

VOTE 6

Provincial Treasury

Operational budget	R 534 994 486
MEC remuneration	R 1 491 514
Total amount to be appropriated	R 536 486 000
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 objectives

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

The department has set the following goals and strategic objectives in order to achieve this:

- 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 audit;
 - 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:

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

2. Review of the 2010/11 financial year

Section 2 provides a review of 2010/11, 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 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 quarterly performance reports (QPR). The unit prepared monthly Cabinet memoranda, the aim of which was to keep Cabinet informed of the provincial budget performance on a monthly basis and of departments' adherence to the Provincial Recovery Plan and its associated Cabinet-approved cost-cutting measures. 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 unit also prepared the 2010/11 Adjustments Estimate for the province, which is a legislative requirement of the PFMA. This was tabled in the Provincial Legislature on 26 November 2010. The unit prepared the 2011/12 Main Budget to be tabled on 8 March 2011, and also prepared the Unauthorised Expenditure Authorisation Act (Act No. 4 of 2010) in 2010/11. The unit also continued to explore possible new sources of revenue to enhance the current provincial revenue base. Since the introduction of the Provincial Recovery Plan and its associated cost-cutting measures in 2009/10, there have been a number of positive and encouraging indicators for KZN. The positive indicators include a vast reduction in the level of spending by provincial departments on 'frills' when compared to the previous three financial years. The province is reflecting a healthy bank balance which is allowing it to earn interest. This also means that there is less interest paid, than if the Provincial Revenue Fund was in overdraft. Further to this, current indicators are that KZN will end the year under-spending its budget allocation, largely due to cost-cutting. This is a significant milestone for the province.

Municipal Finance: As part of the budget reform process, the Municipal Budget and Reporting Regulations were introduced by National Treasury (Gazette No. 32141 dated 17 April 2009) and enforced by the Municipal Finance unit. To ensure compliance with the new budget format, the National and Provincial Treasuries conducted four provincial workshops and one Municipal Finance Forum for municipal officials on the implementation thereof. Of the 58 delegated municipalities in the province, 57 submitted their 2010/11 draft budgets to Provincial Treasury timeously. The unit has supported a total of 25 municipalities through the Municipal Support Programme (MSP) initiative since November 2007, encompassing various aspects and levels of support. The support has had a significant impact on the 2008/09 and 2009/10 audit opinions of those municipalities supported by the programme. As part of the MSP, the unit assisted 11 of the 19 low capacity municipalities that were required to convert their financial statements from Institute of Municipal Finance Officers (IMFO) to Generally Recognised Accounting Practice (GRAP) in 2009/10.

Financial Management

Public Private Partnership: The Public Private Partnership (PPP) unit played an active role in assisting departments, public entities and municipalities to prepare and implement cost-effective and affordable public-private partnership projects.

Financial Reporting: Significant progress was made in the submission of all outstanding consolidated financial statements by provincial departments and public entities, and the consolidated annual financial statements of provincial departments and public entities are now up to date. The department obtained a clean audit report for the Revenue Fund for 2009/10.

Norms and Standards: The unit conducted a monitoring, compliance and evaluation exercise in provincial departments to assess compliance with best practice financial management processes and procedures and legislative prescripts in respect of financial management. Responses from departments were evaluated, and remedial measures were provided where appropriate. Follow-ups were conducted and compliance meetings were held to assess the status of compliance, which resulted in significant compliance improvement.

Supply Chain Management: The unit continues to facilitate workshops on SCM to provincial departments, municipalities and public entities. The new supplier database system has been fully implemented and will be fully populated by the first quarter of 2011/12. The unit participated in Municipal Risk Management and Internal Audit workshops, making presentations to councillors, audit committee members and, municipal senior management highlighting SCM challenges and support interventions were developed.

Internal Audit Services

Assurances Services: The unit continued to provide Internal Audit services to the provincial departments and public entities in order to assist them in improving service delivery through the implementation of recommended effective internal controls and the introduction of good governance processes. In order to meet the objective of clean audit reports, the unit also focused on assisting departments and public entities in addressing issues raised by the Auditor-General (AG) and paid particular attention to the non-financial

information by conducting Performance Information reviews. With the introduction of the Cluster Audit and Risk Committees, the unit was also able to ensure that critical weaknesses identified were appropriately escalated to the relevant Accounting Officers and Executing Authorities. The unit also assisted the Department of Education in conducting a special head count project aimed at identifying 'ghost' employees.

Risk and Advisory Services: The Provincial Risk Management Framework approved by Cabinet has been adopted by all provincial departments and is now in the process of implementation. In order to strengthen the area of combating IT fraud and corruption, the findings of project *Unembeza* (a pro-active strategy aimed at curbing the scourge of IT fraud and corruption in the province) are being followed up to ensure implementation of mitigating strategies. All provincial departments have implemented the controls recommended for the improvement of security on provincial systems and networks.

Forensic Audit Services: The unit has successfully completed 31 investigations to date, despite the challenges currently faced in terms of resources and a high demand for its services, which now include requests from municipalities. Incidents of fraud and corruption have been identified and reported to law enforcement agencies. The unit has introduced some pro-active strategies for combating fraud and corruption in the province. These include fraud risk assessments and the management of disciplinary procedures. At the same time, the unit embarked on the process of helping the Office of the Premier (OTP) to strengthen its capacity to deal with fraud and corruption in the province.

3. Outlook for the 2011/12 financial year

Section 3 looks at the key focus areas of 2011/12, 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 functions of the Public Finance unit are largely process driven and governed by various legislative (PFMA, Treasury Regulations) requirements. As such, the work of the unit often remains largely unchanged from the previous year in terms of the processes that need to be followed and undertaken. Accordingly, the 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. The unit will also continue to keep Cabinet informed of the province's budget performance by submitting monthly Cabinet memorandum. These reports will also contain an update of the province's actual cash position which is provided by the Financial Management unit. The Public Finance unit also plans to prepare the Adjusted Estimates of Provincial Revenue and Expenditure for 2011/12 and the Estimates of Provincial Revenue and Expenditure for 2012/13, in accordance with the PFMA, as well as guidelines received from National Treasury. This will be done after consulting with, and receiving approval from, the Ministers' Committee on the Budget (MinComBud) and Cabinet during the process. The unit will also prepare the Unauthorised Expenditure Authorisation Bill for 2009/10. The unit plans to continue exploring possible new sources of revenue to enhance the current revenue base and to continue engagements at National Treasury to influence the equitable share formula (both the structure thereof, as well as the data used to update it). The unit will continue to monitor the adherence, by departments, to the Provincial Recovery Plan and its associated cost-cutting measures and will strive to ensure that provincial spending remains within budget.

Municipal Finance: With regard to the newly introduced Municipal Budget and Reporting Regulations reform, the Municipal Finance unit will adopt a more pro-active approach to ensure that the quality of the budget submissions for 2011/12 is improved. The implementation of a turnaround strategy with regard to financial sustainability in struggling municipalities will continue through the MSP. While the programme has been successfully implemented in a number of municipalities, more municipalities will benefit from this support in the future. A number of initiatives are proposed during Phase 3 of the MSP, in addition to the basic MSP, and these will be implemented over the next three to five years. These include focusing on getting the basics right, sustainability of the GRAP conversion process, audit committees, debtor cleansing, and governance review and improvement.

Financial Management

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

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

Norms and Standards: The 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. Compliance feedback reports will be issued quarterly to departments regarding outcomes achieved subsequent to the implementation of proposed recommendations. Outstanding matters will be highlighted and deadlines issued, to ensure future compliance.

Supply Chain Management: The SCM unit will continue 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, began a process to enhance 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. This will be formalised and rolled out in 2011/12.

Internal Audit Services

Assurance Services: The Assurance Services unit will continue to provide internal audit services to client departments with specific focus on governance. The unit will identify critical service delivery projects in the province to determine value for money for the resources expended. The unit will also assist clients to achieve and sustain clean audit outcomes, and embark on a process to identify, review and recommend corrective actions on key financial controls.

Risk and Advisory Services: The unit's main focus for 2011/12 is to ensure that 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 risk management tool (CURA) is to be rolled out to all departments and selected public entities in 2011/12 to strengthen awareness and ownership of risk management. This unit will continue to lead and facilitate the implementation of interventions of project *Unembeza* with the intention of strengthening information security controls in the provincial systems and networks. A memorandum of understanding to this effect will be signed with SITA to ensure the smooth implementation of the interventions.

Forensic Audit Services: The continuation of fraud risk reviews and assessments, together with access to investigative IT tools, and the development of a risk register that incorporates all risk categories, will assist in achieving efficiencies in the risk management process and obtaining the objective of good governance.

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 2007/08 to 2013/14. The table also compares actual and budgeted receipts against actual and budgeted payments.

Table 6.1: Summary of receipts and financing

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2007/08	2008/09	2009/10	2010/11			2011/12	2012/13	2013/14
Provincial allocation	518 279	522 072	626 623	640 637	640 637	640 637	536 486	553 158	590 764
Conditional grants	-	-	-	-	1 634	1 634	-	-	-
Education and Health Infrastructure grants	-	-	-	-	1 634	1 634	-	-	-
Total	518 279	522 072	626 623	640 637	642 271	642 271	536 486	553 158	590 764
Total payments	379 645	693 565	613 902	640 637	692 500	443 371	536 486	553 158	590 764
Surplus/(Deficit) before financing	138 634	(171 493)	12 721	-	(50 229)	198 900	-	-	-
Financing									
of which									
Provincial roll-overs	10 280	11 252	-	-	-	-	-	-	-
Provincial cash resources	50 105	36 815	(103 174)	-	50 229	50 229	-	-	-
Surplus/(deficit) after financing	199 019	(123 426)	(90 453)	-	-	249 129	-	-	-

The department only receives a provincial allocation. The conditional grant allocation against the 2010/11 Adjusted Appropriation and Revised Estimate is a once-off adjustment relating to the Education and Health Infrastructure grants. An amount of R1.634 million was suspended from Vote 5: Education and Vote 7: Health, being a portion of the Education and Health Infrastructure grants, to Provincial Treasury for the Infrastructure Delivery Improvement Programme (IDIP), which provides for Technical Assistants (TAs) to assist departments in the roll-out of their infrastructure projects. This is due to Provincial Treasury co-ordinating the IDIP, with the Departments of Education and Health on the client side, and Public Works as an agent.

National Treasury agreed to fund the implementation of the IDIP, but provinces were requested to fund at least the first four months of 2010/11 until National Treasury finalised the procurement model. As the province had not budgeted for the costs, it invoked the provision of the Division of Revenue Act 2010, which allows for up to four per cent of the grants to be used for acquiring capacity to assist with the management, planning and implementation of infrastructure construction.

With regard to the provincial allocation, the surplus in 2007/08 relates to the suspension of funds to other departments, following the decentralisation of the Tax and Banking function, and 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 increases in GEMS membership in departments.

In 2007/08, R10.280 million was rolled over from 2006/07 for committed projects. The R50.105 million against *Provincial cash resources* was in respect of the prescribed local government levy (which is inclusive of casino taxes collected by the Gambling Board and paid over to the Provincial Revenue Fund and paid over to different municipalities annually during the Adjustments Estimate), and the implementation of the Biometrics Access Solution in the province. It was also in respect of the *Ifihlile* Training Academy which relates to training and skills development of Historically Disadvantaged Individuals, the Internal Audit unit to defray expenditure pressures and the feasibility study for the establishment of a Provincial Government Precinct. The financial situation of the province resulted in a moratorium on certain capital projects, which affected the precinct project. The future of this development is dependent on final direction from Cabinet. Of the R199.019 million under-spent in 2007/08, R11.252 million was rolled over to 2008/09 for 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 collective over-expenditure of the provincial departments. The R36.815 million against *Provincial cash resources* was allocated in respect of project *Unembeza* (R22.100 million), the prescribed local government levy (R8.963 million), and the higher than anticipated 2008 wage agreement (R5.752 million).

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.

The negative amount of R103.174 million against *Provincial cash resources* in 2009/10 included R108.109 million moved to the Department of Health in 2009/10 in respect of the Occupation Specific Dispensation (OSD) for doctors and specialists. As per National Treasury instruction, the funding for the doctors' and specialists' OSD was kept against Provincial Treasury's vote, until the details of the OSD

implementation were finalised. This was finalised in the 2009/10 Adjustments Estimate, and the funding was transferred to Vote 7: Health. An amount of R4.711 million was also moved to Vote: 4 Economic Development and Tourism, following the 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 over-expenditure of R90.453 million in 2009/10 largely relates to the overdraft interest charges on the IGCC account, which resulted from the collective over-expenditure of provincial departments.

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

The increase in the 2010/11 Adjusted Appropriation relates to additional funding for the IDIP, as mentioned above, and the prescribed local government levy. The department was also allocated R40 million towards the development of the Pietermaritzburg airport.

As at the end of December 2010, the department is projecting to end 2010/11 with an under-expenditure of R249.129 million. This mainly relates to savings realised in respect of overdraft interest. This projected saving has resulted from the improvement in the funds available in the IGCC account due to the effective implementation of cost-cutting measures and pledges to cut-back spending by provincial departments. This has affected the amount of interest the province had to pay on its overdraft and resulted in a decrease in the amount of interest paid monthly. Included in the savings, is Provincial Treasury's pledge to cut-back spending by R10 million in terms of its operational costs in 2010/11.

The department's 2011/12 MTEF allocation includes provision for the overdraft interest charges, the carry-through adjustment of the 2010 wage agreement, as well as a once-off allocation in respect of performance audits in 2011/12 only. The reduction over the 2011/12 MTEF is due to the province capping the overdraft interest charges funding at R100 million to partly fund the reduction of the provincial equitable share by 0.3 per cent in line with a National Cabinet decision.

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	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2007/08	2008/09	2009/10	2010/11			2011/12	2012/13	2013/14
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	119	205	161	149	149	176	177	195	215
Transfers received	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	156 402	14 509	7 584	4 584	4 584	22 045	6 750	7 425	8 168
Sale of capital assets	-	-	-	-	-	636	-	-	-
Transactions in financial assets and liabilities	400	843	2 136	2 235	2 235	1 707	1 921	2 113	2 324
Total	156 921	15 557	9 881	6 968	6 968	24 564	8 848	9 733	10 707

The department collects the bulk of its own revenue from interest earned on the IGCC account and the Pay Master-General (PMG) 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 low revenue collected in 2008/09 and 2009/10 can be attributed to the over-expenditure incurred by the province. The funds available for investment in the IGCC account decreased significantly, and hence the low revenue collected. The slight improvement in the 2010/11 Revised Estimate is mainly due to the improvement in the level of funds available in the PMG and IGCC accounts, largely due to the collective implementation of cost-cutting measures by provincial departments.

