

VOTE 6

Provincial Treasury

Operational budget	R 602 707 911
MEC remuneration	R 1 566 089
Total amount to be appropriated	R 604 274 000
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 allocation 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.
- 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.
- 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 2011/12 financial year

Section 2 provides a review of 2011/12, 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 unit continued to monitor both the spending and service delivery achievements of all 16 provincial departments. These inputs were used to prepare quarterly budget performance reports, with the close-out and mid-year performance reports being tabled with the Finance Portfolio Committee and forming the basis of active engagement of this Committee with the various departments. In addition, Cabinet was constantly kept up to date on the province's spending through the submission of monthly Cabinet memoranda. The unit also prepared the 2011/12 Adjustments Estimate of Provincial Revenue and Expenditure for the province, which is a legislative requirement of the PFMA. The 2012/13 Main Budget was prepared for tabling on 9 March 2012, as well as the Unauthorised Expenditure Authorisation Act

(Act No. 6 of 2011) in 2011/12. Possible new sources of revenue were explored 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', with the added focus now being to redirect these savings to service delivery spending areas. The province is reflecting a healthy bank balance, having fully repaid the provincial overdraft in 18 months, rather than in three years, as originally anticipated. This now allows the province to earn interest on positive cash balances, as opposed to paying interest on an overdrawn bank account.

The Division of Revenue Bill for 2012/13 was reviewed and recommendations were made to address specific problem areas in conditional grant frameworks. Provincial role-players were also consulted in respect of the Financial and Fiscal Commission's (FFC) recommendations on the division of revenue and the Provincial Equitable Share (PES), provided input and identified areas for further exploration by the FFC. Reforms in public entities continued to be implemented, and focussed in particular on the listing of provincial public entities, analysis of Annual Performance Plans (APPs) and reviewing of quarterly reports. The identification, collection, recording, reconciliation and safeguarding of revenue for all provincial departments was also monitored.

Municipal Finance: Support was provided to municipalities during the preparation of their 2011/12 budgets. Since the introduction of the Municipal Budget and Reporting Regulations, some municipalities struggled to complete the newly introduced schedules, however, technical support was provided to the municipalities and, as a result, 54 out of 58 municipal draft budgets for 2011/12 were received timeously and assessed accordingly. The remaining four draft budgets could not be assessed due to late submission, as well as failure by the municipalities to provide the majority of the required information. To this end, the unit prepared monthly reports on the financial performance of the 58 delegated municipalities and submitted them to National Treasury. In addition, four quarterly reports, including the Municipal 2010/11 Close-out Report on the financial performance of all municipalities in KZN, were tabled in the Legislature. Delays in the appointment of service providers limited the Municipal Support Programme (MSP) initiatives during 2011/12. As a result, few municipalities were supported by this programme. However, the appointment process has since been concluded and 15 service providers have been appointed to the panel. There are 22 municipalities identified for MSP support, 15 of which will be assisted in areas including cashflow management processes, while seven municipalities will be assisted in improving internal controls. Overall, the emphasis is on improving cash management practices and addressing the issues raised by the Auditor-General (A-G) pertaining to internal controls.

Infrastructure: The unit's focus is on infrastructure expenditure in the province and ensuring that output performance, effectiveness and efficiency are maximised. The unit continued to play a central role in monitoring and supporting infrastructure delivery through the implementation of the Infrastructure Delivery Improvement Programme (IDIP). This programme contributes toward the successful delivery of infrastructure by sector departments within the province.

Financial Management

Financial Assets and Liabilities: Significant progress was made in the cashflow position of the province. Departments were monitored on a daily basis to ensure that funds are available as per their respective cashflow forecast in line with the funds received from National Treasury.

Public Private Partnerships (PPP): With the increased interest in two large potential PPP projects (Health and Education), the unit rendered assistance and offered innovative solutions to challenges faced by both initiatives. These two projects, among others, made significant progress in 2011/12.

Supply Chain Management: Support was provided to departments and municipalities with regard to SCM policies and procedures. This entails conducting compliance assessments to determine the required support interventions and the provision of training, where required. The unit completed the review of the KZN SCM Policy Framework which should be adopted by Cabinet early in 2012/13. Resulting from 2010/11 audit outcomes and general problems of fraud and corruption, as well as costs associated with lack of contract management in government contracts, a Contract Management Pilot Project has been

implemented. This will result in contract registers being developed for six departments and three municipalities, as part of the initial phase. This system will further ensure suppliers' performance measurement and monitoring for the purpose of getting value for money from all contracts entered into by departments as an ultimate objective.

In addition, the unit also started a process of establishing Municipal Complaints Tribunals for all municipalities in the province. These tribunals will enable aggrieved suppliers and other interested parties in concerned communities to lodge complaints relating to bids awarded by municipalities. Two special interventions at one public entity and one provincial department were undertaken. Finally, the unit is finalising a study on the establishment of the Price Index Catalogue for the purpose of introducing price benchmarking in the provincial bidding processes.

Financial Reporting: Significant progress was made in financial management practices in the province. Five departments received unqualified audit opinions and only three departments were qualified. A major asset management intervention initiated by Provincial Treasury in Social Development resulted in an unqualified audit opinion for the first time in three years. Provincial Treasury also obtained a clean audit report for the Revenue Fund for 2010/11.

Norms and Standards: Support was provided to departments by, *inter alia*, implementing the second phase of National Treasury's Financial Capability Maturity Model, issuing individual compliance feedback reports to departments on a quarterly basis and instituting remedial and preventative measures where applicable. Support to municipalities included the development of a financial management related system of delegation framework and its subsequent roll-out to all municipalities in the province and financial policy development and review assistance to various municipalities.

Support and Interlinked Financial Systems: In order to improve the security controls on financial systems to reduce system related fraud, Provincial Treasury enhanced the Biometric Access Control System for the province by implementing a Non-Repudiation System (NRS) on BAS. This enhancement provides a second layer of security access to BAS by forcing the users to authenticate a second time with their finger print when financial transactions are committed. This provides conclusive legal evidence that a particular transaction was committed by a specific user.

Internal Audit

Assurances Services: Internal audit services were provided to client departments and certain public entities with specific focus on governance and good audit outcomes. The unit identified critical service delivery projects in the province and undertook performance audits to determine value for money for the resources expended. The unit assisted clients in achieving and sustaining clean audit outcomes, and embarked on a process to identify, review and recommend corrective actions on certain financial controls as part of their review of financial statements, follow-ups on A-G's findings, as well as part of their routine audit assignments. The unit also continued to review non-financial data as part of their audits on performance information, thereby assisting departments in preparing for the A-G's review. The unit also performed reviews of IT controls at departments and some public entities in order to assist these institutions in identifying and mitigating significant IT risks. The unit supported the activities of the Provincial Audit and Risk Committee and the Cluster Audit and Risk Committees in executing their oversight responsibilities, as well as in promoting accountability and good governance in the province.

Risk and Advisory Services: The Provincial Risk Management Framework approved by Cabinet was adopted by all departments and is now in the process of implementation. The framework was also customised for municipalities, and to date has been rolled out to 16 municipalities. During the period under review, the unit also embarked on a risk streamlining project, which involved assisting departments to consolidate and clean-up various pockets of risk assessments/profiles to create one risk register.

Forensic Audit Services: The unit successfully completed 39 investigations, despite the challenges currently faced in terms of resources and high demand for its services, which now include requests from municipalities. Incidents of fraud and corruption were identified and reported to law enforcement agencies. The unit introduced some pro-active strategies for combating fraud and corruption in the

province. These include fraud risk assessments and the review of fraud prevention strategies implemented by provincial departments, public entities and municipalities. The unit also continued to assist the Office of the Premier (OTP) to strengthen its capacity to deal with fraud and corruption in the province.

3. Outlook for the 2012/13 financial year

Section 3 looks at the key focus areas of 2012/13, 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 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 and will strive to ensure that provincial spending remains within budget. Cabinet will continue to be kept informed of the province's budget performance. The unit plans to prepare the Adjustments Estimate of Provincial Revenue and Expenditure for 2012/13 and the Estimates of Provincial Revenue and Expenditure for 2013/14. This will be done after consulting with, and receiving approval from, the Medium Term Expenditure Committee (MTEC), Ministers' Committee on the Budget (MincomBud) and Cabinet. The unit will also prepare the Unauthorised Expenditure Authorisation Bill for 2011/12 and plans to continue exploring possible new sources of revenue to enhance the current revenue base.

The unit will provide information to National Treasury to inform discussions on the division of revenue and PES, where both the structure of, and/or the components of the formula, as well as the data informing PES updates, are being debated. The unit will also play a more active oversight role and monitor the performance of public entities to ensure that, among others, entities are capable of delivering on expectations, they operate within their mandate in an effective, efficient and economical manner, and that there is governance and regulatory compliance.

Municipal Finance: The 2012/13 financial year will be the third year that all municipalities are required to prepare their annual budgets in accordance with the new Municipal Budget and Reporting Regulations. The unit will adopt a pro-active approach in supporting municipalities in the preparation of their budgets with the aim of achieving significant improvement in the completeness and quality of the budget submissions. Furthermore, enhancing the sustainability of municipalities is of paramount importance to ensure that service delivery to the community is at acceptable levels. The requirements vary with each municipality and it is crucial to address those needs urgently and comprehensively. In this regard, Provincial Treasury will continue to support and assist municipalities in KZN in improving their level of financial management, augmenting the skills available to them through capacity building and, in the process, enabling the sustainability of their operations. In addition, the MSP will focus on assisting municipalities reach the goal of clean audit reports, supporting performance information reporting, improving governance structures, enhancing internal controls, instituting cashflow management practices and improving the credibility of budgets.

Infrastructure: The unit plans to continue monitoring and supporting provincial departments in infrastructure delivery and spending by building internal capacity, as well as the deployment of the Infrastructure Crack Team to various sector departments. This in turn will assist in increasing the delivery capacity within sector departments in respect of project management and implementation, identification and unblocking of blockages that hamper projects delivery, as well as strengthening capacity in departments through skills transfer.

Financial Management

Financial Assets and Liabilities: The unit will continue to monitor all departmental bank balances on a daily basis to ensure that proper cash management is being maintained. Excess funds will be invested with the Corporate for Public Deposit (CPD) to obtain maximum interest.

Public Private Partnerships: The unit will continue to address the lack of capacity in provincial departments and municipalities in identifying and managing PPP projects. The unit also aims to create and improve relationships between various stakeholders in the PPP process in order to promote better PPP deal flow in the province and to prevent deals that are not value for money and/or affordable.

Supply Chain Management: The unit will continue to provide hands-on support to both departments and municipalities. The unit will continue with the Contract Management Project which will culminate with all departments and municipalities having fully completed contract registers supported by legitimate contract documents. The Municipal Bid Complaints Tribunal will become fully functional. The KZN SCM Policy Framework will be adopted. The unit, in partnership with National Treasury, will begin a roll-out of strategic sourcing training to all departments. The unit will further investigate the feasibility of an e-procurement tool and a benchmark pricing list for use in the province.

Financial Reporting: Focus will be placed on regular hands-on engagement and support to departments, public entities and municipalities to enhance their financial accounting and reporting performance, as well as continued staff development and training programmes to develop and retain the requisite financial management skills and expertise. The unit will play a major role in the clean audit campaign, by ensuring enhanced financial management in all spheres of government. A key intervention will be the implementation of an electronic monthly reconciliation and tracking tool to be utilised for municipalities.

Norms and Standards: The unit will align the execution of its monitoring and regulatory function *vis a vis* the Provincial Treasury's practice notes and other prescripts to the implementation of National Treasury's Financial Capability Maturity Model in the province. This will primarily entail the adoption of the model's assessment methodology to ensure a consistent and uniform framework for departments, as well as guiding the unit's activities in identifying and addressing functional areas that require its intervention.

Support and Interlinked Financial Systems: The unit will continue to offer technical maintenance and support on transversal systems for the province. The unit will also strengthen the Information and Financial Systems' security across the province.

Internal Audit

Assurance Services: The unit will continue to provide internal audit services to client departments and public entities by performing risk-based audits, with specific focus on overall good governance. The unit will identify additional critical service delivery projects in the province to determine value for money for the resources expended as part of its focus on performance auditing. Clients will be assisted to achieve and sustain clean audit outcomes with specific direction on common, transversal weaknesses such as SCM. Audit efforts on IT controls will be expanded, as this has been identified as a critical risk.

Risk and Advisory Services: The unit's main focus will be 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 provincial departments and selected public entities and municipalities to strengthen awareness and ownership of risk management.

Forensic Audit Services: The continuation of fraud risk reviews and assessments, together with access to investigative IT tools, and the development of a consolidated, provincial fraud investigation database that incorporates all fraud investigation conducted in the province, will assist in achieving efficiencies in the fight against fraud and corruption in the province.

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 2008/09 to 2014/15. 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		
	2008/09	2009/10	2010/11	2011/12			2012/13	2013/14	2014/15
Provincial allocation	522 072	626 623	640 637	536 486	491 486	491 486	568 247	595 349	625 123
Conditional grants	-	-	1 634	-	-	-	-	-	-
Education and Health Infrastructure grants	-	-	1 634	-	-	-	-	-	-
Total receipts	522 072	626 623	642 271	536 486	491 486	491 486	568 247	595 349	625 123
Total payments	693 565	613 902	388 936	536 486	510 024	462 831	604 274	595 349	625 123
Surplus/(Deficit) before financing	(171 493)	12 721	253 335	-	(18 538)	28 655	(36 027)	-	-
Financing									
of which									
Provincial roll-overs	11 252	-	-	-	18 538	18 538	16 027	-	-
Provincial cash resources	36 815	(103 174)	50 229	-	-	-	20 000	-	-
Surplus/(deficit) after financing	(123 426)	(90 453)	303 564	-	-	47 193	-	-	-

The department only receives a provincial allocation. The conditional grant allocation in 2010/11 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 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 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 DORA 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.

