

# Vote 7

## Local Government and Traditional Affairs

**Table 7.1: Summary of departmental allocation**

R' 000	2009/10 To be appropriated	2010/11	2011/12
<b>MTEF allocations</b>	<b>659 016</b>	<b>640 452</b>	<b>678 651</b>
of which			
Current payments	537 414	555 426	589 630
Transfers and subsidies	66 247	50 230	52 591
Payments for capital assets	55 355	34 796	36 431
<b>Statutory Amount</b>	<b>1 414</b>	<b>1 503</b>	<b>1 589</b>
Political Office Bearer	MEC for Local Government & Traditional Affairs		
Administering Department	Local Government and Traditional Affairs		
Accounting Officer	Superintendent General		

### 1. Overview

#### 1.1 Vision

A strong and effective department that promotes viable, sustainable, developmental municipalities and traditional institutions.

#### 1.2 Mission

To ensure an effective department that promotes developmental municipalities and traditional institutions through hands-on support, governance arrangements, refined fiscal and regulatory framework.

#### 1.3 Main services

- Facilitate the eradication of bucket toilet system.
- Promote good governance and administration in municipalities.
- Allocation of powers and functions to municipalities.
- Assisting municipalities in spatial planning, land surveys, land use management and property valuation.
- Assist municipalities in developing Integrated Development Plans (IDPs).
- Provide and co-ordinate disaster management and emergency services.
- Support the provision of free basic services by municipalities.
- Create conducive environment for local economic and enterprise development.
- Co-ordinate the piloting of urban and rural development strategies.
- Revitalize and support Traditional Institutions.
- Manage the transformation of institutions of Traditional leadership.

#### 1.4 Core functions and responsibilities

The core functions of the Department are the following:

- The establishment of municipalities, promotion, facilitation, monitoring and strengthening of municipal governance.
- The promotion, facilitation and monitoring of municipal spatial planning and land development administration.
- The promotion, facilitation, co-ordination, and strengthening and monitoring municipal integrated development and strategy.
- Promotion and facilitation of municipal integrated infrastructural development services, disaster management and free basic services.
- To promote and facilitate viable and sustainable Traditional Institutions.

- To provide strategic direction to the branch and to ensure transformation of developmental local government.
- To promote and co-ordinate intergovernmental relations.

### **1.5 Demands and Changes in Services**

The implementation of the White Paper on Local Government did not lead to full establishment, consolidation and stabilisation of municipalities as was envisaged. This was demonstrated by emergency of 19 Project Consolidate municipalities in the Eastern Cape. The lessons drawn from Project Consolidate since 2004 have led to an improved understanding of development local government by way of promotion of municipal transformation and organisation, provision of municipal basic infrastructure and services, local economic development, municipal financial viability, good governance and public participation as well as co-ordination and integration (i.e. cross cutting issues).

The recent diagnosis of municipalities and the support thereto has revealed that there is a need to qualitatively change our approach in supporting municipalities. This has led to a review of strategic approach in providing support to municipalities:

- Monitoring and oversight;
- Norms and Standards;
- Coordination and mobilisation;
- Framework and targets; and
- Targeted assistance.

The shift to the above approach will have an impact on resource allocation and management.

In line with the National Framework on Traditional Leadership and Governance Act of 2003 the department is transforming traditional institutions to be in line with the democratic principles of the constitution.

In compliance with the provisions of the constitution on co-operative governance as well as the Inter-governmental Relations Act, the department will develop an implementation plan on the creation of the required intergovernmental structures that will ensure cooperation and co-ordination among the various spheres of government.

### **1.6 Acts, rules and regulations**

- Constitution of the Republic of South Africa
- Municipal Systems Act, 2000
- Municipal Structures Act, 1998
- White paper on Local Government, 1998
- Municipal Planning and Performance Regulations, 2001
- Development Facilitation Act, 1995
- Disaster Management Act, 57 of 2002
- Water Service Act
- National Water Act
- Promotion of Access to Information Act
- Basic Conditions of Employment Act
- Broad Based Black Economic Empowerment Act, No 53 of 2003
- National LED Framework
- Integrated Sustainable Rural Development Strategy
- Control of Access to Public Premises Act
- Demarcation Act
- Division of Revenue Act
- Employment Equity Act, 1999
- Fire Brigade Services Act

- General Recognised Accounting Practice Act
- Inter-governmental Relations Framework, 2005
- Labour Relations Act and all related labour legislation and policies
- Land Survey Act
- Land Use Planning Ordinance
- Land Use Regulation Act
- Minimum Information on Security Act
- Municipal Property Rates Act
- Preferential Procurement Policy Framework Act, No 5 of 2000
- Public Finance Management Act
- Public Service Act, 1994 as amended
- Skills Development Act
- SCM – Treasury Regulations issued in terms of the PFMA Section 16A, 16A 3.1
- Public Service Regulation
- Townships Ordinance
- Treasury Regulation
- National Treasury Practice Notes
- PSCBC resolutions – these regulate the administration of the public service, and conditions of service
- White Paper on Batho Pele
- White Paper on Transforming the Civil Service
- White Paper on Disaster Management

### **1.7 Budget decisions**

The Department of Local Government and Traditional Affairs is committed to promoting and ensuring developmental local government as well as transformation of Traditional Leadership and Institutions.

Developments which have a bearing on the budget decisions of this department are the following:

- Implementation and coordination of the Five Year Local Government Strategic Agenda;
- The implementation of learnership and internship programme;
- The transformation of Traditional Leadership Institutions; and
- Implementation of Inter-governmental Relations Framework.

## **2. Review of the current financial year 2008/09**

### **Local Government**

The Provincial Government, by legislative and other measures must, in terms of S.154 (1) of the Constitution of 1996 as Amended, supports and strengthens the capacity of municipalities to manage their own affairs, to exercise their powers and perform their functions. This responsibility has been allocated to the Department of Local Government and Traditional Affairs. Specifically the department is responsible for strengthening the capacity of municipalities and for monitoring their performance.

In previous years the department transferred funds annually to municipalities in order for them to implement various capacity building and service delivery projects. The department later realised that municipalities were unable to spend the funds transferred to them. In the 2008/9 financial year, the department introduced a policy shift. In terms of this new policy, most of the funding was, therefore, put under Goods and Services in order to strengthen hands-on support to municipalities. This entails the department directly engaging service providers to undertake identified priority projects in municipalities. This was done in line with the objectives of the Municipal Support and

Intervention Framework (MSIF) which, emphasises on targeted support. MSIF is the result of a desire to build sustainable institutional capacity at municipalities and was launched in November 2007 after consultation with various role-players and stakeholders.

However, due to a need to address other emerging challenges the department introduced the current Turnaround Plan (TAP). It follows a project management approach with cross functional and multi disciplinary teams established to focus on two functional areas; namely, the improvement of Financial Management thus resulting in improved audit outcomes in municipalities and Municipal Performance Management as well as improving financial viability focusing on the revitalisation of urban centres.

During the year under review the department, in terms of Section 47 of the Local Government: Municipal Systems Act No. 32 of 2000, assessed the performance of municipalities and compiled a consolidated provincial local government report. The report has identified areas of weakness in various municipalities as well as the remedial action to be taken by the department in accordance with the five (5) Key Performance Areas of the Five Year Local Government Strategic Agenda including Cross Cutting matters.

During the 2008/9 Financial Year, state-wide planning has assumed a wider and greater role through Municipal Integrated Development Planning (IDP). More organs of the state took part in IDP consultative engagements, the training of IDP Assessors, assessment and analysis as well as IDP feedback sessions across the province. These activities brought about new lessons, insights and challenges. The assessment and analysis gave an impression that more than 80 per cent of our municipal plans are still poor, whilst more than 60 per cent of national and provincial organs of the state are not playing their constitutional and legislative role in support of the capacity of municipalities.

Furthermore, the department has implemented the recommendations of the Municipal Demarcation Board (MDB) on the adjustment of powers and functions. This puts more pressure on the department in ensuring that those municipalities from which such powers and functions have been removed are capacitated to be able to perform them once more as is required by legislation. In the same vein the recipient municipalities must also be capacitated as well.

## **Challenges**

- High rate of vacancies in municipalities
- Poor implementation of Performance Management Systems in municipalities
- Low provisioning of free basic services due to huge municipal infrastructure backlog and lack of credible data on indigent population.
- Poor financial management in municipalities as depicted by audit opinions
- Ineffective public participation mechanisms in municipalities
- Poor development and implementation of the IDPs
- Low capacity for effective Disaster Management
- Lack of interest from municipalities in the Vuna awards
- Inefficient Land-use management and administration in municipalities
- The pressure on the available capacity to implement the Five Year Local Government Strategic Agenda
- Financial resources for the following; Establishment of an Integrated Provincial Disaster Management Centre, fire needs assessment report and post disaster recovery, reconstruction and rehabilitation projects.
- Development of credible indigent policy, registers as well as exit strategy.
- Delay by DPLG to provide the department with National Comprehensive Infrastructure Frameworks, Guidelines and terms of reference for the appointment of service providers.

- Inadequate funding to address human capital in terms of the new approved structure.

### **Traditional Affairs**

The 2008/09 financial year saw the task of developing legislation for the establishment of Local Houses in all the areas of jurisdiction of District Municipalities get underway. The department initiated the development of regulations that provide for the election of 40 per cent of the members of Traditional Councils. The regulations are fundamental to the transformation of the Traditional Authorities into Traditional Council to participate in Local Municipalities on development matter e.g. IDPs. These policy and legislative recommendation have been submitted to Provincial Legislature and are undergoing the necessary processes.

The department upholds the principle of the poor participating in the design, implementation and monitoring of rural development programmes. This is one of the primary objectives of the developmental state and the department supports it through structures such as the Imbumba Yamakhosikazi Akomkhulu such that the department gives a voice to poor rural communities. Of paramount importance is the involvement of rural women. This initiative has been channeled towards 39 community projects in 10 Traditional Regions, namely, Western Tembuland, Qaukeni, Nyandeni, Fingo, Maluti, Sterkspruit, Bumbane, Rharhabe, Emboland, and Gcaleka, the progress has been satisfactory.

