

VOTE 8 - Department of Cooperative Governance and Traditional Affairs

Vote 8

Department of Cooperative Governance and Traditional Affairs

To be appropriated by Vote in 16/17	R 407 596 000
Responsible MEC	MEC for Cooperative Governance, Traditional Affairs and Human Settlements
Administering Department	Department of Cooperative Governance and Traditional Affairs
Accounting Officer	Head of Department: Cooperative Governance and Traditional Affairs

1. Overview

1.1 Vision

Integrated and responsive governance towards sustainable development and service delivery

1.2 Mission

The Department strives to strengthen cooperative governance and support municipalities and Traditional Leadership through:

- Integrated Planning and Development
- Partnerships
- Research
- Monitoring and Evaluation

1.3 Values

The department's inherent values, as informed by Batho Pele principles, are:

- Results-driven
- Professionalism and Integrity
- Responsiveness
- Accountable and Transparent
- Value for money
- Collaborative Leadership

1.4 Main services

- To oversee and co-ordinate the establishment, monitoring, regulating, strengthening, supporting and capacitating of municipalities in terms of the Constitution of the Republic of South Africa, 1996
- To monitor, evaluate and provide feedback on the financial performance of District and Local Municipalities.
- To monitor, evaluate and provide feedback to District and Local Municipalities towards compliance with key pieces of Local Government finance related legislation and regulations.
- To mobilise resources, expertise and support programs towards enhancing the financial management and overall financial position of District and Local Municipalities.
- To ensure public accountability and transparency on Local Government level.
- To integrate and coordinate disaster management policy
- To prevent and/or reduce the risk of disasters
- To mitigate the severity of disasters
- To ensure that emergency preparedness is rapid and to render effective response to disasters and post disaster recovery

- To render professional advice regarding the physical and spatial elements of land development
- To manage the process of integrated development planning by municipalities
- To ensure safe, salubrious, economic and environmentally friendly development
- To submit all applications for land development and land use changes to the Townships Board for consideration and in turn submit the recommendations of the Townships Board to the MEC
- To ensure the upgrading of land tenure rights in the Free State, conduct investigations and lodge deeds of transfer in terms of the Conversion of Certain Rights into Leasehold or Ownership Act, 1988 (Act 81/1988)
- To facilitate the opening of township registers as well as assisting municipalities and to access available state land for developmental purposes
- To oversee and co-ordinate the establishment, monitoring, regulating, strengthening, supporting and capacitating of traditional leadership in terms of the Constitution
- To advise Government on matters pertaining to traditional leadership
- To investigate matters referred to the House and take remedial action
- To promote the institution of traditional leadership
- To build the capacity of traditional leadership
- To monitor the performance of traditional leadership
- To provide Secretariat support service to traditional leadership
- To conduct anthropological research on traditional leadership and develop archives (database)
- To support traditional leadership through mobilizing resources, expertise and development and support programmes and monitor the extent to which traditional leadership complies with legislation.

1.5 Acts, rules and regulations that the department must consider

The legal framework under which this department operates:

- The Constitution of the Republic of South Africa 1996
- Public Finance Management Act No. 1 of 1999 (as amended by the Public Finance Management Amendment Act No. 29 of 1999)
- Division of Revenue Act of 2009
- Black Communities Development Act No. 4 of 1984
- Remuneration of Public Office Bearers Act
- Commissions Ordinance
- Municipal Finance Management Act, 2003
- Municipal Planning and Performance Management Regulations, 2001
- The Civil Protection Act No. 67 of 1977
- Intergovernmental Relations Framework Act
- Subdivision of Agricultural Land Act No. 70 of 1970
- The Development Facilitation Act No. 67 of 1995
- The Townships Ordinance No. 9 of 1969
- The Townships Regulations (Government Notice R1036 of 1968)
- Disestablishment of SA Trust Limited Act No. 26 of 2002
- The Removal of Restrictions Act No. 84 of 1967
- The Less Formal Township Establishment Act No. 113 of 1991
- The Physical Planning Act No. 125 of 1991
- Municipal Systems Act of 2000
- Municipal Demarcation Act of 1998
- Municipal Structures Act No. 117 of 1998 as amended in 1999 and 2000
- White Paper on Local Government of 1998
- Local Government transition Act, 1993

- Local Government Laws Amendment Act, 2008
- Local Economic Development Framework, 2006
- Municipal Property Rates Act, 2004 (Act No.6 of 2004)
- The Fund Raising Act No. 107 of 1978
- Disaster Management Act 57 of 2003
- National Veldt and Forest Act No. 101 of 1998
- The National Environmental Management Act of 1999
- Traditional Leadership and Governance Framework Act No. 41 of 2003
- Public Audit Act, 2004 (Act 25 of 2004)

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

Municipal Infrastructure Grant

The Municipal Infrastructure Grant (MIG) is contributing in service delivery in the Free State. An amount of R813.654 million was allocated to the Free State in the 2014/2015 MIG financial year ending June 2015. R16.140 million was also approved on the Adjustment budget in March 2015 which brought the total MIG allocation to R829.794 million. R781.563 million or 94 percent was spent by the end of the 2014/2015 MIG financial year.

The Department of Energy, in collaboration with COGTA, and Eskom have initiated a process of developing municipal electrification master plans of which these will be consolidated into the national Electrification master plan. These master plans will be, amongst other things, be utilised to source funding for the eradication of backlogs in the province in all municipalities.

The following represent the challenges experienced in the Free State Province with regard to Operations and Maintenance of water, sanitation and electricity infrastructure:

- Old and decaying infrastructure which is exacerbated by the lack of effective infrastructure operations and maintenance master plans
- Electricity business is not ring fenced thereby subsidise non trade services
- Theft of electricity (cables, transformers, illegal connections, material)
- Vandalism of infrastructure
- Tariffs not cost reflective (ESKOM use alternating tariffs one for summer and other for winter of which municipalities are not afforded the opportunity to do the same adjustment).
- Dilapidated infrastructure coupled with a lack of technical skills that is hampering the supply of water in certain areas.
- High water and electricity losses (technical and financial) e.g. Matjhabeng, Dihlabeng, Mafube, Maluti-a-Phofung

Bucket eradication

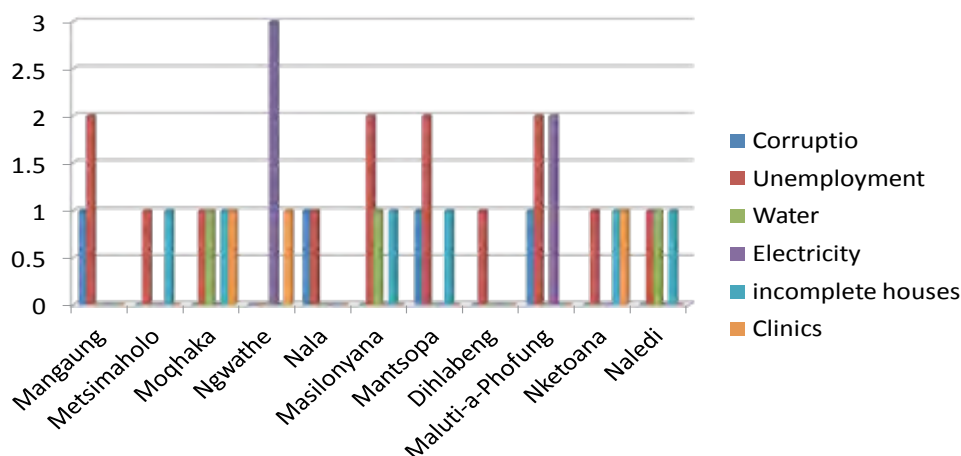
The Free State Province still had a backlog of close to 35 995 buckets on which Bloemwater was appointed as an implementing agent to assist Municipalities eradicating the buckets in the 2014/2015 and 2015/2016 financial years with a budget of estimated R 590 million.

All buckets in the formal areas of the Free State are expected to be completed by the 31st March 2016, however the Department of Water and Sanitation will still finalise the increase in building Bulk infrastructure capacity of the affected towns and areas to ensure complete eradication of the legacy of the bucket systems in the Province.

All municipalities in the Free State are providing Free Basic Services. Most municipalities are in the process of aligning their Indigent policies and registers to the National Framework thus ensuring that it is the qualifying households that have access to Free Basic Services.

Achievements to date (e.g. as at the end of April 2014) on the provision of free basic services in the Free State Province are as follows:

Service delivery cause metrix



Promoting Good Governance

During the LGTAS progress assessment conducted from November 2012 to February 2013, municipalities in the Xhariep and Lejweleputswa districts indicated that their Councils were generally functional and convened meetings according to council standing rules and orders. In addition, municipalities in both districts reported that they had functional council oversight committees. The municipalities also indicated that council committees receive and discuss reports such as the MFMA section 71 reports; and enable them to provide oversight on the state of municipal finances.