An amount of R11.252 million was rolled over to 2008/09 toward the feasibility study for the Provincial Government Precinct which has subsequently been put on hold. 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 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 provincial departments.

The provincial allocation also includes R150 million per year in 2008/09 and 2009/10 in respect of the province's contribution toward the construction of the Moses Mabhida 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 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 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.

In 2010/11, R40 million of the R50.229 million reflected against provincial cash resources was additional funding allocated toward the development of the Pietermaritzburg airport through the Msunduzi Municipality. The balance of R10.449 million was allocated in respect of the prescribed local government levy. The surplus of R303.564 million reflected in 2010/11 mainly relates to savings realised in respect of overdraft interest charges.

The provincial allocation was decreased in the 2011/12 Adjusted Appropriation due to the suspension of R45 million from the interest on the overdraft provision to Vote 5: Education to assist Section 21 schools in paying municipal arrears. An amount of R18.538 million was rolled over from 2010/11 in respect of the development of the Pietermaritzburg airport.

The department is projecting to end 2011/12 with an under-expenditure of R47.193 million. This relates to savings realised in respect of overdraft interest charges, as well as cost-cutting. This projected saving resulted from the improvement in the funds available in the IGCC account due to the effective implementation of cost-cutting measures. The province is now earning interest as opposed to paying it.

The department's 2012/13 MTEF allocation includes provision for the overdraft interest charges capped at R50 million, the carry-through adjustment of the 2011 wage agreement, a provision for the BEE verification of service providers, an allocation toward the Infrastructure Crack Team, funding for Strategic Cabinet Initiatives, as well as a provision for Special Infrastructure Projects which include the development of identified airports in the province. Furthermore, the 2012/13 allocation includes the second part of the roll-over relating to Pietermaritzburg airport amounting to R16.027 million and a once-off amount of R20 million allocated through provincial cash resources for the development of Ulundi airport (Prince Mangosuthu Buthelezi Airport).

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		
	2008/09	2009/10	2010/11	2011/12			2012/13	2013/14	2014/15
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	205	161	168	177	177	136	140	154	169
Transfers received	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	14 505	7 584	29 584	6 750	6 750	269 917	185 003	200 004	215 004
Sale of capital assets	-	-	634	-	-	-	-	-	-
Transactions in financial assets and liabilities	843	2 136	440	1 921	1 921	332	362	398	438
Total	15 553	9 881	30 826	8 848	8 848	270 385	185 505	200 556	215 611

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 2010/11 and the substantial increase in the 2011/12 Revised Estimate is 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 significantly increased its projections over the 2012/13 MTEF based on the current positive balances. This increase is, however, lower than the 2011/12 Revised Estimate because the substantial positive average bank balance is expected to be lower than that of 2011/12 over the MTEF, thus reducing the interest revenue.

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 and 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 2012/13 MTEF period were based on the projected end-of-year collection for 2011/12, 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 category, due to its uncertain nature. The projections over the 2012/13 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 collection reflected in 2010/11 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 2012/13 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 CPI projections.
- The cost-cutting measures, as reissued by Provincial Treasury in 2012/13, will be adhered to over the 2012/13 MTEF.
- Provision was made for the carry-through costs of the 2011 wage agreement and an inflationary wage adjustment of 5 per cent for the three years of the 2012/13 MTEF, and an annual 1.5 per cent pay progression.
- Provision has been made for the filling of vacant posts.
- Costs associated with the filling of additional posts to support the service delivery requirements of the department, was taken into account in calculating personnel costs.

5.2 Additional allocations for the 2010/11 to 2012/13 MTEF

Table 6.3 shows additional funding received by the department over the three MTEF periods: 2010/11, 2011/12 and 2012/13.

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 2010/11 and 2011/12 MTEF periods (i.e. for the financial year 2014/15) are based on the incremental percentage used in the 2012/13 MTEF.

Table 6.3: Summary of additional provincial allocations for 2010/11 to 2012/13 MTEF

R thousand	2010/11	2011/12	2012/13	2013/14	2014/15
2010/11 MTEF period	53 978	(68 900)	(84 869)	(89 537)	(94 909)
Carry-through of 2009/10 Adjustments Estimate:	(217 062)	(323 942)	(339 913)	(358 608)	(380 125)
2009 wage agreement	3 597	4 020	4 447	4 692	4 973
Portion of Ministry funding to Vote 4	(4 993)	(5 293)	(5 558)	(5 864)	(6 216)
OSD for doctors (to Department of Health)	(215 666)	(322 669)	(338 802)	(357 436)	(378 882)
Municipal Support Programme	21 000	5 000	5 000	5 275	5 592
Overdraft interest charges (as allocated in 2009/10) reallocated to MSP	-	(18 519)	(19 445)	(20 514)	(21 745)
Municipal Support Programme (funded through reprioritisation)	-	18 519	19 445	20 514	21 745
Overdraft interest charges	235 000	235 000	235 000	247 925	262 801
Support Service Enhancement Plan (incl. Audit fees & SITA)	15 000	15 000	15 000	15 825	16 775
Policy on Incapacity Leave and Ill Health Retirement (PILIR)	40	42	44	46	49
2011/12 MTEF period		(129 591)	(133 699)	(133 870)	(141 902)
Carry-through of 2010/11 Adjustments Estimate: 2010 wage agreement		1 744	1 723	1 662	1 762
Capping overdraft interest charges at R100 million per year		(135 000)	(135 000)	(135 000)	(143 100)
National Cabinet decision to cut provinces by 0.3 per cent		(335)	(422)	(532)	(564)
Performance audits		4 000	-	-	-
2012/13 MTEF period			51 116	4 585	(1 087)
Carry-through of 2011 Adjustments Estimate - Ulundi airport			20 000	-	-
Carry-through of 2011 wage agreement			1 089	1 144	1 201
Capping overdraft interest charges at R50 million per year (R10 million remains within Vote 6)			(40 000)	(40 000)	(46 000)
BEE verification			6 000	6 000	6 000
Pietermaritzburg airport (roll-over)			16 027	-	-
Improving infrastructure support			8 000	8 400	8 820
Strategic Cabinet initiatives			40 000	29 041	28 892
Total	53 978	(198 491)	(167 452)	(218 822)	(237 898)

Over the 2010/11 MTEF, the department shifted funds to Vote 4: Economic Development and Tourism, following the 2009 elections, as previously mentioned. The department also received additional funding for the Support Service Enhancement Plan, and 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 PILIR. As mentioned, 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, hence decrease over the 2010/11 MTEF.

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 toward performance audits in 2011/12 only. Also, the overdraft interest charges funding was 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.

Over the 2012/13 MTEF, the department received an allocation for the carry-through costs for the 2011 wage agreement, the BEE verification, the Infrastructure Crack Team, funding toward Strategic Cabinet Initiatives, as well as a provision for Special Infrastructure Projects which include the development of identified airports in the province. The overdraft interest charges funding is now capped at R50 million over the MTEF, whereas it was previously capped at R100 million. Of the R100 million, R40 million was removed from Vote 6: Provincial Treasury and allocated to various provincial priorities while R10 million remains within Vote 6, but allocated to SCM for the continuation of the Contract Management Project, as well as the Municipal Appeals Tribunal.

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, and 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. The budget of the department fluctuates over the period under review.

Table 6.4: Summary of payments and estimates by programme

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2008/09	2009/10	2010/11	2011/12			2012/13	2013/14	2014/15
1. Administration	75 946	74 988	68 755	99 861	93 861	90 238	100 094	106 192	112 721
2. Fiscal Resource Management	60 965	52 394	53 161	72 236	60 236	51 939	83 807	88 341	93 680
3. Financial Management	285 003	238 920	161 359	262 595	213 595	183 242	238 345	248 107	259 232
4. Internal Audit	70 384	68 687	81 025	89 270	96 270	91 350	93 619	99 227	105 259
5. Growth and Development	201 267	178 913	24 636	12 524	46 062	46 062	88 409	53 482	54 231
Total	693 565	613 902	388 936	536 486	510 024	462 831	604 274	595 349	625 123

Note: Programme 1 includes MEC remuneration: Salary: R1 556 089

Table 6.5: Summary of payments and estimates by economic classification

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2008/09	2009/10	2010/11	2011/12			2012/13	2013/14	2014/15
Current payments	518 780	448 037	368 945	531 943	461 957	414 939	559 679	586 114	615 293
Compensation of employees	94 485	102 117	109 901	166 702	143 633	131 916	186 893	199 085	210 128
Goods and services	285 912	243 662	243 536	265 241	289 324	282 017	322 786	337 029	355 165
Interest and rent on land	138 383	102 258	15 508	100 000	29 000	1 006	50 000	50 000	50 000
Transfers and subsidies to:	160 865	162 574	17 033	1 510	40 688	40 688	41 321	5 705	6 099
Provinces and municipalities	158 967	159 654	15 676	-	39 053	39 053	39 329	4 015	4 316
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Universities and technikons	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	3	-	-	-	-	-	-	-	-
Households	1 895	2 920	1 357	1 510	1 635	1 635	1 992	1 690	1 783
Payments for capital assets	9 644	3 291	2 295	3 033	7 158	6 983	3 274	3 530	3 731
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	9 094	3 155	2 275	3 033	6 633	6 458	3 274	3 530	3 731
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	550	136	20	-	525	525	-	-	-
Payments for financial assets	4 276	-	663	-	221	221	-	-	-
Total	693 565	613 902	388 936	536 486	510 024	462 831	604 274	595 349	625 123

The high expenditure in 2008/09 against Programme 1: Administration is due to an additional allocation for the Biometrics Access Control Solution (BAS and PERSAL). The decreases in 2009/10 and 2010/11 can be attributed to cost-cutting. The decrease in the 2011/12 Adjusted Appropriation is mainly due to slow progress in the filling of vacant posts as a result of the difficulty in attracting the required skills. The slight increase over the 2012/13 MTEF relates to the carry-through costs of the 2011 wage agreement, and inflationary increments.

Programme 2: Fiscal Resource Management reflects high expenditure in 2008/09 which 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 toward the strengthening of research capacity for policy development and the MSP also accounts for the high expenditure in 2008/09. The decreases in 2009/10 and 2010/11 are partly due to the cancellation of PBS, the moratorium on the filling of non-critical vacant posts, as well as cost-cutting. Included in 2010/11 is the funding for the IDIP, hence the slight increase from 2009/10. The decrease in the 2011/12 Adjusted Appropriation in comparison to the 2011/12 Main Appropriation relates to the amounts shifted to other programmes mainly due to the slow implementation of the MSP resulting from delays in the appointment of service providers. The difficulty in attracting required skills to fill funded vacant posts also contributed to the savings. The increase over the 2012/13 MTEF mostly relates to the MSP, as well as an allocation toward the Infrastructure Crack Team.

The substantial over-expenditure in 2007/08 and 2008/09 by the provincial departments collectively led to the province utilising its approved overdraft facilities, resulting in the payment of interest as reflected in the high expenditure against Programme 3: Financial Management in 2008/09 and 2009/10. The decrease in 2010/11 resulted from 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, therefore reducing the amounts of interest paid on the overdraft significantly. The 2011/12 Main Appropriation includes funds relating to the overdraft interest charges provided at R100 million. The considerable reduction in the 2011/12 Adjusted Appropriation is due to R45 million being suspended from this programme to Vote 5: Education for the payment of municipal service charges relating to Section 21 schools, as well as an amount of R26 million moved to Programme 5 to cater for the development of the Ulundi and Richards Bay airports. The 2012/13 MTEF includes a provision toward the overdraft interest charges capped at R50 million per year, as well as an allocation toward the Municipal Bid Appeals Tribunal, Contract Management Project, and BEE verification exercise required to be undertaken on all service providers who do business with government.

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 moratorium on the filling of non-critical vacant posts, as well as cost-cutting. The increase in 2010/11 can be attributed to project *Unembeza*, specialised audit assignments such as performance audits, as well as unplanned forensic investigations. Included in the 2011/12 Adjusted Appropriation are funds for the appointment of service providers to assist with specialised audit assignments such as performance audits, as well as unplanned forensic investigations at various departments. The increase over the 2012/13 MTEF can be ascribed to the funding allocated for the implementation of project *Unembeza*.

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 toward the construction of the Moses Mabhida Stadium, which explains the substantial reduction in 2010/11. Additional funding was allocated for the prescribed local government levy up until 2010/11, but the levy has since been discontinued due to a change in legislation. Furthermore, R11.252 million was rolled over from 2007/08 to 2008/09 for the feasibility study of the Provincial Government Precinct. The significant increase in the 2011/12 Adjusted Appropriation and the 2012/13 allocation relates to the development of the Pietermaritzburg, Ulundi, as well as the Richards Bay airports. The 2013/14 and 2014/15 allocations cater for budget communication events, Strategic Cabinet Initiatives as identified and approved by Cabinet, as well as a provision for Special Infrastructure Projects which include the development of identified airports in the province.

