



LIMPOPO

PROVINCIAL GOVERNMENT
REPUBLIC OF SOUTH AFRICA

OVERVIEW OF PROVINCIAL REVENUE AND EXPENDITURE

2013/14



LIMPOPO

PROVINCIAL GOVERNMENT
REPUBLIC OF SOUTH AFRICA

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FOREWORD 2013/14 BUDGET STATEMENT

Preparation of 2013/14 budget was made in the mist of uncertain global economic environment. South Africa is also affected by this global uncertain economic environment. This resulted in the Province having to make difficult choices to ensure the key priorities area adequately funded. The choices that were to be made had to ensure that there is development that encourages economic growth while improving delivery in social services. Given the limited funds that the Province received reprioritisation on projects had to be made. The 2011 census results also added to challenges that the province had in allocating the budget for 2013/14 as the decline in percentage share of the province to National had a serious impact on the equitable share that the province receive from National. In 2011 the Province experienced challenges regarding spending and bank overdrafts but measures were put in place to ensure that there is healthy bank balance and spending was within allocated budget. The allocation of 2013/14 budget continues to emphasise these measures.

The province's total receipts grow by 2.65 per cent in 2013/14 and 3.8 per cent over the MTEF. The province's equitable share is growing by 5.4 per cent in 2013/14 and 4.9 per cent over the MTEF. The conditional grants allocation is decreasing by 11.2 per cent in 2013/14 and 2.3 per cent over the MTEF. The province has been allocated a total of R 915 million over the 2013/14 to cushion the impact of phasing in the new Census data, with this cushioning falling away after 2015/16.

Budget documentation contains two primary sections namely, the Budget Overview and Estimates of Provincial Expenditure:

- a) Budget overview gives an overview of budget strategy, including the overall Provincial framework and aggregates of revenue and expenditure and provides a broad overview of the province Socio-Economic profile of the Province.
- b) The Estimates of provincial Expenditure provides more detailed account per department on budget allocations, outputs, measureable objectives and service delivery targets.

Forward planning by Provincial departments is essential to ensure that the 2013/14 budget is spend efficiently and effectively to achieve service delivery that benefits the citizens of Limpopo.



GAVIN PRATT
HEAD OF DEPARTMENT
DATE 8 March 2013

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1. SOCIO-ECONOMIC OUTLOOK

The recent release of Census 2011 has sparked discussion as to the long-term improvement or lack thereof of the socio economic status of South Africans. At a national level the broad result has been that there have been significant improvements in the socio economic status of South Africans since 1996; and from a provincial point of view this raises the question whether the same picture holds at a provincial level. This section will attempt to answer this question.

1.1. Population

A key indicator of population health is its size over time. A growth in the population indicates that either the birth rate increased relative to the death rate or/and that the life expectancy of the population has increased. Since 2001 the provincial population grew from 4.99 million to 5.4 million, which is a growth of 8 per cent. The number of households in the province grew from 1.17 to 1.41 million (a significant growth of 27%) during the same period (see Table 1 below). The higher growth of households relative to population growth indicates that average household size in the province also declined between 2001 and 2011.

Table 1: Limpopo population characteristics

	Measure	Census 1996	Census 2001	Census 2011	2001-2011 Change (%)
Population size	Individual	4576133	4995462	5404868	8%
Sex ratio¹	Index	84	83	88	6%
Median Age	Year	17	19	22	16%
Households	Household	982114	1117855	1418102	27%
Average household size	Individuals	5	4.2	3.7	-12%
Education (15 years and above with no education)	Percentage	42.2	41	25	-39%
Average household income	Rand	N/A	22985	56844	147%

Source: Statistics South Africa (2012)

¹ A sex ratio of 100 indicates parity in male versus female population. Above 100 indicates majority female population.

The sex ratio points to a shift in the composition of the population to a female dominated population. This combined with a young median age of 22 years (although increased from 17 in 1996 to 22 in 2011) leads one to conclude that the provincial population continues to be majority young and male.

Key policy area questions around the extent to which resources are focused to this segment of the population continue to be relevant in the current and future discourse. One of these key policy areas is the provision of education, which is a precursor to unlocking economic questions for the province's relatively young population. As highlighted in Table 1 above there was a significant drop in the population 15 and above with no education. This improvement in education standards within the province can only have contributed to the 147 per cent improvement in the level of provincial average household income between 2001 and 2011.

1.2. Socio-economic indicators

Access to services indicates that less time is taken by households in performing day-to-day tasks such as cooking and water collection, and thereby creating time for "other" activities. Further other health benefits accrue from improved access to services, for example access to electricity can reduce the risk of disease associated with the burning of wood, coal and gas.

1.2.1. Access to electricity for cooking, heating and lighting

Census 2011 revealed that across the various uses of energy (that is cooking, heating and lighting) there has been a significant improvement in the use of electricity as the primary source of energy in Limpopo province. In fact between 2001 and 2011 the use of almost all other fuel sources except for electricity declined. During the same period electricity usage for cooking increased by 23.7 per cent, 16.7 per cent for heating, and 24.1 per cent for lighting (see Table 2 below).

Table 2: Fuel/Energy used for cooking, heating and lighting in Limpopo

Source of fuel/energy	Census 1996	Census 2001	Census 2011	2001-2011 Change
Fuel/Energy used for cooking in Limpopo				
Electricity	19.50%	26.3%	49.99%	23.69%
Gas	1.69%	1.7%	1.55%	-0.15%
Paraffin	12.26%	11.9%	4.12%	-7.78%
Wood	63.23%	57.0%	43.46%	-13.54%
Coal	2.15%	2.0%	0.45%	-1.55%

Source of fuel/energy	Census 1996	Census 2001	Census 2011	2001-2011 Change
Animal dung	0.52%	0.5%	0.13%	-0.37%
Solar	0.00%	0.3%	0.10%	-0.20%
Other	0.66%	0.3%	0.03%	-0.27%
Fuel/Energy used for heating in Limpopo				
Electricity	18.28%	28.3%	45.0%	16.70%
Gas	0.31%	0.7%	0.8%	0.10%
Paraffin	0.87%	7.4%	1.8%	-5.60%
Wood	9.62%	57.7%	38.2%	-19.50%
Coal	61.72%	2.9%	0.9%	-2.00%
Animal dung	3.70%	0.4%	0.2%	-0.20%
Solar	0.52%	0.3%	0.1%	-0.20%
Other	0.02%	2.4%	0.0%	-2.40%
Fuel/Energy used for lighting in Limpopo				
Electricity	36.62%	63.2%	87.26%	24.06%
Gas	0.53%	0.2%	0.14%	-0.06%
Paraffin	24.57%	7.4%	0.85%	-6.55%
Candles	37.13%	28.4%	10.96%	-17.44%
Solar	0.02%	0.3%	0.49%	0.19%
Other	0.53%	0.5%	0.00%	-0.50%
Provincial Households	982114	1117855	1418102	300247

Source: Statistics South Africa (2012)

1.2.2. Access to piped water

Table 3 below shows that access to piped water inside the dwelling increased by 8.11 per cent between 2001 and 2011. Those with piped water inside the yard increased by 2.87 per cent, and those with water on a community stand with a distance of 200 meters from their dwelling increased by 4.87 per cent. All other piped water access modes, which are less convenient than those stated above, declined and in particular those without access to piped water at all declined by 6.87 per cent. The province is succeeding in improving access to piped water.

Table 3: Limpopo access to piped water

Source of water	Census 2001	Census 2011	2001- 2011 Change
Piped (tap) water inside dwelling/institution	10.3%	18.41%	8.11%
Piped (tap) water inside yard	31.0%	33.87%	2.87%
Piped (tap) water on community stand: distance less than 200m from dwelling/institution	15.6%	20.47%	4.87%
Piped (tap) water on community stand: distance between 200m and 500m from dwelling/institution	22.2%	7.39%	-14.81%
Piped (tap) water on community stand: distance greater than 1000m (1km) from dwelling/institution	15.6%	2.11%	-13.49%
No access to piped (tap) water	20.9%	14.03%	-6.87%
Provincial Households	1117855	1418102	300247

Source: Statistics South Africa (2012)

1.2.3. Access to refuse removal services

Access to refuse removal services also increased by 5.46 per cent between 2001 and 2011 (one removal per week). However the majority of households (65.94%) still used their own refuse dump in 2011. This is a slight decline from 2001 during which 66.6 per cent of households used their own refuse dump. The province recorded an improvement in the number of people with no access this service (5.39%). See Table 4 below.

Table 4: Limpopo access to refuse removal service

Type of service	Census 2001	Census 2011	2001-2011 Change
Removed by local authority at least once a week	15.6%	21.06%	5.46%
Removed by local authority less often	1.0%	0.70%	-0.30%
Communal refuse dump	1.3%	1.37%	0.07%
Own refuse dump	66.6%	65.94%	-0.66%
No rubbish disposal	15.5%	10.11%	-5.39%
Provincial Households	1117855	1418102	300247

Source: Statistics South Africa (2012)

1.2.4. Access to adequate toilet facilities

The number of households without access to toilet facilities decreased by significant 15.2 per cent between 2001 and 2011; combined with a 3.12 per cent increase in access to flush toilets this highlights a significant improvement in access as compared to all the other service categories. In 2011 only 0.62 per cent of households still used a bucket toilet.

Table 5: Limpopo access to toilet facilities

Type of toilet facility	Census 2001	Census 2011	2001-2011 Change
None	22.4%	7.20%	-15.20%
Flush toilet (connected to sewerage system)	16.6%	19.72%	3.12%
Flush toilet (with septic tank)	2.1%	2.14%	0.04%
Chemical toilet	1.3%	0.86%	-0.44%
Pit toilet with ventilation (VIP)	7.9%	15.11%	7.21%
Pit toilet without ventilation	49.0%	52.87%	3.87%
Bucket toilet	0.7%	0.62%	-0.08%
Provincial Households	1117855	1418102	300247

Source: Statistics South Africa (2012)

1.2.5. Access to adequate housing

In 2011 on average 86.1 per cent of all provincial households lived in a house or a concrete block structure, which is an improvement of 22.2 per cent in 2011. Households in traditional structures declined by 14.3 per cent during the same period. Other categories registered marginal changes as compared to 2001. These results show a significant improvement in the quality of housing within the province.

Table 6: Limpopo types of dwellings

Type of toilet facility	Census 2001	Census 2011	2001-2011 Change
House or brick/concrete block structure on a separate stand or yard or on a farm	63.9%	86.10%	22.20%
Traditional dwelling/hut/structure made of traditional materials	18.9%	4.51%	-14.39%
Flat or apartment in a block of flats	0.7%	0.74%	0.04%
Townhouse (semi-detached house in a complex)	0.6%	0.34%	-0.26%
House/flat/room in backyard	1.9%	1.17%	-0.73%
Informal dwelling (shack; in backyard)	1.8%	2.28%	0.48%
Informal dwelling (shack; not in backyard; e.g. in an informal/squatter settlement or on a farm)	4.8%	2.92%	-1.88%
Room/flatlet on a property or larger dwelling/servants quarters/granny flat	0.8%	1.09%	0.29%
Caravan/tent	0.2%	0.12%	-0.08%
Provincial Households	1117855	1418102	300247

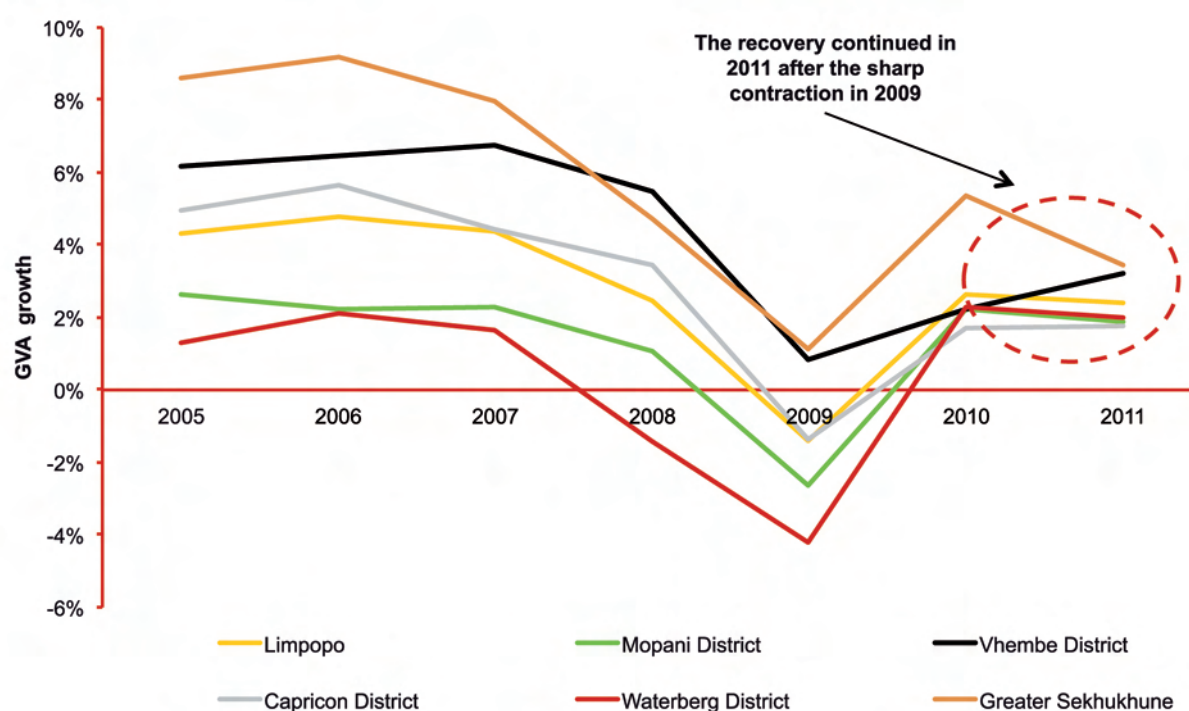
Source: Statistics South Africa (2011)

1.3. Economic indicators

1.3.1. GDP growth

Economic growth in the province moderated in 2011 after a sharp recovery in 2010. Economic growth in the province as a whole declined from 2.6 per cent in 2010 (after a decline of -1.4% in 2009) to 2.4 per cent in 2011. The slowdown in growth was underpinned by a slowdown in three out of five district municipalities (see Figure 1 below). This general moderation in the rate of economic growth is likely to continue into 2012 given difficult economic growth conditions in the global economy.

Figure 1: Limpopo economic growth²



Source: Quantec Research (2012).

Table 7 below shows that sector level growth in the province was anchored by mining, which accounted for 31 per cent of provincial GDP output in 2011. Mining remains the economic growth engine of the province as its main export and is therefore particularly sensitive to global economic growth prospects. With the major industrial economies experiencing moderate to negative growth, mining is experiencing difficulties and its growth is likely to moderate in the short to medium terms.

² Mopani District declined from 2.2% in 2010 to 1.9% in 2011, Vhembe District increased from 2.2% in 2010 to 3.2% in 2011, Capricorn District increased from 1.7% in 2010 to 1.8% in 2011, Waterberg District decreased from 2.3% in 2010 to 2.0% in 2011, Greater Sekhukhune District decreased from 5.4% in 2010 to 3.5% in 2011.

