

VOTE 6

Provincial Treasury

Operational budget	R 639 216 510
MEC remuneration	R 1 420 490
Total amount to be appropriated	R 640 637 000
Responsible MEC	Ms C. M. Cronjé, MEC for Finance
Administering department	Provincial Treasury
Accounting officer	Senior General Manager: Financial Management

1. Overview

Vision

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

Mission statement

The department's mission is: *To ensure equitable resource allocations for the Province of KwaZulu-Natal, analyse and monitor government (provincial and local, including their public entities) revenue and expenditure, and instil prudent financial management and good governance.*

Through robust public policy research, the Provincial Treasury will contribute to the realisation of government policy priorities by ensuring that government interventions in the economy are targeted, efficient, sustainable, and empower the people.

Strategic goals

The strategic goals of the Provincial Treasury are as follows:

- To promote sound financial and fiscal management and good governance;
- To place strong emphasis on fighting poverty and creating jobs in partnership with communities through the mobilisation and funding of co-operatives and effective procurement targeting;
- To focus on the enhancement of Broad-Based Black Economic Empowerment (BBBEE) through effective Supply Chain Management (SCM) policies;
- To implement a policy of zero tolerance on fraud and corruption;
- To ensure good financial management with the elimination of over-expenditure and the reduction of roll-overs;
- To target government investment in service delivery; and
- To promote sound cash management practices and to improve liquidity in the province.

Core functions

The core functions of the department include the following:

- The mobilisation of funds for the provincial government;

- The allocation of fiscal resources to provincial departments;
- The preparation of annual and MTEF budgets;
- Province-wide cash management;
- Provincial financial management through:
 - Budget monitoring and reporting;
 - Internal auditing;
 - Financial accounting;
 - Financial systems maintenance; and
- Provision of advice on procurement policies and procedures in provincial government.

Legislative mandate

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

- The Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996)
- Public Finance Management Act (Act No. 1 of 1999, as amended) and Treasury Regulations
- Municipal Finance Management Act (Act No. 56 of 2003)
- Access to Information Act (Act No. 2 of 2000)
- Annual Division of Revenue Act (Act No. 12 of 2009)
- Provincial Appropriation Act (Act No. 2 of 2009)
- Provincial Internal Audit Act (Act No. 2 of 2001)
- Preferential Procurement Policy Framework Act (PPPFA) (Act No. 5 of 2000)
- Intergovernmental Relations Framework Act (Act No. 13 of 2005)
- Provincial Borrowing Powers Act (Act No. 48 of 1996)
- Government Immovable Asset Management Act (Act No. 19 of 2007)
- Public Audit Act (Act No. 25 of 2004)
- Provincial Tax Regulation Process Act (Act No. 53 of 2001)

2. Review of the 2009/10 financial year

Section 2 provides a review of the 2009/10 financial year, outlining the main achievements and progress made by the department, as well as providing a brief discussion on challenges and new developments.

Fiscal Resource Management

Public Finance: The Public Finance unit continued to monitor the spending of the 16 provincial departments through the assessment of the monthly In-Year Monitoring (IYM) reports submitted by the departments. The unit also continued to monitor the service delivery achievements of departments through the assessment of the quarterly performance reports (QPR). In addition, the unit prepared quarterly budget performance reports (including a mid-year report and a close-out report). These reports were tabled with the Finance Portfolio Committee and formed the basis of active engagement of this Committee with the various provincial departments.

The 2009/10 financial year was a difficult one for the province, as the high spending of some departments that commenced in 2007/08 continued in 2009/10. Also, the various Occupation Specific Dispensations

(OSDs) in Education and Health, and the higher than anticipated 2009 wage agreement, saw the province receiving additional funding for these purposes from National Treasury. However, these agreements were short-funded by approximately R1.100 billion. This had a negative impact on the cash balances of the province, and required the Public Finance unit to engage regularly with the Ministers' Committee on the Budget (MinComBud) and Cabinet, which resulted in the implementation of a Provincial Recovery Plan. This plan entailed all departments agreeing to cut back their spending levels to reduce the province's projected over-expenditure. It also entailed the enforcement, across the province, of a list of cost-cutting measures, the aim of which is to reduce spending even further.

The Public Finance unit once again tabled an Unauthorised Expenditure Authorisation Bill which, this time, dealt with all outstanding unauthorised expenditure for the period 2000/01 to 2006/07, as approved by the provincial Standing Committee on Public Accounts (SCOPA). This is a notable achievement, as the only unauthorised expenditure items now reflected in the provincial books are those that are currently being assessed by SCOPA.

Municipal Finance: The Municipal Support Programme (MSP) established by the Municipal Finance unit has had a positive impact on the financial management of municipalities. In addition to the municipalities supported in Stages 1 and 2 of the programme, which started in the previous financial years, the MSP team extended its support services to four municipalities in 2009/10 as part of Stage 3. To be more effective, the methodology of support was reviewed to include the deployment of several transversal teams, in addition to resources based at the municipalities, to assist and support municipalities in specific identified areas. This will ensure a focused intervention in areas which will have the biggest impact on the management of the municipalities' financial affairs. Provincial Treasury, through the MSP, initiated a Generally Recognised Accounting Practice (GRAP) conversion programme to assist municipalities in converting their financial records from Institute of Municipal Finance Officers (IMFO) to GRAP. The GRAP conversion programme is being implemented in ten municipalities (five municipalities continuing from Phase 1, which started in 2008/09, and an additional five municipalities in 2009/10 as part of Phase 2). The GRAP conversion programme has shown a noted impact on the audit opinion and financial records of municipalities.

Economic Analysis and Inter-Governmental Relations (IGR): The Economic Analysis and IGR unit initiated and launched an Economic Forum for all government economists within Provincial Treasuries and Departments of Economic Development in all provinces, for the purpose of sharing information and resources. The unit also initiated a working collaboration with the Department of Economic Development and Tourism and Trade and Investment KwaZulu-Natal (TIK). The unit also launched internal macro-economic quarterly seminars which serve as a platform to inform and debate important issues that are relevant and significant to the provincial economy and provincial government.

Infrastructure: The Infrastructure unit continued to support and monitor infrastructure delivery within the province. Through the Infrastructure Delivery Improvement Programme (IDIP), planning improved within the Departments of Education, Transport and Health. Some of the other departments, such as Arts and Culture, Human Settlements and Sport and Recreation, also started implementing their infrastructure projects according to IDIP principles, which assists with the continued improvement of infrastructure planning in the province. Workshops on IDIP and related matters were conducted with various departments to ensure that this was achieved.

Financial Management

The roll-out of the Asset Management Plan continued in 2009/10, with some departments still struggling to achieve milestones set for previous financial years. In spite of this, most departments have progressed in the years subsequent to these financial years, and some milestones are being achieved.

Public Private Partnership: The Public Private Partnership (PPP) unit played an active role in seven PPP projects initiated by departments, public entities and municipalities.

Financial Reporting: The Financial Reporting unit continued to render technical financial management support to provincial departments, public entities and municipalities. Significant progress was also made in addressing the backlog of consolidated financial statements for the province.

Norms and Standards: The Norms and Standards unit identified gaps in the generic regulatory environment for provincial departments, relative to the financial management sphere. Remedial measures were taken to address such deficiencies, by the issue and review of ten practice notes. Training material was developed and provided to departments, prior to the implementation dates. Under the auspices of the Technical Working Committee, comprising officials of Provincial Treasury and the Department of Co-operative Governance and Traditional Affairs, progress was made on various tasks relating to municipalities. This was specific to internal policies and working practices, including a survey to determine the extent of assistance required in the development of generic policies.

Supply Chain Management: The SCM unit continued to experience problems relating to compliance to SCM policies and prescripts by both provincial departments and municipalities. This was mainly because of a lack of skill and expertise on SCM policy matters. A Comprehensive Compliance Assessment (CCA) exercise was conducted for all provincial departments, which identifies gaps in different areas of SCM policy implementation. The unit designed and conducted a number of training sessions for provincial departments and municipalities to assist with capacity issues. It was also established that the Quotation System used by provincial departments and municipalities is causing serious problems and is open to corruption practices, which will be reviewed at provincial level in the next financial year.

It was also realised that the Provincial Suppliers Database (PSD) has serious limitations and gaps, which make it non-user friendly, hence a process of revamping this system commenced, in order to make it more reliable and user friendly. Lastly, the conflict between the PPPFA and PPPFA Regulations caused a serious problem for the procurement system in the province and the country, as a whole. In addressing this problem, the province came up with an interim measure, which was adopted by all provincial departments and municipalities. This interim measure will be used until National Treasury comes up with a lasting solution.

Internal Audit Services

An internal audit methodology was revised to align the functions of the unit to the International Standards for the Professional Practice of Internal Audit (ISPPIA), as well as the turnaround strategy of the unit. This process required the customisation of internal audit software to include tracking of audit findings and time management of projects.

The unit re-aligned its internal audit projects in line with the focus areas of the Auditor-General (AG) in order to assist the departments' audit readiness. The unit appointed staff to supervisory positions via the Accelerated Programme, which is aimed at retaining staff. Internal Auditors within the unit are attending the Internal Auditor Technicians (IAT) Training Programme which is a two-year learnership programme, and officials are continuously being assessed for competencies. In addition, officials were enrolled in a management development programme aimed at assisting them to operate optimally in the accelerated positions.

Risk and Advisory Services: The risk management approach and risk profiles for the departments were developed. The risk management framework was presented and approved by the technical clusters. The framework is currently awaiting approval by Cabinet.

The unit also focused on pro-active and preventive strategies of combating IT fraud and corruption. To this end, an IT security assessment was conducted at all KZN departments and the South African Social Security Agency (SASSA) through Project *Unembeza* 2008. Specific concerns/vulnerabilities were highlighted to the departments through formal departmental executive summary reports. Since the inception of the project, no fraudulent BAS and PERSAL transactions have been reported.

In order to provide a superior service to clients, a risk management system (Cura) was procured, and implementation thereof started in November 2009.

The following details outline some of the challenges that the unit is currently facing. Although significant effort has been made to manage these challenges, some are external, and they include:

- The demand for skilled risk management specialists contributes to a high staff turnover, which impacts on the achievement of the programmes' objectives;
- Inadequate response by clients to the unit's efforts adversely affects the achievement of the unit's service delivery targets and compromises the clients' ability to respond to corporate governance;
- Most of the departments' management still have the impression that risk management is the responsibility of Provincial Treasury; and
- The Risk Management concept is not yet well understood at local government level, and therefore not taken seriously by the executive leadership at that sphere of government.

Forensic Audit Services: The unit identified a case management system which is being sourced from the Department of Correctional Services. This system will assist in managing and consolidating all fraud and corruption investigations province-wide, to efficiently offer prevalence and trend analysis.

The lack of access to investigative IT tools (PERSAL, BAS, eNATIS, CIPRO, *inter alia*) results in delays in obtaining information from third parties, and hence impacts on the achievement of the unit's outputs.

3. Outlook for the 2010/11 financial year

Section 3 looks at the key focus areas of 2010/11, outlining what the department is hoping to achieve, as well as briefly looking at the challenges facing the department, and proposed new developments.

Fiscal Resource Management

Public Finance: The Public Finance unit plans to continue monitoring the spending of provincial departments through the various reporting mechanisms, including the monthly IYM, QPR and quarterly budget performance reports. Due to the concerning spending levels of some departments, the unit started reporting to Cabinet on the provincial budget performance on a monthly basis, as opposed to a quarterly basis which had previously been the case. This monthly reporting to Cabinet will continue for the foreseeable future, until the spending patterns of the province normalise. The unit also plans to prepare the Adjusted Estimates of Provincial Expenditure for 2010/11 and the Estimates of Provincial Expenditure for 2011/12, in accordance with the PFMA, as well as guidelines received from National Treasury. The unit will also prepare the Unauthorised Expenditure Authorisation Bill for 2007/08 and 2008/09, once SCOPA has passed the required resolutions in this regard. The Public Finance unit plans to continue exploring possible new sources of revenue and to enhance the current revenue base.

Municipal Finance: Enhancing the sustainability of municipalities is of paramount importance, to ensure that service delivery to the community is continued at acceptable levels. The requirements vary with each municipality and it is crucial to address those needs urgently and comprehensively. In this regard, Provincial Treasury, through the Municipal Finance team and MSP, will continue to support and assist municipalities in KZN, in improving their level of financial management, augmenting the skills available to them through capacity building and in the process enabling the sustainability of their operations. To this effect, the MSP team will be supporting a total of 12 municipalities in 2010/11 (eight municipalities with the GRAP conversion project which started in the previous financial years and four municipalities from Stage 3 of the programme, which started in 2009/10). It remains clear, however, that the Municipal Finance unit has to limit the support and engagement to a few municipalities, in line with the available budget. Achieving the desired results and standards of performance in all delegated municipalities will therefore be limited by the availability of budget.

Economic Analysis: The Economic Analysis unit intends to capacitate municipalities with the knowledge of developing socio-economic profiles during the 2010/11 MTEF period. Capacitating the municipalities will help them to identify areas of importance, such as poverty stricken areas. This will assist in the equitable allocation of resources.

Infrastructure: The Infrastructure unit will consolidate a comprehensive long-term infrastructure plan which will include major infrastructure departments, as well as all other departments who implement

infrastructure projects. This will require the participation and commitment of all departments in order to achieve improved infrastructure delivery within the province.

Financial Management

On an on-going basis, training and support is readily available to assist departments to achieve their Asset Management initiatives. Specifically in 2010/11, departments that are still experiencing difficulties in achieving their Asset Management goals will be assisted, and on-site assistance will be provided.

Of specific importance in this programme is the drive for improved and prudent cash management in all departments. This will include the daily monitoring of bank balances and improved commitment management.

Public Private Partnership: The lack of capacity in provincial departments and municipalities in identifying and managing PPP projects remains a challenge, which will be addressed by means of the approved integrated human resource strategy aimed at developing additional specialist skills and resources in the learnership programme.

Financial Reporting: To improve the effectiveness of the Financial Reporting unit, focus will be placed on the following areas:

- Implementation of the learnership programme and staff development;
- Creation of synergies with the relevant units within Provincial Treasury; and
- Visits to departments, public entities and municipalities to enhance accounting performance.

The unit will play a major role in the Clean Audit campaign, by ensuring enhanced financial management in all spheres of government.

Norms and Standards: The Norms and Standards unit will continue to monitor compliance with regulatory practices to address non-compliance by departments and municipalities. It will also continue to develop best practices at municipalities, and similarly, will highlight areas requiring improvement.

Supply Chain Management: The SCM unit continues to support both provincial departments and municipalities. The unit is in the process of developing strategic sourcing for government for the procurement of goods and services in a cost effective manner. Also, the unit, in partnership with the Systems unit, commenced a process to revamp the current Supplier Database System, with the intention to introduce a Suppliers' database that is more reliable and adds more value to departments in terms of supplier selection and supplier spending analysis across the province. The development of a fully operational database is in its final stage, and will be available for use by departments in the first quarter of 2010/11.

Internal Audit Services

Assurance Services: In line with the Operation Clean Audit project recently launched by the Department of Co-operative Governance and Traditional Affairs, the unit is gearing itself towards assisting client departments, public entities and municipalities in improving service delivery and achieving clean audit results in the next five years until 2014. The unit is planning to pay particular attention to the issues raised by the AG in the regulatory audit reports, as well as those raised by internal auditors with a view to ensuring that these issues are given attention and get corrected as soon as possible.

Risk and advisory and forensic services: The unit's main focus for this financial year is to ensure that training on risk management and good governance is provided to all stakeholders in the provincial administration, municipalities and public entities. The unit will also focus on advancing the development and implementation of modern management practices towards good governance, with special emphasis on fraud risk reviews and assessments, by obtaining access to investigative IT tools (PERSAL, BAS, CIPRO, Deeds registry, eNATIS, background searches, etc). The implementation of the risk management tool (Cura) will result in:

- Creating a better platform for the upliftment/awareness of risk management in the province;
- Efficient, effective and economic use of resources;
- The ability to more easily monitor the progress on the status of risk management and implementation of mitigating controls, as well as attempt to create a uniform control environment;
- A knowledge base of risks in the province; and
- The continuous updating of the risk database, informed by the results of the audits conducted by the assurance unit.

The main focus again will be to ensure that the risk management responsibility is devolved to the respective government institutions in line with the PFMA and as prescribed in the Provincial Risk Management Framework. The unit will also continue to provide support to all municipalities through the MSP.

4. Receipts and financing

4.1 Summary of receipts and financing

Table 6.1 below shows the sources of funding for Vote 6 over the seven-year period 2006/07 to 2012/13. The table also compares actual and budgeted receipts against actual and budgeted payments.

