

VOTE 12

Transport

Operational budget	R 1 853 593 000
MEC remuneration	R 607 000
Total amount to be appropriated	R 1 854 200 000
Responsible MEC	Mr S. Ndebele, Minister of Transport
Administrating department	Department of Transport
Accounting officer	Head: Transport

1. Overview

Vision

The KwaZulu-Natal Department of Transport's vision is *Prosperity through Mobility*.

This means that all activities of the department and the manner in which the department delivers services to communities should increase the wealth and quality of life of all citizens of the province.

Mission statement

The mission statement of the department is to provide the public with an integrated and accessible road and public transport infrastructure, promote road and public transport safety and ensure that, in delivering on its mandate, the department meets the developmental needs of this province.

In addition, the department strives to promote transparent and accountable government, plan in accordance with the needs of its customers, and ensure effective, efficient and transparent delivery of services through appropriate involvement of the public and through regular and accurate reporting.

Strategic objectives

The strategic community outcomes of the department are as follows:

- An equitable, affordable, safe and well managed transportation system;
- An equitable and economically empowered construction and transportation industry;
- Improved quality of life;
- Good governance;
- Improved communication; and
- Community supported transportation service delivery.

Core functions

Turning the department's vision of the department into reality can only be achieved by focusing the attention and energy of all employees and relevant stakeholders on the performance of the core functions of the department, namely:

Road Infrastructure

To construct and maintain a balanced road network that complies with the Provincial Growth and Development Strategy, with an estimated budget of R1,413 billion in 2004/05, including an infrastructure conditional grant of R282 million;

Public and Freight Transport

The planning and provision of urban and rural public transport facilities, the conducting of transport studies, the control of road transportation, the provision of transport planning frameworks and the management of public transport services and the public road network. The budget amounting to R30,9 million will enable the department to deliver on its mandate to provide public and freight transport;

Traffic Management

The registration and licensing of vehicles and drivers, the regulation of traffic on public roads, the maintenance and provision of visible road traffic signs and the implementation of road safety campaigns and awareness programmes. The effective enforcement of traffic on the province's roads and the education of its road users will be undertaken with a budget of R274 million in 2004/05;

Own Revenue

The maximising of own revenue within each of the above functions. The majority of the department's own revenue is derived from tax receipts in terms of the Road Traffic Act. This revenue is significant, and accrues to the provincial revenue fund.

Legislative mandate

The KwaZulu-Natal Department of Transport is responsible for the management and operation of the transportation system in KwaZulu-Natal. This includes the construction, upgrading, maintenance and control of the provincial road network, the regulation, subsidisation and overall control of public and freight transport operations, the registration and licensing of vehicles and drivers, the regulation of traffic on provincial roads, law enforcement, implementation of road safety campaigns and awareness programmes in order to achieve a safe road environment, and the management of the provincial vehicle fleet. These responsibilities are largely mandated in terms of the following Acts:

- National Road Traffic Act
- KZN Provincial Roads Act
- National Roads Act
- Administrative Adjudication of Road Traffic Offences Act
- Cross-border Act
- KZN Provincial Minibus Taxi Act
- KZN Procurement Act
- KZN Road Traffic Act
- National Land Transport Transitions Act
- Preferential Procurement Policy Framework Act
- Public Finance Management Act
- Treasury Regulations

Challenges and developments

The provision of essential missing links and roads in the provincial road network to achieve a more equitable road network has meant that the funding available for essential maintenance work on the existing network in the province has been limited. As a result, there is an ongoing overall decrease in the asset value of the road network, and a large injection of funding is required to reverse this trend. The provision of funding of the magnitude required to arrest this deterioration must be addressed at a national level, and national strategies must be developed to address this issue.

An ongoing challenge facing the department since 1994 has been the need to remedy inequality in the road network that arose out of the Apartheid government policy of separate development, while at the same time maintaining the primary road network at an appropriate level. Inadequate funding levels for road infrastructure have led to the department consciously choosing to fund a road programme that will minimise any further deterioration of the primary road network, but at the same time maximising the allocations needed to provide isolated rural communities with appropriate access.

The maintenance backlog on the provincial road network continues to challenge the department. Although the department has received substantial increases in budget allocation over the last four years, the road maintenance outputs are not keeping pace with the maintenance needs of the network in the province. Significant escalations in maintenance costs have meant that the condition of the provincial road network remains in decline. Current funding is only 46 per cent of the required funding to maintain the road network to an adequate engineering standard. The National Planning Committee for Road Financing in 1994 termed that the minimum level of funding should not be less than 78 per cent of the adequate funding level. If this standard is applied, it indicates that the department is under funded to the magnitude of 37 per cent of its current minimum funding level.

A further ongoing challenge facing the department is the shortage of technically qualified personnel, especially at senior levels. A number of engineering and technician positions have remained unfilled for years. This has not only hampered service delivery in the affected areas, but has also resulted in an over-reliance on consultants. To alleviate this situation in the medium to long term, the department is actively involved in nurturing prospective technical employees by providing scholarships to civil engineering students attending both universities and technikons, and implementing mentorship programmes for young technical graduates. In addition, the department actively encourages study in technical fields by supporting high school programmes that stimulate interest in maths and science.

Communication with the minibus taxi industry continues to be vitally important, but extremely difficult. The department is attempting to address this by establishing formal consultative forums on transportation between officials of provincial and municipal government, and the taxi industry. These forums integrate with the Integrated Development Planning process of the municipalities.

Another major constraint at present is the lack of Information Technology Systems, including financial management systems, to assist the department in making data-driven decisions. This is particularly relevant in areas requiring accurate and reliable data, to ensure that informed strategic decisions are made with regard to the core business of the department.

The department is currently looking at the feasibility of a project management information system to support managers in decision-making at operational, tactical and strategic levels of management. It is intended that this information system should combine both financial and operational information as a tool to provide accounting and financial management data, conduct special research projects, provide periodic reports on progress with regard to projects, and monitor the performance of managers and business units. In addition, the information system should be able to provide geographical information system-based reports with regard to public infrastructure and population demographics, within a specified area of concern.

2. Review of the current financial year – 2003/04

It is anticipated that the department will spend its entire budget allocation during 2003/04, and that the planned service delivery targets will be fulfilled. Some highlights of 2003/04 are listed below:

The department is currently in the process of appointing transaction advisors as part of the implementation of a Public Private Partnership (PPP) for the supply and maintenance of major plant (graders, bulldozers, etc.) to both the department and the *Vukuzakhe* emerging contractors. This PPP is aimed at alleviating the problems faced by emerging contractors in obtaining affordable and reliable plant.

The African Renaissance Roads Upgrading Programme (ARRUP), which addresses the upgrading of major rural transport corridors from gravel to blacktop, has demonstrated an exciting ability to revitalise stagnant rural economies. This programme has allowed the Department of Transport to further its commitment to promote co-operative governance and to intensify programmes designed to achieve black economic empowerment. For example, with regard to the first ARRUP project undertaken, namely Main Road 235 (the road from Mtubatuba to Nongoma/Pongola via KwaHlabisa), the *Vukuzakhe* contracts currently in progress total R408 million. All cement for the drainage structures is sourced through local suppliers in Hlabisa, and the transport of materials is contracted to local truck owners. Improved local earnings have led

to a discernable improvement in the standard of housing in and around Hlabisa since the commencement of the project.

Each year, the Department of Transport has achieved greater success as an innovative service provider and as a creator of substantial and sustainable new work and entrepreneurial opportunities within disadvantaged communities. For example, although the department's poverty alleviation programme, *Zibambele*, was only piloted in 2000, a total of 17,000 contracts were awarded in 2003/04. Likewise, the department's empowerment programme for emerging contractors, *Vukuzakhe*, has grown from a zero budget, to contracts worth more than R370 million in 2003/04. It is anticipated that contracts awarded to *Vukuzakhe* contractors will, in turn, create some 30,000 new jobs. Clearly, the *Vukuzakhe* programme has developed a reputation within rural communities as a source of hope for work and entrepreneurial opportunities.

In 2003/04, the department partnered the Construction Education and Training Authority (CETA) in providing 100 learnerships to *Vukuzakhe* contractors, and negotiations with a major financial institution are in the process of being finalised. It is envisaged that the establishment of a dedicated technical, financial and management support programme for Stage 2 to Stage 4 *Vukuzakhe* contractors will enhance the performance and profitability of the emerging contractor sector, by addressing problems such as credit worthiness and the procurement of supplies and plant.