Table 7: Limpopo sector growth³

Sectors	Average Annual growth					Sector Share of provincial GDP				
	2007	2008	2009	2010	2011	2007	2008	2009	2010	2011
Agriculture	3.6%	18.3%	0.0%	-1.5%	11.2%	3.4%	3.3%	3.3%	2.8%	3.0%
Mining	1.2%	-4.7%	-4.4%	4.6%	8.3%	30.0%	32.0%	30.2%	30.8%	30.9%
Manufacturing	7.0%	4.0%	-9.4%	6.2%	1.6%	3.0%	3.6%	3.1%	2.8%	2.8%
Electricity	3.0%	-0.7%	-3.2%	2.3%	5.5%	2.8%	2.7%	3.3%	3.4%	3.5%
Construction	12.6%	11.9%	6.0%	3.2%	-4.7%	2.0%	2.2%	2.6%	2.8%	2.6%
Trade	4.3%	1.5%	-0.4%	4.0%	1.3%	10.9%	11.0%	10.5%	10.9%	10.1%
Transport	6.8%	5.6%	-1.5%	2.2%	7.1%	7.9%	7.5%	7.4%	6.8%	7.1%
Finance	7.8%	7.0%	1.1%	1.4%	0.7%	16.9%	15.9%	16.3%	15.7%	16.1%
Community service	4.4%	4.0%	0.9%	1.8%	4.6%	23.0%	21.9%	23.3%	23.9%	24.0%

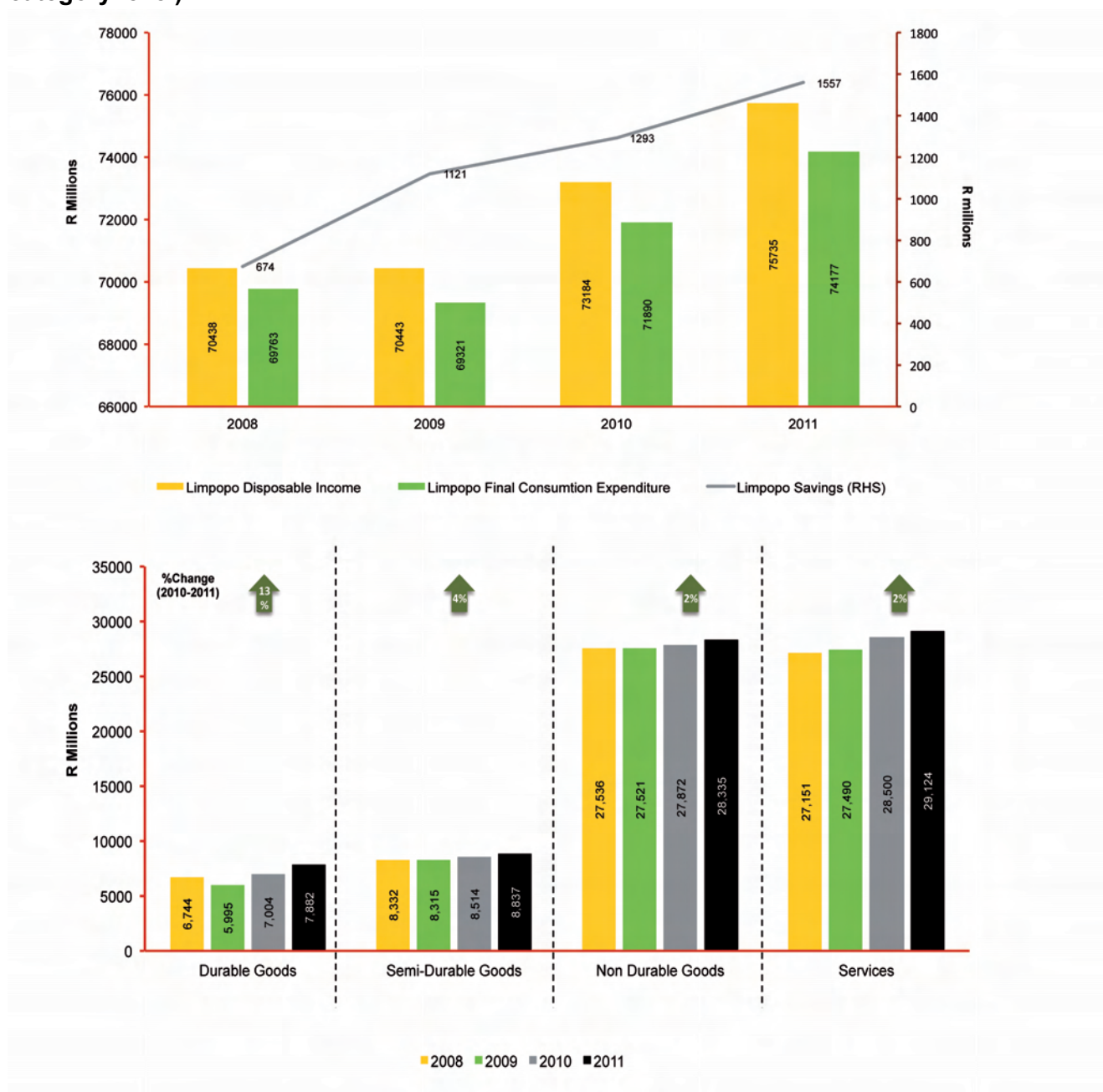
Source: Global Insight (2011)

1.3.2. Household income and expenditure

Despite a difficult economic environment Limpopo household savings continued to increase in 2011 to R1.55 billion - an increase of 20 per cent from 2010 (see Figure 2 below). This is particularly interesting given that South Africa in general has a negative savings rate. This continued increase in provincial savings can only be attributed to an entrenched savings culture within the province.

³ The agriculture (11.2% up from -1.5% in 2010), mining (8.3% up from 4.6% in 2010), transport (7.1% up from 2.2% in 2010), and electricity (5.5% up from 2.3% in 2010) sectors reported the highest growth in 2011. Construction (-4.7%) was the only sector that contracted in 2011.

Figure 2: Limpopo household income and expenditure (and expenditure at a product category level)

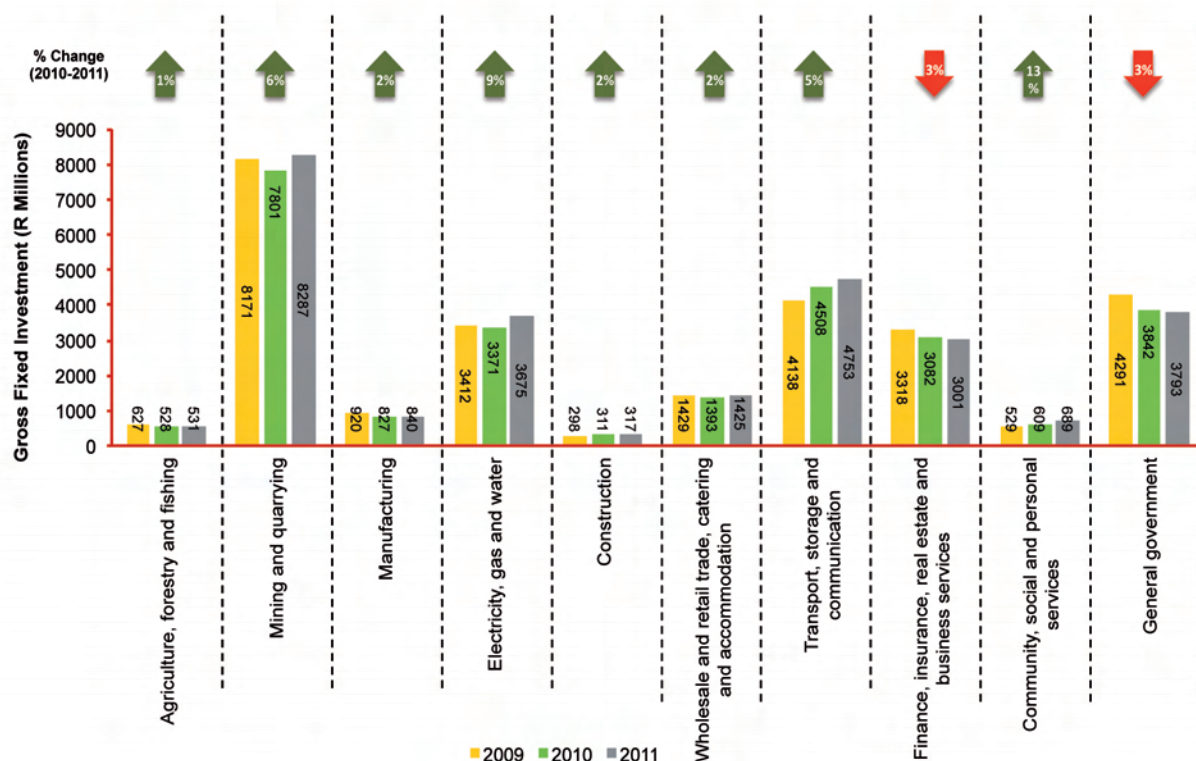


Source: Quantec Research (2012)

1.3.3. Investment

Provincial investment grew by 4 per cent in 2011 after a decline of 3 per cent in 2010. The growth in investment (in general) has declined from a peak growth of 20 per cent in 2007 mainly due to the negative impact of the Great Recession of 2008-2009. Although only a slight recovery in investment occurred in 2011, it points resilience of Limpopo investment in difficult economic times (see Figure 3 below).

Figure 3: Limpopo gross fixed investment at an industry level

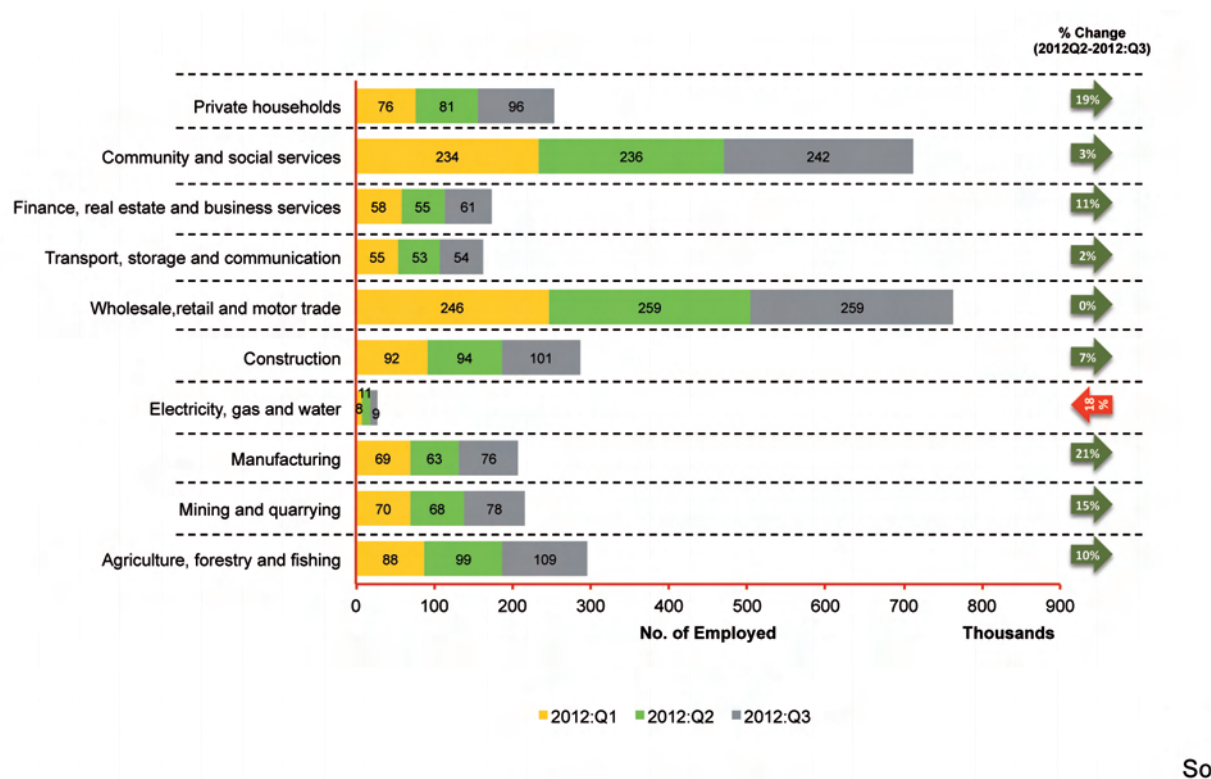


Source: Quantec Research (2012)

1.3.4. Employment

All sectors increased their employment levels during the third quarter of 2012 except for the wholesale, retail and motor trade sector, and the electricity, gas and water sector. The manufacturing, private households, mining and quarrying, and finance sectors increased their employment levels by 21 per cent, 19 per cent, 15 per cent, and 11 per cent respectively (see Figure 4 above). Despite the rise in the overall unemployment rate, this level of increase in jobs indicates that the provincial economy's robustness and employment-creating capacity remains intact.

Figure 4: Limpopo employment by sector



Source:

Statistics South Africa (2011)

2. BUDGET STRATEGY AND AGGREGATES

2.1. Introduction

As in 2012 the province again prepares the budget within an uncertain global economic environment. This implies that as a province we must moderate spending growth over the medium term. Our composition of expenditure needs to change to support inclusive development that encourages economic growth while improving delivery in social services. The challenge is to balance between personnel, goods and services and capital spending over the 2013/14 MTEF.

For the most part of 2012/13, emphasis was placed on stabilising the cash position through putting in place stringent cash flow and control measures, curtailing expenditure through austerity measures and putting forward plans to reduce compensation of employees' costs. These efforts have paid off in that the province has partially recovered from the bank overdraft as a result of accumulated unauthorized expenditure dating back from 2001. With the positive cash balances in the revenue fund Provincial Treasury was able to generate interest income that assisted in relieving some of the fiscal pressures.

The cornerstone of the 2013/14 budget strategy is the reprioritisation of the existing provincial budget and maintaining a healthy budget surplus to provide a sufficient cushion in cases of fiscal shocks in the system. The province will continue with the implementation of fiscal austerity measures to ensure that the fiscal framework remains stable in the years ahead. To this end, several Projects are already underway to ensure that the way government does business yields value for money. Limpopo province will continue to find ways of improving its financial management practices and service delivery excellence.

In drafting their 2013/14 MTEF budget proposals provincial departments and entities were requested by Provincial Treasury to reprioritised within programmes to provide for budget pressures.

All departments undertook a comprehensive review of their 2013/14 MTEF expenditure proposals, to ensure that the bulk of expenditure is directed to the areas of highest economic potential and greatest need, in line with national and provincial priorities. Focus is placed on giving effect to the objectives of eradicating poverty through agricultural investments and strengthening education and health while, at the same time, ensuring economic infrastructure investments.

2.1.1. The allocation criteria

The 2011 Census data update resulted in a significant decline in the provincial equitable share. The provincial equitable share declines by R508.6 million in 2013/14, R1 billion in 2014/15 and R2.1 billion in 2015/16. However, the province has been allocated a total of R 915 million over the 2013 MTEF to cushion the impact of phasing in the new Census data, with this cushioning falling away after 2015/16.

In deciding on 2013 MTEF allocations the province looked very critically at its existing baseline and reprioritised funds from projects and programmes that had a limited life-span, to other priority areas. The provincial own revenue budgets were reviewed with the objective of an increase, in aggregate, of the revenue projections over the 2013/14 MTEF in terms of the overall Revenue Enhancement Strategy.

Departments were reminded that the cost-cutting measures, which were introduced in 2012/13, remain in place for the foreseeable future. As such, departments were reminded to reprioritise savings realised as a result of cost-cutting, into areas of service delivery spending.

The province continues to budget for a surplus in the 2013/14 MTEF. The province intends to settle the whole R1 .5 billion unauthorised expenditure and still remain with a budget surplus. This is discussed in more detail in Section 2.3 below.

Given the easing of the pressure on the budget in 2012/13 and the positive cash position that has prevailed since May 2012 as a result of tighter cash management and fiscal austerity measures, it is believed that the revised overdraft service provision should be sufficient in view of the fact that the province has moved from paying interest on an overdraft to earning interest on positive cash balances.

In allocating resources the province has placed emphasis in addressing backlogs in the Social Service sector. Additional funding has been provided with the object of bringing service provisioning in the province in line with national norms.

The strategy discussed above has allowed the province to finance several provincial priorities over the 2013/14 MTEF.

2.2. Aligning Provincial Budgets to Outcomes

In preparing the 2013/14 MTEF budget, departments were requested to focus on the national outcomes, the New Growth Path, the Limpopo Economic Growth and Development Plan (LEGDP), National Development Plan as well as the United Nations Millennium Development Goals.