It became imperative that skills audit be conducted for members of the House of Traditional Leaders to ensure that skills gaps are identified which will form the basis for a skills development plan. The training needs were identified and 100 per cent of the capacitating programme has been implemented to all members of the house.

The House has been active in reinforcing government's strategies in enhancing social responsibility programmes against HIV/AIDS and towards food and security programmes. The government requires a collaborative effort in the fight against HIV/AIDS and in the efforts to reduce poverty levels in our province. The House has a critical role to play in supporting programmes that are directed to their areas of jurisdiction in relation to the aforementioned areas. There have been delays in identifying suitable areas for cattle breeding for the purpose of implementing the food security programmes. Targeted areas for the HIV/AIDS Infection Reduction programme are the Qaukeni and Nyandeni Regions and programme activities have been rolled out.

The Department has committed itself in accelerating the implementation of Traditional Leadership and Governance Framework Act 41 of 2003. The focus will be on the working relationship of the Institutions of Traditional Leadership with other government departments as envisaged in section 20 of the Act. An objective platform of dialogue, an Imbadu, has been held and a draft Imbadu Report has been crafted.

Construction of four Traditional Councils Offices/Courts (Nyandeni, Emboland, Gcaleka, Tembuland and Rharhabe) had already started in 2007/08 and in the 2008/09 financial year the department committed to the construction of 5 Traditional Council Offices/Courts. Seven Traditional Council offices have already been completed during the 2008/09 financial year. All kingdoms were renovated during the year under review.

### **3. Outlook for the coming financial year 2009/10**

There have been a number of developments in the field of local government, most of which have led to changes in direction and speed of our support to municipalities. These include lessons learnt from implementing the Five Year Local Government Strategic Agenda, Growth and Development Summit Outcomes, publication of guidelines, assessment of Integrated Development Plans (IDPs),

assessment of performance of municipalities, capacity assessment of municipalities in LED and other pieces of information on intergovernmental relations, to mention a few.

There has been substantial progress achieved and reported on in our performance on the Five Year Local Government Strategic Agenda. However, there are issues that require further attention in 2009/2010 MTEF period namely, that:

- Some Sector Departments are still not fully functional in respect of an integrated support approach to municipalities
- The deployment of “hands on” support still requires coordination and strengthening with respect to accelerating service delivery
- The quality of data is still inadequate and there is a tendency to focus on process as opposed to progress achieved and outcomes
- The information flow needs to be reviewed to ensure validation and ownership at all spheres of government
- There are still a number of information gaps that need to be addressed to ensure uniform reporting
- Terminology and definitions have not been standardized and this may lead to possible misunderstanding in respect of progress reported
- No agreed-upon indicators have been available or used to assess service delivery progress that has been achieved to date.

The qualitative changes and challenges above have contributed to a reviewed vision, mission, strategic goals and objectives as indicated in our Strategic Plan, the Annual Performance Plan (APP) for 2009/10.

The strategic objective the department will strive to achieve from 2009/2010 is the following:

- Appropriate institutional systems, good governance and sustainable development promoted in all municipalities
- Facilitate upgrading of election infrastructure by municipalities.
- Develop systems to ensure Provincial readiness for 2010
- Improve municipal financial viability and good governance through reduction of indigence and implementation of local economic development programmes. This strategic objective reconfirms the commitment to deliver on the Five Year Local Government Strategic Agenda.
- Mainstreaming hands-on support to Local Government to improve municipal governance, performance and accountability
- Address the structure and governance arrangements of the State in order to better strengthen, support and monitor Local Government, as well as
- Refine and strengthen the policy, regulatory and fiscal environment for Local Government and giving greater attention to enforcement measures.

Delivery has also been hampered by disputes around mandates of individual spheres of government. As a consequence, the Inter-governmental Relations Framework Act of 2005 has been promulgated to minimise disputes between the different spheres. The underlying philosophy is one of co-operative governance. While Inter-governmental Relations (IGR) is supported by the Premier, this department will continue to play an important role in its successful implementation. Participatory processes like ward committees, the IDP and LED also serve as vehicles to deepen IGR.

The Municipal Finance Management Act of 2003, the re-demarcation of municipal boundaries and the last elections, have all been positive steps forward for local governance, but have meant that

municipalities have been in a continual state of re-organisation over the last few years. In addition, as with the Public Finance Management Act (PFMA), the MFMA is being implemented incrementally and many of the sections of both Acts are still to be operationalized and the department will continue engaging in the process in 2009/10.

The focus of the department for 2009/10 expands on the lessons learnt from our experiences in the 2008/09 financial year. The Five Year Local Government Strategic Agenda correctly captures and articulates the improvements in our institutional, regulatory and implementation approaches and systems.

### Traditional Affairs

The department has to ensure that the legislative framework relating to the establishment of Traditional Councils as well as Local Houses is implemented and finalised. The department will provide both infrastructure and administrative support units which are required for the Local Houses and the Traditional Councils to operate effectively. Five Local Houses have to be established in the coming financial year. The election and selection of members of Traditional Councils has to be finalised in the same period. These processes will enable Traditional Leadership institutions to participate in democratically elected institutions (municipal councils).

The department has already transformed more than half of the 230 Tribal Authorities and the process should be finalised by 2009/10. The final date for the disestablishment of Regional Authorities has passed. This means that Regional Authorities are operating in a legal vacuum. The department is engaged in correcting this situation. Once Tribal Authorities are transformed into Traditional Councils, they will participate in municipal councils, as stipulated in the Act.

## 4. Receipts and financing

**Table 7.2: Summary of departmental receipts**

R' 000	2005/06	2006/07	2007/08	2008/09			2009/10	2010/11	2011/12	% change from 2008/09
	Audited			Main budget	Adjusted budget	Revised estimate	Medium-term estimates			
<b>Treasury funding</b>										
Equitable share	400 197	397 913	608 204	551 055	603 388	636 620	<b>659 016</b>	640 452	678 651	3.52
Conditional grants	16 200									
<i>Disaster Relief Grant</i>	16 200									
<b>Total Treasury funding</b>	<b>416 397</b>	<b>397 913</b>	<b>608 204</b>	<b>551 055</b>	<b>603 388</b>	<b>636 620</b>	<b>659 016</b>	<b>640 452</b>	<b>678 651</b>	<b>3.52</b>
<b>Departmental receipts</b>										
Tax receipts										
Sales of goods and services other than capital assets						999				( 100.00)
Transfers received										
Fines, penalties and forfeits										
Interest, dividends and rent on land						28				( 100.00)
Sales of capital assets						28				( 100.00)
Financial transactions in assets and liabilities						612				( 100.00)
<b>Total departmental receipts</b>						1 667				( 100.00)
<b>Total receipts</b>	<b>416 397</b>	<b>397 913</b>	<b>608 204</b>	<b>551 055</b>	<b>603 388</b>	<b>638 287</b>	<b>659 016</b>	<b>640 452</b>	<b>678 651</b>	<b>3.25</b>

The department has very limited resource generation and collection avenues. The only source of revenue to the department is the sale of tender document and commission on insurances and garnishes. The department does not budget for own revenue and any collected revenue is paid into the revenue fund.

## 5. Payment summary

### Programme summary

#### Key Assumptions

The 2007 salary agreement (Resolution 1 of 2007) provides for the annual general salary adjustments for state employees for 2007/08 and 2008/09. The annual salary adjustment effective 1 July 2008 will be based on projected CPIX inflation for the period 1 April 2008 to 31 March 2009, plus 1 per cent.

**Table 7.3: Summary of departmental payments and estimates by programme**

R' 000	2005/06	2006/07	2007/08	2008/09			2009/10	2010/11	2011/12	% change from 2008/09
	Audited			Main budget	Adjusted budget	Revised estimate	Medium-term estimates			
1. Administration	83,110	86,825	108,525	105,298	146,544	144,603	130,177	137,446	148,855	(9.98)
2. Local Governance	110,410	79,232	222,163	146,848	160,379	158,738	137,855	144,486	152,282	(13.16)
3. Development And Planning	133 274	133 998	151 502	134 197	125 598	130 471	156 039	133 220	140 087	19.60
4. Traditional Institutional Management	89 603	97 858	126 014	164 712	170 867	204 475	234 945	225 300	237 427	14.90
<b>Total payments and estimates</b>	<b>416 397</b>	<b>397 913</b>	<b>608 204</b>	<b>551 055</b>	<b>603 388</b>	<b>638 287</b>	<b>659 016</b>	<b>640 452</b>	<b>678 651</b>	<b>3.25</b>

Table 7.3 shows expenditure patterns per programme. The budget of the department increases from a revised estimate of R638.3 million in the 2008/09 financial year to R659.016 million in the 2009/10 financial year. This represents an increase of 3.25 per cent. Traditional Affairs and Local Governance receive the largest allocations for the 2009/10 financial year. The budget for Compensation of employees increases from a revised estimate of R331.1 million in 2008/09 to R373.005 million in the 2009/10 financial year. The reason for the increase is the recruitment drive to fill all critical vacant posts so as to reduce the vacancy rate and improve the overall operational capacity of the department.