Municipalities reported that there were functional section 79 and 80 committees. Regarding the establishment of Municipal Public Accounts Committees (MPACs), the following progress was made in the province:

- Improving operations and administration in municipalities
- Development and adoption of organizational structures

Compliance with Legislative framework

Out of 100 posts filled (of the 117 posts), only 30 performance agreements and 45 employment contract were signed and submitted.

Compliance with minimum competency regulations

All appointments have been approved by the MEC to be compliant with the Act. There are no declaratory orders or pending court cases reported from the province.

Not all managers complied with the minimum competency regulations. For example, in the Xhariep district, managers in Mohokare LM complied with the minimum competency level regulations, while Letsemeng reported that they were still in training. In Kopanong, not all managers' positions comply with the minimum competency level. Some managers in the Lejweleputswa local municipalities such as Nala comply with the minimum competency regulations, while managers in Tswelopele, Tokologo and Masilonyana had applied to National Treasury for special merit.

In 2012 the Minister of CoGTA identified 108 municipalities for targeted support to refocus & accelerate LGTAS implementation

The following 10 Free State municipalities were identified as part of the 108 LGTAS municipalities:

- Xhariep: Letsemeng , Kopanong, Mohokare & Naledi LMs
- Lejweleputswa: Tokologo, Masilonyana & Nala LMs
- Thabo Mofutsanyana: Setsoto & Phumelela LMs
- Fezile Dabi: Ngwathe LM

Back to Basics

On 18 September 2014 President Jacob Zuma convened the second Presidential Local Government Summit at the Gallagher Convention Centre, Midrand Johannesburg. The theme of the Summit was “Back to Basics – Serving Our Communities Better”. The impetus for the Summit was the imperative to improve the functioning of the municipalities to better serve communities by getting the basics right. It was with this same imperative in mind that the Free State province embarked on the B2B programme.

A year has passed since we started on this journey and it is necessary for us to reflect on what we have achieved in this past year, what we have not been so successful with, how do we address those challenges, and how do we move forward within the ever fluid dynamic local government.

The B2B engagements commenced with a desktop exercise conducted by National COGTA which categorised municipalities into Functional, Challenged and Requiring Intervention. Subsequent to the desktop exercise, a successful official Provincial Launch of the programme was held on the 30th October to 1st November 2014 at the Phillip Sanders Resort in Bloemfontein. The MEC COGTA hosted the Premier of the Province, Head of SALGA, and Traditional Leader Chairperson as well as all Councillors in the Province. The aim of the launch was to, amongst other:

- Rollout the Back to Basics approach to all stakeholders;
- Develop implementation plan for the programme; and
- Adopt a declaration of commitment by all stakeholders.

All 24 municipalities regardless of categorisation were visited and assessed utilising an assessment tool developed by the Department together with sector departments. Support plans were then developed and implemented for these municipalities. We have also conducted quarterly and monthly visits to the municipalities on the B2B programme. The institutional arrangements of the Back to Basics as illustrated below, included District Crack teams allocated a Local Government Champion (i.e. Chief Director Level) to each of the districts supported by different work streams and the relevant sector department, both national and provincial. One of the primary functions of the Champions is to ensure the implementation of the B2B programme. Furthermore, a Provincial Task Team was established, with the aim of processing District reports, and elevating matters to the Head of the Department.

Municipal Policies and By-laws

- The MEC for local government in the Free State has published forty-four (44) standard draft by-laws by Notice in the Provincial Gazette. The standard draft by-laws are customized and adopted by municipalities in the Free State for enforcement within their respective areas of jurisdiction.
- Sixteen (16) out of twenty four (24) municipalities in the Free State were assisted towards customizing/ adopting the standard by-laws during the 2013/2014 financial year.
- In addition, twelve (12) municipalities were assisted with adoption of the Standard Rules and Orders.

- For the current financial year, a priority is to assist all municipalities in the Province regarding the development of policies on revenue enhancement relating to credit control, indigence and rates. The process will contribute immensely towards supporting municipalities regarding promulgation of their revenue enhancement by-laws.

Public Participation

All the municipalities in the province have re-established their ward committees and are paying them stipend of R500, except for the Metro, where ward committees are being paid a stipend of R1000.

Functionality of IGR structures

All the district IGR structures have been established and they are functional, however, they still experience problems with regard to:

- Poor attendance of meetings by primary members
- Poor implementation of resolutions

Water infrastructure

With the assistance of the Department of Water Affairs, Free State municipalities are implementing a number of bulk water projects funded through the Regional Bulk Infrastructure Grant (RBIG) to address the many bulk water challenges in the 2015/2016 financial year.

Sanitation infrastructure

3 MISA deployees are supporting all the Municipalities in the Xhariep District. This support is carried out by DCOG through its agent (MISA) is continuously supporting the Municipalities in the Province.

Municipal Finance

Audit Outcomes

The following Audit outcomes from 2012/13 onwards points out strong, medium and weak municipalities as far as financial administrative, management and compliance capabilities:

FREE STATE 2014/15 MUNICIPAL AUDIT OUTCOMES

District	No	Auditee	2012/2013	2013/14	2014/15	Movement
Mangaung Metro	1	Mangaung	Qualified	Unqualified	Unqualified	Unchanged
Xhariep District	1	Xhariep	Qualified	Qualified	Qualified	Unchanged
	2	Kopanong	Qualified	Qualified	Qualified	Unchanged
	3	Letsemeng	Qualified	Disclaimer	Qualified	Improvement
	4	Mohokare	Qualified	Qualified	Unqualified	Improvement
	5	Naledi	Disclaimer	Qualified	Qualified	Unchanged
Lejweleputswa District	1	Lejweleputswa	Unqualified	Unqualified	Unqualified	Unchanged
	2	Masilonyana	Qualified	Qualified	Qualified	Unchanged
	3	Matjhabeng	Disclaimer	Disclaimer	Disclaimer	Unchanged
	4	Nala	Disclaimer	Disclaimer	Unqualified	Improvement
	5	Tokologo	Qualified	Unqualified	Unqualified	Unchanged
	6	Tswelopele	Unqualified	Unqualified	Unqualified	Unchanged
Thabo Mofutsanyana District	1	Thabo Mofutsanyana	Unqualified	Unqualified	Clean	Improvement
	2	Dihlabeng	Unqualified	Unqualified	Unqualified	Unchanged
	3	Maluti-A-Phofung	Disclaimer	Disclaimer	Disclaimer	Unchanged
	4	Nketoana	Unqualified	Unqualified	Qualified	Regression
	5	Phumelela	Disclaimer	Disclaimer	Audit not finalised	
	6	Setsoto	Qualified	Unqualified	Unqualified	Unchanged
	7	Mantsopa	Disclaimer	Disclaimer	Qualified	Improvement
Fezile Dabi District	1	Fezile Dabi	Unqualified	Qualified	Unqualified	Improvement
	2	Mafube	Disclaimer	Disclaimer	Disclaimer	Unchanged
	3	Metsimaholo	Qualified	Unqualified	Unqualified	Unchanged
	4	Moqhaka	Disclaimer	Disclaimer	Qualified	Improvement
	5	Ngwathe	Disclaimer	Disclaimer	Unqualified	Improvement
Municipal Entities	1	Centlec (Pty) Ltd	Qualified	Qualified	Qualified	Unchanged
	2	Lejweleputswa Dev. Agency	Unqualified	Unqualified	Unqualified	Unchanged
	3	Fezile Dabi DM Trust	Unqualified	Unqualified	Dissolved	
	4	Metsimaholo Mayoral Trust	Qualified	Unqualified	Dissolved	
	5	Krynaauwlust Farming Trust	Dissolved	Dissolved	Dissolved	
	6	Maluti-A-Phofung Water (Pty) Ltd	Unqualified	Unqualified	Unqualified	Unchanged

Summary	2012/13	2013/2014	2014/2015
Adverse	0	0	0
Disclaimer	9	9	3
Qualified	11	7	9
Unqualified	9	13	13
Clean	0	0	1
Outstanding	0	0	1
Dissolved	1	1	3
Total	30	30	30

Local Economic Development

In assisting and supporting municipalities on the establishment of Business Forums (towards create a platform for stakeholders to engage on LED issues),

- Business Forums were established and are operational within 11 Municipalities in the Province;
- 19 Municipalities updated their LED strategies during the 2015/2016 financial year:

Job creation through the Community Works Program (CWP)

The CWP yielded approximately 19 731 job opportunities during the 2015/2016 financial year, and the following skills were:

- Bricklaying
- Sewing
- First Aid
- Basic Computer Literacy
- Soil Preparation
- Recycling
- Horticulture
- Home Based Care giving
- Adult Based Education and Training
- War on Water Leakages

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

2016 Local Government Election:

The Department is geared-up to assist the Municipalities with:

- Appointment of competent senior managers;
- Negative narrative and generalization about performance of LG in media; and
- How to maintain the B2B narrative and focus in this context;

