

# VOTE 14

## GAUTENG PROVINCIAL TREASURY

To be appropriated by vote in 2016/17	R607 394 000
Responsible MEC	MEC for Finance
Administering Department	Gauteng Provincial Treasury
Accounting Officer	Head of Department

### 1. OVERVIEW

#### Vision

To provide strategic leadership in financial and fiscal matters to ensure sustainable and inclusive social and economic development of the people of Gauteng so that all may enjoy value-for-money services of the highest quality.

#### Mission

We are an activist Treasury that enables and promotes quality service delivery for the citizens of Gauteng through:

- Sustainable financing and funding that ensures developmentally focused allocation of resources and innovative revenue generation;
- Efficient cash management that ensures sustainable liquidity levels in the province;
- Effective financial management and reporting that ensures responsible stewardship and transparent resource utilization and expenditure; and
- A well-structured governance framework that ensures accountability, transparency and fiscal discipline in line with statutory obligations.

#### Strategic goals

The strategic objectives for the department are:

- To promote better planning and budgeting synergy across all spheres of government in the province;
- To ensure balanced budgeting and sustainable funding for legislative mandates and strategic priorities of the province;
- To ensure approved financial resources are spent efficiently, effectively and economically across the province;
- To support all departments, entities and municipalities to achieve unqualified audits;
- To promote accountable and transparent financial governance in the province; and
- To ensure statutory obligations are met and that decision-makers facilitate appropriate interventions.

#### Core functions and responsibilities

The functions or powers of the Gauteng Provincial Treasury (GPT) are described in both the Public Finance Management Act (PFMA), 1999 and the Municipal Finance Management Act, 2003 (Act No 56 of 2003). These can be summarized as follows:

- To manage the budget allocation for the Gauteng Provincial Government (GPG);
- To ensure the instilling of fiscal discipline and corporate governance in the Province;
- To ensure proper cash management;
- To ensure the effective and efficient utilization of resources (that is, value for money and compliance with all relevant legislations);
- To develop, implement and monitor compliance with corporate governance norms and standards relating to provincial and local governments; and
- To ensure adequate financial accountability.

#### Overview of the main services

The mandate of the Gauteng Provincial Treasury is to promote good governance by providing stewardship on all financial

matters in the province and to ensure that provincial budgets and budgetary processes promote transparency, accountability and the effective financial management of GPG.

The role of GPT is to ensure that strategies are funded through projects and other initiatives that are aligned to the provincial priorities and the principles of Batho Pele. The department aims to eliminate irregular and fruitless expenditure and allocate resources in line with the Gauteng Provincial Ten-Pillar Programme.

The key focus areas over the MTEF are to explore alternative funding sources and other own revenue streams to supplement the fiscus; improve planning synergies between the different spheres of government in order to ensure efficiency in the planning and budgeting processes to ensure that the limited fiscus is spent on provincial priorities; eliminating wastage of resources and enhance transparency and accountability by enhancing investigations through the introduction of business intelligent tools that have digital forensics capabilities to detect and prevent fraud; and also monitor contract management in the province to ensure that services are rendered timeously and in a cost effective manner.

The provincial ten-pillar programme of transformation, modernisation and re-industrialisation will continue to be one of guiding framework for resource allocation in the province. The GPT will strive to improve efficiency in the government machinery and processes through interventions such as cash management and in-year-monitoring processes in order to improve operational efficiencies and the quality and credibility of data; stabilization of the GPG wage bill and improvement on the delivery on infrastructure projects in order to stimulate economic growth and contribute towards job creation.

The department will also continue to lead the reform of the public procurement system, with the open tender process being rolled out to more projects in all departments. The 30 day payment of suppliers is an important provincial priority and the 2016/17 financial year will unfold during a time when there is a huge improvement in the payment of government service providers. The introduction of an e-invoicing system has resulted in the majority of provincial departments paying over 90% of their invoices within the 30 day period, with the average number of days from invoice receipt to payment date in the province being less than 20 days.

### **National Development Plan**

The National Development Plan (NDP) envisions a South Africa where everyone feels free; where everyone embraces their full potential, a country where opportunity is determined not by birth, but by ability, education and hard work. The realisation of such a society will require transformation of the economy and focused efforts to build the country's capabilities. The main challenge has been unevenness in capacity that leads to uneven performance in local, provincial and national government.

Part of building the country's capabilities includes the work described in Chapter 13 of the NDP where it is indicated that there is a need to build the capability of the state to play a developmental and transformative role.

In alignment with the need to build a capable state, the department has aligned its objectives with the provincial transformation, modernisation and re-industrialisation programme. The department supports this strategic provincial programme through the pillar relating to the transformation of the state and governance. This pillar is aligned to Chapter 13 of the NDP.

Under this pillar, the department aims to develop systems and interventions to ensure effective financial management in the province. Parts of the interventions in this regard are providing support to departments and municipalities to achieve unqualified audits, elimination of wastage and monitoring of cost containment in the province. Another important aspect of measures the department has undertaken in this regard is ensuring that government plans and budgets are synergised to ensure that local and provincial departments achieve alignment of plans.

### **External activities and events relevant to budget decisions**

The global and South African economic situation impacts on the national revenue that is shared amongst the different spheres of government. The prevailing unfavourable economic situation limits the revenue allocated to the province and a further allocation of budgets to provincial departments. Particularly over the 2016 MTEF, the national government implemented the budget cuts on all government budgets to stabilize the national debt situation. This necessitated the implementation of budget cuts on the baselines of provincial departments accordingly.

### **Act, rules and regulations**

- Division of Revenue Act (DORA), 2008;
- Treasury Regulations 2005 and Delegations;
- Prevention and Combating of Corrupt Activities Act, 2004;
- Municipal Finance Management Act, 2004;
- Broad-Based Black Economic Empowerment Act, 2003;
- The Tender Board Repeal Act, 2002;

- Unemployment Insurance Contributions Act, 4 of 2002
- Preferential Procurement Policy Framework Act, 2000;
- Promotion of Access to Information Act, 2000 (Act 2 of 2000);
- Municipality Systems Act (2000) and Development Facilitation Act(1995);
- Promotion of Administrative Justice Act, 2000;
- Public Finance Management Act, 1999;
- Employment Equity Act, 1998;
- Skills Development Act, 1998 (Act 97 of 1998)
- Basic Conditions of Employment Act, 1997;
- Intergovernmental Fiscal Relations Act, 1997 (Act 97 of 1997);
- Public Service Laws Amendment Act, 1997;
- Government Employees Pension Law 21 of 1996.
- The National Archives Act, 1996;
- Borrowing Powers of Provincial Government Act, 1996 (Act 48 of 1996);
- The Constitution of the Republic of South Africa, 1996;
- Labour Relations Act, 1995;
- Occupational Health and Safety Act, 1995; and
- Public Service Act, 1994 Regulations and Delegations.

## 2. REVIEW OF THE CURRENT FINANCIAL YEAR (2014/15)

The generic structure which was adopted by the GPT in the 2014/15 financial year is currently being implemented. The new structure has seen the migration of Gauteng Audit Services (GAS), Forensic Services and Procurement Services from the former Gauteng Department of Finance to the Gauteng Provincial Treasury. Part of the focus during this financial year is to strengthen the capacity of GAS to achieve its objectives and be in a position to impact positively the Gauteng Provincial Government through the improvement of the risk control environment in the province. In this regard, recruitment processes have been initiated to fill vacant posts in the Programme. The department is currently repositioning the Forensic Services to be a proactive fraud and corruption combating unit that focuses on prevention and detection.

The department continued to support the three provincial TMR pillars for which it is responsible in 2015/16. Progress made is stated below.

### **Pillar 1: Radical economic transformation**

The department is leveraging public procurement to promote economic transformation. In this regard, the GPT aims to expand the GPG procurement from township enterprises and to increase the number of suppliers registered on the GPG supplier database through the supplier development initiatives to.

The department played a key role in the implementation of the Township Economy Revitalisation Strategy. In this regard, the province procured goods and services valued no less than R620 million from the township enterprises which translates to 6 percent of GPG procurement spend in 2015/16. The drive to increase the number of township enterprises registered on the GPG supplier database resulted in registration of a minimum of 3 646 during the year under review. The GPT has played an active supporting role to Gauteng Department of Economic Development in driving the radical economic transformation of township enterprises and re-industrialisation of the Gauteng province by ensuring that township enterprises, co-operatives and SMMEs registered on the government service provider database are compliant with the regulatory requirements to enable them to do business with government. This has been done through the GPT providing training sessions on “How to tender for government business”. Part of ensuring expansion of procurement to township enterprises is to ensure that these businesses are able to be sustainable in their operations by ensuring that they are paid within 30 days. The department has maintained a 100% performance in this regard so far this financial year and continues to monitor the performance of the other departments.

### **GPG Pillar 4: Transformation of State and Governance**

The department supports the GPG transformation of state and governance pillar through ensuring that there is sustainable funding of TMR priorities and the department implements interventions to improve on effective financial management in the province.

Regarding interventions to improve financial management, the province recorded an improved audit outcome in respect 2014/15 financial year audit that was concluded in 2015/16. The highlight of the audit outcome includes unqualified audit report in 13 provincial departments and in 14 out of 15 entities. The GPT’s interventions such as the financial statements review, risk management and follow-ups on previous audit findings contributed to this achievement.

The drive to sustain funding of provincial priorities is supported by the implementation of the provincial revenue enhancement strategy. The strategy aims at improving the collection of provincial own revenue to supplement the national funding received by the province. In this regard, the province recorded a minimum of 16 percent over-collection versus the 2015/16 target.

To deal with incidents of fraud and corruption, the department initiated processes to enhance transparency and accountability by improving fraud and corruption prevention and detection capabilities for the province. The SAP upgrade that is underway will assist the department to monitor contract management. With regard to transparent tender processes, the successful piloting of the open tender process in the previous financial year paved a way for improving transparency of government procurement. The province has identified and the projects with value exceeding R50 million that will be procured through the open tender process.

The department is in the process of enhancing investigations through the introduction of business intelligent tools that have digital forensics capabilities to detect and prevent fraud and also monitor contract management in the province to ensure that services are rendered timeously and in a cost effective manner. All officials with financial and procurement duties are vetted.

Through the Municipal Financial Hands-On Support Programme (MFHSP) the department has continued to support municipalities to improve financial management and to monitor implementation of audit findings to ensure better audit outcomes for municipalities.

#### **GPG Pillar 5: Modernisation of the Public Service**

Strengthening financial management in the province is one of the GPT's key focus areas. In support of this pillar, the department is involved in the automation of systems and back-office digitisation and transformation to improve service delivery. The department has built institutional capacity and enhanced transparency in government accounting and procurement processes as measures to combat corruption and fraud. Progress made so far includes the upgrade of SAP to monitor contract management.

### **3. OUTLOOK FOR THE COMING FINANCIAL YEAR (2016/17)**

The department will continue to support the implementation of the provincial TMR programme in 2016/17. It will also contribute the priority areas of the Gauteng City-Region.

The department will contribute indirectly towards eight priority areas that are critical in institutionalizing the Gauteng City Region (GCR). It will also contribute directly towards these four areas:

- Revitalising and mainstreaming of the township economy and development of SMMEs and cooperatives through active industrial incentives and transformative procurement policy that promotes the growth of township-based manufacturing and services;
- Investing massively in catalytic infrastructure to facilitate spatial transformation across the five development corridors of the GCR – public transport, energy, water sanitation, broadband and open green spaces;
- Intervening through different programmes to address the challenging situation of youth unemployment; and
- Advocating an Accountable and Clean government through the implementation of the Open Tender System as well as building an active citizenry by engaging communities during the Ntirhisano Programme and Service Delivery War Room initiatives.

#### **Pillar 1: Radical Economic Transformation**

GPT will continue to support provincial initiatives in driving the radical economic transformation of the provincial economy including the township economy and re-industrialisation of the province by ensuring that township enterprises, co-operatives and SMMEs are registered on the government service provider database and are compliant with the regulatory requirements in order for them to do business with the government.

The department will in 2016/17 implement measures to improve the market share for the local content and township enterprises. This will be achieved through monitoring on SAP of the spending on designated sectors and identification of suppliers for development into designated economic sectors.

