

VOTE 6

Provincial Treasury

Operational budget	R 605 942 274
Remuneration of the MEC	R 1 901 726
Total amount to be appropriated	R 607 844 000
Responsible Executive Authority	MEC for Finance
Administering department	Provincial Treasury
Accounting officer	Accountant-General

1. Overview

Vision

The vision of the department is: *Be the centre of excellence in financial and fiscal management in the country.*

Mission statement

The department's mission is: *To enhance the KwaZulu-Natal Provincial Government's service delivery by responding to the expectations of all stakeholders in the value chain as a key driver through:*

- Optimum and transparent allocation of financial resources while enhancing revenue generation and financial management practices in compliance with applicable legislation and corporate governance principles.
- Competent and dedicated employees who are at the centre of ensuring best value to their stakeholders.

Strategic objectives

Strategic policy direction: The Provincial Treasury will ensure a credible distribution of available funds between departments taking cognisance of the demands for social services and the need to stimulate economic development and growth, and will commit to provide ongoing, effective and efficient support services to internal and external clients. The department will analyse and monitor government revenue and expenditure in the provincial and local spheres, including public entities, undertake robust public policy research and instil prudent financial management and good governance.

The department has set the following goals and strategic objectives:

- To promote sound financial management practices and fiscal management through good governance.
- To ensure targeted financial resources allocation and utilisation that contributes to improved service delivery.
- To enhance the capacity and capability of Supply Chain Management (SCM) in departments, municipalities and public entities to eliminate irregular expenditure.
- To focus on the enhancement of broad-based Black Economic Empowerment (B-BBEE) through effective SCM policies.
- To monitor and facilitate infrastructure delivery in the province and thereby contribute towards job creation.
- To co-ordinate and enhance revenue collection for sustainable service delivery to the citizens.
- To promote sound cash management practices and improve liquidity in the province.

Core functions

The core functions of the department include the following:

- Mobilisation of funds for the provincial government.
- Allocation of fiscal resources to provincial departments.
- Preparation of annual and MTEF budgets.
- Province-wide cash management.
- Internal audit.
- Provincial financial management in terms of the PFMA and MFMA through:
 - Budget monitoring and reporting.
 - Financial accounting.
 - Financial systems maintenance.
- Provision of advice on procurement policies and procedures in provincial government.

Legislative mandate

The department is governed by the following pieces of legislation and policy directives:

- Annual Division of Revenue Act
- Government Immovable Asset Management Act (Act No. 19 of 2007)
- Intergovernmental Relations Framework Act (Act No. 13 of 2005)
- Municipal Finance Management Act (MFMA) (Act No. 56 of 2003)
- Preferential Procurement Policy Framework Act (Act No. 5 of 2000) (PPPFA)
- Borrowing Powers of Provincial Governments Act (Act No. 48 of 1996)
- Public Finance Management Act (Act No. 1 of 1999, as amended) and Treasury Regulations
- Provincial Internal Audit Act (Act No. 2 of 2001)
- Provincial Tax Regulation Process Act (Act No. 53 of 2001)
- Public Audit Act (Act No. 25 of 2004)
- The Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996)
- Promotion of Access to Information Act (Act No. 2 of 2000)
- Provincial Appropriation Acts

2. Review of the 2016/17 financial year

Section 2 provides a review of 2016/17, outlining the main achievements and progress made by the department, as well as providing a brief discussion on challenges and new developments.

Fiscal Resource Management

Infrastructure: The unit continued to assist provincial departments, entities and municipalities in planning for, and implementing infrastructure programmes and initiatives, in order to obtain maximum value for money, and with infrastructure project funding applications and piloting alternate funding models. The Infrastructure Reporting Model (IRM) was used as the reporting tool for all provincial infrastructure projects, while institutionalising the Infrastructure Delivery Management System (IDMS) continued to receive attention. This comprises planning and budgeting, supply chain management and an asset management system. Collectively these systems and processes, together with a performance management system, establish the institutional system for infrastructure delivery. National Treasury instruction notes were also implemented, such as the Standard for Infrastructure Procurement and Delivery Management (SIPDM). The unit also facilitated a Human Resource Capacitation programme aligned to the IDMS. In addition, the unit provided technical support in the development of the KZN Provincial Infrastructure Master Plan (PIMP). The deployment of the Infrastructure Crack Team continued to be a priority, with projects including the renovations of the Royal palaces, such as eNyokeni, Ondini, kwaDlamahlahla, etc. in Nongoma.

Economic Analysis: The unit continued to produce economic and public policy research, participated in various academic conferences and workshops, undertook district municipality profiling and delivered economic presentations throughout the province. It also provided informative analysis about the provincial Socio-economic Review and Outlook (SERO), Provincial Economic Review and Outlook (PERO) and contributed to municipalities' Integrated Development Plans (IDPs). The unit continued to provide support to the MEC's office by compiling speeches and forewords for presentation and publishing.

Public Finance: The spending and service delivery achievements of 14 departments and 16 public entities were monitored and the Finance Portfolio Committee was briefed on the mid-year and close-out budget performance of the province. Similarly, the Standing Committee on Oversight (STACOV) was briefed on the budget performance of the Provincial Legislature. The Executive Council was constantly kept up-to-date on KZN's spending. The 2016/17 Adjustments Estimate of Provincial Revenue and Expenditure (AEPRE), which is a legislative requirement of the PFMA, was prepared and tabled in the Legislature. The 2017/18 Main Budget was prepared for tabling in March 2017. The cost-cutting measures first implemented in 2009/10 continued to remain in place and be monitored, together with the cost-cutting measures and instruction notes issued by National Treasury.

Municipal Finance: The unit continued to provide technical support to municipalities in preparation of their budgets. The roll-out of the Municipal Support Programme (MSP) continued in 2016/17 with the unit assisting municipalities with various work streams, based on their individual needs. The 2017/18 draft budgets and adopted budgets of all the delegated municipalities were received and assessed for accuracy and compliance with the MFMA and Municipal Budget and Reporting Regulations (MBRR). A detailed assessment was done on the draft budgets in order to provide input into the final budgets and a further high level assessment was done on the adopted budgets. Furthermore, the unit conducted a monthly analysis and provided feedback on the financial performance of the 58 delegated municipalities. In addition, four quarterly reports on the financial performance of all municipalities in KZN were prepared. The unit continued to provide MSCOA technical support to delegated municipalities.

Financial Management

Cash Management and Liabilities: Funds were made available to provincial departments as required, in line with their cash flow forecasts and as per the equitable share and conditional grants received from National Treasury. The cash blocking system continued to ensure effective cash management by the departments, as they are unable to disburse payments to suppliers unless they have cash available. Support was provided to departments in respect of pay roll tax and banking matters, which included a quarterly risk analysis to identify training needs per department and to ensure compliance with relevant legislation.

Public Private Partnerships (PPP): The unit continued to provide support on the exit strategy in respect of the Inkosi Albert Luthuli Central Hospital (IALCH), as well as the five-year review and five-year strategy for the iLembe District Municipality water sanitation concession, and assisted in negotiating a supplementary agreement with Sencorp Siza Water. These projects were completed in 2016/17. Also, the unit submitted the feasibility study for the PPP Government Precinct and Legislature Complex to National Treasury for approval.

Supply Chain Management: Operational support was provided to departments, municipalities and public entities with regard to SCM policies and procedures and the unit conducted compliance assessments to determine the necessary support interventions and the provision of training, where required. The roll-out of the Contract Management Project (CMP) continued in the municipalities, which included the deployment of Provincial Treasury resources to various municipalities.

The unit continued the implementation of the I-Develop Project, which seeks to address the skills capacitation challenge in the area of SCM, as well as the Municipal Bid Appeals Tribunal (MBAT). Contract Management roadshows and the Central Supplier Database (CSD) outreach programme were facilitated for all municipalities. Effective review of policies and updating of practice notes and circulars were undertaken, in line with legislative and National Treasury requirements. The unit also started a process of implementing transversal contracts for events management and the purchasing of paper for all departments and public entities. The e-Procurement system continues to be on hold, pending the outcome

of the investigations by Internal Audit. The benchmark price list was embarked on and is still at an initial stage.

Financial Reporting: Significant progress was made in financial management practices. Financial management support, particularly to municipalities, was instrumental in the improved audit outcomes for the 2015/16 MFMA audit opinions. Treasury also obtained a clean audit report for the Provincial Revenue Fund for 2015/16. This is the eighth clean audit in a row. The unit also continued to embark on the Operation Clean Audit campaign.

Norms and Standards: Financial management standard operating procedures were developed for implementation within departments to enhance financial management operational processes and procedures and these were aligned to Provincial Treasury instruction notes. Further input and support were provided to National Treasury on the enhancement of the National Treasury Diagnostic Compliance Tool and the Financial Management Capability Maturity Model (FMCMM).

Support and Interlinked Financial Systems: The initiative to replace all biometric scanners in the province began. The Biometrics Access Control System makes use of biometric scanners to access BAS and PERSAL. By the end of the year, the project was at 45 per cent complete. The pilot at the Department of Education was also completed.

Gaming and Betting: This function was moved from Vote 6: Provincial Treasury and allocated to Vote 1: Office of the Premier with effect from 28 September 2016, as determined by Premier's Minute No. 2 of 2016. As such, R22.474 million was suspended to Vote 1 in the 2016/17 Adjustments Estimate and, similarly, the Gaming and Betting revenue budget calculated at R270.760 million was moved between the two Votes. It must be noted that only the budget from 28 September onward was suspended, whereas the balance remained with Vote 6 in 2016/17, as this Vote has incurred the related expenditure in the first half of the year. The full amount is moved in 2017/18 and over the MTEF.

Internal Audit

Assurances Services: The unit provided internal audit services to departments and some public entities with specific focus on enhancing controls and improving overall good governance. The unit conducted risk-based audits, performance audits focusing on value for money reviews, reviews of interim financial statements, as well as IT audits focusing on transversal and core business areas. Formal consulting services were also provided on certain IT systems developed and implemented, such as the e-Procurement and Radio Frequency Identification (RFID) systems for departments and municipalities. Specific focus was given to performance audit reviews of travel and subsistence for all departments, focusing on both domestic and international travel. The unit also provided support to the Provincial Audit and Risk Committee, as well as its Cluster Committees.

Risk and Advisory Services: The unit continued to provide risk management support to departments, public entities, and municipalities. The unit also embarked on advisory services projects that were designed to capacitate its clients on topical issues such as Occupational Health and Safety, Business Continuity Plans, and Fraud Prevention Plans.

Forensic Audit Services: The unit completed 30 investigations, and conducted 65 follow-ups to track the status of implementation of recommendations arising from forensic investigation reports. The forensic audit unit is committed to the fight against fraud and corruption and undertook the following initiatives during the year, among others:

- Member of the Anti-Corruption Task Team (ACTT). This team meets regularly to monitor the criminal investigation and prosecution of the top priority cases within the province.
- Hosted the Anti-Fraud and Corruption Awareness campaign in partnership with eThekweni Metro and the Associate of Certified Forensic Examiners (ACFE).
- Ensured that the recommendations contained in various forensic reports are implemented by the respective Accounting Officers of all departments by conducting thorough follow-up exercises.
- Commenced with the development of a Fraud Case Management system that will be used to record, consolidate and track all forensic investigations conducted within all spheres of provincial government.

3. Outlook for the 2017/18 financial year

Section 3 looks at the key focus areas of 2017/18, outlining what the department is hoping to achieve, as well as briefly looking at the challenges facing the department, and proposed new developments. The bulk of the department's budget allocation in the 2017/18 MTEF is for financial management (for general oversight of all departments', municipalities' and public entities' budget processes), internal audit, SCM, as well as support for transversal and interlinked financial systems. In addition, the department will continue to implement a number of transversal projects, such as Operation Pay-on-Time, Operation Clean Audit, irregular expenditure projects, MSP, among others.

Fiscal Resource Management

Economic Analysis: The unit will continue to undertake economic and public policy research, participate in various academic conferences and workshops, undertake district municipality profiling and deliver economic presentations throughout the province. It will also continue to support and facilitate strategic development projects, events and activities in the province. Departmental economic impact analysis and spatial analysis will continue to be a key priority for 2017/18. The unit will continue to establish platforms to discuss and debate provincial economic policy, fiscal models, catalytic infrastructure projects and the development of strategic partnerships through, among others, the Fiscal Policy Focus Group.

Infrastructure: The unit will continue to assist and monitor infrastructure planning and delivery performance throughout the province. The IRM will be used to track infrastructure expenditure, while IDMS and SIPDM will continue to be focus areas. The unit will also provide technical support in the development of the PIMP. Provincial skills development will continue to be focussed on to support the Human Resource capacitation of provincial departments and the development of new workshops, training modules and learnership programmes, particularly for municipalities aligned to IDMS. The deployment of the Infrastructure Crack Team will continue to be a priority.

Public Finance: The unit's functions are largely process driven and are governed by various legislative requirements. As such, the work often remains largely unchanged from year to year in terms of the processes that need to be undertaken. Accordingly, monitoring the spending of departments and public entities will continue in 2017/18, with the aim of keeping provincial spending within budget. The Executive Council will continue to be kept informed of the province's budget performance. The 2017/18 AEPRE and 2018/19 EPRE will be prepared. National Treasury will be provided with information on the Division of Revenue and PES, as well as the conditional grant frameworks. The enhancement of Provincial Own Revenue will continue to remain a focus area in view of the fiscal consolidation plan, which is being implemented by National Treasury to rein in government debt. Departments' and public entities' adherence to the cost-cutting measures will continue to be monitored.

Municipal Finance: Focus will be placed on enhancing the sustainability of municipalities and providing support to new council members in municipalities following the local government elections. The unit will continue to monitor and support municipalities with MSCOA preparation. The MSP will focus on assisting municipalities in improving their VAT process, instituting cashflow management practices, improving the credibility of their budgets and rolling out the grant process manual to assist municipalities in managing their grants.

Financial Management

Cash Management and Liabilities: A support service will continue to be offered to departments in respect of pay roll tax and banking functions. The unit will maintain the current practice of monitoring all departmental bank balances on a daily basis to ensure effective cash flow management. Excess funds will be invested with the South African Reserve Bank (SARB) to ensure maximum interest is earned.

Public Private Partnerships: The PPP unit will continue to address the lack of capacity in departments and municipalities in identifying and managing PPP projects. The unit also aims to create and improve relationships between various stakeholders in the PPP process in order to promote better PPP project flow, and to prevent projects taking place that are not considered to be value for money and/or affordable. The unit will embark on intense awareness campaigns and capacity building with various SMMEs. The Department of Economic Development, Tourism and Environmental Affairs (EDTEA) registered a project in September 2016 to explore the feasibility and the optimal institutional model to develop a public

transport solution linking King Shaka International Airport to the cities of Durban, Pietermaritzburg, Richards Bay and Port Shepstone. The PPP unit is assisting the department in this feasibility study.

Supply Chain Management: The unit will continue to provide hands-on support and undertake comprehensive compliance assessments, review of SCM policies and provide training to departments, municipalities and public entities. Capacity building interventions will be conducted in SCM components of departments, municipalities and public entities where SCM systems are found to be non-existent or completely collapsed. The unit will continue with the implementation of the transversal contracts for events management and purchasing of paper. The roll-out of the CMP will continue in municipalities. The unit will continue with the I-Develop project, Provincial Bids Appeal Tribunal matters and MBAT training in municipalities, including the provision of active support in the hearing and facilitation of MBAT matters.

Financial Reporting: To improve the unit's effectiveness, focus will be on regular hands-on engagement and support to departments, public entities and municipalities to enhance their financial accounting and reporting performance, as well as continued staff development and training programmes to develop and retain the requisite financial management skills and expertise. The unit will play a major role in the Operation Clean Audit campaign, ensuring enhanced financial management in all spheres of government.

Norms and Standards: Continued emphasis will be placed on compliance monitoring and evaluation within departments, municipalities and public entities to assess financial management compliance and the remedial assistance provided to address identified deviations to ensure improved financial management and control.

Support and Interlinked Financial Systems: The project to replace the biometric scanners in the province is expected to be completed in 2017/18. Together with the scanner replacements, new software updates are being installed to enable finger randomisation during biometric scans.

Internal Audit

Assurance Services: The unit will continue to provide internal audit services to departments and public entities by performing risk-based audits, with specific focus on overall good governance. More focus will be given to performing IT audit reviews, as this is an area of higher risk and an area where value can be derived by departments and public entities in improving controls. Transversal reviews of SCM, transfer payments, asset management, as well as performance information will continue to be focus areas.

Additional critical service delivery projects will be identified *via* the risk management process to determine value for money for the resources expended as part of the focus on performance auditing. The unit will continue to support the Audit and Risk Committee structures and will endeavour to implement the identified strategies to provide value adding quality audit services, including initiatives to refocus resources to critical areas and to review resource allocations.

Healthy relationships with clients and stakeholders such as the A-G, departments, public entities and municipalities, National Treasury, as well as Internal Audit and Audit Committee structures in other provinces are critical for the growth of the unit and identification of programmes that will improve effectiveness. To this end, the focus will be on benchmarking some of the programmes intended to enhance the performance of the team.

Risk and Advisory Services: The unit's main focus will be to ensure that the implementation plan of the recommendations of the risk management maturity gap analysis findings are on track, and to provide the necessary interventions as and when required. The risk management tool (CURA) will be rolled out to all departments and selected public entities and municipalities, to strengthen awareness of risk management.

Forensic Audit Services: The envisaged Fraud Case Management System will be made accessible to the Office of the Premier (OTP) for provincial reporting purposes during 2017/18, and will be used to assist with monitoring and addressing delays in forensic investigations.

More detailed follow-up audits will be conducted to assess the extent to which investigated entities are implementing forensic investigation recommendations. Fraud prevention plan strategies of all departments and public entities will also be reviewed.

4. Reprioritisation

At programme level, the department moved R11.769 million in 2017/18 with carry-through from Programme 3 to Programme 1. This was mainly due to a management decision to separate the Treasury Information Technology (IT) Support from Transversal Systems, such as BAS, PERSAL, HARDCAT, etc., and this resulted in the former moving to Programme 1 and the latter remaining in Programme 3. This is a function shift as the purpose of the funds remains the same, and hence is not reprioritisation as such. Prior years have been adjusted for comparative purposes.