Table 6.1: Summary of receipts and financing

R thousand	Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	Audited 2006/07	Audited 2007/08	Audited 2008/09				2010/11	2011/12	2012/13
Provincial allocation	627 687	518 279	522 072	624 923	626 623	626 623	640 637	666 077	686 857
Total	627 687	518 279	522 072	624 923	626 623	626 623	640 637	666 077	686 857
Total payments	506 002	379 645	693 565	624 923	523 449	670 467	640 637	666 077	686 857
Surplus/(Deficit) before financing	121 685	138 634	(171 493)	-	103 174	(43 844)	-	-	-
Financing									
of which									
Provincial roll-overs	135 635	10 280	11 252	-	-	-	-	-	-
Provincial cash resources	-	50 105	36 815	-	(103 174)	(103 174)	-	-	-
Suspension to ensuing year									
Surplus/(deficit) after financing	257 320	199 019	(123 426)	-	-	(147 018)	-	-	-

The fluctuations noted in the department's total receipts over the seven-year period are mainly attributed to the fact that the provincial allocation included funding for the Growth and Development Fund until 2006/07, whereafter the allocations associated with the fund were moved to Vote 4: Economic Development and Tourism.

The surplus reflected under 2006/07 relates mainly to unspent allocations for the Government Employees Medical Scheme (GEMS), the Performance Budgeting System (PBS) and the Growth and Development Fund. While an amount of R10.280 million was rolled over to 2007/08 towards committed projects, the remaining unspent amounts for 2006/07 were surrendered to the Provincial Revenue Fund. The reflected surplus is the remaining unspent allocation for GEMS, the Provincial Government Precinct and the Legislature complex, which were surrendered to the Provincial Revenue Fund.

The surplus in 2007/08 relates to the suspension of funds to other departments, following the decentralisation of the Tax and Banking function, as well as the surrendering of part of GEMS funds to the Provincial Revenue Fund. The provision for GEMS was distributed to all departments in 2007/08 to cater for any future increase in the GEMS membership in departments.

Of the R199.019 million under-spent in 2007/08, an amount of R11.252 million was rolled over to 2008/09 in respect of the feasibility study for the Provincial Government Precinct.

The over-expenditure reflected in 2008/09 relates to the overdraft interest charges on the Inter-Governmental Cash Co-ordination (IGCC) account, which resulted from the 2007/08 and 2008/09 over-expenditure of the provincial departments.

The reduction in the 2009/10 Adjusted Appropriation relates mainly to the suspension of the OSD funding to the Department of Health. The department was instructed by National Treasury that the funding for the doctors' and specialists' OSD should be kept against Provincial Treasury's vote, until such time as the details of the OSD implementation were finalised. This was finalised during the 2009/10 Adjustments Estimate and the funding was transferred to Health. The provincial allocation also includes R150 million per year in 2008/09 and 2009/10 in respect of the province's contribution towards the construction of the Moses Mabhida Soccer Stadium.

Finally, the department received additional allocations over the 2010/11 MTEF in respect of the carry-through adjustment of the 2009 wage agreement, as well as the Support Service Enhancement plan (including audit fees and SITA costs). The MTEF allocation includes an allocation of R235 million each year to cater for overdraft interest charges.

The department is projecting to end 2009/10 with an over-expenditure of R147.018 million, as a result of the overdraft interest charges. There is a steady increase over the 2010/11 MTEF period.

4.2 Departmental receipts collection

Table 6.2 below gives a summary of the departmental receipts for Vote 6. The details are presented in the *Annexure – Vote 6: Provincial Treasury*.

Table 6.2: Details of departmental receipts

R thousand	Outcome			Main Appropriation	Adjusted Appropriation 2009/10	Revised Estimate	Medium-term Estimates		
	Audited 2006/07	Audited 2007/08	Audited 2008/09				2010/11	2011/12	2012/13
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	126	119	205	120	120	147	149	164	180
Transfers received	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	169 453	156 402	14 509	20 000	20 000	5 009	4 584	5 042	5 546
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transactions in financial assets and liabilities	282	400	843	-	-	2 037	2 235	2 459	2 705
Total	169 861	156 921	15 557	20 120	20 120	7 193	6 968	7 665	8 431

The department collects the bulk of its own revenue from interest earned on the IGCC account and the Pay Master-General account, which is reflected against the category *Interest, dividends and rent on land*. The fluctuations over the seven-year period under review are directly linked to the amount of cash on hand and changes in interest rates.

The funds available for investment in the IGCC account decreased significantly in 2008/09, as a result of the over-expenditure by provincial departments in 2007/08 and 2008/09. This affected the collection of interest significantly in 2008/09. For the same reason, the department is projecting to end 2009/10 with a revenue collection of R7.193 million, which is far lower than the revenue budgeted for the year. It is anticipated that the cumulative balances of the aforementioned accounts will not increase rapidly, hence the continued decrease against this category over the 2010/11 MTEF.

The collection in respect of *Transactions in financial assets and liabilities* is predominantly made up of the recovery of debts and refunds relating to previous year's expenditure. Due to the uncertainty as to whether any funds will be collected over the 2010/11 MTEF, the department based its projections on the inflationary incremental estimation to forecast the revenue against this category for the 2010/11 MTEF.

Revenue collected under *Sale of goods and services other than capital assets* is mostly in respect of gaming fees (collected from various game reserves by game lodges depending on the location of the game lodge, the number of people visiting and the season of the year), paid over to the Provincial Treasury, staff parking fees and commission received from insurance companies for the collection of monthly contributions. The increase in the budgeted revenue is based on the inflationary incremental estimation.

5. Payment summary

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

5.1 Key assumptions

The budget for the 2010/11 MTEF period is based on the department's approved Strategic and Annual Performance Plans, in line with the service delivery requirements and improvements of the department. Some of the main assumptions underpinning the MTEF budget are as follows:

- The cost-cutting measures as defined in Provincial Treasury Circular PT (11) of 2009/10 will be adhered to by the department over the 2010/11 MTEF;
- Provision has been made for the filling of vacant posts. However, if the moratorium on the filling of non-critical posts is not lifted, these funds may be reallocated in the Adjustments Estimate process;
- Inflation, as well as the associated costs with the filling of additional posts to support the service delivery requirements of the department, were taken into account in calculating personnel costs; and
- Provision was made for the carry-through costs of the 2009 wage agreement, as well as the inflationary linked wage adjustment of 5.3 per cent, 5.5 per cent and 5 per cent for 2010/11, 2011/12 and 2012/13, respectively, and an annual 1.5 per cent pay progression.

5.2 Additional allocation for the 2008/09 to 2010/11 MTEF

Table 6.3 shows additional funding received by the department over the three MTEF periods: 2008/09, 2009/10 and 2010/11. The purpose of such a table is two-fold. Firstly, it shows the quantum of additional funding allocated to the department in the past and current MTEF periods. Secondly, it indicates the policies and purposes for which the additional funding was allocated.

Table 6.3: Summary of additional provincial allocations for 2008/09 to 2010/11 MTEF

R thousand	2008/09	2009/10	2010/11	2011/12	2012/13
2008/09 MTEF period	(252 980)	(383 296)	(568 662)	(602 781)	(632 920)
Operational budget	73 554	10 988	14 729	15 613	16 394
Carry-through costs of 2007/08 Adjustments Estimate - Biometric Access	26 000	-	-	-	-
Personnel inflation adjustment	1 007	1 670	2 033	2 155	2 263
Government Employees Medical Scheme	695	818	1 696	1 798	1 888
Strengthen research capacity for policy development	2 000	2 500	3 000	3 180	3 339
Internal Audit Improvement Plan	6 000	-	-	-	-
Municipal Support	10 000	6 000	8 000	8 480	8 904
2008/09 Adj.Estimates - Wage agreement, Unembeza	27 852	-	-	-	-
Growth & Development	(346 749)	(394 284)	(583 391)	(618 394)	(649 314)
Ifihile Training Academy	14 977	11 518	5 759	6 105	6 410
Feasibility study of Provincial Government Precinct	6 700	-	-	-	-
Government Employees Medical Scheme	(518 426)	(555 802)	(589 150)	(624 499)	(655 724)
2010 Soccer Stadium (Provincial Contribution)	150 000	150 000	-	-	-
2008/09 Adj.Estimates - Casino Taxes, feasibility study	20 215	-	-	-	-
2009/10 MTEF period		147 511	241 440	369 167	387 625
Carry-through of 2008/09 Adjustments Estimate:		24 402	25 774	27 979	29 378
2008 wage adjustment		8 168	8 674	9 169	9 627
Project Unembeza		16 234	17 100	18 810	19 751
OSD for Doctors (for Dept. of Health)		108 109	215 666	322 669	338 802
Municipal Support Programme		15 000	-	-	-
Overdraft interest charges		-	-	18 519	19 445
2010/11 MTEF period			53 978	(68 900)	(84 869)
Carry-through of 2009/10 Adjustments Estimate:			(217 062)	(323 942)	(339 913)
2009 wage adjustment			3 597	4 020	4 447
Portion of Ministry funding to Vote 4			(4 993)	(5 293)	(5 558)
OSD for doctors (to Department of Health)			(215 666)	(322 669)	(338 802)
Municipal Support Programme			21 000	5 000	5 000
Overdraft interest charges (as allocated in 2009/10) reallocated to MSP			-	(18 519)	(19 445)
Municipal Support Programme (funded through reprioritisation)			-	18 519	19 445
Overdraft interest charges			235 000	235 000	235 000
Support Service Enhancement Plan (incl. Audit fees & SITA)			15 000	15 000	15 000
Policy on Incapacity Leave and Ill Health Retirement (PILIR)			40	42	44
Total	(252 980)	(235 785)	(273 244)	(302 514)	(330 164)

The carry-through allocations for the 2009/10 MTEF period (i.e. for the financial year 2012/13) are based on the incremental percentage used in the 2008/09 MTEF and 2009/10 MTEF. A similar approach was used for the carry-through allocations for the 2010/11 MTEF period.

The increase in funding over the 2008/09 MTEF was towards strengthening research capacity for policy development, the personnel inflationary adjustment in respect of the annual salary increase, the feasibility study of the Provincial Government Precinct, *Ifihlile* Training Academy for the training and development of Historically Disadvantaged Individuals (HDI), the carry-through costs for the Biometric Access Solution, the MSP, the Internal Audit Improvement Plan and the department's portion of the re-allocation of GEMS. During the 2008/09 Adjustments Estimate, the department received additional funding in respect of Project *Unembeza*, the higher than anticipated 2008 wage agreement, the prescribed pay-over of local government levies derived from casino taxes to a number of municipalities, as well as a roll-over from 2007/08 for the feasibility study of the Provincial Government Precinct.

An amount of R300 million was also allocated to the department in the 2008/09 MTEF process for transfer to the eThekweni Metro in 2008/09 and 2009/10, as part of the province's contribution towards the construction of the Moses Mabhida Soccer Stadium.

The department received funding over the 2009/10 MTEF towards the personnel inflationary adjustment in respect of the annual salary increase, Project *Unembeza*, overdraft interest charges, MSP, and OSD for doctors and specialists for the Department of Health. As per National Treasury instruction, the funding for the doctors' and specialists' OSD was to be kept against Provincial Treasury's vote, until such time as the details of the OSD implementation were finalised. This was finalised during the 2009/10 Adjustments Estimate, when the funding was transferred to Health.

During the 2009/10 Adjustments Estimate and over the 2010/11 MTEF, the department shifted funds to Vote 4: Economic Development and Tourism, following the post-2009 election reconfiguration of provincial departments, which led to the former combined ministries of Votes 4 and 6 splitting into two stand-alone ministries.

Finally the department received additional allocations over the 2010/11 MTEF in respect of the carry-through adjustment of the 2009 wage agreement, as well as the Support Service Enhancement Plan (including audit fees and SITA costs). The OSD for doctors and specialists was shifted from the department's budget to Vote 7: Health. The overdraft interest charges (as allocated in 2009/10) were reallocated to MSP to correct the baseline of this programme, and a new 2010/11 MTEF allocation of R235 million per year was allocated in respect of the overdraft interest charges.

5.3 Summary by programme and economic classification

The services rendered by the department are categorised under five programmes, namely Administration, Fiscal Resource Management, Financial Management, Internal Audit and Growth and Development. These programmes are linked to the core functions of the department. The department does not fully conform to the generic programme structure for the sector. Negotiations with National Treasury in this regard are continuing.

Tables 6.4 and 6.5 below provide a summary of the vote's payments and budgeted estimates over the seven-year period, by programme and by economic classification, respectively.

Table 6.4: Summary of payments and estimates by programme

R thousand	Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	Audited 2006/07	Audited 2007/08	Audited 2008/09	Appropriation	Appropriation 2009/10	Estimate	2010/11	2011/12	2012/13
1. Administration	140 626	165 391	182 875	175 090	175 420	174 619	193 840	204 947	214 705
2. Fiscal Resource Management	36 757	53 141	60 965	51 701	57 701	58 085	66 442	71 621	75 026
3. Financial Management	34 768	35 056	178 074	42 182	44 232	197 019	284 072	286 783	289 273
4. Internal Audit	33 851	53 134	70 384	78 231	66 840	60 702	82 634	88 299	92 704
5. Growth and Development	260 000	72 923	201 267	277 719	179 256	180 042	13 649	14 427	15 149
Total	506 002	379 645	693 565	624 923	523 449	670 467	640 637	666 077	686 857

Note: Programme 1 includes MEC remuneration: Salary: R1 420 490

Table 6.5: Summary of payments and estimates by economic classification

R thousand	Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	Audited 2006/07	Audited 2007/08	Audited 2008/09				2010/11	2011/12	2012/13
Current payments	262 739	339 940	518 784	466 272	354 808	502 538	636 225	661 646	681 723
Compensation of employees	69 368	83 394	94 485	245 675	127 171	108 378	154 864	162 642	170 493
Goods and services	193 369	256 546	285 916	220 597	227 637	234 566	246 361	264 004	276 230
Interest and rent on land	2	-	138 383	-	-	159 594	235 000	235 000	235 000
Transfers and subsidies to:	235 312	22 200	160 861	150 108	161 761	161 862	495	500	510
Provinces and municipalities	48	21 563	158 963	150 000	159 646	159 646	-	-	-
Departmental agencies and accounts	-	130	-	108	108	108	145	150	160
Universities and technikons	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	235 000	14	-	-	-	-	-	-	-
Non-profit institutions	-	-	3	-	-	-	-	-	-
Households	264	493	1 895	-	2 007	2 108	350	350	350
Payments for capital assets	7 073	16 716	9 644	8 543	6 880	6 067	3 917	3 931	4 624
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	5 820	7 686	9 094	4 420	6 387	5 931	3 817	3 931	4 624
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	1 253	9 030	550	4 123	493	136	100	-	-
Payments for financial assets	878	789	4 276	-	-	-	-	-	-
Total	506 002	379 645	693 565	624 923	523 449	670 467	640 637	666 077	686 857

The budget of the department fluctuates over the period 2006/07 to 2009/10. The dip in 2007/08 can be attributed to the surrendering of part of the GEMS allocation to the Provincial Revenue Fund. The significantly high 2008/09 Audited Outcome and the 2009/10 Revised Estimate include overdraft interest charges and bank charges on the IGCC account, which resulted from the provincial over-spending in 2007/08 and 2008/09. Provincial Treasury is the custodian of the Provincial Revenue Fund and therefore bears the costs of the interest charges, which come about when the province is in overdraft.

The increase in 2007/08 and in 2008/09 against Programme 1: Administration is due to an additional allocation for the Biometrics Access Solution, which was fully implemented by the end of 2008/09. The higher than anticipated 2009 wage agreement accounted for the slight increase in the 2009/10 Adjusted Appropriation. The increase reflected from 2010/11 to 2012/13 can be attributed to additional funding for the Support Service Enhancement plan which includes rental costs, audit fees, as well as SITA costs.

Programme 2: Fiscal Resource Management increases substantially from 2007/08 onward, largely due to the implementation of the PBS. The additional funding allocated towards the strengthening of research capacity for policy development and the MSP relating to capacity building interventions at various municipalities, also accounts for the increase in the 2008/09 Audited Outcome and in 2009/10. The increase in the 2009/10 Adjusted Appropriation relates to virements undertaken in respect of the expenditure pressure relating to the final PBS payments. This contract was cancelled in 2009/10 following a Cabinet decision in this regard. The substantial allocation relating to the MSP accounts for the increase over the 2010/11 MTEF period.

The substantial over-expenditure in 2007/08 and 2008/09 by some provincial departments resulted in the province utilising its approved overdraft facilities resulting in the payment of interest as reflected in the high expenditure against Programme 3: Financial Management in 2008/09. As already mentioned above, the high 2009/10 Revised Estimate relates to the overdraft interest charges on the IGCC account. This in turn explains the increase in the allocation against this programme over the 2010/11 MTEF.