The increase in *Compensation of employees* from 2008/09 onward is due to the higher than anticipated wage agreements, as well as the gradual increase in the filling of budgeted vacant posts. The reduction in the 2011/12 Adjusted Appropriation can be attributed to funds moved resulting from the delays in the filling of funded vacant posts to cater for other critical projects identified in the department, as well as to *Transfers and subsidies to: Households* for the payment of staff exit costs. The increase over the 2012/13 MTEF caters for the annual wage agreements.

The high expenditure against *Goods and services* in 2008/09 includes additional funding toward project *Unembeza* and funds rolled over from 2007/08 for the feasibility study of the Provincial Government Precinct. The decrease in 2009/10 and 2010/11 is due to funds shifted from the department's budget following the 2009 election reconfiguration of provincial departments, as well as cost-cutting. The increase in the 2011/12 Main Appropriation includes funding for the MSP, Support Service Enhancement plan which includes audit fees, rental costs and SITA costs, as well as a once-off allocation toward performance audits in 2011/12. The increase in the 2011/12 Adjusted Appropriation relates to unplanned forensic investigations in various departments, costs associated with the Municipal Bid Appeals Tribunal, Municipal Debt project relating to the reconciliation of all provincial and municipal government accounts, Contract Management Project, Operation Pay On Time project, as well as the costs relating to the appointment of service providers that will assist with specialised audit assignments such as performance audits at municipalities. The Operation Pay On Time project aims to improve payment of invoices by provincial departments and to assist with the payment of arrear accounts to municipalities and service

providers. The 2012/13 MTEF includes additional provision for the BEE verification, Municipal Bid Appeals Tribunal, as well as contract management required to be undertaken by the SCM unit, Infrastructure Crack Team and Strategic Cabinet Initiatives, as identified and approved by Cabinet.

Spending against *Interest and rent on land* in 2008/09 and 2009/10 relates to the interest paid by the province, as previously explained. The 2011/12 Main Appropriation includes an allocation of R100 million toward the overdraft interest charges. The low amounts in 2010/11 and the 2011/12 Revised Estimate are due to the lower than budgeted interest paid on the IGCC account due to the improvement of the cash balances of the province, as mentioned previously. The decrease over the 2012/13 MTEF is attributed to capping the overdraft interest charges at R50 million, as mentioned previously.

Transfers and subsidies to: Provinces and municipalities caters in part for the prescribed local government levy from 2008/09 to 2010/11. This levy has since been discontinued following a change in legislation. Included in 2010/11 are payments toward the development of the Pietermaritzburg airport. The increase in the 2011/12 Adjusted Appropriation is due to a roll-over from 2010/11 for the development of the Pietermaritzburg airport, as well as funds shifted from the interest on overdraft provision toward the development of the Ulundi and Richards Bay airports. The high expenditure reflected in 2008/09 and 2009/10 can largely be ascribed to R150 million allocated in each year toward the construction of the Moses Mabhida Stadium, which explains the substantial reduction from 2010/11 onward. The allocation over the MTEF is ascribed to motor vehicle licences in line with a change in SCOA classifications, as well as a provision for Special Infrastructure Projects, which include the development of identified airports in the province.

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 toward its launch and open day event.

Transfers and subsidies to: Households relates to staff exit costs. The major fluctuations can be ascribed to the difficulty in budgeting for this category due to the uncertainty of its 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 the purchase of computer equipment required in the implementation of the Biometric Access Control Solution which was completed in 2008/09, hence the reduction from 2009/10 onward. The increase in the 2011/12 Adjusted Appropriation is mostly related to the upgrading of the department's computer servers, as well as the purchase of office furniture and computer equipment in respect of the appointment of new staff, which explains the decrease over the MTEF.

The high expenditure against *Software and other intangible assets* in 2008/09 relates to the software purchases for the implementation of the Biometric Access Control Solution in all departments, which was completed in 2008/09. The increase in the 2011/12 Adjusted Appropriation is a once-off purchase of the network management software, as well as open text licences for the electronic content management system, as per the Master Systems Plan.

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 below 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		
	2010/11	2011/12	2012/13	2013/14	2014/15
eThekweni	7 937	-	-	-	-
Ugu	98	-	-	-	-
uMgungundlovu	379 754	442 331	584 274	595 349	625 123
Uthukela	22	-	-	-	-
Umzinyathi	31	-	-	-	-
Amajuba	427	-	-	-	-
Zululand	33	10 000	20 000	-	-
Umkhanyakude	3	-	-	-	-
uThungulu	584	10 500	-	-	-
Ilembe	45	-	-	-	-
Sisonke	2	-	-	-	-
Total	388 936	462 831	604 274	595 349	625 123

The amounts in 2010/11 are in respect of the prescribed local government levy, which has since been discontinued due to a change in legislation. Included against uMgungundlovu in the 2010/11 Audited Outcome is an amount of R5.435 million which was for the development of the Pietermaritzburg airport.

Once again, included in the uMgungundlovu 2011/12 Revised Estimate is a roll-over of R18.538 million for the development of the Pietermaritzburg airport. The 2011/12 Revised Estimate for Zululand and uThungulu relates to the development of Ulundi and Richards Bay airports, respectively. In 2013/14 and 2014/15, 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.

The amounts in 2012/13 consist of the final roll-over of R16.027 million for the Pietermaritzburg airport and a once-off allocation of R20 million in respect of the development of the Ulundi airport.

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 2010/11. 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. The details are presented in the *Annexure – Vote 6: Provincial Treasury*.

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		
	2008/09	2009/10	2010/11	2011/12			2012/13	2013/14	2014/15
New and replacement assets									
Existing infrastructure assets	-	-	-	-	-	-	-	-	-
Upgrades and additions									
Rehabilitation, renovations and refurbishments									
Maintenance and repairs									
Infrastructure transfers	150 000	150 000	5 435	-	39 038	39 038	39 315	4 000	4 300
Current									
Capital	150 000	150 000	5 435	-	39 038	39 038	39 315	4 000	4 300
<i>Capital infrastructure</i>	150 000	150 000	5 435	-	39 038	39 038	39 315	4 000	4 300
<i>Current infrastructure</i>									
Total	150 000	150 000	5 435	-	39 038	39 038	39 315	4 000	4 300

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

The R5.435 million in 2010/11, R18.538 million in 2011/12 and R16.027 million in 2012/13 pertain to 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.

Amounts of R10 million in 2011/12 and R20 million in 2012/13 are toward the development of the Ulundi airport.

Similarly, an amount of R10.500 million was allocated toward the development of the Richards Bay airport in the 2011/12 Adjusted Appropriation.

In the 2012/13 MTEF, the department received an allocation of R20 million for the development of the Ulundi airport and a final roll-over of R16.027 million for the Pietermaritzburg airport in 2012/13. A further provision of R3.288 million, R4 million and R4.300 million has been allocated toward Special Infrastructure Projects, which include the development of other identified airports in the province.

The proposed developments include the upgrading of the current run-ways and the building of parallel taxi ways to increase aircraft parking space. The allocations will be disbursed to the relevant municipalities on satisfactory proof of progress.

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. The amount against Donations to schools in 2008/09 relates to a donation made to the Imbali Psycho-Social Community Youth Resource Centre toward its launch and open day event.

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		
		2008/09	2009/10	2010/11	2011/12			2012/13	2013/14	2014/15
	Donation to schools	1.1. Human Resource Management	3	-	-	-	-	-	-	-
Total			3	-	-	-	-	-	-	-

5.10 Transfers to local government

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

It is also noted that, although the payment of motor vehicle licences now falls under *Transfers and subsidies to: Provinces and municipalities*, in line with changes in the SCOA classification, these funds are not transferred to any municipality, and hence are excluded from the tables.

Table 6.9: Summary of departmental transfers to local government by category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2008/09	2009/10	2010/11	2011/12			2012/13	2013/14	2014/15
Category A	156 877	157 484	7 937	-	-	-	-	-	-
Category B	-	-	5 435	-	29 038	29 038	19 315	4 000	4 300
Category C	2 086	2 162	2 292	-	10 000	10 000	20 000	-	-
Unallocated/unclassified	-	-	-	-	-	-	-	-	-
Total	158 963	159 646	15 664	-	39 038	39 038	39 315	4 000	4 300

Table 6.10: Summary of departmental transfers to local government by grant name

R thousand	Sub-programme	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
		2007/08	2009/10	2010/11				2012/13	2013/14	2014/15
Casino Levies Pay-Over	5.2: Special Infrastructure Projects	8 963	9 646	10 229	-	-	-	-	-	-
Moses Mabhida Stadium	5.2: Special Infrastructure Projects	150 000	150 000	-	-	-	-	-	-	-
Pietermaritzburg Airport	5.2: Special Infrastructure Projects	-	-	5 435	-	18 538	18 538	16 027	-	-
Ulundi Airport	5.2: Special Infrastructure Projects	-	-	-	-	10 000	10 000	20 000	-	-
Richards Bay Airport	5.2: Special Infrastructure Projects	-	-	-	-	10 500	10 500	-	-	-
Development of Other Airports	5.2: Special Infrastructure Projects	-	-	-	-	-	-	3 288	4 000	4 300
Total		158 963	159 646	15 664	-	39 038	39 038	39 315	4 000	4 300

Category A transfers include R150 million in both 2008/09 and 2009/10 for the construction of the Moses Mabhida Stadium, as well as the prescribed local government levy. This prescribed levy has since been discontinued due to a change in legislation.

Category B transfers includes funds for the development of the Pietermaritzburg, Ulundi and Richards Bay airports, as well as other airports identified in the province.

Category C transfers relate mainly to the prescribed local government levy which has since been discontinued, as mentioned previously.

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 2008/09 to 2014/15 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		
	2008/09	2009/10	2010/11				2012/13	2013/14	2014/15
1. Administration	1 773	1 796	227	210	350	350	636	255	269
Provinces and municipalities	4	8	12	-	15	15	14	15	16
Motor vehicle licences	4	8	12	-	15	15	14	15	16
Non-profit institutions	3	-	-	-	-	-	-	-	-
Donation to schools	3	-	-	-	-	-	-	-	-
Households	1 766	1 788	215	210	335	335	622	240	253
Employee Social Benefits	1 766	1 707	-	-	-	-	-	-	-
Other Transfers	-	81	215	210	335	335	622	240	253
3. Financial Management	129	1 122	917	1 300	1 300	1 300	1 370	1 450	1 530
Households	129	1 122	917	1 300	1 300	1 300	1 370	1 450	1 530
Employee Social Benefits	129	1 122	917	1 300	1 300	1 300	1 370	1 450	1 530
4. Internal Audit	-	10	225	-	-	-	-	-	-
Households	-	10	225	-	-	-	-	-	-
Employee Social Benefits	-	10	225	-	-	-	-	-	-
5. Growth and Development	158 963	159 646	15 664	-	39 038	39 038	39 315	4 000	4 300
Provinces and municipalities	158 963	159 646	15 664	-	39 038	39 038	39 315	4 000	4 300
Municipal Bank Accounts	158 963	159 646	15 664	-	39 038	39 038	39 315	4 000	4 300
Total	160 865	162 574	17 033	1 510	40 688	40 688	41 321	5 705	6 099

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

- 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.

Provinces and municipalities against Programme 1 are in respect of motor vehicle licence fees which are now budgeted and paid for against this category due to a change in the SCOA classifications. The prior year figures were restated for comparison purposes.

- Provinces and municipalities* against Programme 5 includes the following:
 - 2008/09 to 2010/11 includes the prescribed local government levy.

- 2008/09 and 2009/10 include R150 million in each year, allocated to the eThekweni Metro for the construction of the Moses Mabhida Stadium.
- Amounts from 2010/11 to 2014/15 include allocations toward the development of the Pietermaritzburg, Ulundi, Richards Bay and other airports identified in the province.
- *Households* against all programmes cater for staff exits, which are difficult to predict, accounting for the fluctuating trend.

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 management support to the department.

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 main services under this programme are as follows:

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

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 2008/09 to 2014/15.

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		
	2008/09	2009/10	2010/11	2011/12			2012/13	2013/14	2014/15
Office of the MEC	31 375	26 697	14 403	27 585	22 185	20 655	29 318	30 871	32 723
Head of the Department	6 350	5 716	5 110	7 916	7 016	6 036	8 317	8 771	9 292
Chief Financial Office	11 192	10 313	16 859	24 176	22 976	22 751	19 306	21 165	22 319
Human Resource Management	8 383	8 977	9 357	12 786	12 786	11 898	13 635	14 384	15 220
Corporate Services	18 646	23 285	23 026	27 398	28 898	28 898	29 518	31 001	33 167
Total	75 946	74 988	68 755	99 861	93 861	90 238	100 094	106 192	112 721

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

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2008/09	2009/10	2010/11	Appropriation	Appropriation	Estimate	2012/13	2013/14	2014/15
Current payments	72 300	72 726	67 582	98 076	91 836	88 213	97 688	104 048	110 439
Compensation of employees	28 849	29 965	32 044	42 471	39 946	37 777	45 142	48 130	50 838
Goods and services	43 451	42 761	35 538	55 605	51 890	50 436	52 546	55 918	59 601
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	1 773	1 796	227	210	350	350	636	255	269
Provinces and municipalities	4	8	12	-	15	15	14	15	16
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Universities and technikons	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	3	-	-	-	-	-	-	-	-
Households	1 766	1 788	215	210	335	335	622	240	253
Payments for capital assets	1 873	466	934	1 575	1 675	1 675	1 770	1 889	2 013
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	1 860	466	934	1 575	1 675	1 675	1 770	1 889	2 013
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	13	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	12	-	-	-	-	-	-
Total	75 946	74 988	68 755	99 861	93 861	90 238	100 094	106 192	112 721

The decrease in 2009/10 against the sub-programme: Office of the MEC is due to a portion of the funding shifted to Vote 4: Economic Development and Tourism, following the reconfiguration of provincial departments after the 2009 elections. The decrease in 2010/11 and the 2011/12 Adjusted Appropriation can be attributed to cost-cutting.