At economic classification level, the following funds were identified to be reprioritised:

- Savings of R19.276 million in 2017/18, with carry-through, were moved from *Goods and services* mainly as a result of trends in previous years showing lower than anticipated audit fees, as well as the reduction in the use of consultants. The department is appointing contract employees rather than using consultants to undertake various projects, such as the IDIP Technical Assistants (TAs), CMP, MBAT, MSP, etc.
- R202 000 with carry-through was reprioritised from *Interest and rent on land*.
- R304 000 was reprioritised from *Machinery and equipment* in 2017/18, but R9.597 million is reprioritised to this category in 2018/19 to cater for the replacement of the Biometric Access System, as well as the Server Refreshers.
- R1 000 with carry-through was reprioritised from *Transfers and subsidies to: Households*.
- These funds were mainly moved as follows:
 - R19.048 million with carry-through was moved to *Compensation of employees* for the provision of salaries for contract personnel that will be working on certain departmental projects, such as IDIP TAs, CMP, etc. This is in order to reduce the department's dependency on consultants and rather employ contract employees, thus cutting costs. In addition, the reprioritisation caters for the carry-through costs of the above-budget 2016 wage adjustment and the filling of critical vacant posts, pay progression, as well as inflationary increments.
 - R735 000 with carry-through was moved to *Transfers and subsidies to: Non-profit institutions* to cater for donations made by the MEC during community outreach programmes.
- Savings of R5 million were identified from *Compensation of employees* and *Interest and rent on land* against Programmes 1 and 3 due to later than anticipated appointments of two Directors in the Office of the CFO, as well as the fact that the province remains cash-positive, meaning that no interest is expected to be paid on an overdraft. These funds were moved to *Transfers and subsidies: Non-profit institutions* in Programme 1 to provide for a transfer to the Futurelife Foundation Trust to feed children in the MEC's district in line with Operation Sukuma Sakhe (OSS).
- As determined by the Executive Council on 2 November 2016, the province commenced the process of the remuneration of *Izinduna* in compliance with previously issued Presidential proclamations. The *Izinduna's* remuneration budget for 2017/18 MTEF is partly funded (50 per cent) through internal reprioritisation by the Department of Co-operative Governance and Traditional Affairs (COGTA) and the balance of 50 per cent funded through a proportional cut against all the remaining Votes. As a result, the department's budget is reduced by R976 000, R1.029 million and R1.086 million over the MTEF. Also, the department's budget was cut by the PES and Own Revenue reductions of R2.583 million, R2.953 million and R5.237 million over the 2017/18 MTEF. These cuts were proportionately effected against all programmes against *Goods and services*.

5. Procurement

The department will continue to develop and implement a plan for procurement exceeding R500 000 and a demand management plan for procurement below R500 000 for 2017/18, to ensure that the needs of the organisation are in line with the pillars underpinning the department's strategy, as well as the budget allocated to the department. The department aims to reduce the turn-around time for procuring goods and services. Internal controls, contract management and inventory management will be strengthened.

The department will also intensify its efforts in ensuring that suppliers and service providers are paid within 30 days in line with Treasury Regulations 8.2.3. All quotations and bids will be awarded in a manner which is fair, equitable, transparent, competitive and cost effective. Although the department is not a service delivery department in nature, there are areas of substantial expenses such as consultancy services fees for performance audit and forensic investigations (Internal Audit), Operation Pay-on-Time, asset management, AFS and other interventions (Financial Management), MSP, VAT reviews (Municipal Finance), infrastructure support (Infrastructure) and MBAT, e-Procurement (SCM).

6. Receipts and financing

6.1 Summary of receipts and financing

Table 6.1 shows the sources of funding for Vote 6 over the seven-year period 2013/14 to 2019/20. The table also compares actual and budgeted receipts against actual and budgeted payments.

Table 6.1 : Summary of receipts and financing

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16	2016/17			2017/18	2018/19	2019/20
Equitable share	439 040	514 768	611 038	633 280	609 306	609 306	607 844	636 900	677 272
Conditional grants	-	-	-	-	-	-	-	-	-
Total receipts	439 040	514 768	611 038	633 280	609 306	609 306	607 844	636 900	677 272
Total payments	578 426	630 949	604 650	675 280	651 306	631 844	607 844	636 900	677 272
Surplus/(Deficit) before financing	(139 386)	(116 181)	6 388	(42 000)	(42 000)	(22 538)	-	-	-
Financing									
of which									
Provincial roll-overs	34 004	24 765	218	-	-	-	-	-	-
Provincial cash resources	180 927	124 807	69 062	42 000	42 000	42 000	-	-	-
Surplus/(Deficit) after financing	75 545	33 391	75 668	-	-	19 462	-	-	-

The amount of R34.004 million against provincial roll-overs in 2013/14 relates to roll-overs from 2012/13 for legal fees (R2.900 million), the Infrastructure Crack Team (R7 million), CMP (R2.400 million), the revived feasibility study of the government office precinct project (R2.627 million), and the development of the Margate (R2.288 million), Prince Mangosuthu Buthelezi (R603 000), and Pietermaritzburg (R16.186 million) airports.

The provincial cash resources amount of R180.927 million in 2013/14 comprises R97.677 million for various projects, including the feasibility study of the PPP Government Precinct, Operation Clean Audit, the e-Procurement Tool, CMP, the Infrastructure Crack Team, forensic investigations, the Shayamoya eco-complex, the light industrial park at Bhongweni, Aero Grand Prix and the Thuthuka Bursary Fund. Furthermore, an amount of R18.800 million was allocated for OSS, the Education nutrition programme, the irregular expenditure project, the Health Asset Register project, and the McCord Hospital take-over.

In 2013/14, the budget was under-spent by R75.545 million. This related to delays in the filling of posts resulting from lengthy recruitment processes and a lack of suitably qualified candidates, lower than anticipated audit and legal costs, under-expenditure on the MSP, delays in the appointment of a service provider for the e-Procurement Tool, delays in negotiations in respect of the McCord Hospital take-over project, and delays in obtaining dates for GRAP training with municipalities. Also contributing, were the late receipt of invoices from service providers dealing with the Health Asset Register project, as well as the Education capped-leave project, delays in spending in respect of the light industrial park at Bhongweni and the Shayamoya eco-complex, savings realised in respect of the development and upgrade of the Prince Mangosuthu Buthelezi and Margate airports, and delays in the selection process regarding students for the Thuthuka Bursary Fund.

The amount of R24.765 million against provincial roll-overs in 2014/15 relates to roll-overs from 2013/14 for the Strategic Cabinet Initiatives Fund (R6.382 million), the construction of the Shayamoya eco-complex (R13.062 million), and the light industrial park at Bhongweni (R5.321 million).

The provincial cash resources of R124.807 million in 2014/15 includes additional allocations for Msunduzi electricity-related development projects, the Infrastructure Crack Team, irregular expenditure

projects, IDIP TAs, Operation Pay-on-Time, Education capped leave, AFS training, Operation Clean Audit, the e-Procurement Tool, IALCH floor repairs, Strategic Cabinet Initiatives Fund, and carry-through of previous years' wage agreements.

The budget in 2014/15 was under-spent by R33.391 million in respect of the following:

- Lack of suitably qualified candidates and lengthy recruitment processes.
- Infrastructure Crack Team projects being placed on hold due to unforeseen circumstances, delays in the MSP resulting from the non-payment of invoices emanating from unsatisfactory work done by service providers, cost-cutting (particularly in the Office of the MEC where the number of road shows were reduced), lower than anticipated spending on forensic investigations, among others.
- Late receipt of invoices for the Thuthuka Bursary Fund.
- Delays in the receipt of invoices for the biometric server refresher system.

In 2015/16, the provincial cash resources of R69.062 million comprise suspensions from the previous financial year relating to additional funding for IDIP TAs (2015/16 and 2016/17), Operation Pay-on-Time (2015/16 and 2016/17), Operation Clean Audit (2015/16 and 2016/17), e-Procurement Tool (2015/16 and 2016/17), special audits (2015/16 only), forensic investigations (2015/16 only), Shayamoya eco-complex (2015/16 only), the Bhongweni light industrial park (2015/16 only), and IALCH floor repairs (2015/16 and 2016/17).

An amount of R218 000 was rolled over in respect of the payment of invoices from 2014/15 for the Msunduzi electricity-related development projects.

The 2015/16 budget was under-spent by R75.668 million mainly in respect of the following:

- Delays in the filling of vacant funded posts resulting from lengthy recruitment processes, as well as the moratorium on the filling of posts.
- Cost-cutting resulted in savings against items such as advertising and travel and subsistence.
- The MSP was under-spent mainly due to invoices being withheld as a result of unsatisfactory service delivery from service providers.
- The Infrastructure Crack Team was not operational for the first half of the year because of the Special Investigating Unit (SIU) investigations and, as a result, orders for some projects, including the comprehensive electrification plan for the Mtubatuba Municipality and the IALCH floor project, etc., were issued late. Moreover, the department was tasked to intervene with regards to the renovations at three of His Majesty the King's Palaces during November 2015. All this had an impact on the deliverables being finalised before year-end.
- The introduction of sworn affidavits by the Department of Trade and Industry (DTI) for the claiming of preference points in terms of the PPPFA rendered the BEE Verification project redundant. Furthermore, the complaints and objections that came through from the municipalities were fewer than expected with regard to the MBAT.
- A number of forensic audits were not finalised by the end of 2015/16. These audits did not progress as planned due to challenges experienced in accessing documents and people involved, as well as the lengthy internal processes on the side of the SIU and SAPS. In some cases, the reports were delayed due to the quality of work received from the service providers being unsatisfactory, and this resulted in some payments being withheld until the reports were finalised.
- The feasibility studies in respect of the Legislature Complex and the PPP Government Precinct. It must be noted that the Legislature Complex feasibility study commenced before year-end but no expenditure was incurred as the invoices arrived later than anticipated, while R1.955 million out of R5.500 million was spent on the PPP Government Precinct feasibility study.

The 2016/17 Revised Estimate shows that the department is anticipating ending the year with under-spending of R19.462 million mainly in respect of:

- The non-filling of vacant posts, as a result of the moratorium on the filling of posts and lengthy recruitment processes.

- The relocation of the PERSAL Mainframe Time from Pietermaritzburg SITA to National Treasury SITA, delays in the finalisation of consultants panels (for projects such as MSP, performance audits, forensic investigations, etc.), slow spending on the Infrastructure Crack Team, as well as cost-cutting.

The amount of R42 million against provincial cash resources in 2016/17 comprises once-off additional funding for IDIP TAs, Operation Pay-on-Time, Operation Clean Audit, e-Procurement Tool and CMP, as well as funding for the replacement of biometric scanners and the IALCH floor repairs. None of these projects have carry-through to the outer years of the MTEF, as these were only allocated additional funding for a limited time, in line with project requirements.

6.2 Departmental receipts collection

Table 6.2 gives a summary of the departmental receipts for Vote 6. The details are presented in the *Annexure – Vote 6: Provincial Treasury*. It must be noted that the Gaming and Betting revenue budget calculated at R270.760 million was suspended from Vote 6: Provincial Treasury and allocated to Vote 1: Office of the Premier relating to the movement of both the KZNGBB and the administration unit dealing with Gaming and Betting with effect from 28 September 2016, as determined by Premier’s Minute No. 2 of 2016. It must also be noted that only the revenue budget from 28 September onward was suspended, whereas the balance remained with Vote 6 in 2016/17, as this Vote had incurred the related revenue and expenditure in the first half of 2016/17. The full amount is moved over the 2017/18 MTEF, as well as from prior years for comparative purposes.

Table 6.2 : Summary of departmental receipts collection

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2013/14	2014/15	2015/16	Appropriation	Appropriation	Estimate	2017/18	2018/19	2019/20
Tax receipts	-	-	-	557 338	286 579	286 580	-	-	-
Casino taxes	-	-	-	478 167	246 512	246 512	-	-	-
Horse racing taxes	-	-	-	79 171	40 067	40 068	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	169	322	345	204	204	320	226	227	228
Transfers received	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	1	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	249 807	309 569	391 253	301 754	301 754	270 725	216 842	235 219	236 141
Sale of capital assets	409	39	790	181	181	181	192	203	204
Transactions in financial assets and liabilities	352	2 513	4 027	382	382	3 507	385	407	410
Total	250 738	312 443	396 415	859 859	589 100	561 313	217 645	236 056	236 983

Tax receipts derived from *Casino taxes*, limited pay out machines, bingo and *Horse racing taxes*, is no longer collected by Vote 6: Provincial Treasury with effect from 28 September 2016, as mentioned. The 2016/17 Revised Estimate reflects the amount collected by Treasury as at the end of September 2016. The balances from the prior years and over the 2017/18 MTEF are removed to reflect under Vote 1: Office of the Premier.

Sale of goods and services other than capital assets is derived from parking fees, game licences, and Commission on PERSAL deductions such as insurance premiums and garnishees, tender fees and replacement of lost office property, etc. The major collection in 2014/15, 2015/16 and the 2016/17 Revised Estimate resulted from the high collection on the sale of tender documents. The revenue grows gradually over the MTEF due to its unpredictable nature.

Interest, dividends and rent on land mainly relates to interest earned on the Paymaster General (PMG) and intergovernmental cash coordination (IGCC) accounts. The significant improvement in collection against this category in prior years is due to the collective implementation of cost-cutting by provincial departments. The low revenue collected in the 2016/17 Revised Estimate and the low budget over the MTEF is due to the expected low bank balances as a result of the spending pressures shown by some departments. The budget was reduced by R100 million per year over the MTEF.

Sale of capital assets relates to the disposal of redundant assets, such as vehicles, office equipment, etc. The fluctuations in prior years resulted from the uncertain nature of this category as it relies on performance at the auction. The department anticipates disposing of motor vehicles over the 2017/18 MTEF, in line with its asset disposal policy.

Transactions in financial assets and liabilities comprises recoveries from staff debts such as breached bursary contracts. The high collection in 2014/15, 2015/16 and the 2016/17 Revised Estimate was due to reversed salary over-payments relating to previous years, payment of private telephone calls for previous years by staff members, inter-departmental claims in respect of consultants that were deployed to prepare a movable asset register for the Department of Health and to prepare an immovable asset register and Interim Financial Statements for the Department of Public Works.

6.3 Donor funding and agency receipts

Table 6.3 provides information on donor funding received by the department from the European Union (EU). Provincial Treasury sent a bid to National Treasury in 2014 to fund the development of science parks (or techno-hubs) in KZN. The request for these funds was evaluated and final allocations were approved by the national Ministers' Committee on the Budget.

Table 6.4 shows the amounts spent to date and to be spent over the MTEF.

Table 6.3 : Details of donor funding and agency receipts

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2013/14	2014/15	2015/16	Appropriation	Appropriation	Estimate	2017/18	2018/19	2019/20
Donor funding	-	-	7 073	59 750	34 527	34 527	78 400	-	-
Development of KwaZulu-Natal Science Parks	-	-	7 073	59 750	34 527	34 527	78 400	-	-
Agency receipt	-	-	-	720	480	480	240	-	-
PSETA	-	-	-	720	480	480	240	-	-
Total	-	-	7 073	60 470	35 007	35 007	78 640	-	-

Table 6.4 : Details of payments and estimates of donor funding and agency receipt

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2013/14	2014/15	2015/16	Appropriation	Appropriation	Estimate	2017/18	2018/19	2019/20
Donor funding	-	-	7 073	59 750	34 527	34 527	78 400	-	-
Development of KwaZulu-Natal Science Parks	-	-	7 073	59 750	34 527	34 527	78 400	-	-
Agency receipt	-	-	-	720	480	480	240	-	-
PSETA	-	-	-	720	480	480	240	-	-
Total	-	-	7 073	60 470	35 007	35 007	78 640	-	-

The department has commenced with the four science parks, or techno-hubs in Richards Bay, Newcastle, Port Shepstone and Pietermaritzburg. The focus of a techno-hub is to commercialise innovations through new or improved products and services and the core functions of the science parks include knowledge generation, innovation, enterprise and business formation. The science parks will be aimed at businesses involved in information technology.

In total, KZN received a R120 million grant from the EU and the project was supposed to run from 2014/15 to 2016/17, however, the three-year term was extended to 2017/18. Three sites have started with fencing, infrastructure and building construction. The Pietermaritzburg site has not as yet received a Record of Decision for the Environmental Impact Assessment, therefore it is envisaged that no construction will take place this financial year.

The expenditure has increased sufficiently to the point that the third tranche of R78.640 million will be requested in 2017/18, which is the final year of the project.

In respect of PSETA, the department was allocated R720 000 in 2016/17 and 2017/18 for work integrated learning, whose aim is to support 20 students from TVET colleges with a stipend of R2 000 per student per month for a period of 18 months ending in June 2017. This allocation will give learners the opportunity to do in-service training in the department in their area of study.

7. Payment summary

This section provides information pertaining to the vote as a whole at an aggregated level, including payments and budgeted estimates in terms of programmes and economic classification. Further details are given in Section 8 below, as well as in the *Annexure – Vote 6: Provincial Treasury*.

7.1 Key assumptions

The department applied the following broad assumptions when compiling the budget:

- All inflation related increases are based on CPI projections.
- Provision has not been adequately made for the carry-through costs of the above-budget 2016 wage adjustment and an inflationary wage adjustment of 7.2, 6.9 and 6.6 per cent over the 2017/18 MTEF, as well as the 1.5 per cent pay progression. This will be reviewed in-year, as this category is currently growing by 12.2 per cent, 7 per cent and 6.4 per cent over the MTEF, which means that growth in the outer years is not sufficient.
- The expanded cost-cutting measures, as reissued by Provincial Treasury in 2016/17, will continue to be adhered to over the 2017/18 MTEF, in conjunction with National Treasury Instructions 02 and 03 of 2016/17: Cost-containment measures.

7.2 Additional allocations for the 2015/16 to 2017/18 MTEF

Table 6.5 shows additional funding received by the department over the three MTEF periods: 2015/16, 2016/17 and 2017/18. The purpose of such a table is two-fold. Firstly, it shows the quantum of additional funding allocated to the department in the past and current MTEF periods. Secondly, it indicates the policies and purposes for which the additional funding was allocated. The carry-through allocations for the 2016/17 and 2017/18 MTEF periods (i.e. for the financial year 2019/20) are based on the incremental percentage used in the 2016/17 MTEF.