The department will support Township Economic Revitalisation (TER) through:

- Monitoring and evaluation of Phase 1 GPG procurement;
- Implementation of Phase 2 Procurement Strategy; and
- Reviewing the process on transversal contract.

Phase 1 of the TER focused on increasing procurement from township enterprises, increasing awareness of market access for township enterprises and growing the GPG supplier database through targeted drives for the registration of new township suppliers. The department is in the process of developing Phase 2 of the procurement strategy in support of township economies. Through phase 2, preferential procurement will be emphasised where sectoral and product targets are set for township enterprises. The department will implement supplier development initiatives and promote incubation of developing suppliers to ensure that they become sustainable. Private sector participation will be encouraged to provide enterprise development, skills transfer and access to funding and strategic collaborations in implementing government projects.

#### **Pillar 4: Transformation of state and governance**

In order to ensure continued efficiency in planning and budgeting processes, GPT will ensure that the available limited resources are spent on provincial priorities in line with the TMR programme and the wastage of resources is eliminated. Furthermore, the department will continue to improve planning and spending synergy between provincial and local government as well as with state enterprises that are engaged in significant capital projects in the Province. To achieve this synergy in government planning and programmes, the GPT will continue to work with the Gauteng Planning Division, the Department of Cooperative Governance and Traditional Affairs and local municipalities to develop an integrated planning framework to inform resource allocation and efficiency as well as process improvement.

The department has made strides in the improvement of financial management in the province and will continue to provide structural training to provincial departments, entities and local municipalities. The audit outcomes from the 2015/16 financial year will have been assessed and improvement plans put in place. A tracking system will be implemented in order to ensure implementation of recommendations by the Auditor-General (AG) and thus reduce recurring audit findings.

The department will work with municipalities to turn around their financial distress through revenue enhancement, prioritisation of payment to local municipalities and review of municipal procedures for credit and debt control to support and guide improvement.

#### **Pillar 5: Modernization of the public service**

Strengthening financial management in the province is one of the GPT's key focus areas. This is important in ensuring that resources are used to support provincial priorities, thereby optimizing service delivery. The department will build institutional capacity and enhance transparency in government accounting and procurement processes as measures to combat corruption and fraud.

The department will continue with the SAIPA Learnership Programme and Work Experience Placement Programme where interns will be given an opportunity to learn practical work skills and therefore contribute to the Tshepo 500 000 Programme.

## **4. REPRIORITISATION**

GPT performed the reprioritisation exercise to identify savings that will be utilised to fund spending plan over MTEF. The baselines for goods and services in core programmes were reprioritised. Savings were realised through identifying more cost effective ways of service delivery and reducing funds allocated for non-core items and computer services projects.

The identified savings were redirected to fund the rollout the infrastructure capacity building for provincial departments and municipalities, the development of GPG Procurement Hub to facilitate the open tender process and probity audits on all tenders above R50 million. The overall service delivery will not be negatively affected by the budget reprioritisation.

## **5. PROCUREMENT**

The major procure plans funded in the 2016 MTEF budget are stated below.

#### **Infrastructure Delivery Management System**

The GPT will roll out the Infrastructure Delivery Management System in the Province. The rollout entails the provision of training and technical support to infrastructure departments to build capacity for planning and implementing infrastructure projects in the province.

#### **Capacitation of the Provincial Forensic Audits Unit**

In line with the provision of the Gauteng Province Anti-Corruption strategy the Provincial Forensic Audit is mandated to investigate all fraud and corruption impacting or having the potential to impact on Gauteng Provincial Government. The appointment of service provider will assist the department to swiftly attend to allegations of fraud and corruption.

### Management System for use by the Provincial Forensic Audits

It is a requisite of this mandate therefore that the Gauteng Provincial Government must have a single repository on matters related to fraud and corruption and that this repository (in the form of a Case management System) is hosted by the Provincial Forensic Audit at the GPT.

### Automated Fraud Detection system

The system will enable the GPT a seamless querying ability across the numerous operational database on interest both Gauteng Provincial and National Government as well privately owned.

## 6. REVENUE AND FINANCING

### 6.1 Summary of receipts

TABLE 14.1: SUMMARY OF RECEIPTS: GAUTENG PROVINCIAL TREASURY

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
Equitable share	346 475	429 905	482 881	584 362	609 271	609 271	607 394	633 536	671 944
Conditional grants									
<b>Total receipts</b>	<b>346 475</b>	<b>429 905</b>	<b>482 881</b>	<b>584 362</b>	<b>609 271</b>	<b>609 271</b>	<b>607 394</b>	<b>633 536</b>	<b>671 944</b>

The Provincial Treasury is funded through equitable share. Funds allocated to the Provincial Treasury during the period under review cater for personnel requirements, printing of GPT publications, provision of support to departments and municipalities, infrastructure capacity building programme, transfers to the Gauteng Funding Agency, Health Intervention Programme, Identification Verification System rollout project, Operation Clean Audit and the transfer of functions from the former Department of Finance.

A trend of funding during the period under review indicates that the establishment of the Gauteng Fund in 2012/13 increased the allocations to the GPT in that financial year. The allocations increased further when the GPT received funding for the Health Intervention Programme in 2013/14. Funding for this intervention programme continued until 2014/15.

The realignment of functions in the province to improve efficiency in the service delivery began in 2014/15 in which functions were transferred between the GPT and the former Department of Finance. The function shift continued in 2015/16 and resulted in the GPT receiving more functions, namely: Gauteng Audit Services, Provincial Forensic Audit Services and transversal procurement. The GPT also established the Provincial Supply Chain Management function in 2015/16 which increased the budget allocation.

The new GPT configuration and the planned intervention such as core programmes capacity building programmes, business intelligence projects will see the allocations increase from R607.4 million to R671.9 million over the 2016 MTEF period.

### 6.2 Departmental receipts

TABLE 14.2: DEPARTMENTAL RECEIPTS: GAUTENG PROVINCIAL TREASURY

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	175	235	338	222	595	632	1 000	1 050	1 111
Transfers received									
Fines, penalties and forfeits									
Interest, dividends and rent on land	187 570	247 283	481 451	88 000	400 000	445 334	150 000	200 000	250 000
Sales of capital assets									
Transactions in financial assets and liabilities	66	375	477	395	395	425	415	436	461
<b>Total departmental receipts</b>	<b>187 811</b>	<b>247 893</b>	<b>482 266</b>	<b>88 617</b>	<b>400 990</b>	<b>446 361</b>	<b>151 415</b>	<b>201 486</b>	<b>251 572</b>



The GPT major source of revenue for the GPT is the interest earned on favourable cash balances. The interest revenue is supplemented by parking fees charged to staff members and by recovery of debts from the previous years.

The interest revenue forms 99 percent of the total revenue collected in each financial year. The interest revenue increases from R187.6 million in 2012/13 to R481.4 million in 2014/15. The upward trend in the interest income collection continues in 2015/16. As a result, the budget for this revenue increases to R400 million during the adjustment budget process. The interest revenue budget is set conservatively given that an increased spending in the province would reduce the cash balances and result in lower interest revenue earned. For this reason, the budget increases from R88 million in 2015/16 to R150 million in 2016/17 and to R250 million in 2018/19.

The other revenue sources, particularly the parking fees, increase gradually from R175 000 to R311 000 between 2012/13 and 2014/15. As the staff complement increased in 2015/16 after a transfer of functions from the former Gauteng Department of Finance, the amount collected from this revenue source increased significantly such that the budget was adjusted from R222 000 to R595 000. The budget is set to increase further to over R1 million over the MTEF.

## 7. PAYMENT SUMMARY

### 7.1. Key assumptions

The 2016 Medium Term Expenditure Framework (MTEF) budget is informed by the Gauteng Provincial Treasury's Strategic Plan, Annual Performance Plan, the provincial outcomes and the Gauteng Provincial Government's programme of action (POA). Provision for annual salary adjustments are made as follows: 7.2 percent in 2016/17; 6.8 percent in 2017/18; 5.8 percent in 2018/19. Provision has also been made for notch progression, performance bonuses, increase on housing allowances and employer's medical aid contributions

### 7.2 Programme summary

TABLE 14.3: SUMMARY OF PAYMENTS AND ESTIMATES: GAUTENG PROVINCIAL TREASURY

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
1. Administration	59 768	79 876	92 037	111 528	120 853	120 853	121 342	127 198	134 575
2. Sustainable Fiscal Resource Management	100 757	109 128	139 420	183 781	194 500	194 500	149 645	157 729	168 540
3. Financial Governance	54 318	102 359	110 501	98 608	128 478	128 478	128 028	134 928	142 754
4. Supply Chain Management	65 002	58 311	59 200	86 592	58 907	58 907	91 537	94 379	99 853
5. Municipal Financial Governance	17 958	27 526	28 525	30 097	32 777	32 777	36 303	35 872	37 952
6. Gauteng Audit Services	48 672	52 705	53 198	73 756	73 756	73 756	80 539	83 430	88 269
<b>Total payments and estimates</b>	<b>346 475</b>	<b>429 905</b>	<b>482 881</b>	<b>584 362</b>	<b>609 271</b>	<b>609 271</b>	<b>607 394</b>	<b>633 536</b>	<b>671 944</b>

### 7.3 Summary of economic classification

TABLE 14.4: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: GAUTENG PROVINCIAL TREASURY

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
<b>Current payments</b>	<b>294 558</b>	<b>375 064</b>	<b>402 551</b>	<b>513 184</b>	<b>481 973</b>	<b>481 831</b>	<b>552 102</b>	<b>575 449</b>	<b>610 488</b>
Compensation of employees	257 114	291 210	332 918	417 813	391 434	391 292	453 362	471 808	500 836
Goods and services	37 444	83 854	69 633	95 371	90 539	90 539	98 741	103 642	109 653
Interest and rent on land									
<b>Transfers and subsidies to:</b>	<b>50 244</b>	<b>51 119</b>	<b>76 944</b>	<b>70 225</b>	<b>120 604</b>	<b>120 746</b>	<b>52 888</b>	<b>55 533</b>	<b>58 754</b>
Provinces and municipalities									
Departmental agencies and accounts	50 000	50 000	75 000	70 000	120 000	120 000	52 650	55 283	58 489
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2015/16	2016/17	2017/18
Households	244	1 119	1 944	225	604	746	238	250	265
<b>Payments for capital assets</b>	<b>1 573</b>	<b>3 718</b>	<b>3 262</b>	<b>953</b>	<b>6 694</b>	<b>6 694</b>	<b>2 404</b>	<b>2 554</b>	<b>2 702</b>
Buildings and other fixed structures									
Machinery and equipment	1 559	3 557	2 970	953	6 694	6 694	2 404	2 554	2 702
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets	14	161	292						
<b>Payments for financial assets</b>	<b>100</b>	<b>4</b>	<b>124</b>						
<b>Total economic classification</b>	<b>346 475</b>	<b>429 905</b>	<b>482 881</b>	<b>584 362</b>	<b>609 271</b>	<b>609 271</b>	<b>607 394</b>	<b>633 536</b>	<b>671 944</b>

In the 2015/16 financial year, the GPT was reconfigured to align to the generic structure prescribed for Provincial Treasuries. The department has created new specialized and focused programmes, also taking over functions that from the former Gauteng Department of Finance. This has impacted both the outcomes and the 2016/17 MTEF period which are inclusive of the adopted functions.

Spending increased from R429.9 million in 2013/14 to R482.8 million in 2014/15. The increased spending and in allocation was due to the Health intervention programme during 2013/14 and 2014/15 financial years. The allocation further increased from R584.4 million main appropriation to R609.3 million adjusted appropriation in the 2015/16 financial year. In 2016 MTEF period the allocation increases further to R607.4 million peaking at R671.9 million in the 2018/19 outer year.

Compensation of employees increased during the period under review, particularly between financial years 2013/14 and 2014/15 where the outcome had been R291.2 million in the 2013/14 financial year, R375 million in the 2014/15 financial year and the budget further increased to R417.8 million in the 2015/16 financial year. This was due to higher than expected salary adjustment and also the cost to re-establish GPT as a stand-alone department. The budget continues to grow in the 2016 MTEF period, R453.4 million in 2016/17 to R471.8 million in 2017/18 and R500.8 million in 2018/19 which corresponds with the departmental plans to fully implement the approved structure and to align the GPT as closely as possible with the uniform budget structure. Provision for notch progression and annual performance bonuses has been made.

