



Vote 07

Department: Cooperative Governance and Traditional Affairs

Table 1: Summary of departmental allocation

R'000	
To be appropriated by Vote in 2016/17	R1 010 156
Responsible MEC	MEC for Cooperative Governance and Traditional Affairs
Administering Department	Department of Cooperative Governance and Traditional Affairs
Accounting Officer	Head of Department

1. Overview

1.1 Vision

An integrated, capable, responsive and accountable local government and traditional institution system focusing on the needs of the community.

1.2 Mission

To promote a developmental local state and traditional institutions that are accountable, focused on citizen's priorities; capable of delivering high-quality services consistently and sustainably through local government and participatory democracy.

1.3 Core functions and responsibilities

- Facilitate the transformation of developmental local government in line with all relevant developmental legislation;
- Facilitate transformation in the institutions of traditional leadership and democratic structures of governance;
- Provide extensive-measurable support to municipalities to improve their administrative, governance and financial capabilities in order to realise their constitutional mandate;
- Improve the provision of support (technical and administrative) to municipalities in order to fast-track the delivery of basic services and access improvement thereof;
- Strengthen interventions that are supportive of the human settlement outcomes;
- Promote and support the implementation of the Community Work Programme (CWP);
- Promote the deepening of democracy through the implementation of the Ward Committee Model and Ward Base Planning at municipal level through Community Development Work programme (CDW);

- Integrate municipal interventions support through a single window of coordination that enables communities to experience cohesion, predictability, excellence in service delivery and control over the environment they find themselves in;
- Facilitate the operationalized implementation of the Back to Basic Service Delivery Model by all municipalities;
- Provide administrative and infrastructure development support to traditional leadership institutions in order to meet their legislative requirements of their communities; and
- Promote and support the participation of traditional communities in developmental programmes.

1.4 Main Services

- Assess performance and capacity of all 45 Eastern Cape municipalities;
- Facilitate turn-around initiatives for improved audit outcomes in municipalities;
- Promote accountability and good governance in municipalities;
- Support municipalities to engage with their communities through public participation;
- Support municipalities on co-operative governance and the development of credible Integrated Development Plans (IDPs);
- Strengthen and improve the Spatial Development Framework (SDF);
- Support strategies and capacity for Local Economic Development (LED), SPLUMA, Urban and Rural development to create decent work and sustainable livelihoods;
- Support the acceleration of service delivery to support the poor and vulnerable;
- Improve municipal capacity for infrastructure development programmes;
- Improve disaster, fire and emergency services;
- Coordinate, monitor, report and evaluate municipal support programmes;
- Improve and strengthen indigent strategies; and
- Facilitate and support the transformation and development of effective traditional institutions.

1.5 Demands for and expected changes in the services

The drought which has affected the province, especially its northern interior parts demands for the services of the department in coordination of all the activities aimed at mitigating the impact of the drought in the province. The most affected districts are Chris Hani, Joe Gqabi; and some parts of Alfred Nzo and OR Tambo. Coastal areas of Alfred Nzo and OR Tambo as well as Amathole are also affected.

Likewise, the Amalgamation of some of the municipalities as per the decision of the Municipal Demarcations Board will also require the services of the department for smooth transition.

The 2016 local government elections have the potential to negatively affect operations within Municipalities if there is instability and this has a potential to affect the ability of affected Municipalities to deliver services to communities. It is therefore important that the political and administrative interface is supported and strengthened to ensure that service delivery takes first priority at municipal level.

The new organogram approved in January 2014 focuses on the implementation of the new Service Delivery Model which strengthens the District Support Centres and decentralises most of services to the local spheres of government.

1.6 The Acts, rules and regulations

The department derives its mandate from the Constitution of the Republic of South Africa, 1996. In carrying out its core function and responsibilities, the department is governed by various Acts, rules and regulations: Constitution of the Republic of South Africa (1996); and these include Land Survey Act (1997); Municipal Structures Act (1998); Municipal Systems Act (2000, as amended); Fire Brigade Services Amendment Act (2000); Disaster Management Act (2002); Municipal Property Rates Act (2004); Inter-Governmental Relations Framework Act (2005); Spatial Planning and Land Use

Management Act (2013); National LED Framework; Municipal Infrastructure Grant Policy Framework; Indigent Policy Framework.

1.7 Budget decisions

Due to challenges from the economic environment, the country is faced with a very tight and shrinking fiscal envelope. As such, the departments' allocation was reduced by R78.283 million over the 2016 MTEF. This was in order to fund the national priorities.

An additional funding was allocated over the 2016 MTEF for the Improvement in the Condition of Services (ICS), local government elections, Implementation of Spatial Planning and Land Use Management Act (SPLUMA) .

The department continues to implement the cost containment measures especially in non-core items.

1.8 Aligning departmental budgets to achieve government's prescribed outcomes

The department is responding to Outcome 9: "Responsive, accountable, effective and efficient local government system". The strategy of the department is aligned to the following outputs of this outcome:

- Implement a differentiated approach to municipal financing, planning and support;
- Improving access to basic services;
- Implementation of the Community Work Programme;
- Actions supportive of the human settlement outcome;
- Deepen democracy through a refined Ward Committee model;
- Administrative and financial capability; and
- Single window of coordination.

The department considered a number of legislative requirements which includes the legislative mandate of the department, strategic policies, policy frameworks within which the department provides its service.

The National Development Plan (NDP), Government's Medium Term Strategic Framework (MTSF), the State of the Nation Address and the State of the Province Address has been at the centre in giving light on what the department plans to focus on during this term.

The department as a major co-ordinator of service delivery to municipalities and traditional institutions will be focusing its efforts towards providing sustainable support to municipalities towards the implementation of the Back to Basics Campaign aimed at fast tracking service delivery and addressing developmental needs of communities.

2. Review of the current financial year (2015/16)

2.1 Key achievements

The department continued its support to improve the functioning of municipalities to better serve communities by getting basics right through the “Back-to-Basics” (B2B) approach. This approach focuses on Basic Services; Good Governance; Public Participation; Financial Management and Institutional Capacity. Sixteen municipalities which require medium and intense support were identified as means of responding to Back to Basics approach in the Province. Further, 507 wards profiles were developed through Community Development Workers to assist in the planning processes and the intervention plans of the department’s Back 2 Basics public engagement outreach programmes.

With regards to the two municipalities (Inkwanca and Makana) that were under Section 139, the department has continued with the deployment of the administrators as well as support staff to address issues relating to Finance, Human Resources and Infrastructure. Collaboration with other stakeholders such as Municipal Infrastructure Agency (MISA) and Provincial Treasury led to CFO’s being deployed to assist in the stabilisation of municipalities. These interventions also led to Makana municipality moving from a disclaimer to a qualified audit opinion.

In addressing the implementation of Section 154, the department supported and strengthened 8 municipalities (Ngqushwa, Ikwezi, Great Kei, Lukhanji, Mbhashe, Inkwanca, King Sabatha Dalindyebo and Port St Johns) and through this process Municipal Managers were appointed for Ngqushwa, Great Kei, Lukhanji and Mbhashe in order to stabilize these municipalities for better service delivery. The other four municipalities have not yet appointed the Municipal Managers due to internal process such as amalgamation specifically affecting Inkwanca and Ikwezi.

With regards to Information Communication Technology (ICT), four municipalities (Matatiele, Sundays River Valley, Sakhisizwe and Inkwanca) were assisted in the development and review of ICT policies. Further assistance was given at Sundays River Valley on ICT charter and Emalahleni was assisted on the development of website.

The department has focused on small town revitalisation programme in redressing a decline in the condition of various areas in the province. Nkonkobe, Ngqushwa, Mbashe, Ikhwezi, Sundays River Valley, Engcobo and Port St Johns municipalities were supported to revitalise and beautify their areas. Support was also provided to seven nodes to promote Integrated Urban Development Programme (IUDP) and also contributed to job creation.

The department assisted the local and Metro’s municipalities to build capacity towards the implementation of Spatial Land Use Management Act (SPLUMA) through workshops and training sessions focusing on the practitioners (Town planners and Land administrators).

Twenty three municipalities were capacitated to supplement their Local Economic Development (LED) capacity in order to realise the benefits of a sustainable economic development for the improved standard of living among the Eastern Cape communities. Twenty three LED professionals were hired and trained through Nelson Mandela Metropolitan University (NMMU) and Eastern Cape Socio-Economic Consultative Council (ECSECC) on statistical research in planning, proper location of population in a specific municipality and project facilitation.

The construction of the Disaster Management Centre has been completed and due for official opening. This will ensure that the province responds promptly to calls of emergencies and disaster. Given the

current drought engulfing the province, five district municipalities have declared state of drought in their municipalities. The department has together with Department of Rural Development and Agrarian Reform (DRDAR) and Department of Water and Sanitation, coordinated the process of declaration in the province as well as coordinating activities of district joint operations committees to assist the affected communities.

The department has supported seven municipalities in its efforts to reduce their Eskom debt to avoid disconnection of electricity by ESKOM in their respected communities. The following municipalities which are Gariep, Maletswai, Ikwezi, KSD, Inxuba, Inkwanca and Makana benefited. This ensured uninterrupted provision of essential municipal services in the form of electricity.

In addressing unemployment, 37 328 Community Work Programme (CWP) and 221 Expanded Public Works Programmes (EPWP) jobs across the province were created, thereby boosting the economy. This programme continues to lead throughout the country by creating more work opportunities in municipalities across the province.

The department is facilitating the construction and renovation of two traditional councils respectively to ensure that the dignity of traditional leaders is restored. The department has completed the following traditional councils, Lindinxiwa in Amathole and Amandela in Alfred Nzo.

2.2 Key challenges

The ailing financial state of affairs in various municipalities in the province continues to be a problem and contributes to lack of service delivery at the local sphere. During the current year 2015/16 the Provincial Government together with Eskom engaged in discussions to avert the possibilities of electricity cuts at municipalities emanating from their inability of municipalities to pay their long outstanding debts. To this end the department has developed mechanisms to monitor municipal accounts on regular bases and is assisting the municipalities in areas of revenue enhancement, establishment of financial management systems and facilitations of system integration for monitoring of billing to avert the recurrence of the identified problem.

Furthermore the province has in the past experienced the death of young initiates in some areas. This has led to the province, the department together with the House of Traditional Leaders in partnership with other key stakeholders initiating an Initiates Indaba to discuss strategies to address the growing number of young initiates. This process led to the development of legislation aimed at addressing all issues and challenges related to the initiation custom. The department plays a crucial role in spearheading the legislation through the House of Traditional Leaders. The department has to date facilitated the establishment of local initiation Fora's throughout the province.

3. Outlook for the coming financial year (2016/17)

The Department will continue to implement the Back to Basic (B2B) approach in all 45 municipalities and will focus specifically on 16 municipalities that requires medium and intensive support on all the B2B key performance areas which are Basic Services - Creating decent living conditions; Good Governance; Public Participation - Putting people first; Financial Management and Institutional Capacity as well as to harness the socio-economic opportunities that are available in the municipalities jurisdictions to improve the livelihoods of our communities. The B2B approach will form an integral part of the support provided by the department to Municipalities.

With regards to the amalgamation, the department facilitated establishment of change management committees (Political and Technical). The department will continue to monitor the finalisation of amalgamation prior local government election. In this regard the department's participation to this technical work stream will continue to enhance the process. The department in main will continue with the implementation of Section 154 in respect of sixteen identified municipalities.

The local government election's is scheduled for the year 2016. The period up to and after 2016 elections has the potential to negatively affect operations within Municipalities if there is instability and this has a potential to affect the ability of affected Municipalities to deliver services to communities. In this regard, the department will ensure that all councillors attend the Councillor Induction Programme to bring stability and harmony to the local government environment as well as induction of municipal public account committees.

The planning, implementation and maintenance of basic infrastructure is critical for sustaining basic standards of living and economic activity in our towns and cities. The department will support all municipalities to develop service standards for each service, and will establish systems for monitoring adherence to these standards. It will also support municipalities to develop fundable consolidated infrastructure plans; ensure infrastructure maintenance and repairs to reduce losses and ensure the provision of free basic services and maintenance of indigent register.

A Provincial White Paper is being developed focusing on the Spatial Planning and Land Use Management Legislation to improve spatial planning and support the building of economic infrastructure; and to develop growth and development plans in the province. In terms of SPLUMA implementation the department will support municipalities to establish and capacitate municipal planning tribunals.

Municipalities will also be supported to perform the key performance area, Good Governance focusing on establishing fully functioning oversight structures to promote accurate reporting to promote accountability as it is the heart of the effective functioning of municipalities. It is therefore important that the political and administrative interface is supported and strengthened to ensure that service delivery takes first priority. Also, the department will ensure that measures will be taken to ensure that municipalities engage with their communities through Public Participation as it is a huge challenge for municipalities to fulfil. In finding sustainable ways to meet socio-economic needs for communities, the department is committed to work with residents and stakeholders within communities.

Service coordination is a key element of the Government Strategy, which ensures that people have access to the coordinated & integrated quality services they need, opportunities for quality of life promotion, early intervention, and improved outcomes. The department will empower the councillors to develop new municipal IDP's after the 2016/17 Local Government election.

The department will speed up public, private and community investment through LED initiatives. The department will also continue to support twenty three municipalities in all six districts in capacity building and training as well as eight municipalities in the development of various LED strategies.