The increase in 2007/08 under Programme 4: Internal Audit is mainly attributable to the additional funding allocated for *ad hoc* investigations, such as the forensic investigation at the Department of Agriculture, Environmental Affairs and Rural Development, and other new initiatives. The significant increase from 2008/09, as well as over the 2010/11 MTEF, is due to the additional funding allocated for the implementation of Project *Unembeza*, a pro-active strategy aimed at curbing the scourge of fraud and corruption in the provincial administration. The decrease in the 2009/10 Adjusted Appropriation relates to the non-filling of budgeted vacant posts, as well as enforced savings to assist with the Cabinet-approved Provincial Recovery Plan.

The fluctuations noted against Programme 5: Growth and Development over the seven-year period can largely be ascribed to the fact that the 2006/07 Audited Outcome included Growth and Development Fund expenditure. The decrease in 2007/08 relates to the surrendering of part of the GEMS allocation to the Provincial Revenue Fund. The increase in 2008/09 is due to additional funding allocated to the department to be paid over to various municipalities in respect of the prescribed local government levy. The prescribed levy is inclusive of casino taxes collected by the Gambling Board and paid over to the Provincial Revenue Fund. Furthermore, an amount of R11.252 million was rolled over from 2007/08, for the feasibility study of the Provincial Government Precinct. Programme 5 also includes an amount of R150 million in both 2008/09 and 2009/10, as part of the province's contribution towards the construction of the Moses Mabhida Soccer Stadium, and this explains the substantial reduction over the 2010/11 MTEF period. The 2009/10 Main Appropriation also includes the allocation for the OSD for doctors and specialists that has since been shifted to Vote 7: Health. This explains the decrease in the 2009/10 Adjusted Appropriation, as mentioned previously in this report.

The increase in *Compensation of employees* in 2007/08 and 2008/09 is due to the higher than anticipated general salary increases. The 2009/10 Main Appropriation includes the allocation of Health's OSD for doctors and specialists that has since been shifted to Vote 7: Health, which explains the decrease in the 2009/10 Adjusted Appropriation. The decrease in the 2009/10 Adjusted Appropriation can also be attributed to the non-filling of vacant posts due to high labour turnover, as well as the freezing of posts. The increase in the 2010/11 MTEF is due to the fact that the department has budgeted for the full budget structure, as well as to fill critical posts, in line with the Cabinet-approved Provincial Recovery Plan.

The increase in *Goods and services* in 2007/08 includes the final expenditure for the A1 Grand Prix, and additional funding to cater for the shortfall in respect of the feasibility study of the Provincial Government Precinct and *Ifihlile* (training and skills development of HDIs), as well as a roll-over of R10.280 million from 2006/07 for several projects. The increase in 2008/09 includes additional funding towards Project *Unembeza* and funds rolled over from 2007/08 for the feasibility study of the Provincial Government Precinct. The decrease in the 2009/10 Adjusted Appropriation is due to funds shifted from the department's budget following the post-2009 election reconfiguration of provincial departments, which led to the former combined ministries of Votes 4 and 6, splitting into two stand-alone ministries. The increase in the 2010/11 MTEF, compared to the 2009/10 Adjusted Appropriation, is in respect of an additional funding for the Support Service Enhancement plan, which includes audit fees and SITA costs, as well as funds allocated for MSP.

The expenditure reflected against *Interest and rent on land* in 2008/09 relates to the interest paid by the province as a result of the over-expenditure by some provincial departments in 2007/08 and 2008/09. The province is projecting to end the financial year with an interest payment of R159.594 million. The department has been allocated funding in this regard over the 2010/11 MTEF period.

The transfers reflected against *Transfers and subsidies to: Provinces and municipalities* in 2007/08, 2008/09 and the 2009/10 Adjusted Appropriation relate to additional funding allocated to the department to be paid over to a number of municipalities for the prescribed local government levy. This prescribed levy is inclusive of casino taxes collected by the Gambling Board, and is paid over to the Provincial Revenue Fund. The funding is allocated to the department during the Adjustments Estimate, and hence there are no projections over the MTEF. Also reflected against this category is an amount of R150 million in both 2008/09 and 2009/10, being part of the province's contribution towards the construction of the Moses Mabhida Soccer Stadium. This funding ended in 2009/10, as per the agreement signed with the eThekwin Metro, hence no projections over the MTEF.

The expenditure reflected in 2006/07 against *Transfers and subsidies to: Public corporations and private enterprises* was in respect of the Growth and Development Funds, which have since been moved to Vote 4: Economic Development and Tourism.

With regard to *Transfers and subsidies to: Households*, the amounts reflected cater for social benefits such as leave gratuities. The major fluctuations can be ascribed to the difficulty in budgeting for this item due to the number of unplanned exits.

The increase in 2007/08 against the categories *Machinery and equipment* and *Software and other intangible assets* relates mainly to the roll-over of funds with regard to the purchase of departmental vehicles and computer equipment, as well as additional funding for the equipment and software required for the implementation of the Biometric Access Solution in 2007/08 and 2008/09 in all departments. The final carry-through costs for the implementation of this security system were allocated against *Goods and services* in 2008/09, hence the reduction in 2008/09 against these categories.

5.4 Summary of payments and estimates by district municipal area

Table 6.6 shows departmental spending, including operational costs (full budget), by district municipal area. The department's spending occurs mainly within the uMgungundlovu District Municipality, where the department is based. Although the department provides public finance management support to all provincial departments and municipalities, it is impractical to allocate its budget at this level.

The expenditure reflected in the eThekweni Metro area is mainly due to the capital infrastructure transfer of R150 million in both 2008/09 and 2009/10, as part of the province's contribution towards the construction of the Moses Mabhida Soccer Stadium.

The amounts reflected against other district municipal areas consist largely of the casino tax pay-overs to be paid to a number of municipalities for the prescribed local government levy. This levy is inclusive of casino taxes collected by the Gambling Board, and is paid over to the Provincial Revenue Fund.

Table 6.6: Summary of payments and estimates by district municipal area

R thousand	Audited Outcome 2008/09	Revised Estimate 2009/10	Medium-term Estimates		
			2010/11	2011/12	2012/13
eThekweni	156 877	157 484	-	-	-
Ugu	264	84	-	-	-
uMgungundlovu	535 550	511 838	640 637	666 077	686 857
Uthukela	3	15	-	-	-
Umkhanyathi	2	19	-	-	-
Amajuba	346	394	-	-	-
Zululand	-	23	-	-	-
Umkhanyakude	-	2	-	-	-
uThungulu	515	577	-	-	-
Ilembe	8	31	-	-	-
Sisonke	-	-	-	-	-
Total	693 565	670 467	640 637	666 077	686 857

5.5 Summary of infrastructure payments and estimates

Table 6.7 below summarises the infrastructure payments and estimates relating to the department. An amount of R150 million was allocated to the department in both 2008/09 and 2009/10 as an infrastructure transfer to the eThekweni Metro, as part of the province's contribution towards the construction of the Moses Mabhida Soccer Stadium.

Table 6.7: Summary of infrastructure payments and estimates

R thousand	Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	Audited 2006/07	Audited 2007/08	Audited 2008/09				2010/11	2011/12	2012/13
New and replacement assets									
Existing infrastructure assets	-	-	-	-	-	-	-	-	-
Upgrades and additions									
Rehabilitation, renovations and refurbishments									
Maintenance and repairs									
Infrastructure transfers	-	-	150 000	150 000	150 000	150 000	-	-	-
Current									
Capital	-	-	150 000	150 000	150 000	150 000	-	-	-
Capital infrastructure	-	-	150 000	150 000	150 000	150 000	-	-	-
Current infrastructure	-	-	-	-	-	-	-	-	-
Total	-	-	150 000	150 000	150 000	150 000	-	-	-

5.6 Transfers to other entities

Table 6.8 below reflects departmental transfers to other entities.

Table 6.8: Summary of departmental transfers to other entities

R thousand	Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	Audited 2006/07	Audited 2007/08	Audited 2008/09				2010/11	2011/12	2012/13
Public corporation and private enterprises	235 000	14	-	-	-	-	-	-	-
Non-profit institutions	-	-	3	-	-	-	-	-	-
Total	235 000	14	3	-	-	-	-	-	-

The transfer in 2006/07 against *Public corporations and private enterprises* was in respect of the three Growth and Development Funds. These funds have been shifted to Vote 4: Economic Development and Tourism. The amount in 2007/08 relates to claims against the state by private corporations.

The amount against *Non-profit institutions* in 2008/09 relates to a donation made to the Imbali Psycho-Social Community Youth Resource Centre towards its launch and open day event.

5.7 Transfers to municipalities

Tables 6.9 and 6.10 provide a summary of transfers to municipalities.

Table 6.9: Summary of departmental transfers to municipalities by category

R thousand	Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	Audited 2006/07	Audited 2007/08	Audited 2008/09				2010/11	2011/12	2012/13
Category A	-	17 123	156 877	150 000	157 484	157 484	-	-	-
Category B	-	4 440	-	-	-	-	-	-	-
Category C	48	-	2 086	-	2 162	2 162	-	-	-
Total	48	21 563	158 963	150 000	159 646	159 646	-	-	-

Table 6.10: Summary of departmental transfers to municipalities by grant name

R thousand	Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	Audited 2006/07	Audited 2007/08	Audited 2008/09				2010/11	2011/12	2012/13
Casino Levies Pay-Over	-	21 563	8 963	-	9 646	9 646	-	-	-
Moses Mabhida Soccer Stadium	-	-	150 000	150 000	150 000	150 000	-	-	-
Regional Service Council Levy	48	-	-	-	-	-	-	-	-
Total	48	21 563	158 963	150 000	159 646	159 646	-	-	-

The transfers to Category A in 2008/09 and 2009/10 relate mainly to the provincial contribution towards the construction of the Moses Mabhida Soccer Stadium of R150 million in each year, as mentioned previously.

The transfers reflected under 2007/08, 2008/09 and in the 2009/10 Adjusted Appropriation against Category A, B and C municipalities relate to the prescribed local government levy. This prescribed levy, which is inclusive of casino taxes collected by the Gambling Board and paid over to the Provincial Revenue Fund, is paid over to different municipalities annually in arrears (during the Adjustments Estimate), and hence no estimates are reflected over the 2010/11 MTEF.

The transfer against Category C in 2006/07 was in respect of the Regional Service Council Levy (RSCL), which was discontinued with effect from 1 July 2006, as per new legislation.

5.8 Transfers and subsidies

Table 6.11 below is a summary of spending on *Transfers and subsidies* by programme and main category.

Table 6.11: Summary of transfers and subsidies by programme and main category

R thousand	Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	Audited 2006/07	Audited 2007/08	Audited 2008/09	Appropriation	Appropriation	Estimate	2010/11	2011/12	2012/13
				2009/10					
1. Administration	151	291	1 769	32	1 887	1 855	391	391	395
Provinces and municipalities	18	-	-	-	-	-	-	-	-
Regional Service Council Levy	18	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	45	-	32	32	32	41	41	45
FASSET	-	45	-	32	32	32	41	41	45
Non-profit institutions	-	-	3	-	-	-	-	-	-
Donations and gifts	-	-	3	-	-	-	-	-	-
Households	133	246	1 766	-	1 855	1 823	350	350	350
Social benefits	133	246	1 367	-	1 755	1 724	-	-	-
Other transfers to households	-	-	399	-	100	99	350	350	350
2. Fiscal Resource Management	6	32	-	18	18	18	27	27	29
Provinces and municipalities	6	-	-	-	-	-	-	-	-
Regional Service Council Levy	6	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	20	-	18	18	18	27	27	29
FASSET	-	20	-	18	18	18	27	27	29
Public corporation and private enterprises	-	12	-	-	-	-	-	-	-
Private enterprises: Other transfers	-	12	-	-	-	-	-	-	-
3. Financial Management	141	83	129	23	164	298	31	33	35
Provinces and municipalities	10	-	-	-	-	-	-	-	-
Regional Service Council Levy	10	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	26	-	23	23	23	31	33	35
FASSET	-	26	-	23	23	23	31	33	35
Households	131	57	129	-	141	275	-	-	-
Social benefits	131	57	129	-	141	275	-	-	-
4. Internal Audit	14	231	-	35	46	45	46	49	51
Provinces and municipalities	14	-	-	-	-	-	-	-	-
Regional Service Council Levy	14	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	39	-	35	35	35	46	49	51
FASSET	-	39	-	35	35	35	46	49	51
Public corporations and private enterprises	-	2	-	-	-	-	-	-	-
Private enterprises: Other transfers	-	2	-	-	-	-	-	-	-
Households	-	190	-	-	11	10	-	-	-
Social benefits	-	190	-	-	11	10	-	-	-
5. Growth and Development	235 000	21 563	158 963	150 000	159 646	159 646	-	-	-
Provinces and municipalities	-	21 563	158 963	150 000	159 646	159 646	-	-	-
Casino Levies Pay-Over and Soccer Stadium	-	21 563	158 963	150 000	159 646	159 646	-	-	-
Public corporation and private enterprises	235 000	-	-	-	-	-	-	-	-
Private enterprises: Other transfers	235 000	-	-	-	-	-	-	-	-
Total	235 312	22 200	160 861	150 108	161 761	161 862	495	500	510

The category *Transfers and subsidies* fluctuates over the seven-year period, and includes the following:

- *Provinces and municipalities* reflects payments made in respect of the RSCL, which was discontinued after 2006/07. The amounts against Programme 5 in 2007/08 to 2009/10 include the prescribed local government levy. This levy, which is inclusive of casino taxes collected by the Gambling Board and paid over to the Provincial Revenue Fund, is paid over to different municipalities annually in arrears during the Adjustments Estimate, and hence no projections over the MTEF. Also reflected against this programme in 2008/09 and 2009/10 is an amount of R150 million in each year, allocated to the eThekwin Metro in respect of the construction of the Moses Mabhida Soccer Stadium;
- *Departmental agencies and accounts* caters for the Skills Development Levy. The department did not make any contribution in 2008/09 due to registration problems with FASSET, which the department is currently working on. The department will make a contribution in 2009/10 and over the 2010/11 MTEF period;
- The amount against *Non-profit institutions* in 2008/09 in Programme 1 relates to donation made to the Imbali Psycho-Social Community Youth Resource Centre towards its launch and open day event.
- *Households* caters for staff exits, which are difficult to predict, accounting for the fluctuations in trend; and

- The once-off expenditure in 2006/07 against *Public corporations and private enterprises* in Programme 5 was in respect of the three Growth and Development Funds. These funds have been shifted to Vote 4: Economic Development and Tourism.

6. Programme description

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

6.1 Programme 1: Administration

The purpose of this programme is to render support services to the department, provide human resource management, and provide financial systems management support to the department and the province.

This programme consists of six sub-programmes, namely Office of the MEC, Head of the Department, Chief Financial Office, Human Resource Management, Corporate Services and Supporting and Interlinked Financial Systems. The sub-programme: Supporting and Interlinked Financial Systems, which was part of Programme 3 prior to 2007/08, now falls under Programme 1, in line with the department's organisational structure, but not the uniform programme structure for the sector. The department is engaging in discussion with National Treasury in this regard.

The main services under this programme are as follows:

- To support the Executive Authority in providing strategic and political direction to provincial departments, public entities, as well as municipalities;
- To provide the MEC with technical support on the appropriation of revenue, to ensure equitable distribution among provincial departments;
- To render financial and supply chain management functions to the department;
- To render human resource management functions to the department;
- To render corporate management services to the department, such as the telecom system, transport fleet management and control of registry; and
- To implement and support transversal financial systems across the province and provide IT services to the department.

Tables 6.12 and 6.13 below provide a summary of payments and budgeted estimates pertaining to the programme over the seven-year period from 2006/07 to 2012/13. As reflected in the table, some sub-programmes show a steady increase over the seven-year period, while others reflect fluctuating trends.