Goods and services expenditure amounted to R83.8 million in 2013/14 financial year, the main appropriation increased to R70 million in 2014/15, the increase is inclusive of the R30 million allocations to the Health Intervention project. The allocation decreased by R34 million to R95.4 million in the 2015/16 financial year, this mainly due to the end of the Health Intervention Project

Over the MTEF the department is funding various key projects, such as the establishment of the Procurement Hub for facilitation of the Open Tender Process, Independent Assurance Providers for the Open Tender Process, Infrastructure Delivery Performance Management, and Forensic Audit Information Systems. The department will continue to strengthen their initiatives in support of the Operation Clean Audit such as the Municipal Advisor hands on support programme and various trainings on GRAP and Modified Cash Standard to GPG Departments and entities. The 2016 MTEF period goods and services estimate indicates the amount of R98.7 million in 2016/17, R103.6 million in 2017/18 and R109.7 million in 2018/19.

The Gauteng Fund Agency has been re-established as a government component of the Gauteng Provincial Treasury and will be known as the Gauteng Infrastructure Funding Agency. The Transfers and Subsidies to the Agency over the MTEF period are as follows R53 million in 2016/17 financial year, R55 million in 2017/18 financial year and R58 million in the 2018/19 financial year.

The Payment for Capital assets is mainly to fund tools of trade for the officials to perform their functions efficiently and effectively. The resourcing is based on a structured IT equipment refresh process which is informed by the economic useful life of the various IT assets and warranties. The allocation over the MTEF period will be as follows R2.4 million in the 2016/17; R2.6 million for 2017/18 and R2.7 million for the 2018/19 financial year.

#### 7.4 Infrastructure payments

N/A



**7.4.1 Departmental Infrastructure payments**

N/A

**7.4.2 Departmental Public – Private Partnerships (PPP) projects**

N/A

**7.5 Transfers****7.5.1 Transfers to public entities**

N/A

**7.5.2 Transfers to other entities****14.5: SUMMARY OF DEPARTMENTAL TRANSFERS TO DEPARTMENTAL AGENCIES**

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
Gauteng Infrastructure Funding Agency	50 000	50 000	75 000	70 000	70 000	70 000	52 650	55 283	58 489
<b>Total departmental transfers</b>	<b>50 000</b>	<b>50 000</b>	<b>75 000</b>	<b>70 000</b>	<b>70 000</b>	<b>70 000</b>	<b>52 650</b>	<b>55 283</b>	<b>58 489</b>

During the 2014/15 financial year, the budget for Gauteng Infrastructure Funding Agency increased from R50 million to R75 million due to the re-establishment of the agency and the provision for the project preparation facility. Over the MTEF, the allocation for GIFA increases from R52.6 million to R58.5 million to ensure a sustainable pipeline of strategic infrastructure projects that are catalysts for socio-economic development in the province.

**7.5.3. Transfers to local government**

N/A

**8. PROGRAMME DESCRIPTION****PROGRAMME 1: ADMINISTRATION****Programme purpose**

The programme aims to provide effective leadership, management and administrative support to the Treasury Programmes as well as the Member of the Executive Council and the Head of Treasury. This is done in fulfilment of the mission and mandate of the Treasury.

**Programme objectives**

To ensure statutory obligations are met and that decision makers facilitate appropriate interventions.

**TABLE 14.6: SUMMARY OF PAYMENTS AND ESTIMATES: 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
1. Office of the MEC	6 385	7 033	6 470	7 719	7 671	7 217	8 269	8 677	9 180
2. Office of the HOD	6 607	10 314	14 692	15 523	15 452	16 316	16 790	17 514	18 530
3. Corporate Management	29 891	41 855	52 534	64 241	68 497	68 316	70 936	74 425	78 742
4. Financial Management Services (CFO)	16 885	20 674	18 341	24 045	29 233	29 004	25 347	26 582	28 124
<b>Total payments and estimates</b>	<b>59 768</b>	<b>79 876</b>	<b>92 037</b>	<b>111 528</b>	<b>120 853</b>	<b>120 853</b>	<b>121 342</b>	<b>127 197</b>	<b>134 575</b>

**TABLE 14.7: SUMMARY OF PAYMENTS BY ESTIMATES BY ECONOMIC CLASSIFICATION: 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
<b>Current payments</b>	<b>58 195</b>	<b>77 006</b>	<b>88 524</b>	<b>110 350</b>	<b>113 854</b>	<b>113 854</b>	<b>120 101</b>	<b>125 894</b>	<b>133 196</b>
Compensation of employees	32 629	44 926	62 021	73 160	73 080	73 080	78 863	82 619	87 411
Goods and services	25 566	32 080	26 503	37 190	40 774	40 774	41 238	43 275	45 785

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
Interest and rent on land									
<b>Transfers and subsidies to:</b>		<b>75</b>	<b>1 499</b>	<b>225</b>	<b>305</b>	<b>305</b>	<b>238</b>	<b>250</b>	<b>265</b>
Provinces and municipalities									
Non-profit institutions									
Households		75	1 499	225	305	305	238	250	265
<b>Payments for capital assets</b>	<b>1 573</b>	<b>2 795</b>	<b>2 006</b>	<b>953</b>	<b>6 694</b>	<b>6 694</b>	<b>1 004</b>	<b>1 054</b>	<b>1 115</b>
Buildings and other fixed structures									
Machinery and equipment	1 559	2 774	1 731	953	6 694	6 694	1 004	1 054	1 115
Heritage Assets									
Software and other intangible assets	14	21	275						
<b>Payments for financial assets</b>			<b>8</b>						
<b>Total economic classification</b>	<b>59 768</b>	<b>79 876</b>	<b>92 037</b>	<b>111 528</b>	<b>120 853</b>	<b>120 853</b>	<b>121 342</b>	<b>127 198</b>	<b>134 575</b>

The expenditure for Administration increased from R59.8 million in 2012/13 to R79.9 million in 2013/14. The expenditure further increase to R92million in the 2014/15 financial year. The main appropriation increased to R111.5 million which is a R19.4million increase when compared to the previous year expenditure. Over the MTEF period the allocation continues to increase from R121.3 million in the 2016/17 financial year to R134.6 million in 2018/19 financial year.

The growth in Administration is indicative of the departments increase in size where the full structure makes a provision for 1091 officials and the migrated function from e-Government. This means administration needed to increase its capacity to support the growth in the number of officials and functions.

The main costs drivers in good services are utilities, external audit, lease payments, communication and property payments. The department also has various project earmarked and catered for under goods and services, the hosting of network servers externally, IT equipment refreshing programme, Corporate Performance and Evaluation information systems, Disaster recovery site establishment.

Compensation of employee spending increases from R32.6 million in 2012/13 financial year; R44.9 million in 2013/14 and R62 million in 2014/15. Over the MTEF period the personnel budget increases from R83 million in 2016/17 to 87 million in 2018/19. This increase is due to the establishment of capacity to support the growth in the department in terms of personnel and functions, other contributions to the increase include the annual cost of living salary increases, notch progressions and personnel related costs such as performance bonus and service bonus.

Over the MTEF, spending for payments for capital assets is expected to stay within the baseline at average allocation of R1 million per financial year. The estimated allocation being R1 million for 2016/17; 2017/18, 2018/19 financial years respectively.

## PROGRAMME 1: ADMINISTRATION

### SERVICE DELIVERY MEASURES: ADMINISTRATION

Performance Measures	Estimated Annual Targets		
	2016/17	2017/18	2018/19
Unqualified audit opinion with no other matters	Unqualified audit opinion with no other matters	Unqualified audit opinion with no other matters	Unqualified audit opinion with no other matters
% of external audit report recommendations implemented before next audit cycle	100%	100%	100%
% of supplier payments paid within 30 days after receipt of final and correct invoice	100%	100%	100%
% compliance with regulatory and legislated reporting requirements as per the compliance dashboard	100%	100%	100%

**PROGRAMME 2: SUSTAINABLE FISCAL RESOURCES MANAGEMENT****Programme purpose**

To ensure the effective and efficient administration of fiscal resources in provincial institutions

**Programme Objectives:**

- To promote better planning, budgeting and resourcing synergy across all spheres of government in the province;
- To ensure government programmes are adequately resourced within the tight fiscal envelope; and
- To ensure approved financial resources are spent efficiently, effectively and economically across the province.

**TABLE 14.8: SUMMARY OF PAYMENTS AND ESTIMATES: SUSTAINABLE FISCAL RESOURCES MANAGEMENT**

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2015/16	2016/17	2017/18
1.Programme Support/ Office of the DDG	52 867	55 911	79 280	102 810	125 480	125 480	59 166	62 123	65 726
2.Budget Management	10 959	12 406	13 355	22 127	14 446	15 090	21 483	22 570	23 879
3.Economic and Fiscal Policy Oversight	7 610	8 058	9 383	11 193	11 693	11 572	12 058	12 651	13 385
4.Infrastructure Management	2 984	3 114	3 288	8 159	11 389	10 479	27 734	29 905	31 640
5.Financial Asset and Liabilities Management	15 416	16 962	18 836	21 846	13 846	13 967	12 040	12 425	13 146
6.Public Finance	10 921	12 677	15 278	17 646	17 646	17 912	17 164	18 054	20 764
<b>Total payments and estimates</b>	<b>100 757</b>	<b>109 128</b>	<b>139 420</b>	<b>183 781</b>	<b>194 500</b>	<b>194 500</b>	<b>149 645</b>	<b>157 729</b>	<b>168 540</b>

**TABLE 14.9: SUMMARY OF PAYMENTS AND ESTIMATES: SUSTAINABLE RESOURCES MANAGEMENT**

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2015/16	2016/17	2017/18
<b>Current payments</b>	<b>50 727</b>	<b>59 088</b>	<b>64 270</b>	<b>113 781</b>	<b>74 420</b>	<b>74 299</b>	<b>95 595</b>	<b>100 946</b>	<b>108 464</b>
Compensation of employees	47 986	53 562	59 773	80 381	63 120	62 999	71 629	75 392	81 427
Goods and services	2 741	5 526	4 497	33 400	11 300	11 300	23 966	25 555	27 037
Interest and rent on land									
<b>Transfers and subsidies to:</b>	<b>50 030</b>	<b>50 040</b>	<b>75 150</b>	<b>70 000</b>	<b>120 080</b>	<b>120 201</b>	<b>52 650</b>	<b>55 283</b>	<b>58 489</b>
Provinces and municipalities									
Departmental agencies and accounts	50 000	50 000	75 000	70 000	120 000	120 000	52 650	55 283	58 489
Non-profit institutions									
Households	30	40	150		80	201			
<b>Payments for capital assets</b>							<b>1 400</b>	<b>1 500</b>	<b>1 587</b>
Buildings and other fixed structures									
Machinery and equipment							1 400	1 500	1 587
Software and other intangible assets									
<b>Payments for financial assets</b>									
<b>Total economic classification</b>	<b>100 757</b>	<b>109 128</b>	<b>139 420</b>	<b>183 781</b>	<b>194 500</b>	<b>194 500</b>	<b>149 645</b>	<b>157 729</b>	<b>168 540</b>

In the 2015/16 financial year the Sustainable Fiscal Resource Management Programme was one of the programmes affected by the re-configuration of the GPT. The programme received Financial Asset and Liability Management and Infrastructure Management as new functions and is also expected to provide specialized capacity in the areas of Data Management and Public Private Partnerships.

The spending for Sustainable Fiscal Resource Management increased from R100.7 million in 2012/13 financial year to R109.1 million in the 2013/2014 financial year. In the MTEF period the allocation is as follows; R149.6 million in the 2016/17 financial year, R157.7 million in the 2017/18 financial year and R168.5 million in the 2018/19 financial year. Spending focus over MTEF period will be on catering for the additional capacity in infrastructure management.