The department has slightly increased its projections over the 2011/12 MTEF compared to the 2010/11 Main Appropriation due to the improvement in funds available in the IGCC account as a result of the effective implementation of cost-cutting measures by provincial departments. The lower estimates over the MTEF compared to the 2010/11 Revised Estimate against *Interest, dividends and rent on land* appear to be conservative, as current indications show improvement in the revenue collected against this item.

The revenue collected under *Sale of goods and services other than capital assets* is mainly in respect of game licences. This revenue source is collected by game lodges and paid over to Provincial Treasury. This revenue source is conservatively budgeted, as it depends on the number of people visiting, the location of the game lodge, and the season of the year. In addition, revenue items such as staff parking fees and commission received from insurance companies for the collection of monthly contributions are collected under this category. The projections for the 2011/12 MTEF period were based on the projected end-of-year collection for 2010/11, coupled with an incremental estimation of 10 per cent each year in line with the Treasury Guideline document.

The revenue against *Transactions in financial assets and liabilities* is made up of recoveries of staff debts (payment of telephone accounts) from previous financial years. The fluctuating trend can be attributed to the difficulty in forecasting accurately for this item, due to its uncertain nature. The projections over the 2011/12 MTEF are based on previous years' actual revenue collected, and an incremental estimation of 10 per cent, as per the Treasury Guideline document.

The collection against *Sale of capital assets* relates to the sale of redundant items, such as vehicles, computers, etc. The high 2010/11 Revised Estimate resulted from the sale of departmental vehicles. This category is not budgeted for due to its uncertain nature.

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 2011/12 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:

- All inflation related increases are based on headline CPI projections.
- The department has made provision for the R800 per month housing allowance for levels 1 to 10 as per the 2010 wage agreement.
- The cost-cutting measures as defined in Provincial Treasury Circular PT (1) of 2010/11 (as reissued by the Provincial Treasury in 2011/12) will continue to be adhered to over the 2011/12 MTEF.
- Provision was made for the carry-through costs of the 2010 wage agreement and an inflationary wage adjustment of 5.5 per cent for the three years of the 2011/12 MTEF, and an annual 1.5 per cent pay progression.
- 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.

5.2 Additional allocations for the 2009/10 to 2011/12 MTEF

Table 6.3 shows additional funding received by the department over the three MTEF periods: 2009/10, 2010/11 and 2011/12. The purpose of such a table is two-fold. Firstly, it shows the quantum of additional funding allocated to the department in the past and current MTEF periods. Secondly, it indicates the policies and purposes for which the additional funding was allocated.

The carry-through allocations for the 2009/10 MTEF period (i.e. for the financial year 2012/13) are based on the incremental percentage used in the 2010/11 MTEF and 2011/12 MTEF. A similar approach was used for the carry-through allocations for the 2010/11 MTEF period.

Table 6.3: Summary of additional provincial allocations for 2009/10 to 2011/12 MTEF

R thousand	2009/10	2010/11	2011/12	2012/13	2013/14
2009/10 MTEF period	147 511	25 774	46 498	48 823	51 508
Carry-through of 2008/09 Adjustments Estimate:	24 402	25 774	27 979	29 378	30 994
2008 wage agreement	8 168	8 674	9 169	9 627	10 157
Project Unembeza	16 234	17 100	18 810	19 751	20 837
OSD for Doctors (for Dept. of Health)	108 109	-	-	-	-
Municipal Support Programme	15 000	-	-	-	-
Overdraft interest charges	-	-	18 519	19 445	20 514
2010/11 MTEF period		53 978	(68 900)	(84 869)	(89 537)
Carry-through of 2009/10 Adjustments Estimate:		(217 062)	(323 942)	(339 913)	(358 608)
2009 wage agreement		3 597	4 020	4 447	4 692
Portion of Ministry funding to Vote 4		(4 993)	(5 293)	(5 558)	(5 864)
OSD for doctors (to Department of Health)		(215 666)	(322 669)	(338 802)	(357 436)
Municipal Support Programme		21 000	5 000	5 000	5 275
Overdraft interest charges (as allocated in 2009/10) reallocated to MSP		-	(18 519)	(19 445)	(20 514)
Municipal Support Programme (funded through reprioritisation)		-	18 519	19 445	20 514
Overdraft interest charges		235 000	235 000	235 000	247 925
Support Service Enhancement Plan (incl. Audit fees & SITA)		15 000	15 000	15 000	15 825
Policy on Incapacity Leave and Ill Health Retirement (PILIR)		40	42	44	46
2011/12 MTEF period			(129 591)	(133 699)	(133 870)
Carry-through of 2010/11 Adjustments Estimate: 2010 wage agreement			1 744	1 723	1 662
Capping overdraft interest charges at R100 million per year			(135 000)	(135 000)	(135 000)
National Cabinet decision to cut provinces by 0.3 per cent			(335)	(422)	(532)
Performance audits			4 000	-	-
Total	147 511	(488 910)	(151 993)	(169 745)	(171 899)

The department received funding over the 2009/10 MTEF towards the carry-through costs of the 2008 wage agreement, project *Unembeza*, overdraft interest charges, the MSP, and OSD for doctors and specialists.

Over the 2010/11 MTEF, the department shifted funds to Vote 4: Economic Development and Tourism, following the 2009 elections, as mentioned previously. The department also received additional funding in respect of the Support Service Enhancement Plan, as well as the carry-through costs of the 2009 wage agreement. The overdraft interest charges (as allocated in 2009/10) were re-allocated to the 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. The department also received funding for Policy on Incapacity Leave and Ill Health Retirement (PILIR).

The allocation over the 2011/12 MTEF includes the carry-through costs of the higher than anticipated 2010 wage agreement, as well as a once-off allocation towards performance audits in 2011/12 only. Also, the overdraft interest charges funding has been capped at R100 million over the MTEF.

In the 2011/12 MTEF, National Cabinet took a decision to cut all national votes and the provincial equitable share by 0.3 per cent. The bulk of this equitable share reduction in KZN was sourced by capping the interest on the overdraft provision and by marginally decreasing the budgeted surplus of the province. The balance was sourced proportionately from all 16 provincial votes. The effect of this on the Provincial Treasury is a slight reduction of R335 000, R422 000 and R532 000 over the 2011/12 MTEF.

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	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2007/08	2008/09	2009/10	2010/11			2011/12	2012/13	2013/14
1. Administration	69 814	75 946	74 988	92 592	94 339	73 798	99 861	100 606	105 996
2. Fiscal Resource Management	53 141	60 965	52 394	66 442	68 076	57 141	72 236	75 602	79 732
3. Financial Management	130 633	285 003	238 920	385 320	379 320	161 828	262 595	270 949	279 977
4. Internal Audit	53 134	70 384	68 687	82 634	82 634	82 473	89 270	93 619	98 718
5. Growth and Development	72 923	201 267	178 913	13 649	68 131	68 131	12 524	12 382	26 341
Total	379 645	693 565	613 902	640 637	692 500	443 371	536 486	553 158	590 764

Note: Programme 1 includes MEC remuneration: Salary: R1 491 514

Table 6.5: Summary of payments and estimates by economic classification

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2007/08	2008/09	2009/10	2010/11			2011/12	2012/13	2013/14
Current payments	339 940	518 784	448 045	636 225	636 524	388 507	531 943	548 493	585 678
Compensation of employees	83 394	94 485	102 117	154 864	138 786	118 632	166 702	176 334	185 202
Goods and services	256 546	285 916	243 670	246 361	274 738	254 368	265 241	272 159	300 476
Interest and rent on land	-	138 383	102 258	235 000	223 000	15 507	100 000	100 000	100 000
Transfers and subsidies to:	22 200	160 861	162 566	495	51 974	51 737	1 510	1 600	1 690
Provinces and municipalities	21 563	158 963	159 646	-	50 229	50 229	-	-	-
Departmental agencies and accounts	130	-	-	145	145	-	-	-	-
Universities and technikons	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	14	-	-	-	-	-	-	-	-
Non-profit institutions	-	3	-	-	-	-	-	-	-
Households	493	1 895	2 920	350	1 600	1 508	1 510	1 600	1 690
Payments for capital assets	16 716	9 644	3 291	3 917	3 917	3 043	3 033	3 065	3 396
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	7 686	9 094	3 155	3 817	3 817	3 043	3 033	3 065	3 396
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	9 030	550	136	100	100	-	-	-	-
Payments for financial assets	789	4 276	-	-	85	84	-	-	-
Total	379 645	693 565	613 902	640 637	692 500	443 371	536 486	553 158	590 764

The budget of the department fluctuates over the period under review. The low 2007/08 amount can be attributed to the surrendering of part of the GEMS allocation to the Provincial Revenue Fund. The significantly higher spending from 2008/09 onward includes overdraft interest charges. 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 2008/09 against Programme 1: Administration is due to an additional allocation for the Biometrics Access Solution (BAS and PERSAL), which was fully implemented in 2008/09. The slight decrease in 2009/10 can be attributed to cost-cutting. The increase in 2010/11 can be attributed to additional funding for the Support Service Enhancement plan. This partly explains the spending in *Goods and services* over the same period. The increase in the 2010/11 Adjusted Appropriation is due to the movement of funds from Programme 5: Growth and Development to this programme to provide for costs relating to the reconfiguration of the department's office space. The low 2010/11 Revised Estimate can be ascribed to cost-cutting, and the department's renewed pledge, as mentioned above. The slight increase over the 2011/12 MTEF relates to the carry-through of the higher than anticipated 2010 wage agreement, as well as inflationary increments.

The increase in 2008/09 against Programme 2: Fiscal Resource Management can be attributed to the implementation of the Performance Budgeting System (PBS). This contract was cancelled in 2009/10 following a Cabinet decision. The additional funding allocated towards the strengthening of research capacity for policy development and the MSP also accounts for the increase in 2008/09. The decrease in 2009/10 is partly due to the cancellation of PBS, as well as cost-cutting. The substantial allocation relating to MSP accounts for the increase in 2010/11 and over the MTEF period. This partly explains the spending trend in *Goods and services*. The increase in the 2010/11 Adjusted Appropriation in comparison to the 2010/11 Main Appropriation relates to the funding for IDIP, as previously explained. The low 2010/11 Revised Estimate is mainly due to the moratorium on the filling of non-critical vacant posts.

The substantial over-expenditure in 2007/08 and 2008/09 by the provincial departments collectively 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 and *Interest and rent on land* in 2008/09 and 2009/10. The high 2010/11 Main Appropriation includes funds relating to the overdraft interest charges provided at R235 million. The slight reduction in the 2010/11 Adjusted Appropriation is due to R6 million being moved from *Interest and rent on land* within this programme, as the full amount of the interest allocation is not required in 2010/11 as a result of the improvement in the provincial cash position of the province. This amount was moved to *Goods and services* in Programme 5 for the Government Immovable Asset Management Act (GIAMA). The reprioritised funding will be utilised to update the provincial fixed asset register – a pre-requisite for the successful implementation of GIAMA and achieving clean audits. The low 2010/11 Revised Estimate can be attributed to the lower than budgeted interest paid on the IGCC account due to the improvement of the cash balances of the province, as explained previously. The decrease over the 2011/12 MTEF is mainly attributed to capping the overdraft interest charges funding at R100 million, as explained previously.

Programme 4: Internal Audit shows a slightly fluctuating trend from 2008/09 to 2010/11. The high spending in 2008/09 compared to 2009/10 can be attributed to the roll-out of project *Unembeza*. The reduction in 2009/10 relates to the non-filling of budgeted vacant posts, as well as enforced savings to assist with the Provincial Recovery Plan. The increase in 2010/11 and over the 2011/12 MTEF can be attributed to the funding allocated for the implementation of project *Unembeza*. This partly explains the spending trend in *Goods and services*. The slightly low 2010/11 Revised Estimate relates to cost-cutting.

The fluctuations against Programme 5 over the seven-year period can largely be ascribed to R150 million allocated in both 2008/09 and 2009/10 towards the construction of the Moses Mabhida Soccer Stadium, and explains the substantial reduction in the 2010/11 Main Appropriation and over the MTEF. As explained, additional funding was allocated for the prescribed local government levy. This also explains the spending trend in *Transfers and subsidies to: Provinces and municipalities*. Furthermore, R11.252 million was rolled over from 2007/08 to 2008/09 for the feasibility study of the Provincial Government Precinct. The high 2010/11 Adjusted Appropriation is in respect of the development of the Pietermaritzburg airport, and the prescribed local government levy. The high 2013/14 budget is in respect of provision made to cater for special projects as identified by the department and approved by Cabinet.

The increase in *Compensation of employees* from 2008/09 onward is due to the higher than anticipated general salary increases. The reduction in the 2010/11 Adjusted Appropriation can be attributed to funds moved, as a result of the moratorium on the filling of non-critical posts, to *Goods and services* to cater for consultants employed to assist with the backlog of audits caused by the Education head count project that the Internal Audit unit undertook, staff shortages due to scarce skills to undertake performance audits, costs relating to unplanned forensic investigations, and to *Transfers and subsidies to: Households* for the payment of leave gratuities due to unplanned staff exits. The low 2010/11 Revised Estimate can be attributed to the moratorium on the filling of non-critical posts. The increase over the 2011/12 MTEF is to cater for the annual wage agreement. The department also budgeted for the full organisational structure, but only critical posts will be filled in line with the Provincial Recovery Plan.

The increase in *Goods and services* 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 2009/10 is due to funds shifted from the department's budget following the 2009 election

reconfiguration of provincial departments, as previously explained. The increase in the 2010/11 MTEF is in respect of the Support Service Enhancement plan, and the MSP. The increase in the 2010/11 Adjusted Appropriation can be ascribed to funds moved from *Compensation of employees*, as explained above.

The expenditure against *Interest and rent on land* in 2008/09 and 2009/10 relates to the interest paid by the province, as previously explained. The slight decrease in the 2010/11 Adjusted Appropriation is due to R12 million moved to *Goods and services* in Programme 5 for GIAMA and Programme 3 for the Municipal Debt Project, which relates to the reconciliation of all provincial and municipal government accounts. The department is projecting to save a total of R207.493 million at the end of 2010/11, as explained under Programme 3 above.

Transfers and subsidies to: Provinces and municipalities caters in part for the prescribed local government levy. The funding is allocated to the department during the Adjustments Estimate, and hence there are no projections in the 2010/11 Main Appropriation and over the MTEF.