Orientation for next Back to Basics Phase:

- Improve performance and build effective system and resilient institutions of LG;
- Work smarter and innovatively to increase impact;
- Focus on 20% of actions that will deliver 80% of impact;
- Move dysfunctional municipalities to the next level; stop at-risk municipalities from becoming dysfunctional; and maintain well performing municipalities at that level;
- Establish programmes to address generic systemic problems – e.g. weaknesses in human resource management, supply chain management, infrastructure procurement and financial management;
- Mobilise multi-departmental teams to tackle dysfunctional municipalities (mobilise national and provincial resources)
- Strengthen community engagement and local government accountability to citizens through innovative platforms (e.g. social media, community radio)

Orientation for next phase - Practical Approach:

- Continue and accelerate the hands-on approach;
- Prioritise and focus on campaign, programme and projects that have high visibility, broader mobilisation, impactful on delivery and messaging of core B2B objectives in the pre & post-election period;
- Use the available levers to incentivise and enforce good behavior and practice;
- Strengthen communication and feedback on good stories and good progress on B2B implementation;

Back to Basics 10 Point Plan below will guide the implementation of the next Back to Basics phase:

1. Positive Community Experiences
2. Municipalities Receiving Disclaimers Over 5 Years
3. Revenue Enhancement Programme
4. Appointment of Senior Managers in Municipalities
5. Service and Infrastructure
6. Implementation of Forensic Reports
7. Metropolitan B2B Programme
8. Strengthening Roles of District Municipalities
9. Spatial Regional Integration Zones/Spatial Contracts
10. Strengthen Capacity and Role of Provincial Cogta Departments

Municipal Financial Support

- Continued Audit Support to vulnerable Municipalities
- GRAP 17 compliant Fixed Asset Registers through the partnership with IMESA (Institute for Municipal Engineering of Southern Africa)
- Continued support to vulnerable Municipalities through the Management Support Program
- Implementation and monitoring of Back to Basics Plans as directed by DCoG
- Improved MPRA Compliance

Integrated Development Planning

The department will facilitate the strengthening of the integrated development plans around the Province by doing the following:

- Train municipalities as well as the officials of the department of Cooperative Governance and Traditional Affairs on the use and interpretation of statistics through the use of Super Cross. This will enable proper planning and quantification of objectives and development of realistic strategies
- Facilitate the working sessions in various districts municipalities (inclusive of the category B municipalities) to align their IDP's with National and Provincial planning tools such as the Free State Growth and Development Strategy, the Back to Basics (B2B), budget, National Development Plan, to mention but a few.

Disaster Management

The Disaster Management Directorate will focus on:

- Purchasing of Fire Vehicles
- Refurbishing of the centre into the concepts of the fusion centre
- Institutional vehicles for the Disaster Managements
- Training of staff and CDW's
- Awareness campaigns

Municipal Infrastructure Grant

An amount of R713.4 million was allocated towards the Municipal Infrastructure Grant (MIG) in the Free State for the 2016/2017 MIG financial year (July 2016-June 2017). The allocation per Municipality is indicated underneath as well as the allocation for the MTEF period ending 2018/2019:

Municipality	MIG MTEF Allocations		
	2016/2017	2017/2018	2018/2019
Letsemeng (FS161)	16,635,000.00	17,754,000.00	18,544,000.00
Kopanong (FS162)	19,977,000.00	21,346,000.00	22,360,000.00
Mohokare (FS163)	28,429,000.00	18,606,000.00	19,450,000.00
Naledi (FS171)	-	-	-
Xhariep (DC16)	65,041,000.00	57,706,000.00	60,354,000.00
Masilonyana (FS181)	22,500,000.00	23,898,000.00	25,069,000.00
Tokologo (FS182)	25,798,000.00	16,852,000.00	17,587,000.00
Tswelopele (FS183)	15,736,000.00	16,785,000.00	17,515,000.00
Matjhabeng (FS184)	113,363,000.00	122,020,000.00	129,272,000.00
Nala (FS185)	28,299,000.00	30,283,000.00	31,849,000.00
Lejweleputswa (DC18)	205,696,000.00	209,838,000.00	221,292,000.00
Setsoto (FS191)	45,091,000.00	48,294,000.00	50,977,000.00
Dihlabeng (FS192)	36,892,000.00	39,518,000.00	41,657,000.00
Nketoana (FS193)	24,218,000.00	25,899,000.00	27,194,000.00
Maluti-a-Phofung (FS194)	154,870,000.00	166,843,000.00	176,873,000.00
Phumelela (FS195)	20,090,000.00	21,463,000.00	22,484,000.00
Mantsopa (FS196)	19,061,000.00	20,358,000.00	21,310,000.00
Thabo Mofutsanyana (DC19)	300,222,000.00	322,375,000.00	340,495,000.00
Moqhaka (FS201)	38,349,000.00	41,088,000.00	43,324,000.00
Ngwathe (FS203)	40,070,000.00	42,927,000.00	45,277,000.00
Metsimaholo (FS204)	42,623,000.00	45,677,000.00	48,198,000.00
Mafube (FS205)	21,422,000.00	22,895,000.00	24,004,000.00
Fezile Dabi (DC20)	142,464,000.00	152,587,000.00	160,803,000.00
Provincial Total	713,423,000.00	742,506,000.00	782,944,000.00

The above funding will be spend by Municipalities according to the MIG formula based on the Municipal Integrated Development Plans (IDP).

The Department will provide continuous support to Municipalities through MIG quarterly forums, intervention meetings and site visits in order to monitor and evaluate MIG project implementation.

Traditional Leadership

The Department will support the Institution of Traditional Leadership in the province. To achieve this objective number of frameworks has been developed at National Department of Traditional Affairs which culminated to the Provincial Department (COGTA). For the coming financial year the main focus of the department will be to:

- Provision of the tools of trade for Traditional Leaders as stipulated on the National Framework on Tools of Trade for Traditional Leaders.
- Equip the Traditional Leaders and the personnel at Traditional Councils with relevant skills this will assist to enhance the service standard of the Traditional Councils through workshops and training.
- Provide capacity and development of Traditional Health Practitioners, Institutions and cultural organizations.

- The official opening of the Free State House of Traditional Leaders.
- Establishment of Local Houses of Traditional Leaders
- Cultural heritage celebrations.

4. Reprioritisation

The Department reprioritising funding by:

- The suspension of all new procurement since February 2016 for the remainder of the 2015/16 financial year to ensure that commitments and accruals be reduced to the minimum.
- By not increasing most of the cost containment items over the MTEF.
- Re-evaluating critical vacancies and the non-filling of posts from April 2016.
- Contracts in terms of Municipal Support Team Members will expire 31 March 2016.
- Cost containment measures implemented by National Treasury were adhered to and Programs which duplicated support to Municipalities was terminated.

5. Procurement

The Supply Chain Management Directorate has embarked on a process of requesting all Departmental Chief Users to provide the section with their need(s) for the next financial year 2016-2017. Workshops with various Chief Users were held, with the purpose of clarifying all problems or challenges regarding Demand Management Project templates that must be completed by the user. Due date for submission of the need(s) is the 1st April 2016, upon receipt of this needs, section will be able to consolidate all this needs into an Annual Procurement Plan for next financial year 2016/2017.

6. Receipts and financing

The following sources of funding are used for the Vote:

6.1 Summary of receipts

Table 8.1: Summary of receipts: Cooperative Governance and Traditional Affairs

R thousand	Outcome			Main appropriation	Adjusted appropriation 2015/16	Revised estimate	Medium-term estimates		
	2012/13	2013/2014	2014/2015				2016/17	2017/18	2018/19
Equitable share	236 573	244 599	290 603	298 870	298 779	298 779	331 382	336 863	356 173
Conditional grants									
Departmental receipts	63 957	72 857	73 662	77 536	81 536	81 536	76 214	74 662	74 662
Total receipts	300 530	317 456	364 265	376 406	380 315	380 315	407 596	411 525	430 835

6.2 Departmental receipts collection

Table 8.2: Departmental receipts: Cooperative Governance and Traditional Affairs

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2015/16	2016/17	2017/2018
Tax receipts									
Casino taxes									
Horse racing taxes									
Liquor licences									
Motor vehicle licences									
Sales of goods and services other than capital assets	1 485	1 972	1743	1 871	936	936	120	130	145
Transfers received									
Fines, penalties and forfeits									
Interest, dividends and rent on land	9		3	8	7	7	9	9	9
Sales of capital assets					26	26			
Financial transactions in assets and liabilities	1 747	219	550	147	245	245	155	163	163
Total departmental receipts	3 241	2 191	2296	2 026	1 214	1 214	284	302	317

6.3 Donor Funding

Annexure 8.3: Official Development Assistance Expenditure

Donor	Overseas Development Assistance Programme/Project Name	Cash in kind	Expenditure Outcome			Budget	Medium-term estimates		
			2012/13	2013/14	2014/15		2015/16	2016/17	2017/18
R thousand									
Flemish Donor Funding				97					
Total				97					

7. Payment summary

7.1 Key assumptions

The following assumptions were made with the compilation of the budget:

- Salary increases of 7.8 percent (2016/17), 7.3 percent (2017/18) and 6.9 percent (2018/19) as well as 1.5 percent of pay progression were provided for.
- The budget of 2016/17 amounts to R394.929 million.
- The budget makes provision for goods and services and maintenance of equipment.
- Provision was made for learnership, internships and skills improvement of officials to an amount of R1.996 million.