The Department is playing a respectful role to preserve the traditional, cultural and customary practices of the Eastern Cape communities and must assist other organs of state to promote traditional affairs programmes to bring back the dignity of our traditional leadership institutions. The department shall create a conducive service and administrative environment for the rural communities by providing the necessary infrastructure and tools of trade to the traditional leadership institutions. The department will table two Bills (Traditional Male Initiation and Traditional Leadership Governance Framework) that will protect and safeguard lives of initiates and establishment of local houses.

4. Reprioritisation

The Department conducted reprioritisation exercise to re-direct funds to up-scale critical programmes which are Amalgamation, Provincial Disaster Management Centre and contractual obligations in relation to the operation of the department that were stalled due to the unprecedented budget adjustment in the current year, with the aim of accelerating service delivery mindful of the forthcoming Local Government Elections and the Back to Basics campaign to speed up service delivery which is delivering municipal services that is of high quality and high standards.

5. Procurement

The department will focus on staff development through training of officials, section 55 managers, councilors and traditional leaders. The department will also facilitate the procurement of office furniture and equipment for newly and existing employees. Furthermore, there are plans to acquire a new telephone system to replace the ailing, costly and unreliable current system. Service providers will be appointed to assist in facilitating the process of amalgamation of nine municipalities in Sarah Baartman, Joe Gqabi and Chris Hani Districts.

6. Receipts and financing

6.1 Summary of receipts

Table 2: Summary of departmental receipts

R thousand	Outcome			Main appropriation	Adjusted appropriation 2015/16	Revised estimate	Medium-term estimates			% change from 2015/16
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19	
Equitable share	788 228	1 001 539	870 160	955 661	933 802	948 402	1 008 156	1 012 238	963 254	6.3
Conditional grants	–	–	1 933	2 000	2 000	1 388	2 000	–	–	44.1
EPWP Integrated Grant			1 933	2 000	2 000	1 388	2 000	–	–	44.1
Total receipts	788 228	1 001 539	872 093	957 661	935 802	949 790	1 010 156	1 012 238	963 254	6.4
<i>Of which</i>										
Departmental receipts	1 847	2 374	2 827	1 939	1 939	1 660	2 055	2 178	2 304	23.8

The table 2 above shows the summary of departmental receipts from to 2012/13 to 2018/19 financial years. Sources of revenue for the Department are equitable share and conditional grant. The department's allocation grew from R 788.228 million to R949.790 million between the 2012/13 to 2015/16 financial years. The budget grows by 6.4 per cent in the 2016/17 due to additional allocation received for various priority areas.

6.2 Departmental receipts collection

Table 3: Summary of departmental receipts and collections

R thousand	Outcome			Main appropriation	Adjusted appropriation 2015/16	Revised estimate	Medium-term estimates			% change from 2015/16
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19	
Tax receipts	-	-	-	-	-	-	-	-	-	
Casino taxes	-	-	-	-	-	-	-	-	-	
Horse racing taxes	-	-	-	-	-	-	-	-	-	
Liquor licences	-	-	-	-	-	-	-	-	-	
Motor vehicle licences	-	-	-	-	-	-	-	-	-	
Sales of goods and services other than capital assets	643	754	805	1 939	1 939	1 130	2 055	2 178	2 304	81.9
Transfers received	-	-	-	-	-	-	-	-	-	
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-	
Interest, dividends and rent on land	-	-	-	-	-	3	-	-	-	(100.0)
Sales of capital assets	-	-	-	-	-	-	-	-	-	
Transactions in financial assets and liabilities	1 204	1 620	2 022	-	-	527	-	-	-	(100.0)
Total departmental receipts	1 847	2 374	2 827	1 939	1 939	1 660	2 055	2 178	2 304	23.8

Table 3 above shows the summary of the department's receipts from 2012/13 to 2018/19. The department is not a major revenue contributor and all collections are attributed to the sale of tender documents as well as commissions earned from insurance deductions. Total receipt collection increased from R1.847 million in 2012/13 to R2.827 million in 2014/15 due to the increase in commissions as well as unpaid cheques. However, the own revenue collection is projected to increase by 23.8 per cent due to the increase in the sale of tender documents and commissions earned from financial institutions for administering orders.

6.3 Official development assistance (donor funding)

None.

7. Payment Summary

7.1 Key assumptions

The key assumptions which determine the basic foundation for the crafting of the department's budget in relation to its set strategic priorities are outlined below:

- Personnel expenditure as at end of June 2015 used as basis for the personnel costing and taking the following into account:
- Salary increases of 6 per cent plus 1 per cent have been considered as well as the adjustments contained in the wage agreement;
- All personnel cost funded from within the existing baseline.
- CPIX rate of 6 per cent; and
- Reprioritization had to be done because of the financial resource constraints that the department is anticipating due to the budget cuts implemented during the preparation of the 2016 MTEF budget.

7.2 Programme summary

Table 4: Summary of payments and estimates by programme

R thousand	Outcome			Main appropriation	Adjusted appropriation 2015/16	Revised estimate	Medium-term estimates			% change from 2015/16
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19	
1. Administration	182 861	193 714	213 549	193 615	208 128	209 599	232 771	252 087	240 755	11.1
2. Local Governance	225 955	404 325	227 863	296 091	274 486	288 876	295 658	308 445	254 298	2.3
3. Development And Planning	102 316	114 189	134 743	176 418	139 298	138 535	156 906	123 461	124 376	13.3
4. Traditional Institutional Management	252 979	264 110	270 423	274 550	287 725	286 390	299 510	304 041	319 410	4.6
5. House Of Traditional Leaders	24 117	25 201	25 515	16 988	26 165	26 390	25 312	24 204	24 415	(4.1)
Total payments and estimates	788 228	1 001 539	872 093	957 661	935 802	949 790	1 010 156	1 012 238	963 254	6.4

7.3 Summary of economic classification

Table 5: Summary of payments and estimates by economic classification

R thousand	Outcome			Main appropriation	Adjusted appropriation 2015/16	Revised estimate	Medium-term estimates			% change from 2015/16
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19	
Current payments	743 777	786 542	805 201	858 122	866 371	872 742	875 576	977 151	935 825	0.3
Compensation of employees	598 853	642 331	682 268	718 507	706 343	706 214	756 366	815 046	860 427	7.1
Goods and services	144 921	144 208	122 926	139 615	160 028	166 520	119 210	162 104	75 398	(28.4)
Interest and rent on land	3	3	7	-	-	8	-	-	-	(100.0)
Transfers and subsidies to:	28 956	195 729	35 266	79 518	42 169	50 357	106 926	9 994	10 574	112.3
Provinces and municipalities	18 183	183 078	23 064	71 012	31 012	40 396	97 106	1 085	1 148	140.4
Departmental agencies and accounts	8	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-	-
Households	10 765	12 651	12 202	8 506	11 157	9 961	9 820	8 909	9 426	(1.4)
Payments for capital assets	15 495	19 269	31 172	20 021	27 262	26 691	27 655	25 093	16 855	3.6
Buildings and other fixed structures	4 107	11 831	25 072	11 700	15 285	15 241	10 004	8 084	4 813	(34.4)
Machinery and equipment	11 388	7 131	6 099	8 321	11 947	11 420	17 601	16 955	11 986	54.1
Heritage Assets	-	170	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	137	1	-	30	30	50	54	57	66.7
Payments for financial assets	-	-	454	-	-	-	-	-	-	-
Total economic classification	788 228	1 001 539	872 093	957 661	935 802	949 790	1 010 156	1 012 238	963 254	6.4

The table 4 and 5 above reflects the departmental expenditure summary per programme and economic classification for the past three audited and the current year and over the 2016 MTEF. The department expenditure increased from R788.228 million in 2012/13 to a revised estimate of R949.790 million in 2015/16 financial year due to increase in the equitable share to cater for various cost pressures in the current year. In 2016/17, the total departmental budget increase by 6.4 per cent from 2015/16 revised estimates to R1.010 billion due to additional allocation received for various priority areas.

The personnel expenditure increased from R598.853 million in 2012/13 to a revised estimate of R706.214 million in 2015/16 financial year due to additional funding received for cost of living adjustments. The total allocated budget increased by 7.1 per cent from the 2015/16 revised estimate budget due to additional funding received to compensate for inflation and other national adjustments on personnel costs.

Goods and services showed an increase from R144.921 million to a revised estimate of R166.520 million in 2015/16 financial year. The 2016/17 financial year's allocation decreased by 28.4 per cent from a revised estimate of R166.520 million in 2015/16 financial year. This is attributed to the downward

adjustment of the department's 2016/17 budget estimates as well as reclassification of funds to transfer payments.

Transfers and Subsidies expenditure reflects an increase of from R28.956 million in 2012/13 to R50.357 million revised estimate in the 2015/16 financial year due to funding received for financial support to struggling municipalities as well as water intervention projects in Chris Hani District Municipality. The budget for 2016/17 is projected to increase by 112.3 per cent from current year's revised estimate due additional funding for the Local Government elections and to continue with the Chris Hani Water Projects.

The total expenditure on capital assets increased from R15.495 million in 2012/13 to a revised estimate of R26.691 million in 2015/16 financial year due to the intensification of the construction for the Provincial Disaster Management Centre (PDMC). In 2016/17 financial year the budget is expected to increase by 3.6 per cent due procurement of office equipment and furniture to replace outdated and inefficient ones.

7.4 Infrastructure payments

Departmental infrastructure payments

Table 6: Summary of departmental payments and estimates on infrastructure

R thousand	Outcome			Main appropriation	Adjusted appropriation 2015/16	Revised estimate	Medium-term estimates			% change from 2015/16
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19	
Existing infrastructure assets	1 798	1 908	1 693	3 639	2 776	2 795	264	3 797	1 729	(90.6)
Maintenance and repair	-	-	-	-	-	-	-	-	-	
Upgrades and additions	-	-	-	-	-	-	-	-	-	
Refurbishment and rehabilitation	1 798	1 908	1 693	3 639	2 776	2 795	264	3 797	1 729	(90.6)
New infrastructure assets	2 309	9 158	23 378	8 061	12 509	12 446	9 741	4 287	3 084	(21.7)
Infrastructure transfers	-	-	-	-	-	-	-	-	-	
Current	-	-	-	-	-	-	-	-	-	
Capital	-	-	-	-	-	-	-	-	-	
Infrastructure payments for financial assets	-	-	-	-	-	-	-	-	-	
Infrastructure leases	-	-	-	-	-	-	-	-	-	
Total department infrastructure	4 107	11 066	25 071	11 700	15 285	15 241	10 004	8 084	4 813	(34.4)

Total provincial infrastructure is the sum of "Capital" plus "Recurrent maintenance".

The table shows an increase from R4.107 million in 2012/13 to a revised estimate of R15.241 million in 2015/16 due to the construction of the PDMC. This expenditure is expected to decline by 34.4 per cent from the revised estimate due to the completion of the construction of the centre in 2017/18 which is the major project implemented by the department.

7.5 Expenditure by municipal boundary

Table 7: Summary of departmental payments and estimates by benefiting municipal boundary

	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19	% change from 2015/16
Audited outcome				Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimate			
Category A	-	335	80	-	-	-	-	-	-	
Buffalo City	-	-	-	-	-	-	-	-	-	
Nelson Mandela	-	335	80	-	-	-	-	-	-	
Category B	15 511	181 878	22 101	1 012	1 012	11 012	57 106	1 085	1 148	419
Camdeboo	88	157	112	-	-	-	-	-	-	138.4
Blue Crane Route	588	117	112	-	-	-	-	-	-	
Ikwezi	88	1 970	1 554	1 012	1 012	2 012	4 796	-	-	
Makana	500	2 225	-	-	-	-	-	-	-	
Ndlambe	88	118	112	-	-	-	-	-	-	291.8
Sundays River Valley	2 088	850	350	-	-	-	1 010	-	-	
Baviaans	-	-	60	-	-	-	-	-	-	
Kouga	-	-	-	-	-	-	-	-	-	
Koukamma	88	117	112	-	-	-	-	-	-	
Mbhashe	329	468	462	-	-	-	2 000	-	-	
Mnquma	-	162	112	-	-	-	-	-	-	
Great Kei	-	118	112	-	-	-	-	-	-	
Amahlathi	88	169	112	-	-	-	-	-	-	
Ngqushwa	612	390	350	-	-	-	-	-	-	
Nkonkobe	329	350	350	-	-	-	-	-	-	
Nxuba	88	117	112	-	-	2 900	11 361	-	-	
Inxuba Yethemba	500	117	112	-	-	-	1 010	-	-	
Tsolwana	88	118	112	-	-	-	-	1 085	-	
Inkwanca	88	500	-	-	-	-	-	-	-	
Lukhanji	-	117	112	-	-	-	-	-	-	
Intsika Yethu	-	-	-	-	-	-	1 000	-	1 148	
Emalahleni	88	117	112	-	-	-	-	-	-	
Engcobo	328	350	350	-	-	-	-	-	-	
Sakhisizwe	88	117	112	-	-	-	1 000	-	-	
Elundini	-	45	65	-	-	-	1 000	-	-	
Senqu	-	145	325	-	-	-	-	-	-	
Maletswai	88	40	-	-	-	3 400	14 625	-	-	
Gariep	2 088	617	112	-	-	2 700	10 293	-	-	
Ngquza Hill	-	162	322	-	-	-	1 000	-	-	
Port St. Johns	1 829	2 917	1 912	-	-	-	1 010	-	-	
Nyandeni	-	-	-	-	-	-	1 000	-	-	
Mhlontlo	88	60	-	-	-	-	-	-	-	
King Sabata Dalindyebo	-	160 117	112	-	-	-	1 000	-	-	
Matatiele	88	4 692	13 892	-	-	-	1 000	-	-	
Umtzimvubu	5 000	4 162	237	-	-	-	2 000	-	-	
Mbizana	88	117	112	-	-	-	-	-	-	
Ntabankulu	88	40	80	-	-	-	2 000	-	-	
Category C	2 672	865	883	70 000	30 000	29 384	40 000	-	-	36.1
Sarah Baartman District Municipality	-	90	145	-	-	-	-	-	-	36.1
Amatole District Municipality	-	85	65	-	-	-	-	-	-	
Chris Hani District Municipality	-	105	85	70 000	30 000	29 384	40 000	-	-	
Joe Gqabi District Municipality	1 871	500	423	-	-	-	-	-	-	
O.R. Tambo District Municipality	424	-	-	-	-	-	-	-	-	
Alfred Nzo District Municipality	377	85	165	-	-	-	-	-	-	
Whole Province	770 045	818 461	849 029	886 649	904 790	909 394	913 050	1 011 153	962 106	0.4
Total transfers to municipalities	788 228	1 001 539	872 093	957 661	935 802	949 790	1 010 156	1 012 238	963 254	6.4

Table 7 above reflects the departmental expenditure summary per programme and economic classification for the past three audited and the current year and over the 2016 MTEF. The department expenditure increased from R788.228 million in 2012/13 to a revised estimate of R949.790 million in 2015/16 financial year due to increase in the equitable share to cater for various cost pressures in the current year. In 2016/17, the total departmental budget increase by 6.4 per cent from 2015/16 revised estimates to R1.010 billion due to additional allocation received for various priority areas.

