 2011/12 spending includes new transfer payments, namely the Sakhisizwe Organisation and Twist Theatre Development and a once-off transfer to NB Productions for a television documentary on KZN artists. In 2012/13, the transfer payment in respect of Ugu Jazz Festival was increased by R750 000 and a once-off transfer of R900 000 in respect of the SA Library for the Blind was introduced. In the 2013/14 Adjusted Appropriation, various once-off transfers were introduced and increased such as Ushaka Marine, The King and Us, Royalty Soapie Awards, Dolosfees Festival, etc.

Arts Councils

The amount reflected under Arts Councils is transferred to properly constituted arts, culture and craft organisations that develop and preserve arts and culture in the province. The allocation rises steadily over the seven-year period and shows an inflationary increase over the 2014/15 MTEF.

Museum subsidies

Funding is provided to non-profit institutions to cover operational and staffing costs for museums. The museums listed under this category are managed by a Board of Trustees and a large portion of the funding transferred to them is utilised to cover the salaries paid to curators. In 2011/12, the provincialisation programme was introduced, therefore explaining the increased allocations made to these museums from 2011/12 onward. The increase in 2012/13 is due to an allocation toward the construction of the Mpophomeni community museum. The increase in the 2013/14 Adjusted Appropriation is due to an increase in transfers to the DCO Matiwane, and Mpophomeni community museums and the 1860 Heritage Centre: Documentation Centre.

5.10 Transfers to local government

Tables 15.12 and 15.13 provide a summary of transfers made to local government.

Details of the amounts reflected per grant type and per municipality are given in *Annexure – Vote 15: Arts and Culture*.

It is noted that the tables do not include funding for motor vehicle licences, as this funding is not paid to a municipality.

Table 15.12 : Summary of departmental transfers to local government by category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Category A	4 642	14 709	93 363	158 845	158 845	158 845	165 383	164 531	173 254
Category B	17 925	41 303	55 459	98 803	99 680	99 680	104 494	113 694	128 787
Category C	-	-	1 561	1 639	1 639	1 639	1 729	1 815	1 911
Unallocated	-	-	-	-	-	-	-	-	-
Total	22 567	56 012	150 383	259 287	260 164	260 164	271 606	280 040	303 952

Table 15.13 : Summary of departmental transfers to local government by grant name

R thousand	Sub-programme	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
		2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Museum subsidies	2.4 Museum Services	1 170	7 168	10 049	8 796	9 593	9 593	10 634	13 168	13 708
Library building projects	3.2 Library Services	421	-	-	-	-	-	-	-	-
Provincialisation of libraries	3.2 Library Services	11 136	31 110	116 004	225 111	225 111	225 111	234 360	249 723	262 958
Community Libr Services grant	3.3 Comm. Libr Serv	9 840	17 334	22 769	23 741	23 821	23 821	24 883	15 334	25 375
Art Centre (Operational costs)	2.2 Arts and Culture	-	400	1 561	1 639	1 639	1 639	1 729	1 815	1 911
Total		22 567	56 012	150 383	259 287	260 164	260 164	271 606	280 040	303 952

A portion of the Community Library Services grant is paid to municipalities to assist at local level with the costs of cyber cadets and the acquisition of library material. These allocations fall under both categories A and B.

Category C caters for transfers made to the Zululand District Municipality in respect of art centre subsidies for the Indonsa art centre. The transfers increased from 2010/11 due to increased funding for cyber cadets, the purchase of additional mobile library units for rural areas, and increased quantities of library material.

Transfers to Category A and B are aimed at assisting municipalities with the operational and staffing costs of museums. Museum subsidies are allocated over both categories. The substantial increase from 2011/12 in respect of Category A relates to a transfer to the eThekweni Metro for the construction of the mega-library, as well as funds for the provincialisation of museums.

The allocations to Category A, which relate to transfers to the eThekweni Metro, are for the operational costs of libraries in that area, as well as museum subsidies. The substantially increased allocations in 2012/13, 2013/14 and over the 2014/15 MTEF reflect the inclusion of provincialisation transfers to the eThekweni Metro, as well as further funding for the mega-library.

Category B consists of transfers to museums, as well as funding for building libraries. In 2010/11, an amount of R421 000 was transferred to the Impendle Municipality for the completion of a library which commenced in 2004. The increase from 2011/12 and over the 2014/15 MTEF is due to provincialisation transfers for public libraries and museums, as well as staffing costs in respect of libraries.

Category C relates to transfers made to the Zululand District Municipality in respect of art centre subsidies for the Indonsa art centre. Prior to 2012/13, the spending for this art centre was incorrectly allocated against *Transfers and subsidies to: Non-profit institutions*. This was corrected from 2012/13 with the allocation now shown against *Transfers and subsidies to: Provinces and municipalities*. The increase over the 2014/15 MTEF is due to the continuation of support provided to this art centre for the development and preservation of arts and culture in the province.

5.11 Transfers and subsidies

Table 15.14 gives a summary of spending on *Transfers and subsidies* by programme and main category.

A brief explanation of the transfers is provided in the paragraphs above and below the table. The total amount transferred shows a generally steady increase from 2010/11 to 2016/17.

Transfers and subsidies under Programme 1 fluctuate over the seven-year period, largely due to the nature of transfers made. For example:

- *Provinces and municipalities* relates to funding for motor vehicle licences.
- *Non-profit institutions* relates to various projects. Spending in 2010/11 is due to a once-off transfer payment to iThunga Development (Street Parade) for 2010 Soccer World Cup build-up programmes. In 2010/11, transfer payments were made in respect of the Comrades Marathon Association, Stable Theatre, Umgababa Youth Festival and the Youth ID Campaign. The increase in 2011/12 is due to a new transfer to Sakhisizwe Organisation and a once-off transfer payment to NB Productions. The increase in 2012/13 is due to the introduction of transfer payments made to the Ugu Jazz Festival. The 2014/15 MTEF makes provision for the transfer payments to Sakhisizwe Organisation, Ugu Jazz Festival and the Umgababa Youth Festival.
- *Households* caters for staff exits, which are difficult to predict, accounting for fluctuations.

Table 15.14 : Summary of transfers and subsidies by programme and main category

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
1. Administration	781	939	2 094	720	753	1 016	720	720	720
Provinces and municipalities	70	24	101	100	100	100	100	100	100
Motor vehicle licences	70	24	101	100	100	100	100	100	100
Non-profit institutions	578	850	1 370	620	620	620	620	620	620
NB Productions	28	400	-	-	-	-	-	-	-
Sakhisizwe Organisation	-	200	220	220	220	220	220	220	220
Stable Theatre (2010 projects)	350	-	-	-	-	-	-	-	-
Ugu Jazz Festival	-	-	900	150	150	150	150	150	150
Umgababa Youth Festival	200	250	250	250	250	250	250	250	250
Households	133	65	623	-	33	296	-	-	-
Termination benefits	133	65	623	-	33	296	-	-	-
2. Cultural Affairs	26 403	35 129	42 704	33 664	53 409	55 520	45 379	49 533	51 501
Provinces and municipalities	1 170	7 568	11 611	10 435	11 232	11 232	12 363	14 983	15 619
Museum subsidies	1 170	7 168	10 049	8 796	9 593	9 593	10 634	13 168	13 708
Operational costs for art centres	-	400	1 562	1 639	1 639	1 639	1 729	1 815	1 911
Departmental agencies and accounts	6 096	6 401	6 721	4 755	7 057	7 057	7 445	7 787	8 183
The Playhouse Company	6 096	6 401	6 721	4 755	7 057	7 057	7 445	7 787	8 183
Non-profit institutions	18 703	20 952	24 212	18 374	34 810	36 708	25 571	26 763	27 699
KZN Philharmonic Orchestra	8 377	8 796	9 236	6 535	14 197	14 197	10 230	10 700	11 245
Arts and culture support to:	3 171	2 884	3 371	1 791	10 863	10 863	4 084	4 363	4 145
Africa Ignite	-	-	-	-	1 027	1 027	-	-	-
Amambazo: The Musical	-	-	-	-	2 000	2 000	1 000	1 000	1 000
Amantshontsho Ka Maskandi	-	-	675	-	585	585	-	-	-
Art in the Park	100	50	50	50	50	50	50	50	50
Audio Describe	-	-	40	-	-	-	-	-	-
Centre for Creative Arts UKZN	100	100	100	100	100	100	100	100	100
Crown Gospel Music awards	250	250	250	-	-	-	-	250	-
Dolosfees Festival	50	50	-	-	70	70	70	70	70
Durban International Blues Festival	-	-	-	-	-	-	100	100	100
Federation of Community Art Centres	-	-	-	-	-	-	200	200	200
Fodo Cultural Village	80	80	80	80	80	80	80	80	80
Hilton Arts Festival	100	100	100	100	100	100	100	100	100
Indigenous Orchestra	500	-	-	-	-	-	-	-	-
Inter-cultural food tasting	65	80	100	100	100	100	100	100	100
iThunga Development (Street Parade)	196	-	-	-	-	-	-	-	-
Khandampevu Productions	-	-	120	120	120	120	120	120	120
KwaCulture	-	-	-	150	150	150	150	150	150
KwaZulu-Natal Youth Wind Band	-	-	-	-	-	-	150	150	150
KZN African Film Festival (Ekhaya)	300	544	556	561	561	561	584	613	645
Love to Live	80	80	80	80	80	80	80	80	80
MTN Jazz Festival	500	500	500	-	-	-	-	-	-
Orchid Festival	-	-	-	-	-	-	100	100	100
PANSA Young Performers	-	-	-	-	-	-	300	300	300
Royalty Soapie Awards	-	-	-	-	100	100	100	100	100
SA Traditional Music Awards (SATMA)	500	500	-	-	-	-	-	-	-
The King and Us	-	-	-	-	5 000	5 000	-	-	-
Twist Theatre Development	-	200	100	100	100	100	-	-	-
Ushaka Marine	250	250	540	250	540	540	600	600	600
Wildsfees	100	100	80	100	100	100	100	100	100
Transfers to Art Centres:	4 134	4 198	4 246	4 461	2 822	2 822	4 643	4 820	5 075
BAT art centre	580	609	1 745	1 780	1 780	1 780	1 817	1 853	1 951
Catalina Theatre	-	-	100	158	158	158	166	174	183
Ekhaya art centre	232	-	-	-	-	-	-	-	-
Ewushini art centre	-	-	150	158	158	158	166	174	183
Gobhela art Centre	174	183	192	202	202	202	213	224	236
Indonsa art centre	1 416	1 487	-	-	-	-	-	-	-
Jambo art centre	-	100	150	158	158	158	166	174	183
Khula art centre	158	166	174	183	183	183	193	203	214
Rorkes Drift art centre	158	166	174	183	183	183	193	203	214
Stable Theatre	1 416	1 487	1 561	1 639	-	-	1 729	1 815	1 911
Transfers to Arts council	1 445	1 575	1 593	1 705	1 705	1 705	1 798	1 888	1 988
Transfers to museums:	1 576	3 499	5 766	3 882	5 223	7 121	4 816	4 992	5 246
Amazwi Abesifazane	-	-	-	-	-	-	150	158	166
Baynesfield Museum	240	341	270	284	284	284	299	314	331
Comrades House Museum	180	341	270	284	284	284	299	314	331
DCO Matiwane	-	100	270	284	1 084	1 084	599	314	331
Deutsche Schule Hermannsburg	120	341	270	284	284	284	299	314	331
East Griqualand Museum Trust	140	341	270	284	284	284	299	314	331
Heritage Centre Doc Centre	-	-	150	160	284	284	299	314	331
Himeville Museum	120	341	270	284	284	284	299	314	331
KwaCulture (Re-enactment - Isandlwana)	-	-	-	-	-	1 898	-	-	-
Macrorie House Museum	240	341	371	284	701	701	299	314	331
Mazisi Kunene Museum	-	100	270	284	284	284	299	314	331
Mpophomeni Community Museum	-	100	2 245	284	284	284	299	314	331
Natal Arts Trust	30	30	30	30	30	30	30	30	30
Phansi Museum	-	100	270	284	284	284	299	314	331
Project Gateway	-	-	-	-	-	-	150	158	166
Richmond, Byrne and District Museum	151	341	270	284	284	284	299	314	331
Royal Tembe	-	-	-	-	-	-	-	250	250
Utrecht Museum	120	341	270	284	284	284	299	314	331
Vukani Museum	235	341	270	284	284	284	299	314	331
Households	434	208	160	100	310	523	-	-	-
Termination benefits	434	208	40	-	210	423	-	-	-
Bursaries to non-employees	-	-	120	100	100	100	-	-	-
3. Library and Archive Services	21 767	48 691	142 498	249 094	250 214	250 264	261 931	267 967	291 471
Provinces and municipalities	21 397	48 491	138 773	248 852	248 932	248 932	259 243	265 057	288 333
Library building programme	10 261	17 381	22 769	23 741	23 821	23 821	24 883	15 334	25 375
Provincialisation of libraries	11 136	31 110	116 004	225 111	225 111	225 111	234 360	249 723	262 958
Non-profit institutions	68	99	3 523	242	1 242	1 242	2 688	2 910	3 138
Africa Ignite	-	-	2 403	-	-	-	1 477	1 625	1 787
Family Literacy project	68	99	220	242	242	242	266	293	309
SA Library for the Blind	-	-	900	-	1 000	1 000	945	992	1 042
Households	302	101	202	-	40	90	-	-	-
Termination benefits	302	101	202	-	40	90	-	-	-
Total	48 951	84 759	187 296	283 478	304 376	306 800	308 030	318 220	343 692

Transfers and subsidies under Programme 2 fluctuates markedly over the seven-year period, as follows:

- *Provinces and municipalities* relates to subsidies paid to municipalities for the operational costs of museums. The increase in 2011/12 is due to funding for the provincialisation of museum services. The increase in 2012/13 relates to funds reprioritised from *Buildings and other fixed structures* for provincialisation transfers to Umtshezi Municipality, museum projects managed by municipalities such as KwaDukuza Municipality and the Carnegie art gallery and revamping of the Gerhard Bhengu museum. Also, funds were shifted from *Non-profit institutions* to *Provinces and municipalities* in respect of art centre subsidies for the Indonsa art centre, and this funding will continue over the 2014/15 MTEF. This was previously incorrectly allocated to *Non-profit institutions*. The increase over the 2014/15 MTEF includes infrastructure funding for the construction of the Nelson Mandela Capture Site museum in the uMngeni Municipality, Isandlwana museum in the Zululand District Municipality and renovations to the Tatham art gallery in the Msunduzi Municipality.
- *Departmental agencies and accounts* relates to the subsidy paid to The Playhouse Company. The decrease in the 2013/14 Main Appropriation represents the department's decision to implement baseline cuts against this entity related to the effects of the Census data on the equitable share formula. The increase from the 2013/14 Adjusted Appropriation onward is due to additional funding allocated back to this entity in order to increase the entity's budget to its original allocation.
- *Non-profit institutions* includes transfers made to the KZN Philharmonic Orchestra, arts councils, art centres and museums managed by Boards of Trustees. In addition, support is provided to various art organisations. The increase from 2011/12 to 2012/13 is due to increased transfers to various organisations such as the KZN Philharmonic Orchestra and the BAT centre, as well as the introduction of new transfers to Ewushini art centre. The decrease in the 2013/14 Main Appropriation can be attributed to the baseline cuts which were effected against the KZN Philharmonic Orchestra. The increase in the 2013/14 Adjusted Appropriation is due to additional funds received from Provincial Treasury's Strategic Cabinet Initiatives Fund in respect of the Amambazo: The Musical, KZN Philharmonic Orchestra's participation in the South African French Season and The King and Us project. The increase was also due to additional funding received for the transfer to the Philharmonic Orchestra to increase its budget to the original allocation, as previously mentioned. Furthermore, the increase was due to funds reprioritised from *Compensation of employees, Goods and services* and *Buildings and other fixed structures* for introduction and increase of transfers to various organisations such as the Royalty Soapie Awards, 1860 Heritage Centre: Documentation Centre, etc. The increase in the 2013/14 Revised Estimate is due to the department under-budgeting for transfers to organisations which host various events on behalf of the department such as KwaCulture for the Battle of Isandlwana re-enactment, Amambazo: The Musical, etc. The increase over the 2014/15 MTEF provides for inclusion of new transfers to PANSA Young Performers, KZN Youth Windband, Federation of Community Arts, Durban International Blues Festival, and Orchid Festival. New transfers have been included within the Museum Services directorate such as the Royal Tembe, Project Gateway, and *Amazwi Abesifazane* from 2015/16 onward.

With regard to Programme 3, these transfers show a large increase over the seven-year period as follows:

- *Provinces and municipalities* relates to a number of transfer payments made in respect of the provincialisation of libraries and the Community Library Services grant which is used for the construction of libraries, the expansion of the library material collection and greater emphasis will be placed on ICT and library promotion projects. In addition, it includes the purchase of library material and the salary costs of cyber cadets. Spending from 2011/12 onward relates to transfers made to the eThekweni Metro as the department's contribution to the building of the mega-library, provincialisation of public libraries, as well as the purchase of library material. The increase over the 2014/15 MTEF is due to the continuation of funding relating to the provincialisation, purchase of library materials for public libraries, as well as funding toward the mega-library which will be discontinued in 2014/15 as the Metro anticipates completion of the mega-library in 2014/15.
- *Non-profit institutions* caters for transfer payments to the Family Literacy project which is run by an organisation that trains mothers in rural areas to read so that they can, in turn, promote literacy to

their children. The high spending in 2012/13 was due to an introduction of new transfers to the SA Library for the Blind, as well as Africa Ignite. The substantial increase in the 2013/14 Adjusted Appropriation is due to the introduction of new transfers to the SA Library for the Blind and Africa Ignite, as they were not budgeted for in the 2013/14 Main Appropriation. These funds were used to make additional seven public libraries accessible to the blind and for Africa Ignite to facilitate reading promotion programmes on behalf of the department. The 2014/15 MTEF provides for the continuation of transfers to the Family Literacy project, SA Library for the Blind and Africa Ignite.

- *Households* caters for staff exits, which are difficult to predict, accounting for the fluctuations.

6. Programme description

The services rendered by this department are categorised under three programmes, as discussed in greater length below. The programme is aligned to the uniform programme and budget structure of the sector. The payments and budgeted estimates for each programme are summarised in terms of economic classification, details of which are given in *Annexure – Vote 15: Arts and Culture*.

6.1 Programme 1: Administration

The purpose of this programme is to provide for effective management and administration of the department and to ensure effective and efficient use of financial and human resources. This programme complies with the structure set for the sector and comprises of two sub-programmes.

Tables 15.15 and 15.16 below summarise payments and estimates relating to the programme for the period 2010/11 to 2016/17.

Table 15.15 : Summary of payments and estimates by sub-programme: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
1. Office of the MEC	10 247	10 222	11 743	10 589	11 589	11 589	12 321	12 543	13 208
2. Corporate Services	67 093	74 440	76 087	81 686	83 602	83 602	88 258	91 998	96 822
Total	77 340	84 662	87 830	92 275	95 191	95 191	100 579	104 541	110 030

Table 15.16 : Summary of payments and estimates by economic classification: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Current payments	75 867	81 158	85 256	91 190	91 688	91 425	99 619	103 581	109 070
Compensation of employees	38 627	42 192	45 513	53 450	53 417	52 901	57 987	63 890	68 873
Goods and services	37 240	38 966	39 743	37 740	38 271	38 524	41 632	39 691	40 197
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	781	939	2 094	720	753	1 016	720	720	720
Provinces and municipalities	70	24	101	100	100	100	100	100	100
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	578	850	1 370	620	620	620	620	620	620
Households	133	65	623	-	33	296	-	-	-
Payments for capital assets	671	2 322	308	365	2 750	2 750	240	240	240
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	594	2 322	308	365	2 750	2 750	240	240	240
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	77	-	-	-	-	-	-	-	-
Payments for financial assets	21	243	172	-	-	-	-	-	-
Total	77 340	84 662	87 830	92 275	95 191	95 191	100 579	104 541	110 030

There is a steady increase against Programme 1 over the seven-year period.

Spending in 2010/11 against the Office of the MEC sub-programme includes increased travelling costs relating to the 2010 Soccer World Cup events. The increase in 2012/13 can be attributed to additional funding from KZN Oils for the departmental service excellence awards. The increase in the 2013/14 Adjusted Appropriation is due to additional funding in respect of OSS initiatives, as identified by the MEC. The 2014/15 MTEF allocation makes provision for the appointment of permanent cleaning staff which are centralised under this programme, in line with the department's strategy of eliminating the use of contractors. Furthermore, the increase can be attributed to the re-grading of some clerical staff from level 4 to 5, and employees on level 11 to 12, as per the instruction from DPSA.

Funding was shifted to the Corporate Services sub-programme from Programme 2: Cultural Affairs and Programme 3: Library and Archive Services for the My School Cultural Adventure programme in 2011/12, to provide effective monitoring and control. In addition, the security contracts were centralised under this programme and additional funding provided for the 2011 wage agreement. The increase in the 2013/14 Adjusted Appropriation is due to the department reprioritising funds from Programme 2: Arts and Culture for the payment of vehicles and a departmental server ordered in the previous year but delivered in the current year. Savings against Programme 2 were as a result of delays experienced by IDT with regard to projects managed by them. The department suspended funds to OTP from *Goods and services* from the 2013/14 Adjusted Appropriation onward for centralisation of parts of the communications budget. The growth over the MTEF can be attributed to inflationary increments.

The growth in *Compensation of employees* from 2010/11 to 2012/13 is due to annual wage agreements, as well as the filling of critical posts. The 2014/15 MTEF allocation makes provision for the appointment of permanent cleaning staff, as well as increases due to re-grading of some clerical staff from level 4 to 5 and employees on level 11 to 12, as previously mentioned.

The 2010/11 spending against *Goods and services* includes operational costs, such as lease agreements, SITA, audit fees, security and cleaning services, as well as the social mobilisation campaign and the cost of public viewing areas for the 2010 Soccer World Cup. The high expenditure in 2012/13 relates to media coverage and costs relating to career exhibitions which were co-ordinated by OTP. In the 2013/14 Adjusted Appropriation, additional funding was allocated in respect of OSS initiatives, as previously mentioned. This was offset by the suspension of funds from the department and allocated to OTP in relation to the centralisation of external bursaries, with carry-through over the MTEF against the Corporate Services sub-programme.

Transfers and subsidies to: Provinces and municipalities relates to motor vehicle licences.

Expenditure against *Transfers and subsidies to: Non-profit institutions* from 2010/11 onward relates to transfers to projects managed by the Special Projects unit. The increase in 2011/12 is due to new transfer made to Sakhisizwe Organisation, as well as a once-off transfer to NB Productions, as previously mentioned. The increase in 2012/13 is due to the introduction of a new transfer payment to the Ugu Jazz Festival. The 2013/14 Main Appropriation and the 2014/15 MTEF make provision for the continuation of the transfer payments to the Sakhisizwe Organisation, Ugu Jazz Festival and Umgababa Youth Festival.

The 2010/11 expenditure against *Machinery and equipment* relates to the purchase of vehicles and equipment. The 2011/12 amount includes the procurement of vehicles, computer and office equipment for the department's Ministry. Included in 2012/13 was the acquisition of computer equipment for new staff and the replacement of obsolete computer equipment. The 2013/14 Main Appropriation was increased to provide for the payment of vehicles and a departmental server ordered in the previous year but delivered in 2013/14. The substantial increase in the 2013/14 Adjusted Appropriation is due to funds reprioritised from Programme 2: Cultural Affairs against *Buildings and other fixed structures*, as well as within, for the payment of vehicles and a departmental server ordered in the previous year but delivered in the current year. The amounts over the 2014/15 MTEF relate mainly to the upgrading and replacement of obsolete computer equipment.

6.2 Programme 2: Cultural Affairs

The purpose of this programme is to provide for projects and interventions in the arts, culture, language and museum services. The aim is to provide an environment conducive to the celebration, nourishment and growth of these sectors.

This programme complies with the structure set for the sector, except for the fact that there is no Heritage Resource Services sub-programme, as this function falls under Vote 1: Office of the Premier in this province.

The main aim of the Arts and Culture sub-programme is to ensure cultural diversity and the advancement of artistic disciplines into viable industries.

The aim of the Museum Services sub-programme is to act as the custodian of tangible and intangible heritage to preserve, protect, conserve and appreciate for future generations.

The focus of the Language Services sub-programme is the promotion of multi-lingualism and development of historically marginalised languages, and the facilitation of access to government information and services through translation, interpretation and ensuring respect for language rights.

Tables 15.17 and 15.18 below summarise payments and estimates from 2010/11 to 2016/17. The spending and budget against Programme 2 fluctuates over the seven-year period.

Table 15.17 : Summary of payments and estimates by sub-programme: Cultural Affairs

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
1. Management	2 515	3 137	3 199	3 059	3 059	3 059	3 166	3 392	3 572
2. Arts and Culture	114 763	93 176	101 074	89 798	128 444	146 611	104 185	146 714	109 740
3. Museum Services	7 449	18 188	26 380	26 666	26 666	25 666	29 365	31 637	33 208
4. Language Services	7 601	8 343	9 449	9 532	12 032	15 004	12 904	13 565	14 125
Total	132 328	122 844	140 102	129 055	170 201	190 340	149 620	195 308	160 645

Table 15.18 : Summary of payments and estimates by economic classification: Cultural Affairs

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Current payments	62 434	70 637	76 240	81 987	87 695	105 723	96 844	97 095	102 644
Compensation of employees	33 312	36 392	40 333	47 282	45 438	44 838	55 213	59 574	64 224
Goods and services	29 122	34 245	35 907	34 705	42 257	60 885	41 631	37 521	38 420
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	26 403	35 129	42 704	33 664	53 409	55 520	45 379	49 533	51 501
Provinces and municipalities	1 170	7 568	11 611	10 435	11 232	11 232	12 363	14 983	15 619
Departmental agencies and accounts	6 096	6 401	6 721	4 755	7 057	7 057	7 445	7 787	8 183
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	18 703	20 952	24 212	18 374	34 810	36 708	25 571	26 763	27 699
Households	434	208	160	100	310	523	-	-	-
Payments for capital assets	43 491	17 078	21 158	13 404	29 097	29 097	7 397	48 680	6 500
Buildings and other fixed structures	42 266	16 182	17 581	12 900	9 183	9 183	6 855	48 080	5 875
Machinery and equipment	945	799	3 577	504	19 914	19 914	542	600	625
Heritage assets	-	97	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	280	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	132 328	122 844	140 102	129 055	170 201	190 340	149 620	195 308	160 645

The Management sub-programme is responsible for monitoring and management of various projects within sub-programmes which are demand driven, hence the fluctuation over the seven year period. The high expenditure in 2011/12 and 2012/13 includes additional funding provided for the wage agreements, and shows an inflationary increase over the 2014/15 MTEF.

The high expenditure against Arts and Culture in 2010/11 is due to once-off funding relating to renovations to the hall and campsites of the department, as previously mentioned, explaining the decrease in 2011/12. The increase in 2012/13 is due to the department reprioritising funds from Programme 1 for the increased allocation to the BAT art centre for the development and training of artists, as previously mentioned. Furthermore, the increase is also due to the higher than anticipated 2012 wage agreement, accounting for the increase against *Compensation of employees*, and for the hosting of the Reed Dance and Africa Day Celebrations. This also explains the increase against *Goods and services*. The reduction in 2013/14 is a result of the reduced allocation for infrastructure projects. The significant increase in the 2013/14 Adjusted Appropriation can be attributed to additional funding for various transfers, such as Amambazo: The Musical, KZN Philharmonic Orchestra's participation in the South African French Season, The King and Us, as well as funds in respect of the war-room packages. From the R27.182 million allocated to the department for the war-room packages, R24.682 million was allocated to this sub-programme in respect of Arts and Culture projects. Of this amount, R18 million was allocated to *Machinery and equipment* for the purchase of musical instruments such as drums, guitars, etc., R5.655 million was allocated to *Goods and services* for hosting of festivals and exhibitions, such as a Literature Summit, Provincial Language *Indaba*, and International Translation Day, and R1.027 million was allocated to *Transfers and subsidies to: Non-profit institutions* for transfers to Africa Ignite, which is a rural development agency that works across all districts of KZN. Furthermore, the department received additional allocations in respect of The Playhouse Company and the KZN Philharmonic Orchestra in order to increase their budget to their original allocation, and this is carried through over the 2014/15 MTEF. The projected over-expenditure against the 2013/14 Revised Estimate is due to the department under-budgeting for various events it hosts, as mentioned previously. The increase over the 2014/15 MTEF can also be attributed to an employee being moved from the Financial Management sub-programme in Programme 1 to the Arts and Culture sub-programme in Programme 2. The increase in 2015/16 relates to once-off funding allocated for the construction of the Arts Academy, explaining the reduction in 2016/17.