The 12 national outcomes:

NATIONAL OUTCOME	DEPARTMENT
1 Improve the quality of basic education	Vote 3
2 A long and healthy life for all	Vote 7, Vote 10, Vote 11, Vote 12
3 All people in South Africa are and feel safe	Vote 10
4 Decent employment through inclusive economic growth	All
5 A skilled and capable workforce to support an inclusive growth path	All
6 An efficient, competitive and responsive economic infrastructure network	Vote 5, Vote 6, Vote 7, Vote 8, Vote 9, Vote 11,
7 Vibrant, equitable and sustainable rural communities with food security for all	Vote 4, Vote 6, Vote 11, Vote 12
8 Sustainable human settlements and improved quality of household life	Vote 11
9 A responsive, accountable, effective and efficient local government system	Vote 5, Vote 11
10 Environmental assets and natural resources that are well protected and continually enhanced	Vote 4, Vote 6
11 Create a better South Africa and contribute to a better and safer Africa and World	All
12 An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship	All

In the chapter per Vote of this *EPRE*, departments have indicated under the Strategic objectives sections, which national outcomes they are responsible for.

2.3. Summary of Budget Aggregates

An overview of the Provincial budget is provided in Table 1.6 below. The size of the total provincial budget for 2013/14 is R49.2 billion. The province's total receipts grow by 2.65 per cent year on year and 3.8 per cent over the MTEF. The province's equitable share is growing by 5.4 per cent year on year and 4.9 per cent over the MTEF, despite the negative impact of the 2011 Census data. The conditional grants allocation is decreasing by 11.2 per cent year on year and decreases by 2.3 per cent over the MTEF, mainly due to the department of Higher Education converting the Further Education and Training colleges' subsidy portion of the conditional grant into a National subsidy from 01 April 2013 and Human Settlements Development grant .

Table 1.6: Provincial Budget Summary

Table 1.6: Provincial Budget Summary

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2009/10	2010/11	2011/12	2012/13			2013/14	2014/15	2015/16
Provincial receipts									
Transfer receipts from national	35 242 709	39 689 525	43 906 661	46 305 982	47 345 282	47 345 282	48 541 079	49 961 764	52 819 626
Equitable share	30 916 856	33 706 324	36 793 208	38 721 016	39 259 637	39 259 637	41 361 830	43 264 039	45 268 523
Conditional grants	4 325 853	5 983 201	7 113 453	7 584 966	8 085 645	8 085 645	7 179 249	6 697 725	7 551 103
Provincial own receipts	554 438	561 198	512 006	509 925	550 499	621 533	629 537	678 538	719 127
Total provincial receipts	35 797 147	40 250 723	44 418 667	46 815 907	47 895 781	47 966 815	49 170 616	50 640 302	53 538 753
Provincial payments									
Current payments	28 882 292	33 476 386	35 621 260	38 111 584	39 296 828	39 686 049	41 495 000	43 989 380	46 411 856
Transfers and subsidies	4 398 853	5 172 903	4 911 633	5 449 041	6 021 879	6 077 085	4 991 637	4 304 424	4 598 291
Payments for capital assets	2 239 514	2 670 676	2 683 802	2 376 828	2 591 384	2 549 623	1 948 183	1 907 161	2 347 617
Payments for financial assets	4 502	3 843	6 020	-	1 500	1 300	-	-	-
Unallocated contingency reserve									
Total provincial payments	35 525 161	41 323 808	43 222 715	45 937 453	47 911 591	48 314 057	48 434 820	50 200 965	53 357 764
Less: Unauthorised expenditure	-	-	-	251 455	251 455	251 455	520	-	-
Baseline Available for Spending	35 525 161	41 323 808	43 222 715	45 685 998	47 660 136	48 062 602	48 434 300	50 200 965	53 357 764
Financing									
Surrenders	164 819	911 268	134 011		623 459	623 459	11 438		
Surplus/(deficit) after financing	436 805	(161 817)	1 329 963	878 454	607 649	276 217	747 234	439 337	180 989

2.4. Financing

The province's budget is mainly financed through transfers from national (equitable share and conditional grants) and provincial own revenue which constitutes 1.3 per cent of the total provincial budget. For the 2013/14 MTEF period, total provincial receipts exceed the total provincial payments and in so doing reflect a surplus budget before and after financing. As mentioned earlier the intention of the budgeted surplus is to repay the provincial overdraft due to considerable overspending by some provincial departments over the past few years.

As was the case in 2012/13 all funds available to the province have not been allocated to the 13 provincial departments for spending over the three-year MTEF period. Strong fiscal discipline is paramount to ensure that no over spending is incurred during the current financial year. In the event that departments continue to over-spend budget allocations the budgeted surplus will be used to protect the province in so far as it should not go into overdraft. The budgeted surplus acts as a cushion which will absorb at least some of the over-expenditure and also protects the province against any other fiscal shocks (such as unfunded mandates) that may occur in a year.

Given the magnitude of the bank overdraft it was necessary to review the entire cash management system in the Limpopo Provincial Government. The province required the combined effort of all departments to restore the provincial cash position. On the cash management side, the payment system from the Provincial Treasury to provincial departments changed. Payment releases were rescheduled from 15 to 6 payments per month. Other changes to cash management included shifting from a "funding as you spend" mechanism, to funding departments according to the original balanced cash flow projections of departments. This has assisted in the immediate detection of negative movements in the departmental bank balances. In addition to daily monitoring of the various bank balances by Provincial Treasury, EXCO continues to be informed of departmental bank balances on a monthly basis.

The austerity measures, processes in place to reduce compensation of employees expenditure and the cash management reforms has had a positive effect on end-of-month cash balances since April 2012. The healthy bank balances have led to the province earning interest rather than paying interest, as it did in 2010/11.

3. MEDIUM TERM EXPENDITURE FRAMEWORK

3.1. The relationship between Strategic planning and budget

Planning and budgeting in South Africa is informed by a number of policy initiatives .The policy initiatives are Regional, National and Provincial. At the beginning of any electoral cycle, policy priorities are set, and thereafter plans are made with the purpose of achieving these priorities. Priorities are based on achievements that have already been made, together with gaps that still exist. Provincial priorities are set in line with National Priorities. The provincial policy priorities are derived from the provincial strategic priorities emanating from the Medium Term Strategic Framework, which takes into consideration the targets and priorities of the Millennium Development Goals (MDG). Furthermore, provincial priorities as set out in the Limpopo Economic Growth and Development Plan (LEGDP) also have to be considered.

It is imperative for Strategic Plans and budget to be interrelated as it will improve effectiveness of government operations. If annual budgets and multiyear budgets are not linked to strategic plans and Annual Performance Plans the objectives will not be realized and projects will not be implemented. It does help to have well crafted plans without well planned budgets that will make sure that the plans are realized. Provincial departments are required to develop Strategic Plans with a planning horizon of at least five years and Annual Performance Plans covering the MTEF period. Annual Performance Plans should be guided by the Strategic Plans, which reflect MTSF and subsequently political priorities.

At the beginning of the strategic planning session, the executive authority sets out clear priorities that guide the development of the Annual Performance Plan and also ensures that priorities are in line with the Strategic Plan. The departments are also expected to develop activity based costing budgets. Activity based costing take into consideration the performance level of projects. If in year one the project is still at the feasibility study level or planning level less budget will be allocated than in year two when the project will be implemented.

3.2. The role of Provincial Treasury in Planning and Budgeting.

Provincial Treasury is required to guide the provincial departments in crafting and updating Strategic Plans and Annual Performance Plans , and then submit first draft plans to National Treasury before the end of July and October every year for the following year plans that will guide the budget for that year. In order to ensure that quality documents are submitted to National Treasury, Provincial Treasury, inter alia, analyses documents, provides feedbacks and holds bilateral meetings with departments before their submission. Provincial departments are required to submit such documents to Provincial Treasury before the end of June and end of September every year to allow the aforementioned process to take place.

Departments that have public entities and cooperatives are required to submit the strategic plans of these entities together with their business plans. The strategic plans of the entities and business plans will form the basis on which the budgets of the entities are made and transfers budgeted for by the concerned departments.

All departments in the Province hold strategic planning sessions involving their Executive Authority, Accounting Officer, Head Official responsible for Planning, Chief Financial Officer, other management staff and stakeholders. Departments that have public entities involved the Public entities during their Strategic planning sessions. Some departments request Provincial Treasury to provide guidance during their planning sessions.

Documents received on time are analysed and findings communicated to departments by National as well as Provincial Treasury. Departments then improve the quality of documents based on feedbacks made.

3.3. Budget Process

3.3.1. What is entailed in the budget process

In addition to observing normal practices related to planning, budgeting and reporting, this chapter provides the features of the 2013 budget process for the Province and the linkage to the national budget process. This section describes the key stages in the budget process from a provincial perspective to ensure transparency.

A comprehensive legislative process supports the Budget and include amongst others, legislative bills adopted by National Parliament (the Division of Revenue Act, Appropriation Act and the Revenue Laws Amendment Act); and the Provincial Legislature (Limpopo Appropriation Act). Once the Provincial Legislature has appropriated budget amounts to each of the main divisions within a vote, the Provincial Executive is tasked with the implementation of the budget. The Provincial Executive relies on the administration (departments) to implement the programmes funded through the budget. Provincial Legislature in turn, exercises its oversight role, by ensuring that the administration implements the programmes approved through the budget.

The MTEF details 3-year rolling expenditure and revenue plans for provincial departments. The MTEF is designed to match the overall resource envelope with the estimation of the current and medium-term cost of existing departmental plans and expenditure programmes.

3.3.2. Matching policy priorities and resources

Deciding and agreeing on the best allocation of scarce resources to fund Government's many social, economic and administrative goals is the main purpose of the budget process. This includes re-assessing and reprioritising existing departmental baseline allocations, to ensure that the MTEF budgets are aligned to Government's priorities.

3.3.3. Outcome Budgeting Approach

The outcomes approach to budgeting encompasses an approach to planning, budgeting and monitoring of service delivery in line departments. Through the identification of outcomes and the monitoring of the related chain of inputs-activities-outputs, government will focus on the end product of service delivery. The focal point of the outcomes approach is on sectors and the achievement of their outcomes. An outcome-orientated government is able to coordinate different plans, activities and budgets across spheres and departments to ensure that all these areas are aligned.

Over the medium term there are 12 targeted outcomes, which have been detailed in the Presidency's *Measurable Performance and Accountable Delivery* document. The Government also identified five priorities. The 2012 provincial budget was informed by these frameworks and priorities.

4. RECEIPTS

4.1. Overall Position

Provincial revenue comprises three components: equitable share (transfers from national government); conditional grants (specific allocations); and own revenue. Total provincial receipts for 2013/14 reflect an increase of 5 per cent from 2012/13. The growth in revenue of 2013/14 of R2.3 billion is largely attributed to growth in the equitable share of R2.6 billion and own revenue of R119.6 million along with a decline in conditional grants of R405.7million.

Table 1.7: Summary of provincial receipts

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2009/10	2010/11	2011/12	2012/13			2013/14	2014/15	2015/16
Transfer receipts from national									
Equitable share	30 916 856	33 706 324	36 793 208	38 721 016	39 259 637	39 259 637	41 361 830	43 264 039	45 268 523
Conditional grants	4 325 853	5 983 201	7 113 453	7 584 966	8 085 645	8 085 645	7 179 249	6 697 725	7 551 103
Total transfer receipts from national	35 242 709	39 689 525	43 906 661	46 305 982	47 345 282	47 345 282	48 541 079	49 961 764	52 819 626
Provincial own receipts									
Tax receipts	214 946	227 015	239 619	251 926	261 317	261 317	320 336	346 510	371 677
Casino taxes	19 787	20 930	22 475	23 657	31 763	31 763	38 446	50 807	61 548
Horse racing taxes	7 100	8 660	7 740	8 467	9 752	9 752	11 532	11 762	11 923
Liquor licences	2 610	2 704	3 000	3 078	3 078	3 078	3 324	3 556	3 800
Motor vehicle licences	185 449	194 721	206 404	216 724	216 724	216 724	267 034	280 385	294 406
Sale of goods and services other than capital assets	151 983	164 658	170 708	188 170	205 940	205 792	218 608	235 899	247 861
Transfers received	2 851	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	26 544	30 177	37 013	32 274	39 424	39 424	47 686	50 089	52 616
Interest, dividends and rent on land	120 520	98 332	25 265	396	286	71 453	416	450	483
Sale of capital assets	17 130	11 543	14 308	10 724	16 056	16 056	13 277	14 030	14 135
Transactions in financial assets and liabilities	20 464	29 473	25 093	26 435	27 476	27 491	29 214	31 561	32 355
Total provincial own receipts	554 438	561 198	512 006	509 925	550 499	621 533	629 537	678 538	719 127
Total provincial receipts	35 797 147	40 250 723	44 418 667	46 815 907	47 895 781	47 966 815	49 170 616	50 640 302	53 538 753

4.2. Equitable Share

Equitable share is an unconditional transfer from National Treasury to provincial governments to fund the gap that provinces encounter due to their limited fiscal capacity and the significant expenditure assigned to them.

The equitable share is determined through a consultative process and the formula used prioritises the provision of social services such as education, social development and health. The formula is redistributive and biased towards poorer provinces.

4.3. Conditional Grants

As can be seen from Table 1.8, conditional grants in the province over the MTEF total R21.4 billion. The total of R7.2 billion is allocated in 2013/14 as conditional grants .

4.3.1. Department of Education

The department will receive conditional grants amounting to R2.4 billion in 2013/14, R2. 6 billion in 2014/15 and R3.1 billion in 2015/16. The conditional grants are namely: Further Education and Training, Dinaledi Schools, School Nutrition Programme, Technical Secondary Schools Recapitalisation, HIV AIDS .The department will also receive Education Infrastructure Grants to provinces. The conditional grants have a steady growth throughout the MTEF. The grants that constitute a large portion are the Education Infrastructure Grant followed by National School Nutrition. Further Education and training conditional grant is declining because the department of Higher Education has transferred the Further Education and Training Colleges' subsidy portion of the conditional grant into a National subsidy from 01 April 2013.

4.3.2. Department of Agriculture

The department will receive conditional grants amounting to R279.3 million in 2013/14, the amount will decline to R271.7 million in 2014/15 and then increase to R284 million in 2015/16.

The conditional grants will be used mainly for Land Care ,Comprehensive Agriculture Support , ILima / Letsema projects,Provincial Infrastructure and funds earmarked for repair of flood damage .The grant that is a larger contributor is Comprehensive Agriculture Support at R205.6 million followed by Letsema at R43.8 million in 2013/14 .All the grants have a steady growth over the MTEF except Land Care that has a decline.

4.3.3. Department of Health

The department has been allocated an amount of R1.8 billion in the form of conditional grants. For the 2013/14 MTEF the department has been allocated nine national conditional grants, namely Health Professional Training and Development Grant , Hospital Revitalization Grant , Comprehensive HIV/AIDS, National Tertiary Services, Health infrastructure grant, EPWP grant –Social sector, EPWP incentive grant to provinces, National Health Insurance ,Nursing and school colleges . The grants that are a larger contributors are the HIV/AIDS grants at R861.1 million followed by National Tertiary services at R305.7 million.

The growth on the HIV/AIDS conditional grant in 2014/15 and 2015/16 will enable the department to cover most of the increased demands for HIV services.

4.3.4. Department of Transport

In 2013/14 the department will receive conditional grants amounting to R1.3 billion, which will increase to R1.4 billion in 2014/15 and R1.5 billion in 2015/16. The conditional grants will mainly be used for Infrastructure and Public transport operation. The larger part of the grant amounting to R990.6 million in 2013/14, R1.1 billion in 2014/15 and R 1.2 billion in 2015/16 will be used for roads maintenance .There is R61.2 million earmarked for repair of flood damage.