Table 6.12: Summary of payments and estimates - Programme 1: Administration

R thousand	Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	Audited	Audited	Audited	Appropriation	Appropriation	Estimate			
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Office of the MEC	28 523	29 803	31 375	31 978	27 267	27 273	29 176	31 145	32 697
Head of the Department	6 209	5 750	6 350	6 579	7 429	6 462	7 392	7 814	8 202
Chief Financial Office	7 870	11 122	11 192	11 335	13 084	9 737	19 067	19 956	20 777
Human Resource Management	6 049	6 226	8 383	11 193	11 193	9 805	12 078	12 688	13 321
Corporate Services	20 821	16 913	18 646	20 725	23 175	23 344	24 879	26 174	27 329
Supporting & Interlinked Financial Systems	71 154	95 577	106 929	93 280	93 272	97 998	101 248	107 170	112 379
Total	140 626	165 391	182 875	175 090	175 420	174 619	193 840	204 947	214 705

Table 6.13: Summary of payments and estimates by economic classification - Programme 1: Administration

R thousand	Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	Audited 2006/07	Audited 2007/08	Audited 2008/09	Appropriation	Appropriation 2009/10	Estimate	2010/11	2011/12	2012/13
Current payments	133 734	148 599	172 743	168 462	168 600	167 739	191 417	202 304	211 735
Compensation of employees	24 422	28 330	33 926	40 723	37 921	34 010	43 529	45 626	47 750
Goods and services	109 310	120 269	138 817	127 739	130 679	133 729	147 888	156 678	163 985
Interest and rent on land	2	-	-	-	-	-	-	-	-
Transfers and subsidies to:	151	291	1 769	32	1 887	1 855	391	391	395
Provinces and municipalities	18	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	45	-	32	32	32	41	41	45
Universities and technikons	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	3	-	-	-	-	-	-
Households	133	246	1 766	-	1 855	1 823	350	350	350
Payments for capital assets	5 863	15 712	8 363	6 596	4 933	5 025	2 032	2 252	2 575
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	4 610	6 682	8 342	2 478	4 478	4 942	2 032	2 252	2 575
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	1 253	9 030	21	4 118	455	83	-	-	-
Payments for financial assets	878	789	-	-	-	-	-	-	-
Total	140 626	165 391	182 875	175 090	175 420	174 619	193 840	204 947	214 705

The decrease in the 2009/10 Adjusted Appropriation is due to the portion of the Office of the MEC funding that was shifted to Vote 4: Economic Development and Tourism following the post-2009 election reconfiguration of provincial departments, which led to the erstwhile combined ministries of Votes 4 and 6 splitting into two stand alone ministries. This, in turn, explains the decrease in the 2010/11 MTEF.

The sub-programme: Head of the Department shows an increase in the 2009/10 Adjusted Appropriation relating to the additional allocation towards the higher than anticipated 2009 wage agreement.

The increase in 2007/08 and onward, compared to 2006/07 against the sub-programme: Chief Financial Office relates to the expansion of the CFO structure to cater for the departmental Supply Chain Management system, the Strategic Management Services component and audit fees. The increase in the 2009/10 Adjusted Appropriation relates to the additional allocation for the higher than anticipated 2009 wage agreement. The increase over the 2010/11 MTEF can be ascribed to the reprioritisation of funds from Support and Interlinked Financial Systems, resulting from the restructuring of the financial systems support functions.

The sub-programme: Human Resource Management reflects an increase from 2007/08 onward, which can be attributed to the reprioritisation of funds to this sub-programme for the implementation of the Employee Wellness Programme, added recruitment costs due to high labour turnover and the addition of new posts. Funds were also shifted from the sub-programme: Chief Financial Office to this sub-programme from 2009/10 onward towards the departmental internship programme.

The high expenditure noted against the sub-programme: Corporate Services in 2006/07 when compared to 2007/08 was due to a roll-over of funds for the purchase of departmental vehicles. The renovation costs associated with the relocation of the Ministry to the Natalia Building also contributed to the high expenditure in 2006/07. The increase in the 2009/10 Adjusted Appropriation, as well as the 2010/11 MTEF, is due to funds that were reprioritised to this sub-programme to cater for renovation expenditure relating to the newly acquired Nomalanga building, which is being leased to house the Internal Audit unit.

The sub-programme: Supporting and Interlinked Financial Systems includes costs relating to all transversal systems (such as BAS, PERSAL, HARDCAT, etc.) for the entire province. The 2007/08 and 2008/09 financial years' increased expenditure relates to the Biometric Access Solution, which started in 2007/08 and was completed in 2008/09. This also explains the high amounts against *Goods and services* over the same period. In the 2009/10 Adjusted Appropriation and over the 2010/11 MTEF, funds were shifted to other components following the restructuring of the financial systems support functions.

The category *Compensation of employees* shows an increase in 2008/09 due to additional funding to cater for the shortfall of the higher than anticipated 2008 wage agreement. The decrease in the 2009/10 Adjusted Appropriation is due to the shifting of funds to Programme 3 against *Compensation of employees* as a result of the restructuring of financial systems support functions.

The increase in the 2009/10 Adjusted Appropriation is due to the shifting of funds to *Goods and services* to off-set spending pressures relating to the payments of SITA costs, as well as the newly acquired building costs. The increase in the 2010/11 MTEF is due to additional funding relating to the Support Service Enhancement plan (including audit fees and SITA costs).

The increase in the 2009/10 Adjusted Appropriation reflected against *Transfers and subsidies to: Households* is for the payment of leave gratuities, due to unplanned staff exits. In the 2010/11 MTEF, provision was made towards bursaries for non-employees.

The increase in 2008/09 against the category *Machinery and equipment* relates mainly to the roll-over of funds with regard to the purchase of departmental vehicles and computer equipment. The increase in the 2009/10 Adjusted Appropriation relates to funds shifted from *Software and other intangible assets* to cater for the purchase of computer servers for the newly acquired Nomalanga building.

The increase in 2007/08 against *Software and other intangible assets* relates mainly to the additional funding allocated for the equipment and software required for the implementation of the Biometric Access Solution in all departments. The carry-through costs for the Biometric Access Solution have been allocated against *Goods and services* (as they are less than R5 000) in 2008/09 for the implementation of this security system, hence the reduction in 2008/09. The substantial decrease in the 2009/10 Adjusted Appropriation against this category was due to funds shifted to *Machinery and equipment* for the purchasing of computer servers for the Nomalanga building. No provision is made under this category in the 2010/11 MTEF due to the fact that previous software licences purchased were paid for under *Goods and services* as costs were less than R5 000.

Service delivery measures – Programme 1: Administration

Table 6.14 reflects the main service delivery measures pertaining to Programme 1 (sub-programme: Supporting and Interlinked Financial Systems).

Table 6.14: Service delivery measures – Programme 1: Administration (Supporting and interlinked Financial Systems)

Outputs	Performance indicators	Estimated performance	Medium-term targets		
		2009/10	2010/11	2011/12	2012/13
1. Develop and implement systems	<ul style="list-style-type: none">No. of initiatives implemented	As per MS Plan	As per MS Plan	As per MS Plan	As per MS Plan
2. Develop and review, implement and monitor departmental supporting information technology enabler policies and procedures	<ul style="list-style-type: none">No. of policy reviews completed	8	8	8	8
	<ul style="list-style-type: none">No. of compliance reports completed	2	2	2	2
	<ul style="list-style-type: none">No. of information sessions conducted	8	8	8	8
3. To ensure business continuity through the management of the IT network infrastructure, desktop and LAN support and network security	<ul style="list-style-type: none">Mean-time to resolve (MTTR)-Treasury	8 hours	8 hours	8 hours	8 hours
	<ul style="list-style-type: none">% network uptime	99%	99%	99%	99%
	<ul style="list-style-type: none">% compliance with software licensing requirements	100%	100%	100%	100%
4. Provide technical support for transversal systems	<ul style="list-style-type: none">% user satisfaction	80%	80%	82%	85%
	<ul style="list-style-type: none">MTTR (transversal systems)	8-24hr MTTR	8-24hr MTTR	8-24hr MTTR	8-24hr MTTR

6.2 Programme 2: Fiscal Resource Management

This programme consists of four sub-programmes, namely Programme Support, Economic Analysis, Public Finance and Municipal Finance. Municipal Finance is a new sub-programme from 2008/09. The

main purpose of the programme is to effectively manage and monitor the provincial and local government fiscal resources.

The objectives and services of this programme are as follows:

- To provide strategic leadership in promoting optimal and effective resource allocation (including providing inputs into the provincial equitable share formula and annual Division of Revenue Bill), revenue generation and financial reporting for provincial departments (including public entities);
- To provide a platform to enhance regional economic growth and development through quality research;
- To ensure efficient planning and management of infrastructure;
- To ensure efficient budget management and accurate financial reporting for provincial and local government; and
- To assist and provide technical support to delegated municipalities

Tables 6.15 and 6.16 below provide a summary of payments and budgeted estimates pertaining to this programme for the period 2006/07 to 2012/13.

Table 6.15: Summary of payments and estimates - Programme 2: Fiscal Resource Management

R thousand	Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	Audited 2006/07	Audited 2007/08	Audited 2008/09	Appropriation	Appropriation 2009/10	Estimate	2010/11	2011/12	2012/13
Programme Support	1 432	1 917	3 202	2 932	3 515	3 515	3 865	4 209	4 504
Economic Analysis	1 182	2 166	2 701	4 005	4 105	4 104	5 005	5 190	5 454
Public Finance	34 143	49 058	33 579	10 047	16 047	16 049	10 669	11 222	11 772
Municipal Finance	-	-	21 483	34 717	34 034	34 417	46 903	51 000	53 296
Total	36 757	53 141	60 965	51 701	57 701	58 085	66 442	71 621	75 026

Table 6.16: Summary of payments and estimates by economic classification - Programme 2: Fiscal Resource Management

R thousand	Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	Audited 2006/07	Audited 2007/08	Audited 2008/09	Appropriation	Appropriation 2009/10	Estimate	2010/11	2011/12	2012/13
Current payments	36 545	52 930	59 993	50 984	56 984	57 815	65 865	71 594	74 684
Compensation of employees	9 180	12 651	14 678	22 099	20 299	19 366	27 596	29 057	30 535
Goods and services	27 365	40 279	45 315	28 885	36 685	38 449	38 269	42 537	44 149
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	6	32	-	18	18	18	27	27	29
Provinces and municipalities	6	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	20	-	18	18	18	27	27	29
Universities and technikons	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	12	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Payments for capital assets	206	179	972	699	699	252	550	-	313
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	206	179	443	699	666	219	450	-	313
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	529	-	33	33	100	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	36 757	53 141	60 965	51 701	57 701	58 085	66 442	71 621	75 026

The sub-programme: Programme Support reflects an increase in 2008/09, due to additional funding allocated to the department towards strengthening research capacity for policy development. The funds were used to conduct a province-wide sector review of the education system. The findings of this research will help the province develop a set of targeted policy interventions that will enhance the performance of the education sector. The increase in the 2009/10 Adjusted Appropriation is due to the reprioritisation of funds to this sub-programme to cover the higher than anticipated 2009 wage agreement.

The increase in the 2009/10 Adjusted Appropriation in the sub-programme: Economic Analysis is due to the reprioritisation of funds to cater for the higher than anticipated 2009 wage agreement.

The high expenditure and estimates reflected against the sub-programme: Public Finance over the period 2006/07 to 2008/09 relate to the implementation of PBS, housed under this sub-programme and against *Goods and services*. The sub-programme: Public Finance also included costs relating to Municipal Finance until 2007/08. Due to the sharing of responsibility and objective codes on the Basic Accounting System (BAS), it was not possible to split the historical expenditure costs to the newly created sub-programme: Municipal Finance. The increase in the 2009/10 Adjusted Appropriation is due to the reprioritisation to this sub-programme and against *Goods and services* in respect of the final payments relating to PBS. This contract was cancelled in 2009/10, following a Cabinet decision in this regard.

Additional funding was allocated to the sub-programme: Municipal Finance in 2008/09, 2009/10 and over the 2010/11 MTEF for the MSP. This also explains the high expenditure in 2008/09, as well as the high budgeted expenditure in the 2010/11 MTEF, and against *Goods and services*.

The increase in *Compensation of employees* in 2007/08 and 2008/09 compared to 2006/07 was in line with the expansion of the Public Finance and Municipal Finance components. This expansion was necessitated by several new functions and initiatives. The decrease in the 2009/10 Adjusted Appropriation is due to the shifting of funds relating to vacant posts from this category to *Goods and services* to cater for the final payments relating to PBS. The 2010/11 MTEF budget for *Compensation of employees* caters for the filling of vacant posts. This will only be done, though, once the provincial moratorium on the filling of non-critical posts has been lifted.

The substantial increase in 2007/08 and 2008/09 compared to 2006/07 against *Goods and services* is due to the reprioritisation of funds from *Compensation of employees* in respect of PBS, and for consultants contracted for financial and organisational capacity building at delegated municipalities within the province. The increase in the 2009/10 Adjusted Appropriation against this category is due to the reprioritisation of funds from *Compensation of employees* and also in respect of PBS.

The high increase against *Machinery and equipment* in 2008/09 and the 2009/10 Main Appropriation caters for the purchase of equipment in line with the appointment of new staff. The low 2009/10 Revised Estimate is due to the fact that computer equipment and other office equipment will not be purchased as a result of the non-filling of budgeted vacant posts. The funding in 2010/11 and 2012/13 is to cater for the replacement and upgrading of equipment. There are no plans to purchase additional or upgrade existing equipment in 2011/12.

The amounts against *Software and other intangible assets* in 2008/09, the 2009/10 Adjusted Appropriation and 2010/11 relate to the Cura, the E-Stata and Econometrics and Stata software packages. The amounts in this category relate to once-off payments for the aforementioned software, hence there are no projections reflected in 2011/12 and 2012/13.

Service delivery measures – Programme 2: Fiscal Resource Management

Table 6.17 below illustrates the service delivery measures pertaining to Programme 2.

Table 6.17: Service delivery measures – Programme 2: Fiscal Resource Management

Outputs	Performance indicators	Estimated performance		Medium-term targets	
		2009/10	2010/11	2011/12	2012/13
1. Programme Support					
1.1 Provide strategic leadership to the Fiscal Resource Management Division	<ul style="list-style-type: none"> Approved and implementable policy interventions in the health sector based on the robustness of the research 	Continuation of research in education sector, One research paper Health sector – project deferred to 2010	One research paper – Health sector	n/a	n/a

Table 6.17: Service delivery measures – Programme 2: Fiscal Resource Management

Outputs		Performance indicators	Estimated performance		Medium-term targets	
			2009/10	2010/11	2011/12	2012/13
2. Economic Analysis						
2.1	To determine and evaluate economic parameters and socio-economic imperatives to inform provincial and local resource allocation	<ul style="list-style-type: none">To provide a comprehensive economic analysis for the provinceTo provide input to the Overview of Provincial Exp. (OPE)	Review of socio-economic outlook for all 11 district municipalities On time for tabling	Capacitate municipalities with the knowledge of developing socio-economic profile On time for tabling	Monitor progress On time for tabling	Monitor progress On time for tabling
2.2	Provide a platform to enhancing regional economic growth and development	<ul style="list-style-type: none">To provide quality research for regional policy analysisTo update and maintain the KZN statistic database	Present the research findings Various sources of data have been established, namely interdepartmental and parastatal. Global insight maintained	Publication of research papers Acquire one more source of data	Publication of research papers Acquire one more source of data	Publication of research papers Acquire one more source of data
3. Infrastructure						
3.1	Ensure efficient infrastructure planning and management in the province	<ul style="list-style-type: none">Timely completion of Provincial Infrastructure Plan (PIP)No. of Provincial Infrastructure Statement of Needs (PISN) ReportNo. of depts of implementation of IDIP in provinceCompliance with infrastructure budget and delivery plansConduct quarterly assessments on infrastructure delivery in the provinceEstimates of Provincial Exp (EPE)	Submit PIP to NT by 28th February 2009 Preparation of PISN continues to other depts IDIP to continue in Education, Public Works and Health. IDIP processes introduced at Human Settlements, Sport and Recreation, Arts and Culture Quarterly reports Conduct 144 site visits Quarterly reports Inputs Main Budget Statement (EPE) on time for tabling	Submit PIP to NT by 28th February 2010 Preparation of PISN continues to other depts IDIP to continue in Education, Public Works and Health. IDIP processes introduced at Human Settlements, Sport and Recreation, Arts and Culture Quarterly reports Conduct 144 site visits Quarterly reports Inputs EPE on time for tabling	Submit PIP to NT by 28th February 2011 Preparation of PISN continues to other depts IDIP to continue in Education, Public Works and Health. IDIP processes introduced at Human Settlements, Sport and Recreation, Arts and Culture Quarterly reports Conduct 144 site visits Quarterly reports Inputs EPE on time for tabling	Submit PIP to NT by 28th February 2012 Preparation of PISN continues to other depts IDIP to continue in Education, Public Works and Health. IDIP processes introduced at Human Settlements, Sport and Recreation, Arts and Culture Quarterly reports Conduct 144 site visits Quarterly reports Inputs EPE on time for tabling
4. Public Finance						
4.1	Promote effective and optimal financial resource allocation for provincial government	<ul style="list-style-type: none">Treasury guidelines document on budget preparationNo. of chapters in MTEC reportMTEF budget proposal documentNo. of allocation lettersEPEAdjusted Estimates of Provincial Exp (AEPE)Main Budget SpeechAdjusted Budget SpeechMain Appropriation BillAdjusted Appropriation BillUnauthorised Exp. Authorisation Bill (UEAB)	Completed by July 2009 16 chapters completed 1 day before MTEC Completed as per budget process timetable 16 EPE on time for tabling AEPE on time for tabling Main Budget Speech on time for tabling Adjusted Budget Speech on time for tabling Main Appropriation Bill on time for tabling Adjusted Appropriation Bill on time for tabling UEAB on time for tabling	Complete by July 2010 16 chapters completed 1 day before MTEC Completed as per budget process timetable 16 EPE on time for tabling AEPE on time for tabling Main Budget Speech on time for tabling Adjusted Budget Speech on time for tabling Main Appropriation Bill on time for tabling Adjusted Appropriation Bill on time for tabling UEAB on time for tabling	Complete by July 2011 16 chapters completed 1 day before MTEC Completed as per budget process timetable 16 EPE on time for tabling AEPE on time for tabling Main Budget Speech on time for tabling Adjusted Budget Speech on time for tabling Main Appropriation Bill on time for tabling Adjusted Appropriation Bill on time for tabling UEAB on time for tabling	Complete by July 2012 16 chapters completed 1 day before MTEC Completed as per budget process timetable 16 EPE on time for tabling AEPE on time for tabling Main Budget Speech on time for tabling Adjusted Budget Speech on time for tabling Main Appropriation Bill on time for tabling Adjusted Appropriation Bill on time for tabling UEAB on time for tabling