**Table 7.3.1: Summary of departmental payments and estimates by economic classification**

R' 000	2005/06	2006/07	2007/08	2008/09			2009/10	2010/11	2011/12	% change from 2008/09
	Audited			Main budget	Adjusted budget	Revised estimate	Medium-term estimates			
<b>Current payments</b>	<b>251 335</b>	<b>280 341</b>	<b>347 375</b>	<b>474 963</b>	<b>488 345</b>	<b>503 512</b>	<b>537 414</b>	<b>555 426</b>	<b>589 630</b>	<b>6.73</b>
Compensation of employees	160 317	204 208	251 481	294 457	312 760	331 123	373 005	396 476	419 066	12.65
Goods and services	72 523	72 984	95 812	180 506	175 585	172 389	164 409	158 950	170 564	(4.63)
Financial transactions in assets and liabilities	18 495	3 149	82							
<b>Transfers and subsidies to</b>	<b>155 114</b>	<b>109 964</b>	<b>240 672</b>	<b>43 251</b>	<b>82 602</b>	<b>83 312</b>	<b>66 247</b>	<b>50 230</b>	<b>52 591</b>	<b>(20.48)</b>
Provinces and municipalities	155 114	109 964	225 584	42 251	80 812	80 804	62 652	46 448	48 631	(22.46)
Foreign governments and international organisations				1 000	1 000	1 000	1 045	1 099	1 151	4.50
Households			15 088		790	1 508	2 550	2 683	2 809	69.10
<b>Payments for capital assets</b>	<b>9 948</b>	<b>7 608</b>	<b>20 157</b>	<b>32 841</b>	<b>32 441</b>	<b>51 463</b>	<b>55 355</b>	<b>34 796</b>	<b>36 431</b>	<b>7.56</b>
Buildings and other fixed structures	6 946	3 084	16 512	27 894	27 894	46 883	51 429	30 665	32 106	9.70
Machinery and equipment	3 002	4 524	3 645	4 947	4 547	4 580	3 926	4 131	4 325	(14.28)
<b>Total economic classification</b>	<b>416 397</b>	<b>397 913</b>	<b>608 204</b>	<b>551 055</b>	<b>603 388</b>	<b>638 287</b>	<b>659 016</b>	<b>640 452</b>	<b>678 651</b>	<b>3.25</b>

Table 7.3.1 shows the summary of estimates of payments by economic classification for the department. The budget for goods & services decreases from a revised estimate of R172.3 million in the 2008/09 financial year to R164.609 million in the 2009/10 financial year. The reduction is as a result of a once-off allocation that was made during the 2008 adjustment estimate. The R20 million additional allocation was for the purpose of addressing the in-year cost pressures. This was not carried through to the 2009/10 budget.

The allocation for the payments for transfers and subsidies will decrease from R83.3 million in the 2008/09 financial year to R66.247 million in the 2009/10 financial year. R30 million of projected total allocation for transfers for the 2009/10 financial year would be directed towards disaster management relief funds. After 2009/10, there is almost a 50 per cent reduction in the total transfers



and subsidies, which is due to the policy shift in terms of emphasis on supporting municipalities through departmental channels and not transferring funds directly to municipalities.

## 6. Programme Description

### 6.1 Description and objectives

#### Programme 1: Administration

The purpose of Programme 1 is to give effective strategic leadership and efficient administration and support services for the Department of Local Government and Traditional Affairs.

The objectives of the sub programmes of the programme are:

1.1 Office of the MEC - To provide Political Leadership in the department.

1.2 Corporate Services - To provide overall administration and support services to the department.

#### Policy developments

Development of departmental policies is done in line with National and Provincial Policies with the participation of departmental officials and stakeholders. The Department has managed to develop and approve the following Financial Management Policies:

- Revenue Management Policy
- Risk Management Policy
- Fraud Prevention Plan
- Budget Procedure Manual
- Write-off Policy Demand Management
- Acquisition Management
- Compliance, Risk Mgt and SCM Reporting
- Asset Management
- Cellular Phone Policy

**Table 7.8.1(a): Summary of departmental payments and estimates - Programme 1: Administration**

R' 000	2005/06	2006/07	2007/08	2008/09			2009/10	2010/11	2011/12	% change from 2008/09
	Audited			Main budget	Adjusted budget	Revised estimate	Medium-term estimates			
1. Office of the MEC	827	839	900	950	1,328	1,068	1,414	1,503	1,589	32.40
2. Corporate Services	82,283	85,986	107,625	104,348	145,216	143,535	128,763	135,943	147,266	(10.29)
<b>Total payments and estimates</b>	<b>83 110</b>	<b>86 825</b>	<b>108 525</b>	<b>105 298</b>	<b>146 544</b>	<b>144 603</b>	<b>130 177</b>	<b>137 446</b>	<b>148 855</b>	<b>(9.98)</b>

Table 7.8.1(a) shows the summary of payments and estimates for Programme 1. The budget for the programme will decrease by R14.4 million from R144.6 million in the 2008/09 financial year to R130.1 million in the 2009/10 financial year. This constitutes an 11 per cent reduction. The budget for the programme was increased by R20 million through the Adjusted Estimates of 2008/09 in order to enable it to address the shortfall experienced by Supply Chain Management which is due to added capacity. This adjustment was not carried through to the 2009/10 financial year hence the decrease.

**Table 7.8.1(b): Summary of departmental payments and estimates by economic classification - Programme 1: Administration**

R' 000	2005/06	2006/07	2007/08	2008/09			2009/10	2010/11	2011/12	% change from 2008/09
	Audited			Main budget	Adjusted budget	Revised estimate	Medium-term estimates			
<b>Current payments</b>	<b>79 706</b>	<b>82 267</b>	<b>104 236</b>	<b>100 351</b>	<b>141 807</b>	<b>139 835</b>	<b>123 701</b>	<b>130 632</b>	<b>141 721</b>	<b>(11.54)</b>
Compensation of employees	32 695	41 723	51 768	53 189	65 337	63 844	<b>75 723</b>	80 493	85 082	18.61
Goods and services	37 150	40 544	52 386	47 162	76 470	75 991	<b>47 978</b>	50 139	56 639	(36.86)
Financial transactions in assets and liabilities	9 861		82							
<b>Transfers and subsidies to</b>	<b>402</b>	<b>34</b>	<b>644</b>		<b>790</b>	<b>789</b>	<b>2 550</b>	<b>2 683</b>	<b>2 809</b>	<b>223.19</b>
Provinces and municipalities	402	34	421							
Households			223		790	789	<b>2 550</b>	2 683	2 809	223.19
<b>Payments for capital assets</b>	<b>3 002</b>	<b>4 524</b>	<b>3 645</b>	<b>4 947</b>	<b>3 947</b>	<b>3 979</b>	<b>3 926</b>	<b>4 131</b>	<b>4 325</b>	<b>(1.33)</b>
Buildings and other fixed structures										
Machinery and equipment	3 002	4 524	3 645	4 947	3 947	3 979	<b>3 926</b>	4 131	4 325	(1.33)
<b>Total economic classification</b>	<b>83 110</b>	<b>86 825</b>	<b>108 525</b>	<b>105 298</b>	<b>146 544</b>	<b>144 603</b>	<b>130 177</b>	<b>137 446</b>	<b>148 855</b>	<b>(9.98)</b>

Table 7.8.1 (b) shows the summary of payments and estimates by economic classification for Programme 1. Compensation of employees is expected to increase by R11.9 million in the 2009/10 financial year. The reason for this increase is the drive to reduce the high vacancy rate. Goods and services will decrease by R28 million in the 2009/10 financial year; these funds were transferred to Compensation of employees.

## Programme 2: Local Governance

The purpose of this programme is to provide viable and sustainable developmental municipalities delivering basic services and supporting good governance through hands-on support.

The objectives of the sub programmes of the programme are:

2.1 Municipal Administration - To monitor and facilitate effective municipal administration matters.

2.2 Municipal Finance - To facilitate and monitor the implementation of efficient and effective financial management systems in municipalities in accordance with the applicable Acts.

2.3 Municipal Public Participation - To deepen democracy, enhance service delivery to contribute to citizen education and public participation.

2.4 Capacity Development - To provide support and management services to municipalities in respect of capacity building.

2.5 Municipal Support provides hands-on support to municipalities. The programme is also responsible for monitoring and evaluation of the performance of municipalities.

## Policy Development

- CDW Policy Framework
- Handbook on Ward Committees
- Local Government White Paper
- All Human Resources Policies
- Local Government Anti-corruption Strategy

## Changes: policy, structure, service establishment, etc. Geographic distribution of services:

The quarterly provincial reports on the Five Year Strategic Agenda during 2008/09 have demonstrated need for heightened implementation and coordination of the programme in the MTEF period. This has called for institutional re-organisation and a fresh approach to municipal support in the Eastern Cape.

**Table 7.8.2(a): Summary of departmental payments and estimates - Programme 2: Local Governance**

R' 000	2005/06	2006/07	2007/08	2008/09			2009/10	2010/11	2011/12	% change from 2008/09
	Audited			Main budget	Adjusted budget	Revised estimate	Medium-term estimates			
1. Municipal Administration	77,261	46,742	70,189	26,941	56,397	54,440	21,331	22,601	23,819	(60.82)
2. Municipal Finance	33,149	32,490	143,262	36,486	20,761	19,721	33,284	35,172	36,977	68.77
3. Municipal Public Participation			8 712	73 807	73 607	72 609	59 056	62 696	66 193	(18.67)
4. Capacity Development				7 114	7 114	6 766	11 580	10 686	11 267	71.15
5. Municipal Performance Monitoring, Reporting and Evaluation				2 500	2 500	5 202	12 604	13 331	14 026	142.29
<b>Total payments and</b>	<b>110 410</b>	<b>79 232</b>	<b>222 163</b>	<b>146 848</b>	<b>160 379</b>	<b>158 738</b>	<b>137 855</b>	<b>144 486</b>	<b>152 282</b>	<b>(13.16)</b>

Table 7.8.2 shows the summary of payments and estimates for Programme 2. The main sub-programmes are Municipal Finance and Municipal Public Participation. The budget for this programme decreases from a revised estimate of R158.738 million in 2008/09 financial year to R137.855 million in 2009/10 financial year. This represents a decrease of 13.16 per cent. This decrease is attributable to the once-off allocation of R30 million to KSD made in the 2008 adjustment estimate to assist the municipality to prepare for the 2009 general elections.