The sub-programme: Head of the Department shows a fluctuating trend. The slight decrease in 2009/10 and 2010/11 can be ascribed to the moratorium on the filling of non-critical posts, as well as cost-cutting. The decrease in the 2011/12 Adjusted Appropriation is due to cost-cutting. The increase over the MTEF is due to 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 significant increase in 2010/11 relates to the expansion of the CFO structure to cater for the departmental SCM system, the Strategic Management Services component and audit fees. The decrease in the 2011/12 Adjusted Appropriation and Revised Estimate relates mainly to the slow progress in filling funded vacant posts as a result of the difficulty in attracting the required skills. The slight decrease in the 2012/13 MTEF is also due to a restructuring of Programme 1, resulting in a decrease in this sub-programme's organisational structure.

The sub-programme: Human Resource Management shows a steady increase over the period under review, 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 high spending against the sub-programme: Corporate Services from 2009/10 onward is largely due to renovation costs for the newly acquired Nomalanga building, which is being leased to house the Internal Audit unit. The increase in the 2011/12 Adjusted Appropriation relates to provision for the reconfiguration of the department's office space. The 2012/13 MTEF includes funds moved from Chief Financial Office to this sub-programme for additional posts resulting from the restructuring process.

Compensation of employees shows a steady increase from 2008/09 to 2010/11 due to additional funding allocated for the higher than anticipated wage agreements, as well as the funding for the expansion of the CFO structure. The decrease in the 2011/12 Adjusted Appropriation relates mainly to the slow progress in filling budgeted vacant posts. The increase over the MTEF is due to inflationary wage increments and the plan to fill funded vacant posts.

The decrease in 2009/10 and 2010/11 against *Goods and services* is due to the department's pledge of R10 million toward the Provincial Recovery Plan, as well as cost-cutting. The decrease in the 2011/12 Revised Estimate can be ascribed to cost-cutting. Included in the 2011/12 Main Appropriation was a once-off allocation of R4 million for performance audits, which explains the decrease over the MTEF.

The amounts reflected against *Transfers and subsidies to: Provinces and municipalities* from the 2011/12 Adjusted Appropriation onward are as a result of a SCOA classification amendment for motor vehicle licences, which were originally provided for against *Goods and services*. The prior year figures were restated for comparison purposes.

The amounts reflected against *Transfers and subsidies to: Households* cater for staff exit costs, which are difficult to predict.

Expenditure against *Machinery and equipment* includes payments for the purchase of departmental motor vehicles which is centralised under the Corporate Services unit. The fluctuating trend over the period under review can be attributed to office and computer equipment that was purchased as and when necessary. The increase in the 2011/12 Adjusted Appropriation is to cater for the higher than anticipated expenditure relating to the purchase of office furniture and computer equipment, resulting from the appointment of new staff following the lifting of the moratorium.

The expenditure in 2008/09 against *Software and other intangible assets* relates to the purchase of software, which is used to manage the department's organisational structure.

The amount in 2010/11 against *Payments for financial assets* was in respect of staff debts written off, as they were 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 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.
- 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 2008/09 to 2014/15.

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		
	2008/09	2009/10	2010/11	2011/12			2012/13	2013/14	2014/15
Programme Support	3 202	3 176	928	4 267	3 467	587	4 554	4 804	5 129
Economic Analysis	2 701	3 486	5 345	5 335	8 235	7 944	13 615	14 305	15 098
Public Finance	33 579	15 434	7 794	11 376	10 276	10 276	12 071	12 733	13 564
Municipal Finance	21 483	30 298	39 094	51 258	38 258	33 132	53 567	56 499	59 889
Total	60 965	52 394	53 161	72 236	60 236	51 939	83 807	88 341	93 680

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

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2008/09	2009/10	2010/11	Appropriation	Appropriation	Estimate	2012/13	2013/14	2014/15
Current payments	59 993	52 247	52 947	71 802	59 573	51 276	83 492	88 010	93 400
Compensation of employees	14 678	18 193	17 371	29 975	25 546	22 014	38 085	40 632	42 984
Goods and services	45 315	34 054	35 576	41 827	34 027	29 262	45 407	47 378	50 416
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	-	-	-	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
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	972	147	208	434	534	534	315	331	280
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	443	114	188	434	534	534	315	331	280
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	529	33	20	-	-	-	-	-	-
Payments for financial assets	-	-	6	-	129	129	-	-	-
Total	60 965	52 394	53 161	72 236	60 236	51 939	83 807	88 341	93 680

The sub-programme: Programme Support reflects a fluctuating trend over the period under review. The decrease in 2009/10, 2010/11, and 2011/12 Adjusted Appropriation relates to the moratorium on the filling of non-critical vacant posts and cost-cutting.

The low spending against the sub-programme: Economic Analysis (which houses both the Economic Analysis and Infrastructure units) in 2008/09 is due to non-filling of budgeted vacant posts. The Economic Analysis unit has experienced high staff turnover in the last three financial years and commenced filling critical vacant posts from 2010/11 onward. Included in 2010/11 is once-off spending of R1.634 million in respect of the IDIP, as mentioned previously. The high 2011/12 Adjusted Appropriation relates to the Infrastructure Crack Team that will assist departments and municipalities in the delivery of infrastructure projects in the province, and explains the increase over the MTEF.

The high expenditure against the sub-programme: Public Finance in 2008/09 relates to the implementation of PBS in the province. The decrease in 2009/10 is partly due to the cancellation of PBS following a Cabinet decision, and the significant decrease in 2010/11 can be attributed to cost-cutting. The decrease in the 2011/12 Adjusted Appropriation and Revised Estimate can be ascribed to the slow progress in the filling of funded 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 decrease in the 2011/12 Adjusted Appropriation can be attributed to the slow implementation of the MSP as a result of delays in the appointment of service providers to assist municipalities with their financial management activities.

The MTEF allocations for all four sub-programmes include a provision for the filling of vacant posts, as well as inflationary increments.

The increase in *Compensation of employees* from 2009/10 onward is mainly due to the expansion of the Municipal Finance component. This expansion was necessitated by several new functions and initiatives. The decrease in the 2011/12 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 the Infrastructure Crack Team, as explained previously. The increase over the 2012/13 MTEF relates to inflationary increments, as well as the plan to fill funded vacant posts.

The high expenditure 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. Included in 2010/11 is once-off spending of R1.634 million in respect of the IDIP. As explained above, the decrease in the 2011/12 Adjusted Appropriation is due to the slow implementation of the MSP. The MTEF allocation includes additional funding toward the Infrastructure Crack Team.

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 2010/11 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. The high allocation in the 2011/12 Adjusted Appropriation is to cater for the replacement and upgrading of computer equipment.

The high amount against *Software and other intangible assets* in 2008/09 relates to the Econometrics and Stata software.

The expenditure against *Payments for financial assets* was in respect of write-offs that were deemed irrecoverable.

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	
		2011/12	2012/13	2013/14	2014/15
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 on Macro Prudential Regulatory supervision in KZN	Develop research input for Policy Development. -Multiple research projects (2 papers in 2012/13)	Adapt and develop policy environment to incorporate policy responses of research findings (5 papers in 2013/14)	Develop institutional framework for policy; planning and budgeting alignment. (8 papers in 2014/15)
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 an economic analysis for the province To provide input to the Overview of Provincial Revenue & Exp (OPRE) 	Compilation of 10 district socio economic profiles Input to the OPRE on time for tabling	Compilation of 10 district socio economic profiles Input to the OPRE on time for tabling	Compilation of 10 district socio economic profiles Input to the OPRE on time for tabling	Compilation of 10 district socio economic profiles Input to the 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 	Writing of a research paper Maintain existing sources of data obtained	Writing of a research paper Maintain existing sources of data obtained	Writing of a research paper Maintain existing sources of data obtained	Writing of a research paper Maintain existing sources of data obtained
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. implementing 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 2012 Preparation of PISN continues to other depts. IDIP to continue in Education, Public Works and Health. IDIP 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 2013 Preparation of PISN continues to other depts. IDIP to continue in Education, Public Works and Health. IDIP 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 2014 Preparation of PISN continues to other depts. IDIP to continue in Education, Public Works and Health. IDIP 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 2015 Preparation of PISN continues to other depts. IDIP to continue in Education, Public Works and Health. IDIP introduced at Human Settlements, Sport & Recreation, Arts & Culture Quarterly reports Conduct 144 site visits Quarterly reports Inputs into EPRE on time for tabling

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

Outputs		Performance indicators	Estimated performance		Medium-term targets	
			2011/12	2012/13	2013/14	2014/15
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">No. of chapters in MTEC reportEPRE (including OPRE)Adjusted Estimates of Prov. Revenue & Exp (AEPRE)	16 inputs completed 1 day before MTEC EPRE on time for tabling AEPRE on time for tabling	16 inputs completed 1 day before MTEC EPRE on time for tabling AEPRE on time for tabling	16 inputs completed 1 day before MTEC EPRE on time for tabling AEPRE on time for tabling	16 inputs completed 1 day before MTEC EPRE on time for tabling AEPRE 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.	12 reports submitted to NT by 22nd of each month 3 reports per annum (completed 1 month after end of quarter)	12 reports to be submitted to NT by 22nd of each month 3 reports per annum (completed 1 month after end of quarter)	12 reports to be submitted to NT by 22nd of each month 3 reports per annum (completed 1 month after end of quarter)	12 reports to be submitted to NT by 22nd of each month 3 reports per annum (completed 1 month after end of quarter)
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">Conduct quarterly Provincial Revenue ForumsMonitoring of departmental revenue collectionRevenue input into OPRE and EPRE	4 forums per year Conduct quarterly Revenue input into OPRE and EPRE on time for tabling	4 forums per year Conduct quarterly Revenue input into OPRE and EPRE on time for tabling	4 forums per year Conduct quarterly Revenue input into OPRE and EPRE on time for tabling	4 forums per year Conduct quarterly Revenue input into OPRE and EPRE on time for tabling
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	Implement monitoring tool and report quarterly for 9 public entities	Implement monitoring tool and report quarterly for 9 public entities	Implement monitoring tool and report quarterly for 9 public entities	Implement monitoring tool and report quarterly for all listed public entities
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 4 Section 71(7) quarterly budget performance reports, 45 days after end of quarter	12 Section 71(6) reports by 22nd of each month 4 Section 71(7) quarterly budget performance reports, 45 days after end of quarter	12 Section 71(6) report by 22nd of each month 4 Section 71(7) quarterly budget performance reports, 45 days after end of quarter	12 Section 71(6) report by 22nd of each month 4 Section 71(7) quarterly budget performance reports, 45 days after end of quarter
5.2.	To assist and provide technical support to delegated municipalities in financial distress	<ul style="list-style-type: none">No. of municipalities supported by MSP	7 municipalities supported through MSP and 4 for GRAP conversion	10 municipalities to be supported through MSP	10 municipalities to be supported through MSP	15 municipalities to be supported through MSP

6.3 Programme 3: Financial Management

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

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 PMG account.
- To develop and implement financial and associated governance norms and standards, in order to enhance performance orientated financial results and accountability in provincial departments and municipalities as prescribed.
- To implement and support transversal financial systems across the province 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		
	2008/09	2009/10	2010/11	2011/12			2012/13	2013/14	2014/15
Financial Asset and Liability Management	151 257	116 597	28 956	116 583	45 583	16 494	67 750	68 659	69 790
Public Private Partnerships (PPPs)	4 023	2 737	2 594	6 092	4 092	3 175	6 677	7 176	7 710
Supply Chain Management	8 692	9 732	13 560	17 357	29 157	29 157	35 206	36 483	37 752
Financial Reporting	12 365	6 804	12 400	10 810	23 010	23 010	11 426	12 053	12 800
Norms and Standards	1 737	2 424	2 765	4 499	4 499	4 152	4 754	5 016	5 327
Support & Interlinked Financial Systems	106 929	100 626	101 084	107 254	107 254	107 254	112 532	118 720	125 853
Total	285 003	238 920	161 359	262 595	213 595	183 242	238 345	248 107	259 232

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		
	2008/09	2009/10	2010/11	2011/12			2012/13	2013/14	2014/15
Current payments	278 181	235 606	159 520	260 962	207 945	177 592	236 544	246 202	257 219
Compensation of employees	24 437	24 319	27 132	42 917	38 802	36 615	47 082	50 063	52 766
Goods and services	115 361	109 029	116 880	118 045	140 143	139 971	139 462	146 139	154 453
Interest and rent on land	138 383	102 258	15 508	100 000	29 000	1 006	50 000	50 000	50 000
Transfers and subsidies to:	129	1 122	917	1 300	1 300	1 300	1 370	1 450	1 530
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Universities and technikons	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	129	1 122	917	1 300	1 300	1 300	1 370	1 450	1 530
Payments for capital assets	6 602	2 192	830	333	4 258	4 258	431	455	483
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	6 594	2 089	830	333	3 733	3 733	431	455	483
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	8	103	-	-	525	525	-	-	-
Payments for financial assets	91	-	92	-	92	92	-	-	-
Total	285 003	238 920	161 359	262 595	213 595	183 242	238 345	248 107	259 232

The substantial over-expenditure by some provincial departments in 2007/08 and 2008/09 resulted in the payment of interest as reflected in the high expenditure against the sub-programme: Financial Asset and Liability Management in 2008/09 and 2009/10. The decrease in 2010/11 resulted from 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, therefore reducing the amounts of interest paid on overdraft significantly. The 2011/12 Main Appropriation includes funds relating to the overdraft interest charges provided at R100 million. The considerable reduction in the 2011/12 Adjusted Appropriation is due to R45 million being suspended to Vote 5: Education for the payment of municipal service charges relating to Section 21 schools, as well as an amount of R26 million moved to Programme 5 to cater for the development of the Ulundi and Richards Bay airports. The 2012/13 MTEF includes a provision toward the overdraft interest charges capped at R50 million per year.