Extensive transformation of the mini-bus taxi industry has taken place, with the implementation of the taxi recapitalisation programme, involvement of the industry in the management and maintenance of public transportation facilities, and changes in the nature of taxi operations. This transformation has enabled the department to facilitate the growth and development of the taxi industry in KwaZulu-Natal, enabling it to diversify its investment and income interests. The fact that the taxi industry is 99 per cent owned and managed by Black South Africans makes it a critical pillar of any Black Economic Empowerment strategy, especially a strategy directed towards the empowerment of ordinary citizens.

During 2003/04, the department launched the *Mpimpa* Hotline, together with the campaign: "*Road Safety is everybody's responsibility 24/7/365*" (24 hours, 7 days a week and 365 days a year). It is clear that the government and its law enforcement agencies cannot effectively solve the problem of road traffic criminal acts alone, without the active participation of road users and the general public. The establishment of a telephone hotline will hopefully encourage all stakeholders to take responsibility for road safety issues.

The department made significant progress in 2003/04 in tackling the HIV/AIDS pandemic, both within the department as well as in the taxi and freight transport industries. Research is currently being conducted, as part of the African Renaissance Road Upgrading Programme, to ascertain the likely impact of HIV/AIDS on the infrastructure and mobility needs of rural communities.

3. Outlook for the coming financial year – 2004/05

The department's *Zibambele*, *Vukuzakhe* and labour intensive road construction programmes will continue to be geared up to provide massive new opportunities for poor people who, with appropriate organisational inputs, can further benefit from learnerships with the Sectoral Education and Training Authority (SETA) and the Construction Education and Training Authority (CETA).

The KwaZulu-Natal economy derives its strength from the fact that this is a gateway province to the rest of South Africa, and this province is considered to have a comparative advantage over the other provinces, particularly in the manufacturing, agriculture, tourism and transport sectors. However, the province has failed to fully capitalise on its favourable position.

It is clear that investments in an efficient freight transport infrastructure will create an improved environment for sustaining growth in the KwaZulu-Natal economy. However, investments in an efficient freight transport system must look beyond the upgrading of the KwaZulu-Natal ports of Richards Bay and Durban, and the creation of the Dube Trade Port. While the long-term planning objective is to increase rail's market share of transport, it must be borne in mind that, currently, 80 per cent of people and goods in this province are transported by road. Increased investment levels in the provincial road network are therefore critically important, if the full development potential of this province is to be realised.

During 2004/05, the department intends finalising the arrangements for the Major Plant Public Private Partnership (PPP). This PPP is aimed at sourcing affordable and reliable plant for both the department and the *Vukuzakhe* emerging contractor programme, and is expected to create benefits for the *Vukuzakhe* emerging contractors, the department and the road construction industry in the province as a whole.

The Department of Transport has agreed with the *Umsobomvu* Youth Fund Services Project to intensify the involvement of the youth in departmental programmes, and to provide training and temporary work for the unemployed youth to carry out socially economic activities. The programmes will contribute to reducing youth unemployment and will equip young people with training and work experience, thereby enhancing their ability to earn a living in the future. The youth will be given an opportunity to participate in road construction and maintenance programmes, and the private sector will also be involved, by absorbing those who successfully complete the youth programme.

The department, in an attempt to minimise the number of road accidents and prevent loss of life in the Ulundi/Melmoth areas as part of its road safety initiative, installed Intelligent Road Studs (IRS) on this section of road in a pilot project in 2002/03, the first of its kind in the country. Since the installation of the IRS, there has been a 100 per cent reduction in the number of crashes on this section of road. This is due to the elimination of poor visibility related to night driving, mist, rain and other factors, and the increased visibility of hazardous bends and winding climbing lanes on this road. To continue this trend of reducing the number of crashes and minimising the loss of life, the department is intending to install the IRS in a further three hazardous locations in the province in 2004/05, covering 268 kilometres of road.

4. Receipts and financing

4.1 Summary of receipts and financing

Table 12.1 below shows the sources of funding of the provincial Department of Transport for the period under review. The table also compares actual and budgeted receipts against actual and budgeted payments. The department is projecting a negligible deficit of R37,000 for the 2003/04 financial year. The 2004/05 budget allocation of the department is approximately R1,8 billion. Included in this amount, is a national conditional grant of R282 million, to be used for the maintenance and construction of the road infrastructure in the province. Table 12.1 shows the sources of funding.

Table 12.1: Summary of receipts and financing

R000	Outcome			Adjusted budget	Estimated actual	Medium-term estimates		
	Audited 2000/01	Audited 2001/02	Audited 2002/03			2004/05	2005/06	2006/07
Provincial allocation	874,376	1,018,486	1,063,883	1,355,141	1,355,141	1,571,606	1,792,651	1,878,289
Conditional grants	60,631	68,179	132,449	200,121	200,121	282,594	315,121	348,194
<i>Provincial Infrastructure Grant</i>	-	68,179	132,449	200,121	200,121	282,594	315,121	348,194
<i>Flood Disaster Reconstruction Grant</i>	60,631	-	-	-	-	-	-	-
Total	935,007	1,086,665	1,196,332	1,555,262	1,555,262	1,854,200	2,107,772	2,226,483
Total payments	905,846	1,115,351	1,190,679	1,560,807	1,560,844	1,854,200	2,107,772	2,226,483
Surplus/(Deficit) before financing	29,161	(28,686)	5,653	(5,545)	(5,582)	-	-	-
Financing								
<i>of which</i>								
Provincial roll-overs		26,962		5,545	5,545			
Provincial cash resources		89	300					
Suspension to ensuing year								
Surplus/(deficit) after financing	29,161	(1,635)	5,953	-	(37)	-	-	-

4.2 Departmental receipts collection

Table 12.2 below gives a summary of actual and estimated departmental receipts for the period 2000/01 to 2006/07. The majority of the department's revenue is derived from tax receipts collected in terms of the Road Traffic Act. Revenue included under this heading relates to items such as motor vehicle registration

and licensing fees, the sale of personalised and specific number plates, and traffic fines resulting from road traffic infringements. Other revenue received by the department includes revenue from the sale of capital assets, specifically the sale of vehicles from the provincial vehicle fleet and the sale of departmental plant. The department is projecting to collect revenue amounting to approximately R433 million during 2003/04, which is R22 million in excess of the adjusted budget for the year. The revenue projections for the Road Traffic Act are based on estimated increases in registration and licensing fees, and are then adjusted to include any known once-off revenue.

The revenue projections presented below for the MTEF period are based on the projected actual revenue collected during 2003/04, inflated by the anticipated annual tariff increases over the MTEF, and then adjusted by the expected changes in the vehicle population over time. However, the continued receipt of revenue at this level by the department is uncertain, as a result of changes to provincial demarcation and the impending implementation of the Administrative Adjudication of Road Traffic Offences Act (AARTO) and the Road Traffic Management Corporation Act (RTMC).

Table 12.2: Details of departmental receipts

R000	Outcome			Adjusted budget	Estimated actual	Medium-term estimates		
	Audited	Audited	Audited			2004/05	2005/06	2006/07
	2000/01	2001/02	2002/03					
	2003/04							
Tax receipts	352,965	361,899	438,850	389,000	389,348	440,000	470,000	500,000
Non-tax receipts	21,028	22,575	28,155	19,245	19,699	26,397	27,561	28,794
Sale of goods and services other than capital assets	9,173	5,392	6,261	5,019	6,621	5,160	5,310	5,528
Fines, penalties and forfeits	11,477	16,947	21,557	14,000	12,691	21,000	22,000	23,000
Interest, dividends and rent on land	378	236	337	226	387	237	251	266
Transfers received	-	-	-	-	-	-	-	-
Sales of capital assets	10,453	17,248	16,880	3,000	21,804	3,250	3,445	3,650
Financial transactions	2,402	3,817	1,971	-	2,142	-	-	-
Total	386,848	405,539	485,856	411,245	432,993	469,647	501,006	532,444

5. Payment summary

This section summarises the payments and budgeted estimates for the vote in terms of programmes and economic classification in the new economic reporting format. Details according to economic classification are presented in *Annexure to Vote 12 - Transport*.