**Table 7.8.2(b): Summary of departmental payments and estimates by economic classification - Programme 2: Local Governance**

R' 000	2005/06	2006/07	2007/08	2008/09			2009/10	2010/11	2011/12	% change from 2008/09
	Audited			Main budget	Adjusted budget	Revised estimate	Medium-term estimates			
<b>Current payments</b>	<b>52 924</b>	<b>61 168</b>	<b>91 352</b>	<b>146 848</b>	<b>125 179</b>	<b>123 538</b>	<b>132 774</b>	<b>140 719</b>	<b>148 338</b>	<b>7.48</b>
Compensation of employees	28 847	44 732	70 070	101 728	101 728	100 778	94 614	100 574	106 306	(6.12)
Goods and services	19 243	16 436	21 282	45 120	23 451	22 760	38 160	40 145	42 032	67.66
Financial transactions in assets and liabilities	4 834									
Unauthorised expenditure										
<b>Transfers and subsidies to</b>	<b>57 486</b>	<b>18 064</b>	<b>130 811</b>		<b>35 200</b>	<b>35 200</b>	<b>5 081</b>	<b>3 767</b>	<b>3 944</b>	<b>(85.57)</b>
Provinces and municipalities	57 486	18 064	130 811		35 200	35 200	5 081	3 767	3 944	(85.57)
<b>Payments for capital assets</b>										
<b>Total economic classification</b>	<b>110 410</b>	<b>79 232</b>	<b>222 163</b>	<b>146 848</b>	<b>160 379</b>	<b>158 738</b>	<b>137 855</b>	<b>144 486</b>	<b>152 282</b>	<b>(13.16)</b>

Table 7.8.2 (b) shows the summary payments and estimates by economic classification for Programme 2. Compensation of employees accounts for over 65 per cent of the allocation for the 2009/10 financial year, although it decreases by 6 per cent from the 2008/09 financial year to the 2009/10 financial year. The department conducted a person-to-post matching and head count exercise to ensure alignment to the organisational structure and to correct the baseline allocation of funds in all the programmes and subprogramme hence the reduction. Goods and services budget will increase by 15.4 per cent in 2009/10 financial year so as to ensure that programmes for the purpose of providing hands on support to municipalities are implemented effectively.

## Service delivery measures

<b>Programme 2:Local Governance</b>	<b>Target for 2009/10 as per APP</b>	<b>Target for 2010/11 as per APP</b>
<b>2.1 Municipal Administration</b>		
No of municipalities who have signed performance agreement	<b>45</b>	<b>11</b>
<b>2.2 Municipal Finance</b>		
No of Municipalities with Unqualified and Qualified reports	<b>30</b>	<b>30</b>
No of Municipalities with improved financial position	<b>15</b>	<b>30</b>
<b>2.3 Municipal Public Participation</b>		
No of municipalities with functional Ward Committees	<b>39</b>	
No of coordinated and implemented Imbizo programmes	<b>4</b>	
<b>2.4 Capacity Building</b>		
No of Sec 57 Managers undergoing leadership development training	<b>45</b>	<b>180</b>
Councillors undergoing leadership development training	<b>90</b>	
No of municipalities conducted skills Audit	<b>15</b>	<b>45</b>
<b>2.5 Municipal Support</b>		
No of municipalities with functional Performance Management System	<b>15</b>	<b>30</b>
No of municipalities participating in Municipal Excellence Performance	<b>15</b>	<b>20</b>

## Programme 3: Development & Planning

The purpose of this programme is to provide management and strategic direction of municipalities and promoting Integrated Development & Planning. The programme comprises of six sub programmes with the following objectives:

3.1 Spatial Planning - To facilitate, support and monitor the development and implementation of spatial development plans and land development applications.

3.2 Development Administration/Land Use Management - To facilitate, support and monitor land surveys, valuations and land use management in municipalities.

3.3 Integrated Development and Planning - To promote effective and efficient integrated development planning.

3.4 Local Economic Development - To facilitate and monitor local economic development programmes in municipalities.

3.5 Municipal Infrastructure - To facilitate and monitor infrastructure development within municipalities to ensure sustainable municipal infrastructure development

3.6 Disaster Management - To manage disaster management at provincial and municipal level to ensure the establishment of effective and efficient disaster management mechanism.

**Table 7.8.3(a): Summary of departmental payments and estimates - Programme 3: Development And Planning**

R' 000	2005/06	2006/07	2007/08	2008/09			2009/10	2010/11	2011/12	% change from 2008/09
	Audited			Main budget	Adjusted budget	Revised estimate	Medium-term estimates			
1. Spatial Planning	7,936	8,351	11,915	12,105	9,147	8,948	<b>9,080</b>	9,602	10,102	1.48
2. Development Admin/Land Use Management	18,204	17,424	19,760	22,588	12,325	12,782	<b>20,227</b>	21,421	22,568	58.25
3. Integrated Development Planning	11 388	23 729	14 905	16 550	16 550	15 226	<b>10 467</b>	11 041	11 590	(31.26)
4. LED and Planning	19 397	25 373	28 697	25 804	23 811	26 059	<b>31 334</b>	33 125	34 837	20.24
5. Municipal Infrastructure	32 919	29 874	31 850	24 832	31 447	34 154	<b>25 256</b>	26 703	28 087	(26.05)
6. Disaster Management	43 430	29 247	44 375	32 318	32 318	33 302	<b>59 676</b>	31 328	32 904	79.20
<b>Total payments and estimates</b>	<b>133 274</b>	<b>133 998</b>	<b>151 502</b>	<b>134 197</b>	<b>125 598</b>	<b>130 471</b>	<b>156 039</b>	<b>133 220</b>	<b>140 087</b>	<b>19.60</b>

Table 7.8.3 (a) shows the summary of payments and estimates for Programme 3. The major sub programmes as per the projected payments for the 2009/10 financial year are Disaster Management and LED & Planning, accounting for just below 60 per cent of the total allocation to the programme. The budget for the programme is expected to increase by 20 per cent, as a result of additional allocations to Disaster Management capacity for the province and infrastructure development for KSD municipalities.

### Transfers by Development and Planning

The department has a constitutional responsibility to support municipalities. The transfer payments are one of the tools through which the department discharges this constitutional responsibility. For the 2009/10 financial year, transfers will be made for the following purposes.

▪ Disaster Management	R31.314 million
▪ Spatial Planning	R1.045 million
▪ Integrated Development Planning	R6.574 million
▪ Local Economic Development	R13.182 million
▪ Municipal Infrastructure System	R6.501 million

**Table 7.8.3(b): Summary of departmental payments and estimates by economic classification - Programme 3: Development And Planning**

R' 000	2005/06	2006/07	2007/08	2008/09			2009/10	2010/11	2011/12	% change from 2008/09
	Audited			Main budget	Adjusted budget	Revised estimate	Medium-term estimates			
<b>Current payments</b>	<b>36 297</b>	<b>42 202</b>	<b>42 285</b>	<b>90 946</b>	<b>78 386</b>	<b>82 546</b>	<b>97 424</b>	<b>89 440</b>	<b>94 250</b>	<b>18.02</b>
Compensation of employees	24 794	31 305	35 243	41 247	41 247	46 133	57 012	60 604	64 058	23.58
Goods and services	7 903	7 748	7 042	49 699	37 139	36 413	40 412	28 836	30 192	10.98
Financial transactions in assets and liabilities	3 600	3 149								
<b>Transfers and subsidies to</b>	<b>96 977</b>	<b>91 796</b>	<b>109 217</b>	<b>43 251</b>	<b>46 612</b>	<b>47 324</b>	<b>58 616</b>	<b>43 780</b>	<b>45 838</b>	<b>23.86</b>
Provinces and municipalities	96 977	91 796	94 352	42 251	45 612	45 604	57 571	42 681	44 687	26.24
Foreign governments and international organisations				1 000	1 000	1 000	1 045	1 099	1 151	4.50
Households			14 865			720				(100.00)
<b>Payments for capital assets</b>					<b>600</b>	<b>601</b>				<b>(100.00)</b>
Buildings and other fixed structures										
Machinery and equipment					600	601				(100.00)
<b>Total economic classification</b>	<b>133 274</b>	<b>133 998</b>	<b>151 502</b>	<b>134 197</b>	<b>125 598</b>	<b>130 471</b>	<b>156 040</b>	<b>133 220</b>	<b>140 087</b>	<b>19.60</b>

Table 7.8.3(b) shows summary payments and estimates by economic classification for Programme 3. The cost drivers include all the main items. Compensation of employees will increase from estimated expenditure of R46.1 million in the 2008/09 financial year to R57.01 million in the 2009/10 financial year. The line item Transfers and subsidies is expected to increase from R47.3 million in 2008/09 to R58.6 million in 2009/10 and in the same period goods and services rise by approximately R4 million.

**Service delivery measures**

<b>Programme 3:Development and Planning</b>	<b>Target for 2009/10 as per APP</b>	<b>Target for 2010/11 as per APP</b>
<b>3.1 Spatial Planning</b>		
No of prioritized municipalities with Spatial Development Frameworks	<b>8</b>	<b>10</b>
<b>3.2 Land Use Management</b>		
No of municipalities supported with donations of superfluous pieces of state land for social and economic growth	<b>5</b>	<b>6</b>
No of prioritized municipalities with approved topographical maps and general plans	<b>15</b>	<b>16</b>
<b>3.3 Local Economic Development(LED)</b>		
No of sector departments supporting rural and urban development	<b>5</b>	<b>5</b>
No of municipalities with IDP's expressing socioeconomic development programmes and credible LED	<b>7</b>	<b>7</b>
No of Capacity Building programmes	<b>3</b>	<b>3</b>
<b>3.4 Municipal Infra-Infrastructure</b>		
No of municipalities supported by capital infrastructure projects	<b>4</b>	<b>4</b>
No of municipalities with Comprehensive Infra-structure Plans(CIPs)developed	<b>3</b>	<b>3</b>
<b>3.5 Disaster Management</b>		
No of municipalities implementing Disaster Management Policy Framework	<b>7</b>	<b>7</b>
No of District /Metro Disaster Management Centres' and Satellite fire Stations	<b>7</b>	<b>7</b>
<b>Free Basic Services</b>		
No of municipalities implementing FBS	<b>4</b>	<b>4</b>
No of municipalities with developed and updated indigent registers	<b>10</b>	<b>12</b>

**Programme 4: Traditional Affairs**

The purpose of Programme 4 is to promote and facilitate viable and sustainable Traditional Institutions. The programme comprises of three sub programmes with the following objectives:

4.1 Traditional Institutional Administration -To provide secretariat and management services to the Provincial House.

4.2 Traditional Resource Administrative -To conduct traditional leadership research and policy development services and administrative and infrastructural support to institutions.