Maintenance

None.

7.6 Conditional grant payments

7.6.1 Conditional grant payments by grant

Table 8: Summary of departmental conditional grants by grant

R thousand	Outcome			Main appropriation	Adjusted appropriation 2015/16	Revised estimate	Medium-term estimates			% change from 2015/16
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19	
EPWP Integrated Grant			1 933	2 000	2 000	1 388	2 000			44
Total grant payments	–	–	1 933	2 000	2 000	1 388	2 000	–	–	44

7.6.2 Conditional grant payments by economic classification

Table 9: Summary of departmental conditional grants by economic classification

R thousand	Outcome			Main appropriation	Adjusted appropriation 2015/16	Revised estimate	Medium-term estimates			% change from 2015/16
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19	
EPWP Integrated Grant			1 933	2 000	2 000	1 388	2 000	–	–	(31)
Total conditional grant payments	–	–	1 933	2 000	2 000	1 388	2 000	–	–	(31)
Economic Classification										
Current payments	–	–	1 933	2 000	2 000	1 388	2 000	–	–	(31)
Compensation of employees										
Goods and services			1 933	2 000	2 000	1 388	2 000			(31)
Interest and rent on land										
Transfers and subsidies to:	–	–	–	–	–	–	–	–	–	
Payments for capital assets	–	–	–	–	–	–	–	–	–	
Payments for financial assets										
Total economic classification	–	–	1 933	2 000	2 000	1 388	2 000	–	–	(31)

Table 8 and 9 show the conditional grants expenditure and the economic classification. The department received a grant of R2 million in 2014/15 and 2015/16 for EPWP and is projected to remain unchanged in the 2016/17 financial year. Since the start of the programme four projects were implemented, namely: improvement of sidewalks in Alice; improvement of a building to establish the CWP centre in Nyandeni; cleaning and maintenance of identified areas in Cofimvaba central business district and Dimbaza central under the BCMM. The projects resulted in the creation of 267 work opportunities.

7.7 Transfers

7.7.1 Transfers to public entities

None.

7.7.2 Transfers to other entities

None.

7.7.3 Transfers to local government by category

Table 10: Summary of transfers to local government by category

R thousand	Outcome			Main appropriation	Adjusted appropriation 2015/16	Revised estimate	Medium-term estimates			% change from 2015/16
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19	
Category A	–	335	80	–	–	–	–	–	–	–
Category B	15 511	181 878	22 101	1 012	1 012	11 012	57 106	1 085	1 148	418.6
Category C	2 672	865	883	70 000	30 000	29 384	40 000	–	–	36.1
Unallocated	–	–	–	–	–	–	–	–	–	–
Total departmental transfers	18 183	183 078	23 064	71 012	31 012	40 396	97 106	1 085	1 148	140.4

The table above shows the summary of transfers to municipalities by category. Total expenditure increased from R18.183 million in 2012/13 to a revised estimate of R40.396 million in 2015/16 financial year to various municipal interventions. Total transfers to municipalities is expected to increase by 140.4 per cent in 2015/16 due to the additional funding for the continuation of the water projects in Chris Hani District Municipality as well as support for the Local Government elections preparations.

7.7.4 Transfers to local government by grant name

Table 11: Transfers to local government by grant name

R' 000	Audited			Main appropriation	Adjusted appropriation 2015/16	Revised estimate	Medium-term estimates			% change from 2015/16
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19	
LED Capacity	3 474	2 982	2 822	–	–	–	–	–	–	–
Revitalization of second economies	1 209	2 400	2 400	–	–	–	–	–	–	–
Financial support to municipalities	7 000	176 500	7 592	1 012	1 012	11 012	44 106	1 085	1 148	300.5
Vuna awards	–	1 196	1 600	–	–	–	–	–	–	–
Municipal interventions	6 500	–	–	–	–	–	–	–	–	–
Local government elections	–	–	8 650	–	–	–	13 000	–	–	–
Chris Hani Water interventions	–	–	–	70 000	30 000	29 384	40 000	–	–	36.1
Total	18 183	183 078	23 064	71 012	31 012	40 396	97 106	1 085	1 148	140.4

8. Programme description

8.1 Programme 1: Administration

Provide effective strategic leadership and proficient administration support services to the Department of Cooperative Governance and Traditional Affairs. The programme has 2 sub-programmes:

- **Office of the MEC:** To provide political direction and set policy priorities for intervention and play an oversight over the department to ensure alignment to its mandate and mainstreaming the needs of vulnerable groups; and
- **Corporate Services:** To provide efficient and effective corporate support services to the department.

Table 12: Summary of departmental payments and estimates sub-programme: P1 – Administration

R thousand	Outcome			Main appropriation	Adjusted appropriation 2015/16	Revised estimate	Medium-term estimates			% change from 2015/16
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19	
1. Office Of The MEC	9 456	9 888	9 737	6 280	6 159	6 833	7 880	8 222	8 014	15.3
2. Corporate Services	173 405	183 826	203 812	187 334	201 969	202 766	224 891	243 865	232 741	10.9
Total payments and estimates	182 861	193 714	213 549	193 615	208 128	209 599	232 771	252 087	240 755	11.1

Table 13: Summary of departmental payments and estimates by economic classification: P1 – Administration

R thousand	Outcome			Main appropriation	Adjusted appropriation 2015/16	Revised estimate	Medium-term estimates			% change from 2015/16
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19	
Current payments	168 472	181 011	201 000	182 042	192 152	194 127	211 816	231 933	225 386	9.1
Compensation of employees	107 160	116 141	139 059	136 939	136 781	137 340	150 636	173 131	175 920	9.7
Goods and services	61 312	64 870	61 934	45 103	55 371	56 780	61 180	58 802	49 466	7.7
Interest and rent on land	–	–	7	–	–	7	–	–	–	(100.0)
Transfers and subsidies to:	3 170	5 797	6 365	3 262	4 413	4 442	4 464	3 499	3 702	0.5
Provinces and municipalities	–	–	–	–	–	–	–	–	–	–
Departmental agencies and accounts	8	–	–	–	–	–	–	–	–	–
Higher education institutions	–	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	–	–	–	–	–	–	–	–
Non-profit institutions	–	–	–	–	–	–	–	–	–	–
Households	3 162	5 797	6 365	3 262	4 413	4 442	4 464	3 499	3 702	0.5
Payments for capital assets	11 219	6 906	5 730	8 311	11 563	11 030	16 491	16 655	11 668	49.5
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–	–
Machinery and equipment	11 219	6 769	5 730	8 311	11 563	11 030	16 491	16 655	11 668	49.5
Heritage Assets	–	–	–	–	–	–	–	–	–	–
Specialised military assets	–	–	–	–	–	–	–	–	–	–
Biological assets	–	–	–	–	–	–	–	–	–	–
Land and sub-soil assets	–	–	–	–	–	–	–	–	–	–
Software and other intangible assets	–	137	–	–	–	–	–	–	–	–
Payments for financial assets	–	–	454	–	–	–	–	–	–	–
Total economic classification	182 861	193 714	213 549	193 615	208 128	209 599	232 771	252 087	240 755	11.1

Table 12 and 13 above depicts the programme summary and economic classification of expenditure over the past three years, the current year and the MTEF. The programme's expenditure increased from R182.861 million in 2012/13 to a revised estimate of R209.599 million in 2015/16 financial year due to reprioritization of funds to cater for various cost pressures in the current year. In 2016/17, the total departmental budget increase by 11.1 per cent from 2015/16 revised estimates due to reprioritizations of funds to meet contractual needs and to procure office equipment.

The administrative support programme's expenditure on personnel increased from R107.160 million in 2012/13 to a revised estimate of R137.340 million in 2015/16 and is expected to increase by 9.7 per cent in the 2016/17 financial year due to anticipated filling of critical vacant posts.

The expenditure on goods and services increased from R61.312 million in 2012/13 to a revised estimate of R56.780 million in 2015/16 due to provincial baseline reduction. For 2016/17, it is expected to grow by 7.7 per cent due to the reprioritisation made to accommodate contractual obligations.

Transfers and subsidies payments increased from R3.170 million in the 2012/13 to revised estimate of R4.442 million in 2015/16 financial year mainly due to the increase leave gratuities paid out to deserving former employees. It is anticipated that transfer payments would increase by 0.5 per cent in the next financial year.

Capital assets payment depicts a decrease from R11.219 million in 2012/13 to a revised estimate of R11.030 million 2015/16 financial year and is expected to increase by 49.5 per cent in the 2016/17 due to planned procurement of office equipment and to replace old and inefficient ones.

Service Delivery Measures

Table 14: Selected service delivery measures for the programme: P1: Administration

Selected Programme Performance Indicators	Estimate	Medium-term estimates		
	2015/16	2016/17	2017/18	2018/19
Number of reports presented to Cabinet on delivery against all Departmental policy directives and agreements	4	4	4	4
Reviewed communication action plan in place	1	1	1	1
Number of skills development interventions administered	4	4	4	4
Number of municipalities supported to roll-out gender policy framework	4	5	5	6
Number of reports on coordinated municipal support programmes at District and Metro levels	20	20	24	24
Number of convened KSD Presidential intervention sessions recorded	4	8	8	8
Number of municipalities with functional IGR structures	8	8	8	8
Number of reports on registered fraud, corruption and maladministration cases investigated	8	4	4	4

8.2 Programme 2: Local Governance

To ensure the transformation of developmental local government by strengthening municipal institutions that will be responsive to the needs of the communities. The Programme has 5 sub-programmes:

- **Municipal Administration:** To provide support services and monitor the effective municipal administration matters within the regulatory framework;
- **Municipal Finance:** To provide support services and monitor the implementation of efficient and effective financial management systems in municipalities in accordance with applicable Acts;
- **Public Participation:** To deepens democracy for better service delivery;
- **Capacity Development:** To provide support and management services to municipalities in respect of capacity building; and
- **Municipal Performance Monitoring, Reporting and Evaluation:** To provide effective, coordinated and hands-on support to municipalities, to improve performance, monitoring, reporting and evaluation services.

Table 15: Summary of departmental payments and estimates sub-programme: P2 - Local Government

R thousand	Outcome			Main appropriation	Adjusted appropriation 2015/16	Revised estimate	Medium-term estimates			% change from 2015/16
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19	
1. Municipal Administration	26 308	23 053	17 847	61 115	38 988	38 611	31 138	43 437	19 359	(19.4)
2. Municipal Finance	30 813	189 389	20 220	53 400	54 619	69 344	57 561	58 949	17 180	(17.0)
3. Municipal Public Participation	114 376	121 887	137 457	137 878	139 652	139 945	162 270	158 857	168 100	16.0
4. Capacity Building	7 018	6 976	7 083	6 040	6 540	6 323	9 648	7 996	8 236	52.6
5. Municipal Performance Monitorir	47 440	63 020	45 256	37 658	34 687	34 653	35 041	39 205	41 423	1.1
Total payments and estimates	225 955	404 325	227 863	296 091	274 486	288 876	295 658	308 445	254 298	2.3

Table 16: Summary of departmental payments and estimates by economic classification: P2 – Local Government

R thousand	Outcome			Main appropriation	Adjusted appropriation 2015/16	Revised estimate	Medium-term estimates			% change from 2015/16
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19	
Current payments	212 286	226 356	210 021	295 079	273 444	277 854	238 552	307 360	253 150	(14.1)
Compensation of employees	173 974	191 637	188 050	215 353	198 983	198 117	212 154	228 791	244 370	7.1
Goods and services	38 312	34 719	21 971	79 725	74 461	79 737	26 398	78 569	8 779	(66.9)
Interest and rent on land	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	13 500	177 696	17 842	1 012	1 012	11 012	57 106	1 085	1 148	418.6
Provinces and municipalities	13 500	177 696	17 842	1 012	1 012	1 012	57 106	1 085	1 148	5542.9
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	10 000	-	-	-	(100.0)
Non-profit institutions	-	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-	-
Payments for capital assets	169	273	-	-	30	10	-	-	-	(100.0)
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-	-
Machinery and equipment	169	273	-	-	30	10	-	-	-	(100.0)
Heritage Assets	-	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-	-
Total economic classification	225 955	404 325	227 863	296 091	274 486	288 876	295 658	308 445	254 298	2.3

The tables 15 and 16 above show the programme summary and economic classification of payments over the past three years and the MTEF. The total spending for the programme increased from R225.955 million in 2012/13 to a revised estimate of R288.876 million in 2015/16 financial year. The expenditure is forecasted to increase by 2.3 per cent in the 2016/17 year to continue with municipal support programmes.