Public Transport Operations will also grow from R274.9 million in 2013/14 to R288.8 million in 2014/15 and to R302.1 million in 2015/16.

4.3.5. Public Works

The department will receive conditional grants amounting R 3 million in 2013/14 period as an Expanded Public Works incentive. Devolution of property rates has been phased into equitable share with effect from 2013/14.

4.3.6. Cooperative Governance, Human Settlements & Traditional Affairs

Conditional grants constitutes 59 percent of the budget of the department in 2013/14 .The department will receive grants amounting to R2.7 billion over the 2013 MTEF .In 2013/14 grants amounting to R1.3 billion will be allocated .

The grant will decline to R690.2 million in 2014/15 and R685.9 million in 2015/16 . The conditional grant is mainly for Integrated Housing and Human Settlements Development .The grant is meant to meet the high demand for housing within the province. The conditional grants will be used to meet priorities in 2013/14 to build 12 815 houses and transfer of 5100 units to beneficiaries through the Enhanced Extended Discount Benefit Scheme.

The sharp decline in the grants is due to the fact that not all of the components of the Human Settlements have been updated with the data from census 2011. The census data show large shift in the need for housing towards larger urban centres. Based on this reason National has only allocated half the Human Settlement Development grant allocation to Provinces for 2014/15 and 2015/16, the remainder of the allocations will remain unallocated in the interim.

4.3.7. Department of Sports Arts and Culture

The department will be allocated conditional grants amounting to R 427.8 over the 2013 MTEF. The grant will be used mainly for Mass Sport Participation and sport and Community Library Services

Table 1.8: Summary of national conditional grant transfers by Vote

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2009/10	2010/11	2011/12	2012/13			2013/14	2014/15	2015/16
Vote 1	-	-	-	-	-	-	-	-	-
EPWP Incentive Allocation	-	-	-	-	-	-	-	-	-
Vote 3	1 046 366	1 806 599	2 297 515	2 444 489	2 458 195	2 458 195	2 391 874	2 608 709	3 137 938
National School Nutrition Prog.	465 992	659 233	832 952	879 338	879 338	879 338	932 050	991 153	1 030 799
Dinaledi Schools Grant	-	-	7 140	10 169	14 390	14 390	10 727	11 340	11 862
HIV/AIDS	33 263	28 322	34 646	29 942	29 942	29 942	30 852	31 085	31 542
Technical Secondary Schools Recapitalisation	-	8 479	27 918	26 700	36 185	36 185	28 169	29 859	31 322
Education Infrastructure Grant	547 111	668 438	897 937	942 091	942 091	942 091	983 599	1 145 712	1 609 491
EPWP Incentive Allocation	-	-	1 071	1 080	1 080	1 080	3 000	-	-
Social Sector (EPWP) Grant	-	-	-	18 557	18 557	18 557	27 768	-	-
Further Education and Training Colleges	-	442 127	495 851	536 612	536 612	536 612	375 709	399 560	422 922
Vote 4	131 196	172 743	212 076	264 062	298 503	298 503	279 250	271 713	284 045
Disaster Management (Drought relief)	10 000	-	8 475	-	8 475	8 475	-	-	-
Land Care	7 713	8 176	8 667	20 356	20 356	20 356	19 562	10 178	10 512
Provincial Infrastructure	-	-	-	-	-	-	-	-	-
Comprehensive Agriculture Support Programme	108 483	144 567	154 398	192 243	207 408	207 408	205 545	215 473	225 593
EPWP Incentive Allocation	-	-	536	9 463	9 463	9 463	10 298	-	-
ILima/Letsema Projects	5 000	20 000	40 000	42 000	52 801	52 801	43 845	46 062	47 940
Vote 05	-	-	-	-	-	-	-	-	-
Provincial Infrastructure	-	-	-	-	-	-	-	-	-
Vote 06	-	-	-	1 000	1 000	1 000	550	-	-
EPWP Incentive Allocation	-	-	-	1 000	1 000	1 000	550	-	-
Vote 7	1 136 956	1 425 524	1 707 118	1 728 950	1 858 642	1 858 642	1 762 759	1 626 044	1 814 683
Health Professions Training and Development	88 759	94 085	101 426	103 913	103 913	103 913	109 628	116 206	121 552
Hospital Facility Revitalisation of which									
Health Infrastructure	167 255	197 466	270 802	267 888	267 888	267 888	211 961	22 837	36 400
Health Revitalisation	212 360	274 256	371 672	301 193	373 357	373 357	230 211	129 266	147 632
Nursing Colleges and Schools component				12 400	12 400	12 400	15 270	18 570	19 792
Comprehensive HIV and AIDS	402 133	515 896	624 909	713 432	767 617	767 617	861 143	1 009 007	1 143 886
National Tertiary Services	176 871	257 314	269 010	288 427	288 427	288 427	305 732	323 158	338 024
Forensic Pathology Service Grant	35 233	39 913	43 279	-	3 343	3 343	-	-	-
Health Disaster Response (Cholera)	50 000	39 913	-	-	-	-	-	-	-
EPWP Incentive Allocation	-	6 681	1 071	1 000	1 000	1 000	3 000	-	-
Social Sector (EPWP) Grant	-	-	24 949	29 197	29 197	29 197	20 964	-	-
2010 World Cup Health Preparatory Strategy Grant	4 345	-	-	-	-	-	-	-	-
National Health Insurance				11 500	11 500	11 500	4 850	7 000	7 397
Vote 8	875 798	1 084 990	1 186 023	1 495 852	1 636 807	1 636 807	1 291 482	1 360 659	1 454 687
Provincial Roads Maintenance Grant	696 256	870 518	934 208	1 198 077	1 339 032	1 339 032	990 578	1 071 819	1 152 561
Overload Control Grant	5 035	-	-	-	-	-	-	-	-
Transport Disaster Management	-	-	-	-	-	-	-	-	-
EPWP Incentive Allocation	-	-	2 317	37 050	37 050	37 050	25 972	-	-
Public Transport Operations	174 507	214 472	249 498	260 725	260 725	260 725	274 932	288 840	302 126
Vote 9	26 217	31 943	36 521	42 273	43 469	43 469	3 000	-	-
Devolution of Property Rate Fund	19 217	15 154	34 478	35 399	36 595	36 595	-	-	-
Provincial Infrastructure	7 000	10 000	-	-	-	-	-	-	-
Expanded Public Works Programme (EPWP)	-	6 789	-	-	-	-	-	-	-
EPWP Incentive Allocation	-	-	1 698	6 874	6 874	6 874	3 000	-	-
Social Sector (EPWP) Grant	-	-	345	-	-	-	-	-	-
Vote 11	996 667	1 364 750	1 533 214	1 471 617	1 637 317	1 637 317	1 327 742	690 235	685 925
Human Settlement Development	996 667	1 364 750	1 510 494	1 471 617	1 637 317	1 637 317	1 324 742	690 235	685 925
Housing Disaster Management	-	-	21 474	-	-	-	-	-	-
EPWP Incentive Allocation	-	-	1 246	-	-	-	3 000	-	-
Vote 12	-	-	3 382	11 168	11 168	11 168	8 985	-	-
Social Sector (EPWP) Grant	-	-	3 382	11 168	11 168	11 168	8 985	-	-
Vote 13	112 653	96 652	137 604	125 555	140 544	140 544	113 607	140 365	173 825
Mass Participation and Sport Development Grant	51 023	43 604	55 731	55 733	56 851	56 851	56 529	59 355	62 323
Community Library Services	61 630	53 048	81 337	68 822	82 693	82 693	56 528	81 010	111 502
EPWP Incentive Allocation	-	-	536	1 000	1 000	1 000	550	-	-
Total conditional grants	4 325 853	5 983 201	7 113 453	7 584 966	8 085 645	8 085 645	7 179 249	6 697 725	7 551 103

4.4. Total Provincial Own Receipts (Own Revenue)

Provincial own receipts plays an important role in augmenting national transfers and financing provincial predetermined priorities. In the 2013/14 financial year, own revenue estimates contributes 1.3 per cent of the total receipts. Revenue is generated from tax receipts, Sale of goods and services other than capital assets, Sale of capital assets and financial transactions in assets and liabilities.

Table 1.9. Summary of provincial own receipts per vote

R thousand	Budgets			Main appropriat	Revised Apropriat	Revised estimates	Medium-term estimates		
	2009/10	2010/11	2011/12	2012/13			2013/14	2014/15	2015/16
Vote 01: Office of the Premier	6 320	619	2 514	640	1 440	1 440	654	658	662
Vote 02: Legislature	250	221	308	290	374	374	257	279	288
Vote 03: Education	30 390	37 592	30 390	41 363	43 088	43 088	44 612	50 704	51 036
Vote 04: Agriculture	11 615	13 321	10 859	11 351	11 351	11 351	9 316	9 449	9 791
Vote 05: Provincial Treasury	120 395	98 320	25 531	1 298	1 431	1 431	1 366	1 441	1 499
Vote 06: Economic Development	38 527	41 663	39 399	42 007	51 881	51 881	60 577	73 898	85 583
Vote 07: Health	93 009	98 796	107 077	113 898	116 751	116 751	120 708	125 573	131 186
Vote 08: Transport	233 309	247 213	271 445	275 131	292 439	292 439	356 456	374 279	392 993
Vote 09: Public Works	16 907	18 730	17 511	18 685	23 482	23 482	28 797	35 698	39 599
Vote 10: Safety, Security and Liaison	166	100	166	60	112	112	873	77	84
Vote 11: Local government & housing	2 015	1 917	3 887	2 153	4 500	4 500	2 500	2 925	2 678
Vote 12: Social Development	930	2 035	2 314	2 244	2 391	2 391	2 511	2 637	2 767
Vote 13: Sport, Arts & Culture	605	671	605	805	1 259	1 259	910	921	962
Total provincial own receipts by Vote	554 438	561 198	512 006	509 925	550 499	550 499	629 537	678 539	719 128

For the period 2011/12 and 2012/13 financial years, provincial revenue has declined by 8.8 per cent and 1.9 per cent respectively mainly as a result of the provincial cash flow status which did not yield positive interest receipts. However, the province has strengthened revenue generation through the revenue enhancement strategy, targeting four departments having potential for revenue collection, viz, Roads and Transport, Economic Development, Public Works and Health. This will yield positive growth of approximately 14.4 per cent for the 2013/14 financial year relative to 2012/13.

4.4.1. Summary of own revenue per vote

Vote 1: Office of the Premier

The main sources of revenue for the department are commission on insurance and parking fee. There is a negative growth of 54.6 per cent in 2013/14 and 22.8 per cent over the MTEF due to once off sale of capital assets in 2012/13.

Vote 2: Provincial Legislature

Provincial legislature derives its revenue mainly from commission on insurance. The departmental revenue estimates reflect both negative growth of 31.3 per cent from 2012/13 to 2013/14 and 8.3 per cent over MTEF due to once off sale of capital assets in 2012/13 financial year.

Vote 3: Education

The major source of own revenue falls under sales of goods and services other than capital assets. This category consist mainly of other sales, which include commission earned on payroll deductions such as insurance and garnishees, examination and remarking fees, as well as fees for the viewing of scripts and parking fees. An increase of 3.5 per cent in 2013/14 and 5.8 per cent over the MTEF is due to inflationary factors.

Vote 4: Agriculture

The department derives its main source of revenue from sale of capital assets as well as sale of goods and services which include commission on insurance and sale of agricultural produce. The decrease of 17.9 per cent in 2013/14 and 4.8 per cent over MTEF is mainly influenced by the reduction in a number of obsolete agricultural machinery and equipment. Collection of sale of agricultural produce is also deteriorating as a result of land claims.

Vote 5: Provincial Treasury

The departmental revenue is generated through commission on insurance, sale of tender documents, parking fees and previous year's recoveries. Provincial Treasury will no longer budget for interest receipts on positive bank balances. Any interest received will be retained in the Provincial Revenue Fund and may be allocated through the adjustment budget. There is a negative growth of 4.5 per cent in 2013/14 and a minimal growth of 1.6 per cent over the MTEF due to more sales of tender documents in 2012/13.

Vote 6: Economic Development

The bulk of the department's own revenue is generated from tax receipts which comprise of casino levies, horse racing taxes and liquor licenses. The growth of 16.8 per cent in 2013/14 and 18.2 per cent over the MTEF is as a result of anticipated increase in issuing of new Limited Payout Machines for site operators, introduction of new sources of gambling revenue and implementation of revised tariffs.

Vote 7: Health

Major sources of own revenue for the department are patient fees, rentals and commission earned on payroll deductions such as insurance and garnishees. The meaningful revenue collected by the department is mainly on patient fees and recovery of outstanding patient costs from the Road Accident Fund and Motor Vehicle Accidents. Parking fees promises to be an impacting source of revenue in this department.

The department shows minimal growth of 3.4 per cent and 4.0 per cent over the MTEF due to inflationary related factors.

Vote 8: Roads and Transport

The majority of the department's revenue is derived from tax receipts collected in terms of Road the Traffic Act. This revenue consists of motor vehicle licensing, registration, and the sale of personalized and specific number plates. Other revenue collected consists of non tax receipts such as traffic fines resulting from traffic infringements, operating and abnormal loads fees.

The department reflects growth of 21.9 per cent in 2013/14 and 10.4 per cent over the MTEF due to anticipated extension of motor vehicle licensing services to post offices from 36 post offices to 50 post offices and the anticipated increase in number of motor vehicles in the Province.

Vote 9: Public Works

The department is the custodian of immovable provincial government properties. Rental of properties constitutes the largest portion of the revenue budget(87 percent in 2013/14). Other revenue sources are commission on insurance, sale of tender documents, parking fees, etc. There is a positive growth of 22.6 per cent in 2013/14 and 19.0 per cent over the MTEF as a result of continuous implementation of revised house rental fees in line with Public Service Coordinating Bargaining Council resolutions.

Vote 10: Safety, Security and Liaison

The main sources of revenue for the department are commission on insurance and parking fees. The abnormal growth of 679.5 per cent in 2013/14 and negative growth of 9.1 per cent over the MTEF is due to anticipated disposal of obsolete assets inherited from the Manyeleti Youth Academy.

Vote 11: Cooperative Governance, Human Settlement and Traditional Affairs

The main sources of revenue for this department are derived from commission on insurance and parking fees. There is a negative growth of 44.4 per cent in 2013/14 and 15.9 per cent over the MTEF as a result of once off sale of capital assets in 2012/13.

Vote 12: Social Development

Revenue for this department mainly comprises of commission on insurance, rentals, tender documents and parking fees. The positive growth of 5 per cent in 2013/14 and over the MTEF is as a result of inflationary related factors.

Vote 13: Sports, Arts and Culture

The main source of own revenue in this department are entrance fees generated by hosting the Mapungubwe Arts Festival. The festival aims to create social cohesion and awareness within the Province and SADC region as a hub for cultural activities and destination for tourism respectively. The negative growth of 27.7 per cent in 2013/14 and 8.6 percent over the MTEF is as a result of the uncertainty to secure funding from the National Department of Arts and Culture to host the event as the department has limited budget to host the annual Mapungubwe Arts Festival.

5. PAYMENTS

5.1. Overall position

Total provincial payments are expected to grow by of 3.7 per cent over the MTEF.