The increase in 2011/12 against the Museum Services sub-programme relates to funding for the provincialisation of museums, including increased subsidies to both affiliated museums and museums managed by Boards of Trustees. This explains the substantial increase in *Transfers and subsidies to: Provinces and municipalities* from 2011/12 onward. The increase in 2012/13 is due to the purchasing of mobile museums. The allocation over the 2014/15 MTEF reflects funding for the provincialisation of museums, as well as the construction and renovations to museums.

The spending against the Language Services sub-programme reflects steady growth over the seven-year period. The increase in 2012/13 is due to additional funding for the higher than anticipated 2012 wage agreement. The increase in the 2013/14 Adjusted Appropriation is due to additional funding of R2.500 million allocated in respect of war-room packages which is part of the R27.182 million. This amount was allocated against *Goods and services*. The projected over-expenditure in the 2013/14 Revised Estimate is due to the department under-budgeting for various events, as previously mentioned.

Spending against *Compensation of employees* from 2010/11 to 2012/13 includes the annual wage agreements, as well as the filling of posts. The decrease in the 2013/14 Adjusted Appropriation and further in the Revised Estimate is due to delays in filling vacant posts as a result of the difficulty in finding suitable candidates, as well as lengthy recruitment processes. These savings were moved to *Goods and services*, and *Transfers and subsidies to: Non-profit institutions* to provide for the introduction and increase of transfer payments to various organisations such as the Royalty Soapie Awards, 1860 Heritage Centre: Documentation Centre etc., and *Transfers and subsidies to: Households* for staff exit costs. The allocation over the 2014/15 MTEF includes provision for the appointment of chief interpreters and translators for implementation of the Provincial Languages Bill.

The cost for the main events hosted by the department is included under *Goods and services*. Spending in 2010/11 included the cost of equipment for the newly renovated campsites of the department. The 2011/12 spending includes funding for the provincialisation of museums' process. The 2012/13 spending includes once-off additional funding of R5.404 million to assist the department with spending pressures associated with the Reed Dance, Africa Day Celebrations and the payment of artists relating to the Ugu Jazz Festival, explaining the reduction in the 2013/14 Main Appropriation. The increase in the 2013/14 Adjusted

Appropriation is due to additional funding received in respect of the war-room packages, as mentioned above, as well as funds reprioritised from *Transfers and subsidies to: Non-profit institutions* to cater for the operational costs of the Stable Theatre such as municipal services, cleaning, security and operational requirements required by this art centre. The department decided to refrain from transferring these funds to the Stable Theatre due to the expiry of the term of office of the board. The projected over-expenditure in the 2013/14 Revised Estimate is due to the department under-budgeting for various events that it hosts, such as the East Griqualand Festival, Africa Day Celebrations, *Umkhosi Woswela*, etc. The allocation fluctuates over the 2014/15 MTEF.

Transfers and subsidies to: Provinces and municipalities relates to transfers made to municipalities in respect of museum subsidies and the operational costs of the Indonsa art centre. The increase in 2011/12 relates to the provincialisation of museums. The 2012/13 spending includes transfers to municipalities for museum projects managed by municipalities and the revamping of museums, as well as operational costs of the Indonsa art centre. The increase in the 2013/14 Adjusted Appropriation is due to funds reprioritised from *Goods and services* and *Buildings and other fixed structures* in respect of provincialisation funding as well as the department's contribution toward the construction of the Nelson Mandela Capture Site museum. The 2014/15 MTEF allocation includes infrastructure funding for the construction of the Nelson Mandela Capture Site museum, Isandlwana museum, and renovations of the Tatham art gallery.

Transfers and subsidies to: Departmental agencies and accounts reflects the transfer payments made to The Playhouse Company. The decrease in the 2013/14 Main Appropriation represents the department's decision to implement part of its baseline cuts against this category. The increase from the 2013/14 Adjusted Appropriation onward is due to additional funding allocated back to the entity in order to increase its budget to its original allocation, as previously mentioned.

Transfers and subsidies to: Non-profit institutions includes transfers made to the KZN Philharmonic Orchestra, arts councils, art centres and museums managed by Boards of Trustees. In addition, support is provided to various art organisations. The increase from 2011/12 to 2012/13 is due to increased transfers to various organisations such as the KZN Philharmonic Orchestra and the BAT art centre, as well as the introduction of new transfers to Sakhisizwe Organisation, NB Productions, Catalina Theatre, Ewushini art centre, etc. The decrease in the 2013/14 Main Appropriation can be attributed to the baseline cuts which were effected against the KZN Philharmonic Orchestra. The increase in the 2013/14 Adjusted Appropriation is due to additional funds received from Provincial Treasury's Strategic Cabinet Initiatives Fund in respect of Amambazo: The Musical, KZN Philharmonic Orchestra's participation in the South African French Season and The King and Us project. The increase was also due to additional funding received in respect of the transfer to the KZN Philharmonic Orchestra in order to increase its transfer to the original allocation, as previously mentioned. Furthermore, the increase was due to funds reprioritised from *Compensation of employees*, *Goods and services* and *Buildings and other fixed structures* for the introduction and increase of transfers to various organisations such as the Royalty Soapie Awards, 1860 Heritage Centre: Documentation Centre, etc. The increase in the 2013/14 Revised Estimate is due to the department under-budgeting for transfers to organisations which host various events on behalf of the department, such as KwaCulture for the Battle of Isandlwana re-enactment, and Amambazo: The Musical. The increase over the 2014/15 MTEF provides for the continuation of most transfers.

The allocation to *Transfers and subsidies to: Households* relates to staff exits.

The high spending against *Buildings and other fixed structures* in 2010/11 can be ascribed to once-off costs relating to the renovations to the department's hall and campsites. The decrease in 2012/13 is due to the department's change in strategy, whereby funding was transferred to various municipalities for projects managed by the municipalities such as the Carnegie art gallery and Gerhard Bhengu museum. The increase in the 2013/14 Main Appropriation relates to an increase in conditional grant funding. The decrease in the 2013/14 Adjusted Appropriation is due to delays experienced by IDT with regard to projects managed by them such as Vulamehlo library, Mbazwana and Bulwer art centres. IDT did not meet the terms and conditions of the contract signed with the department timeously. This resulted in the department postponing some of its infrastructure projects. These funds were reprioritised to *Transfers and subsidies to: Provinces and municipalities*, *Transfers and subsidies to: Non-profit institutions* and

Machinery and equipment. The MTEF amounts provide for the construction and upgrade of various infrastructure projects such as the construction of the Port Shepstone museum and Umzinyathi art centre. The peak in 2015/16 relates to once-off additional funding for the construction of the Arts Academy.

The high spending against *Machinery and equipment* in 2010/11 was due to the procurement of four mobile library buses to service areas where there are no libraries, and the upgrading of computer equipment, explaining the decrease in 2011/12. The decrease in 2012/13 was due to eight vehicles ordered but not delivered before year-end, as well as delays in the purchase of the departmental server. The significant increase in the 2013/14 Adjusted Appropriation relates to funds reprioritised from *Buildings and other fixed structures*, as mentioned above, to pay for vehicles and a departmental server ordered in 2012/13 but only received and paid for in 2013/14, as well as additional funds received for the war-room packages which was used to purchase musical instruments such as drums, guitars etc. The decrease over the 2014/15 MTEF can be ascribed to funds being reprioritised to *Goods and services* due to a change in SCOA classifications. Minor assets, such as office equipment, furniture and computer equipment have been moved to *Goods and services*.

Service delivery measures – Programme 2: Cultural Affairs

Table 15.19 illustrates the service delivery measures relevant to Programme 2: Cultural Affairs. The service delivery measures are aligned to those of the sector. Significant non-standardised measures have also been included, as reflected below.

Table 15.19 : Service delivery measures: Programme 2: Cultural Affairs

Outputs	Performance indicators	Estimated performance		Medium-term targets	
		2013/14	2014/15	2015/16	2016/17
1 Arts and Culture standardised performance measures					
1.1 To establish structures and to provide institutional support	• No. of structures supported	16	17	17	17
	• No. of significant days hosted in a cultural calendar	8	9	9	10
2 Arts and Culture non standardised performance measures					
2.1 To establish structures and to provide institutional support	• No. of artists trained	2 745	4 105	4 105	4 105
	• No. of SLAs concluded	29	33	33	33
2.2 To facilitate access to facilities and programmes	• No. of sponsorships /bursaries awarded	51	42	42	42
	• No. of participants attracted	73 000	73 000	73 000	73 000
	• No. of sector integrated programmes delivered	3	3	3	3
	• No. of awareness and promotional programmes rolled out to communities	87	105	105	105
2.3 To facilitate capacity building	• No. of documents/guidelines/procedure manuals developed, implemented and monitored	7	8	8	8
2.4 To facilitate and support excellence enhancing programmes	• No. of performance programmes to enhance sustainability of cultural practitioners	2	3	3	3
	• No. of cultural exchange programmes facilitated and hosted	1	2	2	2
3 Language Services standardised performance measures					
3.1 To establish and support the structures	• No. of language co-ordinating structures supported	45	55	55	60
4 Language Services non standardised performance measures					
4.1 To provide language services	• No. of literary exhibitions conducted	1	1	1	1
	• No. of documents translated	140	200	250	300
	• No. of interpreting services conducted	16	30	37	45
	• No. of persons empowered to deliver translations	6	6	6	6
	• No. of documents edited	150	220	265	320
	• No. of language planning programmes:				
	- Status planning	3	3	3	3
	- Corpus planning	2	3	4	5
• No. of literary development and promotion programmes	6	3	3	3	

Table 15.19 : Service delivery measures: Programme 2: Cultural Affairs

Outputs	Performance indicators	Estimated performance	Medium-term targets			
		2013/14	2014/15	2015/16	2016/17	
5 Museum Services standardised performance measures						
5.1	To facilitate the upgrading or construction of new museums and heritage facilities	• No. of people visiting the facilities	110 000	120 000	120 000	130 000
5.2	To facilitate access to museum facilities and programmes	• No. of brochures and publications distributed	4	4	4	4
6 Museum Services non standardised performance measures						
6.1	To facilitate access to museum facilities and programmes	• No. of museums provided with provincial funding	42	37	33	29
6.2	To facilitate the coordination and co-operation with other spheres of governmental structures	• No. of geographical place names reviewed	65	130	195	260
		• No. of outreach programmes implemented	4	20	25	30
		• No. of exhibitions staged	2	5	10	15
6.3	To facilitate access to museum facilities and programmes	• No. of school visits undertaken by Museum Services	25	50	60	70
		• No. of museum professionals trained	50	60	60	60
		• No. of training sessions offered to museums	3	4	4	4
		• No. of museums provided with ICT infrastructure	-	3	4	5
		• No. of collections digitised	3 000	3 000	3 000	3 000
		• No. of new museums built	2	2	2	2
		• No. of museums renovated	2	2	2	2

6.3 Programme 3: Library and Archive Services

The aim of this programme is to provide library and information services, as well as archive services.

The central function of the Archives sub-programme is to acquire, preserve and manage public and non-public records in order to ensure public access to the nation's archival heritage. This includes the acquisition and preservation of public records with historical value, ensuring accessibility of records and promotion of their utilisation, the proper management and care of all public records, and the collection of records with potential provincial value and significance. The Library Services sub-programme caters for the provision of a public library service to affiliated municipal public libraries throughout the province. The aim of this sub-programme is the improvement of libraries, as well as the access to them by all communities, by building, upgrading and automating public libraries, as well as developing and sustaining a reading culture. This programme includes the Community Library Services conditional grant as a sub-programme, which is additional to the sector structure.

Tables 15.20 and 15.21 below summarise payments and estimates relating to these functions for the period 2010/11 to 2016/17.

The spending and budget against Programme 3 increase steadily over the seven-year period. The significant increase in 2013/14 is mainly due to additional funding allocated for the installation of a RFID system for library material.

Table 15.20 : Summary of payments and estimates by sub-programme: Library and Archive Services

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
1. Management	1 091	1 296	1 558	1 487	1 487	1 487	1 423	1 649	1 736
2. Library Services	84 655	98 417	186 218	341 933	341 933	339 933	310 545	324 021	341 300
3. Archives	12 694	13 089	15 403	17 069	19 069	21 069	20 191	21 491	22 998
4. Community Library Services grant	41 261	49 444	48 633	63 145	63 145	63 145	122 754	159 696	169 273
Total	139 701	162 246	251 812	423 634	425 634	425 634	454 913	506 857	535 307

Table 15.21 : Summary of payments and estimates by economic classification: Library and Archive Services

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Current payments	82 710	79 092	88 393	128 684	129 364	129 314	117 375	138 818	143 204
Compensation of employees	35 542	38 775	45 241	50 550	49 510	49 460	58 014	67 391	72 647
Goods and services	47 168	40 317	43 152	78 134	79 854	79 854	59 361	71 427	70 557
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	21 767	48 691	142 498	249 094	250 214	250 264	261 931	267 967	291 471
Provinces and municipalities	21 397	48 491	138 773	248 852	248 932	248 932	259 243	265 057	288 333
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	68	99	3 523	242	1 242	1 242	2 688	2 910	3 138
Households	302	101	202	-	40	90	-	-	-
Payments for capital assets	35 224	34 463	20 921	45 856	46 056	46 056	75 607	100 072	100 632
Buildings and other fixed structures	26 221	29 899	17 879	40 319	40 319	40 319	70 107	85 572	86 132
Machinery and equipment	8 825	4 564	3 042	5 237	5 737	5 737	5 500	14 500	14 500
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	178	-	-	300	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	139 701	162 246	251 812	423 634	425 634	425 634	454 913	506 857	535 307

The Management sub-programme is responsible for monitoring and management of various projects within sub-programmes which are demand driven, hence the fluctuation over the seven-year period.

The sub-programme: Library Services includes the funding received for the provincialisation of public libraries, with a significant increase from 2012/13 onward due to the incorporation of the eThekweni Metro and Msunduzi Municipality into the provincialisation process. Additional once-off funding of R31.696 million was allocated in 2013/14 for the installation of the RFID system, explaining the decrease in 2014/15. Furthermore, the increase in 2013/14 relates to funds allocated in respect of provincialisation of public libraries. The RFID system is aimed at enabling accurate and efficient asset management and control of books in regional depots and public libraries throughout the province. The decrease in the 2013/14 Revised Estimate is due to non-filling of budgeted posts due to the difficulty in finding suitable candidates. There is a steady increase over the 2014/15 MTEF.

The 2012/13 spending in respect of the sub-programme: Archives provides funding for the appointment of oral history researchers to collect and document oral history within the province. The increase of R2 million in the 2013/14 Adjusted Appropriation was in respect of the war-room packages funding for the recording of oral history, purchasing of memory boxes for the memory box project and the acquisition of transcribing equipment, etc. Of this amount, R1.500 million was allocated to *Goods and services* and R500 000 was allocated to *Machinery and equipment*. The increase in the 2013/14 Revised Estimate was due to the appointment of staff within the oral history component which was not budgeted for. The allocation over the 2014/15 MTEF continues to provide for the collection and documentation of oral history, as well as the appointment oral history researchers.

Spending against the Community Library Services grant sub-programme in 2011/12 includes the roll-over from 2010/11 for the completion of the Mbazwana library. The significant increase in the 2013/14 Main Appropriation is due to an increase in conditional grant funding which was used for the construction of libraries, the expansion of the library material collection and greater emphasis placed on ICT and library promotion projects. The substantial increase over the MTEF is due to the increased allocations in respect of the conditional grant.

Compensation of employees increases steadily over the seven-year period. The slight decrease in the 2013/14 Adjusted Appropriation is due to delays in filling funded vacant posts as a result of the difficulty in finding suitable candidates. These funds were moved to *Transfers and subsidies to: Non-profit institutions* in order to increase a transfer to the SA Library for the Blind. The allocation over the 2014/15

MTEF includes a provision for the filling of critical posts, salary adjustments, pay progression and the payment of performance bonuses. Provision was also made for the appointment of systems administrators within the four regional depots and head office to deal with the emphasis on ICT projects, as well as book processors to process the increased quantity of library material.

Spending against *Goods and services* relates to the acquisition of library materials. The high spending in 2010/11 is due to acquisition of library material for the Mbazwana library. The increase in 2012/13 is due to funds reprioritised from *Compensation of employees* toward the purchase of library material and the increased operational costs of the Mbazwana library. The significant increase in the 2013/14 Main Appropriation is due to additional funding in respect of the installation of the RFID system, as explained previously. The slight increase in the 2013/14 Adjusted Appropriation is due to additional funding of R1.500 million for war-room packages. Furthermore, funds were moved from *Software and other intangible assets* to this category due to an amendment of SCOA classifications for software licences.

Transfers and subsidies to: Provinces and municipalities provides mainly for the provincialisation of libraries and the Community Library Services grant, as mentioned above. In addition, it includes the purchase of library material and the salary costs of cyber cadets. Spending in 2011/12 onward relates to transfers made to the eThekweni Metro as the department's contribution to the building of the mega-library, provincialisation of public libraries, as well as the purchase of library material. The increase over the 2014/15 MTEF is due to the continuation of funding relating to the provincialisation of public libraries and the purchase of library materials, and funding toward the new mega-library will be discontinued after 2014/15.

Transfers and subsidies to: Non-profit institutions caters for transfer payments to the Family Literacy project which is run by an organisation that trains mothers in rural areas to read so that they can, in turn, promote literacy to their children. The high spending in 2012/13 was due to an introduction of new transfers to SA Library for the Blind, as well as Africa Ignite. The substantial increase in the 2013/14 Adjusted Appropriation is due to the introduction of new transfers to the SA Library for the Blind and Africa Ignite, as they were not budgeted for in the 2013/14 Main Appropriation. These funds were used to make an additional seven public libraries accessible to the blind and for Africa Ignite to facilitate reading promotion programmes on behalf of the department. The 2014/15 MTEF provides for the continuation of transfers to the Family Literacy project, SA Library for the Blind and Africa Ignite.

The allocation to *Transfers and subsidies to: Households* relates to staff exit costs.

The expenditure in respect of *Buildings and other fixed structures* in 2010/11 related to the construction of the Mbazwana library. In 2011/12, the Mbazwana library was completed and funding was allocated for a library building project in Qhudeni. In addition, the Dannhauser, Steadville and Camperdown libraries were renovated. Spending in 2012/13 relates to the completion of the Qhudeni library and the construction of the Maphumulo library, which was partly funded from the department's equitable share allocation. The allocation over the 2014/15 MTEF includes the construction of libraries, such as uMuziwabantu, Newcastle, Vulamehlo, uMngeni and Umzumbe libraries, as previously mentioned.

Machinery and equipment is high in 2010/11, due to the procurement of four mobile trucks to service areas where there are no libraries, as well as head count systems in 20 libraries. In 2011/12, the Mbazwana library was furnished, and computer equipment for affiliated libraries was purchased. In 2012/13, provision was made for head count systems, furniture, shelving and equipment for new libraries, as well as computer equipment for affiliated libraries. The allocations from 2013/14 onward are for further upgrading of computer equipment in public libraries, as well as furnishing and equipping of the newly constructed libraries.

The funds allocated to *Software and other intangible assets* in the 2013/14 Main Appropriation relates to the installation of the RFID system for library books. These funds were moved to *Goods and services* due to an amendment of SCOA classification for software licences.

Service delivery measures – Programme 3: Library and Archive Services

Table 15.22 below illustrates the service delivery measures relevant to Programme 3: Library and Archive Services. The service delivery measures are aligned to those of the sector. Significant non-standardised measures have also been included, as reflected below.

Table 15.22 : Service delivery measures: Programme 3: Library and Archives Services

Outputs	Performance indicators	Estimated performance		Medium-term targets		
		2013/14	2014/15	2015/16	2016/17	
1 Library Services standardised performance measures						
1.1	Provide infrastructure required for public libraries	• No. of library materials procured	120 000	180 000	200 000	220 000
1.2	Monitor and support public libraries	• No. of monitoring visits done	100	100	100	100
2 Library Services non standardised performance measures						
2.1	Provide infrastructure required for public libraries	• No. of new libraries built	2	2	5	5
		• No. of existing library buildings upgraded	2	4	4	4
		• No. of libraries provided with free public internet access	10	10	5	4
2.2	To promote the awareness of libraries to enhance usage	• No. of promotional projects conducted	4	4	4	4
2.3	Develop a strategy for transfer of community libraries to the provincial sphere of government	• No. of community libraries provided with provincial funding	222	217	217	217
		• No. of mobile library unit sites established	4	4	4	4
		• No. of library books with RFID tags	-	3 500 000	200 000	220 000
3 Archives standardised performance measures						
3.1	To ensure sound records management services within governmental bodies	• No. of records classification systems approved	12	14	16	20
		• No. of governmental bodies inspected	90	100	110	120
		• No. of records managers trained	11	14	16	19
		• No. of awareness and promotional projects rolled out to communities	12	15	18	21
4 Archives non standardised performance measures						
4.1	To ensure sound records management services within governmental bodies	• No. of records management staff trained	400	480	560	640
4.2	To effectively manage archives at repositories	• No. of data coded entries submitted on National Automated Archive Information Retrieval System (NAAIRS) database	4 400	4 800	5 500	6 050
4.3	To promote awareness and use of archives	• No. of oral history interviews conducted	16	192	210	232
		• No. of oral history interviews transcribed and documented	12	52	58	62
		• No. of items digitised	700 000	700 000	700 000	700 000

7. Other programme information

7.1 Personnel numbers and costs

Table 15.23 provides details of the personnel numbers per programme. Table 15.24 provides details of the personnel numbers and costs of the department over the seven-year period. Most of the posts within the Human Resources and Finance components have now been filled to ensure effective service delivery.

Table 15.23 : Personnel numbers and costs by programme

Personnel numbers	As at 31 March 2011	As at 31 March 2012	As at 31 March 2013	As at 31 March 2014	As at 31 March 2015	As at 31 March 2016	As at 31 March 2017
1. Administration	117	138	138	149	153	153	153
2. Cultural Affairs	122	122	128	145	160	160	160
3. Library and Archive Services	184	198	199	232	269	269	269
Total	423	458	465	526	582	582	582
Total personnel cost (R thousand)	107 481	117 359	131 087	147 199	171 214	190 855	205 744
Unit cost (R thousand)	254	256	282	280	294	328	354

Table 15.24 : Summary of departmental personnel numbers and costs by component

	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Total for the department									
Personnel numbers (head count)	423	458	465	536	526	526	582	582	582
Personnel cost (R thousands)	107 481	117 359	131 087	151 282	148 365	147 199	171 214	190 855	205 744
Human resources component									
Personnel numbers (head count)	30	35	40	39	39	39	40	40	40
Personnel cost (R thousands)	7 558	8 767	11 099	11 595	11 595	11 595	12 346	13 321	14 361
Head count as % of total for department	7.09	7.64	8.60	7.28	7.41	7.41	6.87	6.87	6.87
Personnel cost as % of total for department	7.03	7.47	8.47	7.66	7.82	7.88	7.21	6.98	6.98
Finance component									
Personnel numbers (head count)	36	41	40	47	47	47	47	47	47
Personnel cost (R thousands)	9 962	11 140	12 499	14 736	14 736	14 736	15 796	17 426	18 786
Head count as % of total for department	8.51	8.95	8.60	8.77	8.94	8.94	8.08	8.08	8.08
Personnel cost as % of total for department	9.27	9.49	9.53	9.74	9.93	10.01	9.23	9.13	9.13
Full time workers									
Personnel numbers (head count)	423	458	465	536	526	526	582	582	582
Personnel cost (R thousands)	107 481	117 359	131 087	151 282	148 365	147 199	171 214	190 855	205 744
Head count as % of total for department	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Personnel cost as % of total for department	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Part-time workers									
Personnel numbers (head count)	-	-	-	-	-	-	-	-	-
Personnel cost (R thousands)	-	-	-	-	-	-	-	-	-
Head count as % of total for department	-	-	-	-	-	-	-	-	-
Personnel cost as % of total for department	-	-	-	-	-	-	-	-	-
Contract workers									
Personnel numbers (head count)	-	-	-	-	-	-	-	-	-
Personnel cost (R thousands)	-	-	-	-	-	-	-	-	-
Head count as % of total for department	-	-	-	-	-	-	-	-	-
Personnel cost as % of total for department	-	-	-	-	-	-	-	-	-

The increase in personnel numbers from 2011/12 to 2012/13 is mainly due to the filling of critical posts within Financial Management and Human Resource Management and Development under Programme 1. The department filled some of its critical vacant posts during 2013 such as the Chief Financial Officer. The increase from 2014/15 is mainly due to the anticipated filling of vacant posts, including permanent cleaning staff, chief interpreters and translators.

The number of posts for all programmes remains the same over the MTEF, as the department anticipates to have filled all of its funded vacant posts, in line with the moratorium on the filling of non-critical posts.

7.2 Training

Table 15.25 and 15.26 provide details of expenditure on training by the department over the seven years.

The funding for training and development of staff in Programme 1 includes bursaries for internal employees. Programme 3 includes the SLIMS training of public library librarians. In addition, provision has been made for rolling out the literacy training and reading promotion projects at all public libraries through KZN in 2014/15 and 2015/16.

The decrease in 2012/13 reflects that the department optimised training opportunities that are offered by the Provincial Public Service Training Academy for training programmes, such as customer care, diversity management, coaching and mentoring, etc., which are free of charge. The funding over the MTEF caters for skills development in terms of the Workplace Skills Plan.

The department is complying with the requirement of the Skills Development Act, which requires that it budgets at least 1 per cent of its salary expenses on training.

Table 15.25 : Payments on training by programme

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
1. Administration	1 105	946	961	1 448	1 304	1 304	910	910	910
Subsistence and travel	-	-	-	-	-	-	-	-	-
Payments on tuition	1 105	946	961	1 448	1 304	1 304	910	910	910
Other	-	-	-	-	-	-	-	-	-
2. Cultural Affairs	120	80	33	-	99	243	-	-	-
Subsistence and travel	-	-	-	-	-	-	-	-	-
Payments on tuition	120	80	33	-	99	243	-	-	-
Other	-	-	-	-	-	-	-	-	-
3. Library and Archive Services	124	42	46	63	149	153	200	212	225
Subsistence and travel	-	-	-	-	-	-	-	-	-
Payments on tuition	124	42	46	63	149	153	200	212	225
Other	-	-	-	-	-	-	-	-	-
Total	1 349	1 068	1 040	1 511	1 552	1 700	1 110	1 122	1 135

Table 15.26 : Information on training: Arts and Culture

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Number of staff	423	458	465	536	526	526	582	582	582
Number of personnel trained	278	212	230	294	294	294	305	305	305
of which									
Male	97	78	96	111	111	111	115	115	115
Female	181	134	134	183	183	183	190	190	190
Number of training opportunities	278	333	506	294	294	294	296	296	296
of which									
Tertiary	24	52	53	40	40	40	40	40	40
Workshops	45	187	150	50	50	50	50	50	50
Seminars	15	3	9	20	20	20	20	20	20
Other	194	91	294	184	184	184	186	186	186
Number of bursaries offered	45	63	10	63	63	63	63	63	63
Number of interns appointed	50	34	34	50	50	50	51	51	51
Number of learnerships appointed	40	40	-	40	40	40	41	41	41
Number of days spent on training	200	200	200	200	200	200	202	202	202

The department conducted a skills audit in 2010/11 and training has been in line with the outcome of this skills audit. All senior managers have undergone competency tests and the department has addressed skills gaps. The high number of workshop training opportunities in 2011/12 relates to the department addressing gaps that were revealed from the results of the competency tests. During the 2014/15 MTEF, the department will continue to place emphasis on the appointment of both interns and learnerships. In addition, bursaries are being awarded in order to address skills shortages in the arts and culture sector.