Table 6.5 : Summary of additional provincial allocations for the 2015/16 to 2017/18 MTEF

R thousand	2015/16	2016/17	2017/18	2018/19	2019/20
2015/16 MTEF period	(91 747)	(99 735)	(139 372)	(147 456)	(155 713)
IALCH floor repairs	8 000	-	-	-	-
Removal of Strategic Cabinet Initiatives Fund	(100 000)	(100 000)	(105 000)	(111 090)	(117 311)
Removal of IDIP TAs in 2017/18	-	-	(8 400)	(8 887)	(9 385)
Removal of Operation Pay-on-Time in 2017/18	-	-	(3 675)	(3 888)	(4 106)
Removal of Operation Clean Audit (Financial Management) in 2017/18	-	-	(5 250)	(5 555)	(5 866)
Removal of e-Procurement Tool in 2017/18	-	-	(3 675)	(3 888)	(4 106)
Removal of contract management in 2017/18	-	-	(7 350)	(7 776)	(8 212)
Removal of IALCH - floor repairs in 2017/18	-	-	(6 300)	(6 665)	(7 039)
Decentralisation of bursaries budget	253	265	278	294	311
2016/17 MTEF period		(32 488)	(49 477)	(52 627)	(55 574)
Above-budget 2015 wage agreement		4 254	4 555	4 888	5 162
Replacement of biometric scanners		12 000	-	-	-
IALCH floor repairs		3 000	-	-	-
Freezing all vacant non-OSD posts		(44 037)	(47 032)	(50 230)	(53 043)
Cutting events' budgets		(340)	(340)	(340)	(359)
2% Goods and services cut		(7 365)	(6 660)	(6 945)	(7 334)
2017/18 MTEF period			(51 185)	(51 608)	(49 792)
Susp. of KZN Gaming and Betting to Vote 1			(43 490)	(43 490)	(45 925)
Susp. of KZN Gaming and Betting to Vote 1			(4 136)	(4 136)	(4 368)
PES and Own Revenue reductions			(2 583)	(2 953)	(5 237)
Budget cuts to fund remuneration of Izinduna			(976)	(1 029)	(1 086)
Addition from National Treasury			-	-	6 824
Total	(91 747)	(132 223)	(240 034)	(251 691)	(261 079)

Over the 2015/16 MTEF, the department was allocated a once-off additional R8 million for the continuation of the IALCH floor repairs.

National Treasury indicated that the fiscal consolidation that started in 2014/15 would continue over the 2015/16 MTEF. In line with this, all three spheres of government were cut, with KZN's portion of this cut being in excess of R500 million per annum. The bulk of this cut was therefore absorbed by the province's Contingency Reserve, as well as temporarily halting the PPP Government Precinct and the Strategic Cabinet Initiatives Fund until the period of fiscal consolidation is over. In this regard, the Strategic Cabinet Initiatives Fund was removed.

In addition, R34.650 million was removed in 2017/18 in respect of the following, as these funds were once-off and did not have carry-through beyond 2016/17:

- R8.400 million for IDIP TAs.
- R3.675 million for Operation Pay-on-Time.
- R5.250 million for Operation Clean Audit (Financial Management).
- R3.675 million for the e-Procurement Tool.
- R7.350 million for CMP.
- R6.300 million for IALCH floor repairs.

The above was slightly off-set by funds of R253 000 (with carry-through) in respect of the external bursaries budget being decentralised back from OTP to the department following an Executive Council decision.

With regard to the 2016/17 MTEF, due to data updates of the PES formula, a declining Provincial Own Revenue, as well as cuts implemented by National Treasury as a result of the need to lower the expenditure ceiling across the country and to reprioritise to fund various national priorities that had arisen, the funding available to the province was cut. Provinces were also instructed that the baselines of provincial Departments of Health be protected in view of the impact that the exchange rate has had on the affordability of medicines, which are largely imported. In order to effect these cuts in the province, expenditure on *Compensation of employees* was lowered by freezing all vacant non-OSD posts, and departments' equitable share funded *Goods and services* budgets were cut by 2 per cent over the MTEF.

However, offsetting these reductions is additional funding of R19.254 million for the following:

- R4.254 million in 2016/17 for the carry-through of the above-budget 2015 wage agreement.
- R12 million in 2016/17 for the replacement of biometric scanners in all departments.
- A further R3 million in 2016/17 for IALCH floor repairs.

With regard to the 2017/18 MTEF, the department's budget was reduced by R47.049 million with carry-through, due to the following:

- The Gaming and Betting budget was suspended from Vote 6: Provincial Treasury and allocated to Vote 1: Office of the Premier relating to the movement of both the KZNGBB and the administration unit dealing with Gaming and Betting with effect from 28 September 2016, as determined by Premier's Minute No. 2 of 2016. Therefore, the full amount is moved in the 2017/18 MTEF. Similarly, the full revenue budget moves to Vote 1 as well, as mentioned above.
- In 2017/18, there is a reduction of the PES allocation due to data updates of the PES formula, as well as Fiscal Framework reductions. In addition, the budget databases submitted by departments in preparation for the September 2016 MTECS indicated a downward revision of the Provincial Own Revenue numbers. The department's budget cut amounted to R2.583 million, R2.953 million and R5.237 million over the 2017/18 MTEF, and was effected proportionately across all programmes and economic classifications.
- As determined by the Executive Council on 2 November 2016, the province commenced the process of the remuneration of *Izinduna* in compliance with previously issued Presidential proclamations. The *Izinduna's* remuneration budget for 2017/18 MTEF is partly funded (50 per cent) through an internal reprioritisation by the department of Co-operative Governance and Traditional Affairs (COGTA) and the balance of 50 per cent funded through a proportional cut against all the remaining Votes. As a result, the department's budget is reduced by R976 000, R1.029 million and R1.086 million over the MTEF. This was proportionately effected against all programmes against *Goods and services*.
- Offsetting these cuts to some extent, is additional funding of R6.824 million provided by National Treasury in the outer year.

Note that additional funding was allocated in the 2012/13 MTEF for improving infrastructure support. Although no longer visible in Table 6.5, this funding was specifically and exclusively appropriated and the department utilises this funding for the Infrastructure Crack Team, which provides infrastructure support in the province. Thus amounts of R8.575 million, R9.072 million and R9.536 million remains ring-fenced for this purpose over the 2017/18 MTEF.

7.3 Summary by programme and economic classification

The services rendered by the department are categorised under five programmes, namely Administration, Fiscal Resource Management, Financial Management, Internal Audit and Growth and Development. These programmes are linked to the core functions of the department. The department is not yet conforming to the generic programme structure of the sector. Negotiations in this regard will continue with National Treasury in 2017/18.

Tables 6.6 and 6.7 provide a summary of the Vote's payments and budgeted estimates over the seven-year period, by programme and by economic classification, respectively.

Table 6.6 : Summary of payments and estimates by programme: Provincial Treasury

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
1. Administration	96 932	113 215	112 194	134 552	149 552	138 607	151 596	154 176	163 427
2. Fiscal Resource Management	91 204	75 467	84 294	103 056	95 056	94 123	96 056	104 366	110 628
3. Financial Management	240 987	268 035	240 163	295 563	236 789	231 194	213 820	241 325	255 821
4. Internal Audit	107 363	130 420	134 604	121 683	146 983	145 361	123 888	130 178	136 876
5. Growth and Development	41 940	43 812	33 395	20 426	22 926	22 559	22 484	6 855	10 520
Total	578 426	630 949	604 650	675 280	651 306	631 844	607 844	636 900	677 272

Table 6.7 : Summary of payments and estimates by economic classification: Provincial Treasury

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
Current payments	545 861	575 075	569 228	627 760	615 925	600 816	590 094	614 616	653 748
Compensation of employees	185 325	208 675	227 845	279 429	274 430	256 250	287 664	307 966	328 580
Goods and services	360 536	366 400	341 383	345 057	340 895	343 966	300 696	300 773	318 938
Interest and rent on land	-	-	-	3 274	600	600	1 734	5 877	6 230
Transfers and subsidies to:	26 175	41 016	21 041	42 977	30 369	27 821	10 755	2 551	2 687
Provinces and municipalities	21 983	31 794	10 303	24	24	20	24	26	27
Departmental agencies and accounts	-	1	-	34 255	21 137	21 137	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	4	-	-	-	-	-	-
Non-profit institutions	893	1 365	4 340	3 370	3 741	3 701	9 105	886	936
Households	3 299	7 856	6 394	5 328	5 467	2 963	1 626	1 639	1 724
Payments for capital assets	5 973	14 854	14 037	4 543	5 012	3 207	6 995	19 733	20 837
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	5 973	14 854	14 037	4 543	5 012	3 207	6 995	19 733	20 837
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	417	4	344	-	-	-	-	-	-
Total	578 426	630 949	604 650	675 280	651 306	631 844	607 844	636 900	677 272

Programme 1: Administration shows an increase from 2013/14 to 2014/15 mainly due to the office configurations at Treasury House, payment made towards the Thuthuka Bursary Fund, as well as the payment of an exit package of the former MEC for Finance. The decrease in 2015/16 relates to lower payments made in respect of the Thuthuka Bursary Fund due to delays in claims from SAICA. The increase in the 2016/17 Adjusted Appropriation is mainly due to the separation of functions between the sub-programmes: Support and Interlinked Financial Systems in Programme 3 and Corporate Services (which includes IT Management support) in Programme 1. The substantial baseline increase over the 2017/18 MTEF is due to the full function shift of IT Management support from Programme 3 to 1, as well as inflationary growth.

Programme 2: Fiscal Resource Management shows a decrease from 2013/14 to 2014/15 due to under-spending in respect of the MSP. The increase in 2015/16 is due to once-off further additional funding for the Infrastructure Crack Team and IDIP TAs. The decrease in the 2016/17 Adjusted Appropriation is attributed to savings that resulted from VAT review orders, which were issued for uMhlabuyalingana, Jozini, Ndwedwe and uPhongolo Municipalities, being delayed due to the service providers being in breach of the contracts as a result of failure to satisfactorily meet deliverables. These savings were moved to offset spending pressures in other programmes. The increase over the 2017/18 MTEF is inflationary.

Programme 3: Financial Management reflects a decrease in 2015/16 mainly as a result of the relocation of the PERSAL Mainframe time server from Pietermaritzburg SITA to National Treasury SITA. The decrease in the 2016/17 Adjusted Appropriation and over the 2017/18 MTEF is mainly due to the movement of the Gaming and Betting function to Vote 1: Office of the Premier, as mentioned, as well as the reduction in the allocation to the MBAT project due to low demand.

Programme 4: Internal Audit shows an increase from 2013/14 to 2015/16 due to once-off additional funding for Operation Clean Audit initiatives and an increase in forensic investigations from the client departments. However, additional funding for special audits and forensic investigations was not allocated beyond 2015/16, thus contributing to the decrease in the 2016/17 Main Appropriation. The increase in the 2016/17 Adjusted Appropriation is mainly due to once-off additional funding to cater for performance audits and forensics investigations from clients, including public entities and municipalities. The increase over the MTEF is inflationary.

In respect of Programme 5: Growth and Development, spending in 2013/14 to 2015/16 relates mainly to the development of the Pietermaritzburg, Prince Mangosuthu Buthelezi, Margate and Richards Bay airports, development of the Shayamoya eco-complex and the Bhongweni light industrial park, as well as the feasibility study of the Government Precinct. The substantial increase in 2014/15 was due to the once-off allocations for Msunduzi electricity-related developments, and additional funding (roll-over from 2013/14) for the Shayamoya eco-complex and Bhongweni light industrial park. The allocations in 2016/17 and over the 2017/18 MTEF include the PPP exit strategy for IALCH, the IALCH floor repairs project, as well as the feasibility studies in respect of the PPP Government Precinct and Legislature Complex. The fluctuating trend over the 2017/18 MTEF is mainly due to the falling away of once-off allocations, such as the IALCH floor repairs, as well as budget reprioritisation undertaken as the department is embarking on a reduction in the use of consultants. It must be noted that the consultants are budgeted for under this programme and not the PPP sub-programme under Programme 3.

The increase against *Compensation of employees* from 2013/14 to 2015/16 was due to the filling of vacant posts, as well as salary adjustments. As of 2014/15, the department made provision for salaries for contract personnel that will be working on certain departmental projects, such as TAs working on IDIP, CMP, as well as learners and interns, etc. The slight decrease from the 2016/17 Main to the Adjusted Appropriation relates to delays in the filling of posts due to lengthy recruitment processes, and difficulty in finding suitably qualified candidates, as well as the moratorium on the filling of non-critical posts. The 2017/18 MTEF provides for the carry-through costs of the previous wage adjustments and pay-progression, although not adequately budgeted for in 2019/20. The department is also planning on filling posts in 2017/18 such as Directors: SCM and Financial Management in respect of the Office of the CFO sub-programme. The department continues with the drive to use contract employees instead of consultants with a hope that there will be savings from this approach in the next few years. As such, this category will be reviewed in-year by the department.

The substantial increase against *Goods and services* from 2013/14 to 2014/15 was mainly due to additional funding for MBAT, CMP, the Infrastructure Crack Team, Operation Clean Audit initiatives, an increase in forensic investigations, as well as increased demand for performance audits from client departments. The slight decrease in the 2016/17 Main and Adjusted Appropriation is due to the shifting of funds from this category to *Transfers and subsidies* to correct a misallocation, as well as the movement of the Gaming and Betting function to OTP. The decrease over the 2017/18 MTEF is mainly due to the falling away of once-off allocations, such as the IALCH floor repairs, as well as budget reprioritisation to *Compensation of employees* as the department is embarking on a drive to reduce the use of consultants.

There was no expenditure against *Interest and rent on land* from 2013/14 to 2015/16 as a result of the improvement in the provincial cash balances. This resulted in a lower interest provision, hence the decrease from the 2016/17 Main to the Adjusted Appropriation. The below inflationary growth over the 2017/18 MTEF is mainly ascribed to the previously mentioned budget cuts, and provision for interest payments in the event that the province goes back into overdraft.

The expenditure reflected against *Transfers and subsidies to: Provinces and municipalities* in 2013/14 to 2014/15 was mainly for the development of the Pietermaritzburg, Prince Mangosuthu Buthelezi and Richards Bay airports, as well as motor vehicle licence fees. The allocation in 2015/16 is in respect of the

payment of motor vehicle licences, as well as a provision for once-off special infrastructure projects which included Msunduzi electricity-related development projects (2015/16 only), the Bhongweni light industrial park, and the Shayamoya eco-complex. The budget in 2016/17 and over the 2017/18 MTEF pertains only to the payment of motor vehicle licence fees.

Transfers and subsidies to: Departmental agencies and accounts in 2016/17 relates to transfers made to the KZNGBB, as explained in Section 7.8. This function has moved back to Vote 1: OTP, as mentioned.

The amounts against *Transfers and subsidies to: Non-profit institutions* from 2013/14 to 2015/16 onward cater for the payments made to NPOs such as uMgungundlovu Academy of Sports, Denis Hurley Centre, Coastal Horse Care Unit and Financial Literacy Programme (FLP) which is now an independent entity called the Financial Literacy Association (FLA). An amount of R3.150 million has been budgeted towards the FLA over each year from 2015/16 to 2017/18. The increase in the 2016/17 Adjusted Appropriation is attributable to the donations made by the MEC to public schools, old age homes, co-operatives, etc. The allocation over the 2017/18 MTEF is mainly for donations towards schools, crèches, old age homes, as well as the transfer to the Futurelife Foundation Trust to feed children where the MEC is a district champion in line with OSS.

Transfers and subsidies to: Households caters for staff exit costs, injury on duty, as well as bursaries for non-employees. This includes funding for the Thuthuka Bursary for SAICA students. The fluctuations can be ascribed to the difficulty in budgeting for this category due to its uncertain nature. The increase in 2014/15 pertains to the payment of the former MEC for Finance's severance package and the payment of leave gratuities that were higher than anticipated. The increase in the 2016/17 Adjusted Appropriation is ascribed to payments made towards leave gratuities that were higher than budgeted for. The allocation over the 2017/18 MTEF caters for external bursaries, as well as staff exit costs.

Spending against *Machinery and equipment* occurs on a cyclical basis, hence the fluctuating trend against this category. The increase in 2014/15 relates to the upgrade of the server refresher hardware in respect of the department's computer network system. The increase in 2015/16 is mainly due to the upgrade of the biometric servers and for the reconfiguration at Treasury House. The increase from the 2016/17 Main to Revised Estimate is due to the purchase of departmental vehicles, as well as the replacement of boardroom furniture at Nomalanga Building. The high amounts in 2018/19 and 2019/20 provide for Hardware Refresher Servers, as well as the Biometric Access Control System.

Payments for financial assets relates to the write-off of staff debts, such as the breach of bursary contracts and lost and stolen computers.

7.4 Summary of conditional grant payments and estimates – Nil

7.5 Summary of infrastructure payments and estimates

Table 6.8 summarises the infrastructure payments and estimates relating to the department. The infrastructure budget of the department is placed solely against *Infrastructure transfers: Capital*.

Table 6.8 : Summary of infrastructure payments and estimates by category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
Existing infrastructure assets	-	-	-	-	-	-	-	-	-
Maintenance and repair: Current	-	-	-	-	-	-	-	-	-
Upgrades and additions: Capital	-	-	-	-	-	-	-	-	-
Refurbishment and rehabilitation: Capital	-	-	-	-	-	-	-	-	-
New infrastructure assets: Capital	-	-	-	-	-	-	-	-	-
Infrastructure transfers	21 970	31 665	10 280	-	-	-	-	-	-
Infrastructure transfers: Current	-	-	-	-	-	-	-	-	-
Infrastructure transfers: Capital	21 970	31 665	10 280	-	-	-	-	-	-
Infrastructure: Payments for financial assets	-	-	-	-	-	-	-	-	-
Infrastructure: Leases	-	-	-	-	-	-	-	-	-
Non infrastructure	-	-	-	-	-	-	-	-	-
Total	21 970	31 665	10 280	-	-	-	-	-	-
Capital infrastructure	21 970	31 665	10 280	-	-	-	-	-	-
Capital infrastructure	-	-	-	-	-	-	-	-	-

The 2013/14 amount of R21.085 million includes the Pietermaritzburg, Prince Mangosuthu Buthelezi and Margate airports which were completed in that year, as well as the Shayamoya eco-complex and Bhongweni light industrial park.