The programme's payments towards employee remuneration increased from R173.974 million in 2012/13 to a revised estimate of R198.117 million in the 2015/16 financial year. It is anticipated to be increasing by 7.1 per cent in 2016/17 financial year to ensure that programme is capacitated.

The spending on goods and services shot upward from R38.312 million in 2012/13 to a revised estimate of R79.737 million in the 2015/16 year due various funded municipal intervention including the rescue of municipalities in financial distress.

Transfers and subsidies payments increased from R13.500 million in 2012/13 to a revised estimate of R11.012 million in 2015/16 due to funds made available to rescue financially struggling municipalities. It is anticipated that transfer payments would increase by 418.6 per cent in the coming year due to reclassification of funds from goods and services for payments to Eskom debts on behalf financially distressed municipalities.

Service Delivery Measures

Table 17: Selected service delivery measures for the programme: P2: Local Government

Selected Programme Performance Indicators	Estimate	Medium-term estimates		
	2015/16	2016/17	2017/18	2018/19
Number of municipalities disestablished and established	0	4	0	0
Number of municipalities assessed in terms of complying with relevant legislation	45	39	39	39
Number of municipalities monitored on the implementation of Audit Response Plan based on the 2014/15 audit outcomes	16	16	21	26
Number of municipalities supported to improve revenue management and debt collection	31	32	33	34
Number of municipalities supported to have functional ward committees	25	30	35	36
Number of CDWP cases resolved	507	507	507	507
Number of municipalities monitored to comply with MSA regulations	45	45	45	45
Number of councillors that had undergone training on induction programme		45	45	45
Number of municipalities monitored to comply with MSA regulations (Performance Agreements)	45	45	45	45
Number of municipalities supported to institutionalise Performance Management System (PMS)	15	16	15	15

8.3 Programme 3: Development and Planning

To render support services regarding integrated planning development in municipalities. The programme has 4 sub-programmes:

- **Spatial Planning:** To supports municipalities with spatial planning;
- **Land Use Management:** To support municipalities with effective and efficient land use management and administration;
- **Local Economic Development:** To provide seamless and integrated local economic development facilitation;
- **Municipal Infrastructure:** To build efficient social infrastructure to support service delivery;
- **Disaster Management:** To improve disaster prevention; mitigation and responses; and
- **IDP Coordination:** To provide support for effective and efficient municipal integrated development planning.

Table 18: Summary of departmental payments and estimates sub-programme: P3 - Development and Planning

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates			% change from 2015/16
	2012/13	2013/14	2014/15		2015/16		2016/17	2017/18	2018/19	
1. Spatial Planning	10 418	11 870	14 086	13 329	13 077	12 763	19 933	18 050	18 496	56.2
2. Development Admin/Land Use Management	22 993	24 063	23 590	22 166	22 641	22 567	24 935	27 246	28 054	10.5
3. Idp Co-Ordination	6 961	8 119	6 786	5 467	6 707	6 784	6 290	6 683	7 004	(7.3)
4. Led And Planning	25 482	26 588	28 018	23 651	22 214	22 601	22 648	23 282	24 021	0.2
5. Municipal Infrastructure	21 929	24 052	25 378	91 829	51 559	50 449	61 591	26 468	27 622	22.1
6. Disaster Management	14 533	19 497	36 885	19 976	23 100	23 371	21 508	21 732	19 179	(8.0)
Total payments and estimates	102 316	114 189	134 743	176 418	139 298	138 535	156 906	123 461	124 376	13.3

Table 19: Summary of departmental payments and estimates by economic classification: P3 - Development and Planning

R thousand	Outcome			Main appropriation	Adjusted appropriation 2015/16	Revised estimate	Medium-term estimates			% change from 2015/16
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19	
Current payments	96 958	103 710	108 721	100 485	99 723	99 579	110 556	119 572	124 002	11.0
Compensation of employees	77 632	82 363	91 344	94 235	90 300	90 063	98 565	111 690	119 295	9.4
Goods and services	19 325	21 347	17 377	6 250	9 423	9 516	11 991	7 882	4 706	26.0
Interest and rent on land	1	–	–	–	–	–	–	–	–	–
Transfers and subsidies to:	4 677	5 382	5 222	70 000	30 000	29 384	40 000	–	–	36.1
Provinces and municipalities	4 677	5 382	5 222	70 000	30 000	29 384	40 000	–	–	36.1
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	681	5 097	20 800	5 933	9 575	9 572	6 350	3 889	374	(33.7)
Buildings and other fixed structures	681	5 009	20 688	5 923	9 508	9 508	5 500	3 535	–	(42.2)
Machinery and equipment	–	88	111	10	37	34	800	300	317	2252.9
Heritage Assets	–	–	–	–	–	–	–	–	–	–
Specialised military assets	–	–	–	–	–	–	–	–	–	–
Biological assets	–	–	–	–	–	–	–	–	–	–
Land and sub-soil assets	–	–	–	–	–	–	–	–	–	–
Software and other intangible assets	–	–	1	–	30	30	50	54	57	66.7
Payments for financial assets	–	–	–	–	–	–	–	–	–	–
Total economic classification	102 316	114 189	134 743	176 418	139 298	138 535	156 906	123 461	124 376	13.3

The tables 18 and 19 above show the programme summary and economic classification of payments over the past three years and the MTEF. The total spending for the programme increased from R102.316 million in 2012/13 to a revised estimate of R138.535 million in 2015/16 financial year. The expenditure is forecasted to increase by 13.3 per cent in the 2016/17 year due to additional funding for specific programmes as part of the broader effort to continue with municipal support programmes.

The programme's payments towards employee remuneration increased from R77.632 million in 2012/13 to a revised estimate of R90.063 million in the 2015/16 financial year. It is anticipated to be increasing by 9.4 per cent in 2016/17 financial year due to anticipated critical vacant posts to be filled to ensure that programme is capacitated.

The spending on goods and services decreased from R19.325 million in 2012/13 to a revised estimate of R9.516 million in the 2015/16 year due the provincial baseline reductions and it is expected to increase by 26 per cent due to additional fund for Spatial Development Plan in various municipalities.

Transfers and subsidies payments increased from R4.677 million in 2012/13 to a revised estimate of R29.384 million in 2015/16 due to funds made available for the Chris Hani District Water Intervention projects. The expenditure is projected to increase by 36.1 per cent for the continuation of the above projects.

Payments for capital assets increased from R681 thousand in 2012/13 to a revised estimate of R9.572 million in 2015/16 due to the intensification of the construction of the Provincial Disaster Management Centre and it forecasted to decrease by 33.7 per cent due to the finalization of the above project.

Service Delivery Measures

Table 20: Selected service delivery measures for the programme: P3 Development and Planning

Selected Programme Performance Indicators	Estimate	Medium-term estimates		
	2015/16	2016/17	2017/18	2018/19
Number of municipalities supported with the implementation of SPLUMA	1	6	1	1
Number of municipalities supported with the development of legally compliant and credible IDPs	45	45	45	45
Number of work opportunities created through the CWP	42200	42200	45000	45000
Number of municipalities assessed against service delivery bench marks	45	45	45	45
Number of functional coordinating structures for infrastructure development and service delivery	28	28	28	28
Number of municipalities supported to implement local development projects in line with Municipal LED strategies	8	8	8	8
Number of municipalities supported to implement indigent policies	42	42	42	42
Number of functional Municipal Disaster Management Centres	8	21	8	8
Fire Brigade services established	8	21	8	8

8.4 Programme 4: Traditional Institutional Management

To support and capacitate institutions of traditional leadership to effectively perform their statutory and customary obligations. The programme has 3 sub-programmes:

- **Traditional Resource Administration:** To conduct traditional leadership research and policy development, and provide administrative support, capacity building and financial management support to traditional leadership institution;
- **Rural Development Facilitation:** To facilitate traditional community development initiatives; and
- **Traditional Institutional Administration:** To provide administrative and infrastructure support to traditional leadership institutions.

Table 21: Summary of departmental payments and estimates sub-programme: P4 - Traditional Institutional Management

R thousand	Outcome			Main appropriation	Adjusted appropriation 2015/16	Revised estimate	Medium-term estimates			% change from 2015/16
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19	
1. Traditional Resource Administra	245 259	255 588	261 702	245 956	255 718	254 302	267 889	267 209	282 602	5.3
2. Rural Development Facilitation	7 720	8 522	8 721	8 552	8 552	8 915	10 151	12 752	13 099	13.9
3. Traditional Institutional Administr	–	–	–	20 042	23 455	23 173	21 470	24 079	23 709	(7.4)
Total payments and estimates	252 979	264 110	270 423	274 550	287 725	286 390	299 510	304 041	319 410	4.6

Table 22: Summary of departmental payments and estimates by economic classification: P4 - Traditional Institutional Management

R thousand	Outcome			Main appropriation	Adjusted appropriation 2015/16	Revised estimate	Medium-term estimates			% change from 2015/16
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19	
Current payments	241 947	251 072	260 187	263 529	275 204	275 109	289 650	294 082	308 873	5.3
Compensation of employees	226 730	236 746	248 305	257 123	263 862	264 037	278 270	283 378	301 556	5.4
Goods and services	15 215	14 323	11 882	6 406	11 342	11 071	11 380	10 704	7 317	2.8
Interest and rent on land	2	3	–	–	–	1	–	–	–	(100.0)
Transfers and subsidies to:	7 606	6 216	5 837	5 244	6 744	5 519	5 356	5 410	5 724	(3.0)
Provinces and municipalities	6	–	–	–	–	–	–	–	–	
Departmental agencies and accounts	–	–	–	–	–	–	–	–	–	
Higher education institutions	–	–	–	–	–	–	–	–	–	
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–	
Public corporations and private enterprises	–	–	–	–	–	–	–	–	–	
Non-profit institutions	–	–	–	–	–	–	–	–	–	
Households	7 600	6 216	5 837	5 244	6 744	5 519	5 356	5 410	5 724	(3.0)
Payments for capital assets	3 426	6 822	4 399	5 777	5 777	5 762	4 504	4 549	4 813	(21.8)
Buildings and other fixed structures	3 426	6 822	4 384	5 777	5 777	5 733	4 504	4 549	4 813	(21.4)
Machinery and equipment	–	–	15	–	–	29	–	–	–	(100.0)
Heritage Assets	–	–	–	–	–	–	–	–	–	
Specialised military assets	–	–	–	–	–	–	–	–	–	
Biological assets	–	–	–	–	–	–	–	–	–	
Land and sub-soil assets	–	–	–	–	–	–	–	–	–	
Software and other intangible assets	–	–	–	–	–	–	–	–	–	
Payments for financial assets	–	–	–	–	–	–	–	–	–	
Total economic classification	252 979	264 110	270 423	274 550	287 725	286 390	299 510	304 041	319 410	4.6

The tables 21 and 22 above show the programme summary and economic classification of payments over the past three years and the MTEF. The total spending for the programme increased from R252.979 million in 2012/13 to a revised estimate of R286.390 million in 2015/16 financial year due to additional funding made available for support to Traditional Leadership Bill. The expenditure is forecasted to increase by 4.6 per cent in the 2016/17 financial year due to continued support for the Traditional Leadership Institutions.

The programme's payments towards employee remuneration increased from R226.730 million in 2012/13 to a revised estimate of R264.037 million in the 2015/16 financial year. It is anticipated to be increasing by 5.4 per cent in 2016/17 financial year due the expected salary increment.

The spending on goods and services decreased from R15.215 million in 2012/13 to a revised estimate of R11.071 million in the 2015/16 year due the provincial baseline reductions and it is expected to increase by 2.8 per cent due to the effect of the above.

Transfers and subsidies payments decreased from R7.606 million in 2012/13 to a revised estimate of R5.519 million in 2015/16 due the provincial baseline reductions. The expenditure is projected to decrease by 3 per cent in the same light.

Payments for capital assets increased from R3.426 million in 2012/13 to a revised estimate of R5.733 million in 2015/16 due to the intensification of the construction of the Traditional and it forecasted to decrease by 21.8 per cent due to the implementation of the provincial baseline reductions.