The low amounts in 2009/10, 2010/11 and the 2011/12 Adjusted Appropriation against the sub-programme: Public Private Partnerships relates to the non-filling of vacant posts, as well as cost-cutting. The MTEF allocation includes a provision for the filling of posts, as well as inflationary increments.

With regard to the sub-programme: Supply Chain Management, the increase in 2010/11 was due to board members' fees, as well as expenditure relating to the Tribunal Appeal Committee dealing with court appeals, and legal fees within the SCM unit. The significant increase in the 2011/12 Adjusted Appropriation can be attributed to costs associated with the Municipal Bid Appeals Tribunal, and Contract Management Project which deals with the management of all contracts entered into by provincial departments. The 2012/13 MTEF includes additional provision for the BEE verification required to be undertaken by this unit, Municipal Bid Appeals Tribunal and Contract Management Project, as previously mentioned.

The 2008/09 amount for the sub-programme: Financial Reporting includes expenditure for consultants fees associated with the Financial Management Improvement Plan (FINMIP). The decrease in 2009/10 relates to cost-cutting and the increase in 2010/11 is in respect of the Municipal Debt project. The high increase in the 2011/12 Adjusted Appropriation includes additional funding toward the Municipal Debt project relating to the reconciliation of all provincial and municipal government accounts, and the Operation Pay On Time project.

The increase in the sub-programme: Norms and Standards in the 2011/12 Main Appropriation and over the MTEF relates to reprioritisation of funds aimed at correcting the baseline of this sub-programme, in respect of the salary budget. The low amounts in 2008/09, 2009/10 and 2010/11 relate to the moratorium on the filling of non-critical vacant posts, as well as cost-cutting.

The sub-programme: Support and Interlinked Financial Systems 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 Control Solution, which started in 2007/08 and was completed in 2008/09. The increase over the MTEF relates to inflationary increments.

The reduction in the 2011/12 Adjusted Appropriation against *Compensation of employees* relates to funds moved as a result of the slow progress in the filling of funded posts. The funds were moved to *Goods and services* toward consultants' fees for all the projects mentioned above that were under-provided for, and *Payments for financial assets* relating to the write-off of irrecoverable debts and losses. The substantial increase over the 2012/13 MTEF caters for the intention to fill vacant posts, 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 2008/09 amount 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. The decrease in 2009/10 can be ascribed to the completion of all once-off projects in 2008/09. The increase in 2010/11 is due to the Municipal Debt project, the increase in the allocation for board members' fees, expenditure relating to the Tribunal Appeal Committee dealing with court appeals, as well as legal fees within the SCM unit. The increase in the 2011/12 Adjusted Appropriation relates to funds provided for the Contract Management Project, Municipal Bid Appeals Tribunal, as well as the Municipal Debt project, as previously explained. The 2012/13 MTEF includes additional provision for the BEE verification required to be undertaken, Municipal Bid Appeals Tribunal and Contract Management Project.

Transfers and subsidies to: Households provides for the payment of pension packages for erstwhile employees of the department, as well as staff exit costs, 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 funds rolled over from 2007/08 in respect of departmental vehicles, and the purchase of computer equipment required in the implementation of the Biometric Access Control Solution which was completed in 2008/09, hence the reduction from 2009/10 onward. The increase in the 2011/12 Adjusted Appropriation is mostly related to the upgrading of the department's computer servers, which explains the decrease in 2012/13.

The high allocation against *Software and other intangible assets* in the 2011/12 Adjusted Appropriation relates to a once-off purchase of network management software, as well as open text licences for the electronic content management system, as per the Master Systems Plan.

Payments for financial assets caters for the write-off of irrecoverable debts and losses.

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	
			2011/12	2012/13	2013/14	2014/15
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 annuallyRisk analysis per dept to ensure compliance to tax legislationProvide quarterly assessment reports to depts. on status of bank related suspense accountsProduce monthly reconciled bank reconciliations per deptProduce quarterly report on withdrawals from municipal bank accountsEnhanced Asset Management Policy Framework and functional asset management system	16 depts.	16 depts.	16 depts.	16 depts.
			4 sessions	4 sessions	4 sessions	2 sessions
			64 reports	64 reports	64 reports	64 reports
			64 assessment reports	64 assessment reports	64 assessment reports	64 assessment reports
			192 reconciled bank reconciliations	192 reconciled bank reconciliations	192 reconciled bank reconciliations	192 reconciled bank reconciliations
			4 reports on withdrawals from municipal bank accounts	4 reports on withdrawals from municipal bank accounts	4 reports on withdrawals from municipal bank accounts	4 reports on withdrawals from municipal bank accounts
			16 depts.	16 depts.	16 depts.	16 depts.
1.2.	No. of training & workshops conducted	<ul style="list-style-type: none">No. of quality training and workshops conducted	9	9	9	9
1.3	Management Status reports on effective utilisation of asset management practices, processes and Asset Man. System	<ul style="list-style-type: none">Management Status reports on effective utilisation of asset management practices, processes and Asset Man. System	4	4	4	4
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 departments and public entitiesNo. of seminars/workshops conducted for municipalities and municipal entitiesNo. of reports for PT management & NT PPP unitNo. of reports on closed deal	2	2	2	2
			2	2	2	2
			10	10	10	10
			4	4	4	4
3. Supply Chain Management						
3.1.	Support and monitor adherence of state institutions to SCM prescripts	<ul style="list-style-type: none">No. of SCM training sessions & information sessions conductedNo. of assessmentsNo. of policies & practice notes developed/reviewed & issued	4 training sessions/workshops 4 SCM forums for departments & municipalities	4 training sessions/workshops 4 SCM forums for departments & municipalities	4 training sessions/workshops 4 SCM forums for departments & municipalities	4 training sessions/workshops 4 SCM forums for departments & municipalities
			60 compliance assessment reports issued for all municipalities and depts.	60 compliance assessment reports issued for all municipalities and depts.	60 compliance assessment reports issued for all municipalities and depts.	60 compliance assessment reports issued for all municipalities and depts.
			Review 4 practice notes	Review 4 practice notes	Review 4 practice notes	Review 4 practice notes

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

Outputs		Performance indicators	Estimated performance		Medium-term targets	
			2011/12	2012/13	2013/14	2014/15
4. Financial Reporting						
		Departments and Public entities				
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">DepartmentsRevenue fundPublic entities	Consolidated AFS for: FY10/11	Consolidated AFS for: FY11/12	Consolidated AFS for: FY12/13	Consolidated AFS for: FY13/14
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.Provincial audit outcomes analysis Municipal support <ul style="list-style-type: none">Implementation of monthly reconciliation monitoring and tracking toolGeneral financial management support to municipalities	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	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	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	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
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 developed/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						
6.3.	Develop & review, implement & monitor departmental supporting information technology enabler policies & procedures	<ul style="list-style-type: none">No. of policy reviews completedNo. of compliance reports completedNo. of information sessions conducted	8 2 8	4 12 8	4 12 8	4 12 8
6.4.	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 requirementsMTTR (transversal systems)	8 hours 99% 100% 8-24hr MTTR	8 hours 99% 100% 8-24hr MTTR	8 hours 99% 100% 8-24hr MTTR	8 hours 99% 100% 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.
- 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		
	2008/09	2009/10	2010/11	2011/12			2012/13	2013/14	2014/15
Assurance Services	29 628	33 177	38 917	47 916	48 916	45 843	50 229	53 467	56 753
Risk Management	40 756	35 510	42 108	41 354	47 354	45 507	43 390	45 760	48 506
Total	70 384	68 687	81 025	89 270	96 270	91 350	93 619	99 227	105 259

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		
	2008/09	2009/10	2010/11	2011/12			2012/13	2013/14	2014/15
Current payments	70 180	68 191	80 474	88 579	95 579	90 834	92 861	98 372	104 304
Compensation of employees	26 521	29 640	33 354	51 339	39 339	35 510	56 584	60 260	63 540
Goods and services	43 659	38 551	47 120	37 240	56 240	55 324	36 277	38 112	40 764
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	-	10	225	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Universities and technikons	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	10	225	-	-	-	-	-	-
Payments for capital assets	197	486	323	691	691	516	758	855	955
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	197	486	323	691	691	516	758	855	955
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	7	-	3	-	-	-	-	-	-
Total	70 384	68 687	81 025	89 270	96 270	91 350	93 619	99 227	105 259

The sub-programme: Assurance Services reflects a steady increase between 2008/09 to 2010/11. The increase in the 2011/12 Adjusted Appropriation was due to funds shifted to this sub-programme to cater for the appointment of service providers that will assist with specialised audit assignments, such as performance audits at municipalities, as well as training and development programmes including learnerships. The increase over the 2012/13 MTEF can be attributed to a provision made for inflationary increments and the filling of vacant posts.

The sub-programme: Risk Management includes funding allocated in respect of project *Unembeza*, a pro-active strategy aimed at curbing the scourge of fraud and corruption in the provincial administration, unplanned forensic investigations across various departments and initiatives such as fraud risk assessments, municipal financial capability assessments, workshops and training on risk management and

internal control. The high expenditure in 2008/09 can be attributed to additional funding allocated due to the number of forensic investigations and new initiatives such as fraud risk assessments, municipal financial capability assessments, etc. This also explains the high expenditure against *Goods and services*. The increase in the 2011/12 Adjusted Appropriation relates to unplanned forensic investigations in various departments. The increase over the 2012/13 MTEF can be attributed to a provision made for inflationary increments and the filling of vacant posts.

The decrease in the 2011/12 Adjusted Appropriation against *Compensation of employees* is as a result of the slow progress in the filling of funded vacant posts. The increase in *Compensation of employees* over the 2012/13 MTEF can be attributed to a provision made for inflationary increments and to cater for the filling of vacant posts.

The expenditure against *Goods and services* from 2008/09 onward can be attributed to performance audits, fraud risk assessments, municipal financial capability assessments, workshops, and training on risk management and internal control, training and development programmes including learnerships, project *Unembeza* and unplanned forensic investigations. This also explains the high 2011/12 Adjusted Appropriation and Revised Estimate. The 2012/13 MTEF includes funding for project *Unembeza*.

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

Machinery and equipment caters for the purchase of equipment in respect of new staff appointments, and the replacement and upgrading of equipment. The low 2010/11 amount is due to cost-cutting. The increase over the 2012/13 MTEF can be ascribed to the lifting of the moratorium on the filling of 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

Table 6.11: Service delivery measures – Programme 4: Internal Audit					
Outputs	Performance indicators	Estimated performance	Medium-term targets		
		2011/12	2012/13	2013/14	2014/15
1. Assurance Service					
1.1 An efficient, effective and economical assurance service	• No. of audit assignments completed on predetermined objectives as per operational plans	22	20	20	20
	• No. of projects completed on the design, implementation, and/or effectiveness of business ethics, related objectives, programs and activities	22	20	20	20
	• Annual Audit Committee reports on clients' areas of risk management, governance and internal control submitted to MEC: Finance	1	1	1	1
	• No. of risk based audit assignments completed per operational plan	106	123	123	123
	• No. of half-yearly Accounting Officers reports issued to management	44	40	40	40
	• No. of IA annual operational plan and a rolling three year strategic plan developed and approved	22	20	20	20
	• No. of follow up audits conducted	88	80	80	80
1.2 Build and maintain client relationships	• No. of meetings held between clients and Audit Committee	64	60	60	60
1.3 Enhance capacity within and outside the unit	• No. of training and development programmes attended	10	12	12	12
	• No. of internal and/ independent external quality assurance reviews conducted	2	2	2	2
2. Risk Management					
2.1 To promote good governance through effective risk management	• No. of enterprise wide risk reports issued for municipalities and public entities	40	40	40	40
	• No. of streamlined enterprise wide risk reports issued for each dept.	16	16	16	16
	• Quarterly Risk follow-up reports issued for each dept. and public entities	New	74	74	74
	• No. of consolidated risk profiles developed	1	1	1	1

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

Outputs	Performance indicators	Estimated performance		Medium-term targets	
		2011/12	2012/13	2013/14	2014/15
	<ul style="list-style-type: none"> No. of risk management maturity gap analysis reports issued Audit Committee quarterly reports on the clients' areas of risk management and risk governance Training /raising awareness on governance and risk management No. of risk management forum meetings held 	New 4 10 4	40 4 15 4	90 4 15 4	90 4 15 4
3. Risk Management (Forensic Services)					
3.1 Promote a culture of zero tolerance for fraud and corruption	<ul style="list-style-type: none"> No. of reviews on the status of fraud management in depts. No. of forensic audits performed and investigations as per clients' requests and referrals from the Assurance team Updated forensic investigations register No. of follow-ups conducted per completed investigation 	16 Per client request 2 16	16 Per client request 2 16	16 Per client request 2 16	16 Per client request 2 16

6.5 Programme 5: Growth and Development

Programme 5 consists of four sub-programmes, namely Budget Communication, Special Infrastructure Projects, Strategic Cabinet Initiatives and Air Shows. It makes provision for the budget road shows, the feasibility study for the Provincial Government Precinct, the 2010 World Cup, special projects approved by Cabinet and the development of airports in Pietermaritzburg and Ulundi, among others. The programme previously consisted of one sub-programme: Other Developmental Initiatives and it has now been changed to four sub-programmes to give a broader summary of initiatives that are being funded.