Compensation of employees increased from R48 million in 2012/13 financial year to R53.6 million in 2013/14 financial year. It further increased from R59.7 million in the 2014/15 financial year to R80.4 million in the 2015/16 financial year. In the MTEF period the allocation is as follows; R71.6 million in the 2016/17 financial year, R75.4 million in the 2017/18 financial year and R81.4 million in the 2018/19 financial year. The increase in the budget will cater for the additional capacity in infrastructure management, data management and public private partnerships.

Goods and services expenditure was at R2.7 million for 2012/13. There was an increase of R3 million in expenditure to R5.5 million in the 2013/14 financial year and 2014/15 financial year the goods and services expenditure was R29.4 million. In the MTEF period the allocation is as follows; R24 million in the 2016/17 financial year, R25.6 million in the 2017/18 financial year and R27 million in the 2018/19 financial year. The main cost drivers under this programme are capacity building projects, Infrastructure delivery management system in the province, system development projects as well as the printing of provincial publications such as PERO, SERO, MTBPS, and EPRE.

Transfers and subsidies to Gauteng Infrastructure Funding Agency (GIFA) over the MTEF is at R52.7 million for the 2016/17 financial year, it further increases to R58.5 million in 2018/19.

Over the MTEF period the programme introduce the payment for capital assets amounting to R1.4 million 2016/17, R1.5 million for 2017/18 and R1.6 million for 2018/19.

## PROGRAMME 2: SUSTAINABLE FISCAL RESOURCES MANAGEMENT

### SERVICE DELIVERY MEASURE: SUSTAINABLE FISCAL RESOURCES MANAGEMENT

Performance Measures	Estimated Annual Targets		
	2016/17	2017/18	2018/19
<b>BUDGET MANAGEMENT</b>			
Number of engagements conducted with GPG departments on the alignment of budgets to Provincial Plan	14 MTEC sessions held and key MTEC resolutions prepared	14 MTEC sessions held and key MTEC resolutions prepared	14 MTEC sessions held and key MTEC resolutions prepared
	15 Budget Fora held	15 Budget Fora held	15 Budget Fora held
Number of budgets tabled according to the prescribed timeframes	1 credible MTEF budget that resources the 10 pillars tabled	1 credible MTEF budget that resources the 10 pillars tabled	1 credible MTEF budget that resources the 10 pillars tabled
	1 credible Adjustment budget that resources the 10 pillars tabled	1 credible Adjustment budget that resources the 10 pillars tabled	1 credible Adjustment budget that resources the 10 pillars tabled
Number of strategic projects resourced from the fiscus (game changers)	2	2	2
% variance between projections and actuals	Actual transfer payments should not exceed the quarterly projections by 7%	Actual transfer payments should not exceed the quarterly projections by 5%	Actual transfer payments should not exceed the quarterly projections by 5%
Roll out automated IYM	Automated IYM rolled out to departments	N/A	N/A

Performance measures	Estimated Annual Targets		
	2016/17	2017/18	2018/19
<b>Economic &amp; Fiscal Policy Oversight</b>			
Average % increase in own revenue collection	10%	12%	12%
Publish the SERO at Legislature according to the prescribed timeframes	SERO published in Q4	SERO published in Q4	SERO published in Q4
Table MTBPS at Legislature according to the prescribed timeframes	MTBPS tabled in Q3	MTBPS tabled in Q3	MTBPS tabled in Q3

Performance measures	Estimated Annual Targets		
	2016/17	2017/18	2018/19
<b>Infrastructure Management</b>			
Number of budgets tabled according to the prescribed timeframes	1 budget for infrastructure table as per the provincial budget timeline	1 budget for infrastructure table as per the provincial budget timeline	1 budget for infrastructure table as per the provincial budget timeline
% spent on infrastructure allocation	95%	95%	95%
Number of local municipalities with provincial infrastructure plans aligned to the Gauteng Infrastructure Master Plan	2	2	2

Performance measures	Estimated Annual Targets		
	2016/17	2017/18	2018/19
Develop draft guideline for infrastructure projects	Conduct legislative compliance on draft guideline for infrastructure projects	Contract management guideline for infrastructure projects approved	Contract management guideline for infrastructure projects implemented
Number of procurement processes for infrastructure tenders completed by Q4 of the preceding year	All procurement processes for infrastructure tenders completed by Q4 of the preceding year	All procurement processes for infrastructure tenders completed by Q4 of the preceding year	All procurement processes for infrastructure tenders completed by Q4 of the preceding year

Performance measures	Estimated Annual Targets		
	2016/17	2017/18	2018/19
<b>Financial Asset Management</b>			
<b>Provincial Revenue Fund</b>			
Unqualified audit opinion with no other matters for the Provincial Revenue Fund	Unqualified audit opinion with no other matters maintained	Unqualified audit opinion with no other matters maintained	Unqualified audit opinion with no other matters maintained

Performance measures	Estimated Annual Targets		
	2016/17	2017/18	2018/19
<b>Financial Asset Management</b>			
<b>Cash Management</b>			
Monthly cash-outflow for departments doesn't exceed the provincial revenue streams	Ensure disbursement for departments should not exceed appropriated funds	Ensure disbursement for departments should not exceed appropriated funds	Ensure disbursement for departments should not exceed appropriated funds
Number of departments with ring-fenced funds for compensation of employees, conditional grants, critical services, municipalities and infrastructure (provincial equitable share)	All	All	All

Performance measures	Estimated Annual Targets		
	2016/17	2017/18	2018/19
<b>Public Finance</b>			
Number of budget bilaterals conducted	1	1	1
Number of annual budget assessments for identified key programmes / departments conducted	DED budget assessed	3 entities budgets assessed	3 entities budgets assessed
% of GPG wage bill against budget	60%	60%	60%
% spent on conditional grants allocation	95%	98%	99%
Develop a value for money framework	VFM framework implemented in 3 departments	VFM framework implemented in 4 departments	VFM framework implemented in 4 departments
% reduction of non-core line item budgets per annum	10%	10%	10%

### PROGRAMME 3: FINANCIAL GOVERNANCE

#### Programme purpose

The programme aims to promote accountability through substantive reflection of financial activities as well as compliance with financial norms and standards in PFMA compliant institutions.

#### Programme Objectives

- To reduce fraud and corruption and promote clean government across the province; and
- To support all departments, entities and municipalities to achieve unqualified audits.

TABLE 14.10: SUMMARY OF PAYMENTS AND ESTIMATES: FINANCIAL GOVERNANCE

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2015/16	2016/17	2017/18
1. Programme Support/ Office of the DDG	1 746	28 986	32 613	3 464	15 851	15 762	4 315	4 619	4 887
2. Provincial Accounting Services	26 105	30 896	30 992	37 147	37 277	38 632	53 597	56 870	60 168
3. Provincial Forensic Audits	10 177	14 341	14 848	19 194	23 094	21 965	23 171	25 394	26 867
4. Transversal Internal Audit and Risk Management	7 587	10 377	11 822	14 704	14 691	14 614	16 797	17 597	18 618
5. Compliance	3 300	6 075	12 564	13 699	15 633	15 634	6 949	7 296	7 719
6. Financial Information Management Systems	5 403	11 684	7 662	10 400	21 932	21 871	23 200	23 152	24 495
<b>Total payments and estimates</b>	<b>54 318</b>	<b>102 359</b>	<b>110 501</b>	<b>98 608</b>	<b>128 478</b>	<b>128 478</b>	<b>128 028</b>	<b>134 928</b>	<b>142 754</b>

TABLE 14.11: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: FINANCIAL GOVERNANCE

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2015/16	2016/17	2017/18
<b>Current payments</b>	<b>54 252</b>	<b>100 557</b>	<b>109 161</b>	<b>98 608</b>	<b>128 329</b>	<b>128 422</b>	<b>128 028</b>	<b>134 928</b>	<b>142 754</b>
Compensation of employees	50 934	64 490	74 651	86 364	105 415	105 507	116 097	122 399	129 498
Goods and services	3 318	36 067	34 510	12 244	22 914	22 915	11 931	12 529	13 256
Interest and rent on land									
<b>Transfers and subsidies to:</b>	<b>66</b>	<b>879</b>	<b>112</b>		<b>149</b>	<b>56</b>			
Provinces and municipalities									
Non-profit institutions									
Households	66	879	112		149	56			
<b>Payments for capital assets</b>		<b>923</b>	<b>1 228</b>						
Buildings and other fixed structures									
Machinery and equipment		783	1 228						
Software and other intangible assets		140							
<b>Payments for financial assets</b>									
<b>Total economic classification</b>	<b>54 318</b>	<b>102 359</b>	<b>110 501</b>	<b>98 608</b>	<b>128 478</b>	<b>128 478</b>	<b>128 028</b>	<b>134 928</b>	<b>142 754</b>

In the 2015/16 financial year the Financial Governance Programme was one of the programmes affected by the re-configuration of the GPT. The programme received Provincial Forensic Audit, Accounting Services and has additional capacity in the areas of Compliance and Financial Business Systems. The outcomes (historical expenditure) and 2016 MTEF is inclusive of the new functions.

Spending for Financial Governance increases from R54.3 million in 2012/13 financial year to R102.4 million in the 2013/14 and R110.5 million in the 2014/15 financial year. The main factor in the increasing trend was the R70 million allocation to the Health Intervention Project in between the 2013/14 and 2014/15 financial years. In 2015/16 financial the budget allocation is R98.6 million. For the MTEF period the financial governance allocation is R128 million in 2016/17; R134.9 million in 2017/18 financial year and R142.8 million in 2018/19 financial year. The main factors contributing to the increase in the budget over the MTEF is the allocation of additional funding for compensation of employees to increase the ongoing Accounting Services Support to the Departments and Entities, various systems development/enhancements projects as a commitment to modernizing the public service for effective service delivery; Forensic Lab establishment, Forensic Audit Information System and GRAP/ Modified Cash Standard training for department and entities.

Compensation of employee spending increases from R50.9 million in 2012/13 financial year to R64.5 million in the 2013/14 financial year. The budget increases from R74.7 million in the 2014/15 financial year to R129.5 million in the 2018/19 financial year. The increases in compensation of employees is due to filling of critical positions as per reconfiguration to align to generic structures prescribe for Provincial Treasuries and salaries settlements that been above the inflation over the period as well as notch progressions

Spending on goods and services stood at R3.3 million in 2012/13 financial years. The average increase in expenditure during the 2013/14 and 2014/15 financial years was R35.2 million; this spending reflects spending on the Municipal Hands on Support Programme. funding allocated The 2016 MTEF period sees a significant drop in the budget allocation under goods and services due to the Health Intervention project which ended in 2014/15 The allocation for the MTEF period being,



R11.9 million in 2016/17, R12.5 million in 2017/18 and R13.3 million for 2018/19. Spending focus over MTEF will be on Forensic Lab establishment, forensic audit information system, P-Card software licenses and GRAP/ Modified Cash Standard training for department and entities.

**SERVICE DELIVERY MEASURES**

**PROGRAMME 3: FINANCIAL GOVERNANCE**

Performance Measures	Estimated Annual Targets		
	2016/17	2017/18	2018/19
<b>Provincial Accounting Services</b>			
<b>Financial Accounting</b>			
% of audit recommendations implemented by entities and departments before the next audit cycle	90%	95%	95%
Number of departments and public entities receiving structured targeted training for financial reporting	All departments and entities	All departments and entities	All departments and entities
Number of departments and entities with unqualified audit outcomes	14 departments	All departments and entities	All departments and entities
	All GPG entities		

Performance Measures	Estimated Annual Targets		
	2016/17	2017/18	2018/19
<b>Provincial Forensic Audits</b>			
% of recommendations implemented from forensic investigations within the agreed timelines	80%	90%	100%
% of recommendations implemented from detection reviews within the agreed timelines	80%	90%	100%
% of action plans implemented from the fraud prevention plans within the agreed timelines	80%	90%	100%

Performance Measures	Estimated Annual Targets		
	2016/17	2017/18	2018/19
<b>Transversal Internal Audit &amp; Risk Management</b>			
Develop and manage a risk profile for departments	Risk profile for all departments developed by 31 March 2017	Update Risk profiles for all departments and develop Risk profiles for 2 municipalities by 31 March 2018	Update Risk profiles for all departments and entities and develop Risk profile for all delegated municipalities by 31 March 2019
Number of departments engaged prior to final submission of APPs to assess the risks	All (14) departments engaged prior to final submission of APP to assess the risk	All departments engaged prior to final submission of APP to assess the risk	All departments engaged prior to final submission of APP to assess the risk
% Implementation of action plans	80% Implementation of action plans	90% Implementation of action plans	100% Implementation of action plans

Performance Measures	Estimated Annual Targets		
	2016/17	2017/18	2018/19
<b>Financial Information Management Systems</b>			
Number of departments with BI tool to track and trace accruals, commitments and irregular expenditure deployed	Deploy the tool to remaining departments (10)	N/A	N/A

**PROGRAMME 4 : PROVINCIAL SUPPLY CHAIN MANAGEMENT & MOVEABLE ASSET MANAGEMENT**

**Programme Purpose**

To promote and enforce transparency and effective Supply Chain Management in the province.