Table 6.17: Service delivery measures – Programme 2: Fiscal Resource Management

Outputs	Performance indicators	Estimated performance		Medium-term targets		
		2009/10	2010/11	2011/12	2012/13	
4.2	Ensure efficient budget and expenditure management and accurate financial reporting for provincial government (including public entities)	<ul style="list-style-type: none"> Section 32 report (Monthly provincial IYM report) Quarterly budget performance report for provincial depts Cabinet memoranda on budget performance 	12 reports submitted to NT by 22nd of each month One month after end of each quarter 12 reports	12 reports to be submitted to NT by 22nd of each month One month after end of each quarter 12 reports	12 reports to be submitted to NT by 22nd of each month One month after end of each quarter 12 reports	12 reports to be submitted to NT by 22nd of each month One month after end of each quarter 12 reports
4.3	Promote optimal and sustainable revenue generation and collection by provincial departments and public	<ul style="list-style-type: none"> Revenue input EPE and supplements Treasury guideline document on budget preparation Establish provincial tariff register Revenue input into budget performance reports 	Revenue input on time for tabling Completed in July 2009 n/a 12 inputs submitted by 22nd of each month	Revenue input on time for tabling Complete by July 2010 Establish register 12 inputs submitted by 22nd of each month	Revenue input on time for tabling Complete by July 2011 Maintain and update annually 12 inputs by 22nd of each month	Revenue input on time for tabling Complete by July 2012 Maintain and update annually 12 inputs by 22nd of each month
4.4	Promote optimal and sustainable revenue generation and collection by provincial depts and public entities	<ul style="list-style-type: none"> Establish provincial tariff register Revenue input into budget performance reports 	n/a 12 inputs submitted by the 22nd of each month	Establish register 12 inputs submitted by the 22nd of each month	Maintain and update annually 12 inputs by the 22nd of each month	Maintain and update annually 12 inputs by the 22nd of each month
4.5	Explore new provincial own revenue sources	<ul style="list-style-type: none"> Research paper on new provincial tax 	Complete research and seek approval for new provincial tax	Public participation process	Complete process as outlined in Provincial Tax Regulation	Implementation of new provincial tax
4.6	Provide input into the DOR Bill	<ul style="list-style-type: none"> Input into the revision and maintenance of DORA 	Input submitted by due date	Input to be submitted by due date	Input to be submitted by due date	Input to be submitted by due date
4.7	Develop and implement framework for monitoring of budget, expenditure and performance of provincial public entities	<ul style="list-style-type: none"> Institutionalise framework for the monitoring of provincial public entities 	n/a	Develop framework	Implement monitoring tool and report quarterly for 9 public entities	Implement monitoring tool and report quarterly for 9 public entities
5. Municipal Finance						
5.1	To ensure efficient budget and expenditure management and accurate financial reporting for the delegated municipalities in the province	<ul style="list-style-type: none"> Section 71(6) report (Monthly municipal IYM report) within prescribed time frame Section 71(7) quarterly budget performance reports for Legislature 	12 Section 71(6) reports by 22nd of each month 4 Section 71(7) quarterly budget performance reports, 45 days after end of quarter	12 Section 71(6) reports by 22nd of each month 4 Section 71(7) quarterly budget performance reports, 45 days after end of quarter	12 Section 71(6) report by 22nd of each month 4 Section 71(7) quarterly budget performance reports, 45 days after end of quarter	12 Section 71(6) report by 22nd of each month 4 Section 71(7) quarterly budget performance reports, 45 days after end of quarter
5.2	To assist and provide technical support to delegated municipalities that are in financial distress in the province	<ul style="list-style-type: none"> No. of municipalities supported by the MSP 	4 municipalities supported through the MSP and 4 for GRAP conversion	6 municipalities to be supported through MSP	5 municipalities to be supported through MSP	5 municipalities to be supported through MSP

6.3 Programme 3: Financial Management

This programme consists of five sub-programmes, namely Financial Asset and Liability Management, Public Private Partnerships (PPPs), Supply Chain Management, Financial Reporting and Norms and Standards.

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

- To ensure the effective and efficient management of assets and implementation of PPP projects;
- To realise the effective and efficient acquisition of goods and services for provincial government and to secure sound SCM for local government;

- To optimise liquidity requirements and maximise returns within acceptable levels of risk for provincial government and to secure sound cash management for local government;
- To ensure that financial reporting provides a full and true reflection of the financial position of the province and municipalities as prescribed, inclusive of the accounting responsibilities related to the Provincial Revenue Fund and Pay Master-General account; and
- To develop and implement financial and associated governance norms and standards, in order to enhance performance orientated financial results and accountability in provincial departments and municipalities as prescribed.

Tables 6.18 and 6.19 provide a summary of payments and budgeted estimates pertaining to Programme 3.

Table 6.18: Summary of payments and estimates - Programme 3: Financial Management

R thousand	Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	Audited	Audited	Audited				2010/11	2011/12	2012/13
	2006/07	2007/08	2008/09						
Financial Asset and Liability Management	16 359	12 383	151 257	13 370	14 107	173 894	250 517	251 428	252 249
Public Private Partnerships (PPPs)	936	2 483	4 023	4 297	3 697	3 239	4 931	5 215	5 474
Supply Chain Management	14 086	10 441	8 692	13 260	13 626	10 210	14 235	15 037	15 759
Financial Reporting	2 283	8 719	12 365	7 683	9 230	6 975	10 166	10 679	11 161
Norms and Standards	1 104	1 030	1 737	3 572	3 572	2 701	4 223	4 424	4 630
Total	34 768	35 056	178 074	42 182	44 232	197 019	284 072	286 783	289 273

Table 6.19: Summary of payments and estimates by economic classification - Programme 3: Financial Management

R thousand	Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	Audited	Audited	Audited				2010/11	2011/12	2012/13
	2006/07	2007/08	2008/09						
Current payments	34 179	34 676	177 742	41 706	43 615	196 449	283 625	286 311	288 765
Compensation of employees	15 549	16 585	19 360	28 441	28 550	22 328	33 925	35 661	37 416
Goods and services	18 630	18 091	19 999	13 265	15 065	14 527	14 700	15 650	16 349
Interest and rent on land	-	-	138 383	-	-	159 594	235 000	235 000	235 000
Transfers and subsidies to:	141	83	129	23	164	298	31	33	35
Provinces and municipalities	10	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	26	-	23	23	23	31	33	35
Universities and technikons	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	131	57	129	-	141	275	-	-	-
Payments for capital assets	448	297	112	453	453	272	416	439	473
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	448	297	112	448	448	252	416	439	473
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	5	5	20	-	-	-
Payments for financial assets	-	-	91	-	-	-	-	-	-
Total	34 768	35 056	178 074	42 182	44 232	197 019	284 072	286 783	289 273

The expenditure incurred against the sub-programme: Financial Asset and Liability Management in 2006/07 relates to the Asset Management Improvement Plan (AMIP) project. The high expenditure in 2008/09, as well as the anticipated expenditure in the 2009/10 Revised Estimate, is due to the interest paid by the province as a result of the over-spending by some provincial departments in 2007/08, 2008/09 and the continued over-spending in 2009/10. The province is projecting to end the financial year with an interest payment of R159.594 million. An allocation of R235 million per year has been made toward the overdraft interest charges in the 2010/11 MTEF period.

The increase reflected against the sub-programme: Public Private Partnerships in 2007/08 and 2008/09, as well as the increase from 2009/10 onward, is due to the increase in the number of PPP potential projects identified in the province by the unit, and the direct involvement in the Provincial Government Precinct and the Legislature Complex projects, resulting in the increase of the unit's allocation to cater for the capacity increases, as well as other operational expenditure. The low 2009/10 Adjusted Appropriation relates to reprioritisation to other areas to cater for the payment of leave gratuities.

With regard to the sub-programme: Supply Chain Management, both the 2006/07 and 2007/08 Audited amounts included roll-overs from the previous financial years in respect of SCM implementation in the province. The 2006/07 Audited amount also included a roll-over in respect of once-off payments for the Immovable Assets tender for the survey and conditions assessment of all assets in the uMgungundlovu, eThekweni and Zululand areas, hence the decrease in 2008/09. The low 2009/10 Revised Estimate is due to the non-filling of budgeted vacant posts.

The substantial increase in 2007/08 and 2008/09 with regard to the sub-programme: Financial Reporting was due to funding that was reprioritised to this sub-programme for consultant fees associated with the Financial Management Improvement Plan (FINMIP) for all provincial departments, which also resulted in the increase against *Goods and services*. The increase in the 2009/10 Adjusted Appropriation is in respect of funds shifted to this sub-programme to cater for consultants acting in the posts of Accountant-General and Manager: Accounting Services. Furthermore, the increase in this sub-programme in the 2010/11 MTEF relates to the FINMIP.

The increase in the 2010/11 MTEF in the sub-programme: Norms and Standards is due to an additional allocation aimed at correcting the baseline of this sub-programme, mostly relating to the salary budget. The decrease in the 2009/10 Adjusted Appropriation is due to the non-filling of budgeted vacant posts, as a result of the provincial moratorium.

The substantial increase in *Compensation of employees* over the 2010/11 MTEF period caters for the filling of vacant posts in line with the department's intention to fill all budgeted vacant posts in order to capacitate the Supply Chain Management, Financial Reporting and Norms and Standards units, which also explains the steady increase against *Machinery and equipment*. This will only be done, though, once the provincial moratorium on the filling of posts has been lifted.

The high expenditure reflected in *Goods and services* from 2006/07 to 2008/09 was in respect of the AMIP project, SCM implementation in the province, as well as once-off payments for the Immovable Assets tender for the survey and conditions assessment of all assets in the uMgungundlovu, eThekweni and Zululand areas. Also included in this category from 2007/08 onward was funding reprioritised towards FINMIP.

Service delivery measures – Programme 3: Financial Management

Table 6.20 below illustrates the main service delivery measures for Programme 3.

Table 6.20: Service delivery measures – Programme 3: Financial Management

Output	Performance indicators	Estimated performance		Medium-term targets	
		2009/10	2010/11	2011/12	2012/13
1. Assets and Liability Management					
1.1 To promote sound cash management practices and improve liquidity in the province and assist depts and municipalities in the attainment of a clean audit outcome for the province	<ul style="list-style-type: none"> Provide guidance and support iro payroll functions to KZN depts Conduct Tax Information Seminar annually Risk analysis per department to ensure compliance to tax legislation Provide quarterly assessment reports to departments on the status of bank related suspense accounts Produce monthly reconciled bank reconciliations per dept Produce quarterly report on withdrawals from municipal bank accounts 	16 depts 4 sessions 64 reports 64 assessment reports 192 reconciled bank reconciliations 4 reports on withdrawals from municipal bank accounts	16 depts 4 sessions 64 reports 64 assessment reports 192 reconciled bank reconciliations 4 reports on withdrawals from municipal bank accounts	16 depts 4 sessions 64 reports 64 assessment reports 192 reconciled bank reconciliations 4 reports on withdrawals from municipal bank accounts	16 depts 4 sessions 64 reports 64 assessment reports 192 reconciled bank reconciliations 4 reports on withdrawals from municipal bank accounts

Table 6.20: Service delivery measures – Programme 3: Financial Management

Output	Performance indicators	Estimated performance		Medium-term targets	
		2009/10	2010/11	2011/12	2012/13
	<ul style="list-style-type: none"> Enhanced Asset Management Policy Framework and a functional Asset Management system No. of quality trainings/workshops conducted Management status reports on effective utilisation of asset management practices, processes and Asset Management System 	n/a	16 depts	16 depts	16 depts
		n/a	9	9	9
		n/a	4	4	4
2. Public Private Partnerships (PPPs)					
2.1	To assist depts and municipalities in the attainment of a clean audit outcome for the province				
	<ul style="list-style-type: none"> No. of seminars/workshops conducted for provincial depts and public entities No. of seminars/workshops conducted for municipalities and municipal entities No. of weeks from receipt of reports from institution No. of reports for management and NT PPP unit No. of reports on closed deal 	1	2	2	2
		1	2	2	2
		2	2	2	2
		6	10	10	10
		1	4	4	4
3. Supply Chain Management					
3.1	Support and monitor adherence of state institutions to SCM prescripts				
	<ul style="list-style-type: none"> No. of SCM training sessions and information sessions conducted No. of support intervention reports issued Decrease in no. of appeals lodged No. of <i>ad hoc</i> and routine assessments undertaken No. of policies and practice notes developed/reviewed and issued Quarterly and annual spend analysis reports generated 	Training sessions conducted on request Arrange 8 SCM Information sessions for SCM Heads Support intervention reports issued for 60 municipalities and 15 depts All appeals lodged expedited within mandatory timeframes <i>Ad hoc</i> reports issued on request and 61 municipalities and 15 depts monitored as per operational plan Review and update all issued practice notes and guides Issue annual spend analysis report for 08/09 and 3 quarterly reports for 09/10	Training sessions conducted on request Arrange 8 SCM Information sessions for SCM Heads Support intervention reports issued for 60 municipalities and 15 depts All appeals lodged expedited within mandatory timeframes <i>Ad hoc</i> assessment reports issued on request and routine compliance assessment reports issued for 61 municipalities and 15 depts Review and update all issued practice notes and develop new practice notes where required Issue annual spend analysis report for 09/10 and 3 quarterly reports for 10/11	Training sessions conducted on request Arrange 8 SCM Information sessions for SCM Heads Support intervention reports issued for 60 municipalities and 15 depts All appeals lodged expedited within mandatory timeframes <i>Ad hoc</i> assessment reports issued on request and routine compliance assessment reports issued for 61 municipalities and 15 depts Review and update all issued practice notes and develop new practice notes where required Issue annual spend analysis report for 10/11 and 3 quarterly reports for 11/12	Training sessions conducted on request Arrange 8 SCM Information sessions for SCM Heads Support intervention reports issued for 60 municipalities and 15 depts All appeals lodged expedited within mandatory timeframes <i>Ad hoc</i> assessment reports issued on request and routine compliance assessment reports issued for 61 municipalities and 15 depts Review and update all issued practice notes and develop new practice notes where required Issue annual spend analysis report for 11/12 and 3 quarterly reports for 12/13
3.2	Develop cost reduction strategies for provincial depts				
	<ul style="list-style-type: none"> Develop and monitor policies and procedures for contract management and strategic sourcing for provincial depts 	n/a	Issue a research report in contract management and strategic sourcing systems	Develop new practice notes pertaining to contract management and strategic sourcing systems	Implement contract management and strategic sourcing systems

Table 6.20: Service delivery measures – Programme 3: Financial Management

Output	Performance indicators	Estimated performance		Medium-term targets	
		2009/10	2010/11	2011/12	2012/13
4. Financial Reporting					
4.1 To assist depts and municipalities in the attainment of a clean audit outcome for the province	Departmental and public entities support: <ul style="list-style-type: none"> Consolidation of Annual Financial Statements (AFS): <ul style="list-style-type: none"> Departments Revenue fund Public entities AFS support and training to depts Provincial Audit Outcome Analysis Key Account Analysis Municipal Support <ul style="list-style-type: none"> Co-ordination of submission of AFS Co-ordination of submission of Annual Reports GRAP Conversion Support 	Submission of consolidated AFS for: FY06/07 FY07/08 FY08/09 16 depts supported to ensure timely submission of AFS to AG and PT Monitoring 16 depts Audit Implementation Plans Summary of Audit Outcome Analysis to Cabinet one month after AG's Audit Report Monthly suspense account monitoring reports in 16 depts	Compile consolidated AFS for: FY09/10 and Revenue fund for 09/10 16 depts supported to ensure timely submission of AFS to AG and PT Monitoring 16 depts Audit Implementation Plans Summary of Audit Outcome Analysis to Cabinet one month after AG's Audit Report Monthly suspense account monitoring reports in 16 depts	Compile consolidated AFS for : FY10/11 and Revenue fund for 10/11 16 depts supported to ensure timely submission of AFS to AG and PT Monitoring 16 depts Audit Implementation Plans Summary of Audit Outcome Analysis to Cabinet one month after AG's Audit Report Monthly suspense account monitoring reports in 16 depts	Compile consolidated AFS for: FY11/12 and Revenue fund for 11/12 16 depts supported to ensure timely submission of AFS to AG and PT Monitoring 16 depts Audit Implementation Plans Summary of Audit Outcome Analysis to Cabinet one month after AG's Audit Report Monthly suspense account monitoring reports in 16 depts
5. Norms and Standards					
5.1 To develop, review and monitor compliance with financial management norms and standards in provincial depts	<ul style="list-style-type: none"> No. of policies and practice notes developed/reviewed and issued 	2 new practice notes and 8 reviewed practice notes for depts	Policies and practice notes developed and reviewed based on need analysis	Policies and practice notes developed and reviewed based on need analysis	Policies and practice notes developed and reviewed based on need analysis
5.2 To provide support in the development and to review financial management norms and standards in provincial municipalities	<ul style="list-style-type: none"> No. of municipalities supported and assistance provided in review and addressing of needs relating to their financial management policies 	3	4	4	4

6.4 Programme 4: Internal Audit

This programme consists of two sub-programmes, namely Assurance Services and Risk Management. The main purpose of the programme is to develop effective risk management strategies and governance, to build and maintain successful client relationships, to develop knowledge by creating a learning culture, and to build foundations for excellence to support the provincial government in achieving its objectives.