5.1 Programme summary

The programme structure of the Department of Transport has been adjusted with effect from 2004/05 to conform to the requirements of National Treasury and the National Department of Transport. The services rendered by the department are now categorised under five programmes, in line with the generic format for the transport and roads sector. In the tables below, the changes resulting from the implementation of this generic format have been retrospectively applied to the years prior to 2004/05 as far as possible for comparative purposes, with figures in the prior years being adjusted to conform to the new structure.

As mentioned above, the mission of the department is to provide the public with an integrated and accessible road and public transport infrastructure, and to promote road and public transport safety. This will be achieved through the interaction of the five programmes of the department.

Table 12.3 illustrates payments and budgeted estimates, per programme, for the period 2000/01 to 2006/07. The department has seen significant increases in its budget over this seven-year period, and this increase in funding is specifically related to investment in the provincial road network.

Table 12.3: Summary of payments and estimates by programme

R000	Outcome			Adjusted budget	Estimated actual	Medium-term estimates		
	Audited	Audited	Audited			2004/05	2005/06	2006/07
	2000/01	2001/02	2002/03					
				2003/04				
1. Administration	75,836	84,243	100,723	103,311	103,348	108,380	113,091	118,576
2. Road Infrastructure	601,920	793,854	838,440	1,177,637	1,177,637	1,413,402	1,631,768	1,754,113
3. Public Transport	17,915	19,705	19,740	29,211	29,211	30,969	32,833	34,809
4. Traffic Management	157,556	160,309	192,452	218,662	218,662	274,409	291,873	279,717
5. Community Based Programme	52,619	57,240	39,324	31,986	31,986	27,040	38,207	39,268
Total	905,846	1,115,351	1,190,679	1,560,807	1,560,844	1,854,200	2,107,772	2,226,483

Note: Programme 1 includes MEC remuneration payable as from 1 April 2003. Salary: R485,412 Car allowance: R121,353

5.2 Summary of economic classification

A summary of payments and budgeted estimates per economic classification is given in Table 12.4. Current expenditure increases from 2002/03 to 2003/04, in line with improvements in conditions of service and inflation. It is mentioned that a substantial portion of the department's personnel expenditure is not reflected under the current *Compensation of employees*, but is included in this table under *Payments for capital assets*, in line with the new economic reporting format. Details of capitalised *Compensation of employees* are presented in *Annexure to Vote 12 - Transport*.

The capital expenditure of the department is budgeted to increase substantially by some R267 million from 2003/04 to 2004/05, in line with the provincial priority to invest in infrastructure. The infrastructure investments being made by the department are more fully discussed in Table 12.5 below.

Table 12.4: Summary of payments and estimates by economic classification

R000	Outcome			Adjusted budget	Estimated actual	Medium-term estimates		
	Audited	Audited	Audited			2004/05	2005/06	2006/07
	2000/01	2001/02	2002/03					
				2003/04				
Current payments	363,938	345,291	406,907	511,405	511,442	532,226	559,000	592,853
Compensation of employees	153,559	148,286	196,223	216,772	216,772	231,286	245,391	261,378
Goods and services	210,379	197,005	210,684	294,633	294,670	300,940	313,609	331,475
Other	-	-	-	-	-	-	-	-
Transfers and subsidies to:	6,111	6,051	3,773	11,124	11,124	21,340	21,762	22,401
Local government	1,419	1,284	1,403	5,162	5,162	14,996	15,155	15,399
Non-profit institutions	-	-	-	-	-	-	-	-
Households	325	266	224	520	520	580	633	670
Other	4,367	4,501	2,146	5,442	5,442	5,764	5,974	6,332
Payments for capital assets	535,797	764,009	779,999	1,038,278	1,038,278	1,300,634	1,527,010	1,611,229
Buildings and other fixed structures	487,677	708,831	724,152	996,190	996,190	1,263,213	1,487,121	1,568,281
Machinery and equipment	48,120	55,178	55,847	42,088	42,088	37,421	39,889	42,948
Other	-	-	-	-	-	-	-	-
Total	905,846	1,115,351	1,190,679	1,560,807	1,560,844	1,854,200	2,107,772	2,226,483

5.3 Summary of infrastructure expenditure and estimates

Table 12.5 presents a summary of infrastructure expenditure and estimates by categories for Vote 12. The roads being upgraded as part of the African Renaissance Roads Upgrading Programme (ARRUP) form part of the rehabilitation/upgrading budget stated below. The category of new construction includes the upgrading of P700 (the road from Ulundi to Mfolozi Game Reserve) and P700 (Duff's Road to Clermont), for which specific allocations were received.

Table 12.5: Summary of infrastructure expenditure and estimates

R000	Outcome			Adjusted budget	Estimated actual	Medium-term estimates		
	Audited	Audited	Audited			2004/05	2005/06	2006/07
	2000/01	2001/02	2002/03					
				2003/04				
New construction (Buildings and infrastructure)	197,013	199,947	255,877	217,762	217,762	304,481	389,391	425,287
Rehabilitation/upgrading	376,674	539,314	533,648	767,798	767,798	930,822	1,064,522	1,134,371
Other capital projects	-	-	-	-	-	-	-	-
Total	573,687	739,261	789,525	985,560	985,560	1,235,303	1,453,913	1,559,658

5.4 Transfers to public entities

Table 12.6 below provides a summary of departmental transfers made to public entities over the period under review. The KwaZulu-Natal Taxi Council is being established as an entity that is separate from the department (performing its own administrative and financial functions) with effect from the 2003/04 financial year, hence the increase in funding from 2003/04 onwards. The KwaZulu-Natal Public Transport Licensing Board was delisted as a public entity with effect from the end of the 2001/02 financial year.

Table 12.6: Summary of departmental transfers to public entities

R000	Outcome			Adjusted budget	Estimated actual	Medium-term estimates		
	Audited 2000/01	Audited 2001/02	Audited 2002/03			2004/05	2005/06	2006/07
KwaZulu-Natal Taxi Council	2,129	2,230	2,030	5,300	5,300	5,600	5,800	6,148
KwaZulu-Natal Public Transport Licensing Board	2,151	2,050	-	-	-	-	-	-
Total	4,280	4,280	2,030	5,300	5,300	5,600	5,800	6,148

5.5 Transfers to local government

Table 12.7 reflects departmental transfers made to municipalities. The large increase in the transfers to Category A municipalities over the MTEF relates to the establishment of Metropolitan Transportation Authority Boards in the eThekweni and Msunduzi Municipalities. More detailed information on transfers to municipalities is presented in the *Annexure to Vote 12 - Transport*.

Table 12.7: Summary of departmental transfers to local government by category

R000	Outcome			Adjusted budget	Estimated actual	Medium-term estimates		
	Audited 2000/01	Audited 2001/02	Audited 2002/03			2004/05	2005/06	2006/07
Category A	117	59	46	2,056	2,056	12,000	12,000	12,000
Category B	480	275	254	1,744	1,744	1,505	1,574	1,722
Category C	-	-	-	-	-	-	-	-
Total	597	334	300	3,800	3,800	13,505	13,574	13,722

6. Programme description

The services rendered by the department are categorised under five programmes. The payments and estimates for each programme are summarised in terms of the new economic classification. Details according to the new economic classifications are presented in *Annexure to Vote 12 - Transport*.

6.1 Programme 1: Administration

This programme is dedicated to the overall administration of the department, including the Office of the MEC, Head of Department, Human Resources Management, Finance and other corporate administration support services. However, this programme also caters for the management and co-ordination of the provincial vehicle fleet, the purchase of departmental vehicles, and the repair and maintenance of the department's office infrastructure, known as major and minor works.

Tables 12.8 and 12.9 below summarise payments and estimates relating to Programme 1: Administration, for the financial years 2000/01 to 2006/07. The spending trend of this programme generally shows a consistent increase over the years under review. Programme Support Office is a new sub-programme, and the substantial increases in spending from 2001/02 to 2003/04 can be ascribed to difficulties in ascertaining comparative expenditure for the prior years for this new sub-programme.