7.2 Programme summary

Table 8.4: Summary of payments and estimates: Cooperative Governance and Traditional Affairs

R thousand	Outcome			Main appropriation	Adjusted appropriation 2015/16	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19
Programme 1: Administration	113 898	95 430	98 824	116 513	123 725	123 725	133 006	140 967	149 142
Programme 2: Local Governance	101 781	106 020	108 832	120 028	114 572	114 572	123 111	115 727	118 745
Programme 3: Development and Planning	52 844	63 361	115 638	93 389	92 319	92 319	101 696	101 706	106 706
Programme 4: Traditional Institutional Management	23 495	31 911	33 138	36 496	38 602	38 602	40 115	42 818	45 318
Programme 5: House of Traditional Leaders	8 512	10 384	7 833	9 980	11 097	11 097	9 668	10 307	10 924
Total payments and estimates:	300 530	307 106	364 265	376 406	380 315	380 315	407 596	411 525	430 835

7.3 Summary of economic classification

Table 8.5: Summary of provincial payments and estimates by economic classification: Cooperative Governance and Traditional Affairs

R thousand	Outcome			Main appropriation	Adjusted appropriation 2015/16	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19
Current payments	248 914	236 836	299 959	290 469	341 080	341 039	312 842	331 722	347 383
Compensation of employees	133 820	130 975	171 020	185 446	187 632	187 562	199 658	213 234	225 602
Goods and services	115 066	105 831	128 939	105 023	153 443	153 472	113 184	118 488	121 781
Interest and rent on land	28	30			5	5			
Transfers and subsidies to:	46 143	67 747	60 031	78 646	33 275	33 275	84 746	69 646	73 087
Provinces and municipalities	45 186	64 816	58 084	75 924	32 043	32 043	81 803	66 607	69 872
Departmental agencies and accounts			1		6	6			
Universities and technikons									
Public corporations and private enterprises									
Foreign governments and international organisations									
Non-profit institutions	286	687	408	1 650	363	363	1 738	1 825	1 931
Households	671	2 244	1 538	1 072	863	863	1 205	1 214	1 284
Payments for capital assets	3 753	2 427	3 780	7 291	5 960	5 929	10 008	10 157	10 365
Buildings and other fixed structures									
Machinery and equipment	3 753	2 427	3 780	7 291	5 960	5 929	10 008	10 157	10 365
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Heritage assets									
Specialised military assets									
Payments for financial assets	1 720	96	495			72			
Total economic classification	300 530	307 106	364 265	376 406	380 315	380 315	407 596	411 525	430 835

7.4 Transfers

7.4.1 Transfers to other entities

Table 8.6: Summary of departmental transfers to NGOs: Cooperative Governance and Traditional Affairs

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2015/16	2016/17	2017/18
NGO's	286	687	408	1 650	363	363	1 738	1 825	1 931
Total departmental transfers to NGOs	286	687	408	1 650	363	363	1 738	1 825	1 931

7.4.2 Transfers to local government

Table 8.7: Summary of departmental transfers to local government by category: Cooperative Governance and Traditional Affairs

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2015/16	2016/17	2017/18
Category A					4 719	4 719			
Category B	30 636	39 816	40 458						
Category C	14 550	25 000	17 626	16 500	27 300	27 300	17 000	17 850	19 000
Unallocated				59 424	24	24	64 803	48 757	50 872
Total departmental transfers to local government	45 186	64 816	58 084	75 924	32 043	32 043	81 803	66 607	69 872

8. Programme description

Programme 1: Administration

Description and objectives

The aim of this programme is to gear and support the department on matters related to the effective and efficient functioning of the Department.

Strategic Goal 1

Creation of a Department geared towards service excellence

Strategic Objectives

- Effective and efficient administrative Support to the MEC
- Improved capability of the Department to meet its obligations

Table 8.8: Summary of payments and estimates: Programme 1: Administration

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2015/16	2016/17	2017/18
Office of the MEC	9 839	9 111	10 650	10 639	13 922	13 389	11 231	11 888	12 566
Corporate Services	104 059	86 319	88 174	105 874	109 803	110 336	121 775	129 079	136 576
Special Function: Losses									
Total payments and estimates: Programme 1: Admini:	113 898	95 430	98 824	116 513	123 725	123 725	133 006	140 967	149 142

Table 8.8(a): Summary of payments and estimates per sub sub-programme: Programme 1: Administration

R thousand	Outcome			Main appropriation	Adjusted appropriation	Estimated Actual	Medium-term estimates		
	2012/13	2013/14	2014/15				2015/16	2016/17	2017/18
Office of the MEC	9 839	9 111	10 650	10 639	13 922	13 389	11 231	11 888	12 566
Office of the MEC	9 839	9 111	10 650	10 639	13 922	13 389	11 231	11 888	12 566
Corporate Services	104 059	86 319	88 174	105 874	109 803	110 336	121 775	129 079	136 576
Support Services	62 065	51 794	50 733	51 622	64 241	64 748	60 589	63 939	69 575
Budget and Financial Management	41 994	34 525	37 441	54 252	45 562	45 588	61 186	65 140	67 001
District Services									
Total payments and estimates	113 898	95 430	98 824	116 513	123 725	123 725	133 006	140 967	149 142

Table 8.9: Summary of provincial payments and estimates by economic classification: Administration

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2015/16	2016/17	2017/18
Current payments	109 114	93 197	95 230	115 052	119 350	119 379	130 206	138 051	146 082
Compensation of employees	56 503	39 341	53 693	60 507	65 549	65 549	72 829	77 757	82 254
Goods and services	52 583	53 826	41 537	54 545	53 796	53 825	57 377	60 294	63 828
Interest and rent on land	28	30			5	5			
Transfers and subsidies to:	186	434	586	183	149	149	193	203	215
Provinces and municipalities									
Departmental agencies and accounts			1		6	6			
Universities and technikons									
Public corporations and private enterprises									
Foreign governments and international organisations									
Non-profit institutions									
Households	186	434	585	183	143	143	193	203	215
Payments for capital assets	2 878	1 725	2 580	1 278	4 226	4 195	2 607	2 713	2 845
Buildings and other fixed structures									
Machinery and equipment	2 878	1 725	2 580	1 278	4 226	4 195	2 607	2 713	2 845
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Heritage assets									
Specialised military assets									
Payments for financial assets	1 720	74	428			2			
Total economic classification	113 898	95 430	98 824	116 513	123 725	123 725	133 006	140 967	149 142

Programme 2: Local Governance

Description and objectives

The programme aims at establishing, monitoring, regulating, strengthening, supporting and capacitating municipalities and traditional leadership institutions in terms of the Constitution of 1996. The programme also aims to render support services regarding integrated planning and development.

Strategic Goal 2

Promotion of a viable and sustainable local government

Strategic Objectives

- Compliance of municipalities with regulatory framework
- Financially viable and sustainable municipalities
- Good governance and effective public participation
- Transformed and organizationally-sound municipalities
- Effective municipal performance and reporting

Table 8.10: Summary of payments and estimates: Programme 2: Local Governance

R thousand	Outcome			Main appropriation	Adjusted appropriation 2015/16	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/2015				2016/17	2017/18	2018/19
Local Governance	101 781	106 020	108 832	120 028	114 572	114 572	123 111	115 727	118 745
Total payments and estimates: Prog	101 781	106 020	108 832	120 028	114 572	114 572	123 111	115 727	118 745

Table 8.10 (a): Summary of payments and estimates by Sub-programme: Programme 2: Local Governance

R thousand	Outcome			Main appropriation	Adjusted appropriation 2015/16	Estimated Actual	Medium-term estimates		
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19
Municipal Administration	18 121	17 094	19 882	20 578	21 173	21 173	25 146	26 687	28 145
Municipal Finance	59 470	75 371	72 183	74 259	75 832	75 832	70 778	60 417	63 910
Public Participation	20 100	9 181	11 019	18 806	10 315	10 315	18 783	19 678	17 233
Capacity Development	4 090	4 374	5 748	6 385	7 252	7 252	8 404	8 945	9 457
Total payments and estimates	101 781	106 020	108 832	120 028	114 572	114 572	123 111	115 727	118 745

Table 8.11: Summary of provincial payments and estimates by economic classification: Programme 2: Local Governance