The expenditure of R31.665 million in 2014/15 comprises R13.321 million for the Bhongweni light industrial park, R5.282 million for Msunduzi electricity-related development projects, as well as R13.062 million for the Shayamoya eco-complex.

The amount of R10.280 million in 2015/16 includes R2.062 million for the Shayamoya eco-complex and R8 million for the Bhongweni light industrial park, in respect of a roll-over from 2013/14 due to delays in both projects. Provincial Treasury has no infrastructure projects beyond 2015/16.

7.6 Summary of Public Private Partnerships - Nil

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

Table 6.9 illustrates transfers made to public entities over the seven years under review. As mentioned, Provincial Treasury exercised oversight over one public entity, namely the KZNGBB, prior to the Premier signing Minute No.2 of 2016. As mentioned, the Gaming and Betting budget was suspended from Vote 6: Provincial Treasury and allocated to Vote 1: Office of the Premier relating to the movement of both the KZNGBB and the administration unit dealing with Gaming and Betting with effect from 28 September 2016. Only the budget from 28 September onward is suspended, whereas the balance remained with Vote 6 in 2016/17, as this Vote had incurred the related expenditure in the first half of 2016/17. The full amount is moved over the 2017/18 MTEF.

It is noted that the amount reflected in the 2016/17 Revised Estimate is different to the December IYM, as there was an error which will be corrected going forward.

It is further noted that the financial summary in respect of KZNGBB is reflected in the *Annexure – Vote 1: Office of the Premier*.

Table 6.9 : Summary of departmental transfers to public entities

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
KwaZulu-Natal Gaming and Betting Board	-	-	-	34 255	21 137	21 137	-	-	-
Total	-	-	-	34 255	21 137	21 137	-	-	-

7.8 Transfers to other entities

Table 6.10 gives a summary of departmental transfers to other entities, details of which are given below.

Table 6.10 : Summary of departmental transfers to other entities

R thousand		Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
		2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
Financial Literacy Association	1.1 Office of the MEC	-	-	3 082	3 150	3 150	3 052	3 585	-	-
Donations	1.1 Office of the MEC	893	138	241	220	243	243	220	586	619
Futurelife Foundation Trust	1.1 Office of the MEC	-	-	-	-	-	-	5 000	-	-
Umgungundlovu Academy of Sport	3.4 Financial Reporting	-	1 227	-	-	-	-	-	-	-
Coastal Horse Care Unit	5.3 Special Projects	-	-	860	-	270	270	-	-	-
Donations	5.3 Special Projects	-	-	157	-	78	136	300	300	317
Total		893	1 365	4 340	3 370	3 741	3 701	9 105	886	936

From 2015/16 to 2017/18, funds are allocated by the department for transfers to the FLA, which is now an independent entity. This project was initiated by the MEC for Finance with the aim of educating the citizens of KZN about using their money wisely and also on various aspects such as encouraging savings and financial discipline. There is no budget in 2018/19 as the MOU with the FLA is for three years, starting from 2015/16 and ending in 2017/18.

As a result of a change in the MEC's approach to community outreach, from 2013/14 onward, donations are made to co-operatives, old age homes, schools and NPOs. It is noted that donations includes those made by the HOD in line with his OSS responsibilities.

A donation of R860 000 in 2015/16 was towards the Coastal Horse Care Unit to cater for the education and rehabilitation relating to horses, and a further R270 000 in 2016/17. There is no provision made over the MTEF for further donations in this regard.

In 2014/15, an amount of R1.227 million was paid to the uMgungundlovu Academy of Sport for the procurement of various sport equipment and activities, based on invoices provided by suppliers.

In 2017/18, a donation of R5 million is made to the Futurelife Foundation Trust to provide food for disadvantaged children in the uMgungundlovu District, where the MEC for Finance is a district champion in terms of OSS.

7.9 Transfers to local government

Table 6.11 provides a summary of transfers to local government.

It is noted that *Transfers to local government* includes funds in respect of motor vehicle licences. However, these funds will not be transferred to any municipality and, hence, the amounts are not reflected in Tables 6.11 and 6.12.

The details are presented in the *Annexure – Vote 6: Provincial Treasury*.

Table 6.11 : Summary of departmental transfers to local government by category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
Category A	-	-	-	-	-	-	-	-	-
Category B	19 365	31 665	10 280	-	-	-	-	-	-
Category C	2 605	-	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	21 970	31 665	10 280	-	-	-	-	-	-

Table 6.12 : Summary of departmental transfers to local government by grant name

R thousand	Sub-programme	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
		2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
	Pietermaritzburg airport	5.3.Special Infra. Projects	17 071	-	-	-	-	-	-	-
	Prince Mangosuthu Buthelezi airport	5.3.Special Infra. Projects	596	-	-	-	-	-	-	-
	Margate airport	5.3.Special Infra. Projects	2 009	-	-	-	-	-	-	-
	Shayamoya eco-complex	5.3.Special Infra. Projects	615	9 552	8 000	-	-	-	-	-
	Development of light industrial park	5.3.Special Infra. Projects	1 679	16 830	2 062	-	-	-	-	-
	Msunduzi electricity-related dev	5.3.Special Infra. Projects	-	5 283	218	-	-	-	-	-
Total			21 970	31 665	10 280	-	-	-	-	-

Category B transfers provide for the development of the Pietermaritzburg, Margate and Richards Bay airports, as well as the development of the Shayamoya eco-complex and the Bhongweni light industrial park. The 2014/15 amount comprises R5.283 million for Msunduzi electricity-related development projects.

Category C relates solely to the development of the Prince Mangosuthu Buthelezi and Margate airports.

There are no transfers to municipalities planned over the 2017/18 MTEF.

7.10 Transfers and subsidies

Table 6.13 is a summary of spending on *Transfers and subsidies* by programme and main category.

The table reflects a fluctuating trend from 2013/14 to 2019/20 for the category as a whole.

Table 6.13 : Summary of transfers and subsidies by programme and main category

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2013/14	2014/15	2015/16	Appropriation	Appropriation	Estimate	2017/18	2018/19	2019/20
1. Administration	3 525	7 114	8 007	7 872	7 945	5 590	9 467	1 206	1 266
Provinces and municipalities	13	129	23	24	24	20	24	26	27
Motor vehicle licences	13	129	23	24	24	20	24	26	27
Departmental agencies and accounts	-	1	-	-	-	-	-	-	-
SABC	-	1	-	-	-	-	-	-	-
Non-profit institutions	893	138	3 323	3 370	3 393	3 295	8 805	586	619
Financial Literacy Association	-	-	3 082	3 150	3 150	3 052	3 585	-	-
Futurelife Foundation Trust	-	-	-	-	-	-	5 000	-	-
Donations	893	138	241	220	243	243	220	586	619
Households	2 619	6 846	4 661	4 478	4 528	2 275	638	594	620
Staff exit costs	90	3 084	564	-	50	36	100	100	106
External bursaries	-	-	-	-	-	-	538	494	514
Thuthuka Bursary Fund	2 529	3 762	4 097	4 478	4 478	2 239	-	-	-
2. Fiscal Resource Management	66	-	78	-	-	-	-	-	-
Households	66	-	78	-	-	-	-	-	-
Staff exit costs	66	-	78	-	-	-	-	-	-
3. Financial Management	493	2 067	975	35 055	21 975	21 751	885	939	992
Departmental agencies and accounts	-	-	-	34 255	21 137	21 137	-	-	-
KwaZulu-Natal Gaming and Betting Board	-	-	-	34 255	21 137	21 137	-	-	-
Non-profit institutions	-	1 227	-	-	-	-	-	-	-
uMgungundlovu Academy of Sport	-	1 227	-	-	-	-	-	-	-
Households	493	840	975	800	838	614	885	939	992
Staff exit costs	493	840	975	800	838	614	885	939	992
4. Internal Audit	121	170	684	50	101	74	103	106	112
Public corporations and private enterprises	-	-	4	-	-	-	-	-	-
Third Party Claim (Excess)	-	-	4	-	-	-	-	-	-
Households	121	170	680	50	101	74	103	106	112
Staff exit costs	121	170	680	50	101	74	103	106	112
5. Growth and Development	21 970	31 665	11 297	-	348	406	300	300	317
Provinces and municipalities	21 970	31 665	10 280	-	-	-	-	-	-
Pietermaritzburg airport	17 071	-	-	-	-	-	-	-	-
Prince Mangosuthu Buthelezi airport	596	-	-	-	-	-	-	-	-
Richards Bay airport	-	-	-	-	-	-	-	-	-
Margate airport	2 009	-	-	-	-	-	-	-	-
Shayamoya eco-complex	615	9 552	8 000	-	-	-	-	-	-
Development of light industrial park	1 679	16 830	2 062	-	-	-	-	-	-
Msunduzi electricity-related development	-	5 283	218	-	-	-	-	-	-
Non-profit institutions	-	-	1 017	-	348	406	300	300	317
Donations (OSS)	-	-	157	-	78	136	300	300	317
Coastal Horse Care Unit	-	-	860	-	270	270	-	-	-
Total	26 175	41 016	21 041	42 977	30 369	27 821	10 755	2 551	2 687

The category *Transfers and subsidies* fluctuates over the seven-year period and reduces significantly over the 2017/18 MTEF due to the following:

- Amounts against *Provinces and municipalities* in Programme 1 are in respect of motor vehicle licence fees. In Programme 5, this category's amounts were in respect of transfers to various municipalities for different projects which ended in 2015/16.
- *Departmental agencies and accounts* against Programme 1 relates to the payment of TV licences to SABC. In Programme 3, the transfers are in respect of the transfers made to the KZNGBB in 2016/17. It must be noted that due to the movement of this function to Vote 1: Office of the Premier, historical and MTEF figures are no longer reflected against this department, but against OTP. This function shift also accounts for the decrease from the 2016/17 Main to Adjusted Appropriation as it occurred in-year.
- Amounts of R3.082 million, R3.052 million and R3.585 million in each year from 2015/16 to 2017/18, against *Non-profit institutions* in Programme 1, are in respect of the FLA. Also included are donations made (from 2013/14) to organisations to procure school uniforms, jojo tanks, etc., as well as MEC's outreach programmes. Programme 3 reflects a once-off amount of R1.227 million that was transferred to the uMgungundlovu Academy of Sport for various sports equipment and activities (these funds were paid on behalf of the Department of Sport and Recreation). Programme 5 provides for the transfer to the Coastal Horse Care Unit to cater for the education and rehabilitation relating to horses, and a further R270 000 in the 2016/17 Adjusted Appropriation, as well as donations made to various institutions as part of the OSS outreach programme. An amount of R5 million will be

transferred to the Futurelife Foundation Trust to feed children where the MEC is a district champion in line with OSS.

- *Public corporations and private enterprises* against Programme 4 relates to a Third party claim excess against the state for a motor accident.
- The category *Households* across all programmes caters mainly for staff exit costs. The substantial amount against *Households* under Programme 1 from 2013/14 is an allocation toward the Thuthuka Bursary Fund. It must be noted that an Executive Council decision was taken to centralise bursary funds under OTP in 2014/15 and this was subsequently decentralised to the departments where the funds came from in 2015/16. The 2014/15 amount includes a severance package of R957 000 for the former MEC for Finance. As a result of the budget cuts in 2016/17, the Thuthuka Bursary fund was reduced by R1.940 million and funding will no longer be earmarked but rather be part of the baseline in Human Resources Management under the Corporate Services sub-programme. Also provided for in this category, is the payment of pension payouts relating to erstwhile development board members who took early retirement when the development boards were amalgamated with the Provincial Administration. The allocation over the MTEF caters for external bursaries, as well as staff exit costs.

8. Programme description

The services rendered by the department are categorised under five programmes, which are discussed below. The expenditure and budgeted estimates for each programme are summarised in terms of sub-programmes and economic classification. Details are given in *Annexure – Vote 6: Provincial Treasury*.

8.1 Programme 1: Administration

The purpose of this programme is to provide strategic support services in terms of financial management, human resources, auxiliary services, information communication and technology, and legal services. This programme consists of four sub-programmes, namely Office of the MEC, Head of Department, Chief Financial Office and Corporate Services.

The main services under this programme are as follows:

- To support the Executive Authority in providing strategic and political direction to provincial departments, public entities, as well as municipalities.
- To provide the MEC with technical support on the appropriation of revenue, to ensure equitable distribution among provincial departments.
- To render financial and supply chain management functions to the department.
- To provide human resource management functions to the department.
- To render legal professional guidance in operational matters of the department.
- To deliver auxiliary services to the department, such as the telecom system, transport fleet management and control of registry.
- To provide IT services to the department of Treasury.

Tables 6.14 and 6.15 provide a summary of payments and budgeted estimates pertaining to the programme over the seven-year period from 2013/14 to 2019/20.

Table 6.14 : Summary of payments and estimates by sub-programme: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
1. Office of the MEC	23 465	24 507	25 214	28 845	26 045	25 752	30 345	26 480	28 069
2. Head of Department	6 669	8 055	6 987	9 489	8 989	8 140	9 989	10 588	11 224
3. Chief Financial Office	17 441	23 014	19 117	30 560	30 560	23 886	30 560	32 394	34 337
4. Corporate Services	49 357	57 639	60 876	65 658	83 958	80 829	80 702	84 714	89 797
Total	96 932	113 215	112 194	134 552	149 552	138 607	151 596	154 176	163 427

Table 6.15 : Summary of payments and estimates by economic classification: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16	2016/17			2017/18	2018/19	2019/20
Current payments	91 313	102 756	101 996	124 060	138 923	131 815	136 754	144 882	153 620
Compensation of employees	49 660	55 836	59 586	79 466	78 694	69 919	83 766	85 165	90 459
Goods and services	41 653	46 920	42 410	44 594	60 229	61 896	52 988	59 717	63 161
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	3 525	7 114	8 007	7 872	7 945	5 590	9 467	1 206	1 266
Provinces and municipalities	13	129	23	24	24	20	24	26	27
Departmental agencies and accounts	-	1	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	893	138	3 323	3 370	3 393	3 295	8 805	586	619
Households	2 619	6 846	4 661	4 478	4 528	2 275	638	594	620
Payments for capital assets	2 073	3 345	2 113	2 620	2 684	1 202	5 375	8 088	8 541
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	2 073	3 345	2 113	2 620	2 684	1 202	5 375	8 088	8 541
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	21	-	78	-	-	-	-	-	-
Total	96 932	113 215	112 194	134 552	149 552	138 607	151 596	154 176	163 427

The sub-programme: Office of the MEC, which includes Security and Risk Management, Communications, as well as Parliamentary Liaison, shows a steady increase throughout the seven-year period except in 2018/19 due to the fact that the transfer of funds to the FLA ends in 2017/18. The decrease from the 2016/17 Main to Adjusted Appropriation relates to the non-filling of posts emanating from lengthy recruitment processes and difficulty in finding suitably qualified candidates, as well as reduced spending on the printing and publication of documents. These funds were moved to Corporate Services to cater for property payments, operating leases and fleet services that were higher than budgeted for. Despite the MTEF cuts, the budget shows inflationary growth over the 2017/18 MTEF and provides for various operational costs of running the MEC's office, as well as donations made by the MEC in respect of OSS and the Futurelife Foundation Trust.

The sub-programme: Head of Department shows a fluctuating trend over the seven-year period. The decrease from the 2016/17 Main to Adjusted Appropriation and Revised Estimate can also be ascribed to posts that were filled later than originally anticipated, as well as cost-cutting, and these funds were moved to Legal Services for legal costs that were higher than projected. The growth over the 2017/18 MTEF is inflationary and provides for *Compensation of employees*, operational costs of running the HOD's office, replacement of machinery and equipment, as well as donations by the HOD in terms of his OSS responsibilities.

The sub-programme: Chief Financial Office, which is responsible for various functions such as budget control, internal SCM, asset management, loss control, etc., reflects a steady increase apart from a spike in 2014/15 relating to payments made towards SIU investigations. The increase from 2016/17 to 2019/20 relates to the expansion of the CFO structure to cater for the Directors: SCM and Financial Management to support the CFO. The low growth over the 2017/18 MTEF is mainly attributed to the MTEF budget cuts, with the budget providing for *Compensation of employees*, operational costs for the running of the Office of the CFO, as well as audit fees.

The sub-programme: Corporate Services reflects a steady increase from 2013/14 to 2015/16, and includes the transfer for the Thuthuka Bursary fund. The increase from the 2016/17 Main to Adjusted Appropriation is due to the function shift of IT Management from Programme 3 to this programme. The below inflationary growth over the 2017/18 MTEF is mainly ascribed to the budget cuts with the budget providing for HR, Legal Services, Strategic Management and Auxiliary Services under this sub-programme. This includes providing for costs such as operating leases for office accommodation, security services, fleet services, bursaries for employees and non-employees, legal fees, etc.

Compensation of employees shows an increasing trend over the seven-year period. The increase from 2016/17 onward relates mainly to the expansion of the CFO structure. The slight decrease from the

2016/17 Main Appropriation to the Revised Estimate is due to the non-filling of posts resulting from lengthy recruitment processes. The increase over the 2017/18 MTEF caters for the carry-through of previous wage agreements, contract employees, interns, learners, as well as in-service trainees. The decrease from 2017/18 to 2018/19 is attributed to reprioritisation to other categories where there were severe budget cuts and spending pressures. Provision is also made for the appointment of Directors: SCM and Financial Management in the Office of the CFO sub-programme. This category will be reviewed in-year, as the growth of 19.8 per cent, 1.7 per cent, and 5.3 per cent is not in line with National Treasury's guidelines.