4.3 Rural Development Facilitation -To facilitate traditional community development initiatives.

**Policy developments:**

There is a new legislation in the form of the Traditional Leadership and Governance Framework Act which was passed by the National Parliament in 2003. This has cascaded to the province through the passing of the Provincial Traditional Leadership and Governance Act in 2005.

**The aim of this legislation is:**

- To set out a national framework and norms and standards that will define the place and role of Traditional Leadership within the new system of democratic governance;
- To transform the institution in line with constitutional imperatives; and
- To restore the integrity and legitimacy of the institution of traditional leadership in line with customary law and practices

Implementing this legislation requires that certain policies be developed to guide the practitioners and officials in performing this task. This policy development will be vigorously pursued by the department during the MTEF period

**Changes: policy, structure, service establishment, etc. Geographic distribution of services:**

During the MTEF period Local Houses as required by the new legislation will be established in district municipalities.

**Table 7.8.4(a): Summary of departmental payments and estimates - Programme 4: Traditional Institutional Management**

R' 000	2005/06	2006/07	2007/08	2008/09			2009/10	2010/11	2011/12	% change from 2008/09
	Audited			Main budget	Adjusted budget	Revised estimate	Medium-term estimates			
1. Traditional Institutional Administration	50,989	62,569	78,975	76,041	76,041	113,186	22,685	23,972	25,228	(79.96)
2. Traditional Resource Administration	38,614	34,941	43,635	77,308	83,463	81,936	202,505	191,018	201,359	147.15
3. Rural Development Facilitation		348	3 404	11 363	11 363	9 353	9 755	10 310	10 840	4.30
<b>Total payments and estimates</b>	<b>89 603</b>	<b>97 858</b>	<b>126 014</b>	<b>164 712</b>	<b>170 867</b>	<b>204 475</b>	<b>234 945</b>	<b>225 300</b>	<b>237 427</b>	<b>14.90</b>

Table 7.8.4(a) depicts the summary of payments and estimates for Programme 4. The total allocation for this programme is increasing from a revised estimate of R204.475 million in the 2008/09 financial year to R234.945 million in the 2009/10 financial year. This represents an increase of 14.9 per cent. The main sub programmes are Traditional Institutional Administration and Traditional Resource Administration. These account for over 90 per cent of the projected payments for the 2009/10 financial year. Traditional Resource Administration increases by 147.15 per cent. This is due to continuing work in infrastructural projects that relate to Traditional Councils and the Provincial House of Traditional Leaders. The transformation of Traditional Leadership institutions is another contributor to this increase.

**Table 7.8.4(b): Summary of departmental payments and estimates by economic classification - Programme 4: Traditional Institutional Management**

R' 000	2005/06	2006/07	2007/08	2008/09			2009/10	2010/11	2011/12	% change from 2008/09
	Audited			Main budget	Adjusted budget	Revised estimate	Medium-term estimates			
<b>Current payments</b>	<b>82 408</b>	<b>94 704</b>	<b>109 502</b>	<b>136 818</b>	<b>142 973</b>	<b>157 593</b>	<b>183 516</b>	<b>194 635</b>	<b>205 321</b>	<b>16.45</b>
Compensation of employees	73 981	86 448	94 400	98 293	104 448	120 368	145 656	154 805	163 620	21.01
Goods and services	8 227	8 256	15 102	38 525	38 525	37 225	37 860	39 830	41 701	1.71
<b>Transfers and subsidies to</b>	<b>249</b>	<b>70</b>				<b>( 1 )</b>				<b>(100.00)</b>
Provinces and municipalities	249	70								
Households						<b>( 1 )</b>				<b>(100.00)</b>
<b>Payments for capital assets</b>	<b>6 946</b>	<b>3 084</b>	<b>16 512</b>	<b>27 894</b>	<b>27 894</b>	<b>46 883</b>	<b>51 429</b>	<b>30 665</b>	<b>32 106</b>	<b>9.70</b>
Buildings and other fixed structures	6 946	3 084	16 512	27 894	27 894	46 883	51 429	30 665	32 106	9.70
<b>Total economic classification</b>	<b>89 603</b>	<b>97 858</b>	<b>126 014</b>	<b>164 712</b>	<b>170 867</b>	<b>204 475</b>	<b>234 945</b>	<b>225 300</b>	<b>237 427</b>	<b>14.90</b>

Table 7.8.4(b) portrays the summary of payments and estimates by economic classification for Programme 4. The allocated budget for Compensation of employees accounted for a significant 62 per cent of the total budget for Programme 4 in 2009/10 increasing from an adjusted budget of R120.368 million in the 2008/09 financial year to R145.656 million in the 2009/10 financial year. This is attributable mainly to the appointments of new members of the Traditional Council, increase in salary notches of staff and members of the House of Traditional Leaders

## Service delivery measures

Programme 4: Traditional Affairs	Target for 2009/10 as per APP	Target for 2010/11 as per APP
<b>4.1 Traditional Institutional Administration</b>		
No of traditional Leaders Capacitated	<b>42</b>	<b>42</b>
No of outreach programmes in 14 constituencies	<b>4</b>	<b>4</b>
<b>4.2 Traditional Resource Administration</b>		
No of Traditional Leaders Capacitated	<b>146</b>	<b>1056</b>
No of Traditional Councils Constructed	<b>5</b>	<b>13</b>
No of Policies and legislation in place	<b>2</b>	
<b>4.3 Rural Development Facilitation</b>		
No of Traditional leadership institutions and support structures empowered on development	<b>70</b>	<b>75</b>

## 7. Other Programme information

### 7.1 Personnel numbers and costs

Table 7.9: Departmental personnel numbers and costs

Programme R'000	As at 31 March 2006	As at 31 March 2007	As at 31 March 2008	As at 31 March 2009	As at 31 March 2010	As at 31 March 2011	As at 31 March 2012
1. Administration	180	180	180	190	180	297	401
2. Local Governance	101	110	130	83	140	231	312
3. Development And Planning	100	110	130	83	140	231	312
4. Traditional Institutional Management	152	300	439	439	439	725	979
<b>Total personnel numbers</b>	<b>533</b>	<b>700</b>	<b>879</b>	<b>795</b>	<b>899</b>	<b>1 484</b>	<b>2 004</b>
Total personnel cost (R'000)	160 317	204 208	251 481	331 123	373 005	396 476	419 066
Unit cost (R'000)	301	292	286	417	415	267	209

Table 7.10: Departmental personnel numbers and costs

R' 000	2005/06	2006/07	2007/08	2008/09			2009/10	2010/11	2011/12	% change from 2008/09
	Audited			Main budget	Adjusted budget	Revised estimate	Medium-term estimates			
<b>Total for department</b>										
Personnel numbers (head count)	533	700	879	795	795	795	2 586	1 484	2 004	225.28
Personnel cost (R'000)	160 317	204 208	251 481	294 457	312 760	331 123	373 005	396 476	419 066	12.65
<i>of which</i>										
<b>Human resources component</b>										
Personnel numbers (head count)		41	42	45	45	45	47	50	53	4.44
Personnel cost (R'000)	8 787	10 997	9 814	6 211	6 211	6 211	11 365	12 081	12 770	82.98
Head count as % of total for department		5.86	4.78	5.66	5.66	5.66	1.82	3.37	2.64	(67.89)
Personnel cost as % of total for department	5.48	5.39	3.90	2.11	1.99	1.88	3.05	3.05	3.05	62.44
<b>Finance component</b>										
Personnel numbers (head count)		48	49	52	52	52	55	57	60	5.77
Personnel cost (R'000)	5 106	7 104	9 260	7 412	7 412	7 412	14 677	15 602	16 491	98.02
Head count as % of total for department		6.86	5.57	6.54	6.54	6.54	2.13	3.84	2.99	(67.48)
Personnel cost as % of total for department	3.18	3.48	3.68	2.52	2.37	2.24	3.93	3.94	3.94	75.78
<b>Full time workers</b>										
Personnel numbers (head count)	533	700	879	795	795	795	899	1 484	2 004	13.08
Personnel cost (R'000)	160 317	204 208	251 481	294 457	312 760	312 760	363 770	386 688	408 730	16.31
Head count as % of total for department	100.00	100.00	100.00	100.00	100.00	100.00	34.76	100.00	100.00	(65.24)
Personnel cost as % of total for department	100.00	100.00	100.00	100.00	100.00	94.45	97.52	97.53	97.53	3.25
<b>Part-time workers</b>										
Personnel numbers (head count)										
Personnel cost (R'000)										
Head count as % of total for department										
Personnel cost as % of total for department										
<b>Contract workers</b>										
Personnel numbers (head count)										
Personnel cost (R'000)										
Head count as % of total for department										
Personnel cost as % of total for department										



**Table 7.11: Payments on training**

R' 000	2005/06	2006/07	2007/08	2008/09			2009/10	2010/11	2011/12	% change from 2008/09
	Audited			Main budget	Adjusted budget	Revised estimate	Medium-term estimates			
1. Administration	1 887	2 537	2 666	2 781	2 781	2 781	2 055	2 152	2 253	(26.11)
Subsistence and travel										
Payments on tuition	1 887	2 537	2 666	2 781	2 781	2 781	2 906	3 037	3 174	4.49
Other										
2. Local Governance										
Subsistence and travel										
Payments on tuition										
Other										
3. Development And Planning										
Subsistence and travel										
Payments on tuition										
Other										
4. Traditional Institutional Management										
Subsistence and travel										
Payments on tuition										
Other										
<b>Total payments on training</b>	<b>1 887</b>	<b>2 537</b>	<b>2 666</b>	<b>2 781</b>	<b>2 781</b>	<b>2 781</b>	<b>2 055</b>	<b>2 152</b>	<b>2 253</b>	<b>(26.11)</b>