**Programme objectives**

- To reduce fraud and corruption and promote clean governance across the province; and
- To ensure that service providers are registered and paid timeously.

TABLE 14.12: SUMMARY OF PAYMENTS AND ESTIMATES: PROVINCIAL SUPPLY CHAIN MANAGEMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2015/16	2016/17	2017/18
1. Programme Support/ Office of the DDG	2 303	2 347	3 159	11 490	12 814	11 867	20 047	20 822	22 030
2.SCM Policy, Norms and Standards				7 000			10 000	10 500	11 109
3.Governance, Compliance, Monitoring and Evaluation				3 200	1 200		4 836	3 570	3 777
4. SCM Client Support				29 120	4 501		31 025	32 576	34 466
5. Strategic Procurement				7 373			7 868	8 261	8 741
6.Transversal Contract Management				16 642			17 761	18 649	19 731
7. Movable Asset Management				3 000	4 600	3 203			
8. Procurement Services	62 699	55 964	56 041	8 767	35 792	43 837			
<b>Total payments and estimates</b>	<b>65 002</b>	<b>58 311</b>	<b>59 200</b>	<b>86 592</b>	<b>58 907</b>	<b>58 907</b>	<b>91 537</b>	<b>94 379</b>	<b>99 853</b>

TABLE 14.13: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: PROVINCIAL SUPPLY CHAIN MANAGEMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2015/16	2016/17	2017/18
<b>Current payments</b>	<b>64 926</b>	<b>58 228</b>	<b>59 058</b>	<b>86 592</b>	<b>58 907</b>	<b>58 830</b>	<b>91 537</b>	<b>94 379</b>	<b>99 853</b>
Compensation of employees	63 051	56 132	57 798	80 457	50 438	50 361	77 013	79 276	83 874
Goods and services	1 875	2 096	1 260	6 135	8 469	8 469	14 524	15 103	15 979
Interest and rent on land									
<b>Transfers and subsidies to:</b>	<b>19</b>	<b>79</b>	<b>9</b>			<b>77</b>			
Provinces and municipalities									
Households	19	79	9			77			
<b>Payments for capital assets</b>			<b>17</b>						
Buildings and other fixed structures									
Software and other intangible assets			17						
<b>Payments for financial assets</b>	<b>57</b>	<b>4</b>	<b>116</b>						
<b>Total economic classification</b>	<b>65 002</b>	<b>58 311</b>	<b>59 200</b>	<b>86 592</b>	<b>58 907</b>	<b>58 907</b>	<b>91 537</b>	<b>94 379</b>	<b>99 853</b>

In 2015/16 financial year the Supply Chain Management was established as new programme in the Gauteng Provincial Treasury. This was part of the re-configuration of the GPT as mentioned earlier. It is made up of the former GDF Procurement Services Functions and GPT SCM oversight functions. Specialist capacity has been added in the areas of SCM governance, SCM compliance monitoring and evaluation.

The expenditure amounted to R65 million in the 2012/13 financial year; the average decrease in expenditure for the 2013/14 and 2014/15 financial years is R58.6 million. The allocation over the MTEF is as follows: R91.5 million in the 2016/17 financial year, R94.4 million in the 2017/18 financial year and R99.9 million in the 2018/19 financial year. The main contributor to the increase in the budget being the additional capacity to be added in the areas of SCM governance, SCM compliance monitoring and evaluation and the procurement of services for facilitation of the open tender process, procurement hub and procurement system content catalogue.

Compensation of Employees expenditure amounted to R63 million in the 2012/13. The expenditure decreased to R56.1 million in the 2013/14 financial year. The budget increased from R58.8 million in the 2014/15 financial year to R80.5 million in the 2015/16 financial year. The allocation over the MTEF is as follows: R77 million for the 2016/17 financial year, R79.2 million for the 2017/18 financial year and R83.9 million for the 2018/19 financial year. The main contributor to the increase in the budget being the additional capacity to be added in the areas of SCM governance, SCM compliance monitoring and evaluation.

Good and Services expenditure was R1.9 million in the 2012/13 and 2013/14 financial year. The budget in the 2014/15 financial year was R2.8 million and increased to R8.5 million 2015/16 financial year. The allocation over the MTEF is as follows; R14.5 million for the 2016/17 financial year and increases to R15.1 million in 2017/18 and R16 million 2018/19. The main focus will be services procured for facilitation of the open tender process, procurement hub and procurement system content catalogue.

**PROGRAMME 4: PROVINCIAL SUPPLY CHAIN MANAGEMENT****SERVICE DELIVERY MEASURES**

Performance Measures	Estimated Annual Targets		
	2016/17	2017/18	2018/19
<b>Provincial Supply Chain Management</b>			
Implementation of the contract management guideline in the remaining Departments, Municipalities and Entities	Contract Management guideline in the remaining Departments, Municipalities and entities implemented	Monitoring & reporting performance of Contract Management	Enhance Contract management performance
Implementation of Open Tender process	Open Tender process implemented to all Departments, 1 Municipality & 2 Public Entities for projects >R50 million and ready to advertise in the first 3 quarters	Open Tender process implemented to 14 Departments, 2 Municipality & 7 Public Entities for projects >R50 million and ready to advertise in the first 3 quarters	Open Tender Process implemented in all departments, entities and municipalities.
Implement a functional procurement hub	Approved Concept document  ToR / Business case for the GPG Procurement Hub (Precinct)  Approved Implementation plan for the GPG Procurement Hub (Precinct)  Conversion and Refurbishment of the GPT Auditorium into an interim adjudication venue for the GPG Procurement Hub	Establishment of the Procurement Hub	Fully functional GPG Procurement Hub launched
Implementation of SCM Compliance Framework	Approved SCM Compliance framework implemented in all departments	Implement SCM Compliance Framework in departments; 2 entities 1 municipality	Reduction of SCM Non-compliance incidents by 10% from previous financial year
Implement phase II and phase III of TER strategy	Implementation of the TER phase II Pillars / interventions:  1. Preferential Procurement - engagements with NT to review and amend SCM regulations for TER  2. Supplier development - facilitate supplier development and incubation  3. Strategic sourcing - develop strategic sourcing methodologies for TER  4. Private sector participation and partnerships	Implementation of the TER phase II Pillars / interventions:  1. Preferential Procurement,  2. Supplier development,  3. Strategic sourcing,  4. Private sector participation and partnerships	Impact assessment of TER strategies
Increase spend on registered Township suppliers	Procurement spend increased on registered Township suppliers from 12% to 18%	Procurement spend increased on registered Township suppliers from 18% to 24%	Procurement spend increased on registered Township suppliers from 24% to 30%
Increase % procurement spend on township suppliers in the developmental corridors	Procurement spend increased in Developmental corridors, targets:  Central: 26.5%  Northern: 27%  Eastern: 26.5%  Southern: 10%  Western: 10%	Procurement spend increased in Developmental Corridors, targets:  Central: 28.1%  Northern: 28.6%  Eastern: 28.1%  Southern: 10.3%  Western: 10.2%	Procurement spend increased in Developmental Corridors, targets:  Central: 29.8%  Northern: 30.3%  Eastern: 29.8%  Southern: 10.6%  Western: 10.5%
Increase the number of Township suppliers in the GPG centralized database	Increase the number of Gauteng Township suppliers in the centralized database from 5000 to 6000	Increase the number of Gauteng Township suppliers in the centralized database from 6000 to 7000	Increase the number of Gauteng Township suppliers in the centralized database from 7000 to 8000
Increase the number of Township suppliers in the Southern and Western corridors (Sedibeng & West Rand regions)	Increase the number of Township suppliers in the Southern and Western corridors (Sedibeng & West Rand regions) from 800 to 1200	Increase the number of Township suppliers in the Southern and Western corridors (Sedibeng & West Rand regions) from 1200 to 1500	Increase the number of Township suppliers in the Southern and Western corridors (Sedibeng & West Rand regions) from 1500 to 1650

**PROGRAMME 5 : MUNICIPAL FINANCIAL GOVERNANCE****Programme Purpose**

The programme aims to ensure effective and efficient management in Municipalities and Municipal Entities and coordinate the provisioning of capacity building.

## Programme Objectives

- To support all municipalities to achieve unqualified audits; and
- To ensure responsiveness of Municipal IDPs to the inclusion and implementation of the TMR.

TABLE 14.14: SUMMARY OF PAYMENTS AND ESTIMATES BY SUB-PROGRAMME: MUNICIPAL FINANCIAL GOVERNANCE

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2015/16	2016/17	2017/18
1. Programme Support/ Office of the DDG	17 958	27 526	28 525	2 899	32 777	32 777	5 374	5 543	5 864
2. Local Government Financial Services				10 879			12 305	12 133	12 837
3. Municipal Accounting and Asset Management				10 879			12 249	12 127	12 830
4. Municipal Compliance and Financial Management Support				5 440			6 375	6 069	6 421
<b>Total payments and estimates</b>	<b>17 958</b>	<b>27 526</b>	<b>28 525</b>	<b>30 097</b>	<b>32 777</b>	<b>32 777</b>	<b>36 303</b>	<b>35 872</b>	<b>37 952</b>

TABLE 14.15: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: MUNICIPAL FINANCIAL GOVERNANCE

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2015/16	2016/17	2017/18
<b>Current payments</b>	<b>17 946</b>	<b>27 526</b>	<b>28 387</b>	<b>30 097</b>	<b>32 777</b>	<b>32 753</b>	<b>36 303</b>	<b>35 872</b>	<b>37 952</b>
Compensation of employees	17 309	20 061	27 681	29 298	31 298	31 275	35 129	34 639	36 648
Goods and services	637	7 465	706	799	1 479	1 478	1 173	1 232	1 304
Interest and rent on land									
<b>Transfers and subsidies to:</b>	<b>12</b>		<b>96</b>			<b>24</b>			
Provinces and municipalities									
Non-profit institutions									
Households	12		138			24			
<b>Payments for capital assets</b>									
Buildings and other fixed structures									
Software and other intangible assets									
<b>Payments for financial assets</b>									
<b>Total economic classification</b>	<b>17 958</b>	<b>27 526</b>	<b>28 525</b>	<b>30 097</b>	<b>32 777</b>	<b>32 777</b>	<b>36 303</b>	<b>35 872</b>	<b>37 952</b>

In the 2015/16 financial year the Municipal Finance Governance was established as new programme in the Gauteng Provincial Treasury. This was also one of the programmes created after re-configuration of the GPT as mentioned earlier. This function existed in GPT as Local Government Financial Services.

The expenditure for Municipal Finance Governance was R18 million in the 2012/13 financial year, increased to R27.5 million in the 2013/14 financial year and increased to R28.5 million in the 2014/15 financial year. The increase in allocation was mainly to fund the Municipal Hands on Support Programme in the designated municipalities. Spending for the 2015/16 financial year is R32.8 million. The allocation for the programme over the MTEF period is as follows: R36.3million in 2016/17 financial year, R35.9 million in the 2017/18 financial year and R38 million in 2018/19 financial year.

Expenditure on compensation of employees amounted R17.3 million in 2012/13 financial year and increased to R20.1 million by the 2013/14 financial year with a further increase to R27.5 million in the 2014/15 financial year. The budget for the 2015/16 financial amounts to R31.3 million. The increase in allocation between 2014/15 – 2015/16 was mainly to fund the Municipal Advisor Programme. The allocation over the MTEF period is as follows: R35.1 million in the 2016/17 financial year, R34.7 million in the 2017/18 financial year and R36.7 million in the 2018/19 financial year. The gradual increase in allocation caters for the repositioning of the function as a stand-alone specialized function and annual cost of living adjustment, notch progression and performance bonus.