The category *Goods and services* fluctuates throughout the seven-year period. The increase from the 2016/17 Main to Adjusted Appropriation is attributed to property payments, operating leases and fleet services that were higher than budgeted for, as well as the function shift of IT Management from Programme 3 to this programme, as mentioned. The budget over the 2017/18 MTEF is mainly due to the function shift of IT Management to this programme from the Support and Interlinked Financial Systems sub-programme under Programme 3. Comparatives were not restated as the department did not keep information at that level. The negative growth from the 2016/17 Revised Estimate to 2017/18 is due to the reprioritisation of funds to this category that occurred during the 2016/17 Adjustments Estimate.

Transfers and subsidies to: Provinces and municipalities relates to motor vehicle licence fees.

The allocation from 2013/14 to the 2017/18 MTEF against *Transfers and subsidies to: Non-profit institutions* is mainly in respect of transfers to the FLA and Futurelife Foundation Trust, as well as donations for the OSS outreach programme. The department has budgeted R3.150 million each year from 2015/16 to 2017/18 for transfers to the FLA. The minimal budget in 2018/19 and 2019/20 is for donations.

Transfers and subsidies to: Households over the MTEF caters for staff exit costs, and bursaries for non-employees.

The fluctuating trend against *Machinery and equipment* can be attributed to the cyclical nature of this category and includes the procurement of the MEC's and departmental vehicles. The 2017/18 MTEF provides for replacement of motor vehicle as per the disposal policy and computers, as well as other machinery and equipment.

The amount in 2013/14 and 2015/16 against *Payments for financial assets* was in respect of the write-off of staff debts, with not budget provided for over the MTEF.

8.2 Programme 2: Fiscal Resource Management

This programme consists of four sub-programmes, namely Programme Support, Economic Analysis, Public Finance and Municipal Finance. The main purpose of the programme is to effectively manage and monitor the provincial and local government fiscal resources. The objectives and services of this programme are as follows:

- To ensure targeted financial resource allocation and utilisation that contributes to improved service delivery.
- To ensure efficient budget and expenditure management and accurate financial reporting by provincial departments and public entities.
- To co-ordinate and enhance revenue collection for sustainable service delivery to the citizens.
- To provide a platform to enhance regional economic growth and development through quality research.
- To ensure efficient planning and management of infrastructure in the province.
- To ensure efficient budget and expenditure management and accurate financial reporting for the delegated municipalities in the province.
- To assist and provide technical support to delegated municipalities in financial distress in KZN.

Tables 6.16 and 6.17 provide a summary of payments and budgeted estimates pertaining to this programme for the period 2013/14 to 2019/20.

Table 6.16 : Summary of payments and estimates by sub-programme: Fiscal Resource Management

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16	2016/17			2017/18	2018/19	2019/20
1. Programme Support	1 825	1 150	2 721	2 970	3 165	3 168	3 270	3 369	3 570
2. Economic Analysis	37 544	26 301	21 848	24 715	24 520	22 866	21 415	21 966	23 284
3. Public Finance	10 347	11 611	13 688	14 190	14 190	13 483	14 190	15 041	15 944
4. Municipal Finance	41 488	36 405	46 037	61 181	53 181	54 606	57 181	63 990	67 830
Total	91 204	75 467	84 294	103 056	95 056	94 123	96 056	104 366	110 628

Table 6.17 : Summary of payments and estimates by economic classification: Fiscal Resource Management

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16	2016/17			2017/18	2018/19	2019/20
Current payments	90 510	74 981	83 789	102 770	94 672	93 728	95 690	104 063	110 308
Compensation of employees	37 038	45 548	53 409	59 397	59 397	58 028	61 163	65 629	69 706
Goods and services	53 472	29 433	30 380	43 373	35 275	35 700	34 527	38 434	40 602
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	66	-	78	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	66	-	78	-	-	-	-	-	-
Payments for capital assets	425	486	425	286	384	395	366	303	320
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	425	486	425	286	384	395	366	303	320
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	203	-	2	-	-	-	-	-	-
Total	91 204	75 467	84 294	103 056	95 056	94 123	96 056	104 366	110 628

The sub-programme: Programme Support reflects a fluctuating trend over the seven years due to the non-filling of vacant posts, and difficulty in finding suitably qualified candidates. The increase in the 2016/17 Revised Estimate relates to salary costs that were higher than anticipated. The growth over the MTEF is inflationary and provides for the operational costs for the office of the DDG: Fiscal Resource Management, as well as the office support team who provide administration and financial support to the programme as a whole.

The sub-programme: Economic Analysis includes funding for the Infrastructure Crack Team to assist departments and municipalities in the delivery of infrastructure projects, as well as additional funding for IDIP TAs. The budget for 2016/17 and over the 2017/18 MTEF pertains mainly to the Infrastructure Crack Team, IDIP TAs, conducting of infrastructure site visits, as well as development of PIMP. In addition to this, the Economic Analysis team compiles SEROs, PEROs, assists municipalities with IDPs, provides and facilitate a platform for economic information sharing, dialogues, debates and stakeholder participation, etc.

The sub-programme: Public Finance shows a steady increase from 2013/14 to 2015/16 and over the 2017/18 MTEF. The below inflationary growth over the 2017/18 MTEF is mainly ascribed to the previously mentioned budget cuts. The budget over the 2017/18 MTEF provides for the costs relating to the preparation of the *EPRE* and the *AEPRE*, as well as oversight over the provincial budget.

The sub-programme: Municipal Finance reflects a fluctuating trend over the seven years. The below inflationary growth over the MTEF is mainly ascribed to the budget cuts and provides for the MSP, VAT review of municipalities, as well as other support programmes offered to municipalities, including the oversight of the municipal budgets and reviewing of their expenditure, and the preparation of the Municipal Landscape document.

Compensation of employees increase from 2014/15 onward mainly due to the filling of posts such as the appointment of the MSP specialists, DDG, as well as provision for the IDIP TAs. The growth over the MTEF is low when comparing it to National Treasury's guidelines and this will be reviewed in-year.

Goods and services fluctuates over the seven-year period. The 2017/18 MTEF includes funding for IDIP TAs, as well as the MSP to assist municipalities with their financial management activities, among others.

Transfers and subsidies to: Households in 2013/14 and 2015/16 catered for staff exit costs.

The fluctuating trend against Machinery and equipment results from the fact that machinery and equipment are purchased on a cyclical basis. The budget over the 2017/18 MTEF provides mainly for the replacement of computers and laptops.

Expenditure against Payments for financial assets in 2013/14 and 2015/16 is in respect of the write-off of staff debts that were deemed irrecoverable.

Service delivery measures – Programme 2: Fiscal Resource Management

Table 6.18 below illustrates the service delivery measures pertaining to Programme 2.

Table 6.18 : Service delivery measures – Programme 2: Fiscal Resource Management

Outputs	Performance indicators	Estimated performance		Medium-term targets		
		2016/17	2017/18	2018/19	2019/20	
1.1 Economic Analysis						
1.1.1	To determine and evaluate economic parameters and socio-economic imperatives to inform provincial and local resource allocation	<ul style="list-style-type: none"> No. of economic analysis reports for the province 	Produce 4 provincial department economic reports Produce 1 PERO Produce 9 districts socio-economic reports	Produce 4 provincial department economic reports Produce 1 PERO Produce 9 districts socio-economic reports	Produce 4 provincial department economic reports Produce 1 PERO Produce 9 districts socio-economic reports	Produce 4 provincial department economic reports Produce 1 PERO Produce 9 districts socio-economic reports
		<ul style="list-style-type: none"> Timeous Economic Analysis inputs to the Overview of Provincial Revenue and Expenditure (OPRE) 	Input to OPRE submitted on time for tabling	February 2018	February 2019	February 2020
1.1.2	To provide a platform to enhancing regional economic growth and development	<ul style="list-style-type: none"> No. of quality research for regional policy analysis 	Produce 5 economic research projects	Produce 6 economic research projects	Produce 6 economic research projects	Produce 6 economic research projects
1.1.3	Provide and facilitate a platform for economic information sharing, dialogue and debate and stakeholder participation	<ul style="list-style-type: none"> No. of information sharing sessions conducted 	New	8 Information sharing sessions conducted	8 Information sharing sessions conducted	8 Information sharing sessions conducted
1.2 Infrastructure						
1.2.1	Efficient infrastructure management in KZN that contributes to effective economic and social infrastructure	<ul style="list-style-type: none"> No. of assessment reports on the User Asset Management Plans (U-AMPs) 	Compile a consolidated assessment report on U-AMPs	Compile a consolidated assessment report on U-AMPs	Compile a consolidated assessment report on U-AMPs	Compile a consolidated assessment report on U-AMPs
1.2.2	To facilitate implementation and institutionalisation of the IDMS in all KZN provincial depts and municipalities	<ul style="list-style-type: none"> No. of reports on the implementation of IDMS in KZN No. of reports on the infrastructure site visits conducted No. of progress reports on infrastructure budgets and delivery plans using IRM data Timeous Infrastructure input for EPRE 	Produce 4 reports on the implementation of IDMS in KZN Submit 4 reports on the site visits conducted Submit 4 reports on the infrastructure expenditure in KZN Input into OPRE on time for tabling	Produce 4 reports on the implementation of IDMS in KZN Submit 4 reports on the site visits conducted Submit 4 reports on the infrastructure expenditure KZN February 2018	Produce 4 reports on the implementation of IDMS in KZN Submit 4 reports on the site visits conducted Submit 4 reports on the infrastructure expenditure in KZN February 2019	Produce 4 reports on the implementation of IDMS in KZN Submit 4 reports on the site visits conducted Submit 4 reports on the infrastructure expenditure KZN February 2020
1.2.3	To assist and provide technical support to the development of the KZN Provincial Infrastructure Master Plan	<ul style="list-style-type: none"> No. of reports on support to develop the PIMP No. of reports on infrastructure funding mechanisms and opportunities to support the provincial fiscal framework 	Produce 4 reports on the support to develop prov IMP Produce 4 reports on the infrastructure mechanisms in KZN	Produce 4 reports on the support to develop prov IMP Produce 4 reports on the infrastructure mechanisms in KZN	Produce 4 reports on the support to develop prov IMP Produce 4 reports on the infrastructure mechanisms in KZN	Produce 4 reports on the support to develop prov IMP Produce 4 reports on the infrastructure mechanisms in KZN

Table 6.18 : Service delivery measures – Programme 2: Fiscal Resource Management

Outputs	Performance indicators	Estimated performance		Medium-term targets	
		2016/17	2017/18	2018/19	2019/20
2. Public Finance					
2.1 Provincial Budget Management					
2.1.1 Promote effective and optimal financial resource allocation for provincial government	<ul style="list-style-type: none"> No. of chapters in MTEC report Timeous tabling Estimates of Provincial Revenue and Expenditure (EPRE) Timeous tabling of Adjusted Estimates of Provincial Revenue and Expenditure (AEPRE) 	15 inputs completed 1 working day before MTEC as per budget process timetable	15 inputs completed 1 working day before MTEC as per budget process timetable	15 inputs completed 1 working day before MTEC as per budget process timetable	15 inputs completed 1 working day before MTEC as per budget process timetable
		EPRE on time for tabling	March 2018	March 2019	March 2020
		AEPRE on time for tabling	November 2017	November 2018	November 2019
2.1.2 Ensure efficient budget and expenditure management and accurate financial reporting for provincial govt. (including public entities)	<ul style="list-style-type: none"> No. of section 32 report (Monthly provincial IYM report) No. of quarterly performance reports for provincial departments 	12 reports p/a (submitted to NT by 22 nd monthly)	12 reports p/a (submitted to NT by 22 nd monthly)	12 reports p/a (submitted to NT by 22 nd monthly)	12 reports p/a (submitted to NT by 22 nd monthly)
		3 quarterly performance reports			
2.2 Provincial Own Revenue					
2.2.1 Promote optimal and sustainable revenue generation and collection by provincial depts and public entities	<ul style="list-style-type: none"> No. of quarterly Provincial Revenue Forums conducted and co-ordinated No. of revenue quarterly performance report Timeous Revenue input into Overview of Provincial Revenue and Expenditure (OPRE) and Estimates of Provincial Revenue and Expenditure (EPRE) 	1 forum per year			
		3 revenue quarterly performance reports			
		Revenue input into OPRE and EPRE on time for tabling	November 2017 and March 2018	November 2018 and March 2019	November 2019 and March 2020
2.3 Special Advisory Support Services					
2.3.1 Promote effective and optimal financial resource allocation for provincial govt. (including public entities)	<ul style="list-style-type: none"> Timeous input into the revision and maintenance of Division Of Revenue Act (DORA) No. of reports on Institutionalising framework for the monitoring of provincial public entities 	Input to be submitted by due date as set by NT	November 2017	November 2018	November 2019
		Report bi-annually for all listed public entities	32	32	32
3. Municipal Finance					
3.1 To ensure efficient budget and expenditure management and accurate financial reporting for local govt.	<ul style="list-style-type: none"> No. of Section 71(6) report (Monthly municipal IYM report) within the prescribed time frame¹ No. of Section 71(7) Quarterly budget performance reports 	12 Section 71(6) reports			
		4 Section 71(7) quarterly budget performance reports, 45 days after end of quarter	4 Section 71(7) quarterly budget performance reports, 45 days after end of quarter	4 Section 71(7) quarterly budget performance reports, 45 days after end of quarter	4 Section 71(7) quarterly budget performance reports, 45 days after end of quarter
3.2 To assist and provide technical support to delegated municipalities in financial distress	<ul style="list-style-type: none"> No. of municipalities supported by the MSP 	10 municipalities to be supported through MSP			

8.3 Programme 3: Financial Management

This programme consists of six sub-programmes, namely Cash Management and Liabilities, Public Private Partnerships (PPPs), Supply Chain Management (SCM), Financial Reporting, Norms and Standards, Support and Interlinked Financial Systems. It must be noted that the movement of the IT Management unit from Programme 3 to Programme 1, necessitated the name change of the Cash Management and Liabilities sub-programme from Financial Assets and Liability Management.

The purpose of this programme is to ensure effective and efficient management of physical and financial assets for provincial and local government. The main services undertaken by this programme are:

- To ensure the effective and efficient management of assets and implementation of PPP projects.

Estimates of Provincial Revenue and Expenditure

- To realise the effective and efficient acquisition of goods and services for provincial government and to secure sound SCM for local government.
- To optimise liquidity requirements and maximise returns within acceptable levels of risk for provincial government and to secure sound cash management for local government.
- To ensure that financial reporting provides a full and true reflection of the financial position of the province and municipalities as prescribed, inclusive of the accounting responsibilities related to the PMG and IGCC account.
- To develop and implement financial and associated governance norms and standards, in order to enhance performance orientated financial results and accountability in provincial departments and municipalities as prescribed.
- To implement and support transversal financial systems across the province.

Tables 6.19 and 6.20 provide a summary of payments and budgeted estimates pertaining to Programme 3. The programme as a whole reflects a steady trend over the period, as explained in detail below.

Table 6.19 : Summary of payments and estimates by sub-programme: Financial Management

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16	2016/17			2017/18	2018/19	2019/20
1. Cash Management and Liabilities	15 318	12 125	13 931	22 548	17 548	14 539	17 070	21 596	22 907
2. Public, Private Partnerships	5 238	5 673	4 916	8 288	5 288	4 682	8 288	8 288	8 785
3. Supply Chain Management	43 333	70 492	52 062	47 272	39 272	49 751	44 272	51 731	54 835
4. Financial Reporting	54 840	55 847	42 626	38 083	33 947	32 929	28 331	36 560	38 770
5. Norms and Standards	3 776	4 016	4 572	5 968	5 168	4 894	5 968	5 968	6 326
6. Support and Interlinked Financial Systems	118 482	119 882	122 056	129 914	112 414	102 272	109 891	117 182	124 198
7. Gaming and Betting	-	-	-	43 490	23 152	22 127	-	-	-
Total	240 987	268 035	240 163	295 563	236 789	231 194	213 820	241 325	255 821

Table 6.20 : Summary of payments and estimates by economic classification: Financial Management

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16	2016/17			2017/18	2018/19	2019/20
Current payments	237 358	255 388	227 890	259 821	214 105	208 868	212 442	229 929	243 786
Compensation of employees	49 298	52 304	55 409	69 393	65 217	59 288	71 759	80 068	88 669
Goods and services	188 060	203 084	172 481	187 154	148 288	148 980	138 949	143 984	148 887
Interest and rent on land	-	-	-	3 274	600	600	1 734	5 877	6 230
Transfers and subsidies to:	493	2 067	975	35 055	21 975	21 751	885	939	992
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	34 255	21 137	21 137	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	1 227	-	-	-	-	-	-	-
Households	493	840	975	800	838	614	885	939	992
Payments for capital assets	2 944	10 580	11 237	687	709	575	493	10 457	11 043
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	2 944	10 580	11 237	687	709	575	493	10 457	11 043
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	192	-	61	-	-	-	-	-	-
Total	240 987	268 035	240 163	295 563	236 789	231 194	213 820	241 325	255 821

The sub-programme: Cash Management and Liabilities shows a decrease in banking charges due to streamlining of the banking system. The 2017/18 MTEF provides for various operational costs of the unit, as well as bank charges for the IGCC account, provision for *Interest and rent on land* should the IGCC account go into overdraft, conducting an annual tax information seminar with all departments and entities, ensuring compliance of tax legislation, among others.

The sub-programme: Public, Private Partnerships (PPP) shows flat growth over the 2017/18 MTEF and this is ascribed to the budget cuts. The MTEF provides for various operational costs of the unit, as well as providing support to departments, municipalities and public entities.

The sub-programme: Supply Chain Management (SCM) shows a decrease from the 2016/17 Main to Adjusted Appropriation mainly due to lower than anticipated budget requirements with regard to MBAT as it met less frequently due to fewer than anticipated complaints. Also, costs relating to the e-Procurement tool project were lower than anticipated as a result of the audit that is being carried out on the system. The 2017/18 MTEF mainly includes provision for CMP, MBAT, as well as SCM support interventions in departments and municipalities.