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		
	2008/09	2009/10	2010/11	2011/12			2012/13	2013/14	2014/15
Budget Communication	15 660	5 205	3 190	6 754	7 024	7 024	7 094	7 482	7 931
Special Infrastructure Projects	150 000	150 000	5 436	-	39 038	39 038	39 315	4 000	4 300
Strategic Cabinet Initiatives	35 607	23 708	16 010	5 770	-	-	40 000	40 000	40 000
Air Shows	-	-	-	-	-	-	2 000	2 000	2 000
Total	201 267	178 913	24 636	12 524	46 062	46 062	88 409	53 482	54 231

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		
	2008/09	2009/10	2010/11	2011/12			2012/13	2013/14	2014/15
Current payments	38 126	19 267	8 422	12 524	7 024	7 024	49 094	49 482	49 931
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	38 126	19 267	8 422	12 524	7 024	7 024	49 094	49 482	49 931
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	158 963	159 646	15 664	-	39 038	39 038	39 315	4 000	4 300
Provinces and municipalities	158 963	159 646	15 664	-	39 038	39 038	39 315	4 000	4 300
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	-	550	-	-	-	-	-	-
Total	201 267	178 913	24 636	12 524	46 062	46 062	88 409	53 482	54 231

The decrease in 2009/10 against the sub-programme: Budget Communication is due to the reduction in the number of special projects (such as budget road shows) as a result of cost-cutting. The allocation increases gradually over the MTEF period. The minimal increase in the 2011/12 Adjusted Appropriation and over the MTEF relates to Provincial Treasury's contribution to the Financial Literacy programme.

The high amounts in 2008/09 and 2009/10 against the sub-programme: Special Infrastructure Projects relate to R150 million allocated in each year for the construction of the Moses Mabhida Stadium. Included in 2010/11 are the prescribed local government levy and the expenditure for the development of the Pietermaritzburg airport. The amount in the 2011/12 Adjusted Appropriation relates to a roll-over of R18.538 million from 2010/11 in respect of the development of the Pietermaritzburg airport, as well as R10 million and R10.500 million for the development of the Ulundi and Richards Bay airports, respectively. In 2012/13, there is a once-off provision of R20 million toward the development of the Ulundi airport, as well as R16.027 million being the second part of the roll-over relating to the development of the Pietermaritzburg airport. The 2012/13 MTEF includes provision for the development of other airports as identified by the province.

The sub-programme: Strategic Cabinet Initiatives incorporates projects identified and approved by Cabinet. The decrease in 2009/10 relates to a roll-over of R11.252 million from 2007/08 to 2008/09 for the feasibility study of the Provincial Government Precinct which has now been put on hold. The reduction in the 2011/12 Adjusted Appropriation is due to cost-cutting. An amount of R40 million is allocated in each year of the MTEF to cater for other special projects as approved by Cabinet.

An amount of R2 million is allocated in each year of the 2012/13 MTEF against the sub-programme: Air Shows to cater for air shows to be held in various airports in the province, to support the provincial aviation industry, the provincial tourism market, the economic impact and financial viability of these municipal airports and the economic growth of the province as a whole.

The amounts reflected in 2008/09 against *Goods and services* includes R11.252 million rolled over from 2007/08 to 2008/09 for the feasibility study of the Provincial Government Precinct which has now been put on hold. The decrease in 2009/10, 2010/11 and the 2011/12 Adjusted Appropriation is due to cost-cutting and the decrease in the number of budget road shows. The MTEF will continue to cater for other special projects as approved by Cabinet, as well as budget road shows.

The expenditure against *Transfers and subsidies to: Provinces and municipalities* in 2008/09 and 2009/10 relates to R150 million in each year for the construction of the Moses Mabhida Stadium. Included in 2008/09, 2009/10 and 2010/11 is the prescribed local government levy that has since been discontinued following a change in legislation. The 2011/12 Adjusted Appropriation relates to a roll-over of R18.538 million from 2010/11 for the development of the Pietermaritzburg airport, as well as R10 million and R10.500 million toward the development of the Ulundi and Richards Bay airports. In 2012/13, a second part of the roll-over relating to the development of the Pietermaritzburg airport of R16.027 million has been allocated, as well as a provision of R20 million for the development of the Ulundi airport. The 2012/13 MTEF includes provisions toward the Special Infrastructure Projects which include the development of other airports, as identified by the province.

Payments for financial assets in 2008/09 and 2010/consists of write-offs relating to the KORA Music Awards, as well as Soccerex.

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			
		2011/12	2012/13	2013/14	2014/15	
100% response to determinations of Technical Working Committee	• No. of events co-ordinated successfully	5	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 2009 to March 2015. 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 2011 can be attributed to unplanned staff exits, and non-filling of posts due to the moratorium on the filling of non-critical vacant posts in that year.

As reflected in the table, there is a general increase in the total personnel cost in 2011/12, as well as over the 2012/13 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 requirements.

Table 6.26: Personnel numbers and costs per programme

	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	As at 31 March 2015
Personnel numbers							
1. Administration	118	141	133	149	149	149	149
2. Fiscal Resource Management	37	41	35	42	63	63	63
3. Financial Management	69	77	71	112	117	117	117
4. Internal Audit	82	106	71	125	140	140	140
5. Growth and Development							
Total	306	365	310	428	469	469	469
Total personnel cost (R thousand)	94 485	102 117	109 901	131 916	186 893	199 085	210 128
Unit cost (R thousand)	309	280	355	308	398	424	448

Table 6.27: Details of departmental personnel numbers and costs

	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2008/09	2009/10	2010/11	2011/12			2012/13	2013/14	2014/15
Total for department									
Personnel numbers (head count)	306	365	310	469	426	428	469	469	469
Personnel cost (R thousand)	94 485	102 117	109 901	166 702	143 633	131 916	186 893	199 085	210 128
Human resources component									
Personnel numbers (head count)	25	25	25	27	27	27	30	30	30
Personnel cost (R thousand)	4 378	5 133	7 384	9 582	8 157	8 157	9 517	10 097	10 604
Head count as % of total for department	8.17	6.85	8.06	5.76	6.34	6.31	6.40	6.40	6.40
Personnel cost as % of total for department	4.63	5.03	6.72	5.75	5.68	6.18	5.09	5.07	5.05
Finance component									
Personnel numbers (head count)	17	16	23	31	28	28	29	29	29
Personnel cost (R thousand)	4 857	5 884	6 131	9 586	8 986	8 986	9 525	10 138	10 651
Head count as % of total for department	5.56	4.38	7.42	6.61	6.57	6.54	6.18	6.18	6.18
Personnel cost as % of total for department	5.14	5.76	5.58	5.75	6.26	6.81	5.10	5.09	5.07
Full time workers									
Personnel numbers (head count)	278	330	269	439	390	392	429	429	429
Personnel cost (R thousand)	93 099	100 647	108 081	165 102	142 035	130 318	185 093	197 285	208 328
Head count as % of total for department	90.85	90.41	86.77	93.60	91.55	91.59	91.47	91.47	91.47
Personnel cost as % of total for department	98.53	98.56	98.34	99.04	98.89	98.79	99.04	99.10	99.14
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)	28	35	41	30	36	36	40	40	40
Personnel cost (R thousand)	1 386	1 470	1 820	1 600	1 598	1 598	1 800	1 800	1 800
Head count as % of total for department	9.15	9.59	13.23	6.40	8.45	8.41	8.53	8.53	8.53
Personnel cost as % of total for department	1.47	1.44	1.66	0.96	1.11	1.21	0.96	0.90	0.86

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

Table 12.2: Payments and estimates on training									
R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2008/09	2009/10	2010/11	2011/12			2012/13	2013/14	2014/15
1. Administration	801	356	139	848	888	809	521	571	612
2. Fiscal Resource Management	142	84	69	90	130	110	94	99	110
3. Financial Management	424	380	149	315	375	333	246	289	408
4. Internal Audit	199	376	128	440	545	537	460	471	495
5. Growth and Development	-	342	-	-	-	-	-	-	-
Total	1 566	1 538	485	1 693	1 938	1 789	1 321	1 430	1 625

The significant increase against Programme 4 in 2009/10 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 significant decrease in all programmes in 2010/11 is due to cost-cutting and the non-filling of non-critical posts, the department undertook to conduct in-house training, where possible.

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 training budget over the 2012/13 MTEF is however slightly below the required 1 per cent.

The increase in the 2011/12 Main Appropriation caters for the training of the full organisational structure. However, the appointment of additional permanent staff, as well as staff for the learnership programme during 2011/12 as a result of the lifting of the moratorium, account for the increase in the 2011/12 Adjusted Appropriation and 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		
	2008/09	2009/10	2010/11				2011/12	2012/13	2013/14
	Number of staff	306	365	310	469	426	428	469	469
Number of personnel trained	290	365	310	469	309	309	325	341	358
of which									
Male	151	146	152	188	157	157	165	173	182
Female	139	219	158	281	152	152	160	168	176
Number of training opportunities	350	28	51	25	49	49	59	65	77
of which									
Tertiary	-	-	3	-	2	2	4	8	16
Workshops	-	-	39	5	28	28	29	30	32
Seminars	-	-	4	-	10	10	11	12	13
Other	350	28	5	20	9	9	15	15	16
Number of bursaries offered	33	20	27	20	21	21	25	25	25
External	-	-	4	-	10	10	10	10	10
Internal	33	20	23	20	11	11	15	15	15
Number of interns appointed	32	35	41	30	36	36	40	40	40
Number of learnerships appointed	10	30	15	52	20	20	20	20	20
Number of days spent on training	276	87	149	80	136	136	140	145	150

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		
	2008/09	2009/10	2010/11	2011/12			2012/13	2013/14	2014/15
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes									
Horse racing taxes									
Liquor licences									
Motor vehicle licences									
Sale of goods and services other than capital assets	205	161	168	177	177	136	140	154	169
Sale of goods and services produced by dept. (excl. capital assets)	205	161	168	177	177	136	140	154	169
Sales by market establishments									
Administrative fees									
Other sales	205	161	168	177	177	136	140	154	169
Of which									
Other	205	161	168	177	177	136	140	154	169
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	14 505	7 584	29 584	6 750	6 750	269 917	185 003	200 004	215 004
Interest	14 501	7 580	29 582	6 747	6 747	269 914	185 000	200 000	215 000
Dividends	4	4	2	3	3	3	3	4	4
Rent on land									
Sale of capital assets	-	-	634	-	-	-	-	-	-
Land and subsoil assets									
Other capital assets	-	-	634	-	-	-	-	-	-
Transactions in financial assets and liabilities	843	2 136	440	1 921	1 921	332	362	398	438
Total	15 553	9 881	30 826	8 848	8 848	270 385	185 505	200 556	215 611