Goods and services expenditure amounted to R637 000 in the 2012/13 financial year and the budget increased to R7.5 million in 2013/14. This was to fund various interventions at municipalities. The allocation for goods and services for the programme over the MTEF is as follows: R1.2 million in the 2016/17, R1.2 million in 2017/18 and R1.3 million in the 2018/19

financial year. The main cost drivers in the programme include the printing of gazettes, travel expenditure to municipalities, software licenses, training and development.

## PROGRAMME 5: MUNICIPAL FINANCIAL GOVERNANCE

### SERVICE DELIVERY MEASURES

Performance Measures	Estimated Annual Targets		
	2016/17	2017/18	2018/19
<b>MUNICIPAL FINANCIAL GOVERNANCE</b>			
Number of local municipalities with draft budget assessments conducted to check alignment to IDP's	8	8	8
Number of local municipalities final budget assessments conducted	8	8	8
Number of local municipalities with unqualified audit opinions for the financial year under review	Maintain all unqualified audit outcomes for the financial year under review	All local municipalities with unqualified audit outcomes for the financial year under review	All local municipalities with unqualified audit outcomes for the financial year under review
	70% of audit recommendations on AFS and Accounting standards implemented by local municipalities before the next audit cycle	95% of audit recommendations on AFS and Accounting standards implemented by local municipalities before the next audit cycle	95% of audit recommendations on AFS and Accounting standards implemented by local municipalities before the next audit cycle
% reduction of provincial government debt	30%	50%	100%
% utilisation of funds in line with the conditions framework gazetted and transferred to municipalities	75%	80%	90%
% Implementation of Municipal Financial Hands-On Support Programme (MFHSP) 2 Support Plan with key focus on municipal budgets, financial management and audit support develop targets for implementation cycle	80%	90%	100%
Conduct Municipal Fiscal Responsiveness assessment	Municipal Fiscal Responsiveness assessment conducted	Municipal Fiscal Responsiveness assessment conducted	Municipal Fiscal Responsiveness assessment conducted

## PROGRAMME 6 : GAUTENG AUDIT SERVICES

### Programme purpose:

To enhance transparency, good governance and a clean government through strengthening the internal control and regulatory environment in the province

### Programme objectives

To support all departments, entities and municipalities to achieve clean audits.

TABLE 14.16: SUMMARY OF PAYMENTS AND ESTIMATES: GAUTENG AUDIT SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2015/16	2016/17	2017/18
1. Programme Support/ Office of the DDG	2 269	1 910	3 768	7 302	7 174	7 390	7 980	7 890	8 348
2. Risk and Compliance Audit Services (Cluster 1; 2 & 3)	17 398	15 136	14 194	16 881	16 904	16 969	25 377	26 446	27 980
3. Risk and Compliance Audit Services (Cluster 4; 5 & 6)	11 638	16 569	17 824	23 375	23 375	23 394	25 487	26 559	28 099
4. Performance and Computer Audit Services	13 438	14 204	12 913	19 815	19 920	19 901	21 693	22 535	23 842
5. Audit Centre of Excellence	3 929	4 886	4 499	6 383	6 383	6 102	–	–	–
<b>Total payments and estimates</b>	<b>48 672</b>	<b>52 705</b>	<b>53 198</b>	<b>73 756</b>	<b>73 756</b>	<b>73 756</b>	<b>80 539</b>	<b>83 430</b>	<b>88 269</b>

TABLE 14.17: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: GAUTENG AUDIT SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2015/16	2016/17	2017/18
<b>Current payments</b>	<b>48 512</b>	<b>52 659</b>	<b>50 994</b>	<b>73 756</b>	<b>73 686</b>	<b>73 673</b>	<b>80 539</b>	<b>83 430</b>	<b>88 269</b>
Compensation of employees	45 205	52 039	50 994	68 153	68 083	68 070	74 630	77 483	81 977
Goods and services	3 307	620	2 157	5 603	5 603	5 603	5 909	5 947	6 292
Interest and rent on land									

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2015/16	2016/17	2017/18
<b>Transfers and subsidies to:</b>	<b>117</b>	<b>46</b>	<b>36</b>		<b>70</b>	<b>83</b>			
Provinces and municipalities									
Households	117	46	36		70	83			
<b>Payments for capital assets</b>			<b>11</b>						
Buildings and other fixed structures									
Machinery and equipment									
Software and other intangible assets			11						
<b>Payments for financial assets</b>	<b>43</b>								
<b>Total economic classification</b>	<b>48 672</b>	<b>52 705</b>	<b>53 198</b>	<b>73 756</b>	<b>73 756</b>	<b>73 756</b>	<b>80 539</b>	<b>83 430</b>	<b>88 269</b>

In the 2015/16 financial year the Gauteng Audit Services was migrated as a function from e-Government to GPT. Thus it is a new programme in the GPT. This was also part of the re-configuration of the GPT as mentioned earlier.

Inclusive in the historical expenditure from 2012/13-2014-15 are the figures that are inclusive of the GAS function which migrated from the former Gauteng Department of Finance now known as e-Government to GPT. More than 95 percent of the GAS budget lies under compensation of employees. Due to the scarce skills in the audit industry in general, priority has been directed toward ensuring the adequate capacitation of the Programme in order to execute its provincial obligations, primary of which is to contribute towards the achievement of clean audits in the Province. Whilst the Programme has historically relied on external audit services, the decision to desist from the use of consultants resulted in the shifting of funds away from goods and services into compensation to enable the Programme to be sufficiently capacitated in this regard.

The GAS compensation budget increases from R45 million in 2012/13 to R82 million in 2018/19. The trend is consistent with the need to fully capacitate the Programme by filling critical vacant posts. Although the effort to fill vacant posts in the Programme was accelerated in 2012/13, resulting in the decrease in vacancy rate in the programme, the competition with the private sector for the scarce audit skills has resulted in a regression. Of the total staff establishment of 138 posts, 104 posts were active as of 1 July 2014, with the number of vacancies doubling from 17 to 34 posts. The programme is actively recruiting in the audit market and adopting various strategies to attract and retain audit talent.

Goods and services under this programme consist mainly of provisions for specialised audits which are sourced externally leading to the use of consultants. The goods and services budget increases from R3 million in 2012/13 to just R6 million in 2018/19. This pattern is in keeping with both the departmental decision to move away from the use of consultants, and give priority to building sufficient capacity within in order to execute the Programme's audit functions in the province.

## PROGRAMME 6: GAUTENG AUDIT SERVICES

### SERVICE DELIVERY MEASURES

Performance Measures	Estimated Annual Targets		
	2016/17	2017/18	2018/19
% implementation of internal audit plans (risk based)	90%	90%	90%
% implementation of internal audit recommendations by depts. and entities through monitoring and assistance by GAS	65%	75%	90%
% of AG significant findings (Findings causing audit qualification) followed-up by Internal Audit	100%	100%	100%

## 9. OTHER PROGRAMME INFORMATION

TABLE 14.18 PERSONNEL NUMBERS AND COSTS: GAUTENG PROVINCIAL TREASURY

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	120	175	226	192	241	241	264
2. Sustainable Fiscal Resource Management	69	72	80	86	88	88	111



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
3. Financial Governance	92	101	258	233	255	255	278
4. Supply Chain Management				136	130	130	153
5. Municipal Financial Governance				51	72	72	72
6. Gauteng Audit Services	109	135	103	98	166	166	190
<b>Total provincial personnel numbers</b>	<b>390</b>	<b>483</b>	<b>667</b>	<b>796</b>	<b>952</b>	<b>952</b>	<b>1 068</b>
Total provincial personnel cost (R thousand)	257 114	291 210	332 919	391 292	453 362	471 808	500 836
Unit cost (R thousand)	659	603	499	492	476	496	469

TABLE 14.19: SUMMARY OF DEPARTMENTAL PERSONNEL NUMBERS AND COSTS BY COMPONENT

R thousands	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 <sup>1</sup>	Costs	Personnel numbers <sup>1</sup>	Costs	Personnel numbers <sup>1</sup>	Costs	Filled posts	Additional posts	Personnel numbers <sup>1</sup>	Costs	Personnel numbers <sup>1</sup>	Costs	Personnel numbers <sup>1</sup>	Costs	Personnel growth rate	Costs growth rate	% Costs of Total
Salary level																	
1 – 6	32	8 587	70	17 197	148	21 824	120	52	172	35 543	175	41 331	175	56 837	0.6%	16.9%	9.8%
7 – 10	209	47 659	252	62 168	324	78 913	394		394	181 888	487	220 914	557	220 079	12.2%	6.6%	45.7%
11 – 12	90	30 186	99	12 533	128	61 138	126		126	76 417	165	97 813	211	95 327	18.8%	7.6%	19.8%
13 – 16	59	36 785	62	45 062	67	53 701	104		104	93 800	125	111 750	125	128 593	6.3%	11.1%	24.5%
Other						3 644										-100.0%	0.3%
<b>Total</b>	<b>390</b>	<b>123 217</b>	<b>483</b>	<b>136 960</b>	<b>667</b>	<b>215 576</b>	<b>744</b>	<b>52</b>	<b>796</b>	<b>391 292</b>	<b>952</b>	<b>471 808</b>	<b>1 068</b>	<b>500 836</b>	<b>10.3%</b>	<b>8.6%</b>	<b>100.0%</b>
<b>Programme</b>																	
1. Administration	120	32 629	175	44 926	226	62 021	140	52	192	73 080	241	99 093	264	97 646	11.2%	10.1%	19.7%
2. Sustainable Fiscal Resource Management	69	47 986	72	53 562	80	59 773	86		86	62 999	88	51 411	111	59 347	8.9%	-2.0%	13.1%
3. Financial Governance	92	50 934	101	64 490	258	74 651	233		233	105 507	255	110 938	278	125 538	6.1%	6.0%	25.6%
4. Supply Chain Management		63 051		56 132		57 798	136		136	50 361	130	66 059	153	75 459	4.0%	14.4%	14.3%
5. Municipal Financial Governance		17 309		20 061		27 681	51		51	31 275	72	39 613	72	44 170	12.2%	12.2%	8.4%
6. Gauteng Audit Services	109	45 205	135	52 039	103	50 994	98		98	68 070	166	91 117	190	98 676	24.7%	13.2%	18.9%
Direct charges																	
<b>Total</b>	<b>390</b>	<b>257 114</b>	<b>483</b>	<b>291 210</b>	<b>667</b>	<b>332 918</b>	<b>744</b>	<b>52.0</b>	<b>796</b>	<b>391 292</b>	<b>952</b>	<b>453 362.0</b>	<b>1 068</b>	<b>500 836</b>	<b>10.3%</b>	<b>8.6%</b>	<b>100.0%</b>
<b>Employee dispensation classification</b>																	
Public Service Act appointees not covered by OSDs							53		53	3 542	55	3 186	55	4 073	1.2%	4.8%	100.0%
Others such as interns, EPWP, learnerships, etc							<b>53</b>		<b>53</b>	<b>3 542</b>	<b>55</b>	<b>3 186</b>	<b>55</b>	<b>4 073</b>	<b>1.2%</b>	<b>4.8%</b>	<b>100.0%</b>
<b>Total</b>							<b>53</b>		<b>53</b>	<b>3 542</b>	<b>55</b>	<b>3 186</b>	<b>55</b>	<b>4 073</b>	<b>1.2%</b>	<b>4.8%</b>	<b>100.0%</b>

The human resource component of the Treasury maintains a consistent pattern throughout the period under review, in both personnel numbers and cost. The increases in cost over the period are mainly a reflection of projected compensation adjustments in keeping with the cost of living. The increases in cost over the MTEF for part-time/contract workers are mainly a reflection of projected compensation adjustments in keeping with the cost of living. The increase in personnel between 2015/16 to 2016/17 indicates the department's plans to fully capacitate in order to full fill its mandate.