ANNEXURE – VOTE 15: ARTS AND CULTURE

Table 15.A : Specification of receipts: Arts and Culture

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	195	241	277	205	205	468	524	554	583
Sale of goods and services produced by dept. (excl. capital assets)	195	241	277	205	205	468	524	554	583
Sales by market establishments	24	103	120	100	100	325	381	403	424
Administrative fees	-	-	-	-	-	-	-	-	-
Other sales	171	138	157	105	105	143	143	151	159
Sale of scrap, waste, arms and other used current goods (excl. capital assets)	-	-	-	-	-	-	-	-	-
Transfers received from:	-	459	1 060	-	-	-	-	-	-
Other governmental units	-	409	1 000	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments	-	-	-	-	-	-	-	-	-
International organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	50	60	-	-	-	-	-	-
Households and non-profit institutions	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	101	76	92	100	100	53	96	102	107
Interest, dividends and rent on land	-	-	10	-	-	28	1	2	3
Interest	-	-	10	-	-	28	1	2	3
Dividends	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Sales of capital assets	184	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Other capital assets	184	-	-	-	-	-	-	-	-
Transactions in financial assets and liabilities	129	1 871	316	100	100	368	94	100	105
Total	609	2 647	1 755	405	405	917	715	758	799

Table 15.B : Payments and estimates by economic classification: Arts and Culture

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Current payments	221 011	230 887	249 889	301 861	308 747	326 462	313 838	339 494	354 918
Compensation of employees	107 481	117 359	131 087	151 282	148 365	147 199	171 214	190 855	205 744
Salaries and wages	91 975	100 428	112 595	131 614	128 697	127 916	148 956	166 045	178 997
Social contributions	15 506	16 931	18 492	19 668	19 668	19 283	22 258	24 810	26 747
Goods and services	113 530	113 528	118 802	150 579	160 382	179 263	142 624	148 639	149 174
Administrative fees	215	301	129	349	486	1 062	656	661	662
Advertising	4 511	4 056	5 133	4 250	4 654	5 668	3 780	3 780	3 770
Assets less than the capitalisation threshold	984	19 923	20 051	22 153	22 873	22 808	31 833	43 522	41 538
Audit cost: External	1 490	1 551	1 488	2 240	2 240	1 819	1 928	1 928	1 928
Bursaries: Employees	84	204	150	250	106	106	110	110	110
Catering: Departmental activities	7 574	529	675	444	987	1 019	310	264	267
Communication (G&S)	4 314	4 414	4 501	4 491	4 107	4 602	3 821	3 824	3 825
Computer services	6 923	11 580	9 611	13 128	10 888	9 181	11 592	11 726	12 581
Cons & prof serv: Business and advisory services	36	261	541	90	640	794	579	559	545
Cons & prof serv: Infras and planning	-	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	67	294	168	136	136	143	61	61	61
Contractors	13 029	9 828	8 384	11 453	11 291	15 636	10 844	7 925	8 016
Agency and support / outsourced services	1 353	8 609	8 542	40 926	39 614	41 651	6 169	5 883	5 883
Entertainment	57	44	46	60	60	60	94	94	94
Fleet services (incl. govt motor transport)	1 979	2 238	2 857	2 422	2 537	3 954	3 502	3 509	3 521
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	19	19	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	5	5	59	10	10	10	-	-	-
Inventory: Learner and teacher support material	31 838	1 627	3 195	68	68	-	-	-	-
Inventory: Materials and supplies	221	139	139	272	307	205	2	2	2
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	10	-	-	6	6	6	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	933	226	249	405	3 176	3 722	2 812	2 735	2 662
Consumable: Stationery, printing and office supplies	4 076	3 636	4 859	3 731	5 358	6 175	8 333	8 274	8 149
Operating leases	8 297	10 113	11 018	12 308	10 432	9 471	14 357	14 519	14 699
Property payments	3 990	4 534	5 326	3 955	6 748	7 543	6 300	6 364	6 377
Transport provided: Departmental activity	3 602	4 331	5 338	4 685	5 568	8 948	6 553	6 352	6 357
Travel and subsistence	12 395	15 770	18 182	15 702	18 591	23 111	18 166	17 699	17 734
Training and development	1 265	864	890	1 261	1 446	1 066	1 000	1 012	1 025
Operating payments	269	3 032	2 257	742	914	1 403	1 907	1 919	1 935
Venues and facilities	4 013	1 890	1 662	2 105	2 605	3 111	3 426	2 695	2 683
Rental and hiring	-	3 529	3 352	2 937	4 515	5 970	4 489	3 222	4 750
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	48 951	84 759	187 296	283 478	304 376	306 800	308 030	318 220	343 692
Provinces and municipalities	22 637	56 083	150 485	259 387	260 264	260 264	271 706	280 140	304 052
Provinces	70	71	102	100	100	100	100	100	100
Provincial Revenue Funds	-	-	1	-	-	-	-	-	-
Provincial agencies and funds	70	71	101	100	100	100	100	100	100
Municipalities	22 567	56 012	150 383	259 287	260 164	260 164	271 606	280 040	303 952
Municipalities	22 567	56 012	150 383	259 287	260 164	260 164	271 606	280 040	303 952
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	6 096	6 401	6 721	4 755	7 057	7 057	7 445	7 787	8 183
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	6 096	6 401	6 721	4 755	7 057	7 057	7 445	7 787	8 183
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	19 349	21 901	29 105	19 236	36 672	38 570	28 879	30 293	31 457
Households	869	374	985	100	383	909	-	-	-
Social benefits	685	189	252	-	250	513	-	-	-
Other transfers to households	184	185	733	100	133	396	-	-	-
Payments for capital assets	79 386	53 863	42 387	59 625	77 903	77 903	83 244	148 992	107 372
Buildings and other fixed structures	68 487	46 081	35 460	53 219	49 502	49 502	76 962	133 652	92 007
Buildings	68 487	46 081	35 460	53 219	49 502	49 502	76 962	133 652	92 007
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	10 364	7 685	6 927	6 106	28 401	28 401	6 282	15 340	15 365
Transport equipment	5 536	3 072	3 311	-	510	510	-	-	-
Other machinery and equipment	4 828	4 613	3 616	6 106	27 891	27 891	6 282	15 340	15 365
Heritage Assets	-	97	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	535	-	-	300	-	-	-	-	-
Payments for financial assets	21	243	172	-	-	-	-	-	-
Total	349 369	369 752	479 744	644 964	691 026	711 165	705 112	806 706	805 982

Table 15.C : Payments and estimates by economic classification: Administration

R thousand	Audited Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Current payments	75 867	81 158	85 256	91 190	91 688	91 425	99 619	103 581	109 070
Compensation of employees	38 627	42 192	45 513	53 450	53 417	52 901	57 987	63 890	68 873
Salaries and wages	33 719	36 759	39 643	46 501	46 468	46 019	50 449	55 585	59 919
Social contributions	4 908	5 433	5 870	6 949	6 949	6 882	7 538	8 305	8 954
Goods and services	37 240	38 966	39 743	37 740	38 271	38 524	41 632	39 691	40 197
Administrative fees	132	68	1	141	141	234	253	253	253
Advertising	2 248	2 659	3 391	2 306	2 306	1 324	2 035	2 035	2 035
Assets less than the capitalisation threshold	31	166	186	297	297	177	216	216	216
Audit cost: External	1 490	1 551	1 488	2 240	2 240	1 819	1 928	1 928	1 928
Bursaries: Employees	84	204	150	250	106	106	110	110	110
Catering: Departmental activities	1 254	222	272	56	329	329	170	170	170
Communication (G&S)	1 999	2 124	1 991	1 855	1 855	2 008	1 663	1 663	1 663
Computer services	1 540	3 082	2 576	2 193	2 193	2 298	2 081	2 081	2 081
Cons & prof serv: Business and advisory services	-	41	178	58	267	223	136	126	126
Cons & prof serv: Infras and planning	-	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	67	294	168	136	136	143	61	61	61
Contractors	7 224	3 086	2 949	3 165	2 646	3 960	2 533	1 974	1 974
Agency and support / outsourced services	816	1 442	1 177	1 257	1 257	1 070	570	570	570
Entertainment	50	31	25	51	51	51	94	94	94
Fleet services (incl. govt motor transport)	562	1 036	792	657	657	1 125	847	847	847
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	8	3	-	-	-	-	-	-	-
Inventory: Materials and supplies	83	21	3	-	35	35	2	2	2
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	1	23	109	22	84	84	70	70	70
Consumable: Stationery, printing and office supplies	1 945	1 327	1 536	1 246	1 246	842	1 151	1 151	1 151
Operating leases	7 908	9 671	10 303	11 857	9 946	8 900	11 493	11 493	11 494
Property payments	1 903	3 039	3 483	2 116	3 480	3 891	5 281	5 281	5 281
Transport provided: Departmental activity	272	388	78	-	37	37	150	150	150
Travel and subsistence	6 152	6 677	6 493	5 825	6 525	8 000	7 824	7 400	7 377
Training and development	1 021	742	811	1 198	1 198	670	800	800	800
Operating payments	146	630	245	268	393	390	682	682	682
Venues and facilities	304	69	19	306	606	543	1 012	329	329
Rental and hiring	-	370	1 319	240	240	265	470	205	733
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	781	939	2 094	720	753	1 016	720	720	720
Provinces and municipalities	70	24	101	100	100	100	100	100	100
Provinces	70	24	101	100	100	100	100	100	100
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	70	24	101	100	100	100	100	100	100
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	578	850	1 370	620	620	620	620	620	620
Households	133	65	623	-	33	296	-	-	-
Social benefits	-	-	-	-	-	-	-	-	-
Other transfers to households	133	65	623	-	33	296	-	-	-
Payments for capital assets	671	2 322	308	365	2 750	2 750	240	240	240
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	594	2 322	308	365	2 750	2 750	240	240	240
Transport equipment	222	1 575	-	-	510	510	-	-	-
Other machinery and equipment	372	747	308	365	2 240	2 240	240	240	240
Heritage Assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	77	-	-	-	-	-	-	-	-
Payments for financial assets	21	243	172	-	-	-	-	-	-
Total	77 340	84 662	87 830	92 275	95 191	95 191	100 579	104 541	110 030

Table 15.D : Payments and estimates by economic classification: Cultural Affairs

R thousand	Audited Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Current payments	62 434	70 637	76 240	81 987	87 695	105 723	96 844	97 095	102 644
Compensation of employees	33 312	36 392	40 333	47 282	45 438	44 838	55 213	59 574	64 224
Salaries and wages	28 754	31 391	34 980	41 135	39 291	39 009	48 035	51 830	55 875
Social contributions	4 558	5 001	5 353	6 147	6 147	5 829	7 178	7 744	8 349
Goods and services	29 122	34 245	35 907	34 705	42 257	60 885	41 631	37 521	38 420
Administrative fees	14	17	14	12	228	551	340	340	341
Advertising	1 412	1 078	1 018	1 058	1 782	3 366	1 345	1 345	1 335
Assets less than the capitalisation threshold	375	1 012	349	328	328	383	200	194	203
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	6 135	178	285	145	415	458	-	-	-
Communication (G&S)	1 125	1 162	1 396	1 397	1 013	1 013	899	900	900
Computer services	74	87	27	89	89	89	37	37	37
Cons & prof serv: Business and advisory services	36	220	348	32	370	568	443	433	419
Cons & prof serv: Infras and planning	-	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	-	-	-	-	-	-	-	-	-
Contractors	5 624	6 308	5 218	6 934	7 479	10 613	7 674	5 314	5 405
Agency and support / outsourced services	440	6 831	7 188	7 310	5 998	8 607	5 484	5 198	5 198
Entertainment	6	6	17	5	5	5	-	-	-
Fleet services (incl. govt motor transport)	980	699	1 017	900	1 015	1 617	1 500	1 507	1 519
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	19	19	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	5	5	59	10	10	10	-	-	-
Inventory: Learner and teacher support material	78	(3)	-	68	68	-	-	-	-
Inventory: Materials and supplies	123	98	130	252	252	152	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	10	-	-	6	6	6	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	814	72	73	102	2 414	3 036	2 472	2 395	2 322
Consumable: Stationery, printing and office supplies	568	1 126	1 339	696	741	1 635	1 531	1 453	1 298
Operating leases	201	211	330	199	199	323	405	405	407
Property payments	565	549	865	565	1 094	1 574	396	450	454
Transport provided: Departmental activity	3 285	3 772	5 126	4 526	5 372	8 889	6 403	6 202	6 207
Travel and subsistence	4 442	6 701	8 679	6 913	8 356	11 160	7 546	7 451	7 486
Training and development	120	80	33	-	99	243	-	-	-
Operating payments	70	1 009	225	161	208	401	357	358	362
Venues and facilities	2 620	255	214	300	508	546	580	522	510
Rental and hiring	-	2 772	1 957	2 697	4 189	5 621	4 019	3 017	4 017
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	26 403	35 129	42 704	33 664	53 409	55 520	45 379	49 533	51 501
Provinces and municipalities	1 170	7 568	11 611	10 435	11 232	11 232	12 363	14 983	15 619
Provinces	-	-	1	-	-	-	-	-	-
Provincial Revenue Funds	-	-	1	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	1 170	7 568	11 610	10 435	11 232	11 232	12 363	14 983	15 619
Municipalities	1 170	7 568	11 610	10 435	11 232	11 232	12 363	14 983	15 619
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	6 096	6 401	6 721	4 755	7 057	7 057	7 445	7 787	8 183
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	6 096	6 401	6 721	4 755	7 057	7 057	7 445	7 787	8 183
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	18 703	20 952	24 212	18 374	34 810	36 708	25 571	26 763	27 699
Households	434	208	160	100	310	523	-	-	-
Social benefits	383	88	50	-	210	423	-	-	-
Other transfers to households	51	120	110	100	100	100	-	-	-
Payments for capital assets	43 491	17 078	21 158	13 404	29 097	29 097	7 397	48 680	6 500
Buildings and other fixed structures	42 266	16 182	17 581	12 900	9 183	9 183	6 855	48 080	5 875
Buildings	42 266	16 182	17 581	12 900	9 183	9 183	6 855	48 080	5 875
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	945	799	3 577	504	19 914	19 914	542	600	625
Transport equipment	196	270	2 604	-	-	-	-	-	-
Other machinery and equipment	749	529	973	504	19 914	19 914	542	600	625
Heritage Assets	-	97	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	280	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	132 328	122 844	140 102	129 055	170 201	190 340	149 620	195 308	160 645

Table 15.E : Payments and estimates by economic classification: Library and Archive Services

R thousand	Audited Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Current payments	82 710	79 092	88 393	128 684	129 364	129 314	117 375	138 818	143 204
Compensation of employees	35 542	38 775	45 241	50 550	49 510	49 460	58 014	67 391	72 647
Salaries and wages	29 502	32 278	37 972	43 978	42 938	42 888	50 472	58 630	63 203
Social contributions	6 040	6 497	7 269	6 572	6 572	6 572	7 542	8 761	9 444
Goods and services	47 168	40 317	43 152	78 134	79 854	79 854	59 361	71 427	70 557
Administrative fees	69	216	114	196	117	277	63	68	68
Advertising	851	319	724	886	566	978	400	400	400
Assets less than the capitalisation threshold	578	18 745	19 516	21 528	22 248	22 248	31 417	43 112	41 119
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	185	129	118	243	243	232	140	94	97
Communication (G&S)	1 190	1 128	1 114	1 239	1 239	1 581	1 259	1 261	1 262
Computer services	5 309	8 411	7 008	10 846	8 606	6 794	9 474	9 608	10 463
Cons & prof serv: Business and advisory services	-	-	15	-	3	3	-	-	-
Cons & prof serv: Infras and planning	-	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	-	-	-	-	-	-	-	-	-
Contractors	181	434	217	1 354	1 166	1 063	637	637	637
Agency and support / outsourced services	97	336	177	32 359	32 359	31 974	115	115	115
Entertainment	1	7	4	4	4	4	-	-	-
Fleet services (incl. govt motor transport)	437	503	1 048	865	865	1 212	1 155	1 155	1 155
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	31 752	1 627	3 195	-	-	-	-	-	-
Inventory: Materials and supplies	15	20	6	20	20	18	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	118	131	67	281	678	602	270	270	270
Consumable: Stationery, printing and office supplies	1 563	1 183	1 984	1 789	3 371	3 698	5 651	5 670	5 700
Operating leases	188	231	385	252	287	248	2 459	2 621	2 798
Property payments	1 522	946	978	1 274	2 174	2 078	623	633	642
Transport provided: Departmental activity	45	171	134	159	159	22	-	-	-
Travel and subsistence	1 801	2 392	3 010	2 964	3 710	3 951	2 796	2 848	2 871
Training and development	124	42	46	63	149	153	200	212	225
Operating payments	53	1 393	1 787	313	313	612	868	879	891
Venues and facilities	1 089	1 566	1 429	1 499	1 491	2 022	1 834	1 844	1 844
Rental and hiring	-	387	76	-	86	84	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	21 767	48 691	142 498	249 094	250 214	250 264	261 931	267 967	291 471
Provinces and municipalities	21 397	48 491	138 773	248 852	248 932	248 932	259 243	265 057	288 333
Provinces	-	47	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	47	-	-	-	-	-	-	-
Municipalities	21 397	48 444	138 773	248 852	248 932	248 932	259 243	265 057	288 333
Municipalities	21 397	48 444	138 773	248 852	248 932	248 932	259 243	265 057	288 333
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	68	99	3 523	242	1 242	1 242	2 688	2 910	3 138
Households	302	101	202	-	40	90	-	-	-
Social benefits	302	101	202	-	40	90	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	35 224	34 463	20 921	45 856	46 056	46 056	75 607	100 072	100 632
Buildings and other fixed structures	26 221	29 899	17 879	40 319	40 319	40 319	70 107	85 572	86 132
Buildings	26 221	29 899	17 879	40 319	40 319	40 319	70 107	85 572	86 132
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	8 825	4 564	3 042	5 237	5 737	5 737	5 500	14 500	14 500
Transport equipment	5 118	1 227	707	-	-	-	-	-	-
Other machinery and equipment	3 707	3 337	2 335	5 237	5 737	5 737	5 500	14 500	14 500
Heritage Assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	178	-	-	300	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	139 701	162 246	251 812	423 634	425 634	425 634	454 913	506 857	535 307

Table 15.F : Payments and estimates by economic classification: Conditional grants

R thousand	Audited Outcome			Main Appropriati	Adjusted Appropriati 2013/14	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Current payments	12 574	10 123	14 399	15 085	14 305	14 305	33 285	53 452	52 760
Compensation of employees	-	-	-	1 300	300	300	4 443	9 589	10 336
Salaries and wages	-	-	-	1 131	261	261	3 865	8 342	8 992
Social contributions	-	-	-	169	39	39	578	1 247	1 344
Goods and services	12 574	10 123	14 399	13 785	14 005	14 005	28 842	43 863	42 424
Administrative fees	-	-	106	-	-	-	-	-	-
Advertising	45	-	51	-	-	-	-	-	-
Assets less than the capitalisation threshold	294	5 322	8 890	5 859	6 559	6 559	16 134	32 912	30 391
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	4	31	47	120	120	120	60	64	67
Communication (G&S)	-	-	-	-	-	-	-	-	-
Computer services	4 348	4 059	4 804	6 808	6 328	6 328	8 000	8 134	8 989
Cons & prof serv: Business and advisory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Infras and planning	-	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	-	-	-	-	-	-	-	-	-
Contractors	-	5	10	550	550	550	2 102	-	-
Agency and support / outsourced services	-	76	65	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	-	-	-	176	176	176	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	7 609	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	6	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	-	-	-	-	-	-	-	-	-
Consumable: Stationery, printing and office supplies	8	14	5	-	-	-	-	-	-
Operating leases	-	13	108	-	-	-	1 800	1 962	2 139
Property payments	66	261	86	-	-	-	144	153	162
Transport provided: Departmental activity	30	-	112	-	-	-	-	-	-
Travel and subsistence	74	156	111	272	272	272	212	225	238
Training and development	65	-	4	-	-	-	200	212	225
Operating payments	-	128	-	-	-	-	190	201	213
Venues and facilities	31	52	-	-	-	-	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to	9 908	17 433	23 889	23 983	25 063	25 063	27 571	18 244	28 513
Provinces and municipalities	9 840	17 334	22 769	23 741	23 821	23 821	24 883	15 334	25 375
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	9 840	17 334	22 769	23 741	23 821	23 821	24 883	15 334	25 375
Municipalities	9 840	17 334	22 769	23 741	23 821	23 821	24 883	15 334	25 375
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving funds	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	68	99	1 120	242	1 242	1 242	2 688	2 910	3 138
Households	-	-	-	-	-	-	-	-	-
Social benefits	-	-	-	-	-	-	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	18 779	21 888	10 892	24 627	24 327	24 327	64 000	88 000	88 000
Buildings and other fixed structures	12 431	19 347	8 847	22 000	22 000	22 000	60 000	75 000	75 000
Buildings	12 431	19 347	8 847	22 000	22 000	22 000	60 000	75 000	75 000
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	6 348	2 541	2 045	2 327	2 327	2 327	4 000	13 000	13 000
Transport equipment	4 647	180	-	-	-	-	1 500	-	-
Other machinery and equipment	1 701	2 361	2 045	2 327	2 327	2 327	2 500	13 000	13 000
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	300	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	41 261	49 444	49 180	63 695	63 695	63 695	124 856	159 696	169 273

Table 15.G : Payments and estimates by economic classification: Community Library Services Grant

R thousand	Audited Outcome			Main Appropriati	Adjusted Appropriati	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Current payments	12 574	10 123	14 399	14 535	13 755	13 755	31 183	53 452	52 760
Compensation of employees	-	-	-	1 300	300	300	4 443	9 589	10 336
Salaries and wages	-	-	-	1 131	261	261	3 865	8 342	8 992
Social contributions	-	-	-	169	39	39	578	1 247	1 344
Goods and services	12 574	10 123	14 399	13 235	13 455	13 455	26 740	43 863	42 424
Administrative fees	-	-	106	-	-	-	-	-	-
Advertising	45	-	51	-	-	-	-	-	-
Assets less than the capitalisation threshold	294	5 322	8 890	5 859	6 559	6 559	16 134	32 912	30 391
Catering: Departmental activities	4	31	47	120	120	120	60	64	67
Computer services	4 348	4 059	4 804	6 808	6 328	6 328	8 000	8 134	8 989
Contractors	-	5	10	-	-	-	-	-	-
Agency and support / outsourced services	-	76	65	-	-	-	-	-	-
Fleet services (incl. gov't motor transport)	-	-	-	176	176	176	-	-	-
Inventory: Learner and teacher support material	7 609	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	6	-	-	-	-	-	-	-
Consumable: Stationery, printing and office supplies	8	14	5	-	-	-	-	-	-
Operating leases	-	13	108	-	-	-	1 800	1 962	2 139
Property payments	66	261	86	-	-	-	144	153	162
Transport provided: Departmental activity	30	-	112	-	-	-	-	-	-
Travel and subsistence	74	156	111	272	272	272	212	225	238
Training and development	65	-	4	-	-	-	200	212	225
Operating payments	-	128	-	-	-	-	190	201	213
Venues and facilities	31	52	-	-	-	-	-	-	-
Transfers and subsidies to	9 908	17 433	23 889	23 983	25 063	25 063	27 571	18 244	28 513
Provinces and municipalities	9 840	17 334	22 769	23 741	23 821	23 821	24 883	15 334	25 375
Municipalities	9 840	17 334	22 769	23 741	23 821	23 821	24 883	15 334	25 375
Municipalities	9 840	17 334	22 769	23 741	23 821	23 821	24 883	15 334	25 375
Non-profit institutions	68	99	1 120	242	1 242	1 242	2 688	2 910	3 138
Payments for capital assets	18 779	21 888	10 345	24 627	24 327	24 327	64 000	88 000	88 000
Buildings and other fixed structures	12 431	19 347	8 300	22 000	22 000	22 000	60 000	75 000	75 000
Buildings	12 431	19 347	8 300	22 000	22 000	22 000	60 000	75 000	75 000
Machinery and equipment	6 348	2 541	2 045	2 327	2 327	2 327	4 000	13 000	13 000
Transport equipment	4 647	180	-	-	-	-	1 500	-	-
Other machinery and equipment	1 701	2 361	2 045	2 327	2 327	2 327	2 500	13 000	13 000
Software and other intangible assets	-	-	-	300	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	41 261	49 444	48 633	63 145	63 145	63 145	122 754	159 696	169 273

Table 15.H : Payments and estimates by economic classification: EPWP Integrated Grant for Provinces

R thousand	Audited Outcome			Main Appropriati	Adjusted Appropriati	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Current payments	-	-	-	550	550	550	2 102	-	-
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	-	-	-	550	550	550	2 102	-	-
Contractors	-	-	-	550	550	550	2 102	-	-
Transfers and subsidies to	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	547	-	-	-	-	-	-
Buildings and other fixed structures	-	-	547	-	-	-	-	-	-
Buildings	-	-	547	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	-	-	547	550	550	550	2 102	-	-