Table 12.8: Summary of payments and estimates: Programme 1

R000	Outcome			Adjusted budget	Estimated actual	Medium-term estimates		
	Audited 2000/01	Audited 2001/02	Audited 2002/03			2004/05	2005/06	2006/07
Office of the MEC	3,115	2,617	2,736	3,433	3,433	3,563	3,744	3,903
Management	5,675	8,517	8,690	8,482	8,482	9,603	10,083	10,587
Corporate Support	67,046	66,100	73,498	63,776	63,776	67,107	70,534	74,137
Programme Support Office	-	7,009	15,799	27,620	27,657	28,107	28,730	29,949
Total	75,836	84,243	100,723	103,311	103,348	108,380	113,091	118,576

Table 12.9: Summary of payments and estimates by economic classification: Programme 1

R000	Outcome			Adjusted budget	Estimated actual	Medium-term estimates		
	Audited 2000/01	Audited 2001/02	Audited 2002/03			2004/05	2005/06	2006/07
Current payments	64,167	71,043	83,793	81,512	81,549	90,416	94,223	98,641
Compensation of employees	30,558	31,977	40,533	43,780	43,780	48,976	52,743	56,200
Goods and services	33,609	39,066	43,260	37,732	37,769	41,440	41,480	42,441
Other	-	-	-	-	-	-	-	-
Transfers and subsidies to:	187	187	241	249	249	311	333	354
Local government	87	92	125	107	107	147	159	170
Non-profit institutions	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-
Other	100	95	116	142	142	164	174	184
Payments for capital assets	11,482	13,013	16,689	21,550	21,550	17,653	18,535	19,581
Buildings and other fixed structures	232	4,207	8,321	13,344	13,344	7,910	8,208	8,623
Machinery and equipment	11,250	8,806	8,368	8,206	8,206	9,743	10,327	10,958
Other	-	-	-	-	-	-	-	-
Total	75,836	84,243	100,723	103,311	103,348	108,380	113,091	118,576

6.2 Programme 2: Road Infrastructure

The main purpose of this programme is to provide a balanced, equitable provincial road network. The main functions include the upgrading, rehabilitation, and maintenance of surfaced roads, the construction and maintenance of gravel roads, and the construction of causeways and bridges. In the performance of these functions, the department continuously endeavours to award contracts to emerging contractors, and to create employment opportunities.

Programme 2 is aimed at developing infrastructure, implementing maintenance programmes and providing access roads for communities to unlock economic potential, as well as promoting community development and eco-tourism. This programme consists of six sub-programmes, in line with the sector specific format for the roads sector. The main objectives of this programme are:

- The planning and design of provincial roads;
- The departmental/contractual construction of provincial roads;
- The provision of access roads to rural communities;
- The departmental/contractual maintenance of provincial roads; and
- The provision of financial assistance for the fencing of main roads, and the maintenance of main roads within local authorities by the local authority concerned.

Tables 12.10 and 12.11 below summarise payments and estimates relating to this programme. There has been a significant increase in the level of funding allocated to this programme over the seven-year period, relating mainly to the maintenance of the existing road network, and to specific projects undertaken by the department, such as the African Renaissance Road Upgrading Programme (ARRUP).

This increased level of funding extends over the MTEF period, where the allocation increases significantly for the maintenance of the existing road network, the construction of new road infrastructure, and ARRUP. A portion of additional funding received is earmarked for the upgrading of P700 (the road from Ulundi to the Mfolozi Game Reserve), and P577 (Duff's Road to Clermont). The increased allocation for *Transfers* over the MTEF period, relates to funding for the Metropolitan Transportation Authority Boards in the eThekweni and Msunduzi Municipalities.

Current expenditure on *Goods and Services* reflects a substantial increase from 2003/04 onwards. This increase can be ascribed to the reclassification of certain types of maintenance expenditure as current expenditure, in line with the new definition of capital expenditure by National Treasury, and in no way reflects a difference in the type of work being performed within the budget of the department.

Despite additional funding received to date, the department has and is continuing to experience problems with regard to the backlog of road maintenance, resulting from significant under-funding in prior years.

Table 12.10: Summary of payments and estimates: Programme 2

R000	Outcome			Adjusted budget	Estimated actual	Medium-term estimates		
	Audited	Audited	Audited			2004/05	2005/06	2006/07
	2000/01	2001/02	2002/03	2003/04				
Programme Support Office	1,390	19,071	27,147	32,210	32,210	40,516	41,895	43,340
Planning	25,921	11,435	16,399	22,294	22,294	29,643	31,721	33,518
Design	-	23,487	4,902	9,300	9,300	9,766	10,254	10,767
Construction	197,013	199,947	255,877	501,303	501,303	670,880	777,598	803,038
Maintenance	376,674	539,314	533,648	608,210	608,210	648,061	755,537	848,449
Financial Assistance	922	600	467	4,320	4,320	14,536	14,763	15,001
Total	601,920	793,854	838,440	1,177,637	1,177,637	1,413,402	1,631,768	1,754,113

Table 12.11: Summary of payments and estimates by economic classification: Programme 2

R000	Outcome			Adjusted budget	Estimated actual	Medium-term estimates		
	Audited	Audited	Audited			2004/05	2005/06	2006/07
	2000/01	2001/02	2002/03	2003/04				
Current payments	82,582	47,753	80,620	161,186	161,186	145,425	144,120	159,549
Compensation of employees	46,431	28,640	54,742	50,537	50,537	53,570	56,784	61,200
Goods and services	36,151	19,113	25,878	110,649	110,649	91,855	87,336	98,349
Other	-	-	-	-	-	-	-	-
Transfers and subsidies to:	1,427	1,187	1,197	5,179	5,179	14,996	15,173	15,416
Local government	1,102	921	973	4,659	4,659	14,416	14,540	14,746
Non-profit institutions	-	-	-	-	-	-	-	-
Households	325	266	224	520	520	580	633	670
Other	-	-	-	-	-	-	-	-
Payments for capital assets	517,911	744,914	756,623	1,011,272	1,011,272	1,252,981	1,472,475	1,579,148
Buildings and other fixed structures	487,445	704,624	715,831	982,846	982,846	1,235,303	1,453,913	1,559,658
Machinery and equipment	30,466	40,290	40,792	28,426	28,426	17,678	18,562	19,490
Other	-	-	-	-	-	-	-	-
Total	601,920	793,854	838,440	1,177,637	1,177,637	1,413,402	1,631,768	1,754,113

Service delivery measures

Table 12.12 below illustrates some of the main service delivery measures pertaining to Programme 2. The layout of the service delivery measures presented below has been amended from the information previously published, in order to better present the outputs produced.

Table 12.12: Service delivery measures – Programme 2: Road Infrastructure

Output type		Activities	Performance measures	Performance targets	
				2003/04 Est. Actual	2004/05 Estimate
Surfaced roads					
1	Upgrade to surfaced roads	<ul style="list-style-type: none">Construct roads<ul style="list-style-type: none">- ARRUP projects- Other projectsUpgrade gravel to blacktop roads	Kilometres constructed Kilometres constructed Kilometres constructed	48 5 17	71 10 15
2.	Perform rehabilitation of surfaced roads	<ul style="list-style-type: none">Light rehabilitationHeavy rehabilitation	Square meters Square meters	173 050 265 600	340 000 320 000
3.	Maintain surfaced roads	<ul style="list-style-type: none">Reseal tarred roadsPerform blacktop patching	Square meters Square meters	425 000 61 600	650 000 90 000
Gravel roads					
4.	Construct gravel roads	Construction of gravel roads	Kilometres constructed	340	420
5.	Maintain gravel roads	<ul style="list-style-type: none">Blade roadsRegravel roads	Kilometres bladed Kilometres regavelled	51 250 1 200	65 000 950

Table 12.12: Service delivery measures – Programme 2: Road Infrastructure

Table 12.12: Service delivery measures – Programme 2: Road infrastructure					
Output type		Activities	Performance measures	Performance targets	
				2003/04 Est. Actual	2004/05 Estimate
General					
6.	Construction of causeways and bridges	<ul style="list-style-type: none">Construct causewaysConstruct bridges (span > 2m)Construct pedestrian bridges	Number Number Number	58 3 3	68 5 3
7.	Award contracts to emerging contractors	Award contracts to <i>Vukuzakhe</i> Contractors	No of contracts <ul style="list-style-type: none">Stage 1Stage 2Stage 3Stage 4	418 217 123 7	550 200 130 16
8.	Create employment opportunities	Number of opportunities	Person days	115 000	131 000
9.	Maintain roads	<i>Zimbabwe</i> maintenance programme	<ul style="list-style-type: none">Number of contractsKilometres maintained	17 390 11 300	20 390 13 250

6.3 Programme 3: Public Transport

The purpose of this programme is the planning and provision of urban and rural public transport facilities, conducting transport studies, the control of road transportation, the provision of transport planning frameworks and the management of public and freight transport services and the public road network.