## 9.2 Training

TABLE 14.20: PAYMENTS ON TRAINING: GAUTENG PROVINCIAL TREASURY

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
<b>1. Administration</b>	<b>1 119</b>	<b>3 199</b>	<b>1 337</b>	<b>560</b>	<b>560</b>	<b>1 711</b>	<b>501</b>	<b>526</b>	<b>557</b>
Subsistence and travel									
Payments on tuition	1 119	3 199	1 337	560	560	1 711	501	526	557
Other									
<b>2. Sustainable Fiscal Resource Management</b>	<b>1 344</b>	<b>268</b>	<b>525</b>	<b>428</b>	<b>428</b>	<b>364</b>	<b>451</b>	<b>473</b>	<b>500</b>
Subsistence and travel	574								
Payments on tuition	770	268	525	428	428	364	451	473	500
Other									
<b>3. Financial Governance</b>	<b>1 175</b>	<b>3 776</b>	<b>1 399</b>	<b>3 090</b>	<b>3 090</b>	<b>1 885</b>	<b>3 659</b>	<b>3 872</b>	<b>4 097</b>
Subsistence and travel	573								
Payments on tuition	602	3 776	226	650	650	290	489	513	543
Other			1 173	2 440	2 440	1 595	3 170	3 359	3 554
<b>4. Provincial Supply Chain and Movable Asset Management</b>			<b>495</b>	<b>1 229</b>	<b>1 229</b>	<b>929</b>	<b>1 303</b>	<b>1 369</b>	<b>1 448</b>
Subsistence and travel									
Payments on tuition			495	1 229	1 229	929	1 303	1 369	1 448
Other									
<b>5. Municipal Financial Governance</b>		<b>167</b>							
Subsistence and travel									
Payments on tuition		167							
Other									
<b>6. Gauteng Audit Services</b>				<b>682</b>	<b>682</b>		<b>729</b>	<b>775</b>	<b>820</b>
Subsistence and travel									
Payments on tuition				682	682		729	775	820
Other									
<b>Total payments on training</b>	<b>3 638</b>	<b>7 410</b>	<b>3 756</b>	<b>5 989</b>	<b>5 989</b>	<b>4 889</b>	<b>6 643</b>	<b>7 015</b>	<b>7 422</b>

TABLE 14.21: INFORMATION ON TRAINING: GAUTENG PROVINCIAL TREASURY

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									
Number of personnel trained	271	366	350	450	450	450	500	525	555
of which									
Male	115	148	140	160	160	160	180	189	200
Female	156	218	210	290	290	290	320	336	355
Number of training opportunities	271	333	490	600	600	600	710	746	789
of which									
Tertiary	98	150	250	300	300	300	350	368	389
Workshops	173	153	200	250	250	250	300	315	333

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
Seminars		30	40	50	50	50	60	63	67
Other									
Number of bursaries offered	98	150	173	200	200	200	200	210	222
Number of interns appointed	46	26	35	40	40	40	45	50	53
Number of learnerships appointed	40	18	18	20	20	20	25	26	28
Number of days spent on training									

The transformation of GPT requires a continuous and an uncompromising acquisition of the required skills. A lifelong learning is a vital mind set for a learning organisation that needs to thrive in the 21<sup>st</sup> Century moreover with essential response to the service requests of the people of Gauteng. The department recognizes that it's most important asset is its employees, and this asset will need to be managed to ensure the continued success of the department.

The department will achieve this through the implementation of meaningful skills programs, internships and learnership programs. To maintain the productivity, well-being and motivation of employees within the rapidly changing environment, GPT must underpin these changes with adequate, appropriate and supportive development and training opportunities.

Training interventions will focus on improving the generic and functional skills of employees, which includes seminars and workshops. All training interventions will be in line with the approved Workplace Skills Plan, as well as the individual Personal Development Plans (PDPs) which form part of the performance management and development system.

The department is continuously committed to addressing skills shortages and scares skills, and aims to appoint at least 8 per cent of the staff establishment as interns each financial year. This exceeds the mandated 5 per cent. In implementing the above-mentioned programmes, the department is contributing towards halving poverty, creating jobs, youth development and ultimately addressing skills shortages in the country. Interns and learners are appointed additional to the staff establishment, and must therefore be budgeted for.

# **ANNEXURE TO ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE**

TABLE 14.22: SPECIFICATIONS OF RECEIPTS: GAUTENG PROVINCIAL TREASURY

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
<b>Tax receipts</b>									
Casino taxes									
Motor vehicle licences									
<b>Sales of goods and services other than capital assets</b>	<b>175</b>	<b>235</b>	<b>338</b>	<b>222</b>	<b>595</b>	<b>632</b>	<b>1 000</b>	<b>1 050</b>	<b>1 111</b>
Sale of goods and services produced by department (excluding capital assets)	175	235	338	222	595	632	1 000	1 050	1 111
Sales by market establishments	175	235	338	222	595	632	1 000	1 050	1 111
Administrative fees									
Other sales									
<i>Of which</i>									
<i>Health patient fees</i>	175								
<i>Other (Specify)</i>									
Sales of scrap, waste, arms and other used current goods (excluding capital assets)									
<b>Transfers received from:</b>									
Other governmental units									
Households and non-profit institutions									
<b>Fines, penalties and forfeits</b>									
<b>Interest, dividends and rent on land</b>	<b>187 570</b>	<b>247 283</b>	<b>481 451</b>	<b>88 000</b>	<b>400 000</b>	<b>445 334</b>	<b>150 000</b>	<b>200 000</b>	<b>250 000</b>
Interest	187 570	247 283	481 045	88 000	400 000	445 334	150 000	200 000	250 000
Dividends									
Rent on land									
<b>Sales of capital assets</b>									
Land and sub-soil assets									
Other capital assets									
<b>Transactions in financial assets and liabilities</b>	<b>66</b>	<b>375</b>	<b>477</b>	<b>395</b>	<b>395</b>	<b>425</b>	<b>415</b>	<b>436</b>	<b>461</b>
<b>Total departmental receipts</b>	<b>187 811</b>	<b>247 893</b>	<b>482 266</b>	<b>88 617</b>	<b>400 990</b>	<b>446 391</b>	<b>151 415</b>	<b>201 486</b>	<b>251 572</b>

TABLE 14.23: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: 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
<b>Current payments</b>	<b>58 195</b>	<b>77 006</b>	<b>88 524</b>	<b>110 350</b>	<b>113 854</b>	<b>113 854</b>	<b>120 101</b>	<b>125 894</b>	<b>133 196</b>
Compensation of employees	32 629	44 926	62 021	73 160	73 080	73 080	78 863	82 619	87 411
Salaries and wages	26 103	35 941	62 021	59 888	59 808	61 302	63 680	66 709	70 578
Social contributions	6 526	8 985		13 272	13 272	11 778	15 183	15 910	16 832
Goods and services	25 566	32 080	26 503	37 190	40 774	40 774	41 238	43 275	45 785
<i>Administrative fees</i>	105	116	46	284	100	103	262	246	260
<i>Advertising</i>	2	1 284	2 114	1 257	1 577	1 577	1 067	1 108	1 172
<i>Minor assets</i>	1 013	195	67	270	373	474	232	244	258
<i>Audit cost: External</i>	2 260	1 082	1 738	2 311	2 236	2 236	3 116	3 631	3 842
<i>Bursaries: Employees</i>	759	1 217	1 218	1 550	1 550	1 550	1 535	1 612	1 705



R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2015/16	2016/17	2017/18
<i>Catering:</i>									
<i>Departmental activities</i>	630	1 580	170	437	323	351	265	371	392
<i>Communication (G&amp;S)</i>	1 489	1 835	1 999	5 169	5 111	4 990	4 698	4 601	4 868
<i>Computer services</i>	5	283	1 802	3 697	3 760	3 562	3 896	4 091	4 328
<i>Consultants and professional services: Business and advisory services</i>	613	1 302	723	1 026	1 176	1 176	1 738	1 744	1 845
<i>Consultants and professional services: Legal costs</i>	7		67	926	926	926	27	28	30
<i>Contractors</i>	248	5 597	1 298	3 108	2 244	2 245	2 361	2 478	2 622
<i>Agency and support / outsourced services</i>	32								
<i>Entertainment</i>	27			35					
<i>Fleet services (including government motor transport)</i>	30	1 452	668	1 452	1 960	600			
<i>Inventory: Food and food supplies</i>	94								
<i>Inventory: Fuel, oil and gas</i>	59						38	45	48
<i>Inventory: Materials and supplies</i>	15								
<i>Consumable supplies</i>	146	797	338	603	691	691	598	623	659
<i>Consumable: Stationery, printing and office supplies</i>	844	1 051	1 054	1 310	2 121	2 121	1 241	1 328	1 405
<i>Operating leases</i>	582	1 443	2 494	1 014	1 658	3 100	4 043	4 255	4 502
<i>Property payments</i>	9 978	4 291	7 924	6 864	9 548	9 548	9 575	10 101	10 687
<i>Travel and subsistence</i>	3 576	3 391	278	2 010	2 224	2 328	2 025	2 121	2 244
<i>Training and development</i>	1 119	3 199	1 337	560	1 060	1 060	2 293	2 355	2 491
<i>Operating payments</i>	256	539	411	728	669	669	751	570	603
<i>Venues and facilities</i>	1 677	1 426	757	2 579	1 467	1 467	1 476	1 723	1 823
<i>Rental and hiring</i>									
<i>Interest and rent on land</i>									
<i>Interest</i>									
<i>Rent on land</i>									
<b>Transfers and subsidies</b>		<b>75</b>	<b>1 499</b>	<b>225</b>	<b>305</b>	<b>305</b>	<b>238</b>	<b>250</b>	<b>265</b>
<i>Provinces and municipalities</i>									
<i>Households</i>		75	1 499	225	305	305	238	250	265
<i>Social benefits</i>		75	1 499		80	146			
<i>Other transfers to households</i>				225	225	159	238	250	265
<b>Payments for capital assets</b>	<b>1 573</b>	<b>2 795</b>	<b>2 006</b>	<b>953</b>	<b>6 694</b>	<b>6 694</b>	<b>1 004</b>	<b>1 054</b>	<b>1 115</b>
<i>Buildings and other fixed structures</i>									
<i>Buildings</i>									
<i>Other fixed structures</i>									
<i>Machinery and equipment</i>	1 559	2 774	1 731	953	6 694	6 694	1 004	1 054	1 115
<i>Transport equipment</i>									
<i>Other machinery and equipment</i>	1 559	2 774	1 731	953	6 694	6 694	1 004	1 054	1 115
<i>Heritage Assets</i>									
<i>Software and other intangible assets</i>	14	21	275						

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2015/16	2016/17	2017/18
Payments for financial assets			8						
<b>Total economic classification</b>	<b>59 768</b>	<b>79 876</b>	<b>92 037</b>	<b>111 528</b>	<b>120 853</b>	<b>120 853</b>	<b>121 342</b>	<b>127 198</b>	<b>134 575</b>

TABLE 14.24: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: SUSTAINABLE FISCAL RESOURCES MANAGEMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2015/16	2016/17	2017/18
<b>Current payments</b>	<b>50 727</b>	<b>59 088</b>	<b>64 270</b>	<b>113 781</b>	<b>74 420</b>	<b>74 299</b>	<b>95 595</b>	<b>100 946</b>	<b>108 464</b>
Compensation of employees	47 986	53 562	59 773	80 381	63 120	62 999	71 629	75 392	81 427
Salaries and wages	38 389	42 580	59 773	68 658	54 248	55 365	61 165	64 549	69 849
Social contributions	9 597	10 982		11 723	8 872	7 634	10 464	10 843	11 578
Goods and services	2 741	5 526	4 497	33 400	11 300	11 300	23 966	25 555	27 037
Administrative fees			7		3	4	5	6	6
Advertising	596	1 124	361	462	462	462	486	511	540
Audit cost: External			560	692	692	692	745	785	831
Catering: Departmental activities		44	29	260	297	297	269	232	246
Computer services				20 318	538	538			
Consultants and professional services: Business and advisory services	100	1 427	906	810	5 537	5 515	19 033	20 399	21 583
Consultants and professional services: Legal costs	49	917	593	6 502	2	2			
Contractors				100	90	90			
Consumable supplies					30	30			
Consumable: Stationery, printing and office supplies	570	542	632	647	727	727	660	693	733
Travel and subsistence	301	106	227	1 370	320	320	589	667	706
Training and development	770	268	525	428	1 028	1 028	451	522	553
Operating payments	173	1 098	657	987	1 350	1 371	1 261	1 327	1 404
Venues and facilities	182			824	224	224	468	411	435
Rental and hiring									
Interest and rent on land									
Interest									
Rent on land									
<b>Transfers and subsidies</b>	<b>50 030</b>	<b>50 040</b>	<b>75 150</b>	<b>70 000</b>	<b>120 080</b>	<b>120 201</b>	<b>52 650</b>	<b>55 283</b>	<b>58 489</b>
Provinces and municipalities									
Municipal agencies and funds									
Departmental agencies and accounts	50 000	50 000	75 000	70 000	120 000	120 000	52 650	55 283	58 489
Social security funds									
Provide list of entities receiving transfers	50 000	50 000	75 000	70 000	120 000	120 000	52 650	55 283	58 489
Higher education institutions									
Households	30	40	150		80	201			
Social benefits	30	40	150		80	201			
Other transfers to households									