5.2. Payments by vote

Table 1.10: Summary of provincial payments and estimates by vote

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2009/10	2010/11	2011/12	2012/13			2013/14	2014/15	2015/16
Vote 01: Office of the Premier	296 729	288 898	280 744	329 288	288 959	306 138	322 857	337 825	350 899
Vote 15: Provincial Legislature	157 018	191 251	217 817	217 664	244 224	244 224	225 987	236 365	245 590
Vote 03: Education	17 864 636	20 202 227	21 161 391	22 126 035	22 883 897	22 983 523	23 475 305	24 950 436	26 757 797
Vote 04: Agriculture	1 190 535	1 361 547	1 448 836	1 580 374	1 560 158	1 560 158	1 525 716	1 559 636	1 615 920
Vote 05: Provincial Treasury	356 408	359 372	258 137	315 521	304 935	354 496	384 708	326 071	317 472
Vote 06: Economic Development, Environmental Affairs and Tourism	680 251	861 071	866 943	888 338	890 338	890 338	1 073 947	1 117 209	1 158 785
Vote 07: Health	9 020 020	10 505 963	11 366 342	11 947 985	12 865 523	13 155 235	13 076 949	13 798 269	14 640 263
Vote 08: Transport	2 638 385	3 402 261	3 439 111	3 776 872	3 907 048	3 907 048	3 521 882	3 475 088	3 645 473
Vote 09: Public Works	699 566	774 264	789 427	859 288	825 995	844 002	877 061	912 793	968 441
Vote 10: Safety, Security and Liaison	52 970	56 844	58 790	67 301	62 549	64 809	74 749	75 871	78 724
Vote 11: Cooperative Governance, Human Settlements and Traditional Affairs	1 557 018	2 070 731	1 917 110	2 374 417	2 582 926	2 592 926	2 231 625	1 639 059	1 663 013
Vote 12: Social Development	773 271	1 003 929	1 162 397	1 165 929	1 193 183	1 193 183	1 377 843	1 477 114	1 578 361
Vote 13: Sport, Arts & Culture	238 354	245 450	255 670	288 441	301 856	217 977	266 191	295 230	337 028
Total provincial payments by vote	35 525 161	41 323 808	43 222 715	45 937 453	47 911 591	48 314 057	48 434 820	50 200 965	53 357 765
Less: Unauthorised expenditure	-	-	-	251 455	251 455	251 455	520	-	-
Baseline available for spending	35 525 161	41 323 808	43 222 715	45 685 998	47 660 136	48 062 602	48 434 300	50 200 965	53 357 765

5.2.1. Office of the Premier

Overall growth of the Department's budget is 5.5 per cent year on year and 4.7 percent over the MTEF period. The allocation will be R322.9million for 2013/14, R337.8 million for 2014/15 and R350.9 million for 2015/16 financial years. Growth rate for programmes is: Programme 1: 3.2 percent year on year and 3.8 percent over the MTEF, Programme 2: 4.4 percent year on year and 3.9 percent over the MTEF and Programme 3: 11.2 percent year on year and 7.3 percent over the MTEF. The goods and services increases by 1.9 percent in 2013/14.

The slow growth is influenced by the implementation of austerity measures by the department. The department surrendered R16 .2 million as declared savings during 2012/13 financial year.

Compensation of employees will growth by 8.0 per cent year on year and 6.2 per cent over the MTEF. Critical posts are to be filled during the 2013/14 financial year. The Transfers and Subsidies increases by 43.5 percent in 2013/14 to address the poverty alleviation projects. The Payment of Capital decreases by 35 per cent from 2012/13 to 2013/14 due to once off purchase of generator in 2012/13.

5.2.2. Legislature

The institution is allocated a budget of R 707 .9 million over the 2013 MTEF million over the 2013 MTEF .A total of R 225.9 million in 2013/14 , R242.6 million in 2014/15 and R 247.6 million in 2015/16. Overall growth is a significant decline of increase of 4.5 percent year on year and 3.9 percent over the MTEF.

5.2.3. Department of Education

The total receipts increased by 2.6 per cent or R591 million in 2013/14 and 5.4 percent over the MTEF .The equitable share increases by 3.3 per cent or R 663 million in 2013/14 and 5 percent over the MTEF .The conditional grants decreases by 3 per cent or R74.4 million in 2013/14 and increase by 8.4 percent over the MTEF.

Provision has also been made for additional policy priorities. The priorities that are included are: Increase in number of teachers in quintile one schools, increase in the number of grade R teachers, improving the level of funding in terms of norms and standards. An indicative amount of R119.3 million will be made available in 2015 /16 for increasing the number of teachers in quintile one, R94.4 million allocated in 2015/16 for employment of grade R teachers,R334.0 million allocated during 2013 MTEF starting for improvement of norms and standards and R140.0 million for Learner Teacher Support Material.

The budget will be used for the provision for the overall management of, and support to, the education system in accordance with the National Education Policy Act, the Public Finance Management Act and other relevant policies.

The budget will also be used for training of educators on the Curriculum And Assessment Policy Statements (CAPS), access to grade R, effective implementation of Curriculum across all grades. Training of educators and Practitioners, school monitoring, support and evaluation provision of Learner Teacher Support Material and provision of school infrastructure.

The larger part of the budget of the vote goes to provision of public ordinary education from Grades R-12 as it is the main purpose and focus of the vote. This programme is allocated R19,7 billion; R20,8 billion and R21,9 billion in 2013/14; 2014/15 and in 2015/16 financial years respectively. Support will also be given to independent schools in accordance with the South African Schools Act.

5.2.4. Department of Agriculture

The budget for the department has a negative growth of -2.2 percent year on year and minimal growth of 1.2 percent over the MTEF. The MTEF allocation will be R1.5 billion for 2013/14, R1.6 billion for 2014/15 and R1.6 billion for 2015/16 financial years. The total allocation for 2013/14 is decreased by 0.7 per cent. The decrease is due to the function shift of Limpopo Agri Business Development Corporation and amalgamation into the newly formed Limpopo Economic Development Agency of entities (LADC). There was also an additional baseline reduction of R38.7 million. Conditional grants decreased from R298.5 million in 2012/13 to R279.3 million in 2013/14 financial year.. The main decrease on conditional grants is attributable to rollovers from the 2011/12 financial year on CASP and ILlima/Letsema.

Compensation of employees increases to R948.3 million in 2013/14. This represents a nominal growth of 5.4 per cent and in line with the assumed rates of salary increase. Goods and Services increase by 3.2 percent in 2013/14. Transfers and subsidies decreases to R158.4 million in 2013/14 due to the function shift of LADC which is part of the amalgamation of provincial entities. Payment for Capital Assets decreased by 2 per cent from R68.1 million in 2012/13 to R66.7 million in 2013/14.

There is a negative growth of 4.7 per cent in Sustainable Resource in 2013/14 budgets and 4.0 percent over the MTEF. The implementation of Projects that started late in the 2012/13 financial year are also expected to be concluded in the 2013/14 financial year and over the MTEF.

5.2.5. Provincial Treasury

Overall growth of the department is 21 per cent year on year. An amount of R384.7 million is allocated in 2013/14, the budget decline to R326 million in 2014/15 and R317.4 million in 2015/16. The department's budget is expected to grow by 5 per cent year on year and 11 percent over the MTEF period. Goods & Services is increasing by 31 per cent from R109 million in 2012/13 to R157 million in 2013/14 due to R78 million being allocated for Section 100(b) Recovery projects. The remainder of the budget will be used to cover contractual obligations namely: Leases of Office buildings, Telephones, GG running Costs, SITA and Audit fees.

Transfers & Subsidies has a negative growth of 11.4 per cent in 2013/14, and this will be used to fund the existing bursary holders for the department as well as leave gratuities for employees who will retire in the coming financial year. Machinery and Equipment decreased by 55 per cent and this was due to once off purchases of IT equipments and motor vehicle in 2012/13. The budget of department will be used to support and monitor departments, municipalities and public entities and improve compliance to the MFMA, PFMA and other policies and legislation thereby contributing towards "Clean Audit 2014. The budget will also be used to rollout Financial Management System.

5.2.6. Department of Economic Development, Environmental Affairs and Tourism

The budget has increased from R 890.3 million in 2012/13 to R 1 073 million in the 2013/14 financial year. The significant increase is due to the allocation of the budget for Infrastructure in the Nature Reserves of R 60 million throughout the MTEF period under programme 4, Tourism.

The department has also amalgamated the four Public Entities including the Limpopo Agribusiness Development Corporation (LADC) which was previously based in the Department of Agriculture. The budget from LADC amounted to R 96.2 million, R 100.8 million and R 105.7 million for 2013/14, 2014/15 and 2015/16 respectively under programme 2, Economic Development. In addition to the allocated budget of R1 .1 million is an amount of R0.3 million for Thetha grant .The budget of the department will grow by 20 percent in 2013/14 and 9.2 percent over the MTEF.

The increase in compensation of employee's 2012/13 from R 381.7 million to R 402.2 million in 2013/14 amounts to 5.4 per cent which is below the CPI plus 1.0 per cent due to the reduction of personnel expenditure by 2.0 per cent.

The decrease in goods and services is due to the decrease in noncore items and austerity measures implemented in both the department and province. Most of the items have been revised during the preparation of the 2013 MTEF budget.

Transfers to departmental agencies increased from R238 million to R480.3 million due to the allocation of the R60 million for Infrastructure in LTA, R2.0million for Broadband for the same period and the inclusion through Amalgamation of LADC with the three existing entities in the department as outlined above.

5.2.7. Department of Health

The department has been allocated a budget of R13.1billion for 2013/14, R13.8 billion in 2014/15 and R14.6 billion in 2015/16. The department's budget grows by 2.1 per cent year-on-year and continues to grow by 4.6 per cent over the MTEF. The budget is broken down into R11.9 billion equitable share and R1.8 billion as conditional grant in 2013/14.

In 2014/15 an equitable share of R12.0 billion will be allocated while conditional grant amounting to R1.6 billion will be set aside .In 2015/16 an equitable share amounting to R12.6 billion and conditional grant amounting R1.1 billion will be allocated .The department has been allocated additional funding during the 2013 MTEF of R 390.0 million per year .

For the 2012/13 MTEF the department has been allocated five national conditional grants, namely Health Infrastructure Grant, National Tertiary Services, HIV/AIDS, Hospital Revitalization grant and Health Professional Training and Development Grant, National Tertiary Services Grant, EPWP Incentive grant, National Health Insurance and Nursing and School College grant.

All the allocated conditional grants show a steady increase over the MTEF period under review. The growth of 16.2 per cent on HIV/AIDS conditional grant in 2013/14 and further growth in 2014/15 will enable the department to cover most of the increased demands of HIV services and reduce HIV/AIDS prevalence.

Compensation of employees' growth from 2012/13 to 2013/14 shows an increase of 10.7 per cent year on year and 8.3 per cent over the MTEF. Transfers and subsidies will decline by 5.3 percent year on year and 4.1 percent over the MTEF period. Payment for capital assets will decline by 56 percent year on year 37 percent over the MTEF. Current payments will increase by 8.3 percent year on year and 7.3 percent over the MTEF period.

The increase covers the following issues that must be addressed by the Department. The budget will be used for Decentralization of Management, Strengthening District Health and Hospital Delivery Systems, Improvement of Management and Treatment of Tuberculosis and extreme drug resistance, Provision of Pharmaceutical Services, Reduction of Infant and Child mortality, Modernization of tertiary services, Provision of Bursaries to Health Professionals, Emergency Medical Services, Malaria Control and Expanded Public Works Programmes.

The department also seek to strengthen district health and hospital services and improve quality of health care. For this purpose secondary hospital services will be expanded, quality will be improved in provincial hospitals and sustainable outreach programme will be implemented.

5.2.8. Department of Roads and Transport

The department has been allocated a budget of R3.5 billion for 2013/14, R3.5 billion in 2014/15 and R3.6 billion in 2015/16. There is an overall negative growths of 9.9 per cent year on year and 2.3 per cent over the MTEF. Administration shows growth of 4.8 per cent year on year and 2.2 per cent over the MTEF.

Transport Infrastructure shows negative growths of 31.8 per cent year on year and 11.4 per cent over the MTEF to help fund the provincial overdraft and as a result of decrease in Provincial Roads Management grant allocation. The community Based Programme reflects significant growths of 68.1 per cent year on year and 18.6 per cent over the MTEF for revitalization of projects. Goods & services reflect enormous growths of 62.7 per cent year on year and 21.4 per cent over the MTEF for road maintenance.

Transfers to provinces and municipalities show healthy growths of 10.2 per cent year on year and 6.6 per cent over the MTEF as transfer to municipalities. This is to cater for the licensing of the departmental fleet. Departmental agencies and accounts reflect enormous negative growths of 70.5 per cent year on year and 37.4 per cent over the MTEF to fund provincial overdraft. Building and Other Fixed Structures reflects significant negative growths of 27.7 per cent on year on year and 26.6 per cent over the MTEF to help fund provincial overdraft. Machinery and Equipment shows a negative growth of 20.5 per cent year on year and positive growth of 15.9 per cent over the MTEF

5.2.9. Department of Public Works

The department has been allocated an amount of R 877.1 million for 2013/14 financial year. The allocation for 2014/15 and 2015/16 will be R912.8 million and R968.4 respectively.

Departmental budget shows growths of 3.9 per cent year on year and 4.7 per cent over the MTEF. The budget for 2013/14 consists of R845.2 million equitable share. Equitable share includes R37.2 million for Devolution of property rates which was previously funded by the conditional grant .The remaining conditional grant for the department is EPWP Incentive Grant to Provinces amounting to R3 million.

Administration grows by 5.4 per cent year on year and 5.3 per cent over the MTEF. Public Works Programme shows the growth of 3.9 per cent year on year and 4.8 per cent over the MTEF. Expanded Public Works Programme reflects negative growths of 5.6 per cent year on year and 1.9 per cent over the MTEF. Compensation of Employees reflects negative growth of 0.6 per cent year on year and grows by 0.7per cent over the MTEF.

Negative growth is as a result of funds for 2013/14 shifted from Compensation of Employees to Goods and Services to cater for the appointment of professionals on contract basis to capacitate Infrastructure with the intention of absorbing them into the system to be part of the departmental personnel in the future.

Goods & Services shows significant growths of 21.9 per cent year on year and 12.8 per cent over the MTEF due to the reason given above for the decline of Compensation of Employees.

The budget will be used for amongst others to Facilitate and co-ordinate the provision of provincial government building infrastructure, management of Provincial government and buildings, Coordination and implementation of the Expanded Public Works Programme and to comply with the requirements of Government Immovable Asset Management Act (GIAMA).

5.2.10. Department of Safety, Security and Liaison

The overall budget of the Department amounts to R65 million in 2012/13, and increases by 16.5 per cent to R74.2 million in 2013/14 and increase to R75.9 million in 2014/15 and R78.7 million in 2015/16.

Goods and service is increases by 23.0 per cent as a result of allocation for community policing and once off allocation for maintenance of office building. Administration increase by 23.8 percent, civilian oversight by 7.9 percent and crime prevention by 7.9 percent

5.2.11. Cooperative Governance, Human Settlements and Traditional Affairs

The budget decreased from R2.6 billion in 2012/13 to R2.2 billion in 2013/14. Conditional grants of R1.3 billion to cater for Human Settlement Development Grant which accounts for 59 percent of the total budget. Equitable share reduced by 47.4 million from R941.1 million to R901.4 which constitutes 4. 8 percent reduction. The equitable share consists of compensation of employees of R733.3 million as well as an operational budget of R164.3 million.

Compensation of employees declines significantly by 4.6 per cent year on year and grows modestly by 1.2 per cent over the MTEF. The decrease is as a result of R84.6 million once-off allocation for arrear payments of Traditional Leaders in 2012/13.

The Human Settlements grant allocation of R1.3 billion decreases by R307.5million that constitutes a decline of 19 percent from the 2012/13 adjusted appropriation of R 1.6 billion. The decrease is as a result of a revised allocation by National Human Settlement Department and the R166.6 million roll-over received during 2012/13.

5.2.12. Department of Social Development

The budget for the department over 2013 MTEF will be R1.4 billion in 2013/14, R1.5 billion in 2014/15 and R 1.5 billion in 2015/16. The allocation is inclusive of R 237 million over the MTEF for additional policy priorities. The priorities include absorption of social work graduates, support to the Non Governmental Sector and incomplete infrastructure projects. An amount of R 112 million over the MTEF will be set aside for employment of social workers,R71.8 million for support of NGOs and R54 million for completion of incomplete infrastructure projects .