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2008/09	2009/10	2010/11	2011/12	2011/12	2011/12	2012/13	2013/14	2014/15
Current payments	518 780	448 037	368 945	531 943	461 957	414 939	559 679	586 114	615 293
Compensation of employees	94 485	102 117	109 901	166 702	143 633	131 916	186 893	199 085	210 128
Salaries and wages	82 470	90 387	94 479	144 518	124 292	115 819	161 151	172 204	182 226
Social contributions	12 015	11 730	15 422	22 184	19 341	16 097	25 742	26 881	27 902
Goods and services	285 912	243 662	243 536	265 241	289 324	282 017	322 786	337 029	355 165
of which									
Administrative fees	8 202	9 190	8 088	9 845	10 874	10 819	10 422	10 936	11 686
Advertising	4 466	2 373	1 439	3 746	2 663	2 541	3 629	3 919	4 227
Assets <R5000	8 989	5 037	133	933	1 401	1 305	1 004	967	1 005
Audit cost: External	3 467	4 051	3 479	12 920	10 682	10 305	7 751	8 956	9 474
Bursaries (employees)	363	259	236	155	155	155	300	350	435
Catering: Departmental activities	1 604	2 203	536	2 338	1 716	2 146	2 344	2 404	2 537
Communication	4 568	2 714	2 055	2 670	2 467	2 284	3 006	3 202	3 475
Computer services	80 948	90 417	102 332	102 803	100 253	99 955	107 116	112 929	119 726
Cons/prof: Business & advisory services	122 047	85 017	88 090	76 090	98 160	93 780	129 999	132 545	137 932
Cons/prof: Infrastructure & planning	-	-	-	-	-	-	-	-	-
Cons/prof: Laboratory services	-	-	-	-	-	-	-	-	-
Cons/prof: Legal cost	1 755	429	1 088	579	649	1 636	211	256	261
Contractors	10 462	4 119	2 844	4 037	3 558	2 635	4 438	4 900	5 228
Agency & support/outsourced services	4 462	1 043	553	847	1 688	1 165	1 043	1 120	1 184
Entertainment	234	7	33	134	134	55	58	65	70
Fleet services (incl. GMT)	-	822	785	1 222	982	1 059	1 317	1 568	1 465
Housing	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	73	133	87	245	210	155	208	228	237
Inventory: Fuel, oil and gas	-	-	-	60	60	-	-	-	-
Inventory: Learner and teacher supp material	-	-	-	-	45	34	-	-	-
Inventory: Materials and supplies	94	338	86	614	341	368	271	288	304
Inventory: Medical supplies	-	11	1	102	23	14	67	72	75
Inventory: Medicine	-	-	-	-	17	10	5	6	6
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Military stores	-	-	-	-	-	-	-	-	-
Inventory: Other consumables	273	296	110	348	219	193	371	401	428
Inventory: Stationery and printing	3 903	2 631	2 066	2 932	2 426	2 142	2 408	2 708	2 861
Lease payments	6 588	10 850	12 951	13 160	13 575	13 030	13 407	13 788	15 235
Rental and hiring	-	-	-	-	-	-	-	-	-
Property payments	689	2 504	2 211	4 127	6 262	7 290	4 474	3 928	4 133
Transport provided: Departmental activity	1 391	518	374	794	794	895	850	904	970
Travel and subsistence	11 426	8 405	7 993	15 307	11 697	10 627	16 456	18 483	19 411
Training and development	1 566	1 538	485	1 693	1 938	1 789	1 321	1 430	1 625
Operating expenditure	2 605	1 791	4 859	5 540	14 835	13 931	8 466	8 718	9 114
Venues and facilities	5 737	6 966	622	2 000	1 500	1 699	1 844	1 958	2 061
Interest and rent on land	138 383	102 258	15 508	100 000	29 000	1 006	50 000	50 000	50 000
Interest	138 383	102 258	15 508	100 000	29 000	1 006	50 000	50 000	50 000
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to	160 865	162 574	17 033	1 510	40 688	40 688	41 321	5 705	6 099
Provinces and municipalities	158 967	159 654	15 676	-	39 053	39 053	39 329	4 015	4 316
Provinces	4	8	12	-	15	15	14	15	16
Provincial Revenue Funds	4	8	12	-	15	15	14	15	16
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	158 963	159 646	15 664	-	39 038	39 038	39 315	4 000	4 300
Municipalities	158 963	159 646	15 664	-	39 038	39 038	39 315	4 000	4 300
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	3	-	-	-	-	-	-	-	-
Households	1 895	2 920	1 357	1 510	1 635	1 635	1 992	1 690	1 783
Social benefits	1 895	2 839	1 142	1 300	1 300	1 300	1 762	1 450	1 530
Other transfers to households	-	81	215	210	335	335	230	240	253
Payments for capital assets	9 644	3 291	2 295	3 033	7 158	6 983	3 274	3 530	3 731
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	9 094	3 155	2 275	3 033	6 633	6 458	3 274	3 530	3 731
Transport equipment	1 330	-	-	970	970	970	1 027	1 057	1 130
Other machinery and equipment	7 764	3 155	2 275	2 063	5 663	5 488	2 247	2 473	2 601
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	550	136	20	-	525	525	-	-	-
Payments for financial assets	4 276	-	663	-	221	221	-	-	-
Total	693 565	613 902	388 936	536 486	510 024	462 831	604 274	595 349	625 123

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		
	2008/09	2009/10	2010/11	2011/12	2011/12	2011/12	2012/13	2013/14	2014/15
Current payments	72 300	72 726	67 582	98 076	91 836	88 213	97 688	104 048	110 439
Compensation of employees	28 849	29 965	32 044	42 471	39 946	37 777	45 142	48 130	50 838
Salaries and wages	25 490	26 437	27 951	36 638	34 354	33 253	37 966	40 691	43 162
Social contributions	3 359	3 528	4 093	5 833	5 592	4 524	7 176	7 439	7 676
Goods and services	43 451	42 761	35 538	55 605	51 890	50 436	52 546	55 918	59 601
of which									
Administrative fees	361	178	114	544	1 548	1 516	382	471	539
Advertising	3 376	2 138	805	3 198	2 115	2 076	3 064	3 323	3 594
Assets <R5000	126	385	31	245	489	435	459	467	507
Audit cost: External	3 467	4 051	3 479	12 920	10 682	10 305	7 751	8 956	9 474
Bursaries (employees)	363	259	238	155	155	155	300	350	435
Catering: Departmental activities	438	679	89	336	180	166	353	371	396
Communication	1 581	1 905	1 226	1 395	1 164	1 109	1 563	1 660	1 763
Computer services	-	-	5 301	3	3	3	4	5	5
Cons/prof: Business & advisory services	5 525	2 412	87	737	508	617	240	285	311
Cons/prof: Infrastructure & planning									
Cons/prof: Laboratory services									
Cons/prof: Legal cost	1 520	118	76	239	309	281	211	256	261
Contractors	2 911	2 761	2 240	2 686	1 786	1 230	2 972	3 309	3 517
Agency & support/outsourced services	3 373	1 043	97	397	242	167	304	341	362
Entertainment	220	3	33	128	128	52	51	55	59
Fleet services (incl. GMT)	-	822	784	1 222	982	1 059	1 317	1 568	1 465
Housing									
Inventory: Food and food supplies	6	36	49	130	130	83	124	134	146
Inventory: Fuel, oil and gas	-	-	-	60	60	-	-	-	-
Inventory: Learner and teacher supp material	-	-	-	-	45	34	-	-	-
Inventory: Materials and supplies	94	118	79	610	330	359	267	283	299
Inventory: Medical supplies	-	11	1	102	23	14	67	72	75
Inventory: Medicine	-	-	-	-	17	10	5	6	6
Medsas inventory interface									
Inventory: Military stores									
Inventory: Other consumables	273	291	109	344	215	190	368	395	419
Inventory: Stationery and printing	2 770	1 757	1 186	1 640	1 470	1 288	1 050	1 261	1 322
Lease payments	6 472	10 708	12 917	13 000	13 210	12 641	13 236	13 607	15 041
Rental and hiring									
Property payments	689	2 339	2 211	3 777	6 077	7 277	4 474	3 928	4 133
Transport provided: Departmental activity	53	-	-	10	10	7	50	60	70
Travel and subsistence	6 452	3 745	2 730	6 813	3 873	3 291	7 235	7 863	8 302
Training and development	801	356	139	848	888	809	521	571	612
Operating expenditure	1 430	759	1 348	3 422	5 107	5 041	5 742	5 863	6 017
Venues and facilities	1 150	5 887	169	644	144	221	436	458	471
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest									
Rent on land									
Transfers and subsidies to	1 773	1 796	227	210	350	350	636	255	269
Provinces and municipalities	4	8	12	-	15	15	14	15	16
Provinces	4	8	12	-	15	15	14	15	16
Provincial Revenue Funds									
Provincial agencies and funds	4	8	12	-	15	15	14	15	16
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities									
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	3	-	-	-	-	-	-	-	-
Households	1 766	1 788	215	210	335	335	622	240	253
Social benefits	1 766	1 707	-	-	-	-	392	-	-
Other transfers to households	-	81	215	210	335	335	230	240	253
Payments for capital assets	1 873	466	934	1 575	1 675	1 675	1 770	1 889	2 013
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings									
Other fixed structures									
Machinery and equipment	1 860	466	934	1 575	1 675	1 675	1 770	1 889	2 013
Transport equipment	1 330	-	-	970	970	970	1 027	1 057	1 130
Other machinery and equipment	530	466	934	605	705	705	743	832	883
Heritage assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets	13	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	12	-	-	-	-	-	-
Total	75 946	74 988	68 755	99 861	93 861	90 238	100 094	106 192	112 721

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		
	2008/09	2009/10	2010/11	2011/12	2011/12	2011/12	2012/13	2013/14	2014/15
Current payments	59 993	52 247	52 947	71 802	59 573	51 276	83 492	88 010	93 400
Compensation of employees	14 678	18 193	17 371	29 975	25 546	22 014	38 085	40 632	42 984
Salaries and wages	13 084	16 276	14 823	26 870	22 736	19 686	34 037	36 352	38 492
Social contributions	1 594	1 917	2 548	3 105	2 810	2 328	4 048	4 280	4 492
Goods and services	45 315	34 054	35 576	41 827	34 027	29 262	45 407	47 378	50 416
of which									
Administrative fees	58	51	44	66	66	50	70	73	78
Advertising	-	4	4	-	-	-	-	-	-
Assets <R5000	30	170	43	28	102	104	28	29	30
Audit cost: External									
Bursaries (employees)									
Catering: Departmental activities	35	55	11	51	51	62	54	58	61
Communication	169	163	130	224	219	157	291	315	332
Computer services	-	-	-	45	45	45	-	-	-
Cons/prof: Business & advisory services	41 999	31 449	33 172	38 314	30 058	25 269	41 345	42 928	45 761
Cons/prof: Infrastructure & planning									
Cons/prof: Laboratory services									
Cons/prof: Legal cost									
Contractors	67	9	5	11	16	21	12	12	6
Agency & support/outsourced services	20	-	-	-	-	-	-	-	-
Entertainment	5	2	-	-	-	-	-	-	-
Fleet services (incl. GMT)									
Housing									
Inventory: Food and food supplies	35	44	11	19	19	17	30	34	27
Inventory: Fuel, oil and gas									
Inventory: Learner and teacher supp material									
Inventory: Materials and supplies	-	3	-	4	4	2	4	5	5
Inventory: Medical supplies									
Inventory: Medicine									
Medsas inventory interface									
Inventory: Military stores									
Inventory: Other consumables	-	1	-	1	1	1	1	1	1
Inventory: Stationery and printing	462	310	212	422	304	242	403	429	495
Lease payments	34	-	-	-	70	76	1	1	-
Rental and hiring									
Property payments									
Transport provided: Departmental activity	-	3	-	-	-	-	-	-	-
Travel and subsistence	1 326	1 049	948	1 720	1 050	947	1 798	2 079	2 090
Training and development	142	84	69	90	130	110	94	99	110
Operating expenditure	768	626	927	821	1 881	2 154	1 264	1 302	1 407
Venues and facilities	165	31	-	11	11	5	12	13	13
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest									
Rent on land									
Transfers and subsidies to	-	-	-	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities									
Municipal agencies and funds									
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds									
Entities receiving funds	-	-	-	-	-	-	-	-	-
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	972	147	208	434	534	534	315	331	280
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings									
Other fixed structures									
Machinery and equipment	443	114	188	434	534	534	315	331	280
Transport equipment									
Other machinery and equipment	443	114	188	434	534	534	315	331	280
Heritage assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets	529	33	20	-	-	-	-	-	-
Payments for financial assets	-	-	6	-	129	129	-	-	-
Total	60 965	52 394	53 161	72 236	60 236	51 939	83 807	88 341	93 680

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		
	2008/09	2009/10	2010/11				2012/13	2013/14	2014/15
Current payments	278 181	235 606	159 520	260 962	207 945	177 592	236 544	246 202	257 219
Compensation of employees	24 437	24 319	27 132	42 917	38 802	36 615	47 082	50 063	52 766
Salaries and wages	20 570	21 324	22 933	36 842	33 370	32 081	40 065	42 759	45 206
Social contributions	3 867	2 995	4 199	6 075	5 432	4 534	7 017	7 304	7 560
Goods and services	115 361	109 029	116 880	118 045	140 143	139 971	139 462	146 139	154 453
of which									
Administrative fees	7 740	8 912	7 830	9 182	9 182	9 160	9 877	10 287	10 952
Advertising	-	13	419	28	28	33	16	17	18
Assets <R5000	8 817	4 210	59	364	514	483	210	245	230
Audit cost: External									
Bursaries (employees)									
Catering: Departmental activities	94	41	18	112	112	34	90	98	105
Communication	565	381	373	470	470	424	507	532	566
Computer services	80 948	89 715	96 996	102 014	99 514	99 130	106 993	112 801	119 591
Cons/prof: Business & advisory services	12 269	2 302	7 279	2 140	23 626	23 621	18 086	18 170	18 531
Cons/prof: Infrastructure & planning									
Cons/prof: Laboratory services									
Cons/prof: Legal cost	235	195	1 012	210	210	1 225	-	-	-
Contractors	1 677	532	68	167	167	37	66	72	81
Agency & support/outsourced services	10	-	-	-	-	-	-	-	-
Entertainment	1	1	-	4	4	-	4	6	7
Fleet services (incl. GMT)									
Housing									
Inventory: Food and food supplies	29	17	14	16	31	24	21	24	26
Inventory: Fuel, oil and gas									
Inventory: Learner and teacher supp material									
Inventory: Materials and supplies	-	217	7	-	5	5	-	-	-
Inventory: Medical supplies									
Inventory: Medicine									
Medsas inventory interface									
Inventory: Military stores									
Inventory: Other consumables	-	3	-	2	2	1	2	2	5
Inventory: Stationery and printing	286	310	373	549	331	320	607	650	695
Lease payments	42	33	34	44	129	121	47	50	57
Rental and hiring									
Property payments	-	-	-	-	15	13	-	-	-
Transport provided: Departmental activity									
Travel and subsistence	1 646	1 553	1 342	2 250	2 250	2 039	2 556	2 749	2 996
Training and development	424	380	149	315	375	333	246	289	408
Operating expenditure	122	31	859	43	3 043	2 887	24	26	53
Venues and facilities	456	183	48	135	135	81	110	121	132
Interest and rent on land	138 383	102 258	15 508	100 000	29 000	1 006	50 000	50 000	50 000
Interest	138 383	102 258	15 508	100 000	29 000	1 006	50 000	50 000	50 000
Rent on land									
Transfers and subsidies to	129	1 122	917	1 300	1 300	1 300	1 370	1 450	1 530
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities									
Municipal agencies and funds									
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds									
Entities receiving funds									
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	129	1 122	917	1 300	1 300	1 300	1 370	1 450	1 530
Social benefits	129	1 122	917	1 300	1 300	1 300	1 370	1 450	1 530
Other transfers to households									
Payments for capital assets	6 602	2 192	830	333	4 258	4 258	431	455	483
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings									
Other fixed structures									
Machinery and equipment	6 594	2 089	830	333	3 733	3 733	431	455	483
Transport equipment									
Other machinery and equipment	6 594	2 089	830	333	3 733	3 733	431	455	483
Heritage assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets	8	103	-	-	525	525	-	-	-
Payments for financial assets	91	-	92	-	92	92	-	-	-
Total	285 003	238 920	161 359	262 595	213 595	183 242	238 345	248 107	259 232