Service Delivery Measures

Table 23: Selected service delivery measures for the programme: P4: Traditional Institutional Management

Selected Programme Performance Indicators	Estimate 2015/16	Medium-term estimates		
	2015/16	2016/17	2017/18	2018/19
Number of reports on Traditional Leadership Institutions supported with resources	4	4	4	4
Number of reports on traditional leadership institutions constructed	4	4	4	4
% of records of decision and affidavits for litigation compiled within the specified timeframe	0%	100%	100%	100%
% of received disputes finalized	1	1	1	1
Number of capacity building interventions administered for traditional leaders	4	3	4	4
Number of Community Work Programme (CWP) committees monitored on participation of traditional leaders in CWP	4	25	30	35

8.5 Programme 5: House of Traditional Leaders

To promote and improve the effective and efficient functioning of the Eastern Cape House of Traditional Leaders as well as the Local Houses. The programme has 2 sub-programmes:

- **Administration of Houses of Traditional Leaders:** To provide overall administration and support services to the provincial house of traditional leaders; and to play an oversight role to provincial and local spheres of government on matters of service delivery; proposed legislation affecting traditional communities; management of communal land; conflict resolution and socio-economic development within traditional communities; and
- **Committees and Local Houses of Traditional Leaders:** To play the oversight role and advice the provincial and local spheres of government on matters of service delivery, proposed legislation affecting traditional communities, management of communal land, conflict resolution and socio-economic development within traditional communities.

Table 24: Summary of departmental payments and estimates sub-programme: P5 - House of Traditional Leaders

R thousand	Outcome			Main appropriation	Adjusted appropriation 2015/16	Revised estimate	Medium-term estimates			% change from 2015/16
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19	
1. Administration Of House Of Traditional Leaders	24 117	25 201	25 515	16 049	23 909	24 205	10 986	13 641	13 672	(54,6)
2. Committees And Local Houses Of Traditional Leaders	-	-	-	939	2 256	2 185	14 326	10 563	10 743	555,7
Total payments and estimates	24 117	25 201	25 515	16 988	26 165	26 390	25 312	24 204	24 415	(4,1)

Table 25: Summary of departmental payments and estimates by economic classification: P5 - House of Traditional Leaders

R thousand	Outcome			Main appropriation	Adjusted appropriation 2015/16	Revised estimate	Medium-term estimates			% change from 2015/16
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19	
Current payments	24 114	24 393	25 272	16 988	25 848	26 073	25 002	24 204	24 415	(4,1)
Compensation of employees	13 357	15 444	15 510	14 857	16 417	16 657	16 741	18 056	19 286	0,5
Goods and services	10 757	8 949	9 762	2 131	9 431	9 416	8 261	6 148	5 129	(12,3)
Interest and rent on land	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	3	638	-	-	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-	-
Households	3	638	-	-	-	-	-	-	-	-
Payments for capital assets	-	170	243	-	317	317	310	-	-	(2,2)
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	243	-	317	317	310	-	-	(2,2)
Heritage Assets	-	170	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-	-
Total economic classification	24 117	25 201	25 515	16 988	26 165	26 390	25 312	24 204	24 415	(4,1)

The tables 24 and 25 above show the programme summary and economic classification of payments over the past three years and the MTEF. The total spending for the programme increased from R24.117 million in 2012/13 to a revised estimate of R26.073 million in 2015/16 financial year due to additional funding made available for support to Traditional Leadership Bill. The expenditure is forecasted to decrease by 4.1 per cent in the 2016/17 year due to the implementation the of the provincial baseline reduction.

The programme's payments towards employee remuneration increased from R13.357 million in 2012/13 to a revised estimate of R16.657 million in the 2015/16 financial year. It is anticipated to be increasing by 0.5 per cent in 2016/17 financial year due the relocation of officials to other programmes.

The spending on goods and services decreased from R10.757 million in 2012/13 to a revised estimate of R9.416 million in the 2015/16 year due the provincial baseline reductions and it is expected to decrease by 12.3 per cent due to the effect of the above.

Payments for capital assets decreased from a revised estimate of R 317 thousand in 2015/16 to R310 thousand in 2016/17 by 2.2 per cent due to the implementation of the provincial baseline reductions.

Service Delivery Measures

Table 26: Selected service delivery measures for the programme: P5: House of Traditional Leaders

Selected Programme Performance Indicators	Estimate	Medium-term estimates		
	2015/16	2016/17	2017/18	2018/19
Number of consolidated reports on the resolutions of EXCO, house sittings, committee meetings submitted	4	4	4	4
Number of reports on constituencies supported through outreach programmes	2	2	2	2
Number of reports on the promotion of traditional, cultural and customary programmes submitted	0	1	1	1
Percentage of claims and disputes reports submitted to MEC	100	100	100	100
Number of reports on the implementation of initiation monitoring and intervention strategy	2	2	2	2
Reports on adequate administration support to the House submitted	4	4	4	4

9. Other programme information

9.1 Personnel numbers and costs by programme

Table 27: Personnel numbers and costs

Personnel numbers	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	As at 31 March 2018	As at 31 March 2019
1. Administration	354	381	325	344	337	337	337
2. Local Governance	696	678	655	651	647	647	647
3. Development And Planning	180	189	173	182	172	172	172
4. Traditional Institutional Management	1 695	1 710	1 902	1 702	1 697	1 697	1 697
5. House Of Traditional Leaders	52	54	49	49	51	53	53
Direct charges	–	–	–	–	–	–	–
Total provincial personnel numbers	2 977	3 012	3 104	2 928	2 904	2 906	2 906
Total provincial personnel cost (R thousand)	598 853	642 331	682 268	706 214	756 366	815 046	860 427
Unit cost (R thousand)	201	213	220	241	260	280	296

1. Full-time equivalent

9.2 Personnel numbers and costs by component

Table 28: Personnel numbers by component

	Actual				Revised estimate				Medium-term expenditure estimate						Average annual growth over MTEF				
	2012/13		2013/14		2014/15		2015/16		2016/17		2017/18		2018/19		2015/16 - 2018/19				
	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Filled posts	Additional posts	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel growth rate	Costs growth rate	% Costs of Total		
R thousands																			
Salary level																			
1 – 6	2 101	268 798	921	180 543	885	174 732	902	–	902	198 404	871	211 233	873	223 489	873	238 594	-1,1%	6,3%	27,7%
7 – 10	649	181 007	648	190 624	736	199 378	405	242	647	221 968	741	236 166	741	258 780	741	270 909	4,6%	6,9%	31,6%
11 – 12	136	72 910	130	73 829	129	102 583	136	–	136	94 606	137	103 327	137	114 616	137	120 295	0,2%	8,3%	13,8%
13 – 16	91	76 138	102	90 754	106	99 182	95	–	95	86 392	96	96 535	96	105 929	96	111 231	0,3%	8,8%	12,7%
Other	–	–	1 211	106 581	1 248	106 393	8)	1 156	1 148	104 844	1 059	109 105	1 059	112 233	1 059	119 399	-2,7%	4,4%	14,1%
Total	2 977	598 853	3 012	642 331	3 104	682 288	1 530	1 398	2 928	706 214	2 904	756 366	2 906	815 046	2 906	860 427	-0,3%	6,8%	100,0%
Programme																			
1. Administration	354	107 160	381	116 141	325	139 059	344	–	344	137 340	337	150 636	337	173 131	337	175 920	-0,7%	8,6%	20,4%
2. Local Governance	696	173 974	678	191 637	655	188 050	651	–	651	198 117	647	212 154	647	228 791	647	244 370	-0,2%	7,2%	28,2%
3. Development And Planning	180	77 632	189	82 363	173	91 344	182	–	182	90 063	172	98 565	172	111 690	172	119 295	-1,9%	9,8%	13,5%
4. Traditional Institutional Management	1 695	226 730	1 710	236 746	1 902	248 305	304	1 398	1 702	264 037	1 697	278 270	1 697	283 377	1 697	301 555	-0,1%	4,5%	35,6%
5. House Of Traditional Leaders	52	13 357	54	15 444	49	15 510	49	–	49	16 657	51	16 741	53	18 056	53	19 286	2,7%	5,0%	2,3%
Direct charges	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total	2 977	598 853	3 012	642 331	3 104	682 288	1 530	1 398	2 928	706 214	2 904	756 366	2 906	815 046	2 906	860 427	-0,3%	6,8%	100,0%
Employee dispensation classification																			
Public Service Act appointees not covered by OSDs							1 500	–	1 500	683 436	1 810	732 284	1 812	789 096	1 812	833 032	6,5%	6,8%	96,6%
Public Service Act appointees still to be covered by OSDs							–	–	–	–	–	–	–	–	–	–	–	–	–
Professional Nurses, Staff Nurses and Nursing Assistants							–	–	–	–	–	–	–	–	–	–	–	–	–
Legal Professionals							2	–	2	1 346	2	1 423	2	1 533	2	1 619	–	6,3%	0,2%
Social Services Professions							–	–	–	–	–	–	–	–	–	–	–	–	–
Engineering Professions and related occupations							28	–	28	20 406	35	21 574	35	23 248	35	24 542	7,7%	6,3%	2,9%
Medical and related professionals							–	–	–	–	–	–	–	–	–	–	–	–	–
Therapeutic, Diagnostic and other related Allied Health Professionals							–	–	–	–	–	–	–	–	–	–	–	–	–
Educators and related professionals							–	–	–	–	–	–	–	–	–	–	–	–	–
Others such as interns, EPWP, learnerships, etc							–	1 398	1 398	1 026	1 057	1 085	1 057	1 169	1 057	1 234	-8,9%	6,3%	0,1%
Total	2 977	598 853	3 012	642 331	3 104	682 288	1 530	1 398	2 928	706 214	2 904	756 366	2 906	815 046	2 906	860 427	-0,3%	6,8%	100,0%

¹ Personnel numbers includes all filled posts together with those posts additional to the approved establishment

Table 27 and 28 above reflects personnel numbers and costs by programme and salary levels. The personnel numbers indicates a decline of 0.3 per cent from 2 928 to 2904. According to the current structural arrangement, the department has 103 vacant positions. Due to the growing remuneration costs and the tight fiscal envelope the department does not intend to fill any new positions but only 42 replacements.

9.3 Payments on training by programme

Table 29: Payments on training by programme

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates			% change from 2015/16
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19	
1. Administration	1 786	1 798	2 167	1 914	1 914	1 914	2 015	2 116	2 239	5,3
Subsistence and travel	–	–	–	–	–	–	–	–	–	–
Payments on tuition	1 786	1 798	2 167	1 914	1 914	1 914	2 015	2 116	2 239	5,3
Total payments on training	1 786	1 798	2 167	1 914	1 914	1 914	2 015	2 116	2 239	5,3

9.4 Information on training

Table 30: Information on training

R thousand	Outcome			Main appropriation	Adjusted appropriation 2015/16	Revised estimate	Medium-term estimates			% change from 2015/16
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19	
Number of staff	2 977	3 012	3 104	1 530	2 928	1 530	2 904	2 906	2 906	89,8
Number of personnel trained	471	500	400	390	604	604	500	550	550	(17,2)
of which										
Male	141	150	190	190	100	100	150	160	160	50,0
Female	330	350	210	200	504	504	350	390	390	(30,6)
Number of training opportunities	587	500	400	390	604	604	500	550	550	(17,2)
of which										
Tertiary	282	200	30	30	40	40	30	35	35	(25,0)
Workshops	100	200	150	140	140	140	120	125	125	(14,3)
Seminars	89	100	120	120	25	25	15	20	20	(40,0)
Other	116	–	100	100	399	399	335	370	370	(16,0)
Number of bursaries offered	64	95	90	135	102	102	98	98	98	(3,9)
Number of interns appointed	28	59	15	15	15	15	15	20	20	
Number of learnerships appointed	–	–	–	–	–	–	–	–	–	
Number of days spent on training	52	54	54	54	100	100	80	85	85	(20,0)

The table above reflects the number of personnel trained and planned to be trained over the MTEF period. The table shows a moderate decline of personnel to be trained in 2016/17 compared to the previous year, from 604 to 500 employees.

9.5 Structural changes

None.