R thousand	Outcome			Main appropriation	Adjusted appropriation 2015/16	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19
Current payments	76 456	67 819	72 069	79 249	83 242	83 242	75 352	79 656	80 580
Compensation of employees	24 898	27 419	46 564	48 726	44 291	44 291	41 663	44 477	47 035
Goods and services	51 558	40 400	25 505	30 523	38 951	38 951	33 689	35 179	33 545
Interest									
Transfers and subsidies to:	24 894	37 859	36 281	39 800	30 612	30 612	46 447	34 780	36 798
Provinces and municipalities	24 860	37 616	36 114	38 384	30 505	30 505	44 879	33 135	35 057
Departmental agencies and accounts									
Universities and technikons									
Public corporations and private enterprises									
Foreign governments and international organisations									
Non-profit institutions				1 200			1 264	1 327	1 404
Households	34	243	167	216	107	107	304	318	337
Payments for capital assets	431	326	482	979	718	718	1 312	1 291	1 367
Buildings and other fixed structures									
Machinery and equipment	431	326	482	979	718	718	1 312	1 291	1 367
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Heritage assets									
Specialised military assets									
Payment for financial assets		16							
Total economic classification: Progi	101 781	106 020	108 832	120 028	114 572	114 572	123 111	115 727	118 745

Programme 3: Development and Planning

Description and Objectives

Purpose of Programme:

This programme aims to facilitate and render support towards integrated planning and development on local government level

Strategic goal 3:

Integrated Development and Planning

Strategic Objectives

- Accurate and available spatial function
- Effective land use management
- Improved development of local economy
- Successful implementation of municipal infrastructure programme
- Proper planning and management of disasters
- Improved municipal Integrated Development Plans

Table 8.12: Summary of payments and estimates: Programme 3: Development and Planning

R thousand	Outcome			Main appropriation	Adjusted appropriation 2015/16	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19
Spatial Planning	15 173	16 709	19 461	22 584	22 026	22 026	24 658	26 287	27 868
Development Admin/ Land Use Management									
Integrated Development and Planning (IDP)									
Local Economic Development (L)	4 095	3 379	4 222	6 074	5 276	5 276	6 657	7 065	7 475
Municipal Infrastructure	27 408	36 691	80 487	52 176	57 701	57 701	56 492	53 899	56 425
Disaster Management	6 168	6 582	11 468	12 555	7 316	7 316	13 889	14 455	14 938
Total payments and estimates: Prog	52 844	63 361	115 638	93 389	92 319	92 319	101 696	101 706	106 706

Table 8.13: Summary of provincial payments and estimates by economic classification: Programme 3: Development and Planning

R thousand	Outcome			Main appropriation	Adjusted appropriation 2015/16	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19
Current payments	31 950	35 691	92 435	50 976	90 023	90 023	58 853	62 309	65 978
Compensation of employees	24 952	27 792	33 035	34 438	36 724	36 724	40 333	43 072	45 567
Goods and services	6 998	7 899	59 400	16 538	53 299	53 299	18 520	19 237	20 411
Interest and rent on land			-						
Transfers and subsidies to:	20 576	27 312	22 628	37 686	1 717	1 717	37 077	33 583	34 931
Provinces and municipalities	20 326	27 200	21 970	37 540	1 538	1 538	36 924	33 472	34 815
Departmental agencies and accounts									
Universities and technikons									
Public corporations and private enterprises									
Foreign governments and international organisations									
Non-profit institutions									
Households	250	112	658	146	179	179	153	111	116
Payments for capital assets	318	358	568	4 727	579	579	5 766	5 814	5 797
Buildings and other fixed structures									
Machinery and equipment	318	358	568	4 727	579	579	5 766	5 814	5 797
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Heritage assets									
Specialised military assets									
Payments for financial assets			7						
Total economic classification: Prog	52 844	63 361	115 638	93 389	92 319	92 319	101 696	101 706	106 706

Programme 4: Traditional Institutional Management

Description and objectives

This programme aims to provide assistance and support to the Institution of Traditional Leadership in the Free State Province in order to realize its constitutional mandate, which is to be the custodian of communities that observe customary law.

Strategic Goal 4

Viable and sustainable Traditional Institutions.

Strategic Objective

Effective administration of traditional leadership institutions.

Table 8.14: Summary of payments and estimates: Programme 4: Traditional Institutional Management

R thousand	Outcome			Main appropriation	Adjusted appropriation 2015/16	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19
Traditional Institutional Administration	23 495	31 911	33 138	36 496	38 602	38 602	40 115	42 818	45 318
Total payments and estimates: Prog	23 495	31 911	33 138	36 496	38 602	38 602	40 115	42 818	45 318

Table 8.15: Summary of provincial payments and estimates by economic classification: Programme 4: Traditional Institutional Management

R thousand	Outcome			Main appropriation	Adjusted appropriation 2015/16	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19
Current payments	23 050	30 971	32 421	35 563	37 635	37 565	39 133	41 787	44 227
Compensation of employees	21 241	29 521	31 635	33 626	33 764	33 694	37 093	39 645	41 961
Goods and services	1 809	1 450	786	1 937	3 871	3 871	2 040	2 142	2 266
Interest and rent on land									
Transfers and subsidies to:	437	924	536	671	629	629	706	741	784
Provinces and municipalities									
Departmental agencies and accounts									
Universities and technikons									
Public corporations and private enterprises									
Foreign governments and international organisations									
Non-profit institutions	286	687	408	450	363	363	474	498	527
Households	151	237	128	221	266	266	232	243	257
Payments for capital assets	8	10	121	262	338	338	276	290	307
Buildings and other fixed structures									
Machinery and equipment	8	10	121	262	338	338	276	290	307
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Heritage assets									
Specialised military assets									
Payments for financial assets		6	60			70			
Total economic classification: Prog	23 495	31 911	33 138	36 496	38 602	38 602	40 115	42 818	45 318

Programme 5: House of Traditional Leaders

Description and objectives

This Programme aims to promote and enhance the effective and efficient functioning of the FS House of Traditional Leaders as well as Local Houses

Strategic Goal 5

Effective functioning of the Free State House of Traditional Leaders

Strategic Objective

To render effective and efficient administrative support to the Free State House of Traditional Leaders.

Table 8.16: Summary of payments and estimates: Programme 5: House of Traditional Leaders

R thousand	Outcome			Main appropriation	Adjusted appropriation 2015/16	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19
Administration of Houses of Traditional	8 512	10 384	7 833	9 980	11 097	11 097	9 668	10 307	10 924
Total payments and estimates: Prog	8 512	10 384	7 833	9 980	11 097	11 097	9 668	10 307	10 924

Table 8.17: Summary of provincial payments and estimates by economic classification: Programme 5: Administration of Houses of Tradi

R thousand	Outcome			Main appropriation	Adjusted appropriation 2015/16	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19
Current payments	8 344	9 158	7 804	9 629	10 830	10 830	9 298	9 919	10 516
Compensation of employees	6 226	6 902	6 093	8 149	7 304	7 304	7 740	8 283	8 785
Goods and services	2 118	2 256	1 711	1 480	3 526	3 526	1 558	1 636	1 731
Interest and rent on land									
Financial transactions in assets and liabilities									
Transfers and subsidies to:	50	1 218		306	168	168	323	339	359
Provinces and municipalities									
Departmental agencies and accounts									
Universities and technikons									
Public corporations and private enterprises									
Foreign governments and international organisations									
Non-profit institutions		1 158							
Households	50	60		306	168	168	323	339	359
Payments for capital assets	118	8	29	45	99	99	47	49	49
Transport equipment									
Machinery and equipment	118	8	29	45	99	99	47	49	49
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Heritage assets									
Specialised military assets									
Payments of Financial Assets									
Total economic classification: Prog	8 512	10 384	7 833	9 980	11 097	11 097	9 668	10 307	10 924

Description and objectives

Changes in policies, structures, service establishments, geographic distributions of service, etc; for the MTEF according the 2009/10 APP and strategic planning document

For the Operational objectives for the planned output in terms of quantity and quality refer to the strategic planning document.

Service delivery measures

For more detail on non-financial data which deals with programme performance (non-financial data) refer to the 2016/17 APP.

8.1.2 Training

Departments are required by the Skills Development Act to budget at least 1.5 percent of its personnel payments on staff training.