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		
	2008/09	2009/10	2010/11	2011/12	2011/12	2011/12	2012/13	2013/14	2014/15
Current payments	70 180	68 191	80 474	88 579	95 579	90 834	92 861	98 372	104 304
Compensation of employees	26 521	29 640	33 354	51 339	39 339	35 510	56 584	60 260	63 540
Salaries and wages	23 326	26 350	28 772	44 168	33 832	30 799	49 083	52 402	55 366
Social contributions	3 195	3 290	4 582	7 171	5 507	4 711	7 501	7 858	8 174
Goods and services	43 659	38 551	47 120	37 240	56 240	55 324	36 277	38 112	40 764
of which									
Administrative fees	40	49	77	53	78	93	93	105	117
Advertising	-	-	7	-	-	7	-	-	-
Assets <R5000	16	272	-	296	296	283	307	226	238
Audit cost: External	-	-	(2)	-	-	-	-	-	-
Bursaries (employees)	-	-	(2)	-	-	-	-	-	-
Catering: Departmental activities	92	43	2	39	39	44	41	43	45
Communication	2 253	265	326	581	614	594	645	695	814
Computer services	-	702	35	741	691	777	119	123	130
Cons/prof: Business & advisory services	36 137	33 977	41 771	29 129	43 959	44 263	28 328	29 162	31 329
Cons/prof: Infrastructure & planning	-	-	-	-	-	-	-	-	-
Cons/prof: Laboratory services	-	-	-	-	-	-	-	-	-
Cons/prof: Legal cost	-	116	-	130	130	130	-	-	-
Contractors	2 533	12	9	23	28	23	34	45	48
Agency & support/outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	1	-	2	2	3	3	4	4
Fleet services (incl. GMT)	-	-	1	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	3	27	13	30	30	31	33	36	38
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher supp material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	2	2	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Military stores	-	-	-	-	-	-	-	-	-
Inventory: Other consumables	-	1	1	1	1	1	-	3	3
Inventory: Stationery and printing	157	253	285	321	321	278	348	368	349
Lease payments	40	109	-	116	166	192	123	130	137
Rental and hiring	-	-	-	-	-	-	-	-	-
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	1 904	2 058	2 973	4 524	4 524	4 350	4 867	5 792	6 023
Training and development	199	376	128	440	545	537	460	471	495
Operating expenditure	237	289	1 494	804	4 804	3 709	856	879	959
Venues and facilities	48	1	-	10	10	7	20	30	35
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to	-	10	225	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving funds	-	-	-	-	-	-	-	-	-
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	-	10	225	-	-	-	-	-	-
Social benefits	-	10	225	-	-	-	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	197	486	323	691	691	516	758	855	955
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	197	486	323	691	691	516	758	855	955
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	197	486	323	691	691	516	758	855	955
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	7	-	3	-	-	-	-	-	-
Total	70 384	68 687	81 025	89 270	96 270	91 350	93 619	99 227	105 259

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation 2011/12	Revised Estimate	Medium-term Estimates		
	2008/09	2009/10	2010/11				2012/13	2013/14	2014/15
Current payments	38 126	19 267	8 422	12 524	7 024	7 024	49 094	49 482	49 931
Compensation of employees	-	-	-	-	-	-	-	-	-
Salaries and wages	-	-	-	-	-	-	-	-	-
Social contributions	-	-	-	-	-	-	-	-	-
Goods and services	38 126	19 267	8 422	12 524	7 024	7 024	49 094	49 482	49 931
of which									
Administrative fees	3	-	23	-	-	-	-	-	-
Advertising	1 090	218	204	520	520	425	549	579	615
Assets <R5000	-	-	-	-	-	-	-	-	-
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries (employees)	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	945	1 385	416	1 800	1 334	1 840	1 806	1 834	1 930
Communication	-	-	-	-	-	-	-	-	-
Computer services	-	-	-	-	-	-	-	-	-
Cons/prof: Business & advisory services	26 117	14 877	5 781	5 770	9	10	42 000	42 000	42 000
Cons/prof: Infrastructure & planning	-	-	-	-	-	-	-	-	-
Cons/prof: Laboratory services	-	-	-	-	-	-	-	-	-
Cons/prof: Legal cost	-	-	-	-	-	-	-	-	-
Contractors	3 274	805	522	1 150	1 561	1 324	1 354	1 462	1 576
Agency & support/outsourced services	1 059	-	456	450	1 446	998	739	779	822
Entertainment	8	-	-	-	-	-	-	-	-
Fleet services (incl. GMT)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	9	-	50	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher supp material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Military stores	-	-	-	-	-	-	-	-	-
Inventory: Other consumables	-	-	-	-	-	-	-	-	-
Inventory: Stationery and printing	228	1	10	-	-	14	-	-	-
Lease payments	-	-	-	-	-	-	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-
Property payments	-	165	-	350	170	-	-	-	-
Transport provided: Departmental activity	1 338	515	374	784	784	888	800	844	900
Travel and subsistence	98	-	-	-	-	-	-	-	-
Training and development	-	342	-	-	-	-	-	-	-
Operating expenditure	48	86	231	450	-	140	580	648	678
Venues and facilities	3 918	864	405	1 200	1 200	1 385	1 266	1 336	1 410
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to	158 963	159 646	15 664	-	39 038	39 038	39 315	4 000	4 300
Provinces and municipalities	158 963	159 646	15 664	-	39 038	39 038	39 315	4 000	4 300
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	158 963	159 646	15 664	-	39 038	39 038	39 315	4 000	4 300
Municipalities	158 963	159 646	15 664	-	39 038	39 038	39 315	4 000	4 300
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	-	550	-	-	-	-	-	-
Total	201 267	178 913	24 636	12 524	46 062	46 062	88 409	53 482	54 231

Table 6.H: Payments and estimates by economic classification: Conditional grant: Education and Health Infrastructure grants

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation 2011/12	Revised Estimate	Medium-term Estimates		
	2008/09	2009/10	2010/11				2012/13	2013/14	2014/15
Current payments	-	-	1 634	-	-	-	-	-	-
Compensation of employees	-	-	-	-	-	-	-	-	-
Salaries and wages	-	-	-	-	-	-	-	-	-
Social contributions	-	-	-	-	-	-	-	-	-
Goods and services	-	-	1 634	-	-	-	-	-	-
of which									
Administrative fees	-	-	-	-	-	-	-	-	-
Advertising	-	-	-	-	-	-	-	-	-
Assets <R5000	-	-	-	-	-	-	-	-	-
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries (employees)	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	-	-	-	-	-	-	-	-	-
Communication	-	-	-	-	-	-	-	-	-
Computer services	-	-	-	-	-	-	-	-	-
Cons/prof: Business & advisory services	-	-	1 634	-	-	-	-	-	-
Cons/prof: Infrastructure & planning	-	-	-	-	-	-	-	-	-
Cons/prof: Laboratory services	-	-	-	-	-	-	-	-	-
Cons/prof: Legal cost	-	-	-	-	-	-	-	-	-
Contractors	-	-	-	-	-	-	-	-	-
Agency & support/outourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. GMT)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher supp material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Military stores	-	-	-	-	-	-	-	-	-
Inventory: Other consumables	-	-	-	-	-	-	-	-	-
Inventory: Stationery and printing	-	-	-	-	-	-	-	-	-
Lease payments	-	-	-	-	-	-	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	-	-	-	-	-	-	-	-	-
Training and development	-	-	-	-	-	-	-	-	-
Operating expenditure	-	-	-	-	-	-	-	-	-
Venues and facilities	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to	-	-	-	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving funds	-	-	-	-	-	-	-	-	-
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	-	-	-	-	-	-	-	-	-
Total	-	-	1 634	-	-	-	-	-	-

Table 6.I: Summary of transfers to local government (Casino taxes pay-over, Moses Mabhid Stadium and Airports)

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2008/09	2009/10	2010/11	2011/12			2012/13	2013/14	2014/15
A KZN2000 eThekweni	156 877	157 484	7 937	-	-	-	-	-	-
Total: Ugu Municipalities	264	84	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	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	948	1 017	6 482	-	18 538	18 538	19 315	4 000	4 300
B KZN221 uMshwathi	-	-	-	-	-	-	-	-	-
B KZN222 uMngeni	-	-	-	-	-	-	-	-	-
B KZN223 Mpofana	-	-	-	-	-	-	-	-	-
B KZN224 Impendle	-	-	-	-	-	-	-	-	-
B KZN225 Msunduzi	-	-	5 435	-	18 538	18 538	19 315	4 000	4 300
B KZN226 Mkhambathini	-	-	-	-	-	-	-	-	-
B KZN227 Richmond	-	-	-	-	-	-	-	-	-
C DC22 uMgungundlovu District Municipality	948	1 017	1 047	-	-	-	-	-	-
Total: Uthukela Municipalities	3	15	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	-	-	-	-	-	-
Total: Umzinyathi Municipalities	2	19	31	-	-	-	-	-	-
B KZN241 Endumeni	-	-	-	-	-	-	-	-	-
B KZN242 Nqutu	-	-	-	-	-	-	-	-	-
B KZN244 Msinga	-	-	-	-	-	-	-	-	-
B KZN245 Umvoti	-	-	-	-	-	-	-	-	-
C DC24 Umzinyathi District Municipality	2	19	31	-	-	-	-	-	-
Total: Amajuba Municipalities	346	394	427	-	-	-	-	-	-
B KZN252 Newcastle	-	-	-	-	-	-	-	-	-
B KZN253 eMadlangeni	-	-	-	-	-	-	-	-	-
B KZN254 Dannhauser	-	-	-	-	-	-	-	-	-
C DC25 Amajuba District Municipality	346	394	427	-	-	-	-	-	-
Total: Zululand Municipalities	-	23	33	-	10 000	10 000	20 000	-	-
B KZN261 eDumbe	-	-	-	-	-	-	-	-	-
B KZN262 uPhongolo	-	-	-	-	-	-	-	-	-
B KZN263 Abaqulusi	-	-	-	-	-	-	-	-	-
B KZN265 Nongoma	-	-	-	-	-	-	-	-	-
B KZN266 Ulundi	-	-	-	-	-	-	-	-	-
C DC26 Zululand District Municipality	-	23	33	-	10 000	10 000	20 000	-	-
Total: Umkhanyakude Municipalities	-	2	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	-	-	-	-	-	-
Total: uThungulu Municipalities	515	577	584	-	10 500	10 500	-	-	-
B KZN281 Umfolozi	-	-	-	-	-	-	-	-	-
B KZN282 uMhlathuze	-	-	-	-	10 500	10 500	-	-	-
B KZN283 Ntambanana	-	-	-	-	-	-	-	-	-
B KZN284 uMlalazi	-	-	-	-	-	-	-	-	-
B KZN285 Mthonjaneni	-	-	-	-	-	-	-	-	-
B KZN286 Nkandla	-	-	-	-	-	-	-	-	-
C DC28 uThungulu District Municipality	515	577	584	-	-	-	-	-	-
Total: Ilembe Municipalities	8	31	45	-	-	-	-	-	-
B KZN291 Mandeni	-	-	-	-	-	-	-	-	-
B KZN292 KwaDukuza	-	-	-	-	-	-	-	-	-
B KZN293 Ndwedwe	-	-	-	-	-	-	-	-	-
B KZN294 Maphumulo	-	-	-	-	-	-	-	-	-
C DC29 Ilembe District Municipality	8	31	45	-	-	-	-	-	-
Total: Sisonke Municipalities	-	-	2	-	-	-	-	-	-
B KZN431 Ingwe	-	-	-	-	-	-	-	-	-
B KZN432 Kwa Sani	-	-	-	-	-	-	-	-	-
B KZN433 Greater Kokstad	-	-	-	-	-	-	-	-	-
B KZN434 Ubuhlebezwe	-	-	-	-	-	-	-	-	-
B KZN435 Umzimkulu	-	-	-	-	-	-	-	-	-
C DC43 Sisonke District Municipality	-	-	2	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	158 963	159 646	15 664	-	39 038	39 038	39 315	4 000	4 300