Table 15.1 : Arts and Culture - Payments of infrastructure by category

No.	Project name	Municipality / Region		Type of infrastructure		Project duration		Source of funding	Budget programme name	Targeted number of jobs for 2014/15	Total project cost	Expenditure to date from previous years	Total available		MTEF	
		School - primary/ secondary/ specialised; admin block; water, electricity; sanitation/toilet; fencing etc)	Other	Date: Start	Date: Finish	2014/15	2015/16						2016/17			
New and replacement assets																
1	Construction of library	Nkandla		Construction of library (Nkurumathle)	Various	01 April 2012	31 March 2015	Conditional grant	Library and Archive Services	-	10 338	138	2 200	-	-	-
2	Construction of library	Vulamehlo		Construction of library (Vulamehlo)	Various	01 April 2012	31 March 2016	Conditional grant	Library and Archive Services	-	33 927	1 765	11 000	11 000	-	-
3	Construction of library	Jozini		Construction of library (Menyemsi)	Various	01 April 2013	31 March 2015	Conditional grant	Library and Archive Services	-	13 400	-	8 000	4 000	-	-
4	Construction of library	Maphumulo		Construction of library (Maphumulo)	Various	01 April 2010	31 March 2015	Conditional grant	Library and Archive Services	-	12 053	7 734	1 000	-	-	-
5	Construction of library	Jozini		Construction of library (Ndumo)	Various	01 April 2011	31 March 2015	Equitable share	Library and Archive Services	-	14 306	306	5 000	5 000	-	-
6	Construction of art centre	Umzinyathi DM		Construction of art centre (Umzinyathi)	Various	01 April 2014	31 March 2017	Equitable share	Cultural Affairs	-	17 310	-	5 855	5 580	-	-
7	Construction of museum	Hibiscus Coast		Construction of museum (Port Shepstone)	Various	01 April 2012	31 March 2015	Equitable share	Cultural Affairs	-	3 039	39	1 000	-	-	-
8	Upgrade of library	Mpotlana		Upgrade of library (Brunville)	Various	01 April 2014	31 March 2016	Equitable share	Library and Archive Services	-	3 000	-	2 000	1 000	-	-
9	Construction of library	Newcastle		Construction of library (Charlestown)	Various	01 April 2014	31 March 2016	Conditional grant	Library and Archive Services	-	8 000	-	6 000	2 000	-	-
10	Construction of library	eDumbe		Construction of library (Bianyni)	Various	01 April 2014	31 March 2016	Conditional grant	Library and Archive Services	-	10 000	-	3 500	6 500	-	-
11	Construction of library	uMshwathi		Construction of library (Umswathi-Mpolweni)	Various	01 April 2014	31 March 2017	Conditional grant	Library and Archive Services	-	12 000	-	500	9 000	2 500	-
12	Construction of library	Msunduzi		Construction of library (Imbali)	Various	01 April 2014	31 March 2017	Conditional grant	Library and Archive Services	-	30 000	-	5 000	14 000	11 000	-
13	Construction of library	uMzizwabantu		Construction of library (Harding)	Various	01 April 2015	31 March 2017	Conditional grant	Library and Archive Services	-	13 000	-	1 000	1 000	12 000	-
14	Construction of library	Umzumbane		Construction of library (Umzumbane)	Various	01 April 2014	31 March 2016	Equitable share	Library and Archive Services	-	12 107	-	4 107	8 000	-	-
15	Construction of library	Msunduzi		Construction of library (Vulindlela)	Various	01 April 2016	31 March 2019	Conditional grant	Library and Archive Services	-	20 000	-	-	-	7 500	-
16	Construction of library	Naledwe		Construction of library (Naledwe)	Various	01 April 2016	31 March 2019	Conditional grant	Library and Archive Services	-	20 000	-	-	-	7 500	-
17	Construction of library	Ukhuhlebeze		Construction of library (Highlats)	Various	01 April 2016	31 March 2019	Conditional grant	Library and Archive Services	-	20 000	-	-	-	7 500	-
18	Construction of library	Jozini		Construction of library (Ngwavuma)	Various	01 April 2014	31 March 2016	Conditional grant	Library and Archive Services	-	8 000	-	5 000	-	-	-
19	Construction of arts academy	Msunduzi		Construction of provincial arts academy	Various	01 April 2014	31 March 2017	Equitable share	Cultural Affairs	-	42 500	-	42 500	-	-	-
20	Construction of library	Jozini		Upgrade of library (Mkuzi)	Various	01 April 2016	31 March 2019	Equitable share	Library and Archive Services	-	20 000	-	-	-	7 704	-
21	Construction of library	Hibiscus Coast		Construction of library (Nzimakwe)	Various	Ongoing	31 March 2016	Conditional grant	Library and Archive Services	-	8 000	-	1 000	7 000	-	-
22	Construction of library	Msinga		Construction of library (Msinga Top)	Various	01 April 2016	31 March 2019	Conditional grant	Library and Archive Services	-	20 000	-	-	-	7 500	-
23	Construction of library	Newcastle		Construction of library (Danthausen)	Various	01 April 2016	31 March 2019	Conditional grant	Library and Archive Services	-	20 000	-	-	-	6 800	-
24	Construction of library	Mtubatuba		Construction of library (Dukuduku)	Various	01 April 2015	31 March 2018	Conditional grant	Library and Archive Services	-	20 000	-	-	-	6 000	-
Total New and replacement assets											486 722	1 08 239	61 162	115 500	81 879	
Upgrades and additions																
1	Upgrade regional depot	Endumeni		Upgrade regional depot (Western Region)	Various	01 April 2013	31 March 2015	Equitable share	Library and Archive Services	-	5 000	-	1 000	-	-	-
2	Upgrade regional depot	eThekweni		Upgrade regional depot (Pinetown)	Various	01 April 2013	31 March 2015	Equitable share	Library and Archive Services	-	4 000	-	1 000	-	-	-
3	Upgrade library head-office	Msunduzi		Upgrade library head-office	Various	01 April 2013	31 March 2015	Equitable share	Library and Archive Services	-	4 000	-	3 000	-	-	-
4	Upgrade of library	Umshazi		Upgrade of library (Estcourt)	Various	01 April 2014	31 March 2015	Conditional grant	Library and Archive Services	-	800	-	800	-	-	-
5	Upgrade of library	Hibiscus Coast		Upgrade of library (Port Shepstone)	Various	01 April 2014	31 March 2017	Conditional grant	Library and Archive Services	-	10 000	-	3 000	6 300	700	-
6	Upgrade of library	Umzimkulu		Upgrade of library (Umzimkulu)	Various	01 April 2015	31 March 2017	Equitable share	Library and Archive Services	-	6 000	-	6 000	-	-	-
7	Upgrade of library	Abaqulusi		Upgrade of library (Bhekuzulu)	Various	01 April 2015	31 March 2017	Conditional grant	Library and Archive Services	-	12 000	-	-	2 572	3 428	-
8	Upgrade of library	eMcedangeni		Upgrade of library (Ulrecht)	Various	01 April 2014	31 March 2016	Conditional grant	Library and Archive Services	-	2 500	-	1 000	1 500	-	-
9	Upgrade of library	uMngeni		Upgrade of library (Howick)	Various	01 April 2014	31 March 2015	Equitable share	Library and Archive Services	-	1 000	-	1 000	-	-	-
10	Upgrade of library	Mkhambathini		Upgrade of library (Maqonggo)	Various	01 April 2014	31 March 2016	Conditional grant	Library and Archive Services	-	2 500	-	1 800	700	-	-
11	Upgrade of library	eThekweni		Upgrade of library (Adams College)	Various	01 April 2014	31 March 2016	Conditional grant	Library and Archive Services	-	600	-	600	-	-	-
12	Upgrade of library	Mfotzi		Upgrade of library (Kwabonambi)	Various	01 April 2014	31 March 2016	Conditional grant	Library and Archive Services	-	3 000	-	2 000	1 000	-	-
13	Upgrade of library	Umlalazi		Upgrade of library (Umlalazi)	Various	01 April 2014	31 March 2015	Conditional grant	Library and Archive Services	-	600	-	600	-	-	-
Total Upgrades and additions											72 475	11 975	15 800	18 072	10 128	
Rehabilitation, renovations and refurbishments																
Maintenance and repairs																
Infrastructure transfers - current																
Infrastructure transfers - capital																
1	Construction of library	eThekweni		Construction of mega-library (Metro)	Various	01 April 2011	31 March 2017	Conditional grant	Library and Archive Services	-	48 759	20 009	15 750	-	-	-
2	Construction of museum	Endumeni		Construction of museum (Isandlwana)	Various	01 April 2015	31 March 2017	Equitable share	Cultural Affairs	-	3 000	-	500	1 000	2 000	-
3	Construction of museum	uMngeni		Construction of museum (Nelson Mandela)	Various	01 April 2014	31 March 2017	Equitable share	Cultural Affairs	-	3 500	-	500	2 000	1 000	-
4	Construction of museum	Msunduzi		Construction of museum (Hero's acre)	Various	01 April 2015	31 March 2017	Equitable share	Cultural Affairs	-	685	-	685	250	435	-
5	Rehabilitation of museum	Msunduzi		Rehabilitation of museum (Tatham art gallery)	Various	01 April 2012	31 March 2015	Equitable share	Cultural Affairs	-	601	101	500	-	-	-
6	Upgrade of museum	Msunduzi		Upgrade of museum (DCO Mawhane)	Various	01 April 2013	31 March 2015	Equitable share	Cultural Affairs	-	1 100	-	300	-	-	-
7	Construction of museum	uMngeni		Construction of museum (Royal Tembe)	Various	01 April 2015	31 March 2017	Equitable share	Cultural Affairs	-	500	-	250	250	-	-
Total Infrastructure transfers - capital											63 958	25 006	17 500	3 500	250	3 685
Total Arts and Culture Infrastructure											623 155	145 220	94 012	137 152	95 692	

Table 15.J : Summary of transfers to local government

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
A KZN2000 eThekweni	4 642	14 709	93 363	158 845	158 845	158 845	165 383	164 531	173 254
Total: Ugu Municipalities	607	6 324	6 642	12 940	13 342	13 342	13 929	14 723	16 384
B KZN211 Vulamehlo	-	-	-	-	-	-	-	-	-
B KZN212 Umdoni	90	2 138	2 247	4 476	4 476	4 476	4 658	4 939	5 421
B KZN213 Umzumbe	-	-	-	-	-	-	-	-	-
B KZN214 uMuziwabantu	96	334	351	634	634	634	661	699	956
B KZN215 Ezinqoleni	90	329	346	634	634	634	661	699	956
B KZN216 Hibiscus Coast	331	3 523	3 698	7 196	7 598	7 598	7 949	8 386	9 051
C DC21 Ugu District Municipality	-	-	-	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	1 791	3 912	14 583	28 242	29 200	29 200	30 901	34 257	36 503
B KZN221 uMshwathi	-	194	454	657	777	777	811	858	1 123
B KZN222 uMngeni	253	904	1 475	2 844	3 485	3 485	3 551	5 282	4 676
B KZN223 Mpofana	42	319	555	968	1 109	1 109	1 160	1 224	1 509
B KZN224 Impendle	421	220	341	634	634	634	661	699	956
B KZN225 Msunduzi	979	1 812	11 054	21 709	21 765	21 765	23 226	24 617	26 139
B KZN226 Mkhambathini	96	248	301	653	653	653	681	720	978
B KZN227 Richmond	-	215	403	777	777	777	811	857	1 122
C DC22 uMgungundlovu District Municipality	-	-	-	-	-	-	-	-	-
Total: Uthukela Municipalities	472	4 052	3 998	8 378	8 803	8 803	9 434	9 999	11 630
B KZN232 Emnambithi/Ladysmith	175	1 687	1 773	3 594	3 735	3 735	3 997	4 253	4 699
B KZN233 Indaka	-	318	263	653	514	514	681	720	978
B KZN234 Umtshezi	195	1 187	1 162	2 404	2 686	2 686	2 800	2 965	3 343
B KZN235 Okhahlamba	12	531	470	950	1 091	1 091	1 145	1 204	1 488
B KZN236 Imbabazane	90	329	330	777	777	777	811	857	1 122
C DC23 Uthukela District Municipality	-	-	-	-	-	-	-	-	-
Total: Umzinyathi Municipalities	2 748	3 277	3 373	6 195	6 555	6 555	6 745	8 128	10 383
B KZN241 Endumeni	1 363	1 666	1 661	3 173	3 410	3 410	3 460	4 657	6 068
B KZN242 Nqutu	646	686	737	1 306	1 288	1 288	1 344	1 422	1 717
B KZN244 Msinga	233	341	359	653	653	653	681	720	978
B KZN245 Umvoti	506	584	616	1 063	1 204	1 204	1 260	1 329	1 620
C DC24 Umzinyathi District Municipality	-	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities	355	3 367	4 153	7 630	6 912	6 912	7 198	8 194	9 289
B KZN252 Newcastle	355	2 876	3 619	6 362	5 644	5 644	5 876	6 796	7 377
B KZN253 eMadlangeni	-	254	267	634	634	634	661	699	956
B KZN254 Dannhauser	-	237	267	634	634	634	661	699	956
C DC25 Amajuba District Municipality	-	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	2 886	3 104	4 861	8 057	8 184	8 184	8 555	9 036	10 615
B KZN261 eDumbe	434	459	500	939	939	939	981	1 036	1 311
B KZN262 uPhongolo	471	498	540	1 025	1 011	1 011	1 052	1 115	1 394
B KZN263 Abaqulusi	1 276	1 486	1 565	2 975	3 116	3 116	3 251	3 439	3 842
B KZN265 Nongoma	311	233	245	634	634	634	661	699	956
B KZN266 Ulundi	394	428	450	845	845	845	881	932	1 201
C DC26 Zululand District Municipality	-	-	1 561	1 639	1 639	1 639	1 729	1 815	1 911
Total: Umkhanyakude Municipalities	5 835	6 522	5 929	6 296	6 296	6 296	5 905	6 259	6 591
B KZN271 Umhlabyalingana	1 320	1 602	1 334	1 420	1 420	1 420	1 350	1 431	1 507
B KZN272 Jozini	1 021	1 395	836	886	886	886	800	848	893
B KZN273 The Big 5 False Bay	644	586	600	630	630	630	655	694	731
B KZN274 Hlabisa	765	711	838	905	905	905	800	848	893
B KZN275 Mtubatuba	2 085	2 228	2 321	2 455	2 455	2 455	2 300	2 438	2 567
C DC27 Umkhanyakude District Municipality	-	-	-	-	-	-	-	-	-
Total: uThungulu Municipalities	1 092	6 111	6 748	12 135	12 417	12 417	13 220	13 992	16 052
B KZN281 Umfolozi	-	169	177	372	372	372	667	705	962
B KZN282 uMhlathuze	632	3 372	3 538	6 709	6 850	6 850	7 135	7 558	8 179
B KZN283 Ntambanana	-	318	335	634	634	634	661	699	956
B KZN284 uMlalazi	254	1 566	1 647	3 128	3 269	3 269	3 411	3 608	4 019
B KZN285 Mthonjaneni	96	334	351	634	634	634	661	699	956
B KZN286 Nkandla	110	352	700	658	658	658	685	723	980
C DC28 uThungulu District Municipality	-	-	-	-	-	-	-	-	-
Total: Ilembe Municipalities	367	2 355	3 646	6 428	5 469	5 469	5 830	6 155	7 138
B KZN291 Mandeni	90	563	676	1 602	1 602	1 602	1 798	1 888	2 207
B KZN292 KwaDukuza	169	1 445	2 606	4 173	3 214	3 214	3 351	3 547	3 954
B KZN293 Ndwedwe	108	347	364	653	653	653	681	720	977
B KZN294 Maphumulo	-	-	-	-	-	-	-	-	-
C DC29 Ilembe District Municipality	-	-	-	-	-	-	-	-	-
Total: Sisonke Municipalities	1 772	2 279	3 087	4 141	4 141	4 141	4 506	4 766	6 113
B KZN431 Ingwe	446	627	1 350	939	939	939	981	1 036	1 310
B KZN432 Kwa Sani	144	237	249	454	454	454	661	699	955
B KZN433 Greater Kokstad	693	740	778	1 461	1 461	1 461	1 522	1 612	1 916
B KZN434 Ubuhlebezwe	317	334	351	634	634	634	661	699	955
B KZN435 Umzimkulu	172	341	359	653	653	653	681	720	977
C DC43 Sisonke District Municipality	-	-	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	22 567	56 012	150 383	259 287	260 164	260 164	271 606	280 040	303 952

Table 15.K : Transfers to local government - Museum subsidies

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
A KZN2000 eThekweni	142	4 300	4 547	3 865	3 865	3 865	4 133	4 390	4 623
Total: Ugu Municipalities	145	250	268	286	568	568	598	628	662
B KZN216 Hibiscus Coast	145	250	268	286	568	568	598	628	662
Total: uMgungundlovu Municipalities	198	943	589	629	1 552	1 552	2 106	3 162	2 222
B KZN222 uMngeni	73	125	134	143	784	784	799	2 314	1 331
B KZN223 Mpofana	42	125	134	143	284	284	299	314	331
B KZN225 Msunduzi	83	693	321	343	484	484	1 008	534	560
Total: Uthukela Municipalities	172	500	536	572	1 136	1 136	1 196	1 256	1 324
B KZN232 Emnambithi/Ladysmith	73	125	134	143	284	284	299	314	331
B KZN234 Umtshezi	99	250	268	286	568	568	598	628	662
B KZN235 Okhahlamba	-	125	134	143	284	284	299	314	331
Total: Umzinyathi Municipalities	147	425	455	486	768	768	807	1 848	2 891
B KZN241 Endumeni	74	300	321	343	484	484	508	1 534	2 560
B KZN245 Umvoti	73	125	134	143	284	284	299	314	331
Total: Amajuba Municipalities	73	250	1 268	1 286	568	568	598	628	662
B KZN252 Newcastle	73	250	1 268	1 286	568	568	598	628	662
Total: Zululand Municipalities	73	125	134	143	284	284	299	314	331
B KZN263 Abaqulusi	73	125	134	143	284	284	299	314	331
Total: Umkhanyakude Municipalities	-	-	-	-	-	-	-	-	-
Total: uThungulu Municipalities	147	250	268	286	568	568	598	628	662
B KZN282 uMhlathuze	74	125	134	143	284	284	299	314	331
B KZN284 uMlalazi	73	125	134	143	284	284	299	314	331
Total: Ilembe Municipalities	73	125	1 134	1 243	284	284	299	314	331
B KZN292 KwaDukuza	73	125	1 134	1 243	284	284	299	314	331
Total: Sisonke Municipalities	-	-	850	-	-	-	-	-	-
B KZN431 Ingwe	-	-	850	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	1 170	7 168	10 049	8 796	9 593	9 593	10 634	13 168	13 708

Table 15.L : Transfers to local government - Library building projects

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Total: uMgungundlovu Municipalities	421	-	-	-	-	-	-	-	-
B KZN224 Impendle	421	-	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	421	-	-	-	-	-	-	-	-

Table 15.M : Transfers to local government - Operational cost of art centres

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Total: Zululand Municipalities	-	-	1 561	1 639	1 639	1 639	1 729	1 815	1 911
C DC26 Zululand District Municipality	-	-	1 561	1 639	1 639	1 639	1 729	1 815	1 911
Total: Umkhanyakude Municipalities	-	100	-	-	-	-	-	-	-
B KZN271 Umhlabuyalingana	-	100	-	-	-	-	-	-	-
Total: Sisonke Municipalities	-	150	-	-	-	-	-	-	-
B KZN431 Ingwe	-	150	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	-	400	1 561	1 639	1 639	1 639	1 729	1 815	1 911

Table 15.N : Transfers to local government - Provincialisation of libraries

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
A KZN2000 eThekweni	-	-	73 316	139 980	139 980	139 980	145 500	154 391	162 576
Total: Ugu Municipalities	-	5 199	5 458	11 460	11 460	11 460	11 950	12 645	13 315
B KZN212 Umdoni	-	1 867	1 960	4 116	4 116	4 116	4 280	4 542	4 783
B KZN214 uMuziwabantu	-	233	245	514	514	514	535	567	597
B KZN215 Ezinqoleni	-	233	245	514	514	514	535	567	597
B KZN216 Hibiscus Coast	-	2 866	3 008	6 316	6 316	6 316	6 600	6 969	7 338
Total: uMgungundlovu Municipalities	-	1 360	12 166	26 476	26 476	26 476	27 475	29 709	31 282
B KZN221 uMshwathi	-	194	454	657	657	657	685	725	763
B KZN222 uMngeni	-	583	1 134	2 461	2 461	2 461	2 500	2 703	2 846
B KZN223 Mpofana	-	194	336	705	705	705	735	778	819
B KZN224 Impendle	-	130	245	514	514	514	535	567	597
B KZN225 Msunduzi	-	-	9 507	20 968	20 968	20 968	21 800	23 644	24 897
B KZN226 Mkhambathini	-	129	177	514	514	514	535	567	597
B KZN227 Richmond	-	130	313	657	657	657	685	725	763
Total: Uthukela Municipalities	-	3 069	3 222	6 909	6 909	6 909	7 170	7 623	8 027
B KZN232 Emnambithi/Ladysmith	-	1 448	1 520	3 192	3 192	3 192	3 300	3 522	3 709
B KZN233 Indaka	-	233	245	514	514	514	535	567	597
B KZN234 Umtshezi	-	852	894	1 878	1 878	1 878	1 950	2 072	2 182
B KZN235 Okhahlamba	-	303	318	668	668	668	700	737	776
B KZN236 Imbabazane	-	233	245	657	657	657	685	725	763
Total: Umzinyathi Municipalities	2 119	2 238	2 350	4 932	4 932	4 932	5 140	5 442	5 730
B KZN241 Endumeni	1 113	1 175	1 234	2 590	2 590	2 590	2 700	2 858	3 009
B KZN242 Nqutu	442	467	490	1 028	1 028	1 028	1 070	1 134	1 194
B KZN244 Msinga	221	233	245	514	514	514	535	567	597
B KZN245 Umvoti	343	363	381	800	800	800	835	883	930
Total: Amajuba Municipalities	-	2 510	2 600	5 744	5 744	5 744	5 970	6 905	7 271
B KZN252 Newcastle	-	2 189	2 246	4 716	4 716	4 716	4 900	5 771	6 077
B KZN253 eMadlangeni	-	169	177	514	514	514	535	567	597
B KZN254 Dannhauser	-	152	177	514	514	514	535	567	597
Total: Zululand Municipalities	2 362	2 493	2 618	5 498	5 498	5 498	5 725	6 066	6 388
B KZN261 eDumbe	344	363	381	800	800	800	835	883	930
B KZN262 uPhongolo	381	402	422	886	886	886	920	977	1 029
B KZN263 Abaqulusi	1 113	1 175	1 234	2 592	2 592	2 592	2 700	2 860	3 012
B KZN265 Nongoma	221	233	245	514	514	514	535	567	597
B KZN266 Ulundi	303	320	336	706	706	706	735	779	820
Total: Umkhanyakude Municipalities	5 262	6 029	5 408	5 677	5 677	5 677	5 905	6 259	6 591
B KZN271 Umhlabuyalingana	1 320	1 412	1 238	1 300	1 300	1 300	1 350	1 431	1 507
B KZN272 Jozini	836	1 294	730	766	766	766	800	848	893
B KZN273 The Big 5 False Bay	548	586	600	630	630	630	655	694	731
B KZN274 Hlabisa	665	711	730	766	766	766	800	848	893
B KZN275 Mtubatuba	1 893	2 026	2 110	2 215	2 215	2 215	2 300	2 438	2 567
Total: uThungulu Municipalities	-	4 757	5 239	10 486	10 486	10 486	11 060	11 726	12 347
B KZN281 Umfolozi	-	169	177	372	372	372	535	567	597
B KZN282 uMhlatuze	-	2 652	2 784	5 846	5 846	5 846	6 080	6 450	6 792
B KZN283 Ntambanana	-	233	245	514	514	514	535	567	597
B KZN284 uMlalazi	-	1 237	1 298	2 726	2 726	2 726	2 840	3 008	3 167
B KZN285 Mthonjaneni	-	233	245	514	514	514	535	567	597
B KZN286 Nkandla	-	233	490	514	514	514	535	567	597
Total: Ilembe Municipalities	-	1 920	2 016	4 566	4 566	4 566	4 755	5 026	5 292
B KZN291 Mandeni	-	468	490	1 362	1 362	1 362	1 420	1 491	1 570
B KZN292 KwaDukuza	-	1 219	1 281	2 690	2 690	2 690	2 800	2 968	3 125
B KZN293 Ndwedwe	-	233	245	514	514	514	535	567	597
Total: Sisonke Municipalities	1 393	1 535	1 611	3 383	3 383	3 383	3 710	3 931	4 139
B KZN431 Ingwe	344	363	381	800	800	800	835	883	930
B KZN432 Kwa Sani	144	152	159	334	334	334	535	567	597
B KZN433 Greater Kokstad	524	554	581	1 221	1 221	1 221	1 270	1 347	1 418
B KZN434 Ubuhlebezwe	221	233	245	514	514	514	535	567	597
B KZN435 Umzimkulu	160	233	245	514	514	514	535	567	597
Unallocated	-	-	-	-	-	-	-	-	-
Total	11 136	31 110	116 004	225 111	225 111	225 111	234 360	249 723	262 958

Table 15.0 : Transfers to local government - Community Library Services grant

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
A KZN2000 eThekweni	4 500	10 409	15 500	15 000	15 000	15 000	15 750	5 750	6 055
Total: Ugu Municipalities	462	875	916	1 194	1 314	1 314	1 381	1 450	2 407
B KZN212 Umdoni	90	271	287	360	360	360	378	397	638
B KZN214 uMuziwabantu	96	101	106	120	120	120	126	132	359
B KZN215 Ezinqoleni	90	96	101	120	120	120	126	132	359
B KZN216 Hibiscus Coast	186	407	422	594	714	714	751	789	1 051
Total: uMgungundlovu Municipalities	1 172	1 609	1 828	1 137	1 172	1 172	1 320	1 386	2 999
B KZN221 uMshwathi	-	-	-	-	120	120	126	133	360
B KZN222 uMngeni	180	196	207	240	240	240	252	265	499
B KZN223 Mpofana	-	-	85	120	120	120	126	132	359
B KZN224 Impendle	-	90	96	120	120	120	126	132	359
B KZN225 Msunduzi	896	1 119	1 226	398	313	313	418	439	682
B KZN226 Mkhambathini	96	119	124	139	139	139	146	153	381
B KZN227 Richmond	-	85	90	120	120	120	126	132	359
Total: Uthukela Municipalities	300	483	240	897	758	758	1 068	1 120	2 279
B KZN232 Emnambithi/Ladysmith	102	114	119	259	259	259	398	417	659
B KZN233 Indaka	-	85	18	139	-	-	146	153	381
B KZN234 Umtshezi	96	85	-	240	240	240	252	265	499
B KZN235 Okhahlamba	12	103	18	139	139	139	146	153	381
B KZN236 Imbabazane	90	96	85	120	120	120	126	132	359
Total: Umzinyathi Municipalities	482	614	568	777	855	855	798	838	1 762
B KZN241 Endumeni	176	191	106	240	336	336	252	265	499
B KZN242 Nqutu	204	219	247	278	260	260	274	288	523
B KZN244 Msinga	12	108	114	139	139	139	146	153	381
B KZN245 Umvoti	90	96	101	120	120	120	126	132	359
Total: Amajuba Municipalities	282	457	285	600	600	600	630	661	1 356
B KZN252 Newcastle	282	287	105	360	360	360	378	397	638
B KZN253 eMadlangeni	-	85	90	120	120	120	126	132	359
B KZN254 Dannhauser	-	85	90	120	120	120	126	132	359
Total: Zululand Municipalities	451	486	548	777	763	763	802	841	1 985
B KZN261 eDumbe	90	96	119	139	139	139	146	153	381
B KZN262 uPhongolo	90	96	118	139	125	125	132	138	365
B KZN263 Abaqulusi	90	186	197	240	240	240	252	265	499
B KZN265 Nongoma	90	-	-	120	120	120	126	132	359
B KZN266 Ulundi	91	108	114	139	139	139	146	153	381
Total: Umkhanyakude Municipalities	573	393	521	619	619	619	-	-	-
B KZN271 Umhlabyalingana	-	90	96	120	120	120	-	-	-
B KZN272 Jozini	185	101	106	120	120	120	-	-	-
B KZN273 The Big 5 False Bay	96	-	-	-	-	-	-	-	-
B KZN274 Hlabisa	100	-	108	139	139	139	-	-	-
B KZN275 Mtubatuba	192	202	211	240	240	240	-	-	-
Total: uThungulu Municipalities	945	1 104	1 241	1 363	1 363	1 363	1 562	1 638	3 043
B KZN281 Umfolozi	-	-	-	-	-	-	132	138	365
B KZN282 uMhlatuze	558	595	620	720	720	720	756	794	1 056
B KZN283 Ntambanana	-	85	90	120	120	120	126	132	359
B KZN284 uMalalazi	181	204	215	259	259	259	272	286	521
B KZN285 Mthonjaneni	96	101	106	120	120	120	126	132	359
B KZN286 Nkandla	110	119	210	144	144	144	150	156	383
Total: Ilembe Municipalities	294	310	496	619	619	619	776	815	1 515
B KZN291 Mandeni	90	95	186	240	240	240	378	397	637
B KZN292 KwaDukuza	96	101	191	240	240	240	252	265	498
B KZN293 Ndwedwe	108	114	119	139	139	139	146	153	380
Total: Sisonke Municipalities	379	594	626	758	758	758	796	835	1 974
B KZN431 Ingwe	102	114	119	139	139	139	146	153	380
B KZN432 Kwa Sani	-	85	90	120	120	120	126	132	358
B KZN433 Greater Kokstad	169	186	197	240	240	240	252	265	498
B KZN434 Ubuhlebezwe	96	101	106	120	120	120	126	132	358
B KZN435 Umzimkulu	12	108	114	139	139	139	146	153	380
Unallocated	-	-	-	-	-	-	-	-	-
Total	9 840	17 334	22 769	23 741	23 821	23 821	24 883	15 334	25 375

VOTE 16

Sport and Recreation

Operational budget	R 456 379 000
MEC remuneration	Nil
Total amount to be appropriated	R 456 379 000
Responsible MEC	Mrs. N. N. Sibhidla-Saphetha, MEC for Arts, Culture, Sport and Recreation ¹
Administering department	Sport and Recreation
Accounting officer	Head: Sport and Recreation

1. Overview

Vision

The vision of the Department of Sport and Recreation is: *An active and winning province through sport and recreation.*

Mission statement

The department's mission is: *To transform the sport and recreation environment through integrated, sustainable mass participation, development and high performance programmes at all levels by ensuring equitable access and alignment to government outcomes so as to improve the quality of life of all the citizens of KwaZulu-Natal.*

Strategic goals

The strategic goals of the department are to promote and contribute to:

- The health and well-being of the citizens of KZN through an increase in participation in mass-based events by 2015.
- A 10 per cent increase in performance in national/international events through the implementation of a structured system of talent optimisation and development by 2015.
- Good governance and accountability in sport and recreation by improving internal processes and systems to achieve a clean audit by 2015.
- Economic growth and opportunities through sport and recreation.

Strategic objectives

Strategic policy direction: The department is responsible for the promotion and development of sport and recreation in KwaZulu-Natal. The department has set the following strategic objectives to achieve this:

- *Administration:* To provide administrative support to internal and external stakeholders.
- *Management:* To provide strategic managerial direction and good governance.
- *Stakeholder Management:* To deliver sport development and high performance programmes.
- *Facilities:* To deliver community and school sport and recreation facilities.

¹ The salary of the MEC for Sport and Recreation is budgeted for under Vote 15: Arts and Culture.

- *Club Development*: To promote mass participation, talent optimisation and governance of the sport sector.
- *Special Projects*: To alleviate poverty and contribute to economic growth and opportunities through sport and recreation.
- *Recreation*: To promote active lifestyles.
- *Community Mass Participation*: To promote mass participation.
- *School Sport*: To provide an integrated school sport and recreation programme.

Core functions

The core functions of the department are to:

- Reconstruct, revitalise and transform sport and recreation in the province.
- Implement an integrated approach with key stakeholders to provide a successful service delivery model for sport and recreation.
- Incorporate Operation *Sukuma Sakhe* (OSS) into the departmental programmes to deliver services at ward level.
- Develop a model for increased funding for sport and recreation.
- Conduct an audit of sport and recreation facilities in communities and schools to implement an infrastructure development plan that speaks to quality, access and well-maintained facilities.
- Promote the hosting of major provincial, national and international sport and recreation programmes/events.
- Measure the impact of the department's interventions with sport and recreation facilities on promoting participation in sport within schools and communities.
- Regulate partnerships with municipalities for the development and maintenance of sport and recreation facilities and the ring-fencing of 15 per cent of the Municipal Infrastructure Grant (MIG) allocated for this purpose.
- Establish protocols to govern the relationship with the KZN Sport Confederation, at district and local confederations and local ward committees.
- Develop governance policies aligned to government prescripts to facilitate properly constituted sports organisations and federations that are functioning at optimal levels of efficiency and effectiveness.
- Develop and implement a talent identification tool kit that is inclusive of all participants in sport (athletes, coaches, administrators and technical officials).
- Promote active and healthy lifestyles through integrated sustainable mass-based programmes from local to provincial levels.
- Identify and support hosting of major sporting events in the province that will contribute to economic growth and transformation in the province.
- Acknowledge and highlight the achievements of KZN sport stars through the hosting of sport recognition initiatives.
- Implement a sustainable school sport system aligned to the National School Sport Plan.