**Table 7.12: Payments on training**

R' 000	2005/06	2006/07	2007/08	2008/09			2009/10	2010/11	2011/12	% change from 2008/09
	Audited			Main budget	Adjusted budget	Revised estimate	Medium-term estimates			
Number of staff	533	700	879	795	795	795	899	1 484	2 004	13.08
Number of personnel trained	376	821	862	904	904	904	600	634	670	(33.63)
<i>of which</i>										
Male	166	315	331	347	347	347	400	423	447	15.27
Female	210	506	531	557	557	557	200	211	223	(64.09)
Number of training opportunities	1	32	33	34	34	34	36	38	40	4.70
<i>of which</i>										
Tertiary										
Workshops	1	32	33	34	34	34	36	38	40	4.70
Seminars										
Other										
Number of bursaries offered	11	28	28	28	28	28	30	31	32	7.14
Number of interns appointed		34	162	36	36	36	38	40	42	4.70
Number of learnerships appointed		41	105	-	-	-	10	20	30	
Number of days spent on training										

**Reconciliation of structural changes**

There were no structural changes



**Annexure to Vote 7**  
**Local Government and Traditional Affairs**

**Table 7.B1: Specification of departmental own receipts**

R' 000	2005/06	2006/07	2007/08	2008/09			2009/10	2010/11	2011/12	% change from 2008/09
	Audited			Main budget	Adjusted budget	Revised estimate	Medium-term estimates			
<b>Tax receipts</b>										
Casino taxes										
Motor vehicle licences										
Horseracing										
Other taxes										
<b>Sales of goods and services other than capital assets</b>						999				(100.00)
Sales of goods and services produced by department (excluding capital assets)						999				(100.00)
Sales by market establishments										
Administrative fees										
Other sales						999				(100.00)
<i>Of which</i>										
Boarding & Lodging										
Commission on insurance										
External exams						999				(100.00)
Other										
Sales of scrap, waste, arms and other used current goods (excluding capital assets)										
<b>Transfers received from</b>										
<b>Fines, penalties and forfeits</b>										
<b>Interest, dividends and rent on land</b>						28				(100.00)
Interest						28				(100.00)
<b>Sales of capital assets</b>						28				(100.00)
Land and subsoil assets										
Other capital assets						28				(100.00)
<b>Financial transactions in assets and liabilities</b>						612				(100.00)
<b>Total departmental receipts</b>						<b>1 667</b>				<b>(100.00)</b>

**Table 7.B2: Details of departmental payments and estimates by economic classification**

R' 000	2005/06	2006/07	2007/08	2008/09			2009/10	2010/11	2011/12	% change from 2008/09
	Audited			Main budget	Adjusted budget	Revised estimate	Medium-term estimates			
<b>Current payments</b>	251 335	280 341	347 375	474 963	488 345	503 512	<b>537 414</b>	555 426	589 630	6.73
Compensation of employees	160 317	204 208	251 481	294 457	312 760	331 123	<b>373 005</b>	396 476	419 066	12.65
Salaries and wages	143 934	182 387	213 759	250 288	268 592	281 454	<b>317 055</b>	337 005	356 206	12.65
Social contributions	16 383	21 821	37 722	44 169	44 169	49 669	<b>55 950</b>	59 471	62 860	12.65
Goods and services	72 523	72 984	95 812	180 506	175 585	172 389	<b>164 409</b>	158 950	170 564	(4.63)
<i>Of which</i>										
Administrative fees	54		30	180	180	181	<b>190</b>	200	211	4.95
Advertising	848	884	3 005	2 969	2 969	2 969	<b>2 631</b>	2 768	2 899	(11.37)
Assets <R5000	37	1 429	83	438	438	438	<b>463</b>	486	509	5.73
Audit cost: External	2 798	4 161	3 136	4 400	4 400	4 400	<b>4 642</b>	4 883	5 113	5.50
Bursaries (employees)	63	123	182	450	450	450	<b>475</b>	499	523	5.50
Catering: Departmental activities		1 849	3 803	6 840	6 840	8 792	<b>5 303</b>	5 579	5 787	(39.68)
Communication	2 829	5 749	7 803	7 804	7 804	7 804	<b>7 233</b>	7 609	7 967	(7.31)
Computer	7 848	5 175	4 782	4 562	4 562	4 562	<b>4 813</b>	5 063	5 301	5.50
Cons/prof:business & advisory services	17 039	17 203	19 682	81 857	48 935	45 171	<b>66 829</b>	56 629	59 271	47.95
Cons/prof: Infrastructre & planning				50	50	50	<b>53</b>	55	58	5.50
Cons/prof: Legal cost	2 804	3 206	3 842	2 000	2 000	2 000	<b>2 110</b>	2 220	2 324	5.50
Contractors		1		7 600	7 600	6 494	<b>3 026</b>	3 183	3 333	(53.40)
Entertainment	1 886	58	22	177	177	177	<b>187</b>	196	206	5.50
Inventory: Other consumables			973	59	59	59	<b>62</b>	65	69	5.50
Inventory: Stationery and printing	1 788	1 433	1 539	2 443	2 443	2 443	<b>2 177</b>	2 291	2 398	(10.87)
Lease payments	2 217	2 186	3 899	2 260	3 260	3 260	<b>2 184</b>	2 298	2 405	(33.00)
Owned & leasehold property expenditure	5 400	971	1 260	1 576	1 576	1 576	<b>1 663</b>	1 749	1 831	5.50
Travel and subsistence	13 135	14 863	21 240	34 039	32 732	32 453	<b>39 989</b>	41 736	43 771	23.22
Training & staff development	1 774	457	525	4 501	4 501	4 501	<b>4 749</b>	4 996	5 231	5.51
Operating expenditure	3 366	2 316	4 742	5 370	33 485	33 485	<b>4 121</b>	4 335	4 539	(87.69)
Venues and facilities	975	2 902	2 184	3 898	3 891	3 891	<b>4 089</b>	4 302	4 504	5.10
Other										
Financial transactions in assets and liabilities	18 495	3 149	82							
<b>Transfers and subsidies to (Current)</b>	155 114	109 964	240 672	43 251	82 602	83 313	<b>66 247</b>	50 230	52 591	(20.48)
Provinces and municipalities	155 114	109 964	225 584	42 251	80 812	80 804	<b>62 652</b>	46 448	48 631	(22.46)
Municipalities	155 114	109 964	225 584	42 251	80 812	80 804	<b>62 652</b>	46 448	48 631	(22.46)
Municipalities	155 114	109 964	225 584	42 251	80 812	80 804	<b>62 652</b>	46 448	48 631	(22.46)
Foreign governments and international				1 000	1 000	1 000	<b>1 045</b>	1 099	1 151	4.50
Households			15 088		790	1 509	<b>2 550</b>	2 683	2 809	68.99
Social benefits			15 088		790	789	<b>2 550</b>	2 683	2 809	223.19
Other transfers to households						720				(100.00)
<b>Transfers and subsidies to (Capital)</b>						( 1)				(100.00)
Households						( 1)				(100.00)
Other transfers to households						( 1)				(100.00)
<b>Transfers and subsidies to (Total)</b>	155 114	109 964	240 672	43 251	82 602	83 312	<b>66 247</b>	50 230	52 591	(20.48)
Provinces and municipalities	155 114	109 964	225 584	42 251	80 812	80 804	<b>62 652</b>	46 448	48 631	(22.46)
Municipalities	155 114	109 964	225 584	42 251	80 812	80 804	<b>62 652</b>	46 448	48 631	(22.46)
Municipalities	155 114	109 964	225 584	42 251	80 812	80 804	<b>62 652</b>	46 448	48 631	(22.46)
Foreign governments and international				1 000	1 000	1 000	<b>1 045</b>	1 099	1 151	4.50
Households			15 088		790	1 508	<b>2 550</b>	2 683	2 809	69.10
Social benefits			15 088		790	789	<b>2 550</b>	2 683	2 809	223.19
Other transfers to households						719				(100.00)
<b>Payments for capital assets</b>	9 948	7 608	20 157	32 841	32 441	51 463	<b>55 355</b>	34 796	36 431	7.56
Buildings and other fixed structures	6 946	3 084	16 512	27 894	27 894	46 883	<b>51 429</b>	30 665	32 106	9.70
Other fixed structures	6 946	3 084	16 512	27 894	27 894	46 883	<b>51 429</b>	30 665	32 106	9.70
Machinery and equipment	3 002	4 524	3 645	4 947	4 547	4 580	<b>3 926</b>	4 131	4 325	(14.28)
Other machinery and equipment	3 002	4 524	3 645	4 947	4 547	4 580	<b>3 926</b>	4 131	4 325	(14.28)
<b>Total economic classification</b>	<b>416 397</b>	<b>397 913</b>	<b>608 204</b>	<b>551 055</b>	<b>603 388</b>	<b>638 287</b>	<b>659 016</b>	<b>640 452</b>	<b>678 651</b>	<b>3.25</b>

**Table 7.B2.1: Details of departmental payments and estimates by economic classification - Programme 1: Administration**