The following services are rendered by the unit:

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

Tables 6.21 and 6.22 provide a summary of payments and budgeted estimates pertaining to Programme 4.

Table 6.21: Summary of payments and estimates - Programme 4: Internal Audit

R thousand	Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	Audited 2006/07	Audited 2007/08	Audited 2008/09				2010/11	2011/12	2012/13
Assurance Services	20 382	28 833	29 628	42 334	36 943	33 216	44 460	47 262	49 619
Risk Management	13 469	24 301	40 756	35 897	29 897	27 486	38 174	41 037	43 085
Total	33 851	53 134	70 384	78 231	66 840	60 702	82 634	88 299	92 704

Table 6.22: Summary of payments and estimates by economic classification - Programme 4: Internal Audit

R thousand	Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	Audited 2006/07	Audited 2007/08	Audited 2008/09				2010/11	2011/12	2012/13
Current payments	33 281	52 375	70 180	77 401	65 999	60 139	81 669	87 010	91 390
Compensation of employees	20 217	25 828	26 521	46 303	40 401	32 674	49 814	52 298	54 792
Goods and services	13 064	26 547	43 659	31 098	25 598	27 465	31 855	34 712	36 598
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	14	231	-	35	46	45	46	49	51
Provinces and municipalities	14	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	39	-	35	35	35	46	49	51
Universities and technikons	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	2	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	190	-	-	11	10	-	-	-
Payments for capital assets	556	528	197	795	795	518	919	1 240	1 263
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	556	528	197	795	795	518	919	1 240	1 263
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	7	-	-	-	-	-	-
Total	33 851	53 134	70 384	78 231	66 840	60 702	82 634	88 299	92 704

Internal Audit's approved post structure caters for new audit services such as performance reviews of service delivery activities in provincial and local government, and audit reviews of Information Technology systems that complement business operations. The above-mentioned audit services were introduced with the assistance of consultants from 2007/08 onward. This explains the major increase against both sub-programmes: Assurance Services and Risk Management and against *Goods and services* from 2007/08 onward. The reduction in the 2009/10 Adjusted Appropriation against the Assurance Services sub-programme can be attributed to reprioritisation to Programme 1 against *Goods and services*

to fund the costs of the new Nomalanga building, leased to house the Internal Audit unit, as well as internal reprioritisation within the sub-programme for the payment of leave gratuities.

In addition, the high expenditure in 2007/08 and 2008/09 compared to 2006/07 against the sub-programme: Risk Management can be attributed to additional funding allocated to the department for forensic investigations and new initiatives such as fraud risk assessment, municipal financial capability assessments, workshops and training on risk management and internal control and training and development programmes, including learnerships. This partly explains the increase against *Goods and services* during the same period. The reduction in the 2009/10 Adjusted Appropriation can be attributed to the reprioritisation of savings due to the non-filling of budgeted vacant posts to cater for the final payments relating to PBS within Programme 2, as mentioned earlier.

The decrease in *Compensation of employees* in 2008/09 was due to the reprioritisation of savings, attributed to unfilled vacant posts, to *Goods and services* to defray expenditure pressures associated with consultants fees in respect of audits performed, and to cater for the under-provision against training and development relating to training on the Enterprise Risk Management framework. The increase in *Compensation of employees* from 2009/10 onward is to cater for the department's intention to fully implement the approved new post structure.

The department also received additional funding in 2008/09 in respect of the implementation of Project *Unembeza*, a pro-active strategy aimed at curbing the scourge of IT fraud and corruption in the province, which explains the significant increase in *Goods and services* in 2008/09. As explained above, the reduction in the 2009/10 Adjusted Appropriation is due to reprioritisation.

Machinery and equipment caters for the purchase of equipment in respect of new staff appointments, and the replacement and upgrading of equipment, hence the steady increase over the seven-year period.

Service delivery measures – Programme 4: Internal Audit

Table 6.23 reflects the main service delivery measures pertaining to Programme 4.

Table 6.23: Service delivery measures – Programme 4: Internal Audit

Outputs		Performance indicators	Estimated performance	Medium-term targets		
			2009/10	2010/11	2011/12	2012/13
1. Assurance Services						
1.1	An efficient, effective and economical assurance service	• No. of performance audit assignments completed and reports issued as per operational plan	20	20	20	20
		• No. of projects on the design, implementation, and effectiveness of business ethics, related objectives, progs and activities completed	4	8	8	10
		• Audit Committee quarterly reports on clients' areas of risk management, governance and internal control submitted to MEC: Finance	1	1	1	1
		• No. of audit assignments completed and audit reports issued per operational plan	143	150	150	150
		• No. of quarterly Audit Committee reports issued	4	4	4	4
		• No. of Accounting Officers reports issued to management	64	40	40	40
		• No. of IA annual operational plan and a rolling 3 year strategic plan developed and approved	20	20	20	20
1.2	Fostering client relationships	• No. of meetings held between clients and Audit Committee	32	32	32	32
		• No. of meetings held between unit and clients	80	80	80	80
		• No. of client satisfaction surveys completed/% of returned client satisfaction surveys	143	50%	55%	60%
		• No. of follow up audits conducted and follow-up audit reports issued	86	80	80	80

Table 6.23: Service delivery measures – Programme 4: Internal Audit

Outputs	Performance indicators	Estimated performance	Medium-term targets			
		2009/10	2010/11	2011/12	2012/13	
1.3 Building capacity within and outside the unit	• No. of training and development progs attended	20	15	15	15	
	• No. of independent internal and external quality assurance reviews conducted	2	2	2	2	
2. Risk Management						
2.1 To promote good governance through effective risk management	• No. of departmental risk assessments/control self assessments (CSAs) conducted	53	68	68	68	
	• No. of consolidated risk profiles developed	1	1	1	1	
	• Audit committee quarterly reports on the clients' areas of risk management and risk governance	4	4	4	4	
	• No. of risk management strategic documents developed	53	68	68	68	
	• No. of training sessions conducted	12	10	10	10	
	• No. of risk management forum meetings held	4	4	4	4	
	• No. of workshops on good governance conducted	8	5	5	5	
	• No. of training and development progs attended	6	2	2	2	
3. Risk Management (Forensic Services)						
3.1 Promote a culture of zero tolerance for fraud and corruption	• No. of reviews on the status of fraud management in depts	16	16	16	16	
	• No. of fraud risk assessments conducted	16	16	16	16	
	• No. of forensic audits performed and investigations as per clients' requests and referrals from the Assurance team	Per client request	Per client request	Per client request	Per client request	
	• No. of follow up reports conducted	16	16	16	16	

6.5 Programme 5: Growth and Development

Programme 5: Growth and Development was created with the main purpose of providing the province with the means and flexibility to deliver measurable and visible results in terms of employment creation, poverty alleviation, promotion of SMMEs and Black Economic Empowerment (BEE). The Growth and the SMME Funds were moved to Vote 4: Economic Development and Tourism from April 2007.

This programme includes an additional sub-programme called 'Other Developmental Initiatives', to cater for special projects as approved by Cabinet. It makes provision for the budget road shows, the feasibility study for the Provincial Government Precinct and the 2010 World Cup.

The programme previously included the GEMS allocation. However, as mentioned previously, the GEMS allocation was distributed to all departments over the 2008/09 MTEF.

Tables 6.24 and 6.25 illustrate the payments and budgeted estimates pertaining to Programme 5.

Table 6.24: Summary of payments and estimates - Programme 5: Growth and Development

R thousand	Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	Audited 2006/07	Audited 2007/08	Audited 2008/09	2009/10	2009/10	2009/10	2010/11	2011/12	2012/13
Growth Fund	20 000	-	-	-	-	-	-	-	-
SMME Fund	215 000	-	-	-	-	-	-	-	-
Other Developmental Initiatives	25 000	72 923	201 267	277 719	179 256	180 042	13 649	14 427	15 149
Total	260 000	72 923	201 267	277 719	179 256	180 042	13 649	14 427	15 149

Table 6.25: Summary of payments and estimates by economic classification - Programme 5: Growth and Development

R thousand	Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	Audited 2006/07	Audited 2007/08	Audited 2008/09	Appropriation	Appropriation 2009/10	Estimate	2010/11	2011/12	2012/13
Current payments	25 000	51 360	38 126	127 719	19 610	20 396	13 649	14 427	15 149
Compensation of employees	-	-	-	108 109	-	-	-	-	-
Goods and services	25 000	51 360	38 126	19 610	19 610	20 396	13 649	14 427	15 149
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	235 000	21 563	158 963	150 000	159 646	159 646	-	-	-
Provinces and municipalities	-	21 563	158 963	150 000	159 646	159 646	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Universities and technikons	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	235 000	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	4 178	-	-	-	-	-	-
Total	260 000	72 923	201 267	277 719	179 256	180 042	13 649	14 427	15 149

The expenditure for the A1 Grand Prix amounts to R12.500 million per year for three years, starting in 2005/06, and ending in 2007/08. Although the first event for the A1 Grand Prix was held in February 2006 (i.e. in 2005/06), payment was only effected in 2006/07, hence the roll-over of R12.500 million to 2006/07. This meant that a total of R25 million was spent in 2006/07 (reflected against the sub-programme: Other Development Initiatives and the category *Goods and services*).

The expenditure noted in 2006/07 against *Transfers and subsidies to: Public corporations and private enterprises* was in respect of the Growth and Development Funds.

As mentioned previously in this report, the funding reflected in the 2009/10 Main Appropriation against the category *Compensation of employees* was an allocation for Health relating to the funding for the OSD for doctors and specialists. National Treasury requested that such funds be held by the Provincial Treasury until the details of the OSD for doctors and specialists have been finalised. This was shifted to Vote 7: Health during the 2009/10 Adjustments Estimate.

The increase in *Goods and services* from 2007/08 onward compared to 2006/07 can be attributed to additional funding for the feasibility study of the Provincial Government Precinct and the *Ifihlile* Training Academy for the training and skills development of HDIs. Furthermore, the budget road shows function was shifted from Programme 1 to this programme. An amount of R11.252 million was rolled over from 2007/08 to 2008/09 to fund the feasibility study of the Provincial Government Precinct.

In 2007/08, 2008/09 and the 2009/10 Adjusted Appropriation, additional funding was allocated to the department to be paid over to a number of municipalities for the prescribed local government levy derived from casino taxes. An amount of R150 million each in 2008/09 and 2009/10 was allocated for transfer to the eThekweni Metro as part of the province's contribution towards the construction of the Moses Mabhida Soccer Stadium, as reflected against *Transfers and subsidies to: Provinces and municipalities*.

The amount reflected against *Payments for financial assets* in 2008/09 was a write-off relating to the Kora awards, as well as Soccerex, which were deemed irrecoverable.

Service delivery measures – Programme 5: Growth and Development

Table 6.26 reflects the main service delivery measures pertaining to Programme 5.

6.26: Service delivery measures – Programme 5: Growth and Development

Outputs	Performance indicators	Estimated performance	Medium-term targets			
		2009/10	2010/11	2011/12	2012/13	
1. 100% response to determinations of Technical Working Committee	• No. of events co-ordinated successfully	5	8	5	5	

7. Other programme information**7.1 Personnel numbers and costs**

Table 6.27 below reflects personnel information per programme for the Provincial Treasury, for the period March 2007 to March 2013. Table 6.28 provides details of personnel in terms of the human resources and finance components. The employees reflected against part-time workers are interns that are employed by the department and are provided for under Programme 1.

Table 6.27: Personnel numbers and costs per programme

Personnel numbers	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	As at 31 March 2013
1. Administration	111	164	136	151	166	166	166
2. Fiscal Resource Management	36	38	37	40	62	62	62
3. Financial Management	85	51	51	69	91	91	91
4. Internal Audit	108	107	82	108	165	165	165
Total	340	360	306	368	484	484	484
Total personnel cost (R thousand)	69 368	83 394	94 485	108 378	154 864	162 642	170 493
Unit cost (R thousand)	204	232	309	295	320	336	352

Table 6.28: Details of departmental personnel numbers and costs

	Outcome			Main Appropriation	Adjusted Appropriation 2009/10	Revised Estimate	Medium-term Estimates		
	Audited 2006/07	Audited 2007/08	Audited 2008/09				2010/11	2011/12	2012/13
Total for department									
Personnel numbers (head count)	340	360	306	478	478	368	484	484	484
Personnel cost (R thousand)	69 368	83 394	94 485	245 675	127 171	108 378	154 864	162 642	170 493
Human resources component									
Personnel numbers (head count)	21	22	25	25	25	24	27	27	27
Personnel cost (R thousand)	3 513	4 378	5 133	5 967	5 876	5 640	7 357	7 717	8 077
Head count as % of total for department	6.18	6.11	8.17	5.23	5.23	6.52	5.58	5.58	5.58
Personnel cost as % of total for department	5.06	5.25	5.43	2.43	4.62	5.20	4.75	4.74	4.74
Finance component									
Personnel numbers (head count)	16	21	17	25	26	23	26	26	26
Personnel cost (R thousand)	4 261	4 857	5 884	6 555	7 901	4 995	7 378	7 740	8 105
Head count as % of total for department	4.71	5.83	5.56	5.23	5.44	6.25	5.37	5.37	5.37
Personnel cost as % of total for department	6.14	5.82	6.23	2.67	6.21	4.61	4.76	4.76	4.75
Full time workers									
Personnel numbers (head count)	316	336	278	453	453	336	454	454	454
Personnel cost (R thousand)	67 749	82 134	93 099	244 175	125 671	106 838	153 264	161 042	168 893
Head count as % of total for department	92.94	93.33	90.85	94.77	94.77	91.30	93.80	93.80	93.80
Personnel cost as % of total for department	97.67	98.49	98.53	99.39	98.82	98.58	98.97	99.02	99.06
Part-time workers									
Personnel numbers (head count)	-	-	-	-	-	-	-	-	-
Personnel cost (R thousand)	-	-	-	-	-	-	-	-	-
Head count as % of total for department	-	-	-	-	-	-	-	-	-
Personnel cost as % of total for department	-	-	-	-	-	-	-	-	-
Contract workers									
Personnel numbers (head count)	24	24	28	25	25	32	30	30	30
Personnel cost (R thousand)	1 619	1 260	1 386	1 500	1 500	1 540	1 600	1 600	1 600
Head count as % of total for department	7.06	6.67	9.15	5.23	5.23	8.70	6.20	6.20	6.20
Personnel cost as % of total for department	2.33	1.51	1.47	0.61	1.18	1.42	1.03	0.98	0.94

The decrease in the number of posts filled under Programme 3 in 2007/08 compared to 2006/07 was due to the decentralisation of the Banking and Tax function, with most of the staff transferred to the different departments. The increase in 2009/10, on the other hand, is in line with the department's intention to fill several other posts in order to capacitate the Supply Chain Management, Financial Reporting and Norms and Standards components.

The general decrease across all programmes in March 2009 can be attributed to unplanned staff exits, and delays in the filling of vacant posts. The inclusion of interns employed by the department accounted for the increase under Programme 1.

As reflected in the table, there is a general increase in the total personnel cost over the 2010/11 MTEF, which is consistent with the increase in personnel numbers. This reflects the department's plan to fill additional posts in line with service delivery measures and the fact that the department has acquired an additional building to assist with previous office accommodation challenges.

7.2 Training

Tables 6.29 and 6.30 show the department's actual spending and estimates on training per programme. As reflected in Table 6.29, there is a rising trend in the training expenditure over the seven-year period.

The projected increases are based on the fact that the Human Resource Development component will ensure that greater emphasis is placed on training, particularly with the implementation of the Workplace Skills Plan aimed at developing the skills of the workforce of the department.