Overall, the budget of the department is increasing adequately by 16.1 per cent year on year and 9.8 per cent over the MTEF. All programmes are growing at a healthy rate. Currently, Administration constitutes 22.8 per cent of the department's total budget. The infrastructure budget is placed under programme 1, hence the budget constitutes 22.8 per cent of the total department's budget.

There will be an increase of 11.9 percent on programme 1,17.9 percent in programme 2 and 14 percent in programme 3.

Current payments will increase by 8.8 percent, Transfers and subsidies by 26 percent and payments for capital assets by 35 percent. Compensation of employees increase from R585 million from revised estimates in 2012/13 to R665 million in 2013/14. The increase in the allocation is to provide for the overall salary increases, pay progression and increased stipends to caregivers. The department will also absorb the social work graduates and fill other critical vacant posts in the 2013/14 financial year. The goods and services budget increases from R162.4 million in 2012/13 to R184.6 million in 2013/14.

5.2.13. Department of Sport, Arts and Culture

The department will be allocated R266.2 million in 2013/14, R295.2 million in 2014/15 and R337 million in 2015/16.

The allocation consists of equitable share and conditional grant. The conditional grant will be mainly used for mass sport and recreation and community library services. The department's budget will decline by -12.3 percent year on year and 3.6 percent over the MTEF. Library and Information services under performance are the result of the negative growth of 24.5 per cent for the 2013/14 financial year. The decline is due to the fact that department will only build two new libraries in 2013/14 financial year. The other focus will be to maintain the existing ones and complete the additional scope of work in order for the libraries to be functional.

The decrease in the budget for administration for the financial year 2013/14 is as result of a cut on the equitable share budget and the Department did not make provision for the unauthorized expenditure.

The decrease in the budget for Cultural Affairs is as a result of a cut on the equitable share budget. The budget for programme three (Library and Information Services) has due to under spending of the Community Library in the both the current year and previous years. Mass Sport participation conditional grant in programme four has increased with the aim of maximizing participation in sport in schools and communities.

The budget will be used for building of libraries, repairs and maintenance of libraries, proper records management in the, Sport development, skills development , mass sports participation and school sport.

5.3. Payment by economic classification

Payment by economic classification is arranged according Economic Reporting Format as prescribed and updated by National Treasury as conditions dictates the need for revision. For 2013 payments by economic classification must give cost estimates for: Current payments, Transfers and subsidies, Capital Assets and Payment for financial Assets.

Table 1.11: Summary of provincial payments and estimates by economic classification

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2009/10	2010/11	2011/12	2012/13			2013/14	2014/15	2015/16
Current payments	28 882 292	33 476 386	35 621 260	38 111 584	39 296 828	39 686 049	41 495 000	43 989 380	46 411 856
Compensation of employees	23 122 337	26 513 992	29 343 612	31 380 299	31 861 876	31 900 400	33 881 884	35 949 215	37 828 311
Goods and services	5 759 436	6 962 004	6 277 648	6 730 902	7 434 549	7 785 245	7 612 714	8 039 760	8 583 128
Interest and rent on land	519	390	-	384	404	404	402	405	416
Transfers and subsidies to:	4 398 853	5 172 903	4 911 633	5 449 041	6 021 879	6 077 085	4 991 637	4 304 424	4 598 291
Provinces and municipalities	47 838	150 852	72 983	88 681	65 005	65 719	77 448	92 470	106 613
Departmental agencies and accounts	1 226 388	1 211 824	1 244 484	1 210 586	1 640 573	1 633 259	882 787	758 545	850 048
Universities and technikons	-	-	-	-	1 000	597	560	1 060	1 060
Public corporations and private enterprises	509 171	480 808	512 992	598 593	592 091	592 091	601 721	632 629	648 443
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Non-profit institutions	1 330 716	1 621 115	1 473 066	1 633 185	1 637 906	1 665 438	1 664 023	1 655 015	1 809 566
Households	1 284 740	1 708 304	1 608 108	1 917 996	2 085 304	2 119 981	1 765 098	1 164 705	1 182 562
Payments for capital assets	2 239 514	2 670 676	2 683 802	2 376 828	2 591 384	2 549 623	1 948 183	1 907 161	2 347 617
Buildings and other fixed structures	1 806 061	2 257 828	2 372 397	2 121 971	2 377 736	2 372 012	1 733 313	1 598 224	2 091 503
Machinery and equipment	425 926	402 608	311 344	250 307	208 998	173 052	210 510	305 873	252 960
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	50	50	-	-	54	56
Land and subsoil assets	3 171	-	-	-	-	-	-	-	-
Software and other intangible assets	4 356	10 240	61	4 500	4 600	4 559	4 360	3 010	3 097
Payments for financial assets	4 502	3 843	6 020	-	1 500	1 300	-	-	-
Total economic classification	35 525 161	41 323 808	43 222 715	45 937 453	47 911 591	48 314 057	48 434 820	50 200 965	53 357 764
Less: Unauthorised expenditure	-	-	-	251 455	251 455	251 455	520	-	-
Baseline Available for Spending	35 525 161	41 323 808	43 222 715	45 685 998	47 660 136	48 062 602	48 434 300	50 200 965	53 357 764

5.3.1. Current Payment

An amount of R41.5 billion, R43.9 billion and R46.4 billion is budgeted for current payments in 2013/14, 2014/15 and 2015/16 respectively. Current payment will increase by 5.6 percent in 2013/14. It will increase by 5.8 percent during the MTEF. The major contributor is salaries and wages at 6.3 percent in 2013/14 and decline of 0.5 percent during the MTEF. Current expenditures are expenditures relating to exercising of functions by state institutions. Included in this field is, Compensation of employees, including filled and funded posts by level, funded vacancies by level, provision for improvements in conditions of service and approved increases or decreases in the establishment; and Goods and services.

5.3.2. Transfers and subsidies

An amount of R4.9 billion, R4.3 billion and R4.9 billion is budgeted for transfer payments in 2013/14, 2014/15 and 2015/16 respectively. Transfer Payments will decline by 17.1 percent in 2013/14 from.. It will decline by 6.3 percent during the MTEF. Transfer payments must include accompanying cost calculations. Included in this category is Transfers to public entities, Municipalities and any other state institution.

5.3.3. Payment for Capital assets

An amount of R1.9 billion, R1.9 billion and R2.3 billion is budgeted for current payments in 2013/14, 2014/15 and 2015/16 respectively. Payment for capital assets will decline by 24.8 percent in 2013/14 and 2.9 over the MTEF. Capital expenditures are expenditures related to creation, restoration or acquisition of fixed capital. Capital payments will include projected expenditure schedules for multi-year projects.

5.3.4. Payment for financial assets

There is no payment for financial assets in 2013/14.

5.4. Payments by policy area

In addition to payment by economic classification that was outlined in paragraph 5.3, classification is made in terms of policy areas. Services are delivered according to different policy areas or different purposes. The classification according to different purposes makes possible for the government to assess progress made in different areas.

Payments by the Province can be classified into nine policy areas, namely general public services, public order and safety, economic affairs, environmental protection, housing and community services, health, recreation, culture and religion, education and social protection.

Table 1.12: Summary of provincial payments and estimates by functional area

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2009/10	2010/11	2011/12	2012/13			2013/14	2014/15	2015/16
General public services	2 006 896	2 343 055	2 209 000	2 533 734	2 523 944	2 615 741	2 620 375	2 661 282	2 757 009
Public order and safety	52 970	56 844	58 790	67 301	62 549	64 809	74 749	75 871	78 724
Economic affairs	4 420 915	5 527 568	5 646 187	6 161 407	6 272 764	6 272 764	5 968 451	5 996 479	6 261 699
Environmental protection	88 256	97 311	108 703	84 177	84 780	84 780	153 094	155 454	158 479
Housing and community amenities	1 059 843	1 341 461	1 254 235	1 562 444	1 723 095	1 726 045	1 421 863	790 830	788 406
Health	9 020 020	10 505 963	11 366 342	11 947 985	12 865 523	13 155 235	13 076 949	13 798 269	14 640 263
Recreation, culture and religion	238 354	245 450	255 670	288 441	301 856	217 977	266 191	295 230	337 028
Education	17 864 636	20 202 227	21 161 391	22 126 035	22 883 897	22 983 523	23 475 305	24 950 436	26 757 797
Social protection	773 271	1 003 929	1 162 397	1 165 929	1 193 183	1 193 183	1 377 843	1 477 114	1 578 361
Total provincial payments and estimates by functional area	35 525 161	41 323 808	43 222 715	45 937 453	47 911 591	48 314 057	48 434 820	50 200 965	53 357 765

Throughout the MTEF policy area that receives more payment is Education followed by Health at and Economic Affairs.

5.5 Infrastructure payments

As a Province, Limpopo acknowledges that Infrastructure supports the regeneration and building of local economies. Investment in infrastructure provides a better life to all people and reduces poverty by enabling faster economic growth and the creation of job opportunities.

In recognition of the importance of accelerating infrastructure delivery, the Limpopo Province has adopted the National Treasury's Infrastructure Delivery Improvement Programme (IDIP). IDIP is a capacity building programme with an overall goal "To contribute to improved service delivery through the improvement of public sector infrastructure delivery in accordance with national and provincial priorities". The purpose of IDIP is: "Strengthening the effectiveness and improving the efficiency of sustainable infrastructure delivery in the Province".

The goal of IDIP is closely linked to Outcome 12 of the Presidency's framework for measurable performance which focuses on an efficient and development oriented public service. Infrastructure development also contributes strongly to Outcome 6 which relates to, "An efficient, competitive & responsive economic infrastructure network.

The third phase of the Infrastructure Development Programme (IDIP Phase III) commenced in Limpopo on the 1st November 2010 with a purpose to support the implementation of the Limpopo Employment Growth and Development Plan (LEGDP). Four Technical Advisors were deployed in the province, one in each of the four IDIP Departments i.e. Education, Health, Public Works, and Provincial Treasury) to provide technical support and to strengthen management capacity in infrastructure planning, implementation and project closure processes. The following are five key outputs of IDIP Phase III:

- Effective functioning of institutional arrangements and enabling environment for infrastructure in the province
- Skills development in accordance with the approved provincial HR strategy supporting the Infrastructure Delivery Management System
- Improved infrastructure program and project planning and management
- Implementation of improved Infrastructure Procurement Systems and Practices in accordance with legislation
- Effective management of IDIP in the Province

The main focus of IDIP Phase III is institutionalization and implementation of the best practice infrastructure delivery system known as the Infrastructure Delivery Management System (IDMS). The IDMS is embodied in the 2010 CIDB (Construction Industry Development Board) Toolkit and it ensures sustainability of the best practice methodologies introduced through IDIP. The IDIP Phase III is currently being extended to the end of March 2014.

The IDMS is structured according to five main core business roles which include Portfolio Management, Programme Management, Project Management (includes scheduled maintenance) and Day-to-day routine or emergency maintenance and operations. The IDMS extends the best practice methodologies introduced in IDIP beyond the four IDIP departments to include all departments that are involved in infrastructure delivery.

In the delivery of infrastructure, in any single year of the Budget Cycle, departments deal with planning, implementation and closure processes. Departments concurrently deal with these different activities of the MTEF during a financial year:

- Closure activities for the previous year's implementation;
- Implementation activities for the current year; and
- Planning activities for next year's implementation.

In order to improve planning and efficiency in the delivery of infrastructure, the Alignment Model which calls for the amendment of the timeframes of the Infrastructure Delivery Cycle, to include appropriate due processes in the cycle as well as to create the critical linkages that are necessary between the Infrastructure Delivery Cycle and the MTEF Budget Cycle, has been developed by National Treasury and Limpopo is working hard to align. The Alignment Model shows the processes and indicative time frames of the Infrastructure Cycle and how it links with the Budget Cycle. The Alignment Model is embedded in the IDMS.

The Limpopo Province has adopted the Infrastructure Delivery Management System (IDMS) to ensure that departments allocate sufficient time for planning, design and tendering to take place from the time that the approved projects list is given to the implementing agent and before implementation starts.

The IDMS further prescribes that the handover of projects from the client department to the implementing agent be improved by means of a formal process in which all parties agree to do exactly what needs to be done, where, by whom, when, and at what cost.

To facilitate the process of agreement between parties, two plans as stipulated in the Alignment Model have to be put in place, i.e. The Infrastructure Programme Management Plan (IPMP) by the client department; and The Infrastructure Programme Implementation Plan (IPIP) by the implementing agent.

The client department first enters into a Service Delivery/Level Agreement (SDA or SLA) with its implementing agent(s) based on an agreement of the functions to be performed by each party. After the User Asset Management Plan (U-AMP) has been updated the client department prepares or updates an IPMP. In addition an updated Annual Performance Plan (APP) is also prepared. The IPMP stipulates what the client department intends to achieve in the next 3 years of implementation.

The implementing agent responds to the IPMP through the development of an IPIP which validates the implementing agents' understanding of what needs to be done and explicitly indicates how, when and by whom this will be achieved. Once the client department has approved the IPIP submitted by the implementing agent, the implementing agent is able to continue with detailed project designs, followed by the project tendering process.

Good infrastructure helps to raise productivity and lower costs in the directly productive activities of the economy, but it has to be expanded fast enough to meet the demand for infrastructure in the early stage of development.

Prediction of demand patterns and investment allocation, which are the key factors of infrastructure development planning, must be based on a long term economic development trend, population migration trends and land use planning, which predicts the province's temporal and spatial demographics and economic structure.

Firstly, the demand for infrastructure in South Africa and Limpopo in particular, is tremendous. This emanates from the poor and racially biased development planning of the past. Backlogs occur in most sectors including roads, energy, tourism, agriculture, water, transport systems, and in social infrastructure such as schools, clinics, sporting facilities and libraries.

These structural deficiencies in infrastructure constitute a very serious handicap to economic growth and poverty reduction. A second dimension of the challenge concerns the tremendous levels of funding needed for infrastructure investments in the province in the future decades.

In the Limpopo Province, we have allocated budgets of R5.2 billion, R4.7billion and R5.3 billion in the 2013/14, 2014/15 and 2015/16 financial years respectively for infrastructure development. These allocations have been allocated to the infrastructure departments over the MTEF period as indicated in Table 1.13 (a) and 1.13 (b) below.

Table 1.13(a) provides a summary of provincial infrastructure payments and estimates by Vote.

Table 1.13(a) Summary - Payments and estimates of provincial infrastructure by vote

R thousand	Outcome			Main appropriation	Adjusted appropriation 2012/13	Revised estimate	Medium-term estimates		
	2009/10	2010/11	2011/12				2013/14	2014/15	2015/16
Vote 3: Education	916 420	1 054 559	1 228 187	959 831	969 316	959 831	997 599	1 160 412	1 624 644
Vote 4: Agriculture	108 774	91 182	183 253	173 742	155 942	173 742	171 951	214 653	227 199
Vote 6: Economic Development, Environment & Tourism	279	1 674	1 753	3 000	200	200	63 102	63 273	63 365
Vote 7: Health	651 230	830 057	827 836	641 086	738 095	738 095	600 727	657 747	601 946
Vote 8: Roads & Transport	1 411 869	2 432 613	2 058 610	2 244 176	2 244 176	2 244 176	1 903 808	1 801 343	1 923 806
Vote 9: Public Works	68 860	37 353	28 280	57 895	57 895	57 895	51 502	54 592	57 813
Vote 11: CoGHSTA	996 667	1 264 570	1 170 803	1 471 617	1 637 317	1 637 317	1 324 742	690 235	685 925
Vote 12: Social Development	68 132	75 224	80 423	65 266	70 266	70 266	95 639	100 021	104 024
Vote 13: Sports, Arts & Culture	32 545	26 774	29 933	42 250	50 434	20 856	22 500	26 000	27 000
Total provincial infrastructure payments and estimates	4 254 776	5 814 006	5 609 078	5 658 863	5 923 641	5 902 378	5 231 570	4 768 276	5 315 722

Table 1.13(b) presents a summary of infrastructure by category.