Legislative and other mandates

Sport and recreation in South Africa is characterised and governed by the following main legislation:

- Constitution of the Republic of South Africa (Act No. 108 of 1996)
- National Sport and Recreation Act (Act No. 110 of 1998)

- National Sport and Recreation Amendment Act (Act No. 18 of 2007)
- Safety at Sport and Recreational Events Act (Act No. 2 of 2010)
- South African Boxing Act (Act No. 11 of 2001)
- Revised White Paper on Sport and Recreation, 2010
- Public Finance Management Act (Act No. 1 of 1999, as amended) and Treasury Regulations
- Annual Division of Revenue Act
- Public Service Act (Act No. 103 of 1994) and Public Service Regulations, 2001
- Labour Relations Act (Act No. 66 of 1995)
- KZN Provincial Supply Chain Management Policy Framework (2006)
- Preferential Procurement Policy Framework Act (Act No. 5 of 2000)
- Promotion of Access to Information Act (Act No. 2 of 2000)
- Promotion of Administrative Justice Act (Act No. 3 of 2000)
- Promotion of Equality and Prevention of Unfair Discrimination Act (Act No. 4 of 2000)
- Protected Disclosures Act (Act No. 26 of 2000)
- Broad-Based Black Economic Empowerment Act (Act No. 53 of 2003)
- Public Service Co-ordinating Bargaining Council Resolutions
- Basic Conditions of Employment Act (Act No. 75 of 1997)
- Employment Equity Act (Act No. 55 of 1998)
- Skills Development Act (Act No. 97 of 1998)
- Skills Development Levies Act (Act No. 9 of 1999)

2. Review of the 2013/14 financial year

Section 2 provides a review of 2013/14, outlining the main achievements and progress made by the department during the year, as well as providing a brief discussion on challenges and new developments.

General

In 2013/14, the department's key deliverables were aligned to the National Sport and Recreation Plan (NSRP), National Development Plan (NDP), and Provincial Growth and Development Plan (PGDP). The strategies and key deliverables directed a new path for the effective delivery of sport and recreation in the province. The department's main services were driven by putting sustainable programmes, such as school sport, into place to create vibrant, active and healthy communities. Furthermore, this allowed the department to launch a talent development and high performance model that allowed more of KZN's athletes to compete on an equal footing with national and international athletes. The department prioritised the development of sport and recreation programmes in disadvantaged communities such as Umlazi, Chatsworth, KwaMashu, etc.

Infrastructure Development Programme

The department initiated plans to speed up the process of providing infrastructure for sport and recreation in partnership with municipalities and schools. The main focus was on rural areas and townships. The facilities built in these areas comprised sport fields which are suitable for football, rugby, cricket, athletics, etc., courts suitable for netball, volleyball and basketball, change rooms, public ablutions and palisade fencing. The department provided 11 outdoor gyms (i.e. built outside in public parks with exercise machines modelled on a playground), one per district, to promote physical activity and fitness. A total of 22 combination courts were built of which 11 are located in schools. A total of 22 municipalities received the facilities maintenance support grant. This grant is used by municipalities to employ maintenance staff for the upkeep and maintenance of sport facilities.

School sport

The department embarked on an intensive programme to revive the culture of school sport, especially in rural and township schools. The re-modelled School Sport Mass Participation Programme was implemented as a special intervention to revive school sport by dividing clusters of schools into school sport structures and leagues. The department revived competitions and tournaments from district through to national levels. The School Sport programme was implemented in 3 000 schools, and 1.500 million learners benefitted. The department hosted the Provincial Top Schools Tournament at the University of KwaZulu-Natal (UKZN) from 11 to 13 October 2013, and the province received a silver medal at the National Top Schools Tournament held in Bloemfontein from 10 to 13 December 2013.

Support to sport and recreation federations

The department accelerated transformation by making funds available for sustainable development programmes in areas such as netball, soccer, cricket, etc., focusing on disadvantaged and rural areas. The focus was on development programmes through talent optimisation, high performance and excellence for promoting active lifestyles through beneficial recreation programmes. The department forged meaningful partnerships with sport and recreation federations in support of programmes they offered to community clubs and structures.

War-room packages/Sport for life

The department received additional funding in respect of the war-room packages. A war-room is a facility where departments co-ordinate their activities or programmes. In this regard, the department established and supported 198 clubs at ward level with sport equipment and attire, as well as bicycles, to promote an active and healthy lifestyle. The department employed 875 youth on contract as sport assistants to support the war-rooms. A total of 33 kick-about fields and 11 outdoor gyms were developed in prioritised wards to promote active recreation and address the dangers of moral degeneration.

Sport academies

The purpose of the district academies is to take technical, scientific and medical services to the sporting communities (i.e. athletes, coaches, administrators and technical officials). The department extended its scientific and technological support to elite performers in partnership with the Council for Scientific and Industrial Research (CSIR).

3. Outlook for the 2014/15 financial year

Section 3 looks at the key focus areas for 2014/15, outlining what the department is hoping to achieve during the year, as well as briefly looking at challenges and proposed new developments.

General

Sport is an avenue for physical and social transformation and can make an important contribution to public health, universal education, gender equality, poverty reduction, prevention of HIV and AIDS, and environmental sustainability. It is with this in mind that the department re-shaped the way in which it delivers sport to the people. The department intends to use sport and recreation as a means to develop citizenship values in young people and to teach them how to make a valuable contribution to their communities. The department's war-room packages are designed to reach broad sectors of the population, including marginalised groups, and afford them with access and participation in various types of sports. In 2014/15, the department will continue to promote wellness and social cohesion.

School sport

The department will continue to focus on empowering educators in code specific coaching, technical officiating, team management and sport administration through federations, in line with the National Coaching Framework. The department's focus will be on the alignment of school code structures and federation structures. Rolling out the School Sport programme involves registering schools into the departmental register. The department plans to register 4 500 schools which will participate in leagues. This is where talented athletes will be selected from local, district, and provincial through to national and international competitions. The School Sport programme encourages inclusivity through involvement of able-bodied learners, as well as learners with special needs.

War-room packages/Sport for life

The department will continue to roll-out the department's OSS programmes through the war-room packages by supporting war-rooms with skills development programmes such as sport for change, job creation, provision of equipment and attire, as well as hosting tournaments and festivals. The department plans to construct an additional 26 kick-about fields in various wards in 2014/15, throughout the province.

Mass participation programme

The department aims to promote mass participation within communities and schools through selected sport and recreation activities, empower communities and schools in conjunction with stakeholders, as well as develop communities through sport. Changes to the conditional grant framework in 2012/13 impacted on the department's planning and there is now a move from job creation to skills development, sport development and formation of sustainable club structures and systems. The department will appoint 172 hub co-ordinators to manage and co-ordinate activities with hubs, and ensure that activities are adequately promoted and monitored. The department plans to create 26 permanent posts to assist in the management of the conditional grant, as well as the implementation of the mass participation programme at grass roots level.

Infrastructure development

The department will not only build new sport facilities in 2014/15, but will also assist with the refurbishment of existing facilities, as well as the supply of maintenance equipment for the upkeep of facilities. The information from the audit of all existing sport facilities will be used to revise the department's Infrastructure Development Plan (IDP). The department's budget has incorporated the appointment of caretakers to manage and maintain the sport fields, through the transfer of grants to municipalities. The department will increase its capacity to monitor the construction phase through district service delivery centres to ensure that sport fields are built according to specifications.

4. Receipts and financing**4.1 Summary of receipts and financing**

Table 16.1 below shows the sources of funding for Vote 16 over the seven-year period 2010/11 to 2016/17. The table also compares actual and budgeted receipts against actual and budgeted payments.

The department receives a provincial allocation in the form of an equitable share, and national conditional grant allocations in respect of the Mass Participation and Sport Development (MPSD) grant, the EPWP Integrated Grant for Provinces and the Social Sector EPWP Incentive Grant for Provinces.

Table 16.1 : Summary of receipts and financing

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Equitable share	216 851	270 639	285 166	296 589	303 489	303 489	340 809	324 013	341 280
Conditional grants	90 756	87 694	91 548	84 760	84 760	84 760	95 595	89 280	93 744
<i>Mass Participation and Sport Development grant</i>	90 256	87 694	90 548	79 883	79 883	79 883	85 435	89 280	93 744
<i>EPWP Integrated Grant for Provinces</i>	500	-	1 000	550	550	550	2 102	-	-
<i>Social Sector EPWP Incentive Grant for Provinces</i>	-	-	-	4 327	4 327	4 327	8 058	-	-
Total receipts	307 607	358 333	376 714	381 349	388 249	388 249	436 404	413 293	435 024
Total payments	276 740	307 836	364 151	381 349	401 524	401 524	456 379	413 293	435 024
Surplus/(Deficit) before financing	30 867	50 497	12 563	-	(13 275)	(13 275)	(19 975)	-	-
Financing									
<i>of which</i>									
Provincial roll-overs	3 458	-	-	-	-	-	-	-	-
Provincial cash resources	-	-	6 875	-	13 275	13 275	19 975	-	-
Surplus/(Deficit) after financing	34 325	50 497	19 438	-	-	-	-	-	-

An amount of R3.458 million was rolled over to 2010/11 in respect of equipment such as swings, jungle gyms, etc. for activity parks. This was ordered in 2009/10 but only delivered in 2010/11. The under-expenditure of R34.325 million can be ascribed to the moratorium on the filling of non-critical vacant posts and delays experienced in finding appropriate office space for the department by the Department of

Public Works (DOPW), which resulted in delays in relocation of the department's head office from Durban to Pietermaritzburg. The department also experienced delays in respect of transfer payments to municipalities for the construction of sport facilities.

The under-expenditure of R50.497 million in 2011/12 relates to challenges experienced by DOPW in securing appropriate office space for establishing district offices in the Ugu and Sisonke districts, as well as appropriate office space for the department's head office. Budgeted vacant posts were not filled due to the non-implementation of the organisational structure which was under review at the time. Furthermore, the non-appointment of a HOD resulted in further under-spending by the department.

In 2012/13, an amount of R5.700 million was suspended from Vote 6: Provincial Treasury (from the Strategic Cabinet Initiatives provision) for the hosting of the Soccerex Africa Forum, held in the province in October 2012. This event focused on growing football's legacy in Africa and brought together over 1 000 senior decision makers in the football fraternity to share their expertise. The department was also allocated R1.175 million for the 2012 wage agreement. The under-spending of R19.438 million was due to the department not transferring funds to municipalities because of challenges experienced by municipalities with regard to the construction of sport facilities, non-filling of budgeted vacant posts, and delays in the construction of the Sisonke district offices due to DOPW not finding a suitable service provider. Furthermore, DOPW delayed submitting invoices for payments relating to the construction of the Ugu district office.

In 2013/14, R1 million was allocated to the department for spending on OSS initiatives, to be used at the MEC's discretion. An amount of R12.275 million was allocated in respect of war-room packages, in line with a resolution taken by Cabinet. The department is projecting to fully spend its 2013/14 allocation.

In 2014/15, the department was allocated R50.975 million. Of this amount, R19.975 million was allocated for war-room packages, in line with a resolution taken by Cabinet, R30 million in respect of the Hoy Park Sports Development Centre and R1 million in respect of the uMgungundlovu Sports Academy. The additional funding allocated for the Hoy Park Sports Development Centre will be transferred to the eThekweni Metro for the construction of an international sports development centre with a football academy at Hoy Park in Durban. The R1 million toward the uMgungundlovu Sports Academy is carried through over the MTEF for the provision of training, physical fitness, and sport competition services to schools and tertiary institutions on behalf of the department. The department has been allocated funding in respect of the EPWP Integrated Grant for Provinces and the Social Sector EPWP Incentive Grant for Provinces. However, there are no allocations in respect of both the EPWP Integrated Grant for Provinces and Social Sector EPWP Incentive Grant for Provinces in the outer years of the MTEF, at this stage.

4.2 Departmental receipts collection

Table 16.2 below provides details of the revenue collection by this department from 2010/11 to 2016/17. Details of departmental receipts are presented in *Annexure – Vote 16: Sport and Recreation*

Table 16.2 : Summary of departmental receipts collection

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	49	77	38	70	70	218	75	80	85
Transfers received	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	239	371	-	-	384	170	190	200
Transactions in financial assets and liabilities	118	78	103	30	30	100	30	30	32
Total	167	394	512	100	100	702	275	300	317

Revenue collected under *Sale of goods and services other than capital assets* relates to commission on insurance and garnishee orders, and fees from the sale of tender documents. The significant revenue collections in the 2013/14 Revised Estimate relates to higher than anticipated fees in respect of tender documents. The projections over the 2014/15 MTEF reflect the inflationary increments.

Revenue collected against *Sale of capital assets* relates to the sale of redundant assets such as vehicles, equipment, etc. It is difficult to budget for this category due to its uncertain nature, hence the department is very conservative in terms of budgeting for this category over the 2014/15 MTEF.

The department also collects revenue from *Transactions in financial assets and liabilities*, mainly in respect of the recovery of staff debts. The fluctuations from 2010/11 to 2012/13 can be attributed to the difficulty in projecting this category accurately due to its uncertain nature. The 2013/14 projected over-collection shown in the 2013/14 Revised Estimate relates to once-off unanticipated recovery of over-payments on insurance of vehicles from previous financial years.

4.3 Donor funding – Nil

5. Payment summary

This section summarises the key assumptions, additional allocations, payments and budgeted estimates for the vote in terms of programmes and economic classification. Details of the economic classification per programme are presented in *Annexure – Vote 16: Sport and Recreation*.

5.1 Key assumptions

The department applied the following broad assumptions when compiling the budget:

- Additional funding was received for the carry-through costs of the 2013 wage agreement. Provision was made for an inflationary wage adjustment of 6.4, 6.4 and 6.3 per cent for each of the three years of the 2014/15 MTEF, respectively. The department also provided for the 1.5 per cent pay progression.
- Provision was made for the filling of vacant posts in terms of the organisational structure, while bearing in mind the moratorium on the filling of non-critical posts.
- All inflation related increases are based on CPI projections.
- The expanded cost-cutting measures, as reissued by PT in 2014/15, will continue to be adhered to over the 2014/15 MTEF, in conjunction with National Treasury Instruction 01 of 2013/14: Cost-containment measures.

5.2 Additional allocations for the 2012/13 to 2014/15 MTEF

Table 16.3 shows additional funding received by the department over the three MTEF periods: 2012/13, 2013/14 and 2014/15. Note that the table reflects only the provincial additional allocations, and excludes additional allocations in respect of conditional grants.

The purpose of such a table is two-fold. Firstly, it shows the additional funding allocated to the department in the past and current MTEF periods. Secondly, it indicates the policies and purposes for which the additional funding was allocated.

The carry-through allocations for the 2012/13 and 2013/14 MTEF periods (i.e. for the financial year 2016/17) are based on the incremental percentage used in the 2014/15 MTEF.

Table 16.3 : Summary of additional provincial allocations for the 2012/13 to 2014/15 MTEF

R thousand	2012/13	2013/14	2014/15	2015/16	2016/17
2012/13 MTEF period	971	1 020	1 071	1 071	1 120
Carry-through of 2011/12 Adjustments Estimate - 2011 wage agreement	971	1 020	1 071	1 071	1 120
2013/14 MTEF period		(4 090)	92 580	(8 255)	(8 430)
Census data update and 1%, 2% and 3% baseline cuts		(4 090)	(8 432)	(10 461)	(10 942)
2014/15 MTEF period			50 506	1 103	1 256
War-room intervention programme			19 975	-	-
Carry-through of previous wage agreements			701	1 353	1 563
Hoy Park Sports Development Centre			30 000	-	-
uMgungundlovu Sports Academy			1 000	1 000	1 000
Centralisation of communications budget under OTP			(820)	(850)	(889)
Centralisation of external bursaries budget under OTP			(350)	(400)	(418)
Total	971	(3 070)	144 157	(6 081)	(6 054)

In the 2012/13 MTEF, the department was allocated funding toward the carry-through costs of the higher than anticipated 2011 wage agreement.

In the 2013/14 MTEF, National Treasury took a decision to impose 1, 2, and 3 per cent baseline cuts on all spheres of government (i.e. National, Provincial and Local) in order to curb the national deficit as public spending in growing faster than revenue collection. In addition, KZN received reduced equitable share allocations as a result of the reduced proportion in terms of population numbers as reported in the 2011 Census data results. The effect of this on the department was a substantial reduction in the budget over the entire period.

In the 2014/15 MTEF, the department was allocated funding toward the war-room packages, in line with a resolution taken by Cabinet, as well as carry-through funding of previous wage agreements. In addition, funding was allocated for the Hoy Park Sports Development Centre and in respect of the uMgungundlovu Sports Academy. The funds allocated for the Hoy Park Sports Development Centre, which are once-off in 2014/15 only, will be transferred to the eThekweni Metro for the construction of an international sports development centre with a football academy at Hoy Park in Durban. Also, the funds in respect of the uMgungundlovu Sports Academy will be used for the provision of training, physical fitness, and sport competition services to schools and tertiary institutions on behalf of the department. In the 2014/15 MTEF, funds were suspended from the department in respect of the centralisation of parts of the communications budget, as well as the centralisation of parts of the external bursaries budget under the Office of the Premier (OTP). The department budgets for external bursaries offered to grade 10 to 12 learners who display sporting talent in prioritised codes of sport in respect of their school fees, hence part of the bursaries budget remains with the department.

5.3 Summary of programme and economic classification

The budget and programme structure of the department is aligned with the uniform budget and programme structure for the Sport, Arts and Culture sector.

Tables 16.4 and 16.5 below provide a summary of the vote's payments and budgeted estimates over the seven-year period, by programme and economic classification, respectively.

There has been a generally steady increase in actual spending and the budget over the seven-year period, apart from a peak in 2014/15.

Table 16.4 : Summary of payments and estimates by programme: Sport and Recreation

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1. Administration	42 888	53 235	72 066	80 158	79 358	79 358	89 263	89 865	95 874
2. Sport and Recreation	233 852	254 601	292 085	301 191	322 166	322 166	367 116	323 428	339 150
Total	276 740	307 836	364 151	381 349	401 524	401 524	456 379	413 293	435 024

Table 16.5 : Summary of payments and estimates by economic classification: Sport and Recreation

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Current payments	251 568	261 827	304 932	301 578	312 733	312 733	321 623	326 039	344 643
Compensation of employees	88 733	101 013	96 494	108 345	103 971	103 971	134 776	133 554	140 228
Goods and services	162 835	160 814	208 438	193 233	208 762	208 762	186 847	192 485	204 415
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	14 278	31 510	38 180	41 857	49 801	49 801	90 527	60 983	62 912
Provinces and municipalities	8 205	18 240	18 610	19 389	21 904	21 904	52 221	23 872	23 423
Departmental agencies and accounts	70	89	101	118	96	96	125	131	138
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	6 000	8 600	18 960	21 650	26 842	26 842	36 881	35 680	37 951
Households	3	4 581	509	700	959	959	1 300	1 300	1 400
Payments for capital assets	10 894	14 470	21 039	37 914	38 990	38 990	44 229	26 271	27 469
Buildings and other fixed structures	8 400	10 940	15 078	32 380	32 830	32 830	38 178	20 905	21 818
Machinery and equipment	1 582	2 482	5 510	5 041	5 730	5 730	5 529	4 944	5 206
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	912	1 048	451	493	430	430	522	422	445
Payments for financial assets	-	29	-	-	-	-	-	-	-
Total	276 740	307 836	364 151	381 349	401 524	401 524	456 379	413 293	435 024

The increase in spending from 2010/11 to 2012/13 against Programme 1: Administration is largely due to the setting up of district offices, as well as carry-through costs in respect of various wage agreements. The increase in 2013/14 relates to the appointment of the HOD (after this post had been vacant for some time), and the payment of volunteer stipends within the conditional grant. The slight decrease in the 2013/14 Adjusted Appropriation is as a result of funds being suspended from the department in respect of the centralisation of parts of the communications budget under OTP. The low growth from 2014/15 to 2015/16 is due to the completion of the Sisonke district office. DOPW experienced difficulties in appointing a suitable service provided to construct the district office in 2013/14, which delayed the hand-over of the site to the appointed contractor. The increase over the MTEF relates to additional funding allocated in respect of previous year wage agreements.

Programme 2: Sport and Recreation in 2010/11 includes spending on the roll-over received from 2009 in respect of the MPSD grant. The increase in 2012/13 is due to additional funding received from Provincial Treasury's Strategic Cabinet Initiatives Fund in respect of hosting the Soccerex Africa Forum, as well as the 2012 wage agreement. The increase in the 2013/14 Adjusted Appropriation is due to carry-through funding in respect of the hosting of the Soccerex Africa Forum, and additional funding for the match between Bafana Bafana and Botswana, which was held at the Moses Mabhida Stadium in Durban in September. In addition, the department received R1 million for spending on OSS initiatives, as well as R12.275 million in respect of the war-room packages, as mentioned previously. The increase in 2014/15 is due to additional funding in respect of previous wage agreements, war-room packages, Hoy Park Sports Development Centre and the uMgungundlovu Sports Academy. The increase over the 2014/15 MTEF relates to carry-through funding in respect of previous wage agreements, uMgungundlovu Sports Academy, as well as inflationary increments. The decrease in 2015/16 compared to 2014/15 is due to the funding for the Hoy Park Sports Development Centre and the EPWP Integrated Grant for Provinces being allocated in 2014/15 only at this stage.

The increase in 2011/12 against *Compensation of employees* is due to the increase in the stipend amount from R1 500 for facilitators and R2 000 for hub co-ordinators to R2 073 and R3 545, respectively. This was as a result of a directive from the National Department of Sport and Recreation (NDOSR). The decrease in 2012/13 is due to the decrease in the number of volunteers appointed due to the fact that, when volunteers have been trained and capacitated, they obtain permanent employment in other departments. NDOSR directed the department to train teachers to undertake the duties of the volunteers. The decrease in the 2013/14 Adjusted Appropriation is due to funds being reprioritised to *Transfers and subsidies to: Provinces and municipalities* and *Transfers and subsidies to: Households* as a result of the non-filling of

budgeted vacant posts due to of the non-implementation of the organisational structure. The increase over the 2014/15 MTEF relates to the implementation of the organisational structure, as well as additional funding allocated in respect of previous year's wage agreements. The department's organisational structure was approved by DPSA in July 2013, and was approved by the MEC and PSCBC in November 2013. The department identified 326 posts in the new organisational structure, of which, 173 posts are filled in the current structure, 69 posts have been identified as critical posts and the remaining 84 are unbudgeted. The department will adopt a phased-in approach in implementing the organisational structure, which will involve placing the current employees on the structure in the appropriate posts, filling critical vacant posts, as well as not budgeted for posts. The department will source funding for any unbudgeted posts within their existing budget allocation.

The increase in 2012/13 against *Goods and services* is due to funds reprioritised from *Compensation of employees* in respect of the Provincial Treasury Intervention Programme within the department's SCM unit which was not anticipated, the department's contribution to publishing the *Simama* newsletter and the installation of an on-line leave monitoring tool and employee management tool, as recommended by the A-G's report. The increase in the 2013/14 Adjusted Appropriation can be attributed to funds reprioritised from *Compensation of employees* and *Buildings and other fixed structures* for the appointment of contract employees to assist various units within the department with matters such as SCM procedures, as well as payment of the MEC's subsistence and travel allowance. The MEC's salary and related costs are budgeted for under the Department of Arts and Culture but, in terms of an agreement between the departments, a portion of the subsistence and travel costs are to be paid by the department. The increase was also to fund the continuation of the Provincial Treasury Intervention Programme. Furthermore, additional funding was received from Provincial Treasury's Strategic Cabinet Initiatives Fund in respect of the carry-through funds for the hosting of the Soccerex Africa Forum, as well as additional funding for the match between Bafana Bafana and Botswana, as mentioned previously. In addition, in 2013/14 additional funds were allocated for the war-room packages, as well as OSS initiatives. The 2014/15 allocation includes carry-through funds in respect of the war-room packages. The increase over the outer years is due to inflationary increments.

The low spending against *Transfers and subsidies to: Provinces and municipalities* in 2010/11 relates to the department's decision to minimise the use of municipalities as implementing agents for the construction of sport facilities, but rather to undertake a number of construction projects directly. The substantial increase in 2011/12 is due to pressures relating to commitments which remained unpaid from 2010/11 such as Ingangane, Mpofana and Nkosi Bhambatha projects. The increase in 2012/13 is in respect of maintenance grant that are paid to municipalities for the upkeep of sport facilities constructed by the department. These funds were reprioritised from *Buildings and other fixed structures*. The increase in the 2013/14 Adjusted Appropriation is due to funds reprioritised from *Compensation of employees* and *Goods and services* for the construction of sport fields, as well as outstanding 2012/13 commitments such as the construction of Ubuhlebezwe, Ndwedwe and Mtubatuba sport fields. The substantial increase in 2014/15 is due to once-off additional funding allocated for the Hoy Park Sports Development Centre. These funds will be transferred to the eThekweni Metro for the construction of an international sports development centre with a football academy at Hoy Park in Durban. The decrease in 2016/17 compared to 2015/16 is due to the completion of infrastructure projects by municipalities.

Transfers and subsidies to: Departmental agencies and accounts relates to payments to a departmental agency (Tourism and Hospitality, Education and Training Authority (THETA)) in respect of the skills development levy. The increase from 2011/12 to 2012/13 can be attributed to the increase in the number of posts filled. The decrease in the 2013/14 Adjusted Appropriation relates to the non-filling of budgeted vacant posts which resulted in a lower levy than anticipated. These funds were reprioritised to *Transfers and subsidies to: Households* to cater for staff exit costs. The increase over the 2014/15 MTEF relates to the anticipation that vacant posts will be filled, in line with the moratorium on the filling of non-critical posts, as well as the implementation of the organisational structure.

Transfers and subsidies to: Non-profit institutions caters for transfers to sporting federations and other sporting bodies to assist with the promotion and development of sport and recreation. The substantial increase in 2012/13 is due to funds reprioritised from *Compensation of employees* as a result of an

increase in transfers to some of the sporting federations and sporting bodies who assist with the promotion and development of sport and recreation, such as KZN Cycling, KZN Athletics and Netball Umzinyathi. The increase in the 2013/14 Adjusted Appropriation is due to funds moved from *Goods and services* as a result of an incorrect allocation of the budget. The MPSD grant business plan stipulates that the department should assist provincial sport academies and confederations with the setting up, capacitation and purchase of sport equipment, attire and kits. During the preparation of the 2013/14 *EPRE*, the department inadvertently allocated these funds to *Goods and services*, whereas they should have been allocated against *Transfers and subsidies to: Non-profit institutions*. This category fluctuates over the 2014/15 MTEF as a result of the business plans received by the department from sporting organisations. The decrease in 2015/16 is due to the decrease in transfers to various sporting organisations such as KZN Academy of Sport, Rural Horse Riding Association, as well as Indigenous Games.

Transfers and subsidies to: Households caters for leave gratuities, which are difficult to budget for due to their uncertainty, as well as bursary payments made to non-employees. Due to a change in SCOA classification, the allocation for bursaries to non-employees was moved from *Goods and services* to *Transfers and subsidies to: Households* from 2012/13. The substantial increase in 2011/12 is due to the inclusion of arbitration costs which were paid out to three employees of the department. The allocation over the 2014/15 MTEF relates to bursary payments to non-employees. The department continues to budget for external bursaries offered to grade 10 to 12 learners who display sporting talent in prioritised codes of sport in respect of their school fees, and the balance of external bursaries have been centralised under OTP.

The increase from 2011/12 to 2012/13 against *Buildings and other fixed structures* is due to the number of construction projects that the department undertook directly. Spending in 2013/14 includes the completion of the Ugu district office. The slight increase in the 2013/14 Adjusted Appropriation is due to additional funding received in respect of the war-room packages, as mentioned previously. These funds were used for the construction of outdoor gyms and kick-about fields. The increase in 2014/15 includes the completion of the Sisonke district office and additional funding allocated in respect of the war-room packages for the construction of outdoor gyms and kick-about fields, hence the decrease over the outer years of the MTEF.

The low spending against *Machinery and equipment* in 2010/11 was due to cost-cutting. The increase in 2011/12 relates to additional vehicles purchased for officials who undertake field work. The increase in the 2013/14 Adjusted Appropriation is due to the unanticipated purchase of an access control security system for the department as instructed by the A-G. The increase in 2014/15 is due to the purchase of office equipment for the Ugu district office which was completed during 2013/14 and for the Sisonke district office which is anticipated to be completed in 2014/15, hence the decrease in 2015/16.