The spending against the sub-programme: Financial Reporting mainly provides for projects such as Operation Clean Audit, reconciliation of all provincial and municipal government accounts, Operation Pay-on-Time, which aims to improve payment of invoices by departments and to assist with the payment of arrear accounts to municipalities and service providers, etc. The decrease from the 2016/17 Main to Adjusted Appropriation is due to savings that resulted from cost-cutting, and were moved to Programme 4 to defray spending pressures. The 2017/18 MTEF provides for various operational costs of the unit, Operation Pay-on-Time, support to departments in respect of consolidating and reviewing of their AFS, preparation of AFS for the Provincial Revenue Fund, Operation Clean Audit, as well as training of departments and municipalities.

The sub-programme: Norms and Standards shows a steady increase. The below inflationary growth over the 2017/18 MTEF is due to budget cuts, with the budget providing for various operational costs of the unit, as well as preparation of instruction notes and standard operating procedures for departments, public entities and municipalities, among others.

The sub-programme: Support and Interlinked Financial Systems includes costs relating to all transversal systems, such as BAS, PERSAL and HARDCAT for the entire province. The significant decrease from the 2016/17 Main to Adjusted Appropriation is attributed to the function shift of IT Management from this sub-programme to Programme 1. Over and above the MTEF budget cuts, this sub-programme decreases from the 2016/17 Main Appropriation to 2017/18 as a result of the function shift as explained. This sub-programme provides technical and functional support with regard to the transversal systems. The funds over the 2017/18 MTEF will be utilised toward the upgrade of the biometric servers, the Hardware Refresher Servers, as well as the Biometric Access Control System.

The sub-programme: Gaming and Betting is no longer part of this programme as this function has moved to Vote 1: Office of the Premier in line with Premier's Minute No. 2 of 2016. As a result of the in-year movement of this sub-programme to Vote 1, the department only shows the budget and expenditure in 2016/17, with the Adjusted Appropriation and Revised Estimate showing only the expenditure that had already occurred. Prior and future years were adjusted for comparatives.

The general increase against *Compensation of employees* relates to the filling of critical funded posts in line with the moratorium, including the appointment of staff such as the Provincial Accountant-General, Chief Directors: PPP and Financial Management, Deputy Director, etc. to assist on various projects, such as CMP, Education capped-leave, Health Asset Management, Operation Pay-on-Time, as well as the administrative issues in respect of MBAT, etc. The decrease from the 2016/17 Main to Adjusted Appropriation was due to the movement of the IT Management unit from this programme to Programme 1, as well as funds that were moved to Programme 4 to assist with the projected over-expenditure against this programme. The increase over the 2017/18 MTEF is ascribed to the carry-through of the previous year's wage adjustment, and to cater for the intake of SAICA students as contract employees.

Goods and services reflects a fluctuating trend. The decrease from the 2016/17 Main Appropriation is due to reprioritisation to Programme 4 to cater for pressures relating to performance audits and forensic investigations. The decrease over the 2017/18 MTEF relates mainly to the function shift of Gaming and Betting and IT Management, as previously explained. The budget over the MTEF mainly provides for CMP, MBAT, Operation Pay-on-Time, support to departments in respect of consolidating and reviewing of AFS, preparation of AFS for the Provincial Revenue Fund, Operation Clean Audit, as well as training of and support to departments and municipalities.

Transfers and subsidies to: Departmental agencies and accounts in 2016/17 comprises transfers to KZNGBB, which is no longer under the auspices of Provincial Treasury over the 2017/18 MTEF, as mentioned earlier. Prior years and MTEF amounts have been adjusted accordingly. As a result of the in-

year movement of the Gaming and Betting function to Vote 1, the department only shows the budget and expenditure in 2016/17, with the Adjusted Appropriation and Revised Estimate showing only the expenditure that had already occurred. Prior and future years were adjusted for comparatives.

Transfers and subsidies to: Households provided for the payment of pension payouts relating to erstwhile development board members who took early retirement when the development boards were amalgamated with the Provincial Administration, as well as staff exit costs. The increase over the MTEF is inflationary.

Machinery and equipment is purchased on a cyclical basis, hence the fluctuating trend against this category. The amount reflected over 2017/18 MTEF will be utilised toward the upgrade of the biometric servers, the Hardware Refresher Servers, as well as the Biometric Access Control System.

Payments for financial assets in 2013/14 and 2015/16 provides for the write-off of irrecoverable debts.

Service delivery measures – Programme 3: Financial Management

Table 6.21 show the main service delivery measures for Programme 3. It is noted that, in line with Premier’s Minute 2 of 2016, Gaming and Betting measures are reflected under Vote 1.

Table 6.21 : Service delivery measures – Programme 3: Financial Management

Outputs	Performance indicators	Estimated performance		Medium-term targets	
		2016/17	2017/18	2018/19	2019/20
1. Cash Management and Liabilities					
1.1. To assist depts. in improving cash management	<ul style="list-style-type: none"> No. of Tax Information Seminars conducted annually No. of risk analysis reports per dept. to ensure compliance to tax legislation No. of quarterly assessment reports to depts. on status of bank related suspense accounts No. of monthly bank reconciliations per department No. of quarterly reports on withdrawals from municipal bank accounts 	1 sessions 56 reports 56 assessment reports 168 reconciled bank reconciliation 4 reports on withdrawals from municipal bank accounts	1 sessions 56 reports 56 assessment reports 168 reconciled bank reconciliation 4 reports on withdrawals from municipal bank accounts	1 sessions 56 reports 56 assessment reports 168 reconciled bank reconciliation 4 reports on withdrawals from municipal bank accounts	1 sessions 56 reports 56 assessment reports 168 reconciled bank reconciliation 4 reports on withdrawals from municipal bank accounts
2. Public, Private Partnerships (PPP)					
2.1. To provide technical, financial and legal advice in support of all provincial PPP projects in line with PPP project cycle as regulated by NT guidelines	<ul style="list-style-type: none"> Seminars/workshops conducted for provincial departments, public entities, municipalities, municipal entities and the private sector No. of reports for Prov. Treasury management and NT PPP unit No. of contract management reports on closed deals 	2 12 12	2 12 12	2 12 12	2 12 12
3. Supply Chain Management					
3.1. Support and monitor adherence of state institutions to SCM prescripts	<ul style="list-style-type: none"> No. of SCM training sessions and information sessions conducted No. of SCM compliance assessments conducted No. of policies reviewed and updated No. of contract management analysis conducted 	Conduct 8 training information sessions and workshops for state institutions Conduct 60 SCM assessments in depts., municipalities, and public entities. and investigate complaints Review and update 4 policies Conduct 8 contract management reviews for state institutions	Conduct 12 training information sessions and workshops for state institutions Conduct 72 SCM assessments in depts., municipalities, and public entities. and investigate complaints Review and update 4 policies Conduct 8 contract management reviews for state institutions	Conduct 12 training information sessions and workshops for state institutions Conduct 72 SCM assessments in depts., municipalities, and public entities. and investigate complaints Review and update 4 policies Conduct 8 contract management reviews for state institutions	Conduct 12 training information sessions and workshops for state institutions Conduct 72 SCM assessments in depts., municipalities, and public entities. and investigate complaints Review and update 4 policies Conduct 8 contract management reviews for state institutions

Table 6.21 : Service delivery measures – Programme 3: Financial Management

Outputs	Performance indicators	Estimated performance		Medium-term targets	
		2016/17	2017/18	2018/19	2019/20
4. Financial Reporting					
4.1. To assist depts, municipalities and public entities in the attainment of a clean audit outcome for the province	<ul style="list-style-type: none"> Consolidated AFS for provincial depts and provincial revenue fund Consolidated AFS for public entities tabled in Legislature AFS for the Provincial Revenue Fund tabled in Legislature Provincial Audit Outcome analysis for municipalities, depts and public entities Training to provincial depts, municipalities and public entities AFS Support to provincial depts Financial Management Monitoring Support to Municipalities 	<p>Audited Consolidated AFS for FY 2015/16 by 30 November 2016</p> <p>Audited Consolidated AFS for FY 2015/16 by 30 November 2016</p> <p>Audited Revenue Fund for FY 2015/16 by 30 November 2016</p> <p>Summary of Audit Outcome Analysis on AG's audit report for provincial depts and public entities by 30 Sept 2016</p> <p>1 training workshop by 30 April 2016</p> <p>Progress reports on Fin. management support based on specific requests received from depts within 10 days of every quarter end</p> <p>Pre-audit assessment report in 10 municipalities by 31 August 2016</p> <p>Progress reports on intensive on-site financial management support to 4 municipalities within 10 days of every quarter end</p> <p>Monitor progress by municipalities to implement MSCOA by 31 July 2017 and provide progress reports within 10 days of every quarter end</p>	<p>Audited Consolidated AFS for FY 2016/17 by 30 November 2017</p> <p>Audited Consolidated AFS for FY 2016/17 by 30 November 2017</p> <p>Audited Revenue Fund for FY 2016/17 by 30 November 2017</p> <p>Summary of Audit Outcome Analysis on AG's audit report for provincial depts and public entities by 30 Sept 2017</p> <p>1 training workshop by 30 April 2017</p> <p>Progress reports on Fin. management support based on specific requests received from depts within 10 days of every quarter end</p> <p>Pre-audit assessment report in 4 municipalities by 31 August 2017</p> <p>Progress reports on intensive on-site financial management support to 4 municipalities within 10 days of every quarter end</p> <p>Monitor implementation of MSCOA by municipalities and provide progress reports within 10 days of every quarter end</p>	<p>Audited Consolidated AFS for FY 2017/18 by 30 November 2018</p> <p>Audited Consolidated AFS for FY 2017/18 by 30 November 2018</p> <p>Audited Revenue Fund for FY 2017/18 by 30 November 2018</p> <p>Summary of Audit Outcome Analysis on AG's audit report for provincial depts and public entities by 31 Sept 2018</p> <p>1 training workshop by 30 April 2018</p> <p>Progress reports on Fin. management support based on specific requests received from depts within 10 days of every quarter end</p> <p>Pre-audit assessment report in 6 municipalities by 31 August 2018</p> <p>Progress reports on intensive on-site financial management support to 6 municipalities within 10 days of every quarter end</p> <p>Monitor implementation of MSCOA by Municipalities and provide progress reports within 10 days of every quarter end</p>	<p>Audited Consolidated AFS for FY 2018/19 by 30 November 2019</p> <p>Audited Consolidated AFS for FY 2018/19 by 30 November 2019</p> <p>Audited Revenue Fund for FY 2018/19 by 30 November 2019</p> <p>Summary of Audit Outcome Analysis on AG's audit report for provincial depts and public entities by 30 Sept 2019</p> <p>1 training workshop by 30 April 2019</p> <p>Progress reports on Fin. management support based on specific requests received from depts within 10 days of every quarter end</p> <p>Pre-audit assessment report in 8 municipalities by 31 August 2019</p> <p>Progress reports on intensive on-site financial management support to 8 municipalities within 10 days of every quarter end</p> <p>Monitor implementation of MSCOA by Municipalities and provide progress reports within 10 days of every quarter end</p>
5. Norms and Standards					
5.1. To develop, facilitate implementation and monitor compliance with financial norms and standards in provincial depts, municipalities and public entities	<ul style="list-style-type: none"> No. of instruction notes/standard operating procedures/policies developed and reviewed for depts, municipalities and their respective entities No. of depts/public entities assessed and monitored 	<p>48 instruction notes and policies developed and/or reviewed based on needs analysis</p> <p>All depts assessed and monitored</p>	<p>48 instruction notes and policies developed and/or reviewed based on needs analysis</p> <p>All depts assessed and monitored</p>	<p>48 instruction notes and policies developed and/or reviewed based on needs analysis</p> <p>All depts assessed and monitored</p>	<p>48 instruction notes and policies developed and/or reviewed based on needs analysis</p> <p>All depts assessed and monitored</p>
6. Support and Interlinked Financial Systems					
6.1. To provide technical and functional support to supporting and interlinked financial systems	<ul style="list-style-type: none"> MTTR (transversal systems) 	8-16 hr MTTR	8 -24 hr MTTR	8-24 hr MTTR	8-24 hr MTTR

8.4 Programme 4: Internal Audit

This programme consists of three sub-programmes, namely Assurance Services, Risk Management and Forensics Services. The main purpose of the programme is to develop effective risk management strategies and governance, to build and maintain successful client relationships, to develop knowledge by

creating a learning culture, and to build foundations for excellence to support the provincial government in achieving its objectives. The following services are rendered by the unit:

- To conduct risk assessments on behalf of the Accounting Officers and Chief Executive Officers of provincial departments and public entities, develop comprehensive risk profiles and recommend improvements on significant risk exposures for each client.
- To review accounting and management processes and systems of internal control for efficiency and effectiveness in terms of their design and operation and provide recommendations for improvement.
- To develop, facilitate implementation and monitor integrated risk management strategies and fraud prevention strategies.
- To conduct forensic investigations and facilitate prosecution, perform misconduct enquiries and recovery in liaison with other state law enforcement agencies.
- To provide training and development programmes in areas such as risk management, strategy development and management, project management, design and improvement of systems of internal control, financial management and reporting, leadership, forensic investigations, governance, etc.
- To provide a consulting function as per requests by relevant MECs and Heads of Departments.
- To prepare special reviews on computerised systems and performance.

Tables 6.22 and 6.23 provide a summary of payments and budgeted estimates pertaining to Programme 4.

Table 6.22 : Summary of payments and estimates by sub-programme: Internal Audit

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
1. Assurance Services	59 033	73 585	78 647	65 275	75 775	76 412	65 275	69 191	73 343
2. Risk Management	48 330	56 835	55 957	30 497	27 497	24 810	19 055	19 055	19 055
3. Forensic Services	-	-	-	25 911	43 711	44 139	39 558	41 932	44 478
Total	107 363	130 420	134 604	121 683	146 983	145 361	123 888	130 178	136 876

Table 6.23 : Summary of payments and estimates by economic classification: Internal Audit

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
Current payments	106 710	129 803	133 455	120 683	145 647	144 252	123 024	129 187	135 831
Compensation of employees	49 329	54 987	59 441	71 173	71 122	69 015	70 976	77 104	79 746
Goods and services	57 381	74 816	74 014	49 510	74 525	75 237	52 048	52 083	56 085
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	121	170	684	50	101	74	103	106	112
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	4	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	121	170	680	50	101	74	103	106	112
Payments for capital assets	531	443	262	950	1 235	1 035	761	885	933
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	531	443	262	950	1 235	1 035	761	885	933
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	1	4	203	-	-	-	-	-	-
Total	107 363	130 420	134 604	121 683	146 983	145 361	123 888	130 178	136 876

The sub-programme: Assurance Services includes the allocation for the Certified Internal Auditors (CIA) learners. The increase from the 2016/17 Main to Adjusted Appropriation can be attributed to pressure arising from the previous year's commitments in relation to performance audits, as well as an increased demand from client departments, hence the decrease in 2017/18. The 2017/18 MTEF provides for various operational costs of the unit, provision for learners towards the CIA, planned and previous audits such as

IT, financial and governance audits, as well as the provision for the Cluster Audit and Risk Committee (CARC) members, as well as the audit of predetermined objectives of departments and municipalities.

The sub-programme: Risk Management previously included expenditure in respect of forensic investigations in various departments and initiatives, such as fraud risk assessments, municipal financial capability assessments, workshops and training on risk management and internal control. This has since changed, as Forensics Services is a stand-alone sub-programme. The decrease in the 2016/17 Main to the Adjusted Appropriation is mainly due to the function shift. The below inflationary growth over the 2017/18 MTEF is mainly ascribed to the budget cuts as well as the split of the budget between Forensic Services, and also provides for various operational costs including travelling and subsistence, development of governance frameworks for client departments, development of fraud prevention plans, as well as training on risk/governance awareness.

Forensic Services is a stand-alone sub-programme from 2016/17, as previously explained. The 2017/18 MTEF provides for various operational costs, as well forensic audits and investigations. It must be noted that this function is demand-driven, either through requests from clients or through referrals from Assurance Services.

The general increase against *Compensation of employees* relates to the filling of critical posts in line with the moratorium, as well as the appointment of learners studying towards the CIA qualification. The increase in the 2016/17 baseline is mainly due to contract appointments with the aim of reducing the use of consultants. Provision has not been adequately made for the carry-through costs of the above-budget 2016 wage adjustment, as well as the inflationary wage adjustment of 7.2, 6.9 and 6.6 per cent over the 2017/18 MTEF, and the 1.5 per cent pay progression. This will be reviewed in-year, as this category is currently growing by 2.8 per cent, 8.6 per cent and 3.4 per cent over the MTEF, which is not in line with National Treasury guidelines.

The expenditure against *Goods and services* over the seven-year period can be attributed to performance audits, fraud risk assessments, municipal financial capability assessments, workshops, training on risk management and internal control, training and development programmes including learnerships, forensic investigations, IT risk assessments on the BAS application system and the development of general forensic guidelines. The increase in the 2016/17 Adjusted Appropriation was due to the movement of funds from Programme 3 to this programme to cater for previous year performance audits, as well as the demand for forensic investigations. The below inflationary growth over the 2017/18 MTEF is mainly attributed to the budget cuts.

Transfers and subsidies to: Households caters for the payment of staff exit costs.

Machinery and equipment is for the purchase of equipment and the replacement and upgrading of equipment. The increase in the 2016/17 Main to Adjusted Appropriation was mainly due to new staff appointments. The fluctuating trend is due to its cyclical nature.

The spending against *Payments for financial assets* pertains to the write-off of irrecoverable staff debts as.

Service delivery measures – Programme 4: Internal Audit

Table 6.24 illustrates the main service delivery measures for Programme 4.