The amounts against *Transfers and subsidies to: Departmental agencies and accounts* are in respect of the skills levy to the Sector Education Training Authority (SETA) for Financial and Accounting Services Sector Education Training (FASSET). In terms of the guidelines for the Skills Development Levy, national and provincial department are exempt from paying the levy, and as such the department has ceased the payment of the levy, hence there are no amounts against the 2010/11 Revised Estimate and over the 2011/12 MTEF. However, the department is required by the Skills Development Act to budget at least 1 per cent of its salary expense for staff training. This is reflected under Section 7.2 in Table 6.28 below.

The expenditure in 2007/08 against *Transfers and subsidies to: Public corporations and private enterprises* relates to claims against the state by private corporations. This resulted from employees of the department who had had accidents while driving hired vehicles. The department reimbursed the companies for the costs of repairs to the vehicles.

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

Transfers and subsidies to: Households caters for social benefits such as leave gratuities. The major fluctuations can be ascribed to the difficulty in budgeting for this item due to their uncertain nature.

The high spending in 2008/09 against *Machinery and equipment* relates mainly to funds rolled over from 2007/08 in respect of departmental vehicles and computer equipment, hence the reduction from 2009/10 onward. The slightly lower 2010/11 Revised Estimate and the decrease over the MTEF is due to office furniture and equipment that will not be purchased due to the non-filling of non-critical posts.

The high expenditure against *Software and other intangible assets* in 2007/08 was in respect of software purchased for the implementation of the Biometric Access Solution in all departments. The budget of R100 000 in 2010/11 relates to the Econometrics and Stata software that will not be purchased due to enforced savings.

The amounts against *Payments for financial assets* relate to write-off of irrecoverable staff debts. The high amount in 2008/09 relates to the KORA Music Awards, as well as Soccerex (soccer exhibition), which were deemed irrecoverable.

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 support services to all provincial departments and municipalities, it is impractical to allocate its budget at this level.

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

R thousand	Audited Outcome	Revised Estimate	Medium-term Estimates		
	2009/10	2010/11	2011/12	2012/13	2013/14
eThekweni	157 484	7 937	-	-	-
Ugu	84	98	-	-	-
uMgungundlovu	455 273	434 189	536 486	553 158	590 764
Uthukela	15	22	-	-	-
Umzinyathi	19	31	-	-	-
Amajuba	394	427	-	-	-
Zululand	23	33	-	-	-
Umkhanyakude	2	3	-	-	-
uThungulu	577	584	-	-	-
Ilembe	31	45	-	-	-
Sisonke	-	2	-	-	-
Total	613 902	443 371	536 486	553 158	590 764

The expenditure in the eThekweni Metro area is mainly in respect of the capital infrastructure transfer of R150 million in 2009/10, as part of the province's contribution towards the construction of the Moses Mabhida Soccer Stadium in line with the agreement signed with the eThekweni Metro, as well as the prescribed local government levy, as explained previously. The levy is allocated to the department during the Adjustments Estimate each year, and hence there are no projections over the MTEF.

The amounts in 2009/10 and the 2010/11 Revised Estimate are also in respect of the prescribed local government levy.

From the 2011/12 MTEF period, the entire budget of the vote is reflected against the uMgungundlovu region, where the head office is based, as the department only provides support services to provincial departments and municipalities.

5.5 Summary of conditional grant payments and estimates

The department does not have conditional grant funding. However, the department received a once-off allocation in respect of the Education and Health Infrastructure grants during the 2010/11 Adjustments Estimate. As explained in Section 4.1 above, R1.634 million was suspended from Vote 5: Education and Vote 7: Health to Provincial Treasury for IDIP, which provides for TAs to assist departments in the roll-out of their infrastructure projects.

5.6 Summary of infrastructure payments and estimates

Table 6.7 below summarises the infrastructure payments and estimates relating to the department.

Table 6.7: Summary of infrastructure payments and estimates

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2007/08	2008/09	2009/10		2010/11		2011/12	2012/13	2013/14
New and replacement assets									
Existing infrastructure assets	-	-	-	-	-	-	-	-	-
Upgrades and additions									
Rehabilitation, renovations and refurbishments									
Maintenance and repairs									
Infrastructure transfers	-	150 000	150 000	-	40 000	40 000	-	-	-
Current									
Capital	-	150 000	150 000	-	40 000	40 000	-	-	-
Capital infrastructure	-	150 000	150 000	-	40 000	40 000	-	-	-
Current infrastructure	-	-	-	-	-	-	-	-	-
Total	-	150 000	150 000	-	40 000	40 000	-	-	-

As mentioned previously, R150 million was allocated in both 2008/09 and 2009/10 as an infrastructure transfer to the eThekweni Metro towards the construction of the Moses Mabhida Soccer Stadium.

The R40 million against the 2010/11 Adjusted Appropriation is in respect of the development of the Pietermaritzburg airport. Cabinet approved the proposed future development of the Pietermaritzburg airport and the related capital injection of R40 million by the province. This proposed development includes the upgrading of the current run-way and the building of a parallel taxi way to increase aircraft parking space. This allocation was appropriated under Vote 6: Provincial Treasury and will only be disbursed to the Msunduzi Municipality on satisfactory proof of progress. The amount is earmarked for infrastructure, and not for the airport's operations.

5.7 Summary of Public Private Partnerships – Nil

5.8 Transfers to public entities listed in terms of Schedule 3 of the PFMA – Nil

5.9 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	Sub-programme	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
		2007/08	2008/09	2009/10				2011/12	2012/13	2013/14
FASSET	Various	130	-	-	145	145	-	-	-	-
Donations to schools	1.1. Human Resource Management	-	3	-	-	-	-	-	-	-
Claims against the state	4.1. Assurance Services	14	-	-	-	-	-	-	-	-
Total		144	3	-	145	145	-	-	-	-

As explained previously, the amount against FASSET relates to the Skills Development Levy and the amount in 2007/08 against Claims against the state was in respect of reimbursement of costs relating to repairs to vehicles. The amount against Donations to schools in 2008/09 relates to a donation made to the Imbali Psycho-Social Community Youth Resource Centre towards its launch and open day event.

5.10 Transfers to municipalities

Tables 6.9 and 6.10 provide a summary of transfers to municipalities. The details are presented in the *Annexure – Vote 6: Provincial Treasury*.

Table 6.9: Summary of departmental transfers to municipalities by category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2007/08	2008/09	2009/10				2011/12	2012/13	2013/14
Category A	17 123	156 877	157 484	-	7 937	7 937	-	-	-
Category B	4 440	-	-	-	40 000	40 000	-	-	-
Category C	-	2 086	2 162	-	2 292	2 292	-	-	-
Total	21 563	158 963	159 646	-	50 229	50 229	-	-	-

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

R thousand	Sub-programme	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
		2007/08	2008/09	2009/10				2011/12	2012/13	2013/14
Casino Levies Pay-Over	5.1: Other Developmental Initiatives	21 563	8 963	9 646	-	10 229	10 229	-	-	-
Moses Mabhida Soccer Stadium 2010	5.1: Other Developmental Initiatives	-	150 000	150 000	-	-	-	-	-	-
Pietermaritzburg Airport	5.1: Other Developmental Initiatives	-	-	-	-	40 000	40 000	-	-	-
Total		21 563	158 963	159 646	-	50 229	50 229	-	-	-

Category A transfers include R150 million in both 2008/09 and 2009/10 for the construction of the Moses Mabhida Soccer Stadium, as well as the prescribed local government levy. This prescribed levy is paid over to different municipalities annually in arrears during the Adjustments Estimate, and hence there are no estimates over the 2011/12 MTEF.

Category B transfers include the prescribed local government levy in 2007/08 and additional funding allocated in the 2010/11 Adjusted Appropriation for the development of the Pietermaritzburg airport, as explained previously. This is a once-off allocation, and hence there are no projections over the MTEF.

Category C transfers relate mainly to the prescribed local government levy.

5.11 Transfers and subsidies

Table 6.11 below is a summary of spending on *Transfers and subsidies* by programme and main category. The table reflects a fluctuating trend from 2007/08 to 2013/14 for the category as a whole, details of which are provided below Table 6.11.

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2007/08	2008/09	2009/10				2011/12	2012/13	2013/14
1. Administration	130	1 769	1 788	387	387	258	210	230	240
Departmental agencies and accounts	37	-	-	37	37	-	-	-	-
FASSET	37	-	-	37	37	-	-	-	-
Non-profit institutions	-	3	-	-	-	-	-	-	-
Donations to schools	-	3	-	-	-	-	-	-	-
Households	93	1 766	1 788	350	350	258	210	230	240
Social benefits	93	1 766	1 707	-	-	-	-	-	-
Other transfers to households	-	-	81	350	350	258	210	230	240
2. Fiscal Resource Management	32	-	-	27	27	-	-	-	-
Departmental agencies and accounts	20	-	-	27	27	-	-	-	-
FASSET	20	-	-	27	27	-	-	-	-
Public corporations and private enterprises	12	-	-	-	-	-	-	-	-
Claims against the state	12	-	-	-	-	-	-	-	-
3. Financial Management	244	129	1 122	35	1 060	1 025	1 300	1 370	1 450
Departmental agencies and accounts	34	-	-	35	35	-	-	-	-
FASSET	34	-	-	35	35	-	-	-	-
Households	210	129	1 122	-	1 025	1 025	1 300	1 370	1 450
Social benefits	210	129	1 122	-	1 025	1 025	1 300	1 370	1 450
4. Internal Audit	231	-	10	46	271	225	-	-	-
Departmental agencies and accounts	39	-	-	46	46	-	-	-	-
FASSET	39	-	-	46	46	-	-	-	-
Public corporations and private enterprises	2	-	-	-	-	-	-	-	-
Claims against the state	2	-	-	-	-	-	-	-	-
Households	190	-	10	-	225	225	-	-	-
Social benefits	190	-	10	-	225	225	-	-	-
5. Growth and Development	21 563	158 963	159 646	-	50 229	50 229	-	-	-
Provinces and municipalities	21 563	158 963	159 646	-	50 229	50 229	-	-	-
Casino levies pay-over	21 563	158 963	159 646	-	10 229	10 229	-	-	-
Capital infrastructure	-	-	-	-	40 000	40 000	-	-	-
Total	22 200	160 861	162 566	495	51 974	51 737	1 510	1 600	1 690

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

- *Departmental agencies and accounts* caters for the Skills Development Levy, as explained above.
- The amount against *Non-profit institutions* in 2008/09 in Programme 1 relates to a donation made to the Imbali Psycho-Social Community Youth Resource Centre.
- *Households* caters for staff exits, which are difficult to predict, accounting for the fluctuating trend.
- The amount in 2007/08 against *Public corporations and private enterprises* was in respect of claims against the state.
- *Provinces and municipalities* against Programme 5 includes the following:
 - Amounts from 2007/08 to the 2010/11 Adjusted Appropriation include the prescribed local government levy.

- o Amounts in 2008/09 and 2009/10 include R150 million in each year, allocated to the eThekweni Metro for the construction of the Moses Mabhida Soccer Stadium.
- o R40 million was allocated in the 2010/11 Adjustments Estimate for the Pietermaritzburg airport.

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.

As of the 2011/12 MTEF, this programme consists of five sub-programmes, namely Office of the MEC, Head of the Department, Chief Financial Office, Human Resource Management and Corporate Services. The sub-programme: Supporting and Interlinked Financial Systems, which was part of this budget and programme up until 2010/11, now falls under Programme 3: Financial Management, in line with the uniform programme structure for the sector. It should be noted that the prior years' figures, as well as the MTEF allocations against this sub-programme have been restated for comparative purposes.

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; and
- To render corporate management services to the department, such as the telecom system, transport fleet management and control of registry.

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 2007/08 to 2013/14.

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	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2007/08	2008/09	2009/10	2010/11			2011/12	2012/13	2013/14
Office of the MEC	29 803	31 375	26 697	29 176	29 176	22 645	27 585	29 318	30 871
Head of the Department	5 750	6 350	5 716	7 392	7 392	5 811	7 916	8 287	8 738
Chief Financial Office	11 122	11 192	10 313	19 067	19 067	13 189	24 176	20 979	22 125
Human Resource Management	6 226	8 383	8 977	12 078	12 078	9 754	12 786	13 491	14 225
Corporate Services	16 913	18 646	23 285	24 879	26 626	22 399	27 398	28 531	30 037
Total	69 814	75 946	74 988	92 592	94 339	73 798	99 861	100 606	105 996

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2007/08	2008/09	2009/10	2010/11			2011/12	2012/13	2013/14
Current payments	66 455	72 304	72 734	90 673	92 420	72 177	98 076	98 696	103 957
Compensation of employees	23 684	28 849	29 965	39 430	39 430	34 850	42 471	44 837	46 999
Goods and services	42 771	43 455	42 769	51 243	52 990	37 327	55 605	53 859	56 958
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	130	1 769	1 788	387	387	258	210	230	240
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	37	-	-	37	37	-	-	-	-
Universities and technikons	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	3	-	-	-	-	-	-	-
Households	93	1 766	1 788	350	350	258	210	230	240
Payments for capital assets	2 440	1 873	466	1 532	1 532	1 363	1 575	1 680	1 799
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	2 440	1 860	466	1 532	1 532	1 363	1 575	1 680	1 799
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	13	-	-	-	-	-	-	-
Payments for financial assets	789	-	-	-	-	-	-	-	-
Total	69 814	75 946	74 988	92 592	94 339	73 798	99 861	100 606	105 996

The decrease in 2009/10 against the sub-programme: Office of the MEC is due to a portion of the Office of the MEC funding that was shifted to Vote 4: Economic Development and Tourism, as explained previously. This, in turn, explains the slight decrease in the 2010/11 Main Appropriation and over the MTEF in comparison to 2008/09. The low 2010/11 Revised Estimate can be attributed to the moratorium on the filling of non-critical vacant posts, as well as cost-cutting.

The sub-programme: Head of the Department shows a fairly steady upward trend. The slight decrease in 2009/10 and in the 2010/11 Revised Estimate can be ascribed to the moratorium on the filling of non-critical posts, as well as cost-cutting. The increase over the MTEF is due to the provision made for the filling of vacant posts, as well as inflationary increments.