The high spending against *Software and other intangible assets* in 2011/12 in comparison to 2010/11 is due to spending on the enhancement of the Project Proposal Management System software (this system manages project expenditure and performance management data). The reduction in the 2013/14 Adjusted Appropriation is due to delays in the hand-over of the Ugu district office as a result of the exclusion of the perimeter brick fence. These delays resulted in the department delaying the purchase of computer software required by the new district office. The increase in 2013/14 and 2014/15 relates to the department's investment in computer software for the new district offices. The decrease in 2015/16 is as a result of the department's anticipation to have completed setting up new district offices. The increase over the 2014/15 MTEF relates to the maintenance of the department's computer software.

Spending against *Payments for financial assets* in 2011/12 relates to the write-off of staff debts.

5.4 Summary of payments and estimates by district municipal area

Table 16.6 provides a summary of spending (including some administrative costs such as compensation, subsistence and travelling, etc.) by the department in each district municipality, as the functions of these personnel directly impact on service delivery in the respective municipality.

Table 16.6 : Summary of payments and estimates by district municipal area

R thousand	Audited Outcome	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16	2016/17
eThekwini	68 152	74 967	82 464	34 618	38 080
Ugu	15 148	16 663	19 329	21 726	23 178
uMgungundlovu	79 011	87 784	97 297	85 355	75 891
Uthukela	17 366	19 103	22 013	24 114	26 426
Umzinyathi	18 321	20 153	23 168	24 385	28 823
Amajuba	15 539	17 093	19 802	21 682	23 750
Zululand	14 790	16 269	19 896	21 686	23 654
Umkhanyakude	16 999	18 699	21 569	22 626	25 888
uThungulu	16 304	17 934	20 727	22 700	24 870
Ilembe	16 456	18 102	20 912	22 903	25 094
Sisonke	13 999	15 399	19 939	21 633	23 496
Total	292 085	322 166	367 116	323 428	339 150

The spending per district municipality fluctuates over the MTEF period. This is due to the fact that the construction of facilities is not allocated equally across the 11 districts in any given year, but is based on the assessment of the needs per individual district, as well as the IDPs of local municipalities. Also contributing to the fluctuations across the different district municipalities is the portion of the MPSD grant spent in each district municipality. Allocations to district municipalities are based on the schools, clubs and hubs that are targeted in each year.

It is noted that the bulk of the spending for the five-year period is concentrated in the uMgungundlovu District Municipality. The department hosts various provincial and national events and, although staff from all districts assist with these events, and participants are from all district municipalities, they are managed and co-ordinated centrally. As such, the expenditure is reflected against uMgungundlovu, which is the department's main cost centre. Furthermore, the amounts reflected against uMgungundlovu and eThekwini also include the transfer payments that are made to non-profit institutions. These institutions are mostly based in eThekwini and uMgungundlovu, but operate throughout the province. It is very difficult for these institutions to report back to the department on their expenditure per district municipality, hence the full allocation of their budget to these two districts.

The substantial increase against uMgungundlovu in 2014/15 is due to the bulk of the MPSD grant being allocated centrally, due to most national and provincial events being co-ordinated in this area.

The increase against the eThekwini Metro in 2014/15 is due to the inclusion of the once-off allocation in respect of the Hoy Park Sports Development Centre, as previously mentioned.

5.5 Summary of conditional grant payments and estimates

Tables 16.7 and 16.8 summarise payments and estimates in respect of the MPSD grant, the EPWP Integrated Grant for Provinces and the Social Sector EPWP Incentive Grant for Provinces. The MPSD grant consists of school sport, community mass participation and club development. The EPWP Integrated Grant for Provinces and the Social Sector EPWP Incentive Grant for Provinces consists of employment of volunteers and the purchase of sport equipment and attire for provincial sport academies and confederations.

Note that the historical figures set out in Table 16.8 below reflect actual expenditure, and should not be compared to those reflected in Table 16.1, which represent the actual receipts per grant.

Further details are given in *Annexure – Vote 16: Sport and Recreation*.

Table 16.7 : Summary of conditional grants payments and estimates by name

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Mass Participation and Sport Development grant	93 714	87 694	90 548	79 883	79 883	79 883	85 435	89 280	93 744
EPWP Integrated Grant for Provinces	-	-	1 000	550	550	550	2 102	-	-
Social Sector EPWP Incentive Grant for Provinces	-	-	-	4 327	4 327	4 327	8 058	-	-
Total	93 714	87 694	91 548	84 760	84 760	84 760	95 595	89 280	93 744

Table 16.8 : Summary of conditional grants payments and estimates by economic classification

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Current payments	93 664	87 694	91 548	84 760	79 018	79 018	86 364	81 794	86 258
Compensation of employees	41 260	35 625	15 394	17 357	16 807	16 807	21 256	22 308	25 656
Goods and services	52 404	52 069	76 154	67 403	62 211	62 211	65 108	59 486	60 602
Other	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	-	-	-	-	5 742	5 742	9 231	7 486	7 486
Provinces and municipalities	-	-	-	-	550	550	2 102	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Universities and technikons	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	5 192	5 192	7 129	7 486	7 486
Households	-	-	-	-	-	-	-	-	-
Payments for capital assets	50	-	-	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	50	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	93 714	87 694	91 548	84 760	84 760	84 760	95 595	89 280	93 744

Spending against the MPSD grant in 2010/11 includes funds rolled over from 2009/10, as previously mentioned. The decrease in 2011/12 can be ascribed to the reduction of the conditional grant funding by NDOSR, as well as the roll-over in 2010/11. The decreasing trend from 2013/14 and over the MTEF can be ascribed to the directive from NDOSR to minimise the use of volunteers, and to rather train teachers to implement the tasks of the volunteers.

The department received R500 000 in respect of the EPWP Integrated Grant for Provinces in 2010/11 for the implementation of EPWP projects, but these funds were not spent and therefore are not included in Tables 16.7 and 16.8. Spending against this grant in 2012/13 was for the payment of volunteers employed, such as hub co-ordinators. In 2013/14, the department was allocated both the EPWP Integrated Grant for Provinces and the Social Sector EPWP Incentive Grant for Provinces. These funds were used jointly for the employment of volunteers as contract workers, in an attempt to retain volunteers. In the 2013/14 Adjusted Appropriation and 2014/15, the EPWP Integrated Grant for Provinces is allocated against *Provinces and municipalities* for a transfer to municipalities in respect of the maintenance grant. The municipalities employ maintenance staff to upkeep the sport facilities constructed by the department. The allocation against the Social Sector EPWP Incentive Grant for Provinces is for the employment of volunteers as contract workers, and no grant allocations have been made in the outer years, at this stage.

The substantial decrease in *Compensation of employees* from 2011/12 to 2012/13 is due to the reduction of MPSD conditional grant funding by NDOSR. Also, in line with a directive from NDOSR, the department reduced the number of volunteers employed under the Mass School Sport element of MPSD. This is due to the fact that, when these volunteers have been trained and capacitated, they obtain permanent employment in other departments. The increase in the 2013/14 Main Appropriation is as a result of employment of volunteers as contract workers, as previously mentioned.

Spending against *Goods and services* in 2010/11 relates to the establishment of clubs, sport academies, and high performance centres to further develop the different codes of sport. The increase from 2011/12 to 2012/13 is due to the reprioritisation of funds from the employment of volunteers to the revival of school sport as per the changes of the conditional grant framework, as previously mentioned. The decrease in the 2013/14 Main Appropriation is due to the baseline cut in the MPSD grant. The decrease in the 2013/14 Adjusted Appropriation is due to the movement of funds from this category to *Transfers and subsidies to: Non-profit institutions*. This was due to the department inadvertently allocating the funds against this category during the preparation of the 2013/14 EPRE, as previously mentioned. These funds have been allocated correctly over the MTEF, relate to the purchase of sport attire, kits, as well as hosting of sport tournaments such as the Provincial Top Schools Tournament.

Allocations against *Transfers and subsidies to: Non-profit institutions* in the 2013/14 Adjusted Appropriation are as a result of the movement of funds from *Goods and services*, as previously mentioned. These funds were inadvertently allocated to *Goods and services* during the preparation of the 2013/14 EPRE and relate to the purchase of sport equipment for provincial sport academies and confederations, as mentioned above. The allocations over the 2014/15 MTEF relate to the continued support provided to these provincial sport academies and confederations.

The once-off spending against *Machinery and equipment* in 2010/11 relates to the purchase of equipment and upgrading of computer equipment. From 2011/12 onward, there is no budget against *Machinery and equipment* due to assets that will be purchased being less than R5 000, and hence are paid for under *Goods and services*.

5.6 Summary of infrastructure payments and estimates

Table 16.9 below illustrates infrastructure spending over the seven-year period.

The infrastructure budget of the department fluctuates over the seven-year period, as explained below.

Table 16.9 : Summary of infrastructure payments and estimates by category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
New and replacement assets	8 400	10 940	15 078	32 380	32 830	32 830	38 178	20 905	21 818
Existing infrastructure assets	1 556	1 745	157	2 282	-	-	-	-	-
Upgrades and additions	-	-	-	-	-	-	-	-	-
Rehabilitation, renovations and refurbishments	-	-	-	-	-	-	-	-	-
Maintenance and repairs	1 556	1 745	157	2 282	-	-	-	-	-
Infrastructure transfers	8 197	18 224	18 600	19 370	21 885	21 885	52 200	23 850	23 400
Current	-	3 300	4 950	4 950	3 300	3 300	3 300	4 950	6 600
Capital	8 197	14 924	13 650	14 420	18 585	18 585	48 900	18 900	16 800
Total	18 153	30 909	33 835	54 032	54 715	54 715	90 378	44 755	45 218

The substantial increase in spending against *New and replacement assets* in 2011/12 and 2012/13 is due to the number of construction projects that the department undertook directly, rather than transferring the funds to the municipalities for implementation, as previously mentioned. Spending in 2013/14 includes the completion of the Ugu district office. The increase in the 2013/14 Adjusted Appropriation is due to additional funding received in respect of the war-room packages for the construction of kick-about fields and outdoor gyms. The increase in 2014/15 includes the completion of the Sisonke district office, as well as carry-through funding in respect of the war-room packages, for the construction of outdoor gyms and kick-about fields, hence the decrease over the outer years of the MTEF.

Maintenance and repairs caters for repairs to office buildings and sporting facilities. Spending in 2010/11 includes carry-through costs from 2009/10 in respect of maintenance and repairs, such as resurfacing of combi courts and the erection of fences, which were undertaken late in 2009/10 and were only completed in 2010/11. The substantial decrease in 2012/13 is due to municipalities not submitting the required reports to the department for transfers to be made. The 2013/14 Main Appropriation included the department's plans of transferring funds for the upgrade of the Maphumulo sportfield. The movement of funds away from this category in the 2013/14 Adjusted Appropriation is due to the fact that, after the department verified all existing sport fields as per the A-G's report, the department discovered that no major maintenance and repairs were necessary. These savings were moved to *Infrastructure transfers: Capital* for the construction of sport fields, as well as payment of outstanding 2012/13 commitments, such as Ubuhlebezwe, Ndwedwe and Mtubatuba and *Goods and services* in respect of the hand-over of sportfields and outdoor gyms events at various municipalities. Although the department has not budgeted for any maintenance and repairs over the 2014/15 MTEF, the department will make in-year adjustments should the need arise.

Spending against *Infrastructure transfers: Current* is in respect of maintenance grant that are paid to municipalities for the upkeep of sport facilities constructed by the department. There was no expenditure

against this category in 2010/11. Spending from 2011/12 to 2012/13 increased as a result of the increase in the number of sport fields constructed. In the 2013/14 Main Appropriation, the department inadvertently included 10 municipalities to receive maintenance grant in respect of the upkeep of sport facilities constructed by the department, but it was later discovered that fewer than 10 municipalities should be included. This resulted in the department reprioritising funds to *Infrastructure transfers: Capital* for the construction of sport fields, as well as outstanding 2012/13 commitments, as previously mentioned. The increase over the MTEF is due to inflationary increments.

A major part of the department's capital infrastructure budget is reflected against *Infrastructure transfers: Capital*. The low spending in 2010/11 is due to challenges experienced in respect of transfer payments to municipalities for the construction of sport facilities, such as adverse weather conditions. The substantial increase in 2011/12 was due to funds moved from *Goods and services* to cater for the construction of sportfields which were incomplete as at the end of 2010/11, as mentioned above. The increase in the 2013/14 Adjusted Appropriation is due to funds reprioritised from *Compensation of employees* and *Infrastructure transfers: Current* for the construction of sport fields and outstanding 2012/13 commitments, as previously mentioned. The substantial increase in 2014/15 is due to the once-off additional funding of R30 million allocated for the Hoy Park Sports Development Centre. These funds will be transferred to the eThekweni Metro in respect of the construction of an International Sports Development Centre with a football academy at Hoy Park in Durban. The decrease in 2016/17 compared to 2015/16 is due to the completion of infrastructure projects by municipalities. The allocation over the outer years relates to funds transferred to municipalities for the construction of sport facilities.

5.7 Summary of Public Private Partnerships – Nil

5.8 Transfers to public entities listed in terms of Schedule 3 of the PFMA – Nil

5.9 Transfers to other entities

Table 16.10 below indicates the transfer payments that the department makes to sporting organisations for the promotion and development of sport and recreation in the province.

Note that all transfer payments fall under *Transfers and subsidies to: Non-profit institutions*.

The department allocates funds to sporting organisations only once they have met all requirements for the transfer payment to be effected. The department receives business plans from these organisations and, based on these plans, funds are allocated for transfer payments. In previous years, this process was done during the year, and the amounts allocated to specific recipients were formalised during the Adjustments Estimate.

The substantial increase in 2012/13 is due to funds reprioritised from *Compensation of employees* as a result of an increase in transfers made to some of the sporting federations and sporting bodies who assist with the promotion and development of sport and recreation, such as KZN Cycling, KZN Athletics and Netball Umzinyathi. The increase in the 2013/14 Adjusted Appropriation is due to funds moved from *Goods and services*. The MPSD grant business plan stipulates that the department should assist provincial sport academies and confederations with the setting up, capacitation and purchase of sport equipment, attire and kits. During the preparation of the 2013/14 *EPRE*, the department inadvertently allocated these funds to *Goods and services*. The allocation against this category is fluctuates over the 2014/15 MTEF due to the conditional grant framework which stipulates the amount of funds to be transferred to entities.

Table 16.10 : Summary of departmental transfers to other entities

Rand thousand		Audited outcome			Main	Adjusted	Revised	Medium-term Estimate		
		2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
					2013/14					
Amajuba Regional Academy	2.2 Sport	-	-	-	250	-	-	-	175	175
Council for Scientific Industrial Research (CSIR)	2.2 Sport	-	400	500	550	-	-	-	-	-
Deep Sea Angling	2.2 Sport	75	-	40	50	100	-	110	111	118
DSR Youth Run and Spar Ladies	2.2 Sport	-	-	-	1 000	1 000	3 062	-	-	-
Fedansa (Dance Sport)	2.2 Sport	150	225	-	275	220	-	250	260	271
GIBA Gorge BMX Track & Academy	2.2 Sport	-	-	-	1 000	-	-	200	204	217
KZN Academy of Sport	2.2 Sport	525	950	900	1 000	3 500	2 200	3 774	1 844	1 844
KZN Amateur Boxing Association	2.2 Sport	250	300	325	350	369	-	350	357	381
KZN Aquatics Association	2.2 Sport	500	845	575	1 000	2 087	2 087	2 200	2 141	2 465
KZN Athletics Association	2.2 Sport	900	450	900	1 000	1 668	1 668	4 101	4 079	4 359
KZN Badminton Association	2.2 Sport	-	50	-	75	40	-	-	-	-
KZN Baseball	2.2 Sport	100	145	175	400	200	200	370	377	403
KZN Basketball	2.2 Sport	100	100	-	120	-	-	-	-	-
KZN Billiards and Snooker	2.2 Sport	-	-	-	-	50	50	60	61	65
KZN Canoe Union	2.2 Sport	150	175	225	500	360	-	480	387	414
KZN Chess	2.2 Sport	-	100	-	150	120	120	130	133	141
KZN Cricket Union (Coastal)	2.2 Sport	400	400	1 450	750	300	300	1 400	1 326	1 516
KZN Cycling	2.2 Sport	-	-	1 850	150	50	217	370	377	403
KZN Darts	2.2 Sport	-	-	-	-	45	-	50	51	54
KZN Disability Sport (KZNDISSA)	2.2 Sport	400	380	410	450	220	570	350	255	272
KZN Fly-fishing	2.2 Sport	75	30	20	40	50	50	60	61	67
KZN Golf Union	2.2 Sport	-	90	100	100	160	160	170	173	185
KZN Gymnastics	2.2 Sport	200	300	325	400	508	508	620	530	566
KZN Handball	2.2 Sport	-	50	75	100	151	151	155	158	169
KZN Hockey (Coastal and Midlands)	2.2 Sport	-	260	300	400	150	330	355	362	387
KZN Inland Cricket (Inland)	2.2 Sport	-	150	175	450	408	378	500	408	436
KZN Karate	2.2 Sport	50	50	-	50	205	-	-	-	-
KZN Netball	2.2 Sport	215	385	140	200	1 550	-	1 750	1 733	1 853
KZN Rowing	2.2 Sport	-	-	-	100	100	100	110	112	119
KZN Rugby Union	2.2 Sport	500	550	3 475	1 000	314	314	2 300	2 243	2 397
KZN Sailing	2.2 Sport	-	-	-	100	120	120	180	179	188
KZN Softball	2.2 Sport	50	50	75	125	95	95	105	107	114
KZN Sports Council	2.2 Sport	-	80	900	-	-	-	-	-	-
KZN Surfing Association	2.2 Sport	50	50	150	200	200	200	270	224	424
KZN Table Tennis (4 x Regional Associations)	2.2 Sport	-	-	-	120	-	-	-	-	-
KZN Ten Pin Bowling	2.2 Sport	-	-	-	-	75	-	50	51	54
KZN Tennis	2.2 Sport	-	150	-	100	-	-	-	-	-
KZN Transplant Games	2.2 Sport	-	-	-	-	100	-	-	-	-
KZN Triathlon	2.2 Sport	-	-	-	-	140	140	150	153	163
KZN Volleyball	2.2 Sport	-	200	-	200	400	400	540	479	479
Lundonga Boxing Promotions	2.2 Sport	-	-	-	-	-	2 900	-	-	-
Marine Lifesaving	2.2 Sport	-	-	-	100	-	-	-	-	-
Natal Canoe Club (Dusi Canoe Marathon & Academy)	2.2 Sport	-	-	1 050	1 900	1 662	1 662	1 800	1 835	1 962
Northern KZN Aquatics	2.2 Sport	-	-	-	150	-	-	-	-	-
Prime Human Performance	2.2 Sport	-	-	-	-	-	-	3 380	3 446	3 864
Premier Soccer League Clubs	2.2 Sport	-	-	-	-	-	738	-	-	-
SA World Transplant	2.2 Sport	-	-	2 500	-	-	-	-	-	-
SAFA - KZN	2.2 Sport	550	600	770	2 300	1 650	600	1 806	1 790	1 912
Sail Africa	2.2 Sport	35	-	-	-	-	-	-	-	-
uMgungundlovu Sports Academy	2.2 Sport	-	-	-	250	3 221	3 221	1 990	3 500	3 500
University Sport South Africa (USSA)	2.2 Sport	100	75	-	400	-	-	-	-	-
Uthukela Regional Academy	2.2 Sport	-	-	-	250	-	-	-	200	200
Uthungulu Regional Academy	2.2 Sport	-	-	-	250	1 000	-	-	175	175
Age-in-Action	2.4 Recreation	200	100	220	250	250	310	380	285	302
Children Rights Centre	2.4 Recreation	-	75	150	160	160	160	180	184	196
Dare to Dream	2.4 Recreation	250	120	150	160	160	190	290	194	211
Harness Racing Association	2.4 Recreation	175	175	215	225	210	370	430	240	200
Higher Ground (Therapeutic Recreation)	2.4 Recreation	-	25	44	60	60	-	75	76	81
I-Care	2.4 Recreation	-	-	50	60	60	60	140	91	98
Indigenous Games	2.4 Recreation	-	175	200	210	225	265	460	280	228
KZN Lovelife	2.4 Recreation	-	150	150	160	160	-	170	173	185
KZN Sport Confederation	2.4 Recreation	-	-	-	1 550	2 509	2 396	3 355	3 522	3 522
Lifesaving South Africa (Water Safety)	2.4 Recreation	-	-	70	80	80	80	95	97	104
Roseland's Trust (Butterfly Project)	2.4 Recreation	-	30	56	65	65	95	190	92	98
Rural Horse Riding Association	2.4 Recreation	-	110	180	190	190	250	420	224	240
SA Thola Association	2.4 Recreation	-	50	70	75	75	75	90	94	98
South Coast Horse Care Unit	2.4 Recreation	-	-	-	50	50	50	120	71	76
Total		6 000	8 600	18 960	21 650	26 842	26 842	36 881	35 680	37 951

5.10 Transfers to local government

Tables 16.11 and 16.12 indicate transfers made to local government by category and by grant name. Details of the amounts reflected per municipality are reflected in *Annexure – Vote 16: Sport and Recreation*. The transfers made against the three categories cater for transfer payments to the metro, local and district municipalities as implementing agents for the construction of sport and recreation facilities.

It should be noted that transfers to local government includes funds in respect of motor vehicle licences. These funds will not be transferred to any municipality and, hence, the amounts are not reflected in Tables 16.11 and 16.12.

Table 16.11 : Summary of departmental transfers to local government by category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Category A	-	-	525	2 216	1 050	1 050	30 000	-	-
Category B	7 455	16 439	16 500	-	20 835	20 835	22 200	-	-
Category C	742	1 785	1 575	17 154	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	23 850	23 400
Total	8 197	18 224	18 600	19 370	21 885	21 885	52 200	23 850	23 400

Table 16.12 : Summary of departmental transfers to local government by grant name

R thousand	Sub-programme	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
		2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Infrastructure	2.2 Sport	8 197	14 924	13 650	14 420	18 585	18 585	48 900	18 900	16 800
Maintenance grant	2.2 Sport	-	3 300	4 950	4 950	3 300	3 300	3 300	4 950	6 600
Total		8 197	18 224	18 600	19 370	21 885	21 885	52 200	23 850	23 400

Category A relates to transfers made to the eThekweni Metro. The allocation from 2012/13 to 2013/14 relates to the construction of the KwaMashu sport field. The substantial allocation in 2014/15 relates to once-off funding for the Hoy Park Sports Development Centre for the construction of an international sports development centre with a football academy at Hoy Park in Durban, as previously mentioned. Due to delays in the receipt of the necessary requirements such as council resolutions, site confirmation, evaluation reports and sustainability reports, the department adjusted its allocations of transfers to various municipalities. This resulted in funds being moved from the eThekweni Metro, as well as various municipalities such as Ugu, uMgungundlovu, Uthukela, etc.

The department requires local municipalities to submit request letters, which are used as the basis of transferring funds to them over the MTEF. The department then requests the local municipalities to submit commitment letters/resolutions that identify sport fields to be constructed and upgraded during the financial year. These commitment letters are required by the MEC at the beginning of each financial year to approve the construction and upgrading of sport facilities in a particular local municipality, hence there is no allocation made against Category B in the 2013/14 Main Appropriation. The allocation in 2014/15 is in respect of municipalities which have carry-through infrastructure projects such as Maphumulo, Ndwedwe and Mtubatuba municipalities.

Infrastructure relates to funds transferred to municipalities for the construction of sport facilities, such as the Ingwe and Jozini sport fields. The low spending in 2010/11 is due to challenges in respect of transfers to municipalities for the construction of sport facilities, such as adverse weather conditions, as mentioned. The substantial increase in 2011/12 is a result of the construction of sport fields, which were incomplete as at the end of 2010/11, as mentioned above. The increase in the 2013/14 Adjusted Appropriation is due to funds reprioritised from *Compensation of employees* for the construction of sport fields and outstanding 2013/14 commitments, as previously mentioned. The substantial increase in 2014/15 is due to the once-off additional funding allocated for the Hoy Park Sports Development Centre, as mentioned above.

Maintenance grant caters for funds that are transferred to municipalities for the upkeep of sport facilities constructed by the department. There was no expenditure against this category in 2010/11. Spending from 2011/12 to 2012/13 increased as a result of the increase in the number of sport fields constructed. In the 2013/14 Main Appropriation, the department inadvertently included 10 municipalities to receive maintenance grant in respect of the upkeep of sport facilities constructed by the department, but it was later discovered that fewer than 10 municipalities should be included. This resulted in the department reprioritising funds to *Transfers and subsidies to: Provinces and municipalities* for the construction of sport fields, as well as outstanding 2012/13 commitments, as previously mentioned.

5.11 Transfers and subsidies

Table 16.13 below is a summary of spending on *Transfers and subsidies* by programme and main category. The table reflects a fluctuating trend from 2010/11 to 2016/17 for the category as a whole.

Table 16.13 : Summary of transfers and subsidies by programme and main category

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
1. Administration	78	144	155	137	354	354	146	153	161
Provinces and municipalities	8	16	10	19	19	19	21	22	23
Motor vehicle licences	8	16	10	19	19	19	21	22	23
Departmental agencies and accounts	70	89	101	118	96	96	125	131	138
Skills Development Levy - THETA	70	89	101	118	96	96	125	131	138
Households	-	39	44	-	239	239	-	-	-
Other transfers to households	-	39	44	-	239	239	-	-	-
2. Sport and Recreation	14 200	31 366	38 025	41 720	49 447	49 447	90 381	60 830	62 751
Provinces and municipalities	8 197	18 224	18 600	19 370	21 885	21 885	52 200	23 850	23 400
Sport facilities	8 197	18 224	18 600	19 370	21 885	21 885	52 200	23 850	23 400
Non-profit institutions	6 000	8 600	18 960	21 650	26 842	26 842	36 881	35 680	37 951
Sport federations	6 000	8 600	18 960	21 650	26 842	26 842	36 881	35 680	37 951
Households	3	4 542	465	700	720	720	1 300	1 300	1 400
Other transfers to households	3	1 542	87	-	20	20	-	-	-
External bursaries	-	3 000	378	700	700	700	1 300	1 300	1 400
Total	14 278	31 510	38 180	41 857	49 801	49 801	90 527	60 983	62 912

Transfers and subsidies under Programme 1 fluctuates over the seven-year period, due to the following:

- *Provinces and municipalities* relates to funding for motor vehicle licences. The low spending in 2010/11 is due to the department not renewing all its motor vehicle licences as some of the department's vehicles were sold. There is a steady increase over the 2014/15 MTEF.
- *Departmental agencies and accounts* is in respect of the skills development levy. The increase from 2011/12 to 2012/13 can be attributed to the increase in the number of posts filled. The decrease in the 2013/14 Adjusted Appropriation relates to the non-filling of budgeted vacant posts, as previously mentioned. The increase over the 2014/15 MTEF relates to the anticipation that vacant posts will be filled, in line with the moratorium on the filling of non-critical posts, as well as the implementation of the organisational structure
- *Households* caters for staff exit costs.

Transfers and subsidies under Programme 2 also fluctuates over the seven-year period, as follows:

- The low spending against *Provinces and municipalities* in 2010/11 is due to the department's approach to minimise the use of municipalities as implementing agents. The increase in 2011/12 is due to spending pressures relating to commitments from 2010/11, which remained unpaid, as previously mentioned. The increase in 2012/13 is in respect of maintenance grant that are paid to municipalities for the upkeep of sport facilities constructed by the department. The increase in the 2013/14 Adjusted Appropriation is due to funds reprioritised from *Compensation of employees* and *Goods and services* for the construction of sportfields, as well as outstanding 2012/13 commitments, as previously mentioned. The substantial increase in 2014/15 is due to once-off additional funding for the Hoy Park Sport Development Centre, as mentioned previously.
- *Non-profit institutions* relates to payments made to sporting federations and other sporting bodies to assist with the promotion and development of sport and recreation. The substantial increase in 2012/13 is due to funds reprioritised from *Compensation of employees* as a result of an increase in transfers made to some of the sporting federations and sporting bodies who assist with the promotion and development of sport and recreation, such as KZN Cycling, KZN Athletics and Netball Umzinyathi. The increase in the 2013/14 Adjusted Appropriation is due to funds moved from *Goods and services*. The MPSD grant business plan stipulates that the department should assist provincial sport academies and confederations with the setting up, capacitation and purchase of sport equipment, attire and kits. During the preparation of the 2013/14 *EPRE*, the department inadvertently allocated these funds to *Goods and services*. The allocation against this category fluctuates over the 2014/15 MTEF.
- *Households* caters for staff exit costs, as well as bursary payments made to non-employees. Due to a change in SCOA classification, the allocation for bursaries to non-employees was moved from *Goods and services* to *Transfers and subsidies to: Households* from 2012/13. The substantial increase in 2011/12 is due to the inclusion of the arbitration costs which were paid out to three employees of the

department. The allocation over the 2014/15 MTEF relates to bursary payments made to non-employees. The department budgets for external bursaries offered to offered to grade 10 to 12 learners who display sporting talent in prioritised codes of sport in respect of their school fees, while some external bursaries to students enrolled at tertiary institutions and registered for courses related to sports have been centralised under OTP.