**Annexure to the
Estimates of Provincial Revenue
and Expenditure**

**Department of Cooperative Governance and
Traditional Affairs**

Table B. 1: Specification of receipts

R thousand	Outcome			Main appropriation	Adjusted appropriation 2015/16	Revised estimate	Medium-term estimates			% change from 2015/16
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19	
Tax receipts	-	-	-	-	-	-	-	-	-	
Casino taxes	-	-	-	-	-	-	-	-	-	
Horse racing taxes	-	-	-	-	-	-	-	-	-	
Liquor licences	-	-	-	-	-	-	-	-	-	
Motor vehicle licences	-	-	-	-	-	-	-	-	-	
Sales of goods and services other than capital assets	643	754	805	1 939	1 939	1 130	2 055	2 178	2 304	81,9
Sale of goods and services produced by department (excluding capital assets)	643	754	805	1 939	1 939	1 130	2 055	2 178	2 304	81,9
Sales by market establishments	-	-	-	-	-	-	-	-	-	
Administrative fees	-	-	-	-	-	-	-	-	-	
Other sales	643	754	805	1 939	1 939	1 130	2 055	2 178	2 304	81,9
Of which										
Commission on Insurance	643	754	805	1 939	1 939	1 130	2 055	2 178	2 304	81,9
Sales of scrap, waste, arms and other used current goods (excluding 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	-	-	-	-	-	3	-	-	-	(100,0)
Interest	-	-	-	-	-	3	-	-	-	(100,0)
Dividends	-	-	-	-	-	-	-	-	-	
Rent on land	-	-	-	-	-	-	-	-	-	
Sales of capital assets	-	-	-	-	-	-	-	-	-	
Land and sub-soil assets	-	-	-	-	-	-	-	-	-	
Other capital assets	-	-	-	-	-	-	-	-	-	
Transactions in financial assets and liabilities	1 204	1 620	2 022	-	-	527	-	-	-	(100,0)
Total departmental receipts	1 847	2 374	2 827	1 939	1 939	1 660	2 055	2 178	2 304	23,8

Table B. 2: Details of payments and estimates by economic classification: Summary

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates			% change from 2015/16
	2012/13	2013/14	2014/15	2015/16	2015/16	2015/16	2016/17	2017/18	2018/19	
Current payments	743 777	786 542	805 201	858 122	866 371	872 742	875 576	977 151	935 825	0.3
Compensation of employees	598 853	642 331	682 268	718 507	706 343	706 214	756 366	815 046	860 427	7.1
Salaries and wages	535 328	545 975	609 938	610 644	598 877	625 055	672 453	725 490	764 773	7.6
Social contributions	63 525	96 356	72 330	107 863	107 466	81 159	83 913	89 556	95 654	3.4
Goods and services	144 921	144 208	122 926	139 615	160 028	166 520	119 210	162 104	75 398	(28.4)
Administrative fees	108	1 175	76	57	57	83	113	109	115	36.4
Advertising	3 192	2 042	1 488	562	1 420	1 291	2 212	1 959	2 071	71.3
Minor assets	2 874	824	274	822	735	688	949	961	1 018	38.0
Audit cost: External	15 351	4 353	5 742	5 342	11 396	11 166	5 944	5 009	5 299	(46.8)
Bursaries: Employees	841	651	534	650	560	531	600	608	643	13.0
Catering: Departmental activities	3 445	3 396	3 660	1 098	3 257	3 289	2 996	2 010	2 122	(8.9)
Communication (G&S)	15 018	14 660	17 268	7 955	10 110	11 486	11 777	8 538	7 479	2.5
Computer services	3 035	5 011	4 471	5 647	6 977	6 923	5 990	5 713	6 045	(13.5)
Consultants and professional services: Business and advisory services	9 828	15 916	10 705	36 963	14 826	14 089	23 047	33 963	6 750	63.6
Consultants and professional services: Infrastructure and planning	779	37	—	—	—	—	—	—	—	—
Consultants and professional services: Laboratory services	—	—	—	—	—	—	—	—	—	—
Consultants and professional services: Scientific and technological services	—	—	—	—	—	—	—	—	—	—
Consultants and professional services: Legal costs	4 901	4 428	3 110	1 404	1 262	1 265	4 848	1 872	905	283.3
Contractors	742	695	2 294	2 130	2 250	2 444	2 702	718	758	10.6
Agency and support / outsourced services	149	408	526	218	790	790	109	161	171	(86.2)
Entertainment	409	541	247	139	238	235	162	233	245	(31.1)
Fleet services (including government motor transport)	2 678	—	—	0	26	15	-0	0	—	(100.0)
Housing	—	—	—	—	—	—	—	—	—	—
Inventory: Clothing material and accessories	—	27	—	—	—	—	1	-1	-0	—
Inventory: Farming supplies	—	—	—	—	—	—	—	—	—	—
Inventory: Food and food supplies	—	—	—	—	—	—	—	—	—	—
Inventory: Fuel, oil and gas	—	-662	—	—	—	—	—	—	—	—
Inventory: Learner and teacher support material	—	—	—	—	—	—	—	—	—	—
Inventory: Materials and supplies	—	—	—	—	—	—	—	—	—	—
Inventory: Medical supplies	—	—	—	—	—	—	—	—	—	—
Inventory: Medicine	30	—	—	—	—	—	0	-0	-0	—
Medsas inventory interface	—	—	—	—	—	—	—	—	—	—
Inventory: Other supplies	—	—	—	—	—	—	—	—	—	—
Consumable supplies	205	7 390	7 435	5 251	5 172	4 338	5 466	5 853	4 477	26.0
Consumable: Stationery, printing and office supplies	3 400	2 900	2 592	1 416	1 784	1 606	2 374	2 415	2 558	47.8
Operating leases	5 616	5 883	3 758	4 823	4 823	5 520	4 920	4 985	5 274	(10.9)
Property payments	2 538	2 769	2 455	42 293	52 720	57 910	2 509	42 991	2 740	(96.7)
Transport provided: Departmental activity	—	—	64	—	91	90	—	—	—	(100.0)
Travel and subsistence	54 995	55 522	43 325	17 307	31 952	33 183	26 514	31 293	15 990	(20.1)
Training and development	1 786	1 798	2 167	1 524	1 771	1 953	5 583	2 561	2 710	185.9
Operating payments	3 033	3 475	2 784	1 797	2 910	2 983	4 540	4 304	2 411	52.2
Venues and facilities	9 968	10 968	7 848	2 132	3 193	2 855	4 579	4 614	4 880	60.4
Rental and hiring	—	—	103	86	1 708	1 787	1 274	1 235	738	(28.7)
Interest and rent on land	3	3	7	—	—	8	—	—	—	(100.0)
Interest	3	3	7	—	—	8	—	—	—	(100.0)
Rent on land	—	—	—	—	—	—	—	—	—	—
Transfers and subsidies	28 956	195 729	35 266	79 518	42 169	50 357	106 926	9 994	10 574	112.3
Provinces and municipalities	18 183	183 078	23 064	71 012	31 012	30 396	97 106	1 085	1 148	219.5
Provinces	6	—	—	—	—	—	—	—	—	—
Provincial Revenue Funds	—	—	—	—	—	—	—	—	—	—
Provincial agencies and funds	6	—	—	—	—	—	—	—	—	—
Municipalities	18 177	183 078	23 064	71 012	31 012	30 396	97 106	1 085	1 148	219.5
Municipalities	18 177	183 078	23 064	71 012	31 012	30 396	97 106	1 085	1 148	219.5
Municipal agencies and funds	—	—	—	—	—	—	—	—	—	—
Departmental agencies and accounts	8	—	—	—	—	—	—	—	—	—
Social security funds	—	—	—	—	—	—	—	—	—	—
Provide list of entities receiving transfers	8	—	—	—	—	—	—	—	—	—
Higher education institutions	—	—	—	—	—	—	—	—	—	—
Foreign governments and international organisations	—	—	—	—	—	—	—	—	—	—
Public corporations and private enterprises	—	—	—	—	—	10 000	—	—	—	(100.0)
Public corporations	—	—	—	—	—	—	—	—	—	—
Subsidies on production	—	—	—	—	—	—	—	—	—	—
Other transfers	—	—	—	—	—	—	—	—	—	—
Private enterprises	—	—	—	—	—	10 000	—	—	—	(100.0)
Subsidies on production	—	—	—	—	—	—	—	—	—	—
Other transfers	—	—	—	—	—	10 000	—	—	—	(100.0)
Non-profit institutions	—	—	—	—	—	—	—	—	—	—
Households	10 765	12 651	12 202	8 506	11 157	9 961	9 820	8 909	9 426	(1.4)
Social benefits	10 762	12 013	12 202	8 506	10 881	9 633	9 820	8 909	9 426	1.9
Other transfers to households	3	638	—	—	276	328	—	—	—	(100.0)
Payments for capital assets	15 495	19 269	31 172	20 021	27 262	26 691	27 655	25 093	16 855	3.6
Buildings and other fixed structures	4 107	11 831	25 072	11 700	15 285	15 241	10 004	8 084	4 813	(34.4)
Buildings	4 107	11 067	25 072	11 700	15 285	15 241	10 004	8 084	4 813	(34.4)
Other fixed structures	—	764	—	—	—	—	—	—	—	—
Machinery and equipment	11 388	7 131	6 099	8 321	11 947	11 420	17 601	16 955	11 986	54.1
Transport equipment	7 840	—	4 719	6 200	8 621	7 970	6 240	6 303	6 668	(21.7)
Other machinery and equipment	3 548	7 131	1 380	2 121	3 326	3 450	11 361	10 653	5 317	229.3
Heritage Assets	—	170	—	—	—	—	—	—	—	—
Specialised military assets	—	—	—	—	—	—	—	—	—	—
Biological assets	—	—	—	—	—	—	—	—	—	—
Land and sub-soil assets	—	—	—	—	—	—	—	—	—	—
Software and other intangible assets	—	137	1	—	30	30	50	54	57	66.7
Payments for financial assets	—	—	454	—	—	—	—	—	—	—
Total economic classification	788 228	1 001 539	872 093	957 661	935 802	949 790	1 010 156	1 012 238	963 254	6.4

Table B.2A: Details of payments and estimates by economic classification: P1- Administration

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates			% change from 2015/16
	2012/13	2013/14	2014/15	2015/16	2015/16	2015/16	2016/17	2017/18	2018/19	
Current payments	168 472	181 011	201 000	182 042	192 152	194 127	211 816	231 933	225 386	9.1
Compensation of employees	107 160	116 141	139 059	136 939	136 781	137 340	150 636	173 131	175 920	9.7
Salaries and wages	93 159	98 717	121 283	116 399	116 138	119 249	130 887	153 528	154 983	9.8
Social contributions	14 001	17 424	17 776	20 540	20 643	18 091	19 749	19 603	20 937	9.2
Goods and services	61 312	64 870	61 934	45 103	55 371	56 780	61 180	58 802	49 466	7.7
Administrative fees	48	37	39	57	57	54	67	68	72	24.4
Advertising	1 864	1 516	1 059	512	871	715	1 718	1 496	1 581	140.2
Assets less than the capitalisation threshold	855	584	160	812	613	617	668	676	716	8.2
Audit cost: External	4 351	4 353	5 742	5 342	4 541	4 311	5 944	5 009	5 299	37.9
Bursaries: Employees	841	651	534	650	560	531	600	608	643	13.0
Catering: Departmental activities	816	907	1 478	351	1 132	1 232	700	668	704	(43.2)
Communication (G&S)	14 887	13 798	16 142	7 170	9 417	10 864	11 597	8 406	7 340	6.7
Computer services	2 671	4 501	3 676	5 180	6 721	6 666	5 640	5 713	6 045	(15.4)
Consultants and professional services: Business and advisory services	1 313	847	814	619	940	948	1 000	1 013	1 072	5.5
Consultants and professional services: Infrastructure and planning	-	-	-	-	-	-	-	-	-	-
Consultants and professional services: Laboratory services	-	-	-	-	-	-	-	-	-	-
Consultants and professional services: Scientific and technological services	-	-	-	-	-	-	-	-	-	-
Consultants and professional services: Legal costs	4 901	4 428	3 110	1 404	1 262	1 265	4 848	1 872	905	283.3
Contractors	151	330	601	197	290	283	652	656	694	130.4
Agency and support / outsourced services	-	-	-	-	126	126	70	71	75	(44.4)
Entertainment	199	271	130	85	121	119	92	94	99	(22.5)
Fleet services (including government motor transport)	2 678	-	-	-	2	2	-	-	-	(100.0)
Housing	-	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	27	-	-	-	-	0	-0	-0	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-1	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-	-
Inventory: Medicine	30	-	-	-	-	-	0	-0	-0	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-	-
Consumable supplies	110	5 750	6 304	5 012	5 006	4 258	4 852	5 402	4 000	13.9
Consumable: Stationery, printing and office supplies	1 725	1 534	1 345	1 013	1 142	1 033	1 356	1 343	1 421	31.3
Operating leases	4 427	5 883	3 758	4 800	4 800	5 520	4 920	4 985	5 274	(10.9)
Property payments	2 041	2 259	2 098	1 962	1 951	2 142	1 999	2 025	2 142	(6.7)
Transport provided: Departmental activity	-	-	55	-	-	-	-	-	-	-
Travel and subsistence	11 952	10 480	8 655	6 219	10 325	10 483	7 600	11 727	6 150	(27.5)
Training and development	1 570	1 473	1 733	1 392	1 551	1 693	1 626	1 648	1 743	(4.0)
Operating payments	1 635	2 223	2 001	1 507	2 631	2 707	3 391	3 443	1 500	25.3
Venues and facilities	2 247	3 017	2 421	739	1 259	1 159	1 770	1 807	1 912	52.7
Rental and hiring	-	-	79	80	52	52	72	73	78	38.5
Interest and rent on land	-	-	7	-	-	7	-	-	-	(100.0)
Interest	-	-	7	-	-	7	-	-	-	(100.0)
Rent on land	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies	3 170	5 797	6 365	3 262	4 413	4 442	4 464	3 499	3 702	0.5
Provinces and municipalities	-	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	8	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	8	-	-	-	-	-	-	-	-	-
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	3 162	5 797	6 365	3 262	4 413	4 442	4 464	3 499	3 702	0.5
Social benefits	3 162	5 797	6 365	3 262	4 137	4 114	4 464	3 499	3 702	8.5
Other transfers to households	-	-	-	-	276	328	-	-	-	(100.0)
Payments for capital assets	11 219	6 906	5 730	8 311	11 563	11 030	16 491	16 655	11 668	49.5
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-	-
Machinery and equipment	11 219	6 769	5 730	8 311	11 563	11 030	16 491	16 655	11 668	49.5
Transport equipment	7 840	-	4 719	6 200	8 621	7 970	6 240	6 303	6 668	(21.7)
Other machinery and equipment	3 379	6 769	1 011	2 111	2 942	3 060	10 251	10 353	5 000	235.0
Heritage Assets	-	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	137	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	454	-	-	-	-	-	-	-
Total economic classification	182 861	193 714	213 549	193 615	208 128	209 599	232 771	252 087	240 755	11.1