The slight decrease in 2009/10 against the sub-programme: Chief Financial Office can be attributed to cost-cutting. The increase in 2010/11 and over the MTEF relates to the expansion of the CFO structure to cater for the departmental SCM system, the Strategic Management Services component and audit fees. The low 2010/11 Revised Estimate relates mainly to the lower than budgeted for audit costs, the moratorium on filling of non-critical vacant posts and cost-cutting. The high 2011/12 amount includes a once-off allocation of R4 million towards performance audits. These reasons also explain the trend against *Goods and services* over the same period.

The sub-programme: Human Resource Management increases from 2008/09 onward, which relates to the reprioritisation of funds for the implementation of the Employee Wellness Programme, added recruitment costs due to high labour turnover and the addition of new posts. The low 2010/11 Revised Estimate relates mainly to the moratorium on the filling of non-critical vacant posts and cost-cutting.

The high expenditure against the sub-programme: Corporate Services from 2008/09 onward is largely due to renovation costs relating to the newly acquired Nomalanga building, which is being leased to house the Internal Audit unit. The increase in the 2010/11 Adjusted Appropriation relates to the provision for the reconfiguration of the department's office space. The low 2010/11 Revised Estimate relates mainly to the moratorium on the filling of non-critical posts and cost-cutting.

Compensation of employees shows an increase from 2008/09 to 2010/11 due to additional funding to cater for the shortfall of the higher than anticipated wage agreements. The low 2010/11 Revised Estimate relates mainly to the moratorium on the filling of non-critical posts. The increase over the MTEF is due to inflationary increments and the filling of vacant posts in line with the Provincial Recovery Plan.

Goods and services reflects a steady increase over the period under review. The slight decrease in 2009/10 can be attributed to cost-cutting. The significantly low 2010/11 Revised Estimate can be ascribed to the department's pledge of R10 million, and the lower than budgeted for audit costs and cost-cutting.

The amounts against *Transfers and subsidies to: Households* cater for staff exits, which are difficult to predict, which accounts for the fluctuations in trend.

The amount in 2007/08 against *Machinery and equipment* relates mainly to the roll-over of funds for the purchase of departmental vehicles and computer equipment. The reduction in 2009/10 and the low 2010/11 Revised Estimate can be attributed to office and computer equipment that was not purchased due to the moratorium on filling of the non-critical vacant posts.

The expenditure in 2008/09 against *Software and other intangible assets* relates to the ORG Plus software, which is for managing the department's organisational structure.

The amount in 2007/08 against *Payments for financial assets* was in respect of staff debts written-off, as they are deemed irrecoverable.

6.2 Programme 2: Fiscal Resource Management

This programme consists of four sub-programmes, namely Programme Support, Economic Analysis, Public Finance and Municipal Finance.

The Public Finance sub-programme included the Municipal Finance sub-programme costs until 2007/08. Due to the sharing of responsibility and objective codes on BAS, it was not possible to split the historical expenditure costs to the newly created sub-programme: Municipal Finance in 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 6.14 and 6.15 below provide a summary of payments and budgeted estimates pertaining to this programme for the period 2007/08 to 2013/14.

Table 6.14: Summary of payments and estimates - Programme 2: Fiscal Resource Management

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2007/08	2008/09	2009/10	2010/11			2011/12	2012/13	2013/14
Programme Support	1 917	3 202	3 176	3 865	3 865	1 345	4 267	4 554	4 804
Economic Analysis	2 166	2 701	3 486	5 005	6 639	6 045	5 335	5 539	5 839
Public Finance	49 058	33 579	15 434	10 669	10 669	8 262	11 376	11 942	12 590
Municipal Finance	-	21 483	30 298	46 903	46 903	41 489	51 258	53 567	56 499
Total	53 141	60 965	52 394	66 442	68 076	57 141	72 236	75 602	79 732

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2007/08	2008/09	2009/10	2010/11			2011/12	2012/13	2013/14
Current payments	52 930	59 993	52 247	65 865	67 499	56 983	71 802	75 327	79 441
Compensation of employees	12 651	14 678	18 193	27 596	26 496	19 603	29 975	31 807	33 501
Goods and services	40 279	45 315	34 054	38 269	41 003	37 380	41 827	43 520	45 940
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	32	-	-	27	27	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	20	-	-	27	27	-	-	-	-
Universities and technikons	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	12	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Payments for capital assets	179	972	147	550	550	158	434	275	291
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	179	443	114	450	450	158	434	275	291
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	529	33	100	100	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	53 141	60 965	52 394	66 442	68 076	57 141	72 236	75 602	79 732

The sub-programme: Programme Support reflects a fluctuating trend over the period under review. The increase in 2008/09 is due to additional funding for consultants to conduct a province-wide sector review of the education system in respect of strengthening research capacity for policy development. The findings of this research will help KZN to develop a set of targeted policy interventions that should enhance the performance of the education sector. The decrease in 2009/10 and the low 2010/11 Revised Estimate is due to the moratorium on the filling of non-critical vacant posts and costing-cutting. The MTEF allocations include a provision for the filling of vacant posts, as well as inflationary increments.

The low expenditure against the sub-programme: Economic Analysis (which houses both the Macro-economic analysis and Infrastructure units) from 2007/08 to 2009/10 can be attributed to non-filling of budgeted vacant posts. The Macro-economic analysis unit has experienced high staff turnover in the last three financial years and is anticipating to fill critical vacant posts from 2010/11 onward. The once-off R1.634 million allocated in respect of the IDIP, as mentioned previously, accounts for the high 2010/11 Adjusted Appropriation. The slightly low 2010/11 Revised Estimate is due to cost-cutting.

The high expenditure against the sub-programme: Public Finance over the period 2007/08 to 2008/09 relates to the implementation of PBS in the province, housed under this sub-programme and against *Goods and services*. The decrease in 2009/10 is partly due to the cancellation of PBS following a Cabinet decision, as well as cost-cutting. The low 2010/11 Revised Estimate can be ascribed to the moratorium on the filling of non-critical vacant posts, as well as cost-cutting.

Additional funding was allocated to the sub-programme: Municipal Finance from 2008/09 onward in respect of the MSP. The slightly lower 2010/11 Revised Estimate can be attributed to the moratorium on the filling of non-critical vacant posts and cost-cutting.

The increase in *Compensation of employees* from 2008/09 onward is 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 2010/11 Adjusted Appropriation is due to the shifting of funds relating to vacant posts to *Goods and services* to cater for the under-provision of consultants relating to IDIP. As explained previously, the province was requested to fund the first four months of 2010/11 until National Treasury finalised the procurement model. Subsequent to this, National Treasury indicated that it would finalise the procurement model in December 2010, meaning that the department had to fund the use of the consultants for a further four months. The low 2010/11 Revised Estimate can be attributed to the moratorium on the filling of non-critical vacant posts, as well as cost-cutting. The MTEF budget for *Compensation of employees* caters for the filling of vacant posts.

The increase in 2008/09 against *Goods and services* was due to the reprioritisation of funds from *Compensation of employees* in respect of PBS and the MSP. As explained above, the increase in the

2010/11 Adjusted Appropriation is due to the reprioritisation of funds from *Compensation of employees* to fund IDIP consultants for a further four months. The low 2010/11 Revised Estimate relates to cost-cutting. The MTEF allocation includes additional funding for the MSP and for the filling of critical posts.

The high expenditure against *Machinery and equipment* in 2008/09 relates to the purchase of equipment in line with the appointment of new staff. The low amounts in 2009/10 and the 2010/11 Revised Estimate relate to the fact that computer equipment and other office equipment were not purchased as a result of the non-filling of budgeted vacant posts in line with the Provincial Recovery Plan. The high allocation in 2011/12 is to cater for the replacement and upgrading of equipment.

The high amount against *Software and other intangible assets* in 2008/09 relates to the Econometrics and Stata software. There is no expenditure in 2010/11 due to enforced savings, and hence there are no projections over the MTEF period.

Service delivery measures – Programme 2: Fiscal Resource Management

Table 6.16 below illustrates the service delivery measures pertaining to Programme 2.

Table 6.16: Service delivery measures – Programme 2: Fiscal Resource Management

Outputs	Performance indicators	Estimated performance		Medium-term targets		
		2010/11	2011/12	2012/13	2013/14	
1. Programme Support						
1.1. Provide strategic leadership to Fiscal Resource Management Division	<ul style="list-style-type: none"> Approved and implementable policy interventions 	One research paper – Health sector	n/a	n/a	n/a	
2. Economic Analysis						
2.1. To determine and evaluate economic parameters & socio-economic imperatives to inform provincial & local resource allocation	<ul style="list-style-type: none"> To provide a comprehensive economic analysis for the province To provide input to the Overview of Provincial Revenue & Exp (OPRE) 	Capacitate municipalities & develop socio-economic profile Input into OPRE on time for tabling	Monitor progress Input into OPRE on time for tabling	Monitor progress Input into OPRE on time for tabling	Monitor progress Input into OPRE on time for tabling	
2.2. Provide a platform to enhancing regional economic growth & development	<ul style="list-style-type: none"> To provide quality research for regional policy analysis To update & maintain the KZN statistic database 	Publication of research papers Acquire 1 more source of data	Publication of research papers Acquire 1 more source of data	Publication of research papers Acquire 1 more source of data	Publication of research papers Acquire 1 more source of data	
3. Infrastructure						
3.1. Ensure efficient infrastructure planning & 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) Report No. of depts. of implementation of IDIP in province Compliance with infrastructure budget and delivery plans Conduct quarterly assessments on infrastructure delivery in KZN Input into Estimates of Provincial Revenue & Exp (EPRE) 	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 & Recreation, Arts & Culture Quarterly reports Conduct 144 site visits Quarterly reports Inputs into EPRE on time for tabling	Submit PIP to NT by 28th February 2012 Preparation of PISN continues to other depts. IDIP to continue in other depts. Quarterly reports Conduct 144 site visits Quarterly reports Inputs EPRE on time for tabling	Submit PIP to NT by 28th February 2013 Preparation of PISN continues to other depts. IDIP to continue in other depts. Quarterly reports Conduct 144 site visits Quarterly reports Inputs EPRE on time for tabling	Submit PIP to NT by 28th February 2014 Preparation of PISN continues to other depts. IDIP to continue in other depts. Quarterly reports Conduct 144 site visits Quarterly reports Inputs EPRE on time for tabling	

Table 6.16: Service delivery measures – Programme 2: Fiscal Resource Management

Outputs		Performance indicators	Estimated performance		Medium-term targets	
			2010/11	2011/12	2012/13	2013/14
4. Public Finance						
4.1. Provincial Budget Management						
4.1.1.	Promote effective and optimal financial resource allocation for provincial govt.	<ul style="list-style-type: none">Treasury guidelines document on budget preparationNo. of chapters in MTEC reportMTEF budget proposal documentNo. of allocation lettersEPRE (including OPRE)Adjusted Estimates of Prov. Revenue & Exp (AEPRE)Main Budget SpeechAdjusted Budget SpeechMain Appropriation BillAdjusted Appropriation BillUnauthorised Exp. Authorisation Bill (UEAB)	Completed by July 2011	Complete by July 2012	Complete by July 2013	Complete by July 2014
			16 inputs completed 1 day before MTEC	16 inputs completed 1 day before MTEC	16 inputs completed 1 day before MTEC	16 inputs completed 1 day before MTEC
			Completed as per budget process timetable	Completed as per budget process timetable	Completed as per budget process timetable	Completed as per budget process timetable
			16	16	16	16
			EPRE on time for tabling	EPRE on time for tabling	EPRE on time for tabling	EPRE on time for tabling
			AEPRE on time for tabling	AEPRE on time for tabling	AEPRE on time for tabling	AEPRE on time for tabling
			Main Budget Speech on time for tabling	Main Budget Speech on time for tabling	Main Budget Speech on time for tabling	Main Budget Speech on time for tabling
			Adjusted Budget Speech on time for tabling	Adjusted Budget Speech on time for tabling	Adjusted Budget Speech on time for tabling	Adjusted Budget Speech on time for tabling
			Main Appropriation Bill on time for tabling	Main Appropriation Bill on time for tabling	Main Appropriation Bill on time for tabling	Main Appropriation Bill on time for tabling
			Adjusted Appropriation Bill on time for tabling	Adjusted Appropriation Bill on time for tabling	Adjusted Appropriation Bill on time for tabling	Adjusted Appropriation Bill on time for tabling
			UEAB on time for tabling	UEAB on time for tabling	UEAB on time for tabling	UEAB on time for tabling
4.1.2.	Ensure efficient budget and expenditure management and accurate financial reporting for provincial govt. (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	12 reports to be submitted to NT by 22nd of each month	12 reports to be submitted to NT by 22nd of each month	12 reports to be submitted to NT by 22nd of each month
			4 reports per annum (completed 1 month after end of each quarter	4 reports per annum (completed 1 month after end of each quarter	4 reports per annum (completed 1 month after end of each quarter	4 reports per annum (completed 1 month after end of each quarter
			12 reports	12 reports	12 reports	12 reports
4.2. Provincial Own Revenue						
4.2.1.	Promote optimal & sustainable revenue generation and collection by provincial departments & public entities	<ul style="list-style-type: none">Revenue input into Treasury guideline document on budget preparationRevenue input for MTEC reportRevenue input into EPREEstablish provincial tariff registerRevenue input into OPRERevenue input into budget performance reports	Completed in July 2009	Completed in July 2010	Completed in July 2011	Completed in July 2012
			16 chapters completed 1 day before MTEC	16 chapters completed 1 day before MTEC	16 chapters completed 1 day before MTEC	16 chapters completed 1 day before MTEC
			Revenue input into EPRE on time for tabling	Revenue input into EPRE on time for tabling	Revenue input into EPRE on time for tabling	Revenue input into EPRE on time for tabling
			Establish register	Maintain and update annually	Maintain and update annually	Maintain and update annually
			Revenue input into OPRE on time for tabling	Revenue input into OPRE on time for tabling	Revenue input into OPRE on time for tabling	Revenue input into OPRE on time for tabling
			12 inputs submitted by 22nd of the month	12 inputs submitted by 22nd of each month	12 inputs by 22nd of each month	12 inputs by 22nd of each month
4.2.2.	Explore new provincial own revenue sources	<ul style="list-style-type: none">Research paper on new provincial tax	Public participation process	Complete process as outlined in Provincial Tax Regulation	Implementation of new provincial tax	Implementation of new provincial tax
4.3. Special Advisory Support Services						
4.3.1.	Provide input into DOR Bill	<ul style="list-style-type: none">Input into revision & 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
4.3.2.	Develop and implement framework for monitoring of budget, exp & performance of provincial public entities	<ul style="list-style-type: none">Institutionalise framework for monitoring of provincial public entities	Commence development of framework	Finalise and implement monitoring tool & report quarterly for 9 public entities	Framework developed	Framework developed

Table 6.16: Service delivery measures – Programme 2: Fiscal Resource Management

Outputs		Performance indicators	Estimated performance		Medium-term targets	
			2010/11	2011/12	2012/13	2013/14
4.3.3.	Provide input into equitable share formula reviews	<ul style="list-style-type: none">Provide input into equitable share formula reviews	Input submitted by due date	Input submitted by due date	Input submitted by due date	Input submitted by due date
5. Municipal Finance						
5.1.	To ensure efficient budget & exp management & accurate financial reporting for local govt	<ul style="list-style-type: none">Section 71(6) report (Monthly municipal IYM report) within prescribed time frameSection 71(7) quarterly budget performance reports for Legislature	12 Section 71(6) reports by 22nd of each month	12 Section 71(6) reports by 22nd of each month	12 Section 71(6) report by 22nd of each month	12 Section 71(6) report by 22nd of each month
			4 Section 71(7) quarterly budget performance reports, 45 days after end of quarter	4 Section 71(7) quarterly budget performance reports, 45 days after end of quarter	4 Section 71(7) quarterly budget performance reports, 45 days after end of quarter	4 Section 71(7) quarterly budget performance reports, 45 days after end of quarter
5.2.	To assist and provide technical support to delegated municipalities that are in financial distress	<ul style="list-style-type: none">No. of municipalities supported by MSP	9 municipalities supported through MSP and 4 for GRAP conversion	7 municipalities to be supported through MSP	8 municipalities to be supported through MSP	8 municipalities to be supported through MSP

6.3 Programme 3: Financial Management

This programme now consists of six sub-programmes, namely Financial Asset and Liability Management, Public Private Partnerships (PPPs), Supply Chain Management (SCM), Financial Reporting and Norms and Standards and Supporting and Interlinked Financial Systems.