The department has compiled an Integrated Development Programme for public and freight transport, with the following needs being identified:

- To accelerate delivery on the taxi process;
- To improve services to disadvantaged communities;
- To fast track services that contribute to economic growth; and
- To lend support to other government initiatives.

Tables 12.13 and 12.14 below summarise payments and estimates relating to Programme 3. The sub-programme Planning reflects a substantial increase in funding from 2003/04 onwards, to cater for additional responsibilities allocated to the province in terms of the National Land Transport Transition Act.

Table 12.13: Summary of payments and estimates: Programme 3

R000	Outcome			Adjusted budget	Estimated actual	Medium-term estimates		
	Audited 2000/01	Audited 2001/02	Audited 2002/03			2004/05	2005/06	2006/07
				2003/04				
Programme Support Office	581	920	1,095	827	827	1,011	1,331	1,589
Planning	9,164	9,413	11,152	17,647	17,647	18,622	19,651	20,736
Empowerment and Institutional Management	8,170	9,372	7,493	10,737	10,737	11,336	11,851	12,484
Total	17,915	19,705	19,740	29,211	29,211	30,969	32,833	34,809

Table 12.14: Summary of payments and estimates by economic classification: Programme 3

R000	Outcome			Adjusted budget	Estimated actual	Medium-term estimates		
	Audited	Audited	Audited			2004/05	2005/06	2006/07
	2000/01	2001/02	2002/03					
				2003/04				
Current payments	13,634	15,279	17,687	23,848	23,848	25,325	26,986	28,612
Compensation of employees	2,066	2,719	2,712	5,556	5,556	6,269	6,645	6,976
Goods and services	11,568	12,560	14,975	18,292	18,292	19,056	20,341	21,636
Other	-	-	-	-	-	-	-	-
Transfers and subsidies to:	4,281	4,426	2,053	5,363	5,363	5,644	5,847	6,197
Local government	14	20	23	63	63	44	47	49
Non-profit institutions	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-
Other	4,267	4,406	2,030	5,300	5,300	5,600	5,800	6,148
Payments for capital assets	-	-	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total	17,915	19,705	19,740	29,211	29,211	30,969	32,833	34,809

Service delivery measures

Table 12.15 below illustrates some of the main service delivery measures pertaining to Programme 3.

Table 12.15: Service delivery measures – Programme 3: Public Transport

Output type	Activities	Performance measures	Performance targets	
			2003/04 Est. Actual	2004/05 Estimate
1. Development of public and freight transport policy	• Provincial policy on land transport.	Complete policy and draft Act	Policy completed by March 04	Final draft Act by March 2005
	• Provincial policy on freight transport.	Complete policy document on freight transport	Completed by March 2004	Publish by March 2005
	• Research strategic passenger and freight transport policy.	Number of research projects	N/a	2 projects
2. Passenger and freight transport planning	Assistance for municipal integrated transport plans	No. of plans completed by municipalities	Preparation stage	11 plans complete
3. Enterprise development	Develop and implement public and freight transport empowerment policies	Percentage sub-contracting to emerging companies	Identify, register and train emerging freight operators	10% sub-contracted

6.4 Programme 4: Traffic Management

The main purpose of this programme is to regulate road traffic. The department's integrated road safety programme is aimed at facilitating road safety campaigns, developing policy in consultation with all relevant authorities charged with the responsibility for road safety structures, and encouraging participation of all in road safety initiatives and awareness programmes. Programme 3 consists of six sub-programmes, which render the following types of services:

- The rendering of technical services relating to mass measuring bridges;
- The conducting of analysis and re-engineering of hazardous locations;
- Conducting road traffic law enforcement;
- The registering and licensing of vehicles; and
- The development of road safety educational programmes, and training of educators in traffic safety.

Tables 12.16 and 12.17 below summarise payments relating to this programme, for the seven financial years 2000/01 to 2006/07. The department has established a Public Transport Enforcement Unit aimed specifically at the regulation and enforcement of laws relating to public transport and public transport operators, in an attempt to improve the safety of passengers using public transportation. The unit includes an Investigative Unit, Flying Squad and Security Unit within the Road Traffic Inspectorate structures to assist in the prosecution, conviction and imprisonment of perpetrators of road violence, fraud and corruption.

The increased focus on road safety is apparent from the budgets allocated to the Safety Engineering and Road Safety Education sub-programmes. The substantial increase in the Safety Engineering allocation in 2004/05 and 2005/06 can be ascribed to the additional funding that has been allocated specifically for the installation of Intelligent Road Studs. This type of road stud was installed as a pilot project during the 2002/03 financial year, with extremely positive results in terms of reducing the number of crashes in the area, and eliminating loss of life. In light of these positive results, these Intelligent Road Studs are to be installed at three further hazardous locations over the next two financial years. This accounts for the allocations of R20 million and R25 million reflected against the category *Buildings and other fixed structures* in 2004/05 and 2005/06, respectively.

Table 12.16: Summary of payments and estimates: Programme 4

R000	Outcome			Adjusted budget	Estimated actual	Medium-term estimates		
	Audited	Audited	Audited			2003/04	2004/05	2005/06
	2000/01	2001/02	2002/03					
Programme Support Office		89	4,049	10,000	10,000	10,500	11,025	11,576
Safety Engineering	4,244	6,240	10,078	9,651	9,651	35,134	35,641	11,173
Traffic Law Enforcement	76,673	84,137	102,992	106,752	106,752	131,881	133,446	140,117
Road Safety Education	33,040	27,605	30,627	36,958	36,958	38,806	50,746	52,783
Transport Administration and Licensing	43,599	42,238	44,706	55,051	55,051	57,828	60,745	63,788
Overload Control	-	-	-	250	250	260	270	280
Total	157,556	160,309	192,452	218,662	218,662	274,409	291,873	279,717

Table 12.17: Summary of payments and estimates by economic classification: Programme 4

R000	Outcome			Adjusted budget	Estimated actual	Medium-term estimates		
	Audited 2000/01	Audited 2001/02	Audited 2002/03			2004/05	2005/06	2006/07
				2003/04				
Current payments	150,954	154,003	185,511	212,903	212,903	244,051	255,497	266,818
Compensation of employees	68,870	76,664	89,584	107,728	107,728	112,751	118,916	126,080
Goods and services	82,084	77,339	95,927	105,175	105,175	131,300	136,581	140,738
Other	-	-	-	-	-	-	-	-
Transfers and subsidies to:	198	224	254	303	303	358	376	399
Local government	198	224	254	303	303	358	376	399
Non-profit institutions	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Payments for capital assets	6,404	6,082	6,687	5,456	5,456	30,000	36,000	12,500
Buildings and other fixed structures	-	-	-	-	-	20,000	25,000	-
Machinery and equipment	6,404	6,082	6,687	5,456	5,456	10,000	11,000	12,500
Other	-	-	-	-	-	-	-	-
Total	157,556	160,309	192,452	218,662	218,662	274,409	291,873	279,717

Service delivery measures

Table 12.18 below illustrates some of the main service delivery measures pertaining to Programme 4.

Table 12.18: Service delivery measures – Programme 4: Traffic Management

Output type	Activities	Performance measures	Performance targets	
			2003/04 Est. Actual	2004/05 Estimate
1. Provide a safe roads environment through community outreach and development	<ul style="list-style-type: none"> Events management. Development and training of Community Roadside Committees (CRSCs) 	Number of structured events	20	22
		Total number of CRSCs	35	35
2. Engineering of hazardous locations	Audit high accident location	Number of interventions	10	10
3. Promote safe use of public roads	Effective enforcement	<ul style="list-style-type: none"> Road side checks 	580 000	620 000
		<ul style="list-style-type: none"> Govt. vehicle inspection 	10 000	10 000
		<ul style="list-style-type: none"> Breath tests RBT 	200 000	200 000
		<ul style="list-style-type: none"> Speed timing measurements 	6 000 000	6 000 000
		<ul style="list-style-type: none"> Vehicle weighed 	200 000	220 000
		<ul style="list-style-type: none"> Seat belt checks 	300 000	320 000
4. Dedicated road patrols	Patrol all roads in the province	Kilometres patrolled	2 750 000	2 700 000
5. Reduce high pedestrian accident location	Audit and recommend remedial measures	Number of identifications	30	35

6.5 Programme 5: Community Based Programme

This is a new programme required in terms of the generic format for the roads and transport sector. Previously, the budget allocation of this programme formed part of Programme 2: Road Infrastructure. This new programme caters for the development of projects designed to empower and transfer skills to rural communities, thereby facilitating the process of active participation of these communities in the economy of the country. In addition, this programme is aimed at the development and incubation of projects that utilise the core functions of the department to facilitate the principles of Black Economic Empowerment and rural upliftment. Such projects include the department's flagship *Zibambele* and *Vukuzakhe* programmes, Labour

Based and Labour Intensive Construction, as well as the African Renaissance Roads Upgrading Programme (ARRUP), with its developmental principles.