R' 000	2005/06	2006/07	2007/08	2008/09			2009/10	2010/11	2011/12	% change from 2008/09
	Audited			Main budget	Adjusted budget	Revised estimate	Medium-term estimates			
<b>Current payments</b>	79 706	82 267	104 236	100 351	141 807	139 835	<b>123 701</b>	130 632	141 721	(11.54)
Compensation of employees	32 695	41 723	51 768	53 189	65 337	63 844	<b>75 723</b>	80 493	85 082	18.61
Salaries and wages	27 791	35 465	44 003	45 211	57 359	54 267	<b>64 365</b>	68 419	72 320	18.61
Social contributions	4 904	6 258	7 765	7 978	7 978	9 577	<b>11 358</b>	12 074	12 762	18.60
Goods and services	37 150	40 544	52 386	47 162	76 470	75 991	<b>47 978</b>	50 139	56 639	(36.86)
<i>Of which</i>										
Administrative fees			30	110	110	110	<b>116</b>	122	129	5.50
Advertising	830	862	1 689	1 407	1 407	1 407	<b>1 484</b>	1 562	1 635	5.50
Assets <R5000	37	1 420	81	335	335	335	<b>353</b>	372	389	5.50
Audit cost: External	2 798	4 161	3 136	4 400	4 400	4 400	<b>4 642</b>	4 883	5 113	5.50
Bursaries (employees)	63	123	179	450	450	450	<b>475</b>	499	523	5.50
Catering: Departmental activities		366	724	1 088	1 088	1 088	<b>1 148</b>	1 208	1 264	5.50
Communication	2 829	5 746	7 803	5 304	5 304	5 304	<b>5 596</b>	5 887	6 163	5.50
Computer	7 848	5 175	4 782	4 562	4 562	4 562	<b>4 813</b>	5 063	5 301	5.50
Cons/prof:business & advisory services	900	2 374	1 625	3 764	3 764	3 285	<b>3 971</b>	4 178	4 374	20.88
Cons/prof: Legal cost	2 804	3 206	3 842	2 000	2 000	2 000	<b>2 110</b>	2 220	2 324	5.50
Contractors		1		400	400	400	<b>422</b>	444	465	5.50
Entertainment	417	21	20	116	116	116	<b>122</b>	129	135	5.50
Government motor transport	7 660	8 018	13 080	7 030	7 230	7 230	<b>7 417</b>	7 802	12 311	2.58
Housing	1									
Inventory: Food and food supplies				3	3	3	<b>3</b>	3	3	5.50
Inventory: Other consumables			973	59	59	59	<b>62</b>	65	69	5.50
Inventory: Stationery and printing	1 728	1 124	1 334	1 525	1 525	1 525	<b>1 609</b>	1 693	1 772	5.50
Lease payments	1 655	1 609	2 694		1 000	1 000				(100.00)
Owned & leasehold property expenditure	1 174	753	1 214	406	406	406	<b>428</b>	451	472	5.50
Travel and subsistence	2 057	2 539	3 661	6 350	6 350	6 350	<b>6 227</b>	6 218	6 510	(1.93)
Training & staff development	676	457	525	2 719	2 719	2 719	<b>2 869</b>	3 018	3 160	5.50
Operating expenditure	3 284	1 924	4 212	3 902	32 017	32 017	<b>2 811</b>	2 957	3 096	(91.22)
Venues and facilities	389	665	782	1 232	1 225	1 225	<b>1 299</b>	1 367	1 431	6.07
Other										
<b>Transfers and subsidies to (Total)</b>	402	34	644		790	789	<b>2 550</b>	2 683	2 809	223.19
Provinces and municipalities	402	34	421							
Municipalities	402	34	421							
Municipalities	402	34	421							
Households			223		790	789	<b>2 550</b>	2 683	2 809	223.19
Social benefits			223		790	789	<b>2 550</b>	2 683	2 809	223.19
<b>Payments for capital assets</b>	3 002	4 524	3 645	4 947	3 947	3 979	<b>3 926</b>	4 131	4 325	(1.33)
Buildings and other fixed structures										
Machinery and equipment	3 002	4 524	3 645	4 947	3 947	3 979	<b>3 926</b>	4 131	4 325	(1.33)
Other machinery and equipment	3 002	4 524	3 645	4 947	3 947	3 979	<b>3 926</b>	4 131	4 325	(1.33)
<b>Total economic classification</b>	<b>83 110</b>	<b>86 825</b>	<b>108 525</b>	<b>105 298</b>	<b>146 544</b>	<b>144 603</b>	<b>130 177</b>	<b>137 446</b>	<b>148 855</b>	<b>(9.98)</b>

**Table 7.B2.2: Details of departmental payments and estimates by economic classification - Programme 2: Local Governance**

R' 000	2005/06	2006/07	2007/08	2008/09			2009/10	2010/11	2011/12	% change from 2008/09
	Audited			Main budget	Adjusted budget	Revised estimate	Medium-term estimates			
<b>Current payments</b>	52 924	61 168	91 352	146 848	125 179	123 538	<b>132 774</b>	140 719	148 338	7.48
Compensation of employees	28 847	44 732	70 070	101 728	101 728	100 778	<b>94 614</b>	100 574	106 306	(6.12)
Salaries and wages	24 520	38 022	59 560	86 469	86 469	85 661	<b>80 422</b>	85 488	90 360	(6.12)
Social contributions	4 327	6 710	10 511	15 259	15 259	15 117	<b>14 192</b>	15 086	15 946	(6.12)
Goods and services	19,243	16 436	21 282	45 120	23 451	22 760	<b>38 160</b>	40 145	42 032	67.66
<i>Of which</i>										
Administrative fees										
Advertising			37	215	215	215	<b>227</b>	238	249	5.50
Catering: Departmental activities		170	415	1 208	1 208	1 208	<b>1 361</b>	1 431	1 499	12.62
Communication				1 200	1 200	1 200	<b>1 266</b>	1 332	1 394	5.50
Computer										
Cons/prof:business & advisory services	10 538	11 636	14 898	30 363	10 001	9 659	<b>23 138</b>	24 342	25 486	139.55
Entertainment	399	7		31	31	31	<b>33</b>	34	36	5.50
Owned & leasehold property expenditure	3 956									
Travel and subsistence	4 110	3 279	5 437	10 492	9 185	8 836	<b>10 228</b>	10 760	11 265	15.75
Training & staff development										
Operating expenditure		27	12	503	503	503	<b>609</b>	640	671	21.03
Venues and facilities	240	1 317	483	1 108	1 108	1 108	<b>1 299</b>	1 367	1 432	17.26
Other										
Financial transactions in assets and liabilities	4 834									
<b>Transfers and subsidies to (Total)</b>	57 486	18 064	130 811		35 200	35 200	<b>5 081</b>	3 767	3 944	(85.57)
Provinces and municipalities	57 486	18 064	130 811		35 200	35 200	<b>5 081</b>	3 767	3 944	(85.57)
Municipalities	57 486	18 064	130 811		35 200	35 200	<b>5 081</b>	3 767	3 944	(85.57)
Municipalities	57 486	18 064	130 811		35 200	35 200	<b>5 081</b>	3 767	3 944	(85.57)
<b>Payments for capital assets</b>										
<b>Total economic classification</b>	<b>110 410</b>	<b>79 232</b>	<b>222 163</b>	<b>146 848</b>	<b>160 379</b>	<b>158 738</b>	<b>137 855</b>	<b>144 486</b>	<b>152 282</b>	<b>(13.16)</b>

**Table 7.B2.3: Details of departmental payments and estimates by economic classification - Programme 3: Development And Planning**

R' 000	2005/06	2006/07	2007/08	2008/09			2009/10	2010/11	2011/12	% change from 2008/09
	Audited			Main budget	Adjusted budget	Revised estimate	Medium-term estimates			
<b>Current payments</b>	36 297	42 202	42 285	90 946	78 386	82 546	<b>97 424</b>	89 440	94 250	18.02
Compensation of employees	24 794	31 305	35 243	41 247	41 247	46 133	<b>57 012</b>	60 604	64 058	23.58
Salaries and wages	21 075	26 609	29 957	35 060	35 060	39 213	<b>48 460</b>	51 513	54 449	23.58
Social contributions	3 719	4 696	5 286	6 187	6 187	6 920	<b>8 552</b>	9 091	9 609	23.58
Goods and services	7 903	7 748	7 042	49 699	37 139	36 413	<b>40 412</b>	28 836	30 192	10.98
<i>Of which</i>										
Administrative fees	54			70	70	71	<b>74</b>	78	82	4.09
Advertising	7	22	33	767	767	767	<b>809</b>	851	892	5.50
Assets <R5000		9	2	3	3	3	<b>4</b>	3	4	38.83
Catering: Departmental activities		309	118	528	528	529	<b>557</b>	586	614	5.31
Cons/prof:business & advisory services	4 793	2 778	1 442	40 162	27 602	26 805	<b>31 817</b>	19 796	20 726	18.70
Cons/prof: Infrastructre & planning				50	50	50	<b>53</b>	55	58	5.50
Entertainment	179	3	2	20	20	20	<b>21</b>	22	23	5.50
Housing	1									
Inventory: Stationery and printing	60	73	43	3	3	3	<b>3</b>	3	3	5.50
Travel and subsistence	2 708	3 705	4 580	6 780	6 780	6 849	<b>6 001</b>	6 313	6 610	(12.38)
Training & staff development	3			102	102	102	<b>108</b>	114	119	5.99
Operating expenditure	27	71	282	636	636	636	<b>354</b>	373	390	(44.31)
Venues and facilities	71	778	540	578	578	578	<b>610</b>	641	670	5.54
Other										
Financial transactions in assets and liabilities	3 600	3 149								
<b>Transfers and subsidies to (Total)</b>	96 977	91 796	109 217	43 251	46 612	47 324	<b>58 616</b>	43 780	45 838	23.86
Provinces and municipalities	96 977	91 796	94 352	42 251	45 612	45 604	<b>57 571</b>	42 681	44 687	26.24
Municipalities	96 977	91 796	94 352	42 251	45 612	45 604	<b>57 571</b>	42 681	44 687	26.24
Municipalities	96 977	91 796	94 352	42 251	45 612	45 604	<b>57 571</b>	42 681	44 687	26.24
Foreign governments and international				1 000	1 000	1 000	<b>1 045</b>	1 099	1 151	4.50
Households			14 865			720				(100.00)
Social benefits			14 865							
Other transfers to households						720				(100.00)
<b>Payments for capital assets</b>					600	601				(100.00)
Machinery and equipment					600	601				(100.00)
Other machinery and equipment					600	601				(100.00)
<b>Total economic classification</b>	<b>133 274</b>	<b>133 998</b>	<b>151 502</b>	<b>134 197</b>	<b>125 598</b>	<b>130 471</b>	<b>156 040</b>	<b>133 220</b>	<b>140 087</b>	<b>19.60</b>



**Table 7.B2.4: Details of departmental payments and estimates by economic classification - Programme 4: Traditional Institutional Management**