Table 6.24 : Service delivery measures – Programme 4: Internal Audit

Outputs	Performance indicators	Estimated performance			
		2016/17	2017/18	2018/19	2019/20
1. Assurance Services					
1.1. To provide an efficient, effective and economical assurance service	<ul style="list-style-type: none"> No. of IA annual operational plans and a rolling three-year strategic plan developed and approved No. of annual MEC Audit and Risk Committee report on clients' areas of risk management, governance and internal control No. of risk-based audit reports including follow up audit reports and reports on financial, IT, performance and governance audits. No. of audit reports on predetermined objectives 	22	23	23	23
		1	1	1	1
		176	145	145	145
		22	23	23	23

Table 6.24 : Service delivery measures – Programme 4: Internal Audit

Outputs	Performance indicators	Estimated performance		Medium-term targets		
		2016/17	2017/18	2018/19	2019/20	
1.2.	To build and maintain client relationships	• No. of meetings held between clients and the CARC	60	56	56	56
1.3.	To enhance capacity within and outside the unit	• No. of training and development programmes attended	12	8	8	8
		• No. of internal and/ independent external quality assurance reviews conducted	1	1	1	1
2. Risk Management						
2.1.	Promote good governance through effective risk management	• No. of risk registers updated, biannually, for provincial departments, municipalities and public entities	100	60	60	60
		• No. of reviews on risk management maturity of departments, public entities and municipalities, and assist with development of risk policies and procedures.	50	30	30	30
		• No. of reviews and/or assist with development of occupational health and safety programmes for departments, public entities and municipalities	40	30	30	30
		• No. of reviews and/or assist with development of DPSA compliant IT governance framework, including BCP for departments, public entities and municipalities	40	30	30	30
		• No. of complex internal audit services/reviews provided to municipalities and municipal entities	15	10	10	10
		• No. of reviews on internal audit and audit committee practices of municipalities, and assist with closing of gaps	40	30	30	30
		• No. of risk and governance-related conferences/forums held for provincial departments, municipalities, and public entities	5	4	4	5
		• No. of best risk management/governance guidelines/transversal risk policies produced by the unit	1	1	1	1
		• No. reviews and/or assist with development of fraud prevention plans for provincial departments, municipalities, and public entities	70	40	30	30
		• No. of risk/governance –related training/awareness provided to risk officials of departments, municipalities, and public entities	40	40	40	40
3. Forensic Services						
3.1	To promote a culture of zero tolerance for fraud and corruption	• No. of forensic audits performed and investigations as per client's requests and referrals from the Assurance team	40	30	28	28
		• No. of updated register of forensic investigations – MEC report	4	4	4	4
		• No. of follow ups on completed investigations per institution	120	80	80	80
		• No. of Fraud Case Management System developed and rolled-out	1	1	1	1
		• No. of updated forensic investigations on Fraud Case Management System per provincial dept.	15	15	13	12

8.5 Programme 5: Growth and Development

Programme 5 consists of three sub-programmes, namely Budget Communication, Special Infrastructure Projects and Special Projects. It includes MEC outreach programmes (previously called the budget road shows), the feasibility studies for the PPP Government Precinct, as well as infrastructure projects such as the development of the Pietermaritzburg, Prince Mangosuthu Buthelezi, Richards Bay and Margate airports.

Tables 6.25 and 6.26 illustrate the payments and budgeted estimates pertaining to Programme 5.

Table 6.25 : Summary of payments and estimates by sub-programme: Growth and Development

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20
1. Budget Communication	7 456	5 180	1 277	3 526	3 256	3 236	3 026	3 526	3 526
2. Special Infrastructure Projects	21 970	31 665	10 280	-	-	-	-	-	-
3. Special Projects	12 514	6 967	21 838	16 900	19 670	19 323	19 458	3 329	6 994
Total	41 940	43 812	33 395	20 426	22 926	22 559	22 484	6 855	10 520

Table 6.26 : Summary of payments and estimates by economic classification: Growth and Development

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
Current payments	19 970	12 147	22 098	20 426	22 578	22 153	22 184	6 555	10 203
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	19 970	12 147	22 098	20 426	22 578	22 153	22 184	6 555	10 203
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	21 970	31 665	11 297	-	348	406	300	300	317
Provinces and municipalities	21 970	31 665	10 280	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	1 017	-	348	406	300	300	317
Households	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	41 940	43 812	33 395	20 426	22 926	22 559	22 484	6 855	10 520

The spending against the sub-programme: Budget Communication relates to OSS and the community outreach programmes hosted by the MEC across the province. The 2017/18 MTEF allocation is below the inflationary rate and provides for community outreach by the MEC, as well as donations to schools, crèches, old-age homes, NPOs, NGOs, etc. in line with the OSS principles.

The expenditure against the sub-programme: Special Infrastructure Projects related to the upgrading of the Pietermaritzburg, Richards Bay, and Prince Mangosuthu Buthelezi airports. Also in 2013/14, funds were allocated toward infrastructure projects in Kokstad, namely the Shayamoya eco-complex and the Bhongweni light industrial park. There is no budget allocated in 2016/17 and over the 2017/18 MTEF as these projects have all been completed.

The increase against the sub-programme: Special Projects from the 2016/17 Main to Adjusted Appropriation was due to provision for the feasibility study towards the Legislature Complex. The allocation against this sub-programme over the 2017/18 MTEF is to cater for IALCH floor repairs, as well as the tendering process/procurement for the PPP Government Precinct and the Legislature Complex. The reduction from 2017/18 to 2018/19 is due to the completion of the IALCH exit strategy.

The amounts reflected against *Goods and services* include expenditure in respect of community outreach programmes, and special projects, as detailed above. Also provided for in 2016/17 and over the MTEF are the funds for the IALCH floor repairs, as well as the feasibility studies for the PPP Government Precinct (R3.500 million) and the Legislature Complex (R2.500 million). The reduction from 2017/18 to 2018/19 is due to the completion of the IALCH exit strategy.

Transfers and subsidies to: Provinces and municipalities relates to the development of regional airports, the Shayamoya eco-complex, the Bhongweni light industrial park, and Msunduzi electricity-related development projects. There is no allocation to this category over the 2017/18 MTEF, as these projects have been completed.

The expenditure reflected against *Transfers and subsidies to: Non-profit institutions* in 2015/16 includes a donation to the Coastal Horse Care Unit and donations by the MEC in line with OSS principles. The 2017/18 MTEF budget provides for donations by the MEC in line with OSS principles.

Service delivery measures – Programme 5: Growth and Development

Table 6.27 reflects the main service delivery measure pertaining to Programme 5.

Table 6.27 : Service delivery measures – Programme 5: Growth and Development

Outputs	Performance indicators	Estimated performance		Medium-term targets	
		2016/17	2017/18	2018/19	2019/20
5.1. To provide for specific departmental approved events and initiatives not catered for in any other programme that will provide development in the province	<ul style="list-style-type: none"> No. of community visits co-ordinated successfully 	5	5	5	5

9. Other programme information

9.1 Personnel numbers and costs

Table 6.28 reflects personnel information per programme for Provincial Treasury, for the period March 2014 to March 2020.

The employees reflected as contract workers are interns employed by the department and are provided for under Programme 1. Provision has not been adequately made for the carry-through costs of the above-budget 2016 wage agreement and an inflationary wage adjustment of 7.2, 6.9 and 6.6 per cent over the 2017/18 MTEF, as well as the 1.5 per cent pay progression. This will be reviewed in-year, as this personnel is currently growing by 12.7 per cent, 7 per cent and 6.4 per cent over the MTEF, which is not sufficient.

Table 6.28 : Summary of departmental personnel numbers and costs by component

	Audited Outcome						Revised Estimate				Medium-term Estimates						Average annual growth over MTEF 2016/17 - 2019/20		
	2013/14		2014/15		2015/16		2016/17				2017/18		2018/19		2019/20		Pers growth rate	Costs growth rate	% Costs of Total
	Pers nos	Costs	Pers nos	Costs	Pers nos	Costs	Filled posts	Addit. posts	Pers nos	Costs	Pers nos	Costs	Pers nos	Costs	Pers nos	Costs			
R thousands																			
Salary level																			
1 – 6	205	15 270	188	17 195	160	18 774	27	133	160	23 029	160	24 598	160	25 705	160	27 144	0.0%	5.6%	8.5%
7 – 10	170	42 291	144	47 620	192	51 994	192	7	199	63 773	199	68 318	199	73 586	199	81 826	0.0%	8.7%	24.6%
11 – 12	129	73 500	123	82 760	131	90 363	128	9	137	91 795	137	105 026	137	113 090	137	118 674	0.0%	8.9%	36.2%
13 – 16	64	53 420	64	60 135	76	65 696	64	10	74	76 584	74	88 600	74	94 407	74	99 697	0.0%	9.2%	30.3%
Other	1	844	1	965	1	1 018	1	-	1	1 069	1	1 122	1	1 178	1	1 237	0.0%	5.0%	0.4%
Total	569	185 325	520	208 675	560	227 845	412	159	571	256 250	571	287 664	571	307 966	571	328 580	0.0%	8.6%	100.0%
Programme																			
1. Administration	189	49 660	169	55 836	159	59 586	124	55	179	69 919	179	83 766	179	85 165	179	90 458	0.0%	9.0%	27.5%
2. Fiscal Resource Management	83	37 038	77	45 548	87	53 409	76	11	87	58 028	87	61 163	87	65 629	87	69 706	0.0%	6.3%	21.7%
3. Financial Management	141	49 298	137	52 304	179	55 409	107	35	142	59 288	142	71 759	142	80 068	142	88 669	0.0%	14.4%	25.5%
4. Internal Audit	156	49 329	137	54 987	135	59 441	105	58	163	69 015	163	70 976	163	77 104	163	79 746	0.0%	4.9%	25.3%
5. Growth and Development	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%	0.0%	0.0%
Total	569	185 325	520	208 675	560	227 845	412	159	571	256 250	571	287 664	571	307 966	571	328 580	0.0%	8.6%	100.0%
Employee dispensation classification																			
PSA appointees not covered by OSDs	568	184 481	519	207 710	559	226 827	411	159	570	255 181	570	286 542	570	306 788	570	327 343	0.0%	8.7%	99.6%
Legal professionals	1	844	1	965	1	1 018	1	-	1	1 069	1	1 122	1	1 178	1	1 237	0.0%	5.0%	0.4%
Total	569	185 325	520	208 675	560	227 845	412	159	571	256 250	571	287 664	571	307 966	571	328 580	0.0%	8.6%	100.0%

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

The total personnel for the department is 571 employees in 2016/17 and over the 2017/18 MTEF, respectively. The decrease in personnel numbers from 2013/14 to 2014/15 relates to the reduction of consultants and general contract employees. As of 2014/15, the department made provision for salaries for contract personnel that will be working on certain departmental projects, such as TAs working on IDIP, CMP, etc.

9.2 Training

Table 6.29 shows the department's actual spending and estimates on training per programme. There is a rising trend in the training expenditure over the seven-year period. The spending can be attributed to the learnership programme aimed at skills development and also the creation of an available resource pool resulting in the creation of employment opportunities and contributing to the growth of the economy and sustainable development. The department largely complies with the Skills Development Act – i.e. it budgets for at least 1 per cent of its salary expense going toward staff training.

Table 6.29 also illustrates the number of staff affected by the various training programmes and initiatives. It also includes a gender breakdown, an indication of the types of training, as well as details of the number of bursaries and learnerships

Table 6.29 : Information on training: Provincial Treasury

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16	2016/17			2017/18	2018/19	2019/20
Number of staff	569	520	560	571	571	571	571	571	571
Number of personnel trained of which	390	339	373	373	373	373	385	385	385
Male	187	157	150	150	150	150	160	160	160
Female	203	182	223	223	223	223	225	225	225
Number of training opportunities of which	517	836	600	615	615	615	621	621	621
Tertiary	-	3	3	5	5	5	6	6	6
Workshops	246	260	197	160	160	160	165	165	165
Seminars	90	149	100	100	100	100	100	100	100
Other	181	424	300	350	350	350	350	350	350
Number of bursaries offered	11	14	11	11	11	11	12	12	12
Number of interns appointed	50	59	14	14	14	14	14	14	14
Number of learnerships appointed	25	-	30	-	-	-	-	-	-
Number of days spent on training	102	156	115	120	120	120	120	120	120
Payments on training by programme									
1. Administration	896	558	601	653	653	653	650	650	650
2. Fiscal Resource Management	196	221	276	315	315	315	320	320	320
3. Financial Management	425	575	493	513	513	513	515	515	515
4. Internal Audit	505	1 237	695	1 090	1 148	566	1 033	1 141	1 258
5. Growth and Development	-	-	-	-	-	-	-	-	-
Total	2 022	2 591	2 065	2 571	2 629	2 047	2 518	2 626	2 743

ANNEXURE – VOTE 6: PROVINCIAL TREASURY

Table 6.A : Details of departmental receipts: Provincial Treasury

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
Tax receipts	-	-	-	557 338	286 579	286 580	-	-	-
Casino taxes	-	-	-	478 167	246 512	246 512	-	-	-
Horse racing taxes	-	-	-	79 171	40 067	40 068	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	169	322	345	204	204	320	226	227	228
Sale of goods and services produced by department (excluding capital assets)	167	319	340	204	204	320	224	224	226
Sale by market establishments	54	90	102	82	82	107	107	108	105
Administrative fees	51	29	90	54	54	38	19	21	23
Other sales	62	200	148	68	68	175	98	95	98
<i>Of which</i>									
Insurance and garnishes	58	197	63	58	58	68	55	58	60
Sale of tender documents	-	3	80	9	9	105	10	20	30
Sale of scrap, waste, arms and other used current goods (excluding capital assets)	2	3	5	-	-	-	2	3	2
Transfers received from:	-	-	-	-	-	-	-	-	-
Other governmental units	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments	-	-	-	-	-	-	-	-	-
International organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households and non-profit institutions	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	1	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	249 807	309 569	391 253	301 754	301 754	270 725	216 842	235 219	236 141
Interest	249 807	309 569	391 253	301 754	301 754	270 725	216 842	235 219	236 141
Dividends	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Sale of capital assets	409	39	790	181	181	181	192	203	204
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Other capital assets	409	39	790	181	181	181	192	203	204
Transactions in financial assets and liabilities	352	2 513	4 027	382	382	3 507	385	407	410
Total	250 738	312 443	396 415	859 859	589 100	561 313	217 645	236 056	236 983

Table 6.B : Payments and estimates by economic classification: Provincial Treasury

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16	2016/17			2017/18	2018/19	2019/20
Current payments	545 861	575 075	569 228	627 760	615 925	600 816	590 094	614 616	653 748
Compensation of employees	185 325	208 675	227 845	279 429	274 430	256 250	287 664	307 966	328 580
Salaries and wages	166 097	188 401	205 107	248 161	242 699	230 202	256 005	274 727	293 318
Social contributions	19 228	20 274	22 738	31 268	31 731	26 048	31 659	33 239	35 262
Goods and services	360 536	366 400	341 383	345 057	340 895	343 966	300 696	300 773	318 938
Administrative fees	11 898	7 558	9 325	11 116	9 978	9 721	10 135	8 707	9 207
Advertising	3 995	3 788	1 764	2 415	2 901	3 030	2 366	2 449	2 389
Minor assets	615	548	9 430	869	7 683	7 348	865	646	781
Audit cost: External	3 318	4 406	3 813	6 991	6 991	4 944	6 030	7 045	7 440
Bursaries: Employees	194	260	320	250	328	479	500	530	560
Catering: Departmental activities	2 960	1 819	455	1 292	1 456	1 463	1 004	1 293	1 434
Communication (G&S)	2 155	2 177	3 056	3 362	3 404	2 535	3 119	3 253	3 435
Computer services	112 842	115 480	110 604	129 935	115 568	114 290	109 923	104 332	106 650
Cons and prof serv: Business and advisory services	163 278	168 918	132 588	125 173	129 663	143 684	113 406	113 255	124 442
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	1 218	3 135	2 305	1 169	1 857	1 660	1 113	2 170	2 292
Contractors	12 355	3 631	20 421	10 284	10 128	9 968	1 001	997	1 073
Agency and support / outsourced services	576	356	182	360	190	106	187	187	198
Entertainment	-	-	-	23	23	2	18	14	14
Fleet services (incl. govt motor transport)	1 194	1 375	1 416	1 161	1 439	1 702	1 926	1 490	1 573
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	562	593	427	684	580	421	645	660	698
Consumable: Stationery, printing and office supplies	1 789	2 478	2 255	2 544	2 368	1 681	2 702	2 748	2 902
Operating leases	13 497	15 417	17 366	15 980	15 664	14 033	17 810	18 281	19 305
Property payments	7 073	12 526	7 815	6 496	8 323	7 232	6 502	9 525	10 058
Transport provided: Departmental activity	931	651	26	1 102	532	292	322	542	572
Travel and subsistence	12 512	15 182	13 405	16 722	15 034	14 954	15 403	16 821	17 763
Training and development	2 022	2 591	2 065	2 571	2 629	2 047	2 518	2 626	2 772
Operating payments	2 601	1 704	2 101	2 772	2 622	1 817	2 354	2 364	2 496
Venues and facilities	2 951	1 807	244	1 786	1 534	557	847	838	884
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	3 274	600	600	1 734	5 877	6 230
Interest	-	-	-	3 274	600	600	1 734	5 877	6 230
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	26 175	41 016	21 041	42 977	30 369	27 821	10 755	2 551	2 687
Provinces and municipalities	21 983	31 794	10 303	24	24	20	24	26	27
Provinces	13	129	23	24	24	20	24	26	27
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	13	129	23	24	24	20	24	26	27
Municipalities	21 970	31 665	10 280	-	-	-	-	-	-
Municipalities	21 970	31 665	10 280	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	1	-	34 255	21 137	21 137	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving funds	-	1	-	34 255	21 137	21 137	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	4	-	-	-	-	-	-
Public corporations	-	-	4	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	4	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	893	1 365	4 340	3 370	3 741	3 701	9 105	886	936
Households	3 299	7 856	6 394	5 328	5 467	2 963	1 626	1 639	1 724
Social benefits	767	4 094	2 297	850	989	724	1 088	1 145	1 210
Other transfers to households	2 532	3 762	4 097	4 478	4 478	2 239	538	494	514
Payments for capital assets	5 973	14 854	14 037	4 543	5 012	3 207	6 995	19 733	20 837
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	5 973	14 854	14 037	4 543	5 012	3 207	6 995	19 733	20 837
Transport equipment	1 695	2 397	1 393	1 675	1 675	300	4 375	7 223	7 627
Other machinery and equipment	4 278	12 457	12 644	2 868	3 337	2 907	2 620	12 510	13 210
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	417	4	344	-	-	-	-	-	-
Total	578 426	630 949	604 650	675 280	651 306	631 844	607 844	636 900	677 272