Note that the actual funding for the projects that are developed as part of this initiative are included under Programme 2: Road Infrastructure, because these projects form a direct part of the road maintenance and construction functions of the department. Tables 12.19 and 12.20 below summarise payments relating to this new programme.

Table 12.19: Summary of payments and estimates: Programme 5

R000	Outcome			Adjusted budget	Estimated actual	Medium-term estimates		
	Audited	Audited	Audited			2004/05	2005/06	2006/07
	2000/01	2001/02	2002/03	2003/04				
	Programme Support Office	52,619	57,240	39,324	31,986	31,986	27,040	38,207
Total	52,619	57,240	39,324	31,986	31,986	27,040	38,207	39,268

Table 12.20: Summary of payments and estimates by economic classification: Programme 5

R000	Outcome			Adjusted budget	Estimated actual	Medium-term estimates		
	Audited 2000/01	Audited 2001/02	Audited 2002/03			2004/05	2005/06	2006/07
				2003/04				
Current payments	52,601	57,213	39,296	31,956	31,956	27,009	38,174	39,233
Compensation of employees	5,634	8,286	8,652	9,171	9,171	9,720	10,303	10,922
Goods and services	46,967	48,927	30,644	22,785	22,785	17,289	27,871	28,311
Other	-	-	-	-	-	-	-	-
Transfers and subsidies to:	18	27	28	30	30	31	33	35
Local government	18	27	28	30	30	31	33	35
Non-profit institutions	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total	52,619	57,240	39,324	31,986	31,986	27,040	38,207	39,268

7. Other programme information

7.1 Personnel numbers and costs

Table 12.21 below reflects personnel information per programme. Personnel numbers for full-time equivalent positions are given for the previous and current financial years, along with estimates of personnel numbers over the MTEF.

The fluctuation in personnel numbers from March 2000 to March 2003 relates to the restructuring exercise undertaken by the department during this two year period. During the time of restructuring, the appointment of non-critical staff was on hold, hence the reduction in personnel numbers during these years.

Table 12.21: Personnel numbers and costs

Personnel numbers	As at 31 March 2000	As at 31 March 2001	As at 31 March 2002	As at 31 March 2003	As at 31 March 2004	As at 31 March 2005
Programme 1: Administration	594	441	394	377	398	398
Programme 2: Road Infrastructure	3,792	3,369	3,007	3,620	3,905	3,814
Programme 3: Public Transport	29	22	25	36	56	56
Programme 4: Traffic Management	876	890	863	969	1,009	1,100
Programme 5: Community Based Programme	36	45	44	48	55	56
Total	5,327	4,767	4,333	5,050	5,423	5,424
Total personnel cost (R thousand)	275,132	274,919	288,574	317,850	367,064	389,539
Unit cost (R thousand)	52	58	67	63	68	72

7.2 Training

The department is required by the Skills Development Act to budget at least 1 percent of its personnel expense on staff training, to cater for human resource development. To facilitate this process, the department is affiliated to the line function Sectoral Education and Training Authority (SETA), and the Construction Education and Training Authority (CETA). Table 12.22 reflects departmental expenditure on training per programme over the seven-year period.

Table 12.22: Expenditure on training

			Outcome		Adjusted budget	Estimated actual	Medium-term estimates		
	Audited	Audited	Audited						
R000	2000/01	2001/02	2002/03	2003/04		2004/05	2005/06	2006/07	
Programme 1: Administration	2,490	2,909	1,237	2,293	2,293	2,700	3,000	3,200	
Programme 2: Road Infrastructure	308	2,971	6,481	9,631	9,631	11,000	11,800	12,600	
Programme 3: Public Transport	174	191	162	150	150	200	230	260	
Programme 4: Traffic Management	1,068	584	482	627	627	700	800	850	
Programme 5: Community Based Programme	1,027	1,440	1,481	2,628	2,628	2,800	2,900	3,200	
Total	5,067	8,095	9,843	15,329	15,329	17,400	18,730	20,110	

ANNEXURE TO VOTE 12 – TRANSPORT

Table 12.A: Details of departmental receipts

R000	Outcome			Adjusted budget	Estimated actual	Medium-term estimates		
	Audited 2000/01	Audited 2001/02	Audited 2002/03			2004/05	2005/06	2006/07
Tax receipts	352,965	361,899	438,850	389,000	389,348	440,000	470,000	500,000
Casino taxes	-	-	-	-	-	-	-	-
Motor vehicle licenses	352,965	361,899	438,850	389,000	389,348	440,000	470,000	500,000
Horseracing	-	-	-	-	-	-	-	-
Other taxes	-	-	-	-	-	-	-	-
Non-tax receipts	21,028	22,575	28,155	19,245	19,699	26,397	27,561	28,794
Sale of goods and services other than capital asset	9,173	5,392	6,261	5,019	6,621	5,160	5,310	5,528
Sales of goods and services produced by dept.	9,173	5,392	6,261	5,019	6,621	5,160	5,310	5,528
Sales by market establishments	-	-	-	-	-	-	-	-
Administrative fees	127	228	210	280	305	300	325	350
Other sales	9,046	5,164	6,051	4,739	6,316	4,860	4,985	5,178
<i>Of which</i>								
<i>Abnormal load permits</i>	6,387	2,626	3,248	3,500	751	3,700	4,000	4,200
<i>Housing rent recoveries</i>	687	736	606	700	760	750	800	850
<i>Other</i>	1,972	1,802	2,197	539	4,805	410	185	128
Sales of scrap, waste, arms and other used current goods (excluding capital assets)	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	11,477	16,947	21,557	14,000	12,691	21,000	22,000	23,000
Interest, dividends and rent on land	378	236	337	226	387	237	251	266
Interest	378	236	337	226	387	237	251	266
Dividends	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-
Transfers received from:	-	-	-	-	-	-	-	-
Other governmental units	-	-	-	-	-	-	-	-
Universities and technikons	-	-	-	-	-	-	-	-
Foreign governments	-	-	-	-	-	-	-	-
International organisations	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-
Households and non-profit institutions	-	-	-	-	-	-	-	-
Sales of capital assets	10,453	17,248	16,880	3,000	21,804	3,250	3,445	3,650
Land and subsoil assets	375	177	7	-	-	-	-	-
Other capital assets	10,078	17,071	16,873	3,000	21,804	3,250	3,445	3,650
Financial transactions	2,402	3,817	1,971	-	2,142	-	-	-
Total	386,848	405,539	485,856	411,245	432,993	469,647	501,006	532,444