The sub-programme: Supporting and Interlinked Financial Systems was moved from Programme 1 in line with the uniform budget and programme structure for the sector during the 2011/12 budget process.

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;
- 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; and
- To implement and support transversal financial systems across the province and provide IT services to the department.

Tables 6.17 and 6.18 provide a summary of payments and budgeted estimates pertaining to Programme 3.

Table 6.17: Summary of payments and estimates - Programme 3: Financial Management

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2007/08	2008/09	2009/10	2010/11			2011/12	2012/13	2013/14
Financial Asset and Liability Management	12 383	151 257	116 597	250 517	238 517	29 764	116 583	117 661	118 561
Public Private Partnerships (PPPs)	2 483	4 023	2 737	4 931	4 931	3 111	6 092	6 465	6 547
Supply Chain Management	10 441	8 692	9 732	14 235	14 235	13 414	17 357	18 348	19 342
Financial Reporting	8 719	12 365	6 804	10 166	16 166	15 119	10 810	11 314	11 929
Norms and Standards	1 030	1 737	2 424	4 223	4 223	3 044	4 499	4 697	4 953
Supporting & Interlinked Financial Systems	95 577	106 929	100 626	101 248	101 248	97 376	107 254	112 464	118 645
Total	130 633	285 003	238 920	385 320	379 320	161 828	262 595	270 949	279 977

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2007/08	2008/09	2009/10	2010/11			2011/12	2012/13	2013/14
Current payments	116 820	278 181	235 606	384 369	377 259	160 001	260 962	269 227	278 156
Compensation of employees	21 231	24 437	24 319	38 024	34 263	28 936	42 917	45 404	47 696
Goods and services	95 589	115 361	109 029	111 345	119 996	115 558	118 045	123 823	130 460
Interest and rent on land	-	138 383	102 258	235 000	223 000	15 507	100 000	100 000	100 000
Transfers and subsidies to:	244	129	1 122	35	1 060	1 025	1 300	1 370	1 450
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	34	-	-	35	35	-	-	-	-
Universities and technikons	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	210	129	1 122	-	1 025	1 025	1 300	1 370	1 450
Payments for capital assets	13 569	6 602	2 192	916	916	718	333	352	371
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	4 539	6 594	2 089	916	916	718	333	352	371
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	9 030	8	103	-	-	-	-	-	-
Payments for financial assets	-	91	-	-	85	84	-	-	-
Total	130 633	285 003	238 920	385 320	379 320	161 828	262 595	270 949	279 977

The high expenditure in 2008/09 and 2009/10 against the sub-programme: Financial Asset and Liability Management was in respect of the interest paid by the province as a result of the over-spending by some provincial departments from 2007/08 to 2009/10. The allocations in 2010/11 and over the MTEF are in respect of the overdraft interest charges. The reduction against the 2010/11 Adjusted Appropriation relates to funds shifted to Programme 5 in respect of the implementation of GIAMA. As explained previously, the significantly low 2010/11 Revised Estimate can be attributed to savings realised as a result of the lower than budgeted interest paid on the IGCC account.

The increase against the sub-programme: Public Private Partnerships in 2008/09, as well as the increase from 2010/11 onward, is due to the increase in the number of potential PPP 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 capacity increases, as well as other operational expenditure. As mentioned previously, the Provincial Government Precinct and the Legislature Complex projects have been put on hold. The low amounts in 2009/10 and the 2010/11 Revised Estimate relate to cost-cutting.

With regard to the sub-programme: Supply Chain Management, the high 2007/08 amount included a roll-over from 2006/07 in respect of SCM implementation in the province. The increase in 2010/11 and over the MTEF is aimed at correcting the baseline of this sub-programme, in line with the emphasis on SCM. The slightly lower 2010/11 Revised Estimate is due to the non-filling of budgeted vacant posts in line with the Provincial Recovery Plan.

The substantial increase in 2008/09 with regard to the sub-programme: Financial Reporting was due to funding that was reprioritised to this sub-programme for consultants 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 2010/11 Adjusted Appropriation is in respect of

funds shifted to this sub-programme for the Municipal Debt Project, as explained previously. The slightly lower 2010/11 Revised Estimate is due to cost-cutting.

The increase in the sub-programme: Norms and Standards in 2010/11 is due to an additional allocation aimed at correcting the baseline of this sub-programme, mostly relating to the salary budget. The slightly lower 2010/11 Revised Estimate is due to the moratorium on the filling of non-critical vacant posts, as well as cost-cutting.

As mentioned previously, the sub-programme: Supporting and Interlinked Financial Systems was moved from Programme 1 to Programme 3 to conform to the uniform budget and programme structure for the sector. The sub-programme includes costs relating to all transversal systems (such as BAS, PERSAL, HARDCAT, etc.) for the entire province. The expenditure in 2008/09 included payments relating 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. The slightly lower 2010/11 Revised Estimate can be attributed to cost-cutting. The increase over the MTEF relates to inflationary increments.

The reduction in the 2010/11 Adjusted Appropriation against *Compensation of employees* relates to funds moved as a result of the moratorium on the filling of non-critical vacant posts, to *Goods and services* to fund board members' fees relating to the Tribunal Appeal Committee dealing with court appeals, legal fees within the SCM unit, and consultants' fees that were under-provided for, and *Payments for financial assets* relating to write-off of irrecoverable staff debts. The lower 2010/11 Revised Estimate is due to the moratorium on the filling of non-critical vacant posts. The substantial increase over the 2011/12 MTEF caters for the filling of vacant posts in line with the 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*.

The expenditure against *Goods and services* from 2008/09 onward relates mainly to the movement of the sub-programme: Supporting and Interlinked Financial Systems from Programme 1. The amount from 2008/09 also caters for the Asset Management Improvement Plan (AMIP) project, SCM implementation in the province, as well as once-off payments for the Immovable Assets tender for the survey and condition assessment of all assets in the uMgungundlovu, eThekweni and Zululand areas in 2008/09. Also included from 2007/08 was funding reprioritised towards FINMIP.

Transfers and subsidies to: Households provides for the payment of leave gratuities for exiting staff, which are difficult to forecast accurately due to their unplanned nature, and hence the fluctuating trend.

The high spending in 2008/09 against *Machinery and equipment* relates mainly to the roll-over in respect of departmental vehicles and computer equipment purchased, hence the reduction from 2009/10 onward. The slightly lower 2010/11 Revised Estimate is due to office furniture and equipment that will not be purchased due to the moratorium on the filling of non-critical vacant posts.

As previously explained, the high expenditure against *Software and other intangible assets* in 2007/08 was in respect of software purchased for the implementation of the Biometric Access Solution. The final carry-through costs for the implementation of this security system were allocated against *Goods and services* in 2008/09, hence the drop in 2009/10 and no projections from 2010/11 onward.

The amounts against *Payments for financial assets* relate to the write-off of irrecoverable staff debts.

Service delivery measures – Programme 3: Financial Management

Table 6.19 below illustrates the main service delivery measures for Programme 3.

Table 6.19: Service delivery measures – Programme 3: Financial Management

Outputs	Performance indicators	Estimated performance		Medium-term targets	
		2010/11	2011/12	2012/13	2013/14
1. Assets and Liability Management					
1.1. To promote sound cash management practices & improve liquidity in the province & assist depts. & municipalities in attainment of a clean audit outcome for the province	<ul style="list-style-type: none"> Provide guidance & support iro payroll functions to KZN depts. Conduct tax information seminar annually Risk analysis per dept to ensure compliance to tax legislation Provide quarterly assessment reports to depts. on status of bank related suspense accounts Produce monthly reconciled bank reconciliations per dept Produce quarterly report on withdrawals from municipal bank accounts Enhanced Asset Management Policy Framework and functional asset management system 	16 depts. 4 sessions 64 reports 64 assessment reports 192 reconciled bank reconciliations 4 reports on withdrawals from municipal bank accounts 16 depts.	16 depts. 4 sessions 64 reports 64 assessment reports 192 reconciled bank reconciliations 4 reports on withdrawals from municipal bank accounts 16 depts.	16 depts. 4 sessions 64 reports 64 assessment reports 192 reconciled bank reconciliations 4 reports on withdrawals from municipal bank accounts 16 depts.	16 depts. 4 sessions 64 reports 64 assessment reports 192 reconciled bank reconciliations 4 reports on withdrawals from municipal bank accounts 16 depts.
1.2. No. of training & workshops conducted	<ul style="list-style-type: none"> Management status reports on effective utilisation of asset management practices, processes and Asset Management System No. of quality trainings/workshops conducted 	4 9	4 9	4 9	4 9
2. Public Private Partnerships (PPPs)					
2.1. To provide substantial technical, financial & legal advice in support of all provincial PPP projects in line with PPP project cycle as regulated by National Treasury guidelines	<ul style="list-style-type: none"> No. of seminars/workshops conducted for provincial depts. No. of seminars/workshops for local spheres of govt No. of seminars/workshops conducted for public entities No. of weeks from receipt of reports from institution No. of reports for PT management & NT PPP unit No. of reports on closed deal 	1 2 2 2 10 4	2 2 2 2 10 4	2 2 2 2 10 4	2 2 2 2 10 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 & information sessions conducted No. of support intervention reports issued No. of <i>ad hoc</i> & routine assessments undertaken No. of policies & practice notes developed/reviewed & issued Quarterly & 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 & 15 depts. <i>Ad hoc</i> reports issued on request & routine compliance assessment reports for 61 municipalities & 15 depts. Review & update all issued practice notes & develop new practice notes where required Issue annual spend analysis report for 08/09 & 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 & 15 depts. <i>Ad hoc</i> reports issued on request & routine compliance assessment reports for 61 municipalities & 15 depts. Review & update all issued practice notes & develop new practice notes where required Issue annual spend analysis report for 09/10 & 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 & 15 depts. <i>Ad hoc</i> reports issued on request & routine compliance assessment reports for 61 municipalities & 15 depts. Review & update all issued practice notes & develop new practice notes where required Issue annual spend analysis report for 10/11 & 3 quarterly reports for 12/13	Training sessions conducted on request Arrange 8 SCM Information sessions for SCM Heads Support intervention reports issued for 60 municipalities & 15 depts. <i>Ad hoc</i> reports issued on request & routine compliance assessment reports for 61 municipalities & 15 depts. Review & update all issued practice notes & develop new practice notes where required Issue annual spend analysis report for 11/12 & 3 quarterly reports for 13/14
3.2. Develop cost reduction strategies for provincial depts.	<ul style="list-style-type: none"> Develop & monitor policies & procedures for contract management & strategic sourcing for provincial depts. 	New	Issue a research report in contract management & strategic sourcing systems	Develop new practice notes for contract management & strategic sourcing systems	Implement contract management & strategic sourcing systems