6. Programme description

The services rendered by this department are categorised under two programmes, namely Programme 1: Administration and Programme 2: Sport and Recreation. The programmes are aligned to the uniform budget and programme structure for the Sport, Arts and Culture Sector. The expenditure and budgeted estimates for each of these programmes are also summarised in terms of economic classification, details of which are presented in *Annexure – Vote 16: Sport and Recreation*.

6.1 Programme 1: Administration

The purpose of this programme is to provide overall management of the department, although it shows low growth from 2014/15 to 2015/16. The programme's aim includes management of the department through the office of the Head of Department and the provision of financial management, human resource services, administration services, and security and communication services which are included under the sub-programme Corporate Services. The programme is aligned to the uniform budget and programme structure for the Sport, Arts and Culture Sectors.

Tables 16.14 and 16.15 below summarise payments and estimates relating to this programme, for the financial years 2010/11 to 2016/17. The spending against Programme 1 increases steadily over the seven-year period, although it shows low growth from 2014/15 to 2015/16.

Table 16.14 : Summary of payments and estimates by sub-programme: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
1. Corporate Services	42 888	53 235	72 066	80 158	79 358	79 358	89 263	89 865	95 874
Total	42 888	53 235	72 066	80 158	79 358	79 358	89 263	89 865	95 874

Table 16.15 : Summary of payments and estimates by economic classification: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Current payments	40 467	48 964	63 884	63 487	66 344	66 344	75 066	84 346	90 062
Compensation of employees	17 301	18 611	23 568	30 008	26 888	26 888	35 777	38 592	40 718
Goods and services	23 166	30 353	40 316	33 479	39 456	39 456	39 289	45 754	49 344
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	78	144	155	137	354	354	146	153	161
Provinces and municipalities	8	16	10	19	19	19	21	22	23
Departmental agencies and accounts	70	89	101	118	96	96	125	131	138
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	39	44	-	239	239	-	-	-
Payments for capital assets	2 343	4 127	8 027	16 534	12 660	12 660	14 051	5 366	5 651
Buildings and other fixed structures	-	597	2 066	11 000	6 500	6 500	8 000	-	-
Machinery and equipment	1 532	2 482	5 510	5 041	5 730	5 730	5 529	4 944	5 206
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	811	1 048	451	493	430	430	522	422	445
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	42 888	53 235	72 066	80 158	79 358	79 358	89 263	89 865	95 874

Spending against the sub-programme: Corporate Services from 2010/11 to 2012/13 is largely due to the setting up of district offices, as well as carry-through costs in respect of various annual wage agreements. The increase in the 2013/14 Main Appropriation includes the appointment of the HOD (after this post had been vacant for some time), and the payment of volunteer stipends paid within the conditional grant, as previously mentioned. The decrease in the 2013/14 Adjusted Appropriation is due to the centralisation of parts of the communications budget under OTP which is continued over the 2014/15 MTEF. The low growth from 2014/15 to 2015/16 is due to the completion of the Sisonke district office. The increase over the 2014/15 MTEF relates to additional funding allocated in respect of carry-through of previous wage agreements, as well as inflationary increments.

Spending against *Compensation of employees* from 2010/11 to 2011/12 includes the increase in personnel in respect of critical posts being filled, and volunteers employed under the conditional grant. The decrease in the 2013/14 Adjusted Appropriation is due to funds being reprioritised to *Transfers and subsidies to: Provinces and municipalities* and *Transfers and subsidies to: Households* as a result of non-filling of budgeted vacant posts. The increase over the 2014/15 MTEF relates to the implementation of the organisational structure, as well as additional funding allocated in respect of the carry-through of previous wage agreements. The structure was approved by DPSA in July 2013 and approved by the MEC and PSCBC in November 2013, as previously mentioned. The department will adopt a phased-in approach in implementing the organisational structure, which will involve various stages, as previously mentioned.

The allocation against *Goods and services* caters for the operational costs of running the head office, as well as the district offices. The increase in the 2013/14 Adjusted Appropriation can be attributed to funds reprioritised from *Compensation of employees* and *Buildings and other fixed structures* for the appointment of contract employees, as well as payment of the MEC's subsistence and travel allowance, as previously mentioned. The allocation over the MTEF caters for the continuation of the operational costs of running the head office, as well as the district offices.

Transfers and subsidies to: Provinces and municipalities relates to funding for motor vehicle licences. The low spending in 2010/11 is due to the department not renewing all its motor vehicle licences as some of the department's vehicles were sold.

Transfers and subsidies to: Departmental agencies and accounts is in respect of the skills development levy. The decrease in the 2013/14 Adjusted Appropriation relates to the non-filling of budgeted vacant posts, as previously mentioned. The increase over the 2014/15 MTEF relates to the anticipation that vacant posts will be filled, in line with the moratorium on the filling of non-critical posts, as well as the implementation of the organisational structure.

Transfers and subsidies to: Households caters for staff exit costs.

Buildings and other fixed structures caters for the establishment of the department's district offices. The substantial increase in 2012/13 is due to invoices relating to the construction of the Ugu district office being higher than budgeted for. The 2013/14 Main Appropriation included the construction of the Ugu and Sisonke district offices. The decrease in the 2013/14 Adjusted Appropriation is due to delays in the construction of the Sisonke district office. DOPW experienced difficulties in appointing a suitable service provider to construct the Sisonke district office, which delayed the hand-over of the site to the appointed contractor. The 2014/15 amount relates to the construction of the Sisonke district office which is anticipated to be completed in 2014/15, hence no allocations have been made over the outer years of the MTEF.

The low spending against *Machinery and equipment* in 2010/11 was due to cost-cutting. The increase in 2011/12 relates to additional vehicles purchased for officials who undertake field work. The increase in the 2013/14 Adjusted Appropriation is due to the unanticipated purchase of an access control security system for the department as instructed by the A-G. The allocation in 2014/15 includes the purchase of office equipment for the Ugu district office which was completed during 2013/14, and the Sisonke district office which is anticipated to be completed in 2014/15, hence the decrease in 2015/16.

The high spending against *Software and other intangible assets* in 2011/12 in comparison to 2010/11 is due to spending on the enhancement of the Project Proposal Management System software (this system

manages project expenditure and performance management data). The reduction in the 2013/14 Adjusted Appropriation is due to delays in the hand-over of the Ugu district office as a result of the exclusion of the perimeter brick fence. These delays resulted in the department delaying the purchase of computer software required by the new district office. The increase in 2013/14 and 2014/15 relates to the department's investment in computer software for the new district offices. The decrease in 2015/16 is as a result of the department's anticipation to have completed setting up new district offices. The increase over the 2014/15 MTEF relates to the maintenance of the department's computer software.

6.2 Programme 2: Sport and Recreation

The purpose of this programme is to promote, develop, administer and fund sport in KZN. It also ensures advancement of participation in sport and recreation, talent identification and the promotion of performance excellence. The programme conforms to the uniform budget structure for the sector.

The four sub-programmes under this programme have the following purposes:

- Management: Management of sport and recreation, co-ordination of the district offices, research for sport and recreation and monitoring of sport programmes.
- Sport: Implementation of sport programmes focusing on the development of sport in the province.
- Recreation: Implementation of recreational programmes to promote an active lifestyle.
- School Sport: Implementation of the national conditional grant for the mobilisation of the masses for sport through schools and communities and to create a legacy for sport in the province.

Tables 16.16 and 16.17 below reflect a summary of payments and estimates relating to this programme for the financial years 2010/11 to 2016/17.

Table 16.16 : Summary of payments and estimates by sub-programme: Sport and Recreation

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
1. Management	36 310	59 480	47 277	72 287	77 687	77 687	65 477	68 851	73 808
2. Sport	118 168	115 375	142 577	134 748	150 873	150 873	189 461	153 912	159 678
3. Recreation	44 664	40 904	42 475	38 602	38 052	38 052	76 281	63 091	68 090
4. School Sport	34 710	38 842	59 756	55 554	55 554	55 554	35 897	37 574	37 574
Total	233 852	254 601	292 085	301 191	322 166	322 166	367 116	323 428	339 150

Table 16.17 : Summary of payments and estimates by economic classification: Sport and Recreation

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Current payments	211 101	212 863	241 048	238 091	246 389	246 389	246 557	241 693	254 581
Compensation of employees	71 432	82 402	72 926	78 337	77 083	77 083	98 999	94 962	99 510
Goods and services	139 669	130 461	168 122	159 754	169 306	169 306	147 558	146 731	155 071
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	14 200	31 366	38 025	41 720	49 447	49 447	90 381	60 830	62 751
Provinces and municipalities	8 197	18 224	18 600	19 370	21 885	21 885	52 200	23 850	23 400
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	6 000	8 600	18 960	21 650	26 842	26 842	36 881	35 680	37 951
Households	3	4 542	465	700	720	720	1 300	1 300	1 400
Payments for capital assets	8 551	10 343	13 012	21 380	26 330	26 330	30 178	20 905	21 818
Buildings and other fixed structures	8 400	10 343	13 012	21 380	26 330	26 330	30 178	20 905	21 818
Machinery and equipment	50	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	101	-	-	-	-	-	-	-	-
Payments for financial assets	-	29	-	-	-	-	-	-	-
Total	233 852	254 601	292 085	301 191	322 166	322 166	367 116	323 428	339 150

There has been a generally steady increase in Programme 2 over the seven-year period, except for a peak in 2014/15 mainly due to the once-off additional funding for the Hoy Park Sports Development Centre.

Spending against the Management sub-programme in 2010/11 relates to the expansion of major events such as the Dusi Canoe Marathon, Premier Sports Award, etc. The decrease in 2012/13 can be attributed to the implementation of cost-cutting in respect of subsistence and travel, accommodation and catering costs. The increase in the 2013/14 Adjusted Appropriation is due to once-off additional funding received in respect of the OSS initiatives, to be used at the MEC's discretion, as well as part of once-off additional funding for war-room packages.

Spending against the Sport sub-programme in 2012/13 includes funds suspended from Provincial Treasury's Strategic Cabinet Initiatives Fund for the hosting of the Soccerex Africa Forum. The increase in the 2013/14 Adjusted Appropriation is due to carry-through funding for the hosting of the Soccerex Africa Forum, as well as the match between Bafana Bafana and Botswana, as mentioned above. Also, the department received additional funding in respect of the war-room packages. This also explains the increase in *Goods and services*. The substantial increase in 2014/15 is due to once-off additional funding for the Hoy Park Sports Development Centre, hence the decrease in 2015/16. The allocation from 2014/15 onward relates to the movement of funds from School Sport sub-programme to Sport sub-programme to conform to the uniform budget structure for the sector. These funds relate to the construction of sport facilities such as combination courts, kick-about fields, etc. The increase in 2016/17 is due to inflationary increments.

Spending against the Recreation sub-programme in 2010/11 includes the *Siyadlala* Mass Participation Programme element, which used to fall under the World Cup 2010 and Major Events sub-programme. The increase in 2012/13 is attributed to funds reprioritised from Programme 1 and the Management sub-programme to cater for the department's participation in various sporting events such as the National Indigenous Games. The decrease in the 2013/14 Main Appropriation is due to a lower allocation of the *Siyadlala* Mass Participation Programme element of the MPSD conditional grant in line with the conditional grant framework. The increase in 2014/15 is due to a portion of the carry-through funding in respect of the war-room packages, as well as the Social Sector EPWP Incentive Grant for Provinces, and these have not been allocated over the outer years of the MTEF, hence the decrease in 2015/16.

The 2011/12 increase in the School Sport sub-programme is due to conditional grant funds reprioritised from the Sport sub-programme to accommodate spending pressures in *Compensation of employees* because of an increase in volunteer stipends. The 2012/13 increase was due to the increase in MPSD conditional grant funding. The decrease from 2013/14 to 2014/15 is due to the movement of funds from the School Sport sub-programme to Sport sub-programme to conform to the uniform budget structure for the sector. These funds relate to the construction of sport facilities such as combination courts, kick-about fields, etc.

Spending against *Compensation of employees* reflects the department's growth in personnel in respect of permanent staff as per the organisational structure, and volunteers employed under the conditional grants. The increase in 2011/12 is due to funds shifted from the same category in Programme 1 to Programme 2 in order to align the budget correctly, and historical figures were adjusted for comparative purposes. The decrease in 2012/13 is due to the non-implementation of the new organisational structure and the non-filling of budgeted vacant posts, as previously mentioned. The decrease in the 2013/14 Adjusted Appropriation is attributed to funds reprioritised to *Transfers and subsidies to: Provinces and municipalities* and *Transfers and subsidies to: Households* due to non-filling of budgeted vacant posts as a result of the non-implementation of the organisational structure. The increase over the 2014/15 MTEF relates to the implementation of the organisational structure, as well as additional funding allocated for the carry-through costs of previous wage agreements.

Goods and services caters for provincial sporting events which the department hosts, such as the SA Games and the provincial sport awards. The high spending in 2010/11 compared to 2011/12 relates to soccer development where additional funds were received from OTP, and hosting of major sporting events such as the National Indigenous Games. The increase in 2012/13 is due to funds suspended from Provincial Treasury's Strategic Cabinet Initiatives Fund for the hosting of the Soccerex Africa Forum. Furthermore, funds were reprioritised from Programme 1 to cater for the department's participation in the

National Indigenous Games which was under-budgeted for, and also to improve administration capacity within the Rural Horse Riding programme, as mentioned. The increase in the 2013/14 Adjusted Appropriation is due to additional funding received from the Provincial Treasury's Strategic Cabinet Initiatives Fund in respect of the carry-through funds for the hosting of the Soccerex Africa Forum, as well as additional funding for the match between Bafana Bafana and Botswana. In addition, the department received additional funds in respect of the war-room packages, as well as OSS initiatives, as previously mentioned. The 2014/15 allocation includes carry-through funds in respect of the war-room packages. The increase over the outer years is due to inflationary increments.

The low spending against *Transfers and subsidies to: Provinces and municipalities* in 2010/11 is due to the department's decision to minimise the use of municipalities as implementing agents, as previously mentioned. The substantial increase in 2011/12 is as a result of spending pressures relating to commitments which remained incomplete as at the end of 2010/11. The increase in 2012/13 can be attributed to the funds transferred to municipalities in respect of maintenance grant for the upkeep of sport facilities constructed by the department. The increase in the 2013/14 Adjusted Appropriation is due to funds reprioritised from *Compensation of employees* and *Goods and services* for the construction of sport fields, as well as outstanding 2012/13 commitments, such as construction of Ubuhlebezwe, Ndwedwe and Mtubatuba sport fields. The substantial increase in 2014/15 is due to the once-off additional funding for the Hoy Park Sports Development Centre, as previously mentioned, hence the reduction in 2015/16.

Transfers and subsidies to: Non-profit institutions caters for payments made to sporting federations and other sporting bodies to assist with the promotion and development of sport and recreation. The substantial increase in 2012/13 is due to funds reprioritised from *Compensation of employees* as a result of an increase in transfers made to some of the sporting federations and sporting bodies who assist with the promotion and development of sport and recreation, such as KZN Cycling, KZN Athletics and Netball Umzinyathi. The increase in the 2013/14 Adjusted Appropriation relates to funds moved from *Goods and services* as a result of the incorrect allocation of the budget, as previously mentioned. The allocation over the 2014/15 MTEF provides for the continuation of support given to sporting bodies and sporting federations. The allocation against this category fluctuates over the MTEF due to the conditional grant framework which stipulates the amount of funds to be transferred to entities.

Transfers and subsidies to: Households caters for leave gratuities, which are difficult to budget for due to the uncertainty, as well as bursary payments to non-employees. Due to a change in SCOA classification, the allocation for bursaries to non-employees was moved from *Goods and services* to *Transfers and subsidies to: Households* from 2012/13. The substantial increase in 2011/12 is due to the inclusion of the arbitration costs which were paid out to an employee of the department. The allocation over the 2014/15 MTEF relates to bursary payments made to non-employees. The department continues to budget for external bursaries offered to grade 10 to 12 learners who display sporting talent in prioritised codes of sport in respect of their school fees, and the balance external bursaries have been centralised under OTP.

Buildings and other fixed structures caters for the construction of sport facilities by the department directly. The increase in spending in 2011/12 and 2012/13 can be attributed to the number of construction projects that the department undertook directly, rather than transferring the funds to the municipalities for implementation. The increase in the 2013/14 Adjusted Appropriation is due to additional funding received in respect of war-room packages for the construction of outdoor gyms. The increase in 2014/15 relates to carry-through additional funding in respect of war-room packages. The decreasing trend over the outer years is due to the discontinuation of the war-room packages funding.

The once-off spending against *Machinery and equipment* in 2010/11 relates to the purchase of equipment and upgrading of computer equipment. From 2011/12 onward, there is no budget due to assets that will be purchased being less than R5 000, and hence are paid for under *Goods and services*.

The amount against *Software and other intangible assets* in 2010/11 was due to expenditure on software licences that was needed for the expansion of the department. There are no projections over the 2014/15 MTEF, as the department does not anticipate the purchase of any software, at this stage.

Spending against *Payments for financial assets* in 2011/12 relates to the write-off of staff debts.

Service delivery measures – Programme 2: Sport and Recreation

Table 16.18 illustrates the main service delivery measures relevant to Programme 2 from 2013/14 to 2016/17. In the development of these measures, every attempt was made to align them with the generic measures for the Sport, Arts and Culture sector. The department incorporated the sector measures in the department’s 2013/14 APP, and are reflected below.

Table 16.18 : Service delivery measures – Programme 2: Sport and Recreation

Outputs	Performance indicators	Estimated performance			
		2013/14	2014/15	2015/16	2016/17
1. Sport					
1.1 Stakeholder Management					
1.1.1 To promote transformation through talent optimisation and high performance progs with sport federations/entities through transfer payments	<ul style="list-style-type: none"> No. of forums/institutes/progs. promoting sport for people with disability supported No. of athletes with disability supported No. of athletes supported to major events No. of community clubs/structures/progs./events supported No. of district/provincial SALGA games supported No. of representative district/provincial teams supported to national tournaments No. of district/provincial youth runs hosted 	-	1	1	1
		100	150	200	220
		-	1 200	1 500	1 750
		100	120	140	160
		12	12	12	12
		-	20	25	30
		-	12	12	12
1.2 Facilities					
1.2.1 To build/renovate/upgrade community sport and recreation facilities	<ul style="list-style-type: none"> No. of basic sport and recreation facilities constructed No. of sport and recreation facilities upgraded/rehabilitation No. of kick-about sport facilities constructed No. of combination courts constructed in schools/communities 	12	9	9	8
		5	8	9	6
		-	11	11	11
		15	26	26	15
1.2.2 To use and maintain sport and recreation facilities	<ul style="list-style-type: none"> No. of outdoor gym parks established No. of municipalities receiving facility maintenance equipment 	11	11	11	11
		14	11	11	11
1.3 Club Development					
1.3.1 To implement an integrated and sustainable club structure to promote grassroots participation	<ul style="list-style-type: none"> No. of affiliated clubs supported No. of clubs provided with equipment /attire No. of tournaments and leagues staged to foster club development No. of provincial progs. implemented 	-	20	30	40
		-	839	900	950
		36	59	65	70
		-	2	2	2
1.3.2 To create a long-term participant development through the academy system	<ul style="list-style-type: none"> No. of sport academies supported No. of athletes supported through an athlete support prog. No. of elite athletes supported through the provincial academy system No. of people trained to deliver the sport academy prog. 	3	3	4	5
		300	200	300	400
		-	100	120	150
		-	22	30	38
1.4 Sport and Recreation Special Projects					
1.4.1 Capacity building, mass mobilization and community outreach progs.	<ul style="list-style-type: none"> No. of people benefiting from enrichment/exchange progs. No. of forums/institutes/progs. promoting women in sport supported No. of clubs/organisations benefiting from community outreach progs. No. of provincial/regional football tournaments supported 	10	10	10	10
		-	1	1	1
		350	400	450	500
		1	1	1	1
1.4.2 To host major events	<ul style="list-style-type: none"> No. of major events hosted and supported No. of sports events aligned to national/international focus campaigns supported 	10	12	15	18
		-	25	25	25
1.4.2 To retain talent	<ul style="list-style-type: none"> No. of sport talented youth benefiting from external bursaries No. of identified bursary holder benefiting from medical, scientific and technological support 	20	30	35	35
		-	10	12	15
2. Recreation					
2.1 Recreation Services					
2.1.1 Sustainable recreational progs. implemented	<ul style="list-style-type: none"> No. of recreation entities/agencies supported through transfer of funds No. of sustainable active recreation progs. organised and implemented No. of rural horse riding academies established and supported No. of ECD centres supported No. of beach recreational progs. organised and implemented No. of correctional services sites supported with equipment/attire 	12	12	13	14
		-	58	60	62
		-	1	1	1
		147	147	155	165
		3	5	5	6
		-	21	23	25
2.1.2 To promote moral regeneration of the youth through the war-room packages (<i>Sukuma Sakhe</i>)	<ul style="list-style-type: none"> No. of clubs supported with equipment/attire No. of festivals/tournaments hosted No. people trained No. of jobs created 	198	198	200	200
		-	44	55	65
		-	879	865	865
		928	731	877	744
2.2 Community Mass Participation (<i>Siyadlala</i>)					
2.2.1 To implement the community mass participation prog. through activity hubs	<ul style="list-style-type: none"> No. of youth attending youth camps No. sustainable active recreation events organised and implemented No. of functional provincial and local sport councils supported No. of sport and recreation projects implemented by the sport councils 	220	300	350	400
		128	143	140	152
		12	12	12	12
		-	2	3	4

Table 16.18 : Service delivery measures – Programme 2: Sport and Recreation

Outputs	Performance indicators	Estimated performance		Medium-term targets	
		2013/14	2014/15	2015/16	2016/17
3. School Sport					
3.1.1 Implementation of an integrated school sport prog.	<ul style="list-style-type: none"> No. of schools registered in the prog. No. of schools provided with equipment/attire No. sport focus schools supported No. of provincial school sport structures supported 	3 000	4 500	6 000	6 200
		500	500	600	650
		11	11	11	11
		12	14	15	16
3.1.2 Capacity building and job creation	<ul style="list-style-type: none"> No. of educators trained to deliver the school sport prog. No. of volunteers trained to deliver the school sport prog. No. of school sport co-ordinators remunerated 	1 440	1 440	1 450	1 500
		-	500	550	600
		109	118	126	126

7. Other programme information

7.1 Personnel numbers and costs

Tables 16.19 and 16.20 illustrate the personnel numbers and estimates pertaining to the department.

Table 16.19 : Personnel numbers and costs by programme

Personnel numbers	As at	As at	As at	As at	As at	As at	As at
	31 March 2011	31 March 2012	31 March 2013	31 March 2014	31 March 2015	31 March 2016	31 March 2017
1. Administration	68	54	68	75	91	91	91
2. Sport and Recreation	2 285	1 878	1 518	1 425	1 449	1 449	1 449
of which							
Volunteers	2 181	1 769	1 409	1 262	1 262	1 262	1 262
Total	2 353	1 932	1 586	1 500	1 540	1 540	1 540
Total personnel cost (R thousand)	88 733	101 013	96 494	103 971	134 776	133 554	140 228
Unit cost (R thousand)	38	52	61	69	88	87	91

Table 16.20 : Summary of departmental personnel numbers and costs by component

	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Total for the department									
Personnel numbers (head count)	2 353	1 932	1 586	630	1 500	1 500	1 540	1 540	1 540
Personnel cost (R thousands)	88 733	101 013	96 494	108 345	103 971	103 971	134 776	133 554	140 228
Human resources component									
Personnel numbers (head count)	17	15	18	18	18	18	22	22	22
Personnel cost (R thousands)	6 047	6 306	7 320	6 131	6 131	6 131	8 974	9 672	10 211
Head count as % of total for department	0.72	0.78	1.13	2.86	1.20	1.20	1.43	1.43	1.43
Personnel cost as % of total for department	6.81	6.24	7.59	5.66	5.90	5.90	6.66	7.24	7.28
Finance component									
Personnel numbers (head count)	18	16	22	23	23	23	28	28	28
Personnel cost (R thousands)	4 534	5 099	6 035	6 750	6 750	6 750	7 848	8 462	8 933
Head count as % of total for department	0.76	0.83	1.39	3.65	1.53	1.53	1.82	1.82	1.82
Personnel cost as % of total for department	5.11	5.05	6.25	6.23	6.49	6.49	5.82	6.34	6.37
Full time workers									
Personnel numbers (head count)	172	163	177	238	238	238	278	278	278
Personnel cost (R thousands)	50 610	56 525	60 423	95 759	71 634	71 634	102 439	101 217	107 891
Head count as % of total for department	7.31	8.44	11.16	37.78	15.87	15.87	18.05	18.05	18.05
Personnel cost as % of total for department	57.04	55.96	62.62	88.38	68.90	68.90	76.01	75.79	76.94
Part-time workers									
Personnel numbers (head count)	-	-	-	-	-	-	-	-	-
Personnel cost (R thousands)	-	-	-	-	-	-	-	-	-
Head count as % of total for department	-	-	-	-	-	-	-	-	-
Personnel cost as % of total for department	-	-	-	-	-	-	-	-	-
Contract workers									
Personnel numbers (head count)	2 181	1 769	1 409	392	1 262	1 262	1 262	1 262	1 262
Personnel cost (R thousands)	38 123	44 488	36 071	12 586	32 337	32 337	32 337	32 337	32 337
Head count as % of total for department	92.69	91.56	88.84	62.22	84.13	84.13	81.95	81.95	81.95
Personnel cost as % of total for department	42.96	44.04	37.38	11.62	31.10	31.10	23.99	24.21	23.06

The total personnel numbers decrease from 31 March 2011 to 31 March 2014 due the decrease in the number of volunteers employed resulting from NDOSR's directive to minimise the use of volunteers by training teachers. Furthermore, the implementation of the baseline cuts against *Compensation of*

employees contributed to the decrease. The impact of the cuts was that the department was not able to renew contracts for all volunteers. The decrease in the 2013/14 Adjusted Appropriation is due to late appointments. The increase over the 2014/15 MTEF relates to the implementation of the organisational structure. The department will adopt a phased-in approach in implementing the organisational structure, which will involve placing the current employees on the structure in the appropriate posts, filling critical vacant posts, as well as the unbudgeted posts (after internal reprioritisation has been undertaken to fund these). The department anticipates filling all posts in 2014/15.

7.2 Training

Tables 16.21 and 16.22 reflect departmental payments on training per programme over the seven-year period for the administrative staff, as well as volunteer/contract employees and external role players such as educators and coaching personnel. The department has budgeted 1 per cent of its salary expense for staff training as per the requirement of the Skills Development Levies Act.

The expenditure against Programme 2 relates to training provided to the hub co-ordinators in respect of the various clusters in the MPSD conditional grant. The substantial increase in 2011/12 is due to NDOSR's directive to train teachers as implementers of the programme, as previously mentioned. The increase in the 2013/14 Main Appropriation relates to further training conducted to ensure that educators are able to coach the students in order to retain skills in the sector.

The decrease in the 2013/14 Adjusted Appropriation against both programmes is due to the department reprioritising funds to other categories with spending pressures such as *Buildings and other fixed structures*. The decrease can be attributed to the way service providers quote for training, as the amount quoted is inclusive of the venue, facilities and catering used for the training. The department unpacked the amount and allocated it against its appropriate SCOA classification. The department also adjusted the MTEF budget accordingly. The increase over the 2014/15 MTEF relates to the training that will be conducted to capacitate educators to being coaches.

Table 16.21 : Payments on training by programme

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
				2013/14					
1. Administration	1 049	649	1 712	1 736	1 406	1 406	1 891	1 976	2 081
Subsistence and travel	83	83	157	420	220	220	445	466	491
Payments on tuition	966	566	1 555	1 316	1 186	1 186	1 446	1 510	1 590
Other	-	-	-	-	-	-	-	-	-
2. Sport and Recreation	3 453	5 770	1 730	5 270	5 192	5 192	3 474	3 700	3 716
Subsistence and travel	-	-	-	-	-	-	-	-	-
Payments on tuition	-	3 000	378	700	700	700	1 737	1 850	1 858
Other	3 453	2 770	1 352	4 570	4 492	4 492	1 737	1 850	1 858
Total	4 502	6 419	3 442	7 006	6 598	6 598	5 365	5 676	5 797

Table 16.22 illustrates the number of staff, volunteers/contract employees and external role players are affected by the various training programmes and initiatives. It also includes a gender breakdown, an indication of the types of training, as well as details of the number of bursaries and learnerships.