Table 8.19: Payments on training: Cooperative Government and Traditional Affairs

R thousand	Outcome			Main appropriation	Adjusted appropriation 2015/16	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19
Programme 1: Administration	511	1 607	2 887	2 389	784	777	1 996	2 132	2 256
<i>of which</i>									
Subsistence and travel									
Payments on tuition	511	1 607	2 887	2 389	784	777	1 996	2 132	2 256
Programme 2: Local Governance									
Subsistence and travel									
Payments on tuition									
Programme 3: Development and Planning									
Subsistence and travel									
Payments on tuition									
Programme 4: Traditional Affairs	26								
Subsistence and travel									
Payments on tuition	26								
Programme 5: House of Traditional Leaders									
Subsistence and travel									
Payments on tuition									
Total payments on training	537	1 607	2 887	2 389	784	777	1 996	2 132	2 256

All training payed out of Programme 1

Table 8.19(a): Information on training: Cooperative Government and Traditional Affairs

R thousand	Outcome			Main appropriation	Adjusted appropriation 2015/16	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19
Number of staff	373	375	410	403	403	403	402	402	402
Number of personnel trained	362	550	166	350	350	350	360	360	360
<i>of which</i>									
Male	170	200	76	140	140	140	150	150	150
Female	192	350	90	210	210	210	210	210	210
Number of training opportunities	45	40	33	52	52	52	68	68	70
<i>of which</i>									
Tertiary	11	15	15	30	30	30	40	40	40
Workshops	25	15	16	17	17	17	18	18	20
Seminars	9	5	2	5	5	5	10	10	10
Other		5							
Number of bursaries offered	29	15	20	32	32	32	35	35	35
External									
Internal	29	15	20	32	32	32	35	35	35
Number of interns appointed		12	12	10	10	10	15	15	15
Number of learnerships appointed									
Number of days spent on training	90	200	210	250	250	250	280	280	280

Annexure to the Estimates of Provincial Revenue & Expenditure

Table B.1: Specifications of receipts**Table B.1: Specification of receipts: Cooperative Government and Traditional Affairs**

R thousand	Outcome			Main appropriation	Adjusted appropriation 2015/16	Revised estimate	Medium-term estimates		
	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	1 485	1 972	1 743	1 871	936	936	120	130	145
Sale of goods and services produced by department	1 485	1 972	1 743	1 871	936	936	120	130	145
Sales by market establishments									
Administrative fees									
Other sales	1 485	1 972	1 743	1 871	936	936	120	130	145
Of which									
Commission on insurance									
Other (Specify)	1 485	1 972	1 743	1 871	936	936	120	130	145
Sales of scrap, waste, arms and other used currency	1								
Transfers received from:									
Other governmental units									
Universities and technikons									
Foreign governments									
International organisations									
Public corporations and private enterprises									
Households and non-profit institutions									
Fines, penalties and forfeits									
Interest, dividends and rent on land	9		3	8	7	7	9	9	9
Interest	9		3	8	7	7	9	9	9
Dividends									
Rent on land									
Sales of capital assets									
Land and subsoil assets					26	26			
Other capital assets					26	26			
Financial transactions in assets and liabilities	1 747	219	550	147	245	245	155	163	163
Total departmental receipts	3 241	2 191	2 296	2 026	1 214	1 214	284	302	317

Table B.3: Payments and estimates by economic classification

Table B.4: Payments and estimates by economic classification: Cooperative Governance and Traditional Affairs

R thousand	Outcome			Main appropriation	Adjusted appropriation	Estimated Actual	Medium-term estimates		
	2012/13	2013/14	2014/15				2015/16	2016/17	2017/18
Current payments	248 914	236 836	299 959	290 469	341 080	341 039	312 842	331 722	347 383
Compensation of employees	133 820	130 975	171 020	185 446	187 632	187 562	199 658	213 234	225 602
Salaries and wages	118 537	117 278	154 934	166 033	167 899	167 829	177 886	190 315	201 473
Social contributions	15 283	13 697	16 086	19 413	19 733	19 733	21 772	22 919	24 129
Goods and services	115 066	105 831	128 939	105 023	153 443	153 477	113 184	118 488	121 781
of which									
Administrative Fees	309	488	377	696	499	499	747	788	834
Advertising	2 220	699	151	1 355	408	410	1 423	1 492	1 579
Assets<R5000	506	166	231	569	530	539	654	714	745
Audit cost: External	4 518	4 462	4 832	4 360	3 799	3 799	4 458	4 807	5 086
Bursaries (employees)	188	128	392	158	505	512	679	676	715
Catering: Departmental Activities	3 586	2 793	2 309	3 234	1 552	1 482	1 345	1 345	1 345
Communication	2 283	2 712	2 544	2 935	2 647	2 678	2 935	2 935	3 105
Computer Services	4 378	4 834	743	2 671	14 032	14 450	2 805	2 945	3 116
Cons/Prof:business & advisory services	43 586	33 368	50 721	24 980	69 034	69 028	30 719	32 502	34 301
Con/Prof: Infrastructure & Planning									
Con/Prof: Laboratory services									
Con/Prof: Legal cost	2 981	2 263	2 711	1 152	344	344	1 188	1 329	1 566
Contractors	2 408	7 005	4 970	3 457	11 196	10 835	6 768	6 575	5 256
Agency & Support/outourced Services	1 331	3 395	6 743	19 839	2 650	2 681	19 795	21 004	20 152
Entertainment	108	79	5	106	36	36	43	43	43
Government Motor Transport			2 779	3 887	2 497	2 497	4 081	4 285	4 534
Housing									
Inventory: Food and Food Supplies	577	2 887							
Inventory: Fuel, oil and gas	1								
Inventory: Clothing Material & accessories									
Inventory: medical supplies									
Inventory: Other consumables									
Inventory: Stationery and Printing									
Consumable Supplies	17	524	385	454	202	202	297	314	334
Consumable : Stationary, Printing , Office Supplies	1 952	1 386	1 384	2 773	3 116	3 265	3 125	3 368	3 533
Operating Leases	4 710	3 220	3 171	3 102	3 332	3 332	5 417	5 712	6 054
Owned & Leasehold Property expenditure	17 477	18 679	26 388	2 071	18 191	17 957	2 102	2 156	2 281
Transport provided: Departmental activity			632		907	907	470	580	690
Travel and Subsistence	16 447	10 777	9 621	16 249	12 931	12 884	16 341	16 240	17 110
Training & Staff Development	537	1 607	2 887	2 389	784	777	1 996	2 132	2 256
Operating Expenditure	2 968	2 946	3 216	5 005	3 206	3 313	4 486	5 236	5 836
Venues and Facilities	1 978	1 406	1 740	3 581	1 045	1 045	1 310	1 310	1 310
Rent and Hiring	-	7	7	0	0	5	-	-	-
Interest and rent on land	28	30			5				
Interest	28	30			5				
Rent on land									
Transfers and subsidies to¹:	46 143	67 747	60 031	78 646	33 275	33 275	92 746	69 646	73 087
Provinces and municipalities	45 186	64 816	58 084	75 924	32 043	32 043	81 803	66 607	69 872
Provinces ²									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities ³	45 186	64 816	58 084	75 924	32 043	32 043	81 803	66 607	69 872
Municipalities	45 186	64 816	58 084	75 924	32 043	32 043	81 803	66 607	69 872
of which: Regional service council levies									
Municipal agencies and funds									
Departmental agencies and accounts									
Social security funds									
Provide list of entities receiving transfers ⁴									
Departmental agencies and accounts			1		6	6			
Universities and technikons									
Public corporations and private enterprises ⁵									
Public corporations									
Subsidies on production									
Other transfers									
Private enterprises									
Subsidies on production									
Other transfers									
Foreign governments and international organisations									
Non-profit institutions	286	687	408	1 650	363	363	1 738	1 825	1 931
Households	671	2 244	1 538	1 072	863	863	9 205	1 214	1 284
Social benefits	436	2 065	1 410	543	740	740	8 880	873	923
Other transfers to households	235	179	128	529	123	123	325	341	361
Payments for capital assets	3 753	2 427	3 780	7 291	5 960	5 929	10 008	10 157	10 365
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	3 753	2 427	3 780	7 291	5 960	5 929	10 008	10 157	10 365
Transport equipment							5 000	5 000	5 000
Other machinery and equipment	3 753	2 427	3 780	7 291	5 960	5 929	5 008	5 157	5 365
Heritage assets									
Software and other intangible assets									
Land and subsoil assets									
Payments for financial assets	1 720	96	495			72			-
Total economic classification	300 530	307 106	364 265	376 406	380 315	380 315	415 596	411 525	430 835

Table B.3: Payments and estimates by economic classification: Programme 1 Administration