Table 6.29: Payments and estimates on training

R thousand	Outcome			Main Appropriation	Adjusted Appropriation 2009/10	Revised Estimate	Medium-term Estimates		
	Audited 2006/07	Audited 2007/08	Audited 2008/09				2010/11	2011/12	2012/13
1. Administration	387	960	936	1 644	1 580	989	1 427	1 463	1 599
2. Fiscal Resource Management	618	222	142	287	380	251	197	206	217
3. Financial Management	50	414	289	449	603	479	460	480	495
4. Internal Audit	330	451	199	2 776	1 665	806	1 694	1 975	2 049
5. Growth and Development	-	-	-	-	-	341	-	-	-
Total	1 385	2 047	1 566	5 156	4 228	2 866	3 778	4 124	4 360

The training budget provided for over the MTEF is more than the 1 per cent of the total personnel costs, which is required to be set aside for training in terms of the Skills Development Act.

The significant increase reflected against Programme 4 can be attributed to the learnership programme aimed at skills development and also the creation of an available resource pool resulting in the creation of employment opportunities and contributing to the growth of the economy and sustainable development.

The increase in the training costs from 2009/10 onward can be attributed to the implementation of the Workplace Skills Development Plan.

Table 6.30 illustrates the number of staff affected by the various training programmes and initiatives. It also includes a gender breakdown, an indication of the types of training, as well as details of the number of bursaries and learnerships.

Table 6.30: Information on training

	Outcome			Main Appropriation	Adjusted Appropriation 2009/10	Revised Estimate	Medium-term Estimates		
	Audited 2006/07	Audited 2007/08	Audited 2008/09				2010/11	2011/12	2012/13
Number of staff	340	360	306	478	478	368	484	484	484
Number of personnel trained	316	316	290	452	452	325	350	359	385
of which									
Male	152	152	151	228	228	159	165	167	185
Female	164	164	139	224	224	166	185	192	200
Number of training opportunities									
of which									
Tertiary									
Workshops	-	-	-	-	-	3	5	5	5
Seminars	-	-	-	-	-	5	5	5	5
Other	315	315	350	475	28	28	30	30	30
Number of bursaries offered	11	35	33	20	20	20	20	20	20
Number of interns appointed	24	24	32	25	25	32	30	30	30
Number of learnerships appointed	-	10	10	25	25	30	26	33	40
Number of days spent on training	153	287	276	180	87	87	90	90	90

ANNEXURE – VOTE 6: PROVINCIAL TREASURY

Table 6.A: Details of departmental receipts

R thousand	Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	Audited 2006/07	Audited 2007/08	Audited 2008/09				2010/11	2011/12	2012/13
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes									
Horse racing taxes									
Liquor licences									
Motor vehicle licences									
Sale of goods and services other than capital assets	126	119	205	120	120	147	149	164	180
Sale of goods and services produced by dept. (excl. capital assets)	126	119	205	120	120	147	149	164	180
Sales by market establishments									
Administrative fees									
Other sales	126	119	205	120	120	147	149	164	180
Of which									
Rent for parking									
Housing rent recoveries									
Transport of officers									
Other	126	119	205	120	120	147	149	164	180
Sale of scrap, waste, arms and other used current goods (excluding capital assets)									
Transfers received from:	-	-	-	-	-	-	-	-	-
Other governmental units									
Universities and technikons									
Foreign governments									
International organisations									
Public corporations and private enterprises									
Households and non-profit institutions									
Fines, penalties and forfeits									
Interest, dividends and rent on land	169 453	156 402	14 509	20 000	20 000	5 009	4 584	5 042	5 546
Interest	169 453	156 399	14 505	20 000	20 000	5 009	4 584	5 042	5 546
Dividends	-	3	4	-	-	-	-	-	-
Rent on land									
Sale of capital assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets									
Other capital assets									
Transactions in financial assets and liabilities	282	400	843	-	-	2 037	2 235	2 459	2 705
Total	169 861	156 921	15 557	20 120	20 120	7 193	6 968	7 665	8 431

Table 6.B: Details of payments and estimates by economic classification

R thousand	Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	Audited 2006/07	Audited 2007/08	Audited 2008/09	Appropriation	Appropriation 2009/10	Estimate	2010/11	2011/12	2012/13
Current payments	262 739	339 940	518 784	466 272	354 808	502 538	636 225	661 646	681 723
Compensation of employees	69 368	83 394	94 485	245 675	127 171	108 378	154 864	162 642	170 493
Salaries and wages	59 580	72 353	82 470	224 569	109 251	94 493	131 071	137 934	145 010
Social contributions	9 788	11 041	12 015	21 106	17 920	13 885	23 793	24 708	25 483
Goods and services	193 369	256 546	285 916	220 597	227 637	234 566	246 361	264 004	276 230
of which									
Administrative fees	5 961	7 648	8 202	7 782	8 469	9 310	8 789	9 349	9 827
Advertising	4 101	22 522	4 466	4 510	3 034	2 468	3 075	3 236	3 489
Assets <R5000	1 430	1 131	8 989	196	3 057	4 607	421	454	483
Audit cost: External	1 857	2 928	3 467	3 455	4 029	3 802	10 199	10 644	11 005
Bursaries (employees)	194	244	363	621	466	352	520	672	677
Catering: Departmental activities	1 824	5 100	1 604	1 309	1 142	1 607	963	1 021	1 086
Communication	2 009	2 773	4 568	2 768	2 774	3 049	4 356	4 587	5 002
Computer services	57 484	68 405	80 948	80 786	84 730	87 073	96 488	102 062	106 909
Cons/prof:business & advisory services	63 832	89 262	122 047	61 192	70 090	75 487	64 073	70 251	73 459
Cons/prof: Infrastructure & planning	-	-	-	-	-	-	-	-	-
Cons/prof: Laboratory services	-	-	-	-	-	-	-	-	-
Cons/prof: Legal cost	-	-	1 755	726	531	291	849	906	914
Contractors	-	-	10 462	4 863	3 176	3 389	4 648	4 456	4 720
Agency & support/outsource services	-	-	4 462	1 277	4 108	3 380	4 015	4 511	4 727
Entertainment	146	184	234	174	191	105	262	276	288
Government motor transport	-	-	-	1 283	924	855	759	1 040	1 094
Housing	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	23	-	73	80	168	158	136	144	150
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory:Learn & teacher support material	-	-	-	-	-	-	20	22	24
Inventory: Raw materials	3	-	94	293	379	343	318	334	350
Inventory: Medical supplies	1	-	-	5	10	11	21	21	21
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Military stores	-	-	-	-	-	-	-	-	-
Inventory: Other consumables	128	-	273	313	328	322	353	379	414
Inventory: Stationery and printing	2 739	2 883	3 903	2 169	2 852	3 129	3 698	4 207	4 425
Lease payments	6 395	6 960	6 588	8 308	10 914	11 064	12 712	13 303	13 691
Owned & leasehold property expenditure	-	-	689	1 781	1 507	1 875	1 280	1 353	1 430
Transport provided dept activity	-	-	1 391	-	430	748	810	851	893
Travel and subsistence	7 193	7 971	11 426	19 176	13 890	12 059	16 063	17 529	18 169
Training & staff development	1 385	2 047	1 566	5 156	4 228	2 866	3 778	4 124	4 360
Operating expenditure	29 432	16 082	2 609	5 086	3 146	3 520	4 143	4 472	4 776
Venues and facilities	7 232	20 406	5 737	7 288	3 064	2 696	3 612	3 800	3 847
Other	-	-	-	-	-	-	-	-	-
Interest and rent on land	2	-	138 383	-	-	159 594	235 000	235 000	235 000
Interest	2	-	138 383	-	-	159 594	235 000	235 000	235 000
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to	235 312	22 200	160 861	150 108	161 761	161 862	495	500	510
Provinces and municipalities	48	21 563	158 963	150 000	159 646	159 646	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	48	21 563	158 963	150 000	159 646	159 646	-	-	-
Municipalities	48	21 563	158 963	150 000	159 646	159 646	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	130	-	108	108	108	145	150	160
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving funds	-	130	-	108	108	108	145	150	160
Universities and technikons	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	235 000	14	-	-	-	-	-	-	-
Public corporations	235 000	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	235 000	-	-	-	-	-	-	-	-
Private enterprises	-	14	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	14	-	-	-	-	-	-	-
Non-profit institutions	-	-	3	-	-	-	-	-	-
Households	264	493	1 895	-	2 007	2 108	350	350	350
Social benefits	264	493	1 895	-	1 907	1 985	-	-	-
Other transfers to households	-	-	-	-	100	123	350	350	350
Payments for capital assets	7 073	16 716	9 644	8 543	6 880	6 067	3 917	3 931	4 624
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	5 820	7 686	9 094	4 420	6 387	5 931	3 817	3 931	4 624
Transport equipment	2 210	1 003	1 330	1 683	1 564	703	980	1 125	1 351
Other machinery and equipment	3 610	5 783	7 764	2 737	4 823	5 228	2 837	2 806	3 273
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	1 253	9 030	550	4 123	493	136	100	-	-
Payments for financial assets	878	789	4 276	-	-	-	-	-	-
Total	506 002	379 645	693 565	624 923	523 449	670 467	640 637	666 077	686 857

Table 6.C: Details of payments and estimates by economic classification - Programme 1: Administration

R thousand	Outcome			Main Appropriation	Adjusted Appropriation 2009/10	Revised Estimate	Medium-term Estimates		
	Audited 2006/07	Audited 2007/08	Audited 2008/09				2010/11	2011/12	2012/13
Current payments	133 734	148 599	172 743	168 462	168 600	167 739	191 417	202 304	211 735
Compensation of employees	24 422	28 330	33 926	40 723	37 921	34 010	43 529	45 626	47 750
Salaries and wages	21 617	24 938	29 913	34 888	33 250	29 961	37 077	38 865	40 861
Social contributions	2 805	3 392	4 013	5 835	4 671	4 049	6 452	6 761	6 889
Goods and services	109 310	120 269	138 817	127 739	130 679	133 729	147 888	156 678	163 985
of which									
Administrative fees	-	-	378	-	402	275	526	549	572
Advertising	4 036	4 674	3 376	3 177	2 505	2 262	2 410	2 622	2 845
Assets <R5000	1 062	959	8 870	163	2 947	4 389	330	353	375
Audit cost: External	1 857	2 424	3 467	3 455	4 029	3 802	10 199	10 644	11 005
Bursaries (employees)	194	243	363	621	466	352	520	672	677
Catering: Departmental activities	1 716	872	465	938	762	539	626	656	688
Communication	1 476	2 095	1 724	1 829	1 757	2 221	1 986	2 128	2 254
Computer services	57 078	68 405	80 948	80 372	83 314	85 996	95 490	101 042	105 865
Cons/prof: business & advisory services	18 489	9 292	8 616	710	2 620	2 619	702	760	814
Cons/prof: Infrastructure & planning	-	-	-	-	-	-	-	-	-
Cons/prof: Laboratory services	-	-	-	-	-	-	-	-	-
Cons/prof: Legal cost	-	-	1 725	726	430	146	849	906	914
Contractors	-	-	4 587	2 855	2 593	2 428	2 144	2 094	2 239
Agency & support/outsourced services	-	-	3 383	1 277	2 671	2 431	865	900	935
Entertainment	87	111	221	91	146	76	193	202	210
Government motor transport	-	-	-	1 283	924	855	759	1 040	1 094
Housing	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	23	-	14	80	102	63	118	124	130
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learn & teacher support material	-	-	-	-	-	-	20	22	24
Inventory: Raw materials	3	-	94	293	377	343	318	334	350
Inventory: Medical supplies	1	-	-	5	10	11	21	21	21
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Military stores	-	-	-	-	-	-	-	-	-
Inventory: Other consumables	128	-	273	313	324	318	353	379	414
Inventory: Stationery and printing	2 441	2 494	2 892	1 518	1 745	2 097	2 702	3 146	3 310
Lease payments	6 192	6 759	6 497	8 190	10 789	10 919	12 567	13 152	13 532
Owned & leasehold property expenditure	-	-	689	1 781	1 346	1 640	1 280	1 353	1 430
Transport provided dept activity	-	-	53	-	-	-	10	11	11
Travel and subsistence	3 590	4 273	6 563	9 407	6 244	5 837	7 058	7 395	7 755
Training & staff development	387	960	936	1 644	1 580	989	1 427	1 463	1 599
Operating expenditure	3 745	9 633	1 444	3 524	1 688	1 862	2 476	2 689	2 841
Venues and facilities	6 805	7 075	1 239	3 487	908	1 259	1 939	2 021	2 081
Other	-	-	-	-	-	-	-	-	-
Interest and rent on land	2	-	-	-	-	-	-	-	-
Interest	2	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to	151	291	1 769	32	1 887	1 855	391	391	395
Provinces and municipalities	18	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	18	-	-	-	-	-	-	-	-
Municipal agencies and funds	18	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	45	-	32	32	32	41	41	45
Social security funds	-	45	-	32	32	32	41	41	45
Entities receiving funds	-	-	-	-	-	-	-	-	-
Universities and technikons	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	3	-	-	-	-	-	-
Households	133	246	1 766	-	1 855	1 823	350	350	350
Social benefits	133	246	1 766	-	1 755	1 700	-	-	-
Other transfers to households	-	-	-	-	100	123	350	350	350
Payments for capital assets	5 863	15 712	8 363	6 596	4 933	5 025	2 032	2 252	2 575
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	4 610	6 682	8 342	2 478	4 478	4 942	2 032	2 252	2 575
Transport equipment	2 210	1 903	1 330	1 683	1 564	703	980	1 125	1 351
Other machinery and equipment	2 400	4 779	7 012	795	2 914	4 239	1 052	1 127	1 224
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	1 253	9 030	21	4 118	455	83	-	-	-
Payments for financial assets	878	789	-	-	-	-	-	-	-
Total	140 626	165 391	182 875	175 090	175 420	174 619	193 840	204 947	214 705

Table 6.D: Details of payments and estimates by economic classification - Programme 2: Fiscal Resource Management

R thousand	Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	Audited 2006/07	Audited 2007/08	Audited 2008/09				2010/11	2011/12	2012/13
Current payments	36 545	52 930	59 993	50 984	56 984	57 815	65 865	71 594	74 684
Compensation of employees	9 180	12 651	14 678	22 099	20 299	19 366	27 596	29 057	30 535
Salaries and wages	8 113	11 202	13 084	19 345	18 180	17 404	24 548	25 880	27 217
Social contributions	1 067	1 449	1 594	2 754	2 119	1 962	3 048	3 177	3 318
Goods and services	27 365	40 279	45 315	28 885	36 685	38 449	38 269	42 537	44 149
of which									
Administrative fees	-	-	58	-	91	64	70	74	78
Advertising	2	-	-	-	-	4	-	-	-
Assets <R5000	21	69	30	17	41	157	30	32	33
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries (employees)	-	1	-	-	-	-	-	-	-
Catering: Departmental activities	73	48	35	125	110	76	92	98	104
Communication	101	127	169	164	172	167	208	219	230
Computer services	-	-	-	-	-	-	-	-	-
Cons/prof: business & advisory services	24 753	37 491	41 999	24 867	32 706	34 725	33 952	37 548	39 038
Cons/prof: Infrastructure & planning	-	-	-	-	-	-	-	-	-
Cons/prof: Laboratory services	-	-	-	-	-	-	-	-	-
Cons/prof: Legal cost	-	-	-	-	-	-	-	-	-
Contractors	-	-	67	-	10	8	-	-	-
Agency & support/outsourced services	-	-	20	-	-	-	-	-	-
Entertainment	21	2	5	62	35	27	51	54	57
Government motor transport	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	35	-	35	43	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learn & teacher support material	-	-	-	-	1	-	-	-	-
Inventory: Raw materials	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Military stores	-	-	-	-	-	-	-	-	-
Inventory: Other consumables	-	-	-	-	1	1	-	-	-
Inventory: Stationery and printing	94	161	462	279	352	324	437	472	496
Lease payments	83	64	34	3	13	7	30	31	33
Owned & leasehold property expenditure	-	-	-	-	-	-	-	-	-
Transport provided dept activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	1 201	1 177	1 326	2 386	2 119	1 655	2 188	2 775	2 886
Training & staff development	618	222	142	287	380	251	197	206	217
Operating expenditure	347	783	768	601	570	899	835	840	880
Venues and facilities	51	134	165	94	49	41	179	188	97
Other	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to	6	32	-	18	18	18	27	27	29
Provinces and municipalities	6	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	6	-	-	-	-	-	-	-	-
Municipalities	6	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	20	-	18	18	18	27	27	29
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving funds	-	20	-	18	18	18	27	27	29
Universities and technikons	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	12	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	12	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	12	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Social benefits	-	-	-	-	-	-	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	206	179	972	699	699	252	550	-	313
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	206	179	443	699	666	219	450	-	313
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	206	179	443	699	666	219	450	-	313
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	529	-	33	33	100	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	36 757	53 141	60 965	51 701	57 701	58 085	66 442	71 621	75 026