Table 12.B: Details of payments and estimates by economic classification

R000	Outcome			Adjusted budget	Estimated actual	Medium-term estimates			
	Audited	Audited	Audited			2003/04	2004/05	2005/06	2006/07
	2000/01	2001/02	2002/03						
Current payments	363,938	345,291	406,907	511,405	511,442	532,226	559,000	592,853	
Compensation of employees	153,559	148,286	196,223	216,772	216,772	231,286	245,391	261,378	
Salaries and wages	100,662	95,502	125,444	146,593	146,593	157,637	167,323	177,554	
Social contributions	52,897	52,784	70,779	70,179	70,179	73,649	78,068	83,824	
Goods and services	210,379	197,005	210,684	294,633	294,670	300,940	313,609	331,475	
Interest and rent on land	-	-	-	-	-	-	-	-	
Interest	-	-	-	-	-	-	-	-	
Rent on land	-	-	-	-	-	-	-	-	
Financial transactions in assets and liabilities	-	-	-	-	-	-	-	-	
Unauthorised expenditure	-	-	-	-	-	-	-	-	
Transfers and subsidies to:	6,111	6,051	3,773	11,124	11,124	21,340	21,762	22,401	
Local government	1,419	1,284	1,403	5,162	5,162	14,996	15,155	15,399	
Municipalities	1,419	1,284	1,403	5,162	5,162	14,996	15,155	15,399	
Municipal agencies and funds	-	-	-	-	-	-	-	-	
Departmental agencies and accounts	4,367	4,501	2,146	5,442	5,442	5,764	5,974	6,332	
Social security funds	-	-	-	-	-	-	-	-	
Entities receiving funds	4,367	4,501	2,146	5,442	5,442	5,764	5,974	6,332	
Public corporations and private enterprises	-	-	-	-	-	-	-	-	
Public corporations	-	-	-	-	-	-	-	-	
Subsidies on production	-	-	-	-	-	-	-	-	
Other transfers	-	-	-	-	-	-	-	-	
Private enterprises	-	-	-	-	-	-	-	-	
Subsidies on production	-	-	-	-	-	-	-	-	
Other transfers	-	-	-	-	-	-	-	-	
Foreign governments and international organisations	-	-	-	-	-	-	-	-	
Non-profit institutions	-	-	-	-	-	-	-	-	
Households	325	266	224	520	520	580	633	670	
Social benefits	-	-	-	-	-	-	-	-	
Other transfers to households	325	266	224	520	520	580	633	670	
Payments for capital assets ¹	535,797	764,009	779,999	1,038,278	1,038,278	1,300,634	1,527,010	1,611,229	
Buildings and other fixed structures	487,677	708,831	724,152	996,190	996,190	1,263,213	1,487,121	1,568,281	
Buildings	232	4,207	8,321	13,344	13,344	7,910	8,208	8,623	
Other fixed structures	487,445	704,624	715,831	982,846	982,846	1,255,303	1,478,913	1,559,658	
Machinery and equipment	48,120	55,178	55,847	42,088	42,088	37,421	39,889	42,948	
Transport equipment	8,853	7,329	6,410	6,695	6,695	7,172	7,602	8,058	
Other machinery and equipment	39,267	47,849	49,437	35,393	35,393	30,249	32,287	34,890	
Cultivated assets	-	-	-	-	-	-	-	-	
Software and other intangible assets	-	-	-	-	-	-	-	-	
Land and subsoil assets	-	-	-	-	-	-	-	-	
Total	905,846	1,115,351	1,190,679	1,560,807	1,560,844	1,854,200	2,107,772	2,226,483	
1. Included under Payment of Capital Assets are capitalised payments for:									
Compensation of employees	121,360	140,288	121,627	150,292	150,292	158,253	168,089	174,812	
Total compensation of employees	274,919	288,574	317,850	367,064	367,064	389,539	413,480	436,190	

Table 12.C: Details of payments and estimates by economic classification - Programme 1

R000	Outcome			Adjusted budget 2003/04	Estimated actual 2003/04	Medium-term estimates		
	Audited 2000/01	Audited 2001/02	Audited 2002/03			2004/05	2005/06	2006/07
Current payments	64,167	71,043	83,793	81,512	81,549	90,416	94,223	98,641
Compensation of employees	30,558	31,977	40,533	43,780	43,780	48,976	52,743	56,200
Salaries and wages	20,822	22,584	27,785	31,021	31,021	35,966	38,952	41,500
Social contributions	9,736	9,393	12,748	12,759	12,759	13,010	13,791	14,700
Goods and services	33,609	39,066	43,260	37,732	37,769	41,440	41,480	42,441
of which								
Communication services	3,872	4,438	5,465	5,393	5,393	5,500	5,700	5,900
Hire of equipment	1,569	1,903	2,510	3,111	3,111	3,200	3,300	3,400
Professional services	11,968	11,919	21,345	24,670	24,670	22,000	22,500	23,000
Other	16,200	20,806	13,940	4,558	4,595	10,740	9,980	10,141
Interest and rent on land	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-
Financial transactions in assets and liabilities	-	-	-	-	-	-	-	-
Unauthorised expenditure	-	-	-	-	-	-	-	-
Transfers and subsidies to:	187	187	241	249	249	311	333	354
Local government	87	92	125	107	107	147	159	170
Municipalities	87	92	125	107	107	147	159	170
Municipal agencies and funds	-	-	-	-	-	-	-	-
Departmental agencies and accounts	100	95	116	142	142	164	174	184
Social security funds	-	-	-	-	-	-	-	-
Entities receiving funds	100	95	116	142	142	164	174	184
Public corporations and private enterprises	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-
Social benefits	-	-	-	-	-	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-
Payments for capital assets¹	11,482	13,013	16,689	21,550	21,550	17,653	18,535	19,581
Buildings and other fixed structures	232	4,207	8,321	13,344	13,344	7,910	8,208	8,623
Buildings	232	4,207	8,321	13,344	13,344	7,910	8,208	8,623
Other fixed structures	-	-	-	-	-	-	-	-
Machinery and equipment	11,250	8,806	8,368	8,206	8,206	9,743	10,327	10,958
Transport equipment	8,853	7,329	6,410	6,695	6,695	7,172	7,602	8,058
Other machinery and equipment	2,397	1,477	1,958	1,511	1,511	2,571	2,725	2,900
Cultivated assets	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-
Total	75,836	84,243	100,723	103,311	103,348	108,380	113,091	118,576

Table 12.D: Details of payments and estimates by economic classification - Programme 2

R000	Outcome			Adjusted budget	Estimated actual	Medium-term estimates		
	Audited	Audited	Audited			2004/05	2005/06	2006/07
	2000/01	2001/02	2002/03					
Current payments	82,582	47,753	80,620	161,186	161,186	145,425	144,120	159,549
Compensation of employees	46,431	28,640	54,742	50,537	50,537	53,570	56,784	61,200
Salaries and wages	33,741	20,067	38,524	36,959	36,959	39,177	41,527	44,018
Social contributions	12,690	8,573	16,218	13,578	13,578	14,393	15,257	17,182
Goods and services	36,151	19,113	25,878	110,649	110,649	91,855	87,336	98,349
of which								
Transport	5,173	8,309	9,166	9,975	9,975	11,000	12,000	13,000
Inventory incl Fuel and Oil	15,162	15,255	14,765	19,428	19,428	21,500	22,700	24,000
Professional services	9,460	8,402	10,829	30,915	30,915	30,600	25,200	28,100
Other	6,356	(12,853)	(8,882)	50,331	50,331	28,755	27,436	33,249
Interest and rent on land	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-
Financial transactions in assets and liabilities	-	-	-	-	-	-	-	-
Unauthorised expenditure	-	-	-	-	-	-	-	-
Transfers and subsidies to:	1,427	1,187	1,197	5,179	5,179	14,996	15,173	15,416
Local government	1,102	921	973	4,659	4,659	14,416	14,540	14,746
Municipalities	1,102	921	973	4,659	4,659	14,416	14,540	14,746
Municipal agencies and funds	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-
Entities receiving funds	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-
Households	325	266	224	520	520	580	633	670
Social benefits	-	-	-	-	-	-	-	-
Other transfers to households	325	266	224	520	520	580	633	670
Payments for capital assets ¹	517,911	744,914	756,623	1,011,272	1,011,272	1,252,981	1,472,475	1,579,148
Buildings and other fixed structures	487,445	704,624	715,831	982,846	982,846	1,235,303	1,453,913	1,559,658
Buildings	-	-	-	-	-	-	-	-
Other fixed structures	487,445	704,624	715,831	982,846	982,846	1,235,303	1,453,913	1,559,658
Machinery and equipment	30,466	40,290	40,792	28,426	28,426	17,678	18,562	19,490
Transport equipment	-	-	-	-	-	-	-	-
Other machinery and equipment	30,466	40,290	40,792	28,426	28,426	17,678	18,562	19,490
Cultivated assets	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-
Total	601,920	793,854	838,440	1,177,637	1,177,637	1,413,402	1,631,768	1,754,113
1. Included under Payment of Capital Assets are capitalised payments for:								
Compensation of employees	121,360	140,288	121,627	150,292	150,292	158,253	168,089	174,812
Total compensation of employees	167,791	168,928	176,369	200,829	200,829	211,823	224,873	236,012