Table 1.13(b) Summary - Payments and estimates of provincial infrastructure by category

R thousand	Outcome			Main appropriation	Adjusted appropriation 2012/13	Revised estimate	Medium-term estimates		
	2009/10	2010/11	2011/12				2013/14	2014/15	2015/16
New and replacement assets	1 299 861	1 760 200	1 688 152	1 891 888	2 059 857	2 041 463	1 615 438	876 611	967 142
Existing infrastructure assets	2 890 461	3 867 019	3 764 147	3 643 945	3 735 754	3 737 885	3 431 683	3 697 791	4 150 641
Upgrades and additions	1 745 364	1 901 398	2 736 206	1 990 341	1 995 341	1 995 341	2 169 715	1 772 049	1 728 577
Rehabilitation, renovations and refurbishments	135 314	299 511	344 360	182 796	174 596	211 236	63 410	294 543	819 606
Maintenance and repairs	1 009 783	1 666 110	683 581	1 470 808	1 565 817	1 531 308	1 198 558	1 631 199	1 602 458
Infrastructure transfers	64 454	186 787	156 779	123 030	128 030	123 030	184 449	193 874	197 939
Current	6 500	5 891	3 269	7 500	7 500	7 500	16 600	16 600	16 600
Capital	57 954	180 896	153 510	115 530	120 530	115 530	167 849	177 274	181 339
Current infrastructure	1 016 283	1 672 001	686 850	1 478 308	1 573 317	1 538 808	1 215 158	1 647 799	1 619 058
Capital infrastructure	3 238 493	4 142 005	4 922 228	4 180 555	4 350 324	4 363 570	4 016 412	3 120 477	3 696 664
Total provincial infrastructure payments and estimates	4 254 776	5 814 006	5 609 078	5 658 863	5 923 641	5 902 378	5 231 570	4 768 276	5 315 722
Maintenance to Total Budget	24%	29%	12%	26%	27%	26%	23%	35%	30%

Provincial total infrastructure investment over the MTEF is R15.3 billion with R3.5 billion to be spent on New Construction, R4.4 billion on Maintenance and Repairs, R5.7 billion on Upgrading and Additions, R1.2 billion on Rehabilitation and Refurbishment and R0.5 billion on Capital Infrastructure Transfers (where other government agencies are implementing capital programs on behalf of the departments).

The Provincial maintenance and repair budget is 23 percent, 35 percent and 30 percent in the 2013/14, 2014/15 and 2015/16 financial years respectively. Maintenance and repairs is a high priority over the MTEF. Therefore, we will ensure that departments channel at least 10 percent, of their annual infrastructure budget towards maintenance in order for government to save in the long term. The longer maintenance is delayed, the more expensive it becomes for government to rehabilitate infrastructure. Maintenance priorities are discussed in detail in section 5.5.1.

5.5.1 Maintenance of provincial infrastructure

Maintenance of infrastructure assets across Limpopo Province is unacceptably inadequate in the main, resulting in premature and a shortening of the expected useful life of these assets over time. Ongoing neglect entailing the failure to perform maintenance exposes end users to increased health and safety risk, demotivates end users and increases the burden on the fiscus as buildings disintegrate over time and the state must intervene in order to sustain an acceptable quality of assets in the Province.

It is well known that the condition of most immovable assets in the Limpopo Province is in a state of deterioration due to the ageing process, exposure to the elements (particularly flood damage), poor application of available funds for the purposes of maintenance and where funds are allocated, poor expenditure on maintenance budgets.

Appropriate and timely routine maintenance has been neglected over the past years. As a result this lack of routine maintenance, assets have been allowed to decay to a state where major maintenance intervention is required to rehabilitate these assets back to an acceptable condition and at substantial costs.

Estimates show that the current Provincial budgets for rehabilitation and renewal of existing infrastructure can only address the current need over the next twenty to thirty year period. In the interim, infrastructure continues to deteriorate due to reasons described above. Life Cycle Asset Management practice indicates that at least 1.8 percent , of the Current Replacement Cost for facilities should be spent annually on routine maintenance. It is therefore critical that every effort is made to implement an effective maintenance strategy throughout the province. Part of this solution necessitates more efficient application of available funds for routine maintenance of state assets throughout the Province. All sector departments in the province are encouraged on an annual basis to allocate 10 percent , of the infrastructure budgets towards maintenance, with an exception of the Department of Education having to ensure that 20 percent , of the annual infrastructure budget is allocated to maintenance of schools infrastructure.

In view of the above it is recommended that sector departments prioritise the following work though not limited to preserve assets and keep end users safe by repairing or removing any damage that puts occupants at risk, implementing termite treatment every 5 years, clearing gutters and storm water drainage annually before the rainy season, checking roofing annually and perform basic repairs to ensure that assets remain secure during flood seasons, and performing repairs to minor items such as windows, doors, flooring and pest control. These best practices will prolong the useful life of the provincial infrastructure assets.

The need to perform the above-mentioned priorities ought to be used to guide sector departments through monthly, quarterly and annual discharging of maintenance responsibilities in the following areas:

Site services: Roads and driveways, parking and paving, signage, landscaping and gardens, site fencing and gates, sport fields, sewerage, storm water, water supply and reticulation, fire service, electrical reticulation and kiosk, area lighting, borehole pump,

- Building elements: Plumbing, water storage tanks, fire equipment, electrical distribution, electrical lighting, kitchen equipment, and

- Building services: External walls and finishes, external doors and finishes, roofing, external floors and finishes, external ceilings and finishes, windows, internal walls and finishes, internal doors and finishes, internal floors and finishes, internal ceilings and finishes, fixtures and fittings

The role of sector departments in relation to their assets is defined in the following legislation:

- Section 38(1) (d) of the Public Finance Management Act (PFMA), No 01 of 1999 stipulates that the accounting officer for a department, trading entity or constitutional institution is responsible for the management, including the safeguarding and the maintenance of the assets of the department, trading entity or constitutional institution.
- The Government Immovable Asset Management (GIAMA), No 19 of 2007 promotes for the efficient utilization and maintenance of existing immovable assets, (Sec 5(1)(d)).

Departments have an asset management system which is updated regularly, through condition assessments on existing facilities to guide proper planning and budgeting for maintenance. Infrastructure maintenance is a strategic tool, as it offers outstanding opportunities for economic stimulation and as jobs are created, capital expenditure expanded and sustainable delivery achieved while community aspirations can be met, and lower life cycle asset management costs over the longer term.

The stock of infrastructure that is owned by the Limpopo Provincial Government and its agencies is major and is increasing at a rapid rate as the province continues to invest in infrastructure over the MTEF. The maintenance of this stock varies greatly from sector to sector and from institution to institution. Infrastructure assets must be planned and budgeted for throughout their life-cycle, from planning through to disposal. This is to ensure that assets operate efficiently and are maintained cost effectively. Continuous improvements in maintenance ensure that funds to address the cost of repairs and unplanned replacements are allocated. Investing in maintenance will accelerate the programme for addressing backlogs.

Departments have provided details on maintenance in the infrastructure table (Table B5) for each Vote.

5.5.2 Provincial infrastructure transfers

Provincial infrastructure payments or estimates by vote include transfers made for the delivery of provincial infrastructure.

5.5.3 Provincial Public-Private Partnership (PPP) projects

South Africa is amongst the leading countries in the world in terms of the law, policies and systems established for public private partnerships. The Limpopo department of Health is the leader in delivering infrastructure through PPP's.

There are currently six PPP projects registered in the department of Health. Two projects, Clinix- Phalaborwa Private Hospital and Renal dialysis, are currently at the contract management stage.

5.5.4 Clinix- Phalaborwa Private Hospital

Clinix-Phalaborwa Private Hospital was officially opened on 15 June 2012. The hospital was delivered as planned with 62 beds: 17 surgical beds and 15 medical beds in the general ward, 12 beds in total in the maternity ward with 8 private, 2 semi private and 2 delivery rooms, 5 beds neonatal and 5 adult ICU's, 2 theatres and 2 procedure rooms and 8 beds pediatric ward. The contract management stage is run well with monthly project steering meetings with all parties involved.

5.5.5 Nursing Colleges

The scope of the projects includes building of two new campuses in Sekhukhune and Waterberg Districts, the revamping of three campuses and twenty five nursing schools in the province. The objective of the project is to improve the level of nurse training and production in Limpopo.

The department of Health is conducting a Feasibility Study and the project is at the Option Analysis Stage.

5.5.6 Renal Dialysis

A private partner has been appointed to render renal services for a 10 year period under and the project is currently in year six of operation. The project is at the contract management phase and is being implemented successfully with monthly project steering meetings.

5.5.7 Limpopo Academic Hospital (LAH)

A feasibility study is being conducted to finalise the plans for the establishment of the Limpopo academic hospital. The national department health is finalising the number of beds required in this hospital and the hospital is planned to be implemented as a private partnership.

5.6 Transfers

5.6.1 Summary of provincial transfers to public entities by transferring department.

5.6.1(a) Economic Development Environment & Tourism

Table 6.6 : Summary of departmental transfers to public entities

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2009/10	2010/11	2010/11				2013/14	2014/15	2015/16
Entity 1 : Limpopo Economic Development Agency (LEDA)	-	-	-	-	-	-	307 416	318 974	329 965
Entity 2 : Limpopo Development Corporation (LIMDEV)	50 000	91 499	85 969	94 000	94 000	94 000	-	-	-
Entity 3 : Limpopo Investment Initiative (TIL)	40 000	34 419	32 000	34 000	34 000	34 000	-	-	-
Entity 4 : Limpopo Tourism Agency (LTA)	61 000	68 820	80 000	69 000	69 000	69 000	137 300	139 373	141 595
Entity 5 : Limpopo Casino & Gaming Board (LGB)	28 153	48 000	48 000	39 000	39 000	39 000	35 543	37 675	38 730
Total departmental transfers to public entities	179 153	242 738	245 969	236 000	236 000	236 000	480 259	496 022	510 291

5.6.1(b) Roads and Transport

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2009/10	2010/11	2011/12				2013/14	2014/15	2015/16
Gateway Airport Authority Limited	51,954	55,000	46,480	45,000	45,000	45,000	40,000	40,000	42,300
Road Agency Limpopo	901,227	768,184	845,971	1,235,812	1,235,812	1,235,812	337,759	198,752	272,425
Total departmental transfers to public entities	953,181	823,184	892,451	1,280,812	1,280,812	1,280,812	377,759	238,752	314,725

5.6.2 Transfers to Municipalities

Table 1.17: Summary of provincial transfers to local government by category

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2009/10	2010/11	2011/12	2012/13			2013/14	2014/15	2015/16
Category B	11	1 300	2 503	2 567	2 567	2 567	2 764	77	77
Category C	2 567	1 608	100	200	548	366	638	664	677
Total provincial transfers to local government	2 578	2 908	2 603	2 767	3 115	2 933	3 402	741	754

5.6 Personnel numbers and costs

Table 1.18: Summary of personnel numbers and costs by vote

Personnel numbers	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	As at 31 March 2016
Vote 01: Office of the Premier	412	553	622	622	622	622	622
Vote 02: Legislature	192	194	201	212	214	214	214
Vote 03: Education	64 487	61 842	65 340	63 919	67 483	67 178	66 823
Vote 04: Agriculture	3 752	3 752	3 845	3 849	3 729	3 849	3 849
Vote 05: Provincial Treasury	455	474	439	439	439	439	439
Vote 06: Economic Development, Environmental Affairs and Tourism	1 613	1 546	1 653	1 486	1 547	1 597	1 647
Vote 07: Health	29 594	35 401	37 895	35 154	39 484	41 753	41 753
Vote 08: Transport	4 695	4 549	4 471	3 414	3 337	3 334	3 334
Vote 09: Public Works	3 687	3 762	3 773	2 726	3 183	3 183	3 183
Vote 10: Safety, Security and Liaison	102	106	111	110	110	110	110
Vote 11: Cooperative Governance, Human Settlements and Traditional Affairs	1 527	2 133	2 329	3 813	3 813	3 813	3 812
Vote 12: Social Development	1 769	2 313	2 623	3 183	3 346	3 435	3 842
Vote 13: Sport, Arts & Culture	440	846	910	920	914	914	914
Total provincial personnel numbers	112 725	117 471	124 212	119 847	128 221	130 441	130 542
Total provincial personnel cost (R thousand)	23 122 337	26 513 992	29 343 612	31 380 299	33 881 884	35 949 215	37 828 311
Unit cost (R thousand)	205	226	236	262	264	276	290

As seen on table 1.18 above the provincial personnel numbers are increasing tremendously from 112 381 in 2010/11 to 124 005 in 2011/12 financial year. The personnel numbers are declining to 119 698 in 2012/13 and forecasting to increase by 8 374 in 2013/14 then become constant thereafter. For 2013/14 financial year, the province allocated R31. 4 billion for compensation of employees that caters for 119 698 personnel, which give a unit cost price of R262 thousand.

Limpopo province is still one of the largest province with highest number of personnel in the country. The largest numbers of employees in the province are at Department of Education and Health; the lowest is in Department of Safety, Security and Liaison. The province has therefore introduced measures to reduce personnel costs hence decline in numbers as from 2013. The province is still intending to reduce CoE by 2 per cent every year.

Provincial Department are requested to ensure that the compensation of employees are fully funded, making provision for salary increase and performance bonus; filling of critical posts.