Table 6.E: Details of payments and estimates by economic classification - Programme 3: Financial Management

R thousand	Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	Audited	Audited	Audited	Appropriation	Appropriation	Estimate	2010/11	2011/12	2012/13
	2006/07	2007/08	2008/09	2009/10					
Current payments	34 179	34 676	177 742	41 706	43 615	196 449	283 625	286 311	288 765
Compensation of employees	15 549	16 585	19 360	28 441	28 550	22 328	33 925	35 661	37 416
Salaries and wages	12 258	13 533	16 147	23 425	23 530	18 772	27 786	29 287	30 795
Social contributions	3 291	3 052	3 213	5 016	5 020	3 556	6 139	6 374	6 621
Goods and services	18 630	18 091	19 999	13 265	15 065	14 527	14 700	15 650	16 349
of which									
Administrative fees	5 961	7 648	7 723	7 782	7 868	8 908	8 084	8 594	9 026
Advertising	63	110	-	33	89	30	115	36	38
Assets <R5000	199	74	73	11	54	60	38	42	45
Audit cost: External	-	504	-	-	-	-	-	-	-
Bursaries (employees)									
Catering: Departmental activities	35	82	67	161	127	78	135	142	149
Communication	222	262	422	384	450	366	729	768	801
Computer services	-	-	-	-	53	53	-	-	-
Cons/prof:business & advisory services	10 850	7 991	9 178	1 620	2 645	1 810	1 062	1 242	1 249
Cons/prof: Infrastructure & planning									
Cons/prof: Laboratory services									
Cons/prof: Legal cost	-	-	30	-	29	29	-	-	-
Contractors	-	-	1	2	54	55	-	-	-
Agency & support/outsourced services									
Entertainment	31	8	-	21	9	2	18	20	21
Government motor transport									
Housing									
Inventory: Food and food supplies	-	-	21	-	20	14	14	15	15
Inventory: Fuel, oil and gas									
Inventory:Learn & teacher support material									
Inventory: Raw materials	-	-	-	-	1	-	-	-	-
Inventory: Medical supplies									
Medsas inventory interface									
Inventory: Military stores									
Inventory: Other consumables	-	-	-	-	3	3	-	-	-
Inventory: Stationery and printing	135	126	164	129	278	265	210	222	233
Lease payments	84	58	17	83	43	21	81	85	89
Owned & leasehold property expenditure									
Transport provided dept activity									
Travel and subsistence	839	647	1 535	2 080	2 270	1 925	2 919	3 114	3 255
Training & staff development	50	414	289	449	603	479	460	480	495
Operating expenditure	95	27	112	72	147	126	37	39	42
Venues and facilities	66	140	367	438	322	303	798	851	891
Other									
Interest and rent on land	-	-	138 383	-	-	159 594	235 000	235 000	235 000
Interest	-	-	138 383	-	-	159 594	235 000	235 000	235 000
Rent on land									
Transfers and subsidies to	141	83	129	23	164	298	31	33	35
Provinces and municipalities	10	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities	10	-	-	-	-	-	-	-	-
Municipalities	10	-	-	-	-	-	-	-	-
Municipal agencies and funds									
Departmental agencies and accounts	-	26	-	23	23	23	31	33	35
Social security funds									
Entities receiving funds	-	26		23	23	23	31	33	35
Universities and technikons									
Foreign governments and international organisations									
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production									
Other transfers									
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production									
Other transfers									
Non-profit institutions									
Households	131	57	129	-	141	275	-	-	-
Social benefits	131	57	129	-	141	275	-	-	-
Other transfers to households									
Payments for capital assets	448	297	112	453	453	272	416	439	473
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings									
Other fixed structures									
Machinery and equipment	448	297	112	448	448	252	416	439	473
Transport equipment									
Other machinery and equipment	448	297	112	448	448	252	416	439	473
Heritage assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets	-	-	-	5	5	20	-	-	-
Payments for financial assets	-	-	91	-	-	-	-	-	-
Total	34 768	35 056	178 074	42 182	44 232	197 019	284 072	286 783	289 273

Table 6.F: Details of payments and estimates by economic classification - Programme 4: Internal Audit

R thousand	Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	Audited 2006/07	Audited 2007/08	Audited 2008/09				2010/11	2011/12	2012/13
Current payments	33 281	52 375	70 180	77 401	65 999	60 139	81 669	87 010	91 390
Compensation of employees	20 217	25 828	26 521	46 303	40 401	32 674	49 814	52 298	54 792
Salaries and wages	17 592	22 680	23 326	38 802	34 291	28 356	41 660	43 902	46 137
Social contributions	2 625	3 148	3 195	7 501	6 110	4 318	8 154	8 396	8 655
Goods and services	13 064	26 547	43 659	31 098	25 598	27 465	31 855	34 712	36 598
of which									
Administrative fees	-	-	40	-	108	63	109	132	151
Advertising	-	101	-	-	-	-	-	-	-
Assets <R5000	148	29	16	5	15	1	23	27	30
Audit cost: External									
Bursaries (employees)									
Catering: Departmental activities	-	40	92	85	143	79	110	125	145
Communication	210	289	2 253	391	395	295	1 433	1 472	1 717
Computer services	406	-	-	414	1 363	1 024	998	1 020	1 044
Cons/prof:business & advisory services	9 740	23 254	36 137	20 837	17 267	21 456	22 598	24 596	25 948
Cons/prof: Infrastructure & planning									
Cons/prof: Laboratory services									
Cons/prof: Legal cost	-	-	-	-	72	116	-	-	-
Contractors	-	-	2 533	6	6	14	7	7	7
Agency & support/outsourced services									
Entertainment	7	1	-	-	1	-	-	-	-
Government motor transport									
Housing									
Inventory: Food and food supplies	-	-	3	-	11	15	4	5	5
Inventory: Fuel, oil and gas									
Inventory:Learn & teacher support material									
Inventory: Raw materials									
Inventory: Medical supplies									
Medsas inventory interface									
Inventory: Military stores									
Inventory: Other consumables									
Inventory: Stationery and printing	69	102	157	243	476	393	274	288	303
Lease payments	36	79	40	32	69	117	34	35	37
Owned & leasehold property expenditure									
Transport provided dept activity									
Travel and subsistence	1 563	1 825	1 904	5 303	3 257	2 538	3 898	4 245	4 273
Training & staff development	330	451	199	2 776	1 665	806	1 694	1 975	2 049
Operating expenditure	245	303	237	889	664	522	577	675	773
Venues and facilities	310	73	48	117	86	26	96	110	116
Other									
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest									
Rent on land									
Transfers and subsidies to	14	231	-	35	46	45	46	49	51
Provinces and municipalities	14	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities	14	-	-	-	-	-	-	-	-
Municipalities	14	-	-	-	-	-	-	-	-
Municipal agencies and funds									
Departmental agencies and accounts	-	39	-	35	35	35	46	49	51
Social security funds									
Entities receiving funds	-	39	-	35	35	35	46	49	51
Universities and technikons									
Foreign governments and international organisations									
Public corporations and private enterprises	-	2	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production									
Other transfers	-	2	-	-	-	-	-	-	-
Private enterprises									
Subsidies on production	-	2	-	-	-	-	-	-	-
Other transfers									
Non-profit institutions									
Households	-	190	-	-	11	10	-	-	-
Social benefits	-	190	-	-	11	10	-	-	-
Other transfers to households									
Payments for capital assets	556	528	197	795	795	518	919	1 240	1 263
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings									
Other fixed structures									
Machinery and equipment	556	528	197	795	795	518	919	1 240	1 263
Transport equipment									
Other machinery and equipment	556	528	197	795	795	518	919	1 240	1 263
Heritage assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
Payments for financial assets	-	-	7	-	-	-	-	-	-
Total	33 851	53 134	70 384	78 231	66 840	60 702	82 634	88 299	92 704

Table 6.G: Details of payments and estimates by economic classification - Programme 5: Growth and Development

R thousand	Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	Audited 2006/07	Audited 2007/08	Audited 2008/09	Appropriation	Appropriation 2009/10	Estimate	2010/11	2011/12	2012/13
Current payments	25 000	51 360	38 126	127 719	19 610	20 396	13 649	14 427	15 149
Compensation of employees	-	-	-	108 109	-	-	-	-	-
Salaries and wages	-	-	-	108 109	-	-	-	-	-
Social contributions	-	-	-	-	-	-	-	-	-
Goods and services	25 000	51 360	38 126	19 610	19 610	20 396	13 649	14 427	15 149
of which									
Administrative fees	-	-	3	-	-	-	-	-	-
Advertising	-	17 637	1 090	1 300	440	172	550	578	606
Assets <R5000	-	-	-	-	-	-	-	-	-
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries (employees)	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	-	4 058	945	-	-	835	-	-	-
Communication	-	-	-	-	-	-	-	-	-
Computer services	-	-	-	-	-	-	-	-	-
Cons/prof:business & advisory services	-	11 234	26 117	13 158	14 852	14 877	5 759	6 105	6 410
Cons/prof: Infrastructure & planning	-	-	-	-	-	-	-	-	-
Cons/prof: Laboratory services	-	-	-	-	-	-	-	-	-
Cons/prof: Legal cost	-	-	-	-	-	-	-	-	-
Contractors	-	-	3 274	2 000	513	884	2 497	2 355	2 474
Agency & support/outsource services	-	-	1 059	-	1 437	949	3 150	3 611	3 792
Entertainment	-	62	8	-	-	-	-	-	-
Government motor transport	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	23	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory:Learn & teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Raw materials	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Military stores	-	-	-	-	-	-	-	-	-
Inventory: Other consumables	-	-	-	-	-	-	-	-	-
Inventory: Stationery and printing	-	-	228	-	1	50	75	79	83
Lease payments	-	-	-	-	-	-	-	-	-
Owned & leasehold property expenditure	-	-	-	-	161	235	-	-	-
Transport provided dept activity	-	-	1 338	-	430	748	800	840	882
Travel and subsistence	-	49	98	-	-	104	-	-	-
Training & staff development	-	-	-	-	-	341	-	-	-
Operating expenditure	25 000	5 336	48	-	77	111	218	229	240
Venues and facilities	-	12 984	3 918	3 152	1 699	1 067	600	630	662
Other	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to	235 000	21 563	158 963	150 000	159 646	159 646	-	-	-
Provinces and municipalities	-	21 563	158 963	150 000	159 646	159 646	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	21 563	158 963	150 000	159 646	159 646	-	-	-
Municipalities	-	21 563	158 963	150 000	159 646	159 646	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving funds	-	-	-	-	-	-	-	-	-
Universities and technikons	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	235 000	-	-	-	-	-	-	-	-
Public corporations	235 000	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	235 000	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Social benefits	-	-	-	-	-	-	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	4 178	-	-	-	-	-	-
Total	260 000	72 923	201 267	277 719	179 256	180 042	13 649	14 427	15 149

Table 6.H: Summary of transfers to municipalities (RSC Levy, Casino taxes pay-over and 2010 Soccer Stadium)

R thousand	Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	Audited 2006/07	Audited 2007/08	Audited 2008/09				2010/11	2011/12	2012/13
A KZN2000 eThekweni	-	17 123	156 877	150 000	157 484	157 484	-	-	-
Total: Ugu Municipalities	-	-	264	-	84	84	-	-	-
B KZN211 Vulamehlo	-	-	-	-	-	-	-	-	-
B KZN212 Umdoni	-	-	-	-	-	-	-	-	-
B KZN213 Umzumbe	-	-	-	-	-	-	-	-	-
B KZN214 uMuziwabantu	-	-	-	-	-	-	-	-	-
B KZN215 Ezinqoleni	-	-	-	-	-	-	-	-	-
B KZN216 Hibiscus Coast	-	-	-	-	-	-	-	-	-
C DC21 Ugu District Municipality	-	-	264	-	84	84	-	-	-
Total: uMgungundlovu Municipalities	48	2 491	948	-	1 017	1 017	-	-	-
B KZN221 uMshwathi	-	-	-	-	-	-	-	-	-
B KZN222 uMngeni	-	-	-	-	-	-	-	-	-
B KZN223 Mpofana	-	-	-	-	-	-	-	-	-
B KZN224 Impendle	-	-	-	-	-	-	-	-	-
B KZN225 Msunduzi	-	2 491	-	-	-	-	-	-	-
B KZN226 Mkhambathini	-	-	-	-	-	-	-	-	-
B KZN227 Richmond	-	-	-	-	-	-	-	-	-
C DC22 uMgungundlovu District Municipality	48	-	948	-	1 017	1 017	-	-	-
Total: Uthukela Municipalities	-	-	3	-	15	15	-	-	-
B KZN232 Emnambithi/Ladysmith	-	-	-	-	-	-	-	-	-
B KZN233 Indaka	-	-	-	-	-	-	-	-	-
B KZN234 Umtshezi	-	-	-	-	-	-	-	-	-
B KZN235 Okhahlamba	-	-	-	-	-	-	-	-	-
B KZN236 Imbabazane	-	-	-	-	-	-	-	-	-
C DC23 Uthukela District Municipality	-	-	3	-	15	15	-	-	-
Total: Umzinyathi Municipalities	-	-	2	-	19	19	-	-	-
B KZN241 Endumeni	-	-	-	-	-	-	-	-	-
B KZN242 Nqutu	-	-	-	-	-	-	-	-	-
B KZN244 Msinga	-	-	-	-	-	-	-	-	-
B KZN245 Umvoti	-	-	-	-	-	-	-	-	-
C DC24 Umzinyathi District Municipality	-	-	2	-	19	19	-	-	-
Total: Amajuba Municipalities	-	704	346	-	394	394	-	-	-
B KZN252 Newcastle	-	704	-	-	-	-	-	-	-
B KZN253 eMadlangeni	-	-	-	-	-	-	-	-	-
B KZN254 Dannhauser	-	-	-	-	-	-	-	-	-
C DC25 Amajuba District Municipality	-	-	346	-	394	394	-	-	-
Total: Zululand Municipalities	-	-	-	-	23	23	-	-	-
B KZN261 eDumbe	-	-	-	-	-	-	-	-	-
B KZN262 uPhongolo	-	-	-	-	-	-	-	-	-
B KZN263 Abaqulusi	-	-	-	-	-	-	-	-	-
B KZN265 Nongoma	-	-	-	-	-	-	-	-	-
B KZN266 Ulundi	-	-	-	-	-	-	-	-	-
C DC26 Zululand District Municipality	-	-	-	-	23	23	-	-	-
Total: Umkhanyakude Municipalities	-	-	-	-	2	2	-	-	-
B KZN271 Umhlabuyalingana	-	-	-	-	-	-	-	-	-
B KZN272 Jozini	-	-	-	-	-	-	-	-	-
B KZN273 The Big 5 False Bay	-	-	-	-	-	-	-	-	-
B KZN274 Hlabisa	-	-	-	-	-	-	-	-	-
B KZN275 Mtubatuba	-	-	-	-	-	-	-	-	-
C DC27 Umkhanyakude District Municipality	-	-	-	-	2	2	-	-	-
Total: uThungulu Municipalities	-	1 245	515	-	577	577	-	-	-
B KZN281 Umfolozi	-	-	-	-	-	-	-	-	-
B KZN282 uMhlathuze	-	1 245	-	-	-	-	-	-	-
B KZN283 Ntambanana	-	-	-	-	-	-	-	-	-
B KZN284 uMlalazi	-	-	-	-	-	-	-	-	-
B KZN285 Mthonjaneni	-	-	-	-	-	-	-	-	-
B KZN286 Nkandla	-	-	-	-	-	-	-	-	-
C DC28 uThungulu District Municipality	-	-	515	-	577	577	-	-	-
Total: Ilembe Municipalities	-	-	8	-	31	31	-	-	-
B KZN291 Mandeni	-	-	-	-	-	-	-	-	-
B KZN292 KwaDukuza	-	-	-	-	-	-	-	-	-
B KZN293 Ndwedwe	-	-	-	-	-	-	-	-	-
B KZN294 Maphumulo	-	-	-	-	-	-	-	-	-
C DC29 Ilembe District Municipality	-	-	8	-	31	31	-	-	-
Total: Sisonke Municipalities	-	-	-	-	-	-	-	-	-
B KZN431 Ingwe	-	-	-	-	-	-	-	-	-
B KZN432 Kwa Sani	-	-	-	-	-	-	-	-	-
B KZN433 Greater Kokstad	-	-	-	-	-	-	-	-	-
B KZN434 Ubuhlebezwe	-	-	-	-	-	-	-	-	-
B KZN435 Umzimkulu	-	-	-	-	-	-	-	-	-
C DC43 Sisonke District Municipality	-	-	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	48	21 563	158 963	150 000	159 646	159 646	-	-	-