Table 6.C : Payments and estimates by economic classification: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16	2016/17			2017/18	2018/19	2019/20
Current payments	91 313	102 756	101 996	124 060	138 923	131 815	136 754	144 882	153 620
Compensation of employees	49 660	55 836	59 586	79 466	78 694	69 919	83 766	85 165	90 459
Salaries and wages	44 179	50 094	52 713	69 884	68 640	62 025	73 590	75 676	80 438
Social contributions	5 481	5 742	6 873	9 582	10 054	7 894	10 176	9 489	10 021
Goods and services	41 653	46 920	42 410	44 594	60 229	61 896	52 988	59 717	63 161
Administrative fees	1 802	904	215	425	425	471	392	394	427
Advertising	3 025	2 125	713	1 314	1 402	996	1 164	1 237	1 307
Minor assets	110	159	79	373	220	86	234	175	185
Audit cost: External	3 318	4 406	3 813	6 991	6 991	4 944	6 030	7 045	7 440
Bursaries: Employees	194	282	320	250	328	479	500	530	560
Catering: Departmental activities	908	479	155	639	303	171	396	399	491
Communication (G&S)	1 096	1 033	1 759	1 646	1 691	1 375	1 583	1 642	1 734
Computer services	-	31	54	158	15 175	20 900	7 260	8 526	9 003
Cons and prof serv: Business and advisory serv	130	2 870	63	218	204	146	188	178	188
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	1 198	2 094	2 305	977	1 717	2 685	949	1 969	2 080
Contractors	1 505	804	1 241	858	707	689	703	709	769
Agency and support / outsourced services	-	54	166	103	23	6	10	10	11
Entertainment	-	-	-	18	18	2	18	14	14
Fleet services (incl. govt motor transport)	1 194	1 375	1 416	1 161	1 439	1 702	1 926	1 490	1 573
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medcas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	465	497	332	396	305	265	357	373	394
Consumable: Stationery, printing and office supplies	668	1 100	687	1 455	1 334	808	1 460	1 463	1 544
Operating leases	13 295	15 382	17 322	15 360	15 175	13 963	17 758	18 212	19 232
Property payments	6 993	8 520	7 815	6 453	8 259	7 211	6 502	9 525	10 058
Transport provided: Departmental activity	17	31	26	102	32	45	22	22	23
Travel and subsistence	3 558	3 342	2 928	3 677	2 981	3 775	3 882	4 182	4 416
Training and development	896	558	606	653	644	691	805	813	858
Operating payments	1 017	531	368	850	639	470	554	514	543
Venues and facilities	264	343	27	517	217	16	295	295	311
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	3 525	7 114	8 007	7 872	7 945	5 590	9 467	1 206	1 266
Provinces and municipalities	13	129	23	24	24	20	24	26	27
Provinces	13	129	23	24	24	20	24	26	27
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	13	129	23	24	24	20	24	26	27
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	1	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving funds	-	1	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	893	138	3 323	3 370	3 393	3 295	8 805	586	619
Households	2 619	6 846	4 661	4 478	4 528	2 275	638	594	620
Social benefits	90	3 084	564	-	50	36	100	100	106
Other transfers to households	2 529	3 762	4 097	4 478	4 478	2 239	538	494	514
Payments for capital assets	2 073	3 345	2 113	2 620	2 684	1 202	5 375	8 088	8 541
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	2 073	3 345	2 113	2 620	2 684	1 202	5 375	8 088	8 541
Transport equipment	1 695	2 397	1 393	1 675	1 675	300	4 375	7 223	7 627
Other machinery and equipment	378	948	720	945	1 009	902	1 000	865	914
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	21	-	78	-	-	-	-	-	-
Total	96 932	113 215	112 194	134 552	149 552	138 607	151 596	154 176	163 427

Table 6.D : Payments and estimates by economic classification: Fiscal Resource Management

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16	2016/17			2017/18	2018/19	2019/20
Current payments	90 510	74 981	83 789	102 770	94 672	93 728	95 690	104 063	110 308
Compensation of employees	37 038	45 548	53 409	59 397	59 397	58 028	61 163	65 629	69 706
Salaries and wages	33 347	41 521	48 632	53 908	53 872	52 728	55 561	59 591	63 180
Social contributions	3 691	4 027	4 777	5 489	5 525	5 300	5 602	6 038	6 526
Goods and services	53 472	29 433	30 380	43 373	35 275	35 700	34 527	38 434	40 602
Administrative fees	60	49	85	124	107	103	80	85	90
Advertising	365	95	194	-	109	97	180	190	201
Minor assets	144	216	65	83	104	126	71	78	83
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	75	51	83	180	208	158	190	155	163
Communication (G&S)	252	294	319	315	316	279	284	300	316
Computer services	13	-	-	120	120	105	165	175	185
Cons and prof serv: Business and advisory serv	49 142	25 024	24 986	37 320	29 063	31 465	29 450	33 287	35 169
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	84	-	-	-	-	-	-	-
Contractors	44	28	52	14	30	24	10	19	19
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	9	9	15	46	46	27	13	14	14
Consumable: Stationery, printing and office supplies	273	428	465	300	325	317	419	441	466
Operating leases	52	-	-	201	201	25	-	-	-
Property payments	15	6	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	1 400	1 824	2 334	2 407	2 363	2 064	2 166	2 202	2 325
Training and development	196	221	248	315	335	252	330	288	304
Operating payments	973	708	1 378	1 210	1 210	658	1 019	1 050	1 109
Venues and facilities	459	396	156	738	738	-	150	150	158
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	66	-	78	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving funds	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	66	-	78	-	-	-	-	-	-
Social benefits	63	-	78	-	-	-	-	-	-
Other transfers to households	3	-	-	-	-	-	-	-	-
Payments for capital assets	425	486	425	286	384	395	366	303	320
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	425	486	425	286	384	395	366	303	320
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	425	486	425	286	384	395	366	303	320
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	203	-	2	-	-	-	-	-	-
Total	91 204	75 467	84 294	103 056	95 056	94 123	96 056	104 366	110 628

Table 6.E : Payments and estimates by economic classification: Financial Management

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2013/14	2014/15	2015/16	Appropriation	Appropriation	Estimate	2017/18	2018/19	2019/20
				2016/17					
Current payments	237 358	255 388	227 890	259 821	214 105	208 868	212 442	229 929	243 786
Compensation of employees	49 298	52 304	55 409	69 393	65 217	59 288	71 759	80 068	88 669
Salaries and wages	44 284	47 159	50 051	60 322	56 605	53 116	62 831	69 375	77 377
Social contributions	5 014	5 145	5 358	9 071	8 612	6 172	8 928	10 693	11 292
Goods and services	188 060	203 084	172 481	187 154	148 288	148 980	138 949	143 984	148 887
Administrative fees	9 906	6 381	8 864	10 227	9 106	8 904	9 345	7 997	8 445
Advertising	-	102	60	104	433	889	25	25	26
Minor assets	294	110	9 272	193	7 139	7 040	396	353	372
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	135	96	101	65	104	128	59	59	62
Communication (G&S)	420	451	589	701	728	541	731	784	828
Computer services	111 876	115 199	110 057	129 337	99 681	92 693	102 128	95 271	97 075
Cons and prof serv: Business and advisory serv	60 189	73 242	37 257	39 214	24 502	34 026	19 858	32 076	34 242
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	20	957	-	192	140	(1 025)	164	201	212
Contractors	24	20	48	132	111	57	8	9	10
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	5	5	-	-	-	-
Fleet services (incl. govt. motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Meddas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	56	50	73	190	177	110	131	138	146
Consumable: Stationery, printing and office supplies	456	497	503	586	425	314	517	531	562
Operating leases	82	35	44	319	239	32	52	69	73
Property payments	65	-	-	43	64	21	-	-	-
Transport provided: Departmental activity	-	4	-	-	-	-	-	-	-
Travel and subsistence	3 821	5 229	5 115	5 124	4 552	4 514	4 830	5 744	6 066
Training and development	425	571	395	513	560	487	483	503	531
Operating payments	277	57	103	138	203	180	190	192	203
Venues and facilities	14	83	-	71	119	69	32	32	34
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	3 274	600	600	1 734	5 877	6 230
Interest	-	-	-	3 274	600	600	1 734	5 877	6 230
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	493	2 067	975	35 055	21 975	21 751	885	939	992
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	34 255	21 137	21 137	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entitles receiving funds	-	-	-	34 255	21 137	21 137	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	1 227	-	-	-	-	-	-	-
Households	493	840	975	800	838	614	885	939	992
Social benefits	493	840	975	800	838	614	885	939	992
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	2 944	10 580	11 237	687	709	575	493	10 457	11 043
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	2 944	10 580	11 237	687	709	575	493	10 457	11 043
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	2 944	10 580	11 237	687	709	575	493	10 457	11 043
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	192	-	61	-	-	-	-	-	-
Total	240 987	268 035	240 163	295 563	236 789	231 194	213 820	241 325	255 821

Table 6.F : Payments and estimates by economic classification: Internal Audit

R thousand	Audit Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2013/14	2014/15	2015/16	Appropriation	Appropriation	Estimate	2017/18	2018/19	2019/20
Current payments	106 710	129 803	133 455	120 683	145 647	144 252	123 024	129 187	135 831
Compensation of employees	49 329	54 987	59 441	71 173	71 122	69 015	70 976	77 104	79 746
Salaries and wages	44 287	49 627	53 711	64 047	63 582	62 333	64 023	70 085	72 323
Social contributions	5 042	5 360	5 730	7 126	7 540	6 682	6 953	7 019	7 423
Goods and services	57 381	74 816	74 014	49 510	74 525	75 237	52 048	52 083	56 085
Administrative fees	130	224	161	340	340	243	318	231	245
Advertising	104	144	9	-	-	-	-	-	-
Minor assets	67	63	14	220	220	96	164	40	141
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	(22)	-	-	-	-	-	-	-
Catering: Departmental activities	26	34	67	38	69	60	29	30	32
Communication (G&S)	387	399	389	700	669	340	521	527	557
Computer services	953	250	493	320	592	592	370	360	387
Cons and prof serv: Business and advisory serv	50 680	66 791	68 318	40 479	65 494	67 897	44 410	44 343	47 805
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Contractors	4	7	-	-	-	8	-	-	-
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	25	37	7	52	52	19	44	35	38
Consumable: Stationery, printing and office supplies	392	453	600	203	284	242	306	313	330
Operating leases	68	-	-	100	49	13	-	-	-
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	3 733	4 787	3 028	5 514	5 138	4 601	4 525	4 693	4 956
Training and development	505	1 241	816	1 090	1 090	617	900	1 022	1 079
Operating payments	303	408	111	454	528	509	461	428	451
Venues and facilities	4	-	1	-	-	-	-	61	64
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	121	170	684	50	101	74	103	106	112
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving funds	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	4	-	-	-	-	-	-
Public corporations	-	-	4	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	4	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	121	170	680	50	101	74	103	106	112
Social benefits	121	170	680	50	101	74	103	106	112
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	531	443	262	950	1 235	1 035	761	885	933
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	531	443	262	950	1 235	1 035	761	885	933
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	531	443	262	950	1 235	1 035	761	885	933
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	1	4	203	-	-	-	-	-	-
Total	107 363	130 420	134 604	121 683	146 983	145 361	123 888	130 178	136 876

Table 6.G : Payments and estimates by economic classification: Growth and Development

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2013/14	2014/15	2015/16	Appropriation	Appropriation	Estimate	2017/18	2018/19	2019/20
Current payments	19 970	12 147	22 098	20 426	22 578	22 153	22 184	6 555	10 203
Compensation of employees	-	-	-	-	-	-	-	-	-
Salaries and wages	-	-	-	-	-	-	-	-	-
Social contributions	-	-	-	-	-	-	-	-	-
Goods and services	19 970	12 147	22 098	20 426	22 578	22 153	22 184	6 555	10 203
Administrative fees	-	-	-	-	-	-	-	-	-
Advertising	501	1 322	788	997	957	1 048	997	997	855
Minor assets	-	-	-	-	-	-	-	-	-
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	1 816	1 159	49	370	772	946	330	650	686
Communication (G&S)	-	-	-	-	-	-	-	-	-
Computer services	-	-	-	-	-	-	-	-	-
Cons and prof serv: Business and advisory serv	3 137	991	1 964	7 942	10 400	10 150	19 500	3 371	7 038
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Contractors	10 778	2 772	19 080	9 280	9 280	9 190	280	260	275
Agency and support / outsourced services	576	302	16	257	167	100	177	177	187
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	7	-	-	-	-	-	100	100	106
Consumable: Stationery, printing and office supplies	-	-	-	-	-	-	-	-	-
Operating leases	-	-	-	-	-	-	-	-	-
Property payments	-	4 000	-	-	-	-	-	-	-
Transport provided: Departmental activity	914	616	-	1 000	500	247	300	520	549
Travel and subsistence	-	-	-	-	-	-	-	-	-
Training and development	-	-	-	-	-	-	-	-	-
Operating payments	31	-	141	120	42	-	130	180	190
Venues and facilities	2 210	985	60	460	460	472	370	300	317
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	21 970	31 665	11 297	-	348	406	300	300	317
Provinces and municipalities	21 970	31 665	10 280	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	21 970	31 665	10 280	-	-	-	-	-	-
Municipalities	21 970	31 665	10 280	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving funds	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	1 017	-	348	406	300	300	317
Households	-	-	-	-	-	-	-	-	-
Social benefits	-	-	-	-	-	-	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	41 940	43 812	33 395	20 426	22 926	22 559	22 484	6 855	10 520

Table 6.H : Summary of transfers to local government

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16	2016/17			2017/18	2018/19	2019/20
A	KZN2000	eThekweni	-	-	-	-	-	-	-
Total: Ugu Municipalities			2 009	-	-	-	-	-	-
B	KZN212	uMdoni	-	-	-	-	-	-	-
B	KZN213	uMzombe	-	-	-	-	-	-	-
B	KZN214	uMuziwabantu	-	-	-	-	-	-	-
B	KZN216	Ray Nkonyeni	-	-	-	-	-	-	-
C	DC21	Ugu District Municipality	2 009	-	-	-	-	-	-
Total: uMgungundlovu Municipalities			17 071	5 672	218	-	-	-	-
B	KZN221	uMshwathi	-	-	-	-	-	-	-
B	KZN222	uMngeni	-	-	-	-	-	-	-
B	KZN223	Mpofana	-	-	-	-	-	-	-
B	KZN224	iMpendle	-	-	-	-	-	-	-
B	KZN225	Msunduzi	17 071	5 672	218	-	-	-	-
B	KZN226	Mkhambathini	-	-	-	-	-	-	-
B	KZN227	Richmond	-	-	-	-	-	-	-
C	DC22	uMgungundlovu District Municipality	-	-	-	-	-	-	-
Total: uThukela Municipalities			-	-	-	-	-	-	-
B	KZN235	Okhahlamba	-	-	-	-	-	-	-
B	KZN237	iKosi Langalibalele	-	-	-	-	-	-	-
B	KZN238	Alfred Duma	-	-	-	-	-	-	-
C	DC23	uThukela District Municipality	-	-	-	-	-	-	-
Total: uMzinyathi Municipalities			-	-	-	-	-	-	-
B	KZN241	eNdumeni	-	-	-	-	-	-	-
B	KZN242	Nquthu	-	-	-	-	-	-	-
B	KZN244	uMsinga	-	-	-	-	-	-	-
B	KZN245	uMvoti	-	-	-	-	-	-	-
C	DC24	uMzinyathi District Municipality	-	-	-	-	-	-	-
Total: Amajuba Municipalities			-	-	-	-	-	-	-
B	KZN252	Newcastle	-	-	-	-	-	-	-
B	KZN253	eMadlangeni	-	-	-	-	-	-	-
B	KZN254	Dannhauser	-	-	-	-	-	-	-
C	DC25	Amajuba District Municipality	-	-	-	-	-	-	-
Total: Zululand Municipalities			596	-	-	-	-	-	-
B	KZN261	eDumbe	-	-	-	-	-	-	-
B	KZN262	uPhongolo	-	-	-	-	-	-	-
B	KZN263	AbaQulusi	-	-	-	-	-	-	-
B	KZN265	Nongoma	-	-	-	-	-	-	-
B	KZN266	Ulundi	-	-	-	-	-	-	-
C	DC26	Zululand District Municipality	596	-	-	-	-	-	-
Total: uMkhanyakude Municipalities			-	-	-	-	-	-	-
B	KZN271	uMhlabyalingana	-	-	-	-	-	-	-
B	KZN272	Jozini	-	-	-	-	-	-	-
B	KZN275	Mtubatuba	-	-	-	-	-	-	-
B	KZN276	Big Five Hlabisa	-	-	-	-	-	-	-
C	DC27	uMkhanyakude District Municipality	-	-	-	-	-	-	-
Total: King Cetshwayo Municipalities			-	-	-	-	-	-	-
B	KZN281	uMfolozi	-	-	-	-	-	-	-
B	KZN282	uMhlatuze	-	-	-	-	-	-	-
B	KZN284	uMlalazi	-	-	-	-	-	-	-
B	KZN285	Mthonjaneni	-	-	-	-	-	-	-
B	KZN286	Nkandla	-	-	-	-	-	-	-
C	DC28	King Cetshwayo District Municipality	-	-	-	-	-	-	-
Total: iLembe Municipalities			-	-	-	-	-	-	-
B	KZN291	Mandeni	-	-	-	-	-	-	-
B	KZN292	KwaDukuza	-	-	-	-	-	-	-
B	KZN293	Ndwedwe	-	-	-	-	-	-	-
B	KZN294	Maphumulo	-	-	-	-	-	-	-
C	DC29	iLembe District Municipality	-	-	-	-	-	-	-
Total: Harry Gwala Municipalities			2 294	25 993	10 062	-	-	-	-
B	KZN433	Greater Kokstad	2 294	25 993	10 062	-	-	-	-
B	KZN434	uBuhlebezwe	-	-	-	-	-	-	-
B	KZN435	uMzimkhulu	-	-	-	-	-	-	-
B	KZN436	Dr Nkosazana Dlamini Zuma	-	-	-	-	-	-	-
C	DC43	Harry Gwala District Municipality	-	-	-	-	-	-	-
Unallocated			-	-	-	-	-	-	-
Total			21 970	31 665	10 280	-	-	-	-