R' 000	2005/06	2006/07	2007/08	2008/09			2009/10	2010/11	2011/12	% change from 2008/09
	Audited			Main budget	Adjusted budget	Revised estimate	Medium-term estimates			
<b>Current payments</b>	82 408	94 704	109 502	136 818	142 973	157 593	<b>183 516</b>	194 635	205 321	16.45
Compensation of employees	73 981	86 448	94 400	98 293	104 448	120 368	<b>145 656</b>	154 805	163 620	21.01
Salaries and wages	70 548	82 291	80 240	83 549	89 704	102 313	<b>123 808</b>	131 584	139 077	21.01
Social contributions	3 433	4 157	14 160	14 744	14 744	18 055	<b>21 848</b>	23 221	24 543	21.01
Goods and services	8 227	8 256	15 102	38 525	38 525	37 225	<b>37 860</b>	39 830	41 701	1.71
<i>Of which</i>										
Administrative fees										
Advertising	11		1 246	580	580	580	<b>111</b>	118	123	(80.88)
Assets <R5000				100	100	100	<b>106</b>	111	116	5.50
Bursaries (employees)			3							
Catering: Departmental activities		1 004	2 546	4 016	4 016	5 967	<b>2 238</b>	2 354	2 410	(62.50)
Communication		3		1 300	1 300	1 300	<b>372</b>	391	409	(71.42)
Computer										
Cons/prof:business & advisory services	808	415	1 717	7 568	7 568	5 422	<b>7 902</b>	8 313	8 684	45.75
Contractors				7 200	7 200	6 094	<b>2 604</b>	2 739	2 868	(57.27)
Agency & support/outsourced services										
Entertainment	891	27		10	10	10	<b>11</b>	11	12	5.50
Inventory: Stationery and printing		236	162	915	915	915	<b>565</b>	595	622	(38.22)
Lease payments	562	577	1 205	2 260	2 260	2 260	<b>2 184</b>	2 298	2 405	(3.35)
Owned & leasehold property expenditure	270	218	46	1 170	1 170	1 170	<b>1 234</b>	1 299	1 360	5.50
Transport provided dept activity										
Travel and subsistence	4 260	5 340	7 562	10 417	10 417	10 418	<b>17 533</b>	18 445	19 386	68.30
Training & staff development	1 095			1 680	1 680	1 680	<b>1 772</b>	1 865	1 952	5.50
Operating expenditure	55	294	236	329	329	329	<b>347</b>	365	382	5.50
Venues and facilities	275	142	379	980	980	980	<b>881</b>	927	971	(10.11)
Other										
Financial transactions in assets and liabilities	200									
<b>Transfers and subsidies to (Total)</b>	249	70				( 1)				(100.00)
Provinces and municipalities	249	70								
Municipalities	249	70								
Municipalities	249	70								
Households						( 1)				(100.00)
Other transfers to households						( 1)				(100.00)
<b>Payments for capital assets</b>	6 946	3 084	16 512	27 894	27 894	46 883	<b>51 429</b>	30 665	32 106	9.70
Buildings and other fixed structures	6 946	3 084	16 512	27 894	27 894	46 883	<b>51 429</b>	30 665	32 106	9.70
Other fixed structures	6 946	3 084	16 512	27 894	27 894	46 883	51 429	30 665	32 106	9.70
<b>Total economic classification</b>	<b>89 603</b>	<b>97 858</b>	<b>126 014</b>	<b>164 712</b>	<b>170 867</b>	<b>204 475</b>	<b>234 945</b>	<b>225 300</b>	<b>237 427</b>	<b>14.90</b>

**Table 7.B4: Summary of departmental allocation**

R' 000	2005/06	2006/07	2007/08	2008/09			2009/10	2010/11	2011/12	% change from 2008/09
	Audited			Main budget	Adjusted budget	Revised estimate	Medium-term estimates			
<b>Category A</b>	14 796	4 089	3 466	2 200	2 401	2 401	<b>2 297</b>	2 401	2 504	(4.33)
Nelson Mandela Metro	14,796	4,089	3,466	2,200	2,401	2,401	<b>2,297</b>	2,401	2,504	(4.33)
<b>Category B</b>	53 382	36 718	141 103	9 921	35 713	35 713	<b>16 309</b>	11 976	13 334	(54.33)
Amahlathi	1 795	290	2 219		525	525				(100.00)
Baviaans	2 325	1 180	10 000							
Blue Crane Route	815	65	12 470							
Buffalo City	1,620	2,979	2,256	2,200	2,244	2,244	<b>1 857</b>	1 941	2 028	(17.25)
Camdeboo	585	765	400							
Elundini	1 795	160	318		250	250			472	(100.00)
Emalahleni	1 487	410	760		293	293		452	460	(100.00)
Engcobo	1 255	650	500		440	440			5 706	(100.00)
Gariep	114	730	4 450							
Great Kei	390	390	5,982	400	701	701				(100.00)
Ikwezi	1 285	1 018	5 936							
Inkwanca	320	520	784		18	18				(100.00)
Intsika Yethu	1 873	210	1 068		446	446				(100.00)
Inxuba Yethemba	3 020	870	4 741		43	43				(100.00)
King Sabata Dalindyebo	3 551	6 188	7 856	1 421	9 582	9 582	<b>6 525</b>	2 534	2 648	(31.90)
Kouga	7 401	615	200							
Koukamma	784	1 328	20 687		15	15	<b>420</b>	440		2700.00
Lukhanji	1 885	750	629	5 000	5 452	5 452				(100.00)
Makana	1 220	5 865	5 654		86	86				
Maletswai	500	830	2 151							
Matatiele		1 780	21 385		1 280	1 280				
Mbhashe	1 505	670	715	500	2 195	2 195	<b>958</b>	5 224	572	
Mbizana	1 275	480	660		1 142	1 142				
Mhlontlo	2 573	180	1 430		1 225	1 225				
Mnquma	888		1 930		1 784	1 784				
Ndlambe	1 203	715	300		48	48				
Ngqushwa	1 585	140	1 814		415	415				
Nkonkobe	2 142	840	1 234	400	829	829	<b>420</b>	440	460	
Ntabankulu	870	160	520		594	594				
Nxuba	492	950	642		28	28				
Nyandeni	1 667	120	1 200		1 324	1 324				
Port St Johns	845	880	7 606		917	917	<b>904</b>	945	988	
Qaukeni	1 056	50	1 542		706	706				
Sakisizwe	462	783	1 310		174	174				
Senqu	406	230	518		181	181				
Sundays River Valley	677	1 215	6 489		37	37				(100.00)
Tsolwana	360	1 110	1 556		33	33				(100.00)
Umzimkhulu	1 056									
Umzimvubu	300	602	1 191		2 706	2 706	<b>5 225</b>			93.09
Unallocated										
<b>Category C</b>	86 936	69 157	81 015	30 130	42 698	42 690	<b>44 046</b>	32 071	32 793	3.18
Alfred Nzo	10,352	6,458	7,341	3,475	3,714	3,714	<b>4,825</b>	5,041	5,395	29.91
Amathole	33,632	14,778	15,401	4,995	16,012	16,012	<b>12,687</b>	5,533	4,817	
Cacadu	3,040	9,743	8,388	5,500	5,511	5,511	<b>7,894</b>	6,153	5,466	43.24
Chris Hanani	15,442	15,134	8,509	6,993	7,106	7,106	<b>6,622</b>	6,928	6,273	(6.81)
OR Tambo	16,233	9,333	8,722	5,441	6,254	6,254	<b>5,873</b>	6,137	5,447	(6.09)
Ukhahlamba	8,237	11,711	27,589	3,726	4,101	4,101	<b>6,145</b>	2,279	5,395	49.84
Unallocated		2 000	5 065			( 8 )				(100.00)
Unallocated / unclassified								( 0 )	( 0 )	
<b>Total transfers to local government</b>	<b>155 114</b>	<b>109 964</b>	<b>225 584</b>	<b>42 251</b>	<b>80 812</b>	<b>80 804</b>	<b>62 652</b>	<b>46 448</b>	<b>48 631</b>	<b>(22.46)</b>

**Table 7.B5: Summary of departmental payments and estimates by district and local municipality**

R' 000	2005/06	2006/07	2007/08	2008/09			2009/10	2010/11	2011/12	% change from 2008/09
	Audited			Main budget	Adjusted budget	Revised estimate	Medium-term estimates			
<b>Category A</b>	1 554	1 424	2 897	2 625	2 625	2 625	<b>2 742</b>	2 902	3 033	4.46
Nelson Mandela Metro	1,554	1,424	2,897	2,625	2,625	2,625	<b>2,742</b>	2,902	3,033	4.46
<b>Category B</b>										
Unallocated										
<b>Category C</b>	414 843	396 489	605 307	548 430	600 763	635 662	<b>613 958</b>	616 398	653 384	(3.41)
Alfred Nzo	27,014	24,755	50,368	45,635	45,635	45,635	<b>47,672</b>	50,449	52,719	4.46
Amathole	142,279	130,383	265,281	240,353	240,353	240,351	<b>251,081</b>	265,704	277,661	4.46
Cacadu	37,029	33,933	69,041	62,553	62,553	62,553	<b>65,345</b>	69,151	72,263	4.46
Chris Hanani	52,338	47,962	97,585	88,415	88,415	88,415	<b>92,362</b>	97,741	102,139	4.46
OR Tambo	37,963	34,789	70,782	64,131	64,131	64,130	<b>66,993</b>	70,895	74,085	4.46
Ukhahlamba	28,024	25,681	52,251	47,342	47,342	47,341	<b>49,455</b>	52,335	54,690	4.46
Unallocated	90 196	98 986	( 1)		52 333	87 237	<b>41 049</b>	10 123	19 828	(52.95)
Unallocated / unclassified							<b>42 316</b>	21 152	22 234	
<b>Total transfers to local government</b>	<b>416 397</b>	<b>397 913</b>	<b>608 204</b>	<b>551 055</b>	<b>603 388</b>	<b>638 287</b>	<b>659 016</b>	<b>640 452</b>	<b>678 651</b>	<b>3.25</b>