Table 6.19: Service delivery measures – Programme 3: Financial Management

Outputs	Performance indicators	Estimated performance		Medium-term targets	
		2010/11	2011/12	2012/13	2013/14
4. Financial Reporting					
4.1. To present fairly the consolidated financial position of the province	<ul style="list-style-type: none"> Consolidation of Annual Financial Statements (AFS): <ul style="list-style-type: none"> Departments Revenue fund Public entities 	Consolidated AFS for: FY09/10	Consolidated AFS for: FY10/11	Consolidated AFS for: FY11/12	Consolidated AFS for: FY12/13
4.2. To provide financial management support to departments, public entities & municipalities	Departmental support <ul style="list-style-type: none"> AFS support & training to depts. Departments <ul style="list-style-type: none"> Provincial audit outcomes analysis Key account analysis Public entities <ul style="list-style-type: none"> AFS training & support Municipal support <ul style="list-style-type: none"> GRAP conversion support Post GRAP implementation support 	1 AFS training workshop Pre-audit review in 16 depts. Summary of audit outcomes analysis 1 month after AG's Audit report Monitoring 16 depts.' Audit Implementation Plans Monthly suspense account monitoring reports in 16 depts. Pre-audit review of AFS Template for 9 public entities Summary analysis of audit outcome 1 month post audit Monitoring 9 public entities Audit Implementation Plans 8 municipalities supported in GRAP conversion process 3 GRAP conversion workshops facilitated	1 AFS training workshop Pre-audit review in 16 depts. Summary of audit outcomes analysis 1 month after AG's Audit report Monitoring 16 depts.' Audit Implementation Plans Monthly suspense account monitoring reports in 16 depts. Pre-audit review of AFS Template for 9 public entities Summary analysis of audit outcome 1 month post audit Monitoring 9 public entities Audit Implementation Plans 8 municipalities supported in GRAP conversion process 3 GRAP conversion workshops facilitated	1 AFS training workshop Pre-audit review in 16 depts. Summary of audit outcomes analysis 1 month after AG's Audit report Monitoring 16 depts.' Audit Implementation Plans Monthly suspense account monitoring reports in 16 depts. Pre-audit review of AFS Template for 9 public entities Summary analysis of audit outcome 1 month post audit Monitoring 9 public entities Audit Implementation Plans 8 municipalities supported in GRAP conversion process 3 GRAP conversion workshops facilitated	1 AFS training workshop Pre-audit review in 16 depts. Summary of audit outcomes analysis 1 month after -G's Audit report Monitoring 16 depts.' Audit Implementation Plans Monthly suspense account monitoring reports in 16 depts. Pre-audit review of AFS Template for 9 public entities Summary analysis of audit outcome 1 month post audit Monitoring 9 public entities Audit Implementation Plans 8 municipalities supported in GRAP conversion process 3 GRAP conversion work-shops facilitated
5. Norms and Standards					
5.1. To develop, review & monitor compliance with financial management norms & standards in provincial depts.	<ul style="list-style-type: none"> No. of policies & practice notes enveloped/reviewed & issued 	Policies & practice notes developed & reviewed based on need analysis	Policies & practice notes developed & reviewed based on need analysis	Policies & practice notes developed & reviewed based on need analysis	Policies & practice notes developed & reviewed based on need analysis
5.2. To provide support in the development & to review financial management norms & standards in provincial municipalities	<ul style="list-style-type: none"> No. of municipalities supported & assistance provided in review & addressing of needs relating to their financial management policies 	4	4	4	4
6. Support and Interlinked Financial Systems					
6.1. Develop & 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
6.2. Develop & review, implement & monitor departmental supporting information technology enabler policies & procedures	<ul style="list-style-type: none"> No. of policy reviews completed No. of compliance reports No. of information sessions 	8 2 8	8 2 8	8 2 8	8 2 8
6.3. To ensure business continuity through the management of IT network infrastructure, desktop & LAN support & network security	<ul style="list-style-type: none"> Mean-time to resolve (MTTR)-Treasury % network uptime % compliance with software licensing requirements 	8 hours 99% 100%	8 hours 99% 100%	8 hours 99% 100%	8 hours 99% 100%
6.4. Provide technical support for transversal systems	<ul style="list-style-type: none"> % user satisfaction MTTR (transversal systems) 	80% 8-24hr MTTR	80% 8-24hr MTTR	82% 8-24hr MTTR	85% 8-24hr MTTR

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 control, financial management and reporting, leadership, forensic investigations, governance, etc.;
- To provide a consulting function as per requests by relevant MECs and Heads of Departments; and
- To prepare special reviews on computerised systems and performance.

Tables 6.20 and 6.21 provide a summary of payments and budgeted estimates pertaining to Programme 4.

Table 6.20: Summary of payments and estimates - Programme 4: Internal Audit

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2007/08	2008/09	2009/10	2010/11			2011/12	2012/13	2013/14
Assurance Services	28 833	29 628	33 177	44 460	44 460	41 851	47 916	50 229	52 958
Risk Management	24 301	40 756	35 510	38 174	38 174	40 622	41 354	43 390	45 760
Total	53 134	70 384	68 687	82 634	82 634	82 473	89 270	93 619	98 718

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2007/08	2008/09	2009/10	2010/11			2011/12	2012/13	2013/14
Current payments	52 375	70 180	68 191	81 669	81 444	81 444	88 579	92 861	97 783
Compensation of employees	25 828	26 521	29 640	49 814	38 597	35 243	51 339	54 286	57 006
Goods and services	26 547	43 659	38 551	31 855	42 847	46 201	37 240	38 575	40 777
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	231	-	10	46	271	225	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	39	-	-	46	46	-	-	-	-
Universities and technikons	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	2	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	190	-	10	-	225	225	-	-	-
Payments for capital assets	528	197	486	919	919	804	691	758	935
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	528	197	486	919	919	804	691	758	935
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	7	-	-	-	-	-	-	-
Total	53 134	70 384	68 687	82 634	82 634	82 473	89 270	93 619	98 718

The low 2010/11 Revised Estimate against the Assurance Services sub-programme is due to cost-cutting. The increase over the 2011/12 MTEF can be attributed to provision made for inflationary increments and for the filling of vacant posts.

The high expenditure in 2008/09 against the sub-programme: Risk Management can be attributed to additional funding allocated for forensic investigations and new initiatives such as fraud risk assessment, municipal financial capability assessments, etc. This partly explains the high expenditure against *Goods and services* during the same period. The high 2010/11 Revised Estimate can be attributed to unplanned forensic investigations which needed to be undertaken. This also explains the high 2010/11 Revised Estimate against *Goods and services*.

The increase in *Compensation of employees* in the 2010/11 Main Appropriation and over the MTEF is to cater for the unit's intention to fully implement the approved new post structure. The reduction in the 2010/11 Adjusted Appropriation relates to funds moved as a result of the moratorium on the filling of non-critical posts to *Goods and services* (for consultants employed to assist with the backlog of audits caused by the Education head count project) and *Transfers and subsidies to: Households* (for the payment of leave gratuities). The low 2010/11 Revised Estimate can be attributed to the moratorium on filling of non-critical vacant posts.

Additional funding was allocated in 2008/09 for the employment of consultants for the implementation of project *Unembeza*, explaining the significant increase in *Goods and services* in 2008/09.

The expenditure in 2007/08 against *Transfers and subsidies to: Public corporations and private enterprises* was in respect of payments made for claims against the state, as previously explained.

Machinery and equipment caters for the purchase of equipment in respect of new staff appointments, and the replacement and upgrading of equipment. The lower 2010/11 Revised Estimate is due to cost-cutting. The drop over the MTEF can be ascribed to the moratorium on the filling of non-critical vacant posts.

Service delivery measures – Programme 4: Internal Audit

Table 6.22 reflects the main service delivery measures pertaining to Programme 4.

Table 6.22: Service delivery measures – Programme 4: Internal Audit

Outputs	Performance indicators	Estimated performance	Medium-term targets		
		2010/11	2011/12	2012/13	2013/14
1. Assurance Services					
1.1 To promote good governance through effective risk management	<ul style="list-style-type: none"> Enterprise-wide risk reports issued for municipalities & public entities Streamlined enterprise-wide risk reports issued for each objectives, progs & activities completed Quarterly risk follow-up reports issued for each dept No. of consolidated risk profiles developed No. of risk management maturity gap analysis reports issued Audit Committee quarterly reports on the clients' areas of risk management and risk governance No. of training/risk awareness meetings held with departments, public entities and municipalities No. of risk management forum meetings held No. of workshops on good governance conducted No. of training and development progs attended 	68 new new 1 new 4 10 4 5 2	40 16 64 1 50 4 10 4 5 2	40 16 64 1 50 4 10 4 5 2	40 16 64 1 50 4 10 4 5 2
2. Risk Management					
2.1 To promote good governance through effective risk management	<ul style="list-style-type: none"> No. of enterprise-wide risk reports issued No. of consolidated risk profiles developed Audit committee quarterly reports on the clients' areas of risk management and risk governance No. of risk management strategic documents developed No. of training sessions conducted No. of risk management forum meetings held No of workshops on good governance conducted No. of training and development progs attended 	68 1 4 68 10 4 5 2	68 1 4 68 10 4 5 2	68 1 4 68 10 4 5 2	68 1 4 68 10 4 5 2

Table 6.22: Service delivery measures – Programme 4: Internal Audit

Outputs		Performance indicators	Estimated performance	Medium-term targets		
			2010/11	2011/12	2012/13	2013/14
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 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
		• Updated forensic investigations register	-	-	2	2
		• No. of follow up reports conducted	16	16	16	16

6.5 Programme 5: Growth and Development

Programme 5 consists of a single 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, among others.

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

Table 6.23: Summary of payments and estimates - Programme 5: Growth and Development

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2007/08	2008/09	2009/10	2010/11			2011/12	2012/13	2013/14
Other Developmental Initiatives	72 923	201 267	178 913	13 649	68 131	68 131	12 524	12 382	26 341
Total	72 923	201 267	178 913	13 649	68 131	68 131	12 524	12 382	26 341

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2007/08	2008/09	2009/10	2010/11			2011/12	2012/13	2013/14
Current payments	51 360	38 126	19 267	13 649	17 902	17 902	12 524	12 382	26 341
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	51 360	38 126	19 267	13 649	17 902	17 902	12 524	12 382	26 341
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	21 563	158 963	159 646	-	50 229	50 229	-	-	-
Provinces and municipalities	21 563	158 963	159 646	-	50 229	50 229	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Universities and technikons	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
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	72 923	201 267	178 913	13 649	68 131	68 131	12 524	12 382	26 341

An amount of R11.252 million was rolled over from 2007/08 to 2008/09 for the feasibility study of the Provincial Government Precinct which has now been put on hold. This is reflected against *Goods and services*. As explained previously, the high amounts in 2008/09 and 2009/10 include R150 million in each year for the construction of the Moses Mabhida Soccer Stadium. The increase in the 2010/11 Adjusted Appropriation relates to additional funding allocated for the prescribed local government levy and the

development of the Pietermaritzburg airport. This also explains the trend against *Transfers and subsidies to: Provinces and municipalities*. The high 2013/14 amount is to cater for special projects, as mentioned previously. This also explains the high *Goods and services* over the same period.

The high expenditure against *Goods and services* in 2007/08 relates to funding in respect of the *Ifihlile* Training Academy, as previously explained. The decrease in 2008/09 is due to the ending of the A1 Grand Prix in 2007/08. The decrease in 2009/10 and the 2010/11 Main Appropriation is due to the reduction in the number of special projects (such as budget road shows) as a result of cost-cutting. The increase in the 2010/11 Adjusted Appropriation is due to funds shifted from *Interest and rent on land* in Programme 3 in respect of the implementation of GIAMA, as mentioned previously.

The amount against *Payments for financial assets* in 2008/09 was a write-off relating to the KORA Music Awards, as well as Soccerex, as mentioned previously.

Service delivery measures – Programme 5: Growth and Development

Table 6.25 reflects the main service delivery measures pertaining to Programme 5.

Table 6.25: Service delivery measures – Programme 5: Growth and Development

Outputs	Performance indicators	Estimated performance	Medium-term targets			
		2010/11	2011/12	2012/13	2013/14	
100% response to determinations of Technical Working Committee	• No. of events co-ordinated successfully	8	5	5	5	

7. Other programme information

7.1 Personnel numbers and costs

Table 6.26 below reflects personnel information per programme for the Provincial Treasury, for the period March 2008 to March 2014. Table 6.27 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.

The general decrease across all programmes in March 2009 can be attributed to unplanned staff exits, and non-filling of budgeted vacant posts due to the moratorium on the filling of non-critical vacant posts.

As reflected in the table, there is a general increase in the total personnel cost over the 2011/12 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.

Table 6.26: Personnel numbers and costs per programme

	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	As at 31 March 2014
Personnel numbers							
1. Administration	142	118	141	155	149	149	149
2. Fiscal Resource Management	38	37	41	50	63	63	63
3. Financial Management	73	69	77	84	117	117	117
4. Internal Audit	107	82	106	115	140	140	140
5. Growth and Development							
Total	360	306	365	404	469	469	469
Total personnel cost (R thousand)	83 394	94 485	102 117	118 632	166 702	176 334	185 202
Unit cost (R thousand)	232	309	280	294	355	376	395

Table 6.27: Details of departmental personnel numbers and costs

	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2007/08	2008/09	2009/10				2011/12	2012/13	2013/14
Total for department									
Personnel numbers (head count)	360	306	365	484	484	404	469	469	469
Personnel cost (R thousand)	83 394	94 485	102 117	154 864	138 786	118 632	166 702	176 334	185 202
Human resources component									
Personnel numbers (head count)	22	25	25	27	27	23	27	27	27
Personnel cost (R thousand)	4 378	5 133	5 866	7 357	7 357	6 700	7 782	8 238	8 640
Head count as % of total for department	6.11	8.17	6.85	5.58	5.58	5.69	5.76	5.76	5.76
Personnel cost as % of total for department	5.25	5.43	5.74	4.75	5.30	5.65	4.67	4.67	4.67
Finance component									
Personnel numbers (head count)	21	17	16	26	26	23	31	31	31
Personnel cost (R thousand)	4 857	5 884	4 983	7 378	7 378	6 306	9 586	10 131	10 627
Head count as % of total for department	5.83	5.56	4.38	5.37	5.37	5.69	6.61	6.61	6.61
Personnel cost as % of total for department	5.82	6.23	4.88	4.76	5.32	5.32	5.75	5.75	5.74
Full time workers									
Personnel numbers (head count)	336	278	330	454	454	374	439	439	439
Personnel cost (R thousand)	82 134	93 099	100 647	153 264	137 186	117 032	164 902	174 534	183 402
Head count as % of total for department	93.33	90.85	90.41	93.80	93.80	92.57	93.60	93.60	93.60
Personnel cost as % of total for department	98.49	98.53	98.56	98.97	98.85	98.65	98.92	98.98	99.03
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	28	35	30	30	30	30	30	30
Personnel cost (R thousand)	1 260	1 386	1 470	1 600	1 600	1 600	1 800	1 800	1 800
Head count as % of total for department	6.67	9.15	9.59	6.20	6.20	7.43	6.40	6.40	6.40
Personnel cost as % of total for department	1.51	1.47	1.44	1.03	1.15	1.35	1.08	1.02	0.97

7.2 Training

Tables 6.28 and 6.29 show the department's actual spending and estimates on training per programme. As reflected in Table 6.28, 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 6.28: Payments and estimates on training

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2007/08	2008/09	2009/10				2011/12	2012/13	2013/14
1. Administration	854	801	356	1 252	1 067	314	848	876	926
2. Fiscal Resource Management	222	142	84	197	182	72	90	94	99
3. Financial Management	520	424	380	635	460	288	315	387	450
4. Internal Audit	451	199	376	1 694	1 272	765	440	460	444
5. Growth and Development	-	-	342	-	-	-	-	-	-
Total	2 047	1 566	1 538	3 778	2 981	1 439	1 693	1 817	1 919

The significant increase against Programme 4 in 2007/08 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 low 2008/09 amount can be ascribed to reprioritised funds from training towards consultants due to various audit projects undertaken in that year.

The expenditure against Programme 5 in 2009/10 is for training provided for non-employees on stock market (trade in shares), money management and psychology of trading.

The department is required by the Skills Development Act to budget at least 1 per cent of its salary expense for staff training.