R thousand	Outcome			Main appropriation	Adjusted appropriation 2015/16	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19
Current payments	109 114	93 197	95 230	115 052	119 350	119 379	130 206	138 051	146 082
Compensation of employees	56 503	39 341	53 693	60 507	65 549	65 549	72 829	77 757	82 254
Salaries and wages	49 823	34 864	48 051	51 181	58 038	58 038	63 951	68 441	72 475
Social contributions	6 680	4 477	5 642	9 326	7 511	7 511	8 878	9 316	9 779
Goods and services	52 583	53 826	41 537	54 545	53 796	53 825	57 377	60 294	63 828
of which									
Administrative fees	185	265	199	301	236	236	316	332	353
Advertising	2 199	615	128	1 171	352	354	1 229	1 290	1 365
Assets <R5000	397	67	152	84	274	272	250	284	289
Audit cost: External	4 518	4462	4832	4 360	3 799	3 799	4 458	4 807	5 086
Bursaries (employees)	188	128	392	158	505	512	679	676	715
Catering: Departmental Activities	1 223	710	352	656	758	703	528	528	528
Communication	2 283	2677	2427	2 933	2 596	2 627	2 933	2 933	3 103
Computer Services	4 378	4834	743	2 671	14 032	14 450	2 805	2 945	3 116
Cons/prof.business & advisory services	1 136	265	266	1 414	2 552	2 552	1 498	1 573	1 664
Cons/prof:Infrastructure & Planning		0	0						
Cons/prof: Legal cost	1	1	162	3	2	2	4	4	4
Contractors	1 295	3698	4792	3 081	6 623	6 262	2 806	2 803	2 921
Agency & Support/Outsourced Services	1 331	3395	6743	17 965	2 650	2 681	17 820	18 930	20 053
Entertainment	105	74	1	73	16	16	16	16	16
Government motor transport		2887	2779	3 887	2 497	2 497	4 081	4 285	4 534
Inventory: Food and food supplies	542								
Inventory: Fuel, oil and gas									
Inventory: Clothing Material and Accessories									
Inventory: Other consumables									
Inventory: Stationery and Printing									
Consumable : Supplies	15	401	295	323	126	126	153	165	177
Consumable : Stationery, Printing, Office Supplies	904	869	843	1 520	1 354	1 482	1 596	1 675	1 772
Operating Leases	4 710	3220	3171	3 102	3 332	3 332	5 417	5 712	6 054
Owned & Leasehold property expenditure	17 477	18679	5556	2 071	4 891	4 657	2 102	2 156	2 281
Transport provided: Departmental Activity			450		619	619	470	580	690
Travel and Subsistence	6 854	4108	3616	5 548	4 721	4 685	5 264	5 286	5 521
Training & Staff Development	511	1409	2887	2 389	784	777	1 996	2 132	2 256
Operating Expenditure	593	580	570	835	752	859	906	1 122	1 279
Venues and Facilities	1 738	482	181		325	325	50	60	51
Rental & hiring									
Interest and rent on land	28	30			5	5			
Interest	28	30			5	5			
Rent on land									
Transfers and subsidies to¹:	186	434	586	183	149	149	193	203	215
Provinces and municipalities									
Provinces ²									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities ³									
Municipalities									
Municipal agencies and funds									
Departmental agencies and accounts			1		6	6			
Social security funds									
Provide list of entities receiving transfers ⁴			1		6	6			
Universities and technicians									
Transfers and subsidies to¹: - continued									
Public corporations and private enterprises ⁵									
Public corporations									
Subsidies on production									
Other transfers									
Private enterprises									
Subsidies on production									
Other transfers									
Foreign governments and international organisations									
Non-profit institutions									
Households	186	434	585	183	143	143	193	203	215
Social benefits	186	434	585	183	134	134	193	203	215
Other transfers to households					9	9			
Payments for capital assets	2 878	1 725	2 580	1 278	4 226	4 195	2 607	2 713	2 845
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	2 878	1 725	2 580	1 278	4 226	4 195	2 607	2 713	2 845
Transport equipment									
Other machinery and equipment	2 878	1 725	2 580	1 278	4 226	4 195	2 607	2 713	2 845
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Payments for financial assets	1 720	74	428			2			
Total economic classification: Programme 1: Administration	113 898	95 430	98 824	116 513	123 725	123 725	133 006	140 967	149 142

Payments and estimates by economic classification: Programme 3 Development and Planning

R thousand	Outcome			Main appropriation	Adjusted appropriation 2015/16	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19
Current payments	31 950	35 691	92 435	50 976	90 023	90 023	58 853	62 309	65 978
Compensation of employees	24 952	27 792	33 035	34 438	36 724	36 724	40 333	43 072	45 567
Salaries and wages	21 838	24 477	29 146	30 716	32 347	32 347	35 715	38 200	40 427
Social contributions	3 114	3 315	3 889	3 722	4 377	4 377	4 618	4 872	5 140
Goods and services	6 998	7 899	59 400	16 538	53 299	53 299	18 520	19 237	20 411
of which									
Administrative Fees	27	40	30	92	64	64	106	114	121
Advertising	21	84	-	141	1	1	148	155	164
Assets <R5000	43	55	19	351	188	199	262	281	298
Audit cost: External									
Catering: Departmental Act	701	464	271	836	191	176	181	181	181
Communication		6	2						
Computer Services									
Cons/prof: Business & Advis	768	740	33 788	5 020	32 899	32 893	7 313	8 112	8 582
Cons/prof: Infrastructure&planning									
Cons/Prof: Legal Cost				270	120	120	284	298	315
Contractors	530	2 147	28	42	145	145	916	898	1 025
Agency & Support/outsourced Services									
Entertainment		1		12	11	11	11	11	11
Inventory: food and food s	10								
Inventory: Clothing and Accessories									
Inventory: Fuel, oil and gas									
Inventory: other consumables									
Inventory: Stationery and Printing									
Consumable Supplies		52	17	48	37	37	59	62	64
Consumable: Stationary, P	337	231	380	738	867	888	964	982	1 009
Operating Leases									
Property payments			20 832		13 300	13 300			
Travel and Subsistence	2 330	1 539	1 626	4 284	2 683	2 672	4 334	3 968	4 199
Training & Staff Development									
Operating expenditure	2 122	1 810	2 175	3 742	2 078	2 078	3 014	3 246	3 523
Venues and facilities	109	723	225	962	715	715	928	929	919
Renting and Hiring		7	7						
Interest and rent on land									
Interest									
Rent on land									
Transfers and subsidies to¹:	20 576	27 312	22 628	37 686	1 717	1 717	37 077	33 583	34 931
Provinces and municipalities	20 326	27 200	21 970	37 540	1 538	1 538	36 924	33 472	34 815
Provinces ²									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities ³									
Municipalities	20 326	27 200	21 970	37 540	1 538	1 538	36 924	33 472	34 815
of which: Regional service council levies									
Municipal agencies and funds									
Departmental agencies and accounts									
Social security funds									
Provide list of entities receiving transfers ⁴									
Universities and technicians									
Transfers and subsidies to¹: - continued									
Public corporations and private enterprises ⁵									
Public corporations									
Subsidies on production									
Other transfers									
Private enterprises									
Subsidies on production									
Other transfers									
Foreign governments and international organisations									
Non-profit institutions									
Households	250	112	658	146	179	179	153	111	116
Social benefits	250	112	658	144	179	179	151	109	114
Other transfers to households				2			2	2	2
Payments for capital assets	318	358	568	4 727	579	579	5 766	5 814	5 797
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	318	358	568	4 727	579	579	5 766	5 814	5 797
Transport equipment							5 000	5 000	5 000
Other machinery and equipm	318	358	568	4 727	579	579	766	814	797
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Payments for financial assets			7						
Total economic classification	52 844	63 361	115 638	93 389	92 319	92 319	101 696	101 706	106 706

Table B.3: Payments and estimates by economic classification: Programme 4 Traditional Institutional Management

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	23 050	30 971	32 421	35 563	37 635	37 565	39 133	41 787	44 227
Compensation of employees	21 241	29 521	31 635	33 626	33 764	33 694	37 093	39 645	41 961
Salaries and wages	19 069	27 067	29 034	31 423	30 866	30 796	34 036	36 420	38 559
Social contributions	2 172	2 454	2 601	2 203	2 898	2 898	3 057	3 225	3 402
Goods and services	1 809	1 450	786	1 937	3 871	3 871	2 040	2 142	2 266
<i>of which</i>									
Administrative Fees	22	36	25	40	40	40	43	45	48
Advertising									
Assets <R5000	14	1		51			54	57	60
Audit cost: External									
Bursaries (employees)									
Catering: Departmental Activities	301	444	84	280	220	220	220	220	220
Communication		25							
Computer Services									
Cons/prof. Business & Advisory services		3	237		443	443			
Cons/prof. Infrastructure&planning									
Cons/Prof: Legal Cost	113								
Contractors	69	144		60	2 052	2 052	138	156	178
Agency & Support/outourced Services									
Entertainment			1	3	3	3	3	3	3
Government Motor transport									
Inventory: food and food supplies	2								
Inventory: fuel, oil and gas									
Inventory: Other Supplies									
Inventory: Stationery and Printing									
Consumable Supplies		36	4	12	7	7	12	13	14
Consumable: Stationery, Printing and Office Supplies,	63	10		101	220	220	106	111	117
Operating Leases									
Transport provided: Departmental activity					79	79			
Travel and Subsistence	1 111	688	400	1 154	755	755	1 216	1 277	1 351
Training & Staff Development	26								
Operating expenditure	7	63	35	101	52	52	106	111	117
Venues and facilities	81			135			142	149	158
Other									
Interest and rent on land									
Interest									
Rent on land									
Transfers and subsidies to:	437	924	536	671	629	629	706	741	784
Provinces and municipalities									
Provinces2									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities3									
Municipalities									
Municipal agencies and funds									
Departmental agencies and accounts									
Social security funds									
Provide list of entities receiving transfers4									
Universities and technikons									
Transfers and subsidies to: - continued									
Public corporations and private enterprises5									
Public corporations									
Subsidies on production									
Other transfers									
Private enterprises									
Subsidies on production									
Other transfers									
Foreign governments and international organisations									
Non-profit institutions	286	687	408	450	363	363	474	498	527
Households	151	237	128	221	266	266	232	243	257
Social benefits	151	237	29		152	152	232	243	257
Other transfers to households			99	221	114	114	-	-	-
Payments for capital assets	8	10	121	262	338	338	276	290	307
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	8	10	121	262	338	338	276	290	307
Transport equipment									
Other machinery and equipment	8	10	121	262	338	338	276	290	307
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Payments for financial assets		6	60			70			
Total economic classification	23 495	31 911	33 138	36 496	38 602	38 602	40 115	42 818	45 318