Table B.2B: Details of payments and estimates by economic classification: P2 – Local Governance

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates			% change from 2015/16
	2012/13	2013/14	2014/15	2015/16	2015/16	2015/16	2016/17	2017/18	2018/19	
Current payments	212 286	226 356	210 021	295 079	273 444	277 854	238 552	307 360	253 150	(14.1)
Compensation of employees	173 974	191 637	188 050	215 353	198 983	198 117	212 154	228 791	244 370	7.1
Salaries and wages	148 123	162 891	160 882	182 830	166 560	167 390	180 175	195 827	209 161	7.6
Social contributions	25 851	28 746	27 168	32 523	32 423	30 727	31 979	32 964	35 209	4.1
Goods and services	38 312	34 719	21 971	79 725	74 461	79 737	26 398	78 569	8 779	(66.9)
Administrative fees	–	1 138	9	–	–	–	–	-0	–	–
Advertising	215	163	–	25	25	–	25	25	27	–
Assets less than the capitalisation threshold	1 957	122	50	0	37	30	30	30	32	(1.7)
Audit cost: External	11 000	–	–	-0	6 855	6 855	0	0	–	(100.0)
Bursaries: Employees	–	–	–	–	–	–	–	–	–	–
Catering: Departmental activities	514	697	533	151	284	250	444	440	463	77.7
Communication (G&S)	–	529	902	700	600	523	0	-0	–	(100.0)
Computer services	–	–	766	467	256	257	0	-0	–	(100.0)
Consultants and professional services: Business and advisory services	2 148	6 997	3 951	32 437	6 515	6 516	15 717	28 534	2 000	141.2
Consultants and professional services: Infrastructure and planning	–	–	–	–	–	–	–	–	–	–
Consultants and professional services: Laboratory services	–	–	–	–	–	–	–	–	–	–
Consultants and professional services: Scientific and technological services	–	–	–	–	–	–	–	–	–	–
Consultants and professional services: Legal costs	–	–	–	–	–	–	–	–	–	–
Contractors	256	104	–	-0	-0	–	-0	-0	–	–
Agency and support / outsourced services	–	345	490	199	649	649	–	–	–	(100.0)
Entertainment	66	106	20	24	20	18	22	23	23	22.6
Fleet services (including government 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	–	114	21	15	–	8	0	9	10	(100.0)
Consumable: Stationery, printing and office supplies	455	378	231	112	133	130	176	154	164	35.5
Operating leases	13	–	–	0	0	–	0	0	–	–
Property payments	–	–	–	40 000	50 290	55 290	–	40 400	–	(100.0)
Transport provided: Departmental activity	–	–	–	–	–	–	–	–	–	–
Travel and subsistence	18 551	20 832	13 561	5 213	8 390	8 922	4 938	6 240	3 190	(44.7)
Training and development	180	274	–	–	30	30	3 233	687	727	10676.7
Operating payments	705	409	157	144	145	114	381	388	409	234.3
Venues and facilities	2 252	2 511	1 280	233	233	143	1 433	1 639	1 734	901.9
Rental and hiring	–	–	–	6	–	2	-0	0	–	(100.0)
Interest and rent on land	–	–	–	–	–	–	–	–	–	–
Interest	–	–	–	–	–	–	–	–	–	–
Rent on land	–	–	–	–	–	–	–	–	–	–
Transfers and subsidies	13 500	177 696	17 842	1 012	1 012	1 012	57 106	1 085	1 148	418.6
Provinces and municipalities	13 500	177 696	17 842	1 012	1 012	1 012	57 106	1 085	1 148	5542.9
Provinces	–	–	–	–	–	–	–	–	–	–
Provincial Revenue Funds	–	–	–	–	–	–	–	–	–	–
Provincial agencies and funds	–	–	–	–	–	–	–	–	–	–
Municipalities	13 500	177 696	17 842	1 012	1 012	1 012	57 106	1 085	1 148	5542.9
Municipalities	13 500	177 696	17 842	1 012	1 012	1 012	57 106	1 085	1 148	5542.9
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	–	–	–	–	–	10 000	–	–	–	(100.0)
Public corporations	–	–	–	–	–	–	–	–	–	–
Subsidies on production	–	–	–	–	–	–	–	–	–	–
Other transfers	–	–	–	–	–	–	–	–	–	–
Private enterprises	–	–	–	–	–	10 000	–	–	–	(100.0)
Subsidies on production	–	–	–	–	–	–	–	–	–	–
Other transfers	–	–	–	–	–	10 000	–	–	–	(100.0)
Non-profit institutions	–	–	–	–	–	–	–	–	–	–
Households	–	–	–	–	–	–	–	–	–	–
Social benefits	–	–	–	–	–	–	–	–	–	–
Other transfers to households	–	–	–	–	–	–	–	–	–	–
Payments for capital assets	169	273	–	–	30	10	–	–	–	(100.0)
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–	–
Buildings	–	–	–	–	–	–	–	–	–	–
Other fixed structures	–	–	–	–	–	–	–	–	–	–
Machinery and equipment	169	273	–	–	30	10	–	–	–	(100.0)
Transport equipment	–	–	–	–	–	–	–	–	–	–
Other machinery and equipment	169	273	–	–	30	10	–	–	–	(100.0)
Heritage Assets	–	–	–	–	–	–	–	–	–	–
Specialised military assets	–	–	–	–	–	–	–	–	–	–
Biological assets	–	–	–	–	–	–	–	–	–	–
Land and sub-soil assets	–	–	–	–	–	–	–	–	–	–
Software and other intangible assets	–	–	–	–	–	–	–	–	–	–
Payments for financial assets	–	–	–	–	–	–	–	–	–	–
Total economic classification	225 955	404 325	227 863	296 091	274 486	288 876	295 658	308 445	254 298	2.3

Table B.2C: Details of payments and estimates by economic classification: P3 – Development and Planning

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates			% change from 2015/16
	2012/13	2013/14	2014/15	2015/16	2015/16	2015/16	2016/17	2017/18	2018/19	
Current payments	96 958	103 710	108 721	100 485	99 723	99 579	110 556	119 572	124 002	11.0
Compensation of employees	77 632	82 363	91 344	94 235	90 300	90 063	98 565	111 690	119 295	9.4
Salaries and wages	67 659	70 001	79 999	80 175	76 640	78 329	86 064	96 174	102 723	9.9
Social contributions	9 973	12 362	11 345	14 060	13 660	11 734	12 501	15 516	16 572	6.5
Goods and services	19 325	21 347	17 377	6 250	9 423	9 516	11 991	7 882	4 706	26.0
Administrative fees	60	–	19	0	0	–	40	40	43	
Advertising	30	88	14	25	96	90	33	33	35	(63.3)
Assets less than the capitalisation threshold	2	64	31	10	5	5	52	53	56	947.6
Audit cost: External	–	–	–	–	–	–	–	–	–	
Bursaries: Employees	–	–	–	–	–	–	–	–	–	
Catering: Departmental activities	308	206	227	59	252	245	190	193	204	(22.3)
Communication (G&S)	–	–	–	–	–	–	–	–	–	
Computer services	364	510	29	–	–	–	-0	0	–	
Consultants and professional services: Business and advisory services	2 450	3 985	2 709	1 750	1 514	1 395	2 428	129	136	74.0
Consultants and professional services: Infrastructure and planning	779	–	–	–	–	–	–	–	–	
Consultants and professional services: Laboratory services	–	–	–	–	–	–	–	–	–	
Consultants and professional services: Scientific and technological services	–	–	–	–	–	–	–	–	–	
Consultants and professional services: Legal costs	–	–	–	–	–	–	–	–	–	
Contractors	128	43	1 477	1 933	1 950	2 104	2 000	–	–	(4.9)
Agency and support / outsourced services	–	–	–	–	–	–	–	–	–	
Entertainment	57	64	22	7	12	12	19	18	19	62.3
Fleet services (including government 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	9	–	524	34	36	1	20	20	21	1900.0
Consumable: Stationery, printing and office supplies	142	330	291	66	145	125	253	201	216	102.1
Operating leases	–	–	–	23	23	–	0	0	–	
Property payments	–	–	132	–	178	168	160	163	171	(4.8)
Transport provided: Departmental activity	–	–	–	–	–	–	–	–	–	
Travel and subsistence	12 575	12 910	9 808	2 160	4 935	5 009	6 215	6 461	3 200	24.1
Training and development	36	51	72	–	–	–	-0	-0	–	
Operating payments	212	289	147	92	32	49	95	96	103	94.9
Venues and facilities	2 173	2 807	1 869	91	85	153	486	475	503	217.6
Rental and hiring	–	–	6	–	160	160	-0	-0	–	(100.0)
Interest and rent on land	1	–	–	–	–	–	–	–	–	
Interest	1	–	–	–	–	–	–	–	–	
Rent on land	–	–	–	–	–	–	–	–	–	
Transfers and subsidies	4 677	5 382	5 222	70 000	30 000	29 384	40 000	–	–	36.1
Provinces and municipalities	4 677	5 382	5 222	70 000	30 000	29 384	40 000	–	–	36.1
Provinces	–	–	–	–	–	–	–	–	–	
Provincial Revenue Funds	–	–	–	–	–	–	–	–	–	
Provincial agencies and funds	–	–	–	–	–	–	–	–	–	
Municipalities	4 677	5 382	5 222	70 000	30 000	29 384	40 000	–	–	36.1
Municipalities	4 677	5 382	5 222	70 000	30 000	29 384	40 000	–	–	36.1
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	681	5 097	20 800	5 933	9 575	9 572	6 350	3 889	374	(33.7)
Buildings and other fixed structures	681	5 009	20 688	5 923	9 508	9 508	5 500	3 535	–	(42.2)
Buildings	681	5 009	20 688	5 923	9 508	9 508	5 500	3 535	–	(42.2)
Other fixed structures	–	–	–	–	–	–	–	–	–	
Machinery and equipment	–	88	111	10	37	34	800	300	317	2252.9
Transport equipment	–	–	–	–	–	–	–	–	–	
Other machinery and equipment	–	88	111	10	37	34	800	300	317	2252.9
Heritage Assets	–	–	–	–	–	–	–	–	–	
Specialised military assets	–	–	–	–	–	–	–	–	–	
Biological assets	–	–	–	–	–	–	–	–	–	
Land and sub-soil assets	–	–	–	–	–	–	–	–	–	
Software and other intangible assets	–	–	1	–	30	30	50	54	57	66.7
Payments for financial assets	–	–	–	–	–	–	–	–	–	
Total economic classification	102 316	114 189	134 743	176 418	139 298	138 535	156 906	123 461	124 376	13.3

Table B.2D: Details of payments and estimates by economic classification: P4 – Traditional Institutional Management