The increase in the 2010/11 Main Appropriation caters for the training of the full organisational structure. However, due to cost-cutting and the non-filling of non-critical posts, the department has undertaken to

conduct in-house training, where possible. This has resulted in the reduction in the 2010/11 Adjusted Appropriation and the low 2010/11 Revised Estimate.

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

Table 6.29: Information on training

	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2007/08	2008/09	2009/10	2010/11			2011/12	2012/13	2013/14
Number of staff	360	306	365	484	484	404	469	469	469
Number of personnel trained	316	290	365	350	350	364	469	469	469
of which									
Male	152	151	146	165	165	163	188	188	188
Female	164	139	219	185	185	201	281	281	281
Number of training opportunities	315	350	28	40	40	28	25	25	25
of which									
Tertiary									
Workshops	-	-	-	5	5	5	5	5	5
Seminars	-	-	-	5	5	-	-	-	-
Other	315	350	28	30	30	23	20	20	20
Number of bursaries offered	35	33	20	20	20	20	20	20	20
External									
Internal	35	33	20	20	20	20	20	20	20
Number of interns appointed	24	32	35	30	30	33	30	30	30
Number of learnerships appointed	10	10	30	26	26	26	52	52	52
Number of days spent on training	287	276	87	90	90	83	80	80	80

ANNEXURE – VOTE 6: PROVINCIAL TREASURY

Table 6.A: Details of departmental receipts

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2007/08	2008/09	2009/10	2010/11			2011/12	2012/13	2013/14
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes									
Horse racing taxes									
Liquor licences									
Motor vehicle licences									
Sale of goods and services other than capital assets	119	205	161	149	149	176	177	195	215
Sale of goods and services produced by dept. (excl. capital assets)	119	205	161	149	149	176	177	195	215
Sales by market establishments									
Administrative fees									
Other sales	119	205	161	149	149	176	177	195	215
Of which									
Other	119	205	161	149	149	176	177	195	215
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	156 402	14 509	7 584	4 584	4 584	22 045	6 750	7 425	8 168
Interest	156 399	14 505	7 580	4 584	4 584	22 043	6 746	7 421	8 164
Dividends	3	4	4	-	-	2	4	4	4
Rent on land									
Sale of capital assets	-	-	-	-	-	636	-	-	-
Land and subsoil assets									
Other capital assets	-	-	-	-	-	636	-	-	-
Transactions in financial assets and liabilities	400	843	2 136	2 235	2 235	1 707	1 921	2 113	2 324
Total	156 921	15 557	9 881	6 968	6 968	24 564	8 848	9 733	10 707

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

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2007/08	2008/09	2009/10	Appropriation	Appropriation	Estimate	2011/12	2012/13	2013/14
Current payments	339 940	518 784	448 045	636 225	636 524	388 507	531 943	548 493	585 678
Compensation of employees	83 394	94 485	102 117	154 864	138 786	118 632	166 702	176 334	185 202
Salaries and wages	72 353	82 470	90 387	131 071	120 331	103 210	144 518	153 194	161 235
Social contributions	11 041	12 015	11 730	23 793	18 455	15 422	22 184	23 140	23 967
Goods and services	256 546	285 916	243 670	246 361	274 738	254 368	265 241	272 159	300 476
of which									
Administrative fees	7 648	8 202	9 190	8 789	8 767	8 440	9 845	10 474	11 007
Advertising	22 522	4 466	2 373	3 075	3 311	2 544	3 746	3 929	4 157
Assets <R5000	1 131	8 989	5 037	421	478	334	933	877	909
Audit cost: External	2 928	3 467	4 051	10 199	9 783	5 216	12 920	9 061	9 513
Bursaries (employees)	244	363	259	520	510	201	155	160	170
Catering: Departmental activities	5 100	1 604	2 203	963	3 192	2 396	2 338	2 450	2 585
Communication	2 773	4 568	2 714	4 356	3 873	2 744	2 670	2 790	3 091
Computer services	73 861	80 948	90 417	96 488	97 115	777	102 803	107 783	113 646
Cons/prof: Business & advisory services	83 806	122 047	85 017	64 073	92 238	187 720	76 090	78 132	95 277
Cons/prof: Infrastructure & planning	-	-	-	-	-	-	-	-	-
Cons/prof: Laboratory services	-	-	-	-	-	-	-	-	-
Cons/prof: Legal cost	-	1 755	429	849	1 813	1 222	579	628	688
Contractors	-	10 462	4 119	4 648	3 473	3 170	4 037	4 358	4 643
Agency & support/outsourced services	-	4 462	1 043	4 015	1 092	1 092	847	892	954
Entertainment	184	234	7	262	239	90	134	144	154
Fleet services (incl. GMT)	-	-	830	759	814	814	1 222	1 317	1 568
Housing	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	73	133	136	150	100	245	234	251
Inventory: Fuel, oil and gas	-	-	-	-	-	-	60	60	60
Inventory: Learner and teacher supp material	-	-	-	20	32	14	-	-	-
Inventory: Raw materials	-	94	338	318	209	168	614	649	686
Inventory: Medical supplies	-	11	11	21	21	3	102	112	122
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Military stores	-	-	-	-	-	-	-	-	-
Inventory: Other consumables	-	273	296	563	231	159	348	374	400
Inventory: Stationery and printing	2 883	3 903	2 631	3 569	3 553	3 020	2 932	3 106	3 328
Lease payments (incl. operating, excl. fin)	6 960	6 588	10 850	12 631	12 840	12 245	13 160	13 416	13 885
Property payments	-	689	2 504	1 280	4 315	2 387	4 127	4 412	4 777
Transport provided: Departmental activity	-	1 391	518	810	735	691	794	811	855
Travel and subsistence	7 971	11 426	8 405	16 063	16 021	12 127	15 307	16 209	17 296
Training and development	2 047	1 566	1 538	3 778	2 981	1 439	1 693	1 817	1 919
Operating expenditure	16 082	2 609	1 791	4 143	3 902	3 902	5 540	5 840	6 281
Venues and facilities	20 406	5 737	6 966	3 612	3 050	1 353	2 000	2 124	2 254
Interest and rent on land	-	138 383	102 258	235 000	223 000	15 507	100 000	100 000	100 000
Interest	-	138 383	102 258	235 000	223 000	15 507	100 000	100 000	100 000
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to	22 200	160 861	162 566	495	51 974	51 737	1 510	1 600	1 690
Provinces and municipalities	21 563	158 963	159 646	-	50 229	50 229	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	21 563	158 963	159 646	-	50 229	50 229	-	-	-
Municipalities	21 563	158 963	159 646	-	50 229	50 229	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	130	-	-	145	145	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving funds	130	-	-	145	145	-	-	-	-
Universities and technikons	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	14	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	14	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	14	-	-	-	-	-	-	-	-
Non-profit institutions	-	3	-	-	-	-	-	-	-
Households	493	1 895	2 920	350	1 600	1 508	1 510	1 600	1 690
Social benefits	493	1 895	2 839	-	1 250	1 250	1 300	1 370	1 450
Other transfers to households	-	-	81	350	350	258	210	230	240
Payments for capital assets	16 716	9 644	3 291	3 917	3 917	3 043	3 033	3 065	3 396
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	7 686	9 094	3 155	3 817	3 817	3 043	3 033	3 065	3 396
Transport equipment	1 903	1 330	-	980	980	980	970	1 028	1 057
Other machinery and equipment	5 783	7 764	3 155	2 837	2 837	2 063	2 063	2 037	2 339
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	9 030	550	136	100	100	-	-	-	-
Payments for financial assets	789	4 276	-	-	85	84	-	-	-
Total	379 645	693 565	613 902	640 637	692 500	443 371	536 486	553 158	590 764

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2007/08	2008/09	2009/10	2010/11	2010/11	2010/11	2011/12	2012/13	2013/14
Current payments	66 455	72 304	72 734	90 673	92 420	72 177	98 076	98 696	103 957
Compensation of employees	23 684	28 849	29 965	39 430	39 430	34 850	42 471	44 837	46 999
Salaries and wages	20 895	25 490	26 437	33 620	34 121	30 352	36 638	38 772	40 739
Social contributions	2 789	3 359	3 528	5 810	5 309	4 498	5 833	6 065	6 260
Goods and services	42 771	43 455	42 769	51 243	52 990	37 327	55 605	53 859	56 958
of which									
Administrative fees	-	361	178	520	510	224	544	571	624
Advertising	4 674	3 376	2 138	2 410	2 363	1 590	3 198	3 365	3 561
Assets <R5000	426	126	385	235	214	127	245	261	280
Audit cost: External	2 424	3 467	4 051	10 199	9 783	5 216	12 920	9 061	9 513
Bursaries (employees)	243	363	259	500	510	201	155	160	170
Catering: Departmental activities	780	438	679	616	584	378	336	353	371
Communication	1 948	1 581	1 905	1 895	1 926	1 366	1 395	1 483	1 577
Computer services	-	-	-	-	-	-	3	4	5
Cons/prof: Business & advisory services	1 324	5 525	2 412	352	307	221	737	708	722
Cons/prof: Infrastructure & planning	-	-	-	-	-	-	-	-	-
Cons/prof: Laboratory services	-	-	-	-	-	-	-	-	-
Cons/prof: Legal cost	-	1 520	118	849	834	244	239	263	288
Contractors	-	2 911	2 761	2 019	2 628	2 277	2 686	2 922	3 119
Agency & support/outsourced services	-	3 373	1 043	865	489	166	397	417	453
Entertainment	110	220	3	193	181	73	128	136	144
Fleet services (incl. GMT)	-	-	830	759	812	812	1 222	1 317	1 568
Housing	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	6	36	115	117	72	130	109	116
Inventory: Fuel, oil and gas	-	-	-	-	-	-	60	60	60
Inventory: Learner and teacher supp material	-	-	-	-	20	10	-	-	-
Inventory: Raw materials	-	94	118	318	201	161	610	645	681
Inventory: Medical supplies	-	-	11	21	21	3	102	112	122
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Military stores	-	-	-	-	-	-	-	-	-
Inventory: Other consumables	-	273	291	353	231	159	344	369	394
Inventory: Stationery and printing	2 448	2 770	1 757	2 692	2 422	1 941	1 640	1 742	1 885
Lease payments (incl. operating, excl. fin)	6 710	6 472	10 708	12 539	12 695	12 163	13 000	13 246	13 704
Property payments	-	689	2 339	1 280	4 315	2 387	3 777	4 043	4 388
Transport provided: Departmental activity	-	53	-	10	70	-	10	11	11
Travel and subsistence	4 147	6 452	3 745	6 886	6 761	5 056	6 813	7 325	7 740
Training and development	854	801	356	1 252	1 067	314	848	876	926
Operating expenditure	9 619	1 434	759	2 476	2 268	1 871	3 422	3 627	3 827
Venues and facilities	7 064	1 150	5 887	1 889	1 661	295	644	673	709
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to	130	1 769	1 788	387	387	258	210	230	240
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	37	-	-	37	37	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving funds	37	-	-	37	37	-	-	-	-
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	93	1 766	1 788	350	350	258	210	230	240
Social benefits	93	1 766	1 707	-	-	-	-	-	-
Other transfers to households	-	-	81	350	350	258	210	230	240
Payments for capital assets	2 440	1 873	466	1 532	1 532	1 363	1 575	1 680	1 799
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	2 440	1 860	466	1 532	1 532	1 363	1 575	1 680	1 799
Transport equipment	1 903	1 330	-	980	980	980	970	1 028	1 057
Other machinery and equipment	537	530	466	552	552	383	605	652	742
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	13	-	-	-	-	-	-	-
Payments for financial assets	789	-	-	-	-	-	-	-	-
Total	69 814	75 946	74 988	92 592	94 339	73 798	99 861	100 606	105 996

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2007/08	2008/09	2009/10	2010/11	2010/11	2010/11	2011/12	2012/13	2013/14
Current payments	52 930	59 993	52 247	65 865	67 499	56 983	71 802	75 327	79 441
Compensation of employees	12 651	14 678	18 193	27 596	26 496	19 603	29 975	31 807	33 501
Salaries and wages	11 202	13 084	16 276	24 548	23 627	17 055	26 870	28 524	30 064
Social contributions	1 449	1 594	1 917	3 048	2 869	2 548	3 105	3 283	3 437
Goods and services	40 279	45 315	34 054	38 269	41 003	37 380	41 827	43 520	45 940
of which									
Administrative fees	-	58	51	70	63	52	66	70	73
Advertising	-	-	4	-	5	4	-	-	-
Assets <R5000	69	30	170	30	46	41	28	29	30
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries (employees)	1	-	-	-	-	-	-	-	-
Catering: Departmental activities	48	35	55	92	72	32	51	54	58
Communication	127	169	163	208	214	158	224	181	248
Computer services	-	-	-	-	-	-	45	47	50
Cons/prof: Business & advisory services	37 491	41 999	31 449	33 952	36 832	34 618	38 314	39 886	41 750
Cons/prof: Infrastructure & planning	-	-	-	-	-	-	-	-	-
Cons/prof: Laboratory services	-	-	-	-	-	-	-	-	-
Cons/prof: Legal cost	-	-	-	-	-	-	-	-	-
Contractors	-	67	9	-	5	5	11	12	12
Agency & support/outsourced services	-	20	-	-	-	-	-	-	-
Entertainment	2	5	2	51	40	3	-	-	-
Fleet services (incl. GMT)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	35	44	-	6	6	19	21	23
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher supp material	-	-	-	-	-	-	-	-	-
Inventory: Raw materials	-	-	3	-	-	-	4	4	5
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Military stores	-	-	-	-	-	-	-	-	-
Inventory: Other consumables	-	-	1	-	-	-	1	1	1
Inventory: Stationery and printing	161	462	310	437	475	388	422	443	469
Lease payments (incl. operating, excl. fin)	64	34	-	30	30	9	-	-	-
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	3	-	-	-	-	-	-
Travel and subsistence	1 177	1 326	1 049	2 188	2 106	1 262	1 720	1 788	2 072
Training and development	222	142	84	197	182	72	90	94	99
Operating expenditure	783	768	626	835	752	730	821	878	1 037
Venues and facilities	134	165	31	179	175	-	11	12	13
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to	32	-	-	27	27	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	20	-	-	27	27	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving funds	20	-	-	27	27	-	-	-	-
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	179	972	147	550	550	158	434	275	291
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	179	443	114	450	450	158	434	275	291
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	179	443	114	450	450	158	434	275	291
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	529	33	100	100	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	53 141	60 965	52 394	66 442	68 076	57 141	72 236	75 602	79 732