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2015/16	2016/17	2017/18
<b>Payments for capital assets</b>							<b>1 400</b>	<b>1 500</b>	<b>1 587</b>
Buildings and other fixed structures									
Machinery and equipment							1 400	1 500	1 587
Transport equipment									
Other machinery and equipment							1 400	1 500	1 587
Software and other intangible assets									
<b>Payments for financial assets</b>									
<b>Total economic classification</b>	<b>100 757</b>	<b>109 128</b>	<b>139 420</b>	<b>183 781</b>	<b>194 500</b>	<b>194 500</b>	<b>149 645</b>	<b>157 729</b>	<b>168 540</b>

TABLE 14.25: PAYMENTS AND ESTIMATES BY ECONOMIC CLASIFICATION: FINANCIAL GOVERNANCE

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2015/16	2016/17	2017/18
<b>Current payments</b>	<b>54 252</b>	<b>100 557</b>	<b>109 161</b>	<b>98 608</b>	<b>128 329</b>	<b>128 422</b>	<b>128 028</b>	<b>134 928</b>	<b>142 754</b>
Compensation of employees	50 934	64 490	74 651	86 364	105 415	105 507	116 097	122 399	129 498
Salaries and wages	49 814	51 592	74 651	76 040	92 848	92 142	98 888	104 234	110 279
Social contributions	1 120	12 898		10 324	12 567	13 365	17 209	18 165	19 218
Goods and services	3 318	36 067	34 510	12 244	22 914	22 915	11 931	12 529	13 256
Administrative fees			6	10	3	2	11	12	12
Advertising			94				94		
Minor assets		2	18						
Audit cost: External	1 098	1 082	581	615	615	607	664	697	738
Bursaries: Employees	6								
Catering: Departmental activities			175	240	237	233	200	220	233
Communication (G&S)				129					
Computer services	719	2 828	634	458	1 028	1 026	2 718	2 781	2 942
Consultants and professional services: Business and advisory services	655	27 980	31 066	6 158	18 489	18 338	5 340	5 729	6 061
Consultants and professional services: Legal costs	114								
Contractors			7						
Agency and support/ outsourced services		58							
Fleet services (including government motor transport)				24					
Consumable supplies			4						
Consumable: Stationery, printing and office supplies	15	10	2	41	4	4	3	3	3
Operating leases				41					
Travel and subsistence	86	160	208	462	183	199	477	508	538
Training and development	602	3 776	1 399	3 090	2 104	2 255	1 867	1 995	2 111

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2015/16	2016/17	2017/18
<i>Operating payments</i>	23	171	270	502	149	149	157	165	175
<i>Venues and facilities</i>			46	474	102	102	400	420	444
<i>Rental and hiring</i>									
<i>Interest and rent on land</i>									
<i>Interest</i>									
<i>Rent on land</i>									
<b>Transfers and subsidies</b>	<b>66</b>	<b>879</b>	<b>112</b>		<b>149</b>	<b>56</b>			
Provinces and municipalities									
Non-profit institutions									
Households	66	879	112		149	56			
Social benefits	66	879	112		149	56			
Other transfers to households									
<b>Payments for capital assets</b>		<b>923</b>	<b>1 228</b>						
Buildings and other fixed structures									
Machinery and equipment		783	1 228						
Transport equipment									
Other machinery and equipment		783	1 228						
Heritage Assets									
Software and other intangible assets		140							
<b>Payments for financial assets</b>									
<b>Total economic classification</b>	<b>54 318</b>	<b>102 359</b>	<b>110 501</b>	<b>98 608</b>	<b>128 478</b>	<b>128 478</b>	<b>128 028</b>	<b>134 928</b>	<b>142 754</b>

TABLE 14.26: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: PROVINCIAL SUPPLY CHAIN &amp; MOVEABLE ASSETS

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2015/16	2016/17	2017/18
<b>Current payments</b>	<b>64 926</b>	<b>58 228</b>	<b>59 058</b>	<b>86 592</b>	<b>58 907</b>	<b>58 830</b>	<b>91 537</b>	<b>94 379</b>	<b>99 853</b>
Compensation of employees	63 051	56 132	57 798	80 457	50 438	50 361	77 013	79 276	83 874
Salaries and wages	54 320	44 906	57 798	65 412	36 885	43 190	66 240	68 745	72 733
Social contributions	8 731	11 226		15 045	13 553	7 171	10 773	10 531	11 142
Goods and services	1 875	2 096	1 260	6 135	8 469	8 469	14 524	15 103	15 979
<i>Administrative fees</i>		165	1						
<i>Advertising</i>	175	195	286	259	259	259	269	283	299
<i>Catering: Departmental activities</i>				32	32	32	4	5	6
<i>Communication (G&amp;S)</i>				366					
<i>Computer services</i>				1 703	1 703	1 703			
<i>Consultants and professional services: Business and advisory services</i>	1 683	1 700	277	1 219	5 080	5 013	12 555	13 033	13 789
<i>Contractors</i>		2	1						
<i>Fleet services (including government motor transport)</i>				97					

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2015/16	2016/17	2017/18
<i>Inventory: Materials and supplies</i>	5								
<i>Consumable supplies</i>		2							
<i>Consumable: Stationery, printing and office supplies</i>				183	103	103			
<i>Operating leases</i>				639					
<i>Travel and subsistence</i>		8	20	113	63	63	83	88	93
<i>Training and development</i>			495	1 229	1 229	1 229	1 303	1 369	1 448
<i>Operating payments</i>	12	1	180	95			99	104	110
<i>Venues and facilities</i>		23		200		67	211	221	234
<i>Rental and hiring</i>									
<i>Interest and rent on land</i>									
<i>Interest</i>									
<i>Rent on land</i>									
<b>Transfers and subsidies</b>	<b>19</b>	<b>79</b>	<b>9</b>			<b>77</b>			
<i>Provinces and municipalities</i>									
<i>Households</i>	19	79	9			77			
<i>Social benefits</i>	19	79	9			77			
<i>Other transfers to households</i>									
<b>Payments for capital assets</b>			<b>17</b>						
<i>Buildings and other fixed structures</i>									
<i>Software and other intangible assets</i>			17						
<b>Payments for financial assets</b>	<b>57</b>	<b>4</b>	<b>116</b>						
<b>Total economic classification</b>	<b>65 002</b>	<b>58 311</b>	<b>59 200</b>	<b>86 592</b>	<b>58 907</b>	<b>58 907</b>	<b>91 537</b>	<b>94 379</b>	<b>99 853</b>

TABLE 14.27: PAYMENTS AND ESTIMATES BY ECONOMIC CLASIFICATION: MUNICIPAL FINANCIAL GOVERNANCE

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2015/16	2016/17	2017/18
<b>Current payments</b>	<b>17 946</b>	<b>27 526</b>	<b>28 387</b>	<b>30 097</b>	<b>32 777</b>	<b>32 753</b>	<b>36 303</b>	<b>35 872</b>	<b>37 952</b>
<i>Compensation of employees</i>	17 309	20 061	27 681	29 298	31 298	31 275	35 129	34 639	36 648
<i>Salaries and wages</i>	13 847	16 049	27 681	25 250	27 250	28 332	30 020	30 115	31 862
<i>Social contributions</i>	3 462	4 012		4 048	4 048	2 943	5 109	4 524	4 787
<i>Goods and services</i>	637	7 465	706	799	1 479	1 478	1 173	1 232	1 304
<i>Administrative fees</i>						2			
<i>Advertising</i>	73	116							
<i>Catering: Departmental activities</i>					30	47	74	80	85
<i>Communication (G&amp;S)</i>									
<i>Computer services</i>		79	99	137	317	217	518	565	598
<i>Consultants and professional services: Business and advisory services</i>		6 621			500	500			
<i>Consumable supplies</i>			1						
<i>Consumable: Stationery, printing and office supplies</i>	219	132	375	279	279	278	220	228	242
<i>Travel and subsistence</i>	345	336	231	383	353	377	361	358	379

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2015/16	2016/17	2017/18
<i>Training and development</i>		167							
<i>Operating payments</i>		14				57			
<i>Rental and hiring</i>									
<i>Interest and rent on land</i>									
<i>Interest</i>									
<i>Rent on land</i>									
<b>Transfers and subsidies</b>	<b>12</b>		<b>138</b>			<b>24</b>			
Provinces and municipalities									
Households	12		138			24			
Social benefits	12		138			24			
Other transfers to households									
<b>Payments for capital assets</b>									
Buildings and other fixed structures									
Software and other intangible assets									
<b>Payments for financial assets</b>									
<b>Total economic classification</b>	<b>17 958</b>	<b>27 526</b>	<b>28 525</b>	<b>30 097</b>	<b>32 777</b>	<b>32 777</b>	<b>36 303</b>	<b>35 872</b>	<b>37 952</b>

TABLE 14.28: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: GAUTENG AUDIT SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2015/16	2016/17	2017/18
<b>Current payments</b>	<b>48 512</b>	<b>52 659</b>	<b>53 151</b>	<b>73 756</b>	<b>73 686</b>	<b>73 673</b>	<b>80 539</b>	<b>83 430</b>	<b>88 269</b>
Compensation of employees	45 205	52 039	50 994	68 153	68 083	68 070	74 630	77 483	81 977
Salaries and wages	39 949	41 631	50 994	60 160	60 090	60 290	65 703	68 589	72 567
Social contributions	5 256	10 408		7 993	7 993	7 780	8 927	8 894	9 410
Goods and services	3 307	620	2 157	5 603	5 603	5 603	5 909	5 947	6 292
<i>Administrative fees</i>			1			1			
<i>Communication (G&amp;S)</i>				579					
<i>Computer services</i>	2 477	255		470	470	470	501	526	557
<i>Consultants and professional services: Business and advisory services</i>	732	263	2 036	2 924	4 288	4 288	4 387	4 334	4 585
<i>Fleet services (including government motor transport)</i>				70					
<i>Consumable supplies</i>		2							
<i>Consumable: Stationery, printing and office supplies</i>				121					
<i>Operating leases</i>				479					
<i>Travel and subsistence</i>				93	163	174	98	108	114
<i>Training and development</i>				682	682	670	729	775	820
<i>Operating payments</i>	98	100	120	185			194	204	216
<i>Rental and hiring</i>									
<i>Interest and rent on land</i>									
<i>Interest</i>									
<i>Rent on land</i>									

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
<b>Transfers and subsidies</b>	<b>117</b>	<b>46</b>	<b>36</b>		<b>70</b>	<b>83</b>			
Provinces and municipalities									
Households	117	46	36		70	83			
Social benefits	117	46	36		70	83			
Other transfers to households									
<b>Payments for capital assets</b>			<b>11</b>						
Buildings and other fixed structures									
Machinery and equipment			11						
Transport equipment									
Other machinery and equipment			11						
Software and other intangible assets									
<b>Payments for financial assets</b>	<b>43</b>								
<b>Total economic classification</b>	<b>48 672</b>	<b>52 705</b>	<b>53 198</b>	<b>73 756</b>	<b>73 756</b>	<b>73 756</b>	<b>80 539</b>	<b>83 430</b>	<b>88 269</b>