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates			% change from 2015/16
	2012/13	2013/14	2014/15	2015/16	2015/16	2015/16	2016/17	2017/18	2018/19	
Current payments	241 947	251 072	260 187	263 529	275 204	275 109	289 650	294 082	308 873	5.3
Compensation of employees	226 730	236 746	248 305	257 123	263 862	264 037	278 270	283 378	301 566	5.4
Salaries and wages	214 738	201 237	234 132	218 670	225 409	245 521	261 030	264 190	281 061	6.3
Social contributions	11 992	35 509	14 173	38 453	38 453	18 516	17 240	19 188	20 495	(6.9)
Goods and services	15 215	14 323	11 882	6 406	11 342	11 071	11 380	10 704	7 317	2.8
Administrative fees	–	–	–	–	–	–	–	–	–	–
Advertising	14	–	–	–	–	–	0	0	–	–
Assets less than the capitalisation threshold	38	39	33	–	80	36	200	202	214	455.6
Audit cost: External	–	–	–	–	–	–	–	–	–	–
Bursaries: Employees	–	–	–	–	–	–	–	–	–	–
Catering: Departmental activities	375	516	693	238	879	911	571	507	536	(37.3)
Communication (G&S)	32	36	1	40	24	24	40	41	43	67.2
Computer services	–	–	–	–	–	–	–	–	–	–
Consultants and professional services: Business and advisory services	2 683	2 611	1 415	1 589	3 182	2 747	2 418	2 219	1 351	(12.0)
Consultants and professional services: Infrastructure and planning	–	37	–	–	–	–	–	–	–	–
Consultants and professional services: Laboratory services	–	–	–	–	–	–	–	–	–	–
Consultants and professional services: Scientific and technological services	–	–	–	–	–	–	–	–	–	–
Consultants and professional services: Legal costs	–	–	–	–	–	–	–	–	–	–
Contractors	15	88	216	0	-20	27	30	32	32	11.1
Agency and support / outsourced services	66	3	–	0	0	–	0	-0	–	–
Entertainment	35	38	16	9	11	11	18	17	17	63.6
Fleet services (including government motor transport)	–	–	–	0	0	–	-0	0	–	–
Housing	–	–	–	–	–	–	–	–	–	–
Inventory: Clothing material and accessories	–	–	–	–	–	–	–	–	–	–
Inventory: Farming supplies	–	–	–	–	–	–	–	–	–	–
Inventory: Food and food supplies	–	–	–	–	–	–	–	–	–	–
Inventory: Fuel, oil and gas	–	-661	–	–	–	–	–	–	–	–
Inventory: Learner and teacher support material	–	–	–	–	–	–	–	–	–	–
Inventory: Materials and supplies	–	–	–	–	–	–	–	–	–	–
Inventory: Medical supplies	–	–	–	–	–	–	–	–	–	–
Inventory: Medicine	–	–	–	–	–	–	–	–	–	–
Medsas inventory interface	–	–	–	–	–	–	–	–	–	–
Inventory: Other supplies	–	–	–	–	–	–	–	–	–	–
Consumable supplies	3	1 393	473	134	69	7	268	271	286	3728.6
Consumable: Stationery, printing and office supplies	828	377	439	157	200	144	476	513	543	230.6
Operating leases	1 176	–	–	0	0	–	0	0	–	–
Property payments	497	510	225	331	301	310	350	404	427	12.9
Transport provided: Departmental activity	–	–	–	–	–	–	–	–	–	–
Travel and subsistence	6 426	6 807	6 077	2 773	4 116	4 508	4 362	4 383	2 200	(3.2)
Training and development	–	–	362	132	190	230	725	227	240	215.2
Operating payments	310	298	274	34	52	11	403	346	367	3564.0
Venues and facilities	2 717	2 231	1 658	969	868	638	516	531	561	(19.1)
Rental and hiring	–	–	–	–	1 390	1 467	1 002	1 010	500	(31.7)
Interest and rent on land	2	3	–	–	–	1	–	–	–	(100.0)
Interest	2	3	–	–	–	1	–	–	–	(100.0)
Rent on land	–	–	–	–	–	–	–	–	–	–
Transfers and subsidies	7 606	6 216	5 837	5 244	6 744	5 519	5 356	5 410	5 724	(3.0)
Provinces and municipalities	6	–	–	–	–	–	–	–	–	–
Provinces	6	–	–	–	–	–	–	–	–	–
Provincial Revenue Funds	–	–	–	–	–	–	–	–	–	–
Provincial agencies and funds	6	–	–	–	–	–	–	–	–	–
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	7 600	6 216	5 837	5 244	6 744	5 519	5 356	5 410	5 724	(3.0)
Social benefits	7 600	6 216	5 837	5 244	6 744	5 519	5 356	5 410	5 724	(3.0)
Other transfers to households	–	–	–	–	–	–	–	–	–	–
Payments for capital assets	3 426	6 822	4 399	5 777	5 777	5 762	4 504	4 549	4 813	(21.8)
Buildings and other fixed structures	3 426	6 822	4 384	5 777	5 777	5 733	4 504	4 549	4 813	(21.4)
Buildings	3 426	6 058	4 384	5 777	5 777	5 733	4 504	4 549	4 813	(21.4)
Other fixed structures	–	764	–	–	–	–	–	–	–	–
Machinery and equipment	–	–	15	–	–	29	–	–	–	(100.0)
Transport equipment	–	–	–	–	–	–	–	–	–	–
Other machinery and equipment	–	–	15	–	–	29	–	–	–	(100.0)
Heritage Assets	–	–	–	–	–	–	–	–	–	–
Specialised military assets	–	–	–	–	–	–	–	–	–	–
Biological assets	–	–	–	–	–	–	–	–	–	–
Land and sub-soil assets	–	–	–	–	–	–	–	–	–	–
Software and other intangible assets	–	–	–	–	–	–	–	–	–	–
Payments for financial assets	–	–	–	–	–	–	–	–	–	–
Total economic classification	252 979	264 110	270 423	274 550	287 725	286 390	299 510	304 041	319 410	4.6

Table B.2E: Details of payments and estimates by economic classification: P5 – House of Traditional Leaders

R thousand	Outcome			Main appropriation	Adjusted appropriation 2015/16	Revised estimate	Medium-term estimates			% change from 2015/16
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19	
Current payments	24 114	24 393	25 272	16 988	25 848	26 073	25 002	24 204	24 415	(4.1)
Compensation of employees	13 357	15 444	15 510	14 857	16 417	16 657	16 741	18 056	19 286	0.5
Salaries and wages	11 649	13 130	13 642	12 570	14 130	14 566	14 297	15 771	16 845	(1.8)
Social contributions	1 708	2 314	1 868	2 287	2 287	2 091	2 444	2 285	2 441	16.9
Goods and services	10 757	8 949	9 762	2 131	9 431	9 416	8 261	6 148	5 129	(12.3)
Administrative fees	–	–	9	–	–	29	6	0	–	(79.3)
Advertising	1 069	275	415	–	428	486	436	404	428	(10.3)
Assets less than the capitalisation threshold	22	15	–	–	–	–	–	–	–	–
Audit cost: External	–	–	–	–	–	–	–	–	–	–
Bursaries: Employees	–	–	–	–	–	–	–	–	–	–
Catering: Departmental activities	1 432	1 070	729	298	709	651	1 090	203	215	67.5
Communication (G&S)	99	297	223	45	69	75	141	91	96	87.7
Computer services	–	–	–	–	–	–	350	–	–	–
Consultants and professional services: Business and advisory services	1 234	1 476	1 816	568	2 675	2 483	1 485	2 068	2 191	(40.2)
Consultants and professional services: Infrastructure and planning	–	–	–	–	–	–	–	–	–	–
Consultants and professional services: Laboratory services	–	–	–	–	–	–	–	–	–	–
Consultants and professional services: Scientific and technological services	–	–	–	–	–	–	–	–	–	–
Consultants and professional services: Legal costs	–	–	–	–	–	–	–	–	–	–
Contractors	192	130	–	–	30	30	20	30	32	(33.3)
Agency and support / outsourced services	83	60	36	19	15	15	39	91	96	158.5
Entertainment	52	62	59	15	75	75	10	81	86	(86.4)
Fleet services (including government motor transport)	–	–	–	–	24	13	–	–	–	(100.0)
Housing	–	–	–	–	–	–	–	–	–	–
Inventory: Clothing material and accessories	–	–	–	–	–	–	0	-0	–	–
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	–	–	–	–	–	–	–	–	–	–
Medas inventory interface	–	–	–	–	–	–	–	–	–	–
Inventory: Other supplies	–	–	–	–	–	–	–	–	–	–
Consumable supplies	83	133	113	56	61	64	327	151	160	410.8
Consumable: Stationery, printing and office supplies	250	281	286	68	164	174	113	203	214	(35.1)
Operating leases	–	–	–	–	–	–	–	–	–	–
Property payments	–	–	–	–	–	–	–	–	–	–
Transport provided: Departmental activity	–	–	9	–	91	90	–	–	–	(100.0)
Travel and subsistence	5 491	4 492	5 224	942	4 186	4 261	3 400	2 482	1 250	(20.2)
Training and development	–	–	–	–	–	–	-0	–	–	–
Operating payments	171	256	205	20	50	102	270	30	32	164.3
Venues and facilities	579	402	620	100	748	762	375	162	170	(50.8)
Rental and hiring	–	–	18	–	106	106	200	152	160	88.7
Interest and rent on land	–	–	–	–	–	–	–	–	–	–
Interest	–	–	–	–	–	–	–	–	–	–
Rent on land	–	–	–	–	–	–	–	–	–	–
Transfers and subsidies	3	638	–	–	–	–	–	–	–	–
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	3	638	–	–	–	–	–	–	–	–
Social benefits	–	–	–	–	–	–	–	–	–	–
Other transfers to households	3	638	–	–	–	–	–	–	–	–
Payments for capital assets	–	170	243	–	317	317	310	–	–	(2.2)
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–	–
Buildings	–	–	–	–	–	–	–	–	–	–
Other fixed structures	–	–	–	–	–	–	–	–	–	–
Machinery and equipment	–	–	243	–	317	317	310	–	–	(2.2)
Transport equipment	–	–	–	–	–	–	–	–	–	–
Other machinery and equipment	–	–	243	–	317	317	310	–	–	(2.2)
Heritage Assets	–	170	–	–	–	–	–	–	–	–
Specialised military assets	–	–	–	–	–	–	–	–	–	–
Biological assets	–	–	–	–	–	–	–	–	–	–
Land and sub-soil assets	–	–	–	–	–	–	–	–	–	–
Software and other intangible assets	–	–	–	–	–	–	–	–	–	–
Payments for financial assets	–	–	–	–	–	–	–	–	–	–
Total economic classification	24 117	25 201	25 515	16 988	26 165	26 390	25 312	24 204	24 415	(4.1)

Table B. 3: Conditional grant payments and estimates by economic classification: Summary

R thousand	Outcome			Main appropriation	Adjusted appropriation 2015/16	Revised estimate	Medium-term estimates			% change from 2015/16
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19	
EPWP Intergrated Grant			1 933	2 000	2 000	1 388	2 000			44
Total grant payments	–	–	1 933	2 000	2 000	1 388	2 000	–	–	44

Table B. 3A: Conditional grant payments and estimates by economic classification: EPWP Integrated Grant

R thousand	Outcome			Main appropriation	Adjusted appropriation 2015/16	Revised estimate	Medium-term estimates			% change from 2015/16
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19	
EPWP Intergrated Grant			1 933	2 000	2 000	1 388	2 000	–	–	(31)
Total conditional grant payments	–	–	1 933	2 000	2 000	1 388	2 000	–	–	(31)
Economic Classification										
Current payments	–	–	1 933	2 000	2 000	1 388	2 000	–	–	(31)
Compensation of employees										
Goods and services			1 933	2 000	2 000	1 388	2 000			(31)
Interest and rent on land										
Transfers and subsidies to:	–	–	–	–	–	–	–	–	–	
Payments for capital assets	–	–	–	–	–	–	–	–	–	
Payments for financial assets										
Total economic classification	–	–	1 933	2 000	2 000	1 388	2 000	–	–	(31)

Table B. 4: Payments of infrastructure by category (Project List)

No.	Project name	Project Status	Municipality / Region	Type of infrastructure	Project duration	Date: Start	Date: Finish	Source of funding	Budget programme name	Delivery Mechanism (Individual project or Packaged Program)	Total project cost	Expenditure to date from previous years	Total available	MTEF Forward estimates	MTEF 2018/19
R thousands															
1. New infrastructure assets															
1	Anabhele Traditional Council	Feasibility	Bizana	New	1/04/2016	30/03/2017		Equitable Share	Traditional Institutional Management	Individual project	2 219	-	1 989	-	-
2	Construction PDMC	Tender	Buffalo City Metro	New	15/04/2018	17/03/2018		Equitable Share	Development And Planning	Individual project	10 817	-	5 500	3 535	-
3	Amandela Traditional Council	Tender	Bizana	New	1/04/2013	30/04/2017		Equitable Share	Traditional Institutional Management	Individual project	877	-	50	-	-
5	Amanguzela Traditional Council	Identification	Maluti	New	1/04/2016	30/03/2017		Equitable Share	Traditional Institutional Management	Individual project	2 219	-	1 989	-	-
6	Mqhekezweni	Construction	Mthatha	New	01/04/2018	30/03/2019		Equitable share	Traditional Institutional Management	Individual project	1 500	-	-	-	1 542
9	Anabhele Traditional Council	Identification	Tsomo	New	01/04/2018	30/03/2019		Equitable Share	Traditional Institutional Management	Individual project	1 542	-	-	-	1 542
11	Anampondomise Asempumalanga Traditional Council	Pre-feasibility	Mhlontlo	New	1/04/2017	30/03/2018		Equitable Share	Traditional Institutional Management	Individual project	2 400	-	-	1 523	-
13	Ngqika-Mbo Traditional Council	Identification	Middledrift	New	1/04/2017	30/03/2018		Equitable Share	Traditional Institutional Management	Individual project	1 894	-	-	1 523	-
14	Hala Traditional Council	Pre-feasibility	King Sabatha Dalindyebo	New	1/04/2016	30/04/2017		Equitable Share	Traditional Institutional Management	Individual project	638	-	214	-	-
Total New infrastructure assets											33 052	-	9 741	6 580	3 084

Department: Cooperative Governance and Traditional Affairs

2. Refurbishment and rehabilitation											
	Mowebeni Traditional Council	Pre-feasibility	King Sabatha Dalindyebo	Rehabilitation, Renovations and Refurbishments	1/04/2017	30/04/2018	Equitable Share	Traditional Institutional Management	Individual project		
1											
2	Anagqunukwebe Traditional Council	Tender	Middledrift	Rehabilitation, Renovations and Refurbishments	1/04/2013	30/04/2016	Equitable Share	Traditional Institutional Management	Individual project	50	752
3	Hala Traditional Council	Construction	Engcobo	Rehabilitation, Renovations and Refurbishments	01/04/2017	30/03/2018	Equitable share	Traditional Institutional Management	Individual project	865	752
4	Ngqubusini	Construction	Ngqeleni	Rehabilitation, Renovations and Refurbishments	01/04/2018	30/03/2019	Equitable share	Traditional Institutional Management	Individual project	752	865
5	Teko	Construction	Mnquma	Rehabilitation, Renovations and Refurbishments	01/04/2016	30/03/2017	Equitable share	Traditional Institutional Management	Individual project	214	638
6	Hala Traditional Council	Identification	Lady Frere	Rehabilitation, Renovations and Refurbishments	01/04/2019	30/03/2019	Equitable Share	Traditional Institutional Management	Individual project	865	865
Total Refurbishment and rehabilitation											
Total Local Government And Traditional Affairs Infrastructure											
										264	1 504
										10 004	8 084
											1 729
											4 813

◆ END OF EPRE ◆