Table 12.E: Details of payments and estimates by economic classification - Programme 3

R000	Outcome			Adjusted budget	Estimated actual	Medium-term estimates		
	Audited 2000/01	Audited 2001/02	Audited 2002/03			2003/04	2004/05	2005/06
Current payments	13,634	15,279	17,687	23,848	23,848	25,325	26,986	28,612
Compensation of employees	2,066	2,719	2,712	5,556	5,556	6,269	6,645	6,976
Salaries and wages	1,476	1,931	1,885	3,945	3,945	4,451	4,718	4,953
Social contributions	590	788	827	1,611	1,611	1,818	1,927	2,023
Goods and services	11,568	12,560	14,975	18,292	18,292	19,056	20,341	21,636
of which								
Professional services	10,124	10,127	8,540	13,604	13,604	15,000	16,000	17,000
Other	1,444	2,433	6,435	4,688	4,688	4,056	4,341	4,636
Interest and rent on land	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-
Financial transactions in assets and liabilities	-	-	-	-	-	-	-	-
Unauthorised expenditure	-	-	-	-	-	-	-	-
Transfers and subsidies to:	4,281	4,426	2,053	5,363	5,363	5,644	5,847	6,197
Local government	14	20	23	63	63	44	47	49
Municipalities	14	20	23	63	63	44	47	49
Municipal agencies and funds	-	-	-	-	-	-	-	-
Departmental agencies and accounts	4,267	4,406	2,030	5,300	5,300	5,600	5,800	6,148
Social security funds	-	-	-	-	-	-	-	-
Entities receiving funds	4,267	4,406	2,030	5,300	5,300	5,600	5,800	6,148
Public corporations and private enterprises	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-
Social benefits	-	-	-	-	-	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-
Payments for capital assets ¹	-	-	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-
Transport equipment	-	-	-	-	-	-	-	-
Other machinery and equipment	-	-	-	-	-	-	-	-
Cultivated assets	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-
Total	17,915	19,705	19,740	29,211	29,211	30,969	32,833	34,809

Table 12.F: Details of payments and estimates by economic classification - Programme 4

R000	Outcome			Adjusted budget	Estimated actual	Medium-term estimates		
	Audited	Audited	Audited			2004/05	2005/06	2006/07
	2000/01	2001/02	2002/03					
Current payments	150,954	154,003	185,511	212,903	212,903	244,051	255,497	266,818
Compensation of employees	68,870	76,664	89,584	107,728	107,728	112,751	118,916	126,080
Salaries and wages	40,879	45,430	51,560	68,637	68,637	71,651	75,350	79,900
Social contributions	27,991	31,234	38,024	39,091	39,091	41,100	43,566	46,180
Goods and services	82,084	77,339	95,927	105,175	105,175	131,300	136,581	140,738
of which								
Transport and Fuel	10,237	12,525	17,610	16,770	16,770	18,447	20,291	22,320
Communication	4,434	5,156	6,181	5,440	5,440	5,766	6,200	6,650
Professional services	39,332	37,694	42,356	45,752	45,752	48,500	51,400	54,490
Other	28,081	21,964	29,780	37,213	37,213	58,587	58,690	57,278
Interest and rent on land	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-
Financial transactions in assets and liabilities	-	-	-	-	-	-	-	-
Unauthorised expenditure	-	-	-	-	-	-	-	-
Transfers and subsidies to:	198	224	254	303	303	358	376	399
Local government	198	224	254	303	303	358	376	399
Municipalities	198	224	254	303	303	358	376	399
Municipal agencies and funds	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-
Entities receiving funds	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-
Social benefits	-	-	-	-	-	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-
Payments for capital assets ¹	6,404	6,082	6,687	5,456	5,456	30,000	36,000	12,500
Buildings and other fixed structures	-	-	-	-	-	20,000	25,000	-
Buildings	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	20,000	25,000	-
Machinery and equipment	6,404	6,082	6,687	5,456	5,456	10,000	11,000	12,500
Transport equipment	-	-	-	-	-	-	-	-
Other machinery and equipment	6,404	6,082	6,687	5,456	5,456	10,000	11,000	12,500
Cultivated assets	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-
Total	157,556	160,309	192,452	218,662	218,662	274,409	291,873	279,717

Table 12.G: Details of payments and estimates by economic classification - Programme 5

R000	Outcome			Adjusted budget	Estimated actual	Medium-term estimates		
	Audited 2000/01	Audited 2001/02	Audited 2002/03			2004/05	2005/06	2006/07
Current payments	52,601	57,213	39,296	31,956	31,956	27,009	38,174	39,233
Compensation of employees	5,634	8,286	8,652	9,171	9,171	9,720	10,303	10,922
Salaries and wages	3,744	5,490	5,690	6,031	6,031	6,392	6,776	7,183
Social contributions	1,890	2,796	2,962	3,140	3,140	3,328	3,527	3,739
Goods and services	46,967	48,927	30,644	22,785	22,785	17,289	27,871	28,311
of which								
Community Forums	773	2,698	2,957	3,210	3,210	3,370	3,570	3,780
Professional services	20,263	22,870	17,910	17,600	17,600	5,500	12,500	14,500
Other	25,931	23,359	9,777	1,975	1,975	8,419	11,801	10,031
Interest and rent on land	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-
Financial transactions in assets and liabilities	-	-	-	-	-	-	-	-
Unauthorised expenditure	-	-	-	-	-	-	-	-
Transfers and subsidies to:	18	27	28	30	30	31	33	35
Local government	18	27	28	30	30	31	33	35
Municipalities	18	27	28	30	30	31	33	35
Municipal agencies and funds	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-
Entities receiving funds	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-
Social benefits	-	-	-	-	-	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-
Payments for capital assets¹	-	-	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-
Transport equipment	-	-	-	-	-	-	-	-
Other machinery and equipment	-	-	-	-	-	-	-	-
Cultivated assets	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-
Total	52,619	57,240	39,324	31,986	31,986	27,040	38,207	39,268

Table 12.H: Detailed of expenditure for infrastructure (capital)

Category / Type of structure	Programme	No. of Projects	Total Cost	Medium-term estimates		
				2004/05	2005/06	2006/07
R000						
New constructions (Buildings and infrastructure)		542	1,119,159	304,481	389,391	425,287
Roads	2	469	1,043,507	276,981	366,739	399,787
Other road structures (Bridges, culverts etc.)	2	71	54,000	17,500	18,000	18,500
Administration blocks (includes office accommodation)	1	2	21,652	10,000	4,652	7,000
Rehabilitation/upgrading		521	3,129,715	930,822	1,064,522	1,134,371
Roads	2	521	3,129,715	930,822	1,064,522	1,134,371
Other capital projects		-	-	-	-	-
Total		1,063	4,248,874	1,235,303	1,453,913	1,559,658

Table 12.1 Transfer to Municipalities

Category	Name of Municipality	Outcome			Adjusted budget	Estimated actual	Medium-term estimates		
		Audited 2000/01	Audited 2001/02	Audited 2002/03			2003/04	2004/05	2005/06
		R000							
Category A		117	59	46	2,056	2,056	12,000	12,000	12,000
	eThekwini	117	59	46	2,056	2,056	12,000	12,000	12,000
Category B		480	275	254	1,744	1,744	1,505	1,574	1,722
	Abaqulusi	76	46	48	37	37	39	41	43
	Dannhauser	18	8	8	8	8	8	8	8
	eDumbe	16	6	6	6	6	6	6	6
	Endumeni	69	49	49	39	39	41	43	45
	Greater Kokstad	38	18	19	18	18	19	20	21
	Hibiscus Coast	6	6	6	6	6	6	6	6
	Kwa Sani	7	2	2	2	2	2	2	2
	Mandeni	1	1	1	1	1	1	1	1
	Matatiele	20	10	10	10	10	10	10	10
	Msunduzi	57	27	9	1,500	1,500	1,100	1,200	1,200
	Mthonjaneni	-	-	6	-	-	-	-	-
	Umdoni	22	12	-	12	12	12	12	12
	Umlalazi	44	24	24	20	20	20	20	20
	Umvoti	41	21	21	21	21	21	21	21
	Utrecht	65	45	45	35	35	35	35	35
	Vulamehlo	-	-	-	29	29	185	149	292
Category C		-	-	-	-	-	-	-	-
Total		597	334	300	3,800	3,800	13,505	13,574	13,722