Table 16.22 : Information on training: Sport and Recreation

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
				2013/14					
Number of staff	2 353	1 932	1 586	630	1 500	1 500	1 540	1 540	1 540
Number of personnel trained	164	197	119	244	244	137	135	141	167
of which									
Male	78	94	44	112	112	55	54	56	67
Female	86	103	75	132	132	82	81	85	100
Number of training opportunities	55	59	35	45	45	17	26	26	26
of which									
Tertiary	1	2	4	5	5	-	10	10	10
Workshops	18	21	9	4	4	1	4	4	4
Seminars	10	5	7	11	11	6	6	6	6
Other	26	31	15	25	25	10	6	6	6
Number of bursaries offered	45	37	6	57	57	60	58	60	62
Number of interns appointed	10	20	15	10	10	23	10	10	10
Number of learnerships appointed	20	10	-	1	1	1	1	1	1
Number of days spent on training	101	111	136	98	98	51	62	62	62

ANNEXURE – TO VOTE 16: SPORT AND RECREATION

Table 16.A : Specification of receipts: Sport and Recreation

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	49	77	38	70	70	218	75	80	85
Sale of goods and services produced by dept. (excl. capital assets)	49	77	38	70	70	218	75	80	85
Sales by market establishments	-	-	-	-	-	-	-	-	-
Administrative fees	-	-	-	-	-	-	-	-	-
Other sales	49	77	38	70	70	218	75	80	85
Transfers received from:	-	-	-	-	-	-	-	-	-
Other governmental units	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments	-	-	-	-	-	-	-	-	-
International organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households and non-profit institutions	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	239	371	-	-	384	170	190	200
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Other capital assets	-	239	371	-	-	384	170	190	200
Transactions in financial assets and liabilities	118	78	103	30	30	100	30	30	32
Total	167	394	512	100	100	702	275	300	317

Table 16.B : Payments and estimates by economic classification: Sport And Recreation

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Current payments	251 568	261 827	304 932	301 578	312 733	312 733	321 623	326 039	344 643
Compensation of employees	88 733	101 013	96 494	108 345	103 971	103 971	134 776	133 554	140 228
Salaries and wages	81 054	92 580	87 999	87 515	83 906	83 906	108 098	111 187	116 309
Social contributions	7 679	8 433	8 495	20 830	20 065	20 065	26 678	22 367	23 919
Goods and services	162 835	160 814	208 438	193 233	208 762	208 762	186 847	192 485	204 415
Administrative fees	21	26	35	80	46	46	65	85	95
Advertising	992	2 593	2 809	3 156	1 874	1 552	1 575	1 638	2 031
Assets less than the capitalisation threshold	162	104	327	1 405	1 187	1 187	1 108	1 598	1 694
Audit cost: External	1 284	1 494	2 378	2 340	2 340	2 340	2 340	2 492	2 623
Bursaries: Employees	83	83	157	420	220	220	445	466	491
Catering: Departmental activities	8 418	8 412	8 835	15 983	16 299	16 299	12 333	13 688	14 008
Communication (G&S)	2 499	2 765	2 655	2 209	3 027	3 027	3 054	4 431	4 529
Computer services	4 072	4 062	5 553	3 107	4 941	4 941	3 429	3 822	4 291
Cons & prof serv: Business and advisory services	2 602	4 589	5 270	8 410	10 492	8 762	9 611	10 402	11 516
Cons & prof serv: Infras and planning	-	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	40	19	513	545	387	387	446	432	446
Contractors	3 499	4 259	1 749	8 992	1 231	2 341	1 315	1 356	1 375
Agency and support / outsourced services	605	1 155	4 231	775	5 529	5 213	1 357	1 414	1 699
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	1 132	1 394	1 621	1 843	2 628	2 628	2 729	3 365	3 580
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	63	-	-	-
Consumable supplies	58 840	22 733	36 192	34 078	35 965	35 903	31 605	27 879	28 266
Consumable: Stationery, printing and office supplies	1 535	2 209	3 148	3 780	3 966	3 082	3 515	3 778	3 976
Operating leases	5 031	7 441	5 898	4 813	5 445	5 445	2 901	4 726	4 791
Property payments	2 859	2 953	3 166	2 789	3 410	3 410	4 048	4 571	4 934
Transport provided: Departmental activity	10 725	13 055	19 073	19 218	19 158	19 320	13 709	13 711	14 154
Travel and subsistence	6 869	8 350	9 865	10 552	8 916	11 072	11 383	11 617	12 336
Training and development	4 419	3 336	2 907	5 886	5 678	5 678	3 183	3 360	3 553
Operating payments	872	1 349	2 931	3 512	1 707	2 042	903	1 590	1 675
Venues and facilities	46 276	68 433	89 125	59 340	74 316	73 804	75 793	76 064	82 352
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	14 278	31 510	38 180	41 857	49 801	49 801	90 527	60 983	62 912
Provinces and municipalities	8 205	18 240	18 610	19 389	21 904	21 904	52 221	23 872	23 423
Provinces	8	16	10	19	19	19	21	22	23
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	8	16	10	19	19	19	21	22	23
Municipalities	8 197	18 224	18 600	19 370	21 885	21 885	52 200	23 850	23 400
Municipalities	8 197	18 224	18 600	19 370	21 885	21 885	52 200	23 850	23 400
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	70	89	101	118	96	96	125	131	138
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	70	89	101	118	96	96	125	131	138
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	6 000	8 600	18 960	21 650	26 842	26 842	36 881	35 680	37 951
Households	3	4 581	509	700	959	959	1 300	1 300	1 400
Social benefits	3	1 581	131	-	259	259	-	-	-
Other transfers to households	-	3 000	378	700	700	700	1 300	1 300	1 400
Payments for capital assets	10 894	14 470	21 039	37 914	38 990	38 990	44 229	26 271	27 469
Buildings and other fixed structures	8 400	10 940	15 078	32 380	32 830	32 830	38 178	20 905	21 818
Buildings	-	597	2 066	11 000	11 450	11 450	8 000	-	-
Other fixed structures	8 400	10 343	13 012	21 380	21 380	21 380	30 178	20 905	21 818
Machinery and equipment	1 582	2 482	5 510	5 041	5 730	5 730	5 529	4 944	5 206
Transport equipment	152	1 285	2 650	2 326	2 326	2 326	2 417	2 318	2 441
Other machinery and equipment	1 430	1 197	2 860	2 715	3 404	3 404	3 112	2 626	2 765
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	912	1 048	451	493	430	430	522	422	445
Payments for financial assets	-	29	-	-	-	-	-	-	-
Total	276 740	307 836	364 151	381 349	401 524	401 524	456 379	413 293	435 024

Table 16.C : Payments and estimates by economic classification: Administration

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Current payments	40 467	48 964	63 884	63 487	66 344	66 344	75 066	84 346	90 062
Compensation of employees	17 301	18 611	23 568	30 008	26 888	26 888	35 777	38 592	40 718
Salaries and wages	14 874	16 056	20 622	24 006	21 510	21 510	28 622	30 874	32 574
Social contributions	2 427	2 555	2 946	6 002	5 378	5 378	7 155	7 718	8 144
Goods and services	23 166	30 353	40 316	33 479	39 456	39 456	39 289	45 754	49 344
Administrative fees	21	26	35	80	46	46	65	85	95
Advertising	929	2 369	2 273	2 757	1 475	1 153	1 575	1 638	2 031
Assets less than the capitalisation threshold	116	100	327	1 392	1 174	1 174	1 108	1 598	1 694
Audit cost: External	1 284	1 494	2 072	2 340	2 340	2 340	2 340	2 492	2 623
Bursaries: Employees	83	83	157	420	220	220	445	466	491
Catering: Departmental activities	158	153	300	842	385	385	551	596	614
Communication (G&S)	2 234	2 481	2 495	1 636	2 714	2 714	2 594	3 931	4 003
Computer services	3 688	3 630	5 550	2 724	4 896	4 896	3 429	3 822	4 216
Cons & prof serv: Business and advisory services	518	899	2 851	1 711	4 058	2 328	5 135	5 814	6 603
Cons & prof serv: Infras and planning	-	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	40	19	513	345	187	187	446	432	446
Contractors	496	1 091	1 191	247	247	1 357	246	246	249
Agency and support / outsourced services	512	803	1 985	775	1 311	995	1 357	1 414	1 699
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	1 132	1 394	1 621	1 843	2 628	2 628	2 729	3 365	3 580
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	63	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	241	128	1 171	592	62	-	-	-	-
Consumable: Stationery, printing and office supplies	946	1 516	2 019	2 119	2 641	1 757	2 503	2 738	2 913
Operating leases	5 031	7 314	5 898	4 813	5 883	5 883	2 301	4 726	4 791
Property payments	2 859	2 945	3 143	2 789	3 410	3 410	4 048	4 571	4 934
Transport provided: Departmental activity	-	17	364	211	150	312	214	217	229
Travel and subsistence	1 441	2 364	3 443	2 514	2 514	4 670	3 687	3 906	4 279
Training and development	966	566	1 555	1 316	1 186	1 186	1 446	1 510	1 695
Operating payments	319	842	1 326	1 448	236	571	295	310	328
Venues and facilities	152	119	1 027	565	1 693	1 181	2 775	1 877	1 831
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	78	144	155	137	354	354	146	153	161
Provinces and municipalities	8	16	10	19	19	19	21	22	23
Provinces	8	16	10	19	19	19	21	22	23
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	8	16	10	19	19	19	21	22	23
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	70	89	101	118	96	96	125	131	138
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	70	89	101	118	96	96	125	131	138
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	39	44	-	239	239	-	-	-
Social benefits	-	39	44	-	239	239	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	2 343	4 127	8 027	16 534	12 660	12 660	14 051	5 366	5 651
Buildings and other fixed structures	-	597	2 066	11 000	6 500	6 500	8 000	-	-
Buildings	-	597	2 066	11 000	6 500	6 500	8 000	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	1 532	2 482	5 510	5 041	5 730	5 730	5 529	4 944	5 206
Transport equipment	152	1 285	2 650	2 326	2 326	2 326	2 417	2 318	2 441
Other machinery and equipment	1 380	1 197	2 860	2 715	3 404	3 404	3 112	2 626	2 765
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	811	1 048	451	493	430	430	522	422	445
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	42 888	53 235	72 066	80 158	79 358	79 358	89 263	89 865	95 874

Table 16.D : Payments and estimates by economic classification: Sport and Recreation

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Current payments	211 101	212 863	241 048	238 091	246 389	246 389	246 557	241 693	254 581
Compensation of employees	71 432	82 402	72 926	78 337	77 083	77 083	98 999	94 962	99 510
Salaries and wages	66 180	76 524	67 377	63 509	62 396	62 396	79 476	80 313	83 735
Social contributions	5 252	5 878	5 549	14 828	14 687	14 687	19 523	14 649	15 775
Goods and services	139 669	130 461	168 122	159 754	169 306	169 306	147 558	146 731	155 071
Administrative fees	-	-	-	-	-	-	-	-	-
Advertising	63	224	536	399	399	399	-	-	-
Assets less than the capitalisation threshold	46	4	-	13	13	13	-	-	-
Audit cost: External	-	-	306	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	8 260	8 259	8 535	15 141	15 914	15 914	11 782	13 092	13 394
Communication (G&S)	265	284	160	573	313	313	460	500	526
Computer services	384	432	3	383	45	45	-	-	-
Cons & prof serv: Business and advisory services	2 084	3 690	2 419	6 699	6 434	6 434	4 476	4 588	4 988
Cons & prof serv: Infras and planning	-	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	-	-	-	200	200	200	-	-	-
Contractors	3 003	3 168	1 558	8 745	984	984	1 069	1 110	1 126
Agency and support / outsourced services	93	352	2 246	-	4 218	4 218	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	58 599	22 605	35 021	33 486	35 903	35 903	31 605	27 879	28 266
Consumable: Stationery, printing and office supplies	589	693	1 129	1 661	1 325	1 325	1 012	1 040	1 063
Operating leases	-	127	-	-	(438)	(438)	600	-	-
Property payments	-	8	23	-	-	-	-	-	-
Transport provided: Departmental activity	10 725	13 038	18 709	19 007	19 008	19 008	13 495	13 494	13 925
Travel and subsistence	5 428	5 986	6 422	8 038	6 402	6 402	7 696	7 711	8 057
Training and development	3 453	2 770	1 352	4 570	4 492	4 492	1 737	1 850	1 858
Operating payments	553	507	1 605	2 064	1 471	1 471	608	1 280	1 347
Venues and facilities	46 124	68 314	88 098	58 775	72 623	72 623	73 018	74 187	80 521
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	14 200	31 366	38 025	41 720	49 447	49 447	90 381	60 830	62 751
Provinces and municipalities	8 197	18 224	18 600	19 370	21 885	21 885	52 200	23 850	23 400
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	8 197	18 224	18 600	19 370	21 885	21 885	52 200	23 850	23 400
Municipalities	8 197	18 224	18 600	19 370	21 885	21 885	52 200	23 850	23 400
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	6 000	8 600	18 960	21 650	26 842	26 842	36 881	35 680	37 951
Households	3	4 542	465	700	720	720	1 300	1 300	1 400
Social benefits	3	1 542	87	-	20	20	-	-	-
Other transfers to households	-	3 000	378	700	700	700	1 300	1 300	1 400
Payments for capital assets	8 551	10 343	13 012	21 380	26 330	26 330	30 178	20 905	21 818
Buildings and other fixed structures	8 400	10 343	13 012	21 380	26 330	26 330	30 178	20 905	21 818
Buildings	-	-	-	-	4 950	4 950	-	-	-
Other fixed structures	8 400	10 343	13 012	21 380	21 380	21 380	30 178	20 905	21 818
Machinery and equipment	50	-	-	-	-	-	-	-	-
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	50	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	101	-	-	-	-	-	-	-	-
Payments for financial assets	-	29	-	-	-	-	-	-	-
Total	233 852	254 601	292 085	301 191	322 166	322 166	367 116	323 428	339 150

Table 16.E : Payments and estimates by economic classification: Conditional grants

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation 2013/14	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Current payments	93 664	87 694	91 548	84 760	79 018	79 018	86 364	81 794	86 258
Compensation of employees	41 260	35 625	15 394	17 357	16 807	16 807	21 256	13 953	13 953
Salaries and wages	40 107	34 606	15 164	15 500	14 961	14 961	18 455	11 162	11 162
Social contributions	1 153	1 019	230	1 857	1 846	1 846	2 801	2 791	2 791
Goods and services	52 404	52 069	76 154	67 403	62 211	62 211	65 108	67 841	72 305
Administrative fees	-	-	-	-	-	-	-	-	-
Advertising	-	33	61	399	399	399	-	-	-
Assets less than the capitalisation threshold	46	-	-	-	-	-	-	-	-
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	3 544	4 076	4 203	4 986	6 098	6 098	7 013	7 364	7 364
Communication (G&S)	34	3	12	-	-	-	-	-	-
Computer services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Business and advisory services	12	14	114	-	50	50	-	-	-
Cons & prof serv: Infrast and planning	-	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	117	332	595	886	207	207	238	250	250
Contractors	-	-	378	-	928	928	-	-	-
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	31 802	13 379	16 997	21 574	20 146	20 146	20 655	22 033	21 692
Consumable: Stationery, printing and office supplies	296	144	230	500	540	540	621	652	652
Operating leases	-	-	-	-	-	-	-	-	-
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	2 727	4 865	10 795	4 986	4 251	4 251	4 889	5 133	5 133
Travel and subsistence	908	917	1 080	2 094	1 274	1 274	1 465	1 538	1 538
Training and development	2 688	1 016	703	1 380	1 955	1 955	248	360	360
Operating payments	155	265	506	1 100	162	162	186	195	195
Venues and facilities	10 075	27 025	40 480	29 498	26 201	26 201	29 793	30 316	35 121
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to	-	-	-	-	5 742	5 742	9 231	7 486	7 486
Provinces and municipalities	-	-	-	-	550	550	2 102	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	550	550	2 102	-	-
Municipalities	-	-	-	-	550	550	2 102	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving funds	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	5 192	5 192	7 129	7 486	7 486
Households	-	-	-	-	-	-	-	-	-
Social benefits	-	-	-	-	-	-	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	50	-	-	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	50	-	-	-	-	-	-	-	-
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	50	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	93 714	87 694	91 548	84 760	84 760	84 760	95 595	89 280	93 744

Table 16.F : Payments and estimates by economic classification: Mass Participation and Sport Development grant

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Current payments	93 664	87 694	90 548	79 883	74 691	74 691	78 306	81 794	86 258
Compensation of employees	41 260	35 625	14 394	12 480	12 480	12 480	13 198	13 953	13 953
Salaries and wages	40 107	34 606	14 184	10 721	10 721	10 721	10 558	11 162	11 162
Social contributions	1 153	1 019	210	1 759	1 759	1 759	2 640	2 791	2 791
Goods and services	52 404	52 069	76 154	67 403	62 211	62 211	65 108	67 841	72 305
Advertising	-	33	61	399	399	399	-	-	-
Assets less than the capitalisation threshold	46	-	-	-	-	-	-	-	-
Catering: Departmental activities	3 544	4 076	4 203	4 986	6 098	6 098	7 013	7 364	7 364
Communication (G&S)	34	3	12	-	-	-	-	-	-
Cons & prof serv: Business and advisory services	12	14	114	-	50	50	-	-	-
Contractors	117	332	595	886	207	207	238	250	250
Agency and support / outsourced services	-	-	378	-	928	928	-	-	-
Consumable supplies	31 802	13 379	16 997	21 574	20 146	20 146	20 655	22 033	21 692
Consumable: Stationery, printing and office supplies	296	144	230	500	540	540	621	652	652
Transport provided: Departmental activity	2 727	4 865	10 795	4 986	4 251	4 251	4 889	5 133	5 133
Travel and subsistence	908	917	1 080	2 094	1 274	1 274	1 465	1 538	1 538
Training and development	2 688	1 016	703	1 380	1 955	1 955	248	360	360
Operating payments	155	265	506	1 100	162	162	186	195	195
Venues and facilities	10 075	27 025	40 480	29 498	26 201	26 201	29 793	30 316	35 121
Transfers and subsidies to	-	-	-	-	5 192	5 192	7 129	7 486	7 486
Non-profit institutions	-	-	-	-	5 192	5 192	7 129	7 486	7 486
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	93 664	87 694	90 548	79 883	79 883	79 883	85 435	89 280	93 744

Table 16.G : Payments and estimates by economic classification: EPWP Integrated Grant for Provinces

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Current payments	-	-	1 000	550	-	-	-	-	-
Compensation of employees	-	-	1 000	550	-	-	-	-	-
Salaries and wages	-	-	980	539	-	-	-	-	-
Social contributions	-	-	20	11	-	-	-	-	-
Transfers and subsidies to	-	-	-	-	550	550	2 102	-	-
Provinces and municipalities	-	-	-	-	550	550	2 102	-	-
Municipalities	-	-	-	-	550	550	2 102	-	-
Municipalities	-	-	-	-	550	550	2 102	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	-	-	1 000	550	550	550	2 102	-	-

Table 16.H : Payments and estimates by economic classification: EPWP Incentive Grant for the Social Sector

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
Current payments	-	-	-	4 327	4 327	4 327	8 058	-	-
Compensation of employees	-	-	-	4 327	4 327	4 327	8 058	-	-
Salaries and wages	-	-	-	4 240	4 240	4 240	7 897	-	-
Social contributions	-	-	-	87	87	87	161	-	-
Transfers and subsidies to	-	-	-	-	-	-	-	-	-
Payments for capital assets	50	-	-	-	-	-	-	-	-
Machinery and equipment	50	-	-	-	-	-	-	-	-
Other machinery and equipment	50	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	50	-	-	4 327	4 327	4 327	8 058	-	-

Table 16.1 : Sport and Recreation - Payments of infrastructure by category

No.	Project name	Municipality/Region		Type of infrastructure		Project duration		Source of funding	Budget programme name	Targeted number of jobs for 2014/15	Total project cost	Expenditure to date from previous years	Total available	MTEF Forward estimates		
				School - primary/secondary/ specialised; admin block; water; electricity; sanitation/toilet; fencing etc)	Units	Date: Start	Date: Finish							2014/15	2015/16	2016/17
R thousands																
New and replacement assets																
1	Sport and Recreation	eThekweni		Combination courts	11	01/04/2013	31/03/2017	Equitable share	Sport and Recreation	11	5 275	30 512	18 242	5 849	6 159	
2	Sport and Recreation	eThekweni		Sport fields	4	01/04/2013	31/03/2017	Equitable share	Sport and Recreation	4	7 976	14 003	3 819	6 843	7 168	
3	Sport and Recreation	eThekweni		Futsal	15	01/04/2013	31/03/2017	Equitable share	Sport and Recreation	15	8 129	24 666	8 117	8 213	8 491	
4	Administration	eThekweni		Office buildings	2	01/04/2013	31/03/2015	Equitable share	Administration	2	11 000	2 663	8 000	-	-	
Total New and replacement assets											32	71 844	38 178	20 905	21 818	
Upgrades and additions																
Rehabilitation, renovations and refurbishments																
Maintenance and repairs																
1	Sport and Recreation	eThekweni		Minor repairs and renovations	5	01/04/2010	31/03/2017	Equitable share	Sport and Recreation	5	2 282	15 034	-	-	-	
Total Maintenance and repairs											5	2 282	15 034	-	-	
Infrastructure transfers - current																
1	Sport and Recreation	eThekweni		Maintenance grants	22	01/04/2011	31/03/2017	Equitable share and conditional grant	Sport and Recreation	33	4 950	8 250	3 300	4 950	6 600	
Total Infrastructure transfers - current											33	4 950	8 250	3 300	4 950	6 600
Infrastructure transfers - capital																
1	Sport and Recreation	eThekweni		Sport facilities	8	01/04/2011	31/03/2017	Equitable share	Sport and Recreation	12	14 420	131 023	48 900	18 900	16 800	
Total Infrastructure transfers - capital											12	14 420	131 023	48 900	18 900	16 800
Total Sport and Recreation Infrastructure											82	54 032	226 151	90 378	44 755	45 218

Table 16.J : Transfers to local government - Infrastructure

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
A KZN2000 eThekweni	-	-	525	2 216	1 050	1 050	30 000	-	-
Total: Ugu Municipalities	-	300	1 125	2 469	2 175	2 175	2 550	-	-
B KZN211 Vulamehlo	-	150	150	-	-	-	-	-	-
B KZN212 Umdoni	-	-	150	-	150	150	-	-	-
B KZN213 Umzumbe	-	150	150	-	-	-	2 250	-	-
B KZN214 uMuziwabantu	-	-	-	-	150	150	150	-	-
B KZN215 Eziqoleni	-	-	525	-	1 725	1 725	150	-	-
B KZN216 Hibiscus Coast	-	-	150	-	150	150	-	-	-
C DC21 Ugu District Municipality	-	-	-	2 469	-	-	-	-	-
Total: uMgungundlovu Municipalities	1 372	2 197	2 550	2 469	1 875	1 875	2 400	-	-
B KZN221 uMshwathi	-	-	-	-	-	-	-	-	-
B KZN222 uMngeni	-	-	-	-	-	-	-	-	-
B KZN223 Mpofana	-	322	150	-	150	150	-	-	-
B KZN224 Impendle	-	150	150	-	-	-	-	-	-
B KZN225 Msunduzi	-	525	2 100	-	1 725	1 725	150	-	-
B KZN226 Mkhambathini	1 050	1 200	150	-	-	-	-	-	-
B KZN227 Richmond	-	-	-	-	-	-	2 250	-	-
C DC22 uMgungundlovu District Municipality	322	-	-	2 469	-	-	-	-	-
Total: Uthukela Municipalities	-	300	975	2 468	1 875	1 875	300	-	-
B KZN232 Emnambithi/Ladysmith	-	150	150	-	-	-	-	-	-
B KZN233 Indaka	-	-	-	-	-	-	150	-	-
B KZN234 Umtshezi	-	-	525	-	1 725	1 725	150	-	-
B KZN235 Okhahlamba	-	-	150	-	150	150	-	-	-
B KZN236 Imbabazane	-	150	150	-	-	-	-	-	-
C DC23 Uthukela District Municipality	-	-	-	2 468	-	-	-	-	-
Total: Umzinyathi Municipalities	2 100	4 290	3 015	253	2 025	2 025	150	-	-
B KZN241 Endumeni	-	-	150	-	150	150	-	-	-
B KZN242 Nqutu	-	840	1 515	-	1 725	1 725	-	-	-
B KZN244 Msinga	1 050	2 250	1 200	-	150	150	150	-	-
B KZN245 Umvoti	1 050	1 200	150	-	-	-	-	-	-
C DC24 Umzinyathi District Municipality	-	-	-	253	-	-	-	-	-
Total: Amajuba Municipalities	420	1 942	2 250	253	1 050	1 050	150	-	-
B KZN252 Newcastle	-	7	525	-	1 050	1 050	150	-	-
B KZN253 eMadlangeni	-	150	150	-	-	-	-	-	-
B KZN254 Dannhauser	-	-	-	-	-	-	-	-	-
C DC25 Amajuba District Municipality	420	1 785	1 575	253	-	-	-	-	-
Total: Zululand Municipalities	-	150	675	2 469	1 650	1 650	2 850	-	-
B KZN261 eDumbe	-	-	-	-	-	-	150	-	-
B KZN262 uPhongolo	-	-	525	-	1 200	1 200	150	-	-
B KZN263 Abaqulusi	-	-	-	-	150	150	2 250	-	-
B KZN265 Nongoma	-	-	-	-	150	150	150	-	-
B KZN266 Ulundi	-	150	150	-	150	150	150	-	-
C DC26 Zululand District Municipality	-	-	-	2 469	-	-	-	-	-
Total: Umkhanyakude Municipalities	1 050	2 490	2 220	3 798	4 020	4 020	4 500	-	-
B KZN271 Umhlabuyalingana	-	150	150	-	-	-	2 100	-	-
B KZN272 Jozini	1 050	150	675	-	1 725	1 725	150	-	-
B KZN273 The Big 5 False Bay	-	1 200	150	-	-	-	-	-	-
B KZN274 Hlabisa	-	150	675	-	1 725	1 725	150	-	-
B KZN275 Mtubatuba	-	840	570	-	570	570	2 100	-	-
C DC27 Umkhanyakude District Municipality	-	-	-	3 798	-	-	-	-	-
Total: uThungulu Municipalities	525	2 925	2 025	253	1 725	1 725	4 500	-	-
B KZN281 Umfolozi	-	-	675	-	1 725	1 725	-	-	-
B KZN282 uMhlatuze	-	-	-	-	-	-	-	-	-
B KZN283 Ntambanana	-	150	150	-	-	-	2 250	-	-
B KZN284 uMlalazi	-	-	-	-	-	-	2 250	-	-
B KZN285 Mthonjaneni	-	-	-	-	-	-	-	-	-
B KZN286 Nkandla	525	2 775	1 200	-	-	-	-	-	-
C DC28 uThungulu District Municipality	-	-	-	253	-	-	-	-	-
Total: Ilembe Municipalities	1 680	1 140	1 545	2 469	2 295	2 295	4 350	-	-
B KZN291 Mandeni	-	150	150	-	-	-	150	-	-
B KZN292 KwaDukuza	1 680	150	150	-	-	-	-	-	-
B KZN293 Ndwedwe	-	840	570	-	570	570	2 100	-	-
B KZN294 Maphumulo	-	-	675	-	1 725	1 725	2 100	-	-
C DC29 Ilembe District Municipality	-	-	-	2 469	-	-	-	-	-
Total: Sisonke Municipalities	1 050	2 490	1 695	253	2 145	2 145	450	-	-
B KZN431 Ingwe	-	150	675	-	1 575	1 575	150	-	-
B KZN432 Kwa Sani	-	150	150	-	-	-	150	-	-
B KZN433 Greater Kokstad	1 050	1 200	150	-	-	-	150	-	-
B KZN434 Ubuhlebezwe	-	840	570	-	570	570	-	-	-
B KZN435 Umzimkulu	-	150	150	-	-	-	-	-	-
C DC43 Sisonke District Municipality	-	-	-	253	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	23 850	23 400
Total	8 197	18 224	18 600	19 370	21 885	21 885	52 200	23 850	23 400