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2007/08	2008/09	2009/10	2010/11			2011/12	2012/13	2013/14
Current payments	116 820	278 181	235 606	384 369	377 259	160 001	260 962	269 227	278 156
Compensation of employees	21 231	24 437	24 319	38 024	34 263	28 936	42 917	45 404	47 696
Salaries and wages	17 576	20 570	21 324	31 243	29 203	25 142	36 842	39 082	41 157
Social contributions	3 655	3 867	2 995	6 781	5 060	3 794	6 075	6 322	6 539
Goods and services	95 589	115 361	109 029	111 345	119 996	115 558	118 045	123 823	130 460
of which									
Administrative fees	7 648	7 740	8 912	8 090	8 085	8 072	9 182	9 777	10 251
Advertising	110	-	13	115	493	420	28	16	17
Assets <R5000	607	8 817	4 210	133	195	152	364	280	373
Audit cost: External	504	-	-	-	-	-	-	-	-
Bursaries (employees)	-	-	-	20	-	-	-	-	-
Catering: Departmental activities	174	94	41	145	118	61	112	109	116
Communication	409	565	381	820	773	495	470	486	502
Computer services	73 861	80 948	89 715	95 490	96 082	41	102 014	106 950	112 765
Cons/prof: Business & advisory services	10 503	12 269	2 302	1 412	8 981	102 133	2 140	2 173	2 406
Cons/prof: Infrastructure & planning	-	-	-	-	-	-	-	-	-
Cons/prof: Laboratory services	-	-	-	-	-	-	-	-	-
Cons/prof: Legal cost	-	235	195	-	979	978	210	220	240
Contractors	-	1 677	532	125	78	77	167	177	187
Agency & support/outsourced services	-	10	-	-	-	-	-	-	-
Entertainment	9	1	1	18	18	14	4	5	6
Fleet services (incl. GMT)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	29	17	17	21	18	16	18	20
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher supp material	-	-	-	20	12	4	-	-	-
Inventory: Raw materials	-	-	217	-	8	7	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Military stores	-	-	-	-	-	-	-	-	-
Inventory: Other consumables	-	-	3	210	-	-	2	2	2
Inventory: Stationery and printing	172	286	310	91	307	329	549	578	611
Lease payments (incl. operating, excl. fin)	107	42	33	28	81	56	44	47	51
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	773	1 646	1 553	3 091	2 632	1 859	2 250	2 395	2 242
Training and development	520	424	380	635	460	288	315	387	450
Operating expenditure	41	122	31	37	51	335	43	50	54
Venues and facilities	151	456	183	848	622	219	135	153	167
Interest and rent on land	-	138 383	102 258	235 000	223 000	15 507	100 000	100 000	100 000
Interest	-	138 383	102 258	235 000	223 000	15 507	100 000	100 000	100 000
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to	244	129	1 122	35	1 060	1 025	1 300	1 370	1 450
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	34	-	-	35	35	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving funds	34	-	-	35	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	210	129	1 122	-	1 025	1 025	1 300	1 370	1 450
Social benefits	210	129	1 122	-	1 025	1 025	1 300	1 370	1 450
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	13 569	6 602	2 192	916	916	718	333	352	371
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	4 539	6 594	2 089	916	916	718	333	352	371
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	4 539	6 594	2 089	916	916	718	333	352	371
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	9 030	8	103	-	-	-	-	-	-
Payments for financial assets	-	91	-	-	85	84	-	-	-
Total	130 633	285 003	238 920	385 320	379 320	161 828	262 595	270 949	279 977

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2007/08	2008/09	2009/10		2010/11		2011/12	2012/13	2013/14
Current payments	52 375	70 180	68 191	81 669	81 444	81 444	88 579	92 861	97 783
Compensation of employees	25 828	26 521	29 640	49 814	38 597	35 243	51 339	54 286	57 006
Salaries and wages	22 680	23 326	26 350	41 660	33 380	30 661	44 168	46 816	49 275
Social contributions	3 148	3 195	3 290	8 154	5 217	4 582	7 171	7 470	7 731
Goods and services	26 547	43 659	38 551	31 855	42 847	46 201	37 240	38 575	40 777
of which									
Administrative fees	-	40	49	109	109	92	53	56	59
Advertising	101	-	-	-	-	7	-	-	-
Assets <R5000	29	16	272	23	23	14	296	307	226
Audit cost: External									
Bursaries (employees)									
Catering: Departmental activities	40	92	43	110	110	80	39	41	43
Communication	289	2 253	265	1 433	960	725	581	640	764
Computer services	-	-	702	998	1 033	736	741	782	826
Cons/prof: Business & advisory services	23 254	36 137	33 977	22 598	33 781	38 667	29 129	30 075	31 540
Cons/prof: Infrastructure & planning									
Cons/prof: Laboratory services									
Cons/prof: Legal cost	-	-	116	-	-	-	130	145	160
Contractors	-	2 533	12	7	12	10	23	34	45
Agency & support/outsourced services									
Entertainment	1	-	1	-	-	-	2	3	4
Fleet services (incl. GMT)	-	-	-	-	2	2	-	-	-
Housing									
Inventory: Food and food supplies	-	3	27	4	6	4	30	33	36
Inventory: Fuel, oil and gas									
Inventory: Learner and teacher supp material									
Inventory: Raw materials									
Inventory: Medical supplies									
Inventory: Medicine									
Medsas inventory interface									
Inventory: Military stores									
Inventory: Other consumables	-	-	1	-	-	-	1	2	3
Inventory: Stationery and printing	102	157	253	274	274	287	321	343	363
Lease payments (incl. operating, excl. fin)	79	40	109	34	34	17	116	123	130
Property payments									
Transport provided: Departmental activity									
Travel and subsistence	1 825	1 904	2 058	3 898	4 522	3 950	4 524	4 701	5 242
Training and development	451	199	376	1 694	1 272	765	440	460	444
Operating expenditure	303	237	289	577	613	777	804	810	862
Venues and facilities	73	48	1	96	96	68	10	20	30
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest									
Rent on land									
Transfers and subsidies to	231	-	10	46	271	225	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities									
Municipal agencies and funds									
Departmental agencies and accounts	39	-	-	46	46	-	-	-	-
Social security funds									
Entities receiving funds	39	-	-	46	46	-	-	-	-
Universities and technikons									
Foreign governments and international organisations									
Public corporations and private enterprises	2	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production									
Other transfers									
Private enterprises	2	-	-	-	-	-	-	-	-
Subsidies on production									
Other transfers	2	-	-	-	-	-	-	-	-
Non-profit institutions									
Households	190	-	10	-	225	225	-	-	-
Social benefits	190	-	10	-	225	225	-	-	-
Other transfers to households									
Payments for capital assets	528	197	486	919	919	804	691	758	935
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings									
Other fixed structures									
Machinery and equipment	528	197	486	919	919	804	691	758	935
Transport equipment									
Other machinery and equipment	528	197	486	919	919	804	691	758	935
Heritage assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
Payments for financial assets	-	7	-	-	-	-	-	-	-
Total	53 134	70 384	68 687	82 634	82 634	82 473	89 270	93 619	98 718

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

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2007/08	2008/09	2009/10	Appropriation	Appropriation	Estimate	2011/12	2012/13	2013/14
				2010/11					
Current payments	51 360	38 126	19 267	13 649	17 902	17 902	12 524	12 382	26 341
Compensation of employees	-	-	-	-	-	-	-	-	-
Salaries and wages									
Social contributions									
Goods and services	51 360	38 126	19 267	13 649	17 902	17 902	12 524	12 382	26 341
of which									
Administrative fees	-	3	-	-	-	-	-	-	-
Advertising	17 637	1 090	218	550	450	523	520	548	579
Assets <R5000									
Audit cost: External									
Bursaries (employees)									
Catering: Departmental activities	4 058	945	1 385	-	2 308	1 845	1 800	1 893	1 997
Communication									
Computer services									
Cons/prof: Business & advisory services	11 234	26 117	14 877	5 759	12 337	12 081	5 770	5 290	18 859
Cons/prof: Infrastructure & planning									
Cons/prof: Laboratory services									
Cons/prof: Legal cost									
Contractors	-	3 274	805	2 497	750	801	1 150	1 213	1 280
Agency & support/outsourced services	-	1 059	-	3 150	603	926	450	475	501
Entertainment	62	8	-	-	-	-	-	-	-
Fleet services (incl. GMT)									
Housing									
Inventory: Food and food supplies	-	-	9	-	-	-	50	53	56
Inventory: Fuel, oil and gas									
Inventory: Learner and teacher supp material									
Inventory: Raw materials									
Inventory: Medical supplies									
Inventory: Medicine									
Medsas inventory interface									
Inventory: Military stores									
Inventory: Other consumables									
Inventory: Stationery and printing	-	228	1	75	75	75	-	-	-
Lease payments (incl. operating, excl. fin)									
Property payments	-	-	165	-	-	-	350	369	389
Transport provided: Departmental activity	-	1 338	515	800	665	691	784	800	844
Travel and subsistence	49	98	-	-	-	-	-	-	-
Training and development	-	-	342	-	-	-	-	-	-
Operating expenditure	5 336	48	86	218	218	189	450	475	501
Venues and facilities	12 984	3 918	864	600	496	771	1 200	1 266	1 335
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest									
Rent on land									
Transfers and subsidies to	21 563	158 963	159 646	-	50 229	50 229	-	-	-
Provinces and municipalities	21 563	158 963	159 646	-	50 229	50 229	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities	21 563	158 963	159 646	-	50 229	50 229	-	-	-
Municipalities	21 563	158 963	159 646	-	50 229	50 229	-	-	-
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	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production									
Other transfers									
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	72 923	201 267	178 913	13 649	68 131	68 131	12 524	12 382	26 341

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2007/08	2008/09	2009/10	2010/11			2011/12	2012/13	2013/14
A KZN2000 eThekweni	17 123	156 877	157 484	-	7 937	7 937	-	-	-
Total: Ugu Municipalities	-	264	84	-	98	98	-	-	-
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	-	98	98	-	-	-
Total: uMgungundlovu Municipalities	2 491	948	1 017	-	41 047	41 047	-	-	-
B KZN221 uMshwathi	-	-	-	-	-	-	-	-	-
B KZN222 uMngeni	-	-	-	-	-	-	-	-	-
B KZN223 Mpofana	-	-	-	-	-	-	-	-	-
B KZN224 Impendle	-	-	-	-	-	-	-	-	-
B KZN225 Msunduzi	2 491	-	-	-	40 000	40 000	-	-	-
B KZN226 Mkhambathini	-	-	-	-	-	-	-	-	-
B KZN227 Richmond	-	-	-	-	-	-	-	-	-
C DC22 uMgungundlovu District Municipality	-	948	1 017	-	1 047	1 047	-	-	-
Total: Uthukela Municipalities	-	3	15	-	22	22	-	-	-
B KZN232 Emnambithi/Ladysmith	-	-	-	-	-	-	-	-	-
B KZN233 Indaka	-	-	-	-	-	-	-	-	-
B KZN234 Umtshezi	-	-	-	-	-	-	-	-	-
B KZN235 Okhahlamba	-	-	-	-	-	-	-	-	-
B KZN236 Imbabazane	-	-	-	-	-	-	-	-	-
C DC23 Uthukela District Municipality	-	3	15	-	22	22	-	-	-
Total: Umzinyathi Municipalities	-	2	19	-	31	31	-	-	-
B KZN241 Endumeni	-	-	-	-	-	-	-	-	-
B KZN242 Nqutu	-	-	-	-	-	-	-	-	-
B KZN244 Msinga	-	-	-	-	-	-	-	-	-
B KZN245 Umvoti	-	-	-	-	-	-	-	-	-
C DC24 Umzinyathi District Municipality	-	2	19	-	31	31	-	-	-
Total: Amajuba Municipalities	704	346	394	-	427	427	-	-	-
B KZN252 Newcastle	704	-	-	-	-	-	-	-	-
B KZN253 eMadlangeni	-	-	-	-	-	-	-	-	-
B KZN254 Dannhauser	-	-	-	-	-	-	-	-	-
C DC25 Amajuba District Municipality	-	346	394	-	427	427	-	-	-
Total: Zululand Municipalities	-	-	23	-	33	33	-	-	-
B KZN261 eDumbe	-	-	-	-	-	-	-	-	-
B KZN262 uPhongolo	-	-	-	-	-	-	-	-	-
B KZN263 Abaqulusi	-	-	-	-	-	-	-	-	-
B KZN265 Nongoma	-	-	-	-	-	-	-	-	-
B KZN266 Ulundi	-	-	-	-	-	-	-	-	-
C DC26 Zululand District Municipality	-	-	23	-	33	33	-	-	-
Total: Umkhanyakude Municipalities	-	-	2	-	3	3	-	-	-
B KZN271 Umhlabyalingana	-	-	-	-	-	-	-	-	-
B KZN272 Jozini	-	-	-	-	-	-	-	-	-
B KZN273 The Big 5 False Bay	-	-	-	-	-	-	-	-	-
B KZN274 Hlabisa	-	-	-	-	-	-	-	-	-
B KZN275 Mtubatuba	-	-	-	-	-	-	-	-	-
C DC27 Umkhanyakude District Municipality	-	-	2	-	3	3	-	-	-
Total: uThungulu Municipalities	1 245	515	577	-	584	584	-	-	-
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	-	584	584	-	-	-
Total: Ilembe Municipalities	-	8	31	-	45	45	-	-	-
B KZN291 Mandeni	-	-	-	-	-	-	-	-	-
B KZN292 KwaDukuza	-	-	-	-	-	-	-	-	-
B KZN293 Ndwedwe	-	-	-	-	-	-	-	-	-
B KZN294 Maphumulo	-	-	-	-	-	-	-	-	-
C DC29 Ilembe District Municipality	-	8	31	-	45	45	-	-	-
Total: Sisonke Municipalities	-	-	-	-	2	2	-	-	-
B KZN431 Ingwe	-	-	-	-	-	-	-	-	-
B KZN432 Kwa Sani	-	-	-	-	-	-	-	-	-
B KZN433 Greater Kokstad	-	-	-	-	-	-	-	-	-
B KZN434 Ubuhlebezwe	-	-	-	-	-	-	-	-	-
B KZN435 Umzimkulu	-	-	-	-	-	-	-	-	-
C DC43 Sisonke District Municipality	-	-	-	-	2	2	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	21 563	158 963	159 646	-	50 229	50 229	-	-	-