Table B.3: Payments and estimates by economic classification: Programme 5 House of Traditional Leaders

R thousand	Outcome			Main appropriation	Adjusted appropriation 2015/16	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19
Current payments	8 344	9 158	7 804	9 629	10 830	10 830	9 298	9 919	10 516
Compensation of employees	6 226	6 902	6 093	8 149	7 304	7 304	7 740	8 283	8 785
Salaries and wages	5 864	6 520	5 649	7 379	6 709	6 709	7 112	7 621	8 087
Social contributions	362	382	444	770	595	595	628	662	698
Goods and services	2 118	2 256	1 711	1 480	3 526	3 526	1 558	1 636	1 731
of which									
Administrative Fees	24	51	81	85	56	56	89	93	98
Advertising									
Assets <R5000	17		4	72			76	80	85
Audit cost: External									
Bursaries (employees)									
Catering: Departmental Activities	243	142	478	370	203	203	180	180	434
Communication		4							
Computer Services									
Cons/prof: Business & Advisory services					2	2			
Cons/prof: Infrastructure&planning									
Cons/Prof: Legal Cost									
Contractors	372	948	143	90	2 062	2 062	305	330	106
Agency & Support/outourced Services									
Entertainment		3		3			3	3	3
Government motor transport									
Inventory: food and food supplies	6								
Inventory: fuel, oil and gas									
Inventory: Stationery and Printing									
Consumables Supplies		12	7	4	5	5	4	4	4
Consumable: Stationery, Printing and Office Supplies	120	10	27	43	102	102	45	47	50
Lease Payments									
Property payments									
Transport Provided: Departmental Activities					82	82			
Travel and Subsistence	1 286	1 068	924	568	955	955	598	628	664
Training & Staff Development									
Operating expenditure		2	41	120	59	59	126	132	140
Venues and facilities	50	16	6	125			132	139	147
Other									
Interest and rent on land									
Interest									
Rent on land									
Financial transactions in assets and liabilities									
Transfers and subsidies to¹:	50	1 218		306	168	168	323	339	359
Provinces and municipalities									
Provinces ²									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities ³									
Municipal agencies and funds									
Departmental agencies and accounts									
Social security funds									
Provide list of entities receiving transfers ⁴									
Universities and technikon									
Transfers and subsidies to¹: - continued									
Public corporations and private enterprises ⁵									
Public corporations									
Subsidies on production									
Other transfers									
Private enterprises									
Subsidies on production									
Other transfers									
Foreign governments and international organisations									
Non-profit institutions		1 158							
Households	50	60		306	168	168	323	339	359
Social benefits					168	168	323	339	359
Other transfers to households	50	60		306					
Payments for capital assets	118	8	29	45	99	99	47	49	49
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	118	8	29	45	99	99	47	49	49
Transport equipment									
Other machinery and equipment	118	8	29	45	99	99	47	49	49
Heritage assets									
Software and other intangible assets									
Land and subsoil assets									
Payments for Capital Assets									
Total economic classification	8 512	10 384	7 833	9 980	11 097	11 097	9 668	10 307	10 924

Table B.5.1: Cooperative Governance and Traditional Affairs - Payments of non-infrastructure projects

No.	Project name	Municipality / Region	SIP Category	Type of project	Project duration		Source of funding (Equitable Share or grant abreviation e.g. ES)	Budget programme number	Targeted number of jobs for 2015/16	Total project cost	Expenditure to date from previous years
				List any project not to be reported on in IRM	Date: Start	Date: Finish					
	R thousands										
1	None										
2											
...											
n											
Total non-infrastructure projects											

Table B.6: Detailed financial information for public entities

Table B.6.1: Summary of departmental transfers to other entities (for example NGOs)

R thousand	Sub Programme	Outcome			Main appropriation	Adjusted appropriation 2015/16	Revised estimate	Medium-term estimates		
		2012/13	2013/14	2014/15				2016/17	2017/18	2018/19
	Traditional Institutional Administration	286	687	408	450	363	363	474	498	527
	House of Traditional Leaders		1 158							
	Municipal Intergovernmental Relations				1 200			1 264	1 327	1 404
	GRAND TOTAL	286	1 845	408	1 650	363	363	1 738	1 825	1 931

Table B.7: Details on transfers to local government

The following information for transfers to local government must be presented in annexure to each Vote:

Table B.7: Transfers to local government by transfer / grant type, category and municipality: Cooperative Governance and Traditional Affairs									
R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19
Local Economic Development/Grant 1: Local Economic Development/ Integrated Development Plan									
Category A									
Municipality 1 (name)									
Municipality 2 (name)									
Municipality n (name)									
Category B									
Naledi	700								
Tokologo	200								
Nala	200								
Setso	300								
Maluti a Phofung									
Category C									
Xhariep									
Motheo									
Lejweleputswa									
Thabo Mafutsanyana									
Fezile Dabi									
Unallocated									
Municipal Finance/Grant 1: Positive impact on cash flow									
Category A									
Mangaung									
Municipality 2 (name)									
Municipality n (name)									
Category B									
Letsemeng	14,810	12,616	18,488		3,204	3,204			
Kopanong	1,060								
Mohokare	2,885								
Naledi	3,286	4,499	2,775						
Mantsopa	733	5,720	720						
Masilonyana			5,482		2,000	2,000			
Tokologo									
Twelopete		185							
Matjhabeng									
Nala	5,886								
Setso	500	1,542	3,011		500	500			
Dihlabeng	460				704	704			
Nketoana									
Maluti a Phofung									
Phumelela									
Moqhaka									
Nqwathe		670							
Metsimaholo									
Mafube			6,500						
Category C									
Xhariep	10,050	25,000	17,626	16,500	27,300	27,300	17,000	17,850	19,000
Motheo	10,050		15,800	16,500	16,500	16,500	17,000	17,850	19,000
Lejweleputswa									
Thabo Mofutsanyane			1,826		10,800	10,800			
Fezile Dabi									
Unallocated			46,041	21,884	1	1	16,685	15,285	16,057
Municipal Infrastructure/Grant 1: Municipal Infrastructure									
Category A									
Mangaung									
Municipality 2 (name)									
Municipality n (name)									
Category B									
Letsemeng	15,126	27,200	17,009		1,515	1,515			
Kopanong									
Mohokare									
Naledi		4,000							
Mantsopa									
Dihlabeng									
Mafube									
Masilonyana									
Tokologo									
Twelopete		5,000							
Matjhabeng	12,635		76						
Nala									
Setso	2,491	8,000	13,540						
Moqhaka		10,200	3,393		1,515	1,515			
Nketoana									
Phumelela									
Metsimaholo									
Unallocated									
				37,540	23	23	36,924	33,472	34,815
Category C									
Xhariep	4,500								
Motheo									
Lejweleputswa									
Thabo Mofutsanyane	4,500								
Fezile Dabi									
Unallocated									
Disaster Management/Grant 1: Disaster aid: veld fires									
Category A									
Municipality 1 (name)									
Municipality 2 (name)									
Municipality n (name)									
Category B									
Letsemeng			4,961						
Kopanong									
Mohokare									
Naledi									
Mangaung									
Mantsopa									
Masilonyana									
Tokologo									
Twelopete									
Matjhabeng									
Nala									
Setso									
Dihlabeng									
Nketoana									
Maluti a Phofung			4,961						
Phumelela									
Moqhaka									
Nqwathe									
Metsimaholo									
Mafube									
Category C									
Xhariep									
Motheo									
Lejweleputswa									
Thabo Mafutsanyana									
Fezile Dabi									
Unallocated									
Total Transfers/grants	45,186	64,816	58,084	75,924	32,043	32,043	70,609	66,607	69,872