Table 1.19: Summary of provincial personnel numbers and costs

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2009/10	2010/11	2011/12				2013/14	2014/15	2015/16
Total for province									
Personnel numbers (head count)	112 725	117 981	123 766	119 427	120 970	121 094	127 775	129 995	130 096
Personnel costs (R' 000)	23 121 023	26 498 583	29 323 877	31 358 946	31 840 438	31 880 181	33 862 314	35 927 948	37 806 436
Human resources component									
Personnel numbers (head count)	26 186	25 955	29 187	26 296	29 923	28 325	34 758	35 138	34 739
Personnel costs (R' 000)	515 939	581 140	692 637	696 440	713 257	719 208	761 238	827 615	821 186
Head count as % of total province	23.23%	22.00%	23.58%	22.02%	24.74%	23.39%	27.20%	27.03%	26.70%
Personnel cost as % of total province	2.23%	2.19%	2.36%	2.22%	2.24%	2.26%	2.25%	2.30%	2.17%
Finance component									
Personnel numbers (head count)	3 204	3 753	4 078	4 229	4 115	4 467	4 643	4 849	4 522
Personnel costs (R' 000)	437 491	503 036	547 070	532 700	550 563	555 321	579 016	609 519	606 818
Head count as % of total province	2.84%	3.18%	3.29%	3.54%	3.40%	3.69%	3.63%	3.73%	3.48%
Personnel cost as % of total province	1.89%	1.90%	1.87%	1.70%	1.73%	1.74%	1.71%	1.70%	1.61%
Full time workers									
Personnel numbers (head count)	104 806	110 723	116 081	111 896	113 447	113 411	119 265	121 708	122 083
Personnel cost (R'000)	22 386 403	25 648 665	27 859 133	29 831 892	30 346 415	30 407 740	32 377 363	34 368 501	36 127 197
Head count as % of total province	92.97%	93.85%	93.79%	93.69%	93.78%	93.66%	93.34%	93.63%	93.84%
Personnel cost as % of total province	96.82%	96.79%	95.00%	95.13%	95.31%	95.38%	95.61%	95.66%	95.56%
Part-time workers									
Personnel numbers (head count)	875	848	952	455	455	508	927	944	964
Personnel cost (R'000)	31 668	36 818	38 159	41 374	41 374	42 350	48 656	59 910	65 075
Head count as % of total province	0.78%	0.72%	0.77%	0.38%	0.38%	0.42%	0.73%	0.73%	0.74%
Personnel cost as % of total province	0.14%	0.14%	0.13%	0.13%	0.13%	0.13%	0.14%	0.17%	0.17%
Contract workers									
Personnel numbers (head count)	7 044	6 410	6 733	7 076	7 068	7 175	7 583	7 343	7 049
Personnel cost (R'000)	702 952	813 100	1 426 585	1 485 680	1 452 649	1 430 091	1 436 295	1 499 537	1 614 164
Head count as % of total province	6.25%	5.43%	5.44%	5.92%	5.84%	5.93%	5.93%	5.65%	5.42%
Personnel cost as % of total province	3.04%	3.07%	4.86%	4.74%	4.56%	4.49%	4.24%	4.17%	4.27%

5.7 Payments on training

Table 1.20: Summary of provincial payments on training by Vote

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2009/10	2010/11	2011/12				2013/14	2014/15	2015/16
R thousand									
Vote 01: Office of the Premier	1 905	2 184	2 220	672	3 374	2 449	2 544	2 661	2 794
Vote 02: Legislature	39	423	321	860	860	808	901	951	1 003
Vote 03: Education	345 715	115 479	127 809	120 344	140 162	139 703	126 577	134 673	142 605
Vote 04: Agriculture	8 303	13 590	18 018	19 099	19 099	19 099	20 245	21 114	22 170
Vote 05: Provincial Treasury	9 050	9 279	5 864	4 717	4 565	4 565	5 132	5 367	9 605
Vote 06: Economic Development, Environmental Affairs and Tourism	2 884	5 769	10 104	9 525	7 750	9 525	8 665	9 131	9 590
Vote 07: Health	200 949	200 949	221 853	208 500	218 942	224 294	237 751	252 016	267 137
Vote 08: Transport	4 635	6 131	6 131	5 998	4 435	4 435	3 685	6 627	6 988
Vote 09: Public Works	11 894	12 908	13 683	2 440	2 440	3 340	2 912	3 133	3 360
Vote 10: Safety, Security and Liaison	583	490	540	1 027	1 027	1 027	1 117	1 117	1 117
Vote 11: Cooperative Governance, Human Settlements and Traditio	2 889	2 169	3 714	3 952	3 952	3 952	5 661	5 896	6 231
Vote 12: Social Development	-	7 700	3 868	8 120	8 120	8 120	8 546	9 107	9 562
Vote 21: Sport, Arts & Culture	388	640	640	743	743	743	770	770	770
Total provincial expenditure on training	589 234	377 711	414 765	385 997	415 469	422 060	424 506	452 563	482 932

As shown in chapter 1 that there is still a shortage of skills and there is a need for the Province to plan and budget for training that will close the gaps that are there and assist the Province in delivery of services .Table 1.20 above provides a summary of the amounts spent by departments on training. Payments and estimates on training have declined substantially from R 589.2 million in 2009/10 to R 482.9 million 2015/16. The decline is worrying as there are skills shortages in the province.

The major decline is registered in the Department of Education, Health and Public Works. Departments are required by the Skills Development Act to budget at least 1 per cent of their salary payments for staff training. This requirement gives credence to government's policy on human resource development.

6. DONOR FUNDING

NAME OF DONOR	LEADER OF DEPARTMENT	SECTOR	OBJECTIVE	IMPLEMENTATION AREAS	LEGDP PILLART
IOM	DHSD LDA		<p><u>Ripfumelo</u></p> <ul style="list-style-type: none"> To reduce HIV vulnerability of farm workers in various districts of South Africa by implementing a coordinated, evidenced based and focused HIV and AIDS prevention and care program. <p><u>Migrants' Health Forum (MHF)</u></p> <ul style="list-style-type: none"> To bring together governmental and non-governmental stakeholders who actively provide services to host communities and migrants populations. Through dialogue, understanding, advocacy, cooperation, and action, the Forum will actively work to reduce the negative impact that migrants has on host community and migrant health. <p><u>Irregular Migration</u></p> <ul style="list-style-type: none"> To address irregular migration flows to South Africa and the vulnerabilities that migrants endure as a result. 	Vhembe district	<p><i>Health Development Programme</i></p> <p><i>Social cohesion</i></p>
UNFPA	DHSD		<ul style="list-style-type: none"> HIV Prevention Sexual and Reproductive Health Gender Population and Development 	Provincial	<p>Health development programme</p> <p>Social cohesion</p>
Irish Aid	DHSD		<p><u>AIDS Councils capacity building projects</u></p> <ul style="list-style-type: none"> Strengthen the institutional capacity of AIDS Council in the Province to effectively monitor HIV and AIDS prevention, treatment and care initiatives. 	Mogalakwena	<p>Health development programme</p> <p>Social cohesion</p>
Irish Aid	DHSD		<p><u>Gender Programme</u></p> <ul style="list-style-type: none"> To intensify efforts to mainstream gender in policies, programmes, plans and processes of the department of health. To strengthen institutional capacity of facilities/structures that work towards elimination of gender based violence. 	Mopani and Vhembe district (pilot district)	<p>Health development programme</p> <p>Social cohesion</p>
PEPFAR	DoH		<ul style="list-style-type: none"> Technical assistance and capacity building inclusive of mentorship programme. 	All the districts	Health development programme

ANNEXURES

Table 1.21: Details of provincial own receipts

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2009/10	2010/11	2011/12	2012/13			2013/14	2014/15	2015/16
Tax receipts	214 946	227 015	239 619	251 926	261 317	261 317	320 336	346 510	371 677
Casino taxes	19 787	20 930	22 475	23 657	31 763	31 763	38 446	50 807	61 548
Horse racing taxes	7 100	8 660	7 740	8 467	9 752	9 752	11 532	11 762	11 923
Liquor licences	2 610	2 704	3 000	3 078	3 078	3 078	3 324	3 556	3 800
Motor vehicle licences	185 449	194 721	206 404	216 724	216 724	216 724	267 034	280 385	294 406
Sale of goods and services other than capital assets	151 983	164 658	170 708	188 170	205 940	205 792	218 608	235 899	247 861
Sales of goods and services produced by department	150 303	163 630	169 480	187 174	203 831	203 683	216 231	233 431	245 316
Sales by market establishments	733	1 713	1 715	1 481	2 136	2 136	2 054	2 122	2 218
Administrative fees	14 585	21 147	23 698	24 046	32 503	32 503	34 219	36 014	37 909
Other sales	134 985	140 770	144 067	161 647	169 192	169 044	179 958	195 295	205 189
Of which									
Health patient fees	57 708	61 200	61 159	65 893	65 895	65 893	71 362	74 456	78 278
Motor vehicle licences	185 449	194 721	206 404	216 724	216 724	216 724	267 034	280 385	294 406
Casino taxes	19 787	20 930	22 475	23 657	31 763	31 763	38 446	50 807	61 548
Horse racing taxes	7 100	8 660	7 740	8 467	9 752	9 752	11 532	11 762	11 923
Sales of scrap, waste, arms and other used current goods (excluding capital assets)	1 680	1 028	1 228	996	2 109	2 109	2 377	2 468	2 545
Transfers received from:	2 851	-	-	-	-	-	-	-	-
Other governmental units	2 851	-	-	-	-	-	-	-	-
Universities and technikons	-	-	-	-	-	-	-	-	-
Foreign governments	-	-	-	-	-	-	-	-	-
International organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households and non-profit institutions	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	26 544	30 177	37 013	32 274	39 424	39 424	47 686	50 089	52 616
Interest, dividends and rent on land	120 520	98 332	25 265	396	286	71 453	416	450	483
Interest	119 382	97 162	24 354	26	60	71 227	72	75	78
Dividends	-	-	596	-	-	-	-	-	-
Rent on land	1 138	1 170	315	370	226	226	344	375	405
Sales of capital assets	17 130	11 543	14 308	10 724	16 056	16 056	13 277	14 030	14 135
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Other capital assets	17 130	11 543	14 308	10 724	16 056	16 056	13 277	14 030	14 135
Transactions in financial assets and liabilities	20 464	29 473	25 093	26 435	27 476	27 491	29 214	31 561	32 355
Total provincial own receipts	554 438	561 198	512 006	509 925	550 499	621 533	629 537	678 538	719 127

Table 1.22: Information relating to conditional grants

Vote and Grant	Adjusted appropriation	Actual transfer	Audited expenditure	Adjusted appropriation	Actual transfer	Audited expenditure	Adjusted appropriation	Actual transfer	Audited expenditure	Adjusted appropriation	Revised transfer estimate	Revised expenditure estimate	Medium-term estimates		
R thousand	2009/10			2010/11			2011/12			2012/13			2013/14	2014/15	2015/16
Vote 1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EPWP Incentive Allocation															
Vote 3	1 046 366	1 046 366	1 042 261	1 806 598	1 801 088	1 788 758	2 297 515	2 295 373	2 212 611	2 458 195	2 458 195	2 458 195	2 391 874	2 608 709	3 137 938
National School Nutrition Prog.	465 992	465 992	469 249	659 233	659 233	654 384	832 952	832 952	779 720	879 338	879 338	879 338	932 050	991 153	1 030 799
Dineledi Schools Grant							7 140	4 998	607	14 390	14 390	14 390	10 727	11 340	11 882
HIV/AIDS	33 263	33 263	25 901	28 322	28 322	19 595	34 646	34 646	25 640	29 942	29 942	29 942	30 852	31 085	31 542
Technical Secondary Schools Recapitalisation				8 479	2 968	2 500	27 918	27 918	11 043	36 185	36 185	36 185	28 169	29 859	31 322
Education Infrastructure Grant	547 111	547 111	547 111	668 438	668 438	670 438	897 937	897 937	894 035	942 091	942 091	942 091	983 599	1 145 712	1 609 491
EPWP Incentive Allocation							1 071	1 071	696	1 080	1 080	1 080	3 000		
Social Sector (EPWP) Grant										18 557	18 557	18 557	27 768		
Further Education and Training Colleges	-	-	-	442 127	442 127	441 842	495 851	495 851	500 870	536 612	536 612	536 612	375 709	399 560	422 922
Vote 4	131 196	131 196	124 273	172 743	172 743	172 723	212 076	212 076	177 224	298 503	298 503	298 503	279 250	271 713	284 045
Disaster Management (Drought relief)	10 000	10 000	9 986	-	-	-	8 475	8 475	-	8 475	8 475	8 475			
Land Care	7 713	7 713	7 656	8 176	8 176	8 176	8 667	8 667	8 311	20 356	20 356	20 356	19 562	10 178	10 512
Provincial Infrastructure										-	-	-			
Comprehensive Agriculture Support Programme	108 483	108 483	102 597	144 567	144 567	144 547	154 398	154 398	139 233	207 408	207 408	207 408	205 545	215 473	225 593
EPWP Incentive Allocation							536	536	481	9 463	9 463	9 463	10 298		
ILimala/Isheema Projects	5 000	5 000	4 034	20 000	20 000	20 000	40 000	40 000	29 199	52 801	52 801	52 801	43 845	46 062	47 940
Vote 5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Provincial Infrastructure															
Vote 6	-	-	-	-	-	-	-	-	-	1 000	1 000	1 000	550	-	-
EPWP Incentive Allocation										1 000	1 000	1 000	550		
Vote 7	1 136 956	1 136 956	1 038 018	1 469 693	1 425 524	1 381 432	1 707 118	1 707 118	1 530 611	1 858 642	1 858 642	1 858 642	1 762 739	1 626 044	1 814 683
Health Professions Training and Development	88 759	88 759	81 831	94 085	94 085	93 180	101 426	101 426	99 712	103 913	103 913	103 913	109 628	116 206	121 552
Hospital Facility Revitalisation of which	379 615	379 615	329 948	515 891	471 722	431 775	642 474	642 474	531 192	653 645	653 645	653 645	457 442	170 673	203 824
Health Infrastructure	167 255	167 255	157 863	192 466	197 466	197 466	270 802	270 802	253 614	267 888	267 888	267 888	211 961	22 837	36 400
Health Revitalisation	212 360	212 360	172 085	323 425	274 256	234 309	371 672	371 672	277 578	373 357	373 357	373 357	230 211	129 266	147 632
Nursing Colleges and Schools component										12 400	12 400	12 400	15 270	18 570	19 792
Comprehensive HIV and AIDS	402 133	402 133	402 107	515 896	515 896	515 594	624 909	624 909	570 739	767 617	767 617	767 617	861 143	1 000 007	1 143 886
National Tertiary Services	176 871	176 871	174 944	257 314	257 314	255 565	269 010	269 010	269 013	288 427	288 427	288 427	305 732	323 158	338 024
Forensic Pathology Service Grant	35 233	35 233	34 686	39 913	39 913	38 744	43 279	43 279	37 822	3 343	3 343	3 343			
Health Disaster Response (Cholera)	50 000	50 000	10 287	39 913	39 913	39 913				-	-	-			
EPWP Incentive Allocation				6 681	6 681	6 681	1 071	1 071	516	1 000	1 000	1 000	3 000		
Social Sector (EPWP) Grant							24 949	24 949	21 617	29 197	29 197	29 197	20 964		
2010 World Cup Health Preparatory Strategy Grant	4345	4345	4345	-	-	-	-	-	-	-	-	-	-	-	-
National Health Insurance										11 500	11 500	11 500	4 850	7 000	7 397
Vote 8	875 798	875 798	693 074	1 084 990	1 084 990	1 084 990	1 226 194	1 226 194	1 080 451	1 636 807	1 636 807	1 636 807	1 291 482	1 360 639	1 454 687
Provincial Roads Maintenance Grant	696 256	696 256	513 549	870 518	870 518	870 518	934 208	934 208	788 476	1 339 032	1 339 032	1 339 032	990 578	1 071 819	1 152 561
Overload Control Grant	5 035	5 035	5 035	-	-	-				-	-	-	-	-	-
Transport Disaster Management							40 171	40 171	40 171						
EPWP Incentive Allocation							2 317	2 317	2 317	37 050	37 050	37 050	25 972		
Public Transport Operations	174 507	174 507	174 493	214 472	214 472	214 472	249 498	249 498	249 487	260 725	260 725	260 725	274 932	288 840	302 126
Vote 9	26 717	26 217	12 294	29 326	31 943	28 303	36 521	36 521	30 264	43 469	43 469	43 469	3 000	-	-
Devolution of Property Rate Fund	19 217	19 217	12 294	15 154	15 154	14 730	34 478	34 478	28 059	36 595	36 595	36 595			
Provincial Infrastructure	7 000	7 000		10 000	10 000	10 000				-	-	-	-	-	-
Expanded Public Works Programme (EPWP)	500			4 172	6 789	3 573				-	-	-	-	-	-
EPWP Incentive Allocation							1 698	1 698	1 660	6 874	6 874	6 874	3 000		
Social Sector (EPWP) Grant							345	345	345	-	-	-			
Vote 11	996 667	996 667	996 667	1 364 750	1 364 750	1 264 570	1 533 214	1 533 214	1 170 803	1 637 317	1 637 317	1 637 317	1 327 742	690 235	685 925
Human Settlement Development	996 667	996 667	996 667	1 364 750	1 364 750	1 264 570	1 510 494	1 510 494	1 169 557	1 637 317	1 637 317	1 637 317	1 324 742	690 235	685 925
Housing Disaster Management							21 474	21 474		-	-	-			
EPWP Incentive Allocation							1 246	1 246	1 246	-	-	-	3 000		
Vote 12	-	-	-	-	-	-	3 382	3 382	3 381	11 168	11 168	11 168	8 985	-	-
Social Sector (EPWP) Grant							3 382	3 382	3 381	11 168	11 168	11 168	8 985		
Vote 13	112 383	112 653	99 332	106 337	96 652	96 619	137 604	137 604	98 159	140 544	140 544	140 544	113 607	140 365	173 825
Mass Participation and Sport Development Grant	51 023	51 023	45 907	43 604	43 604	44 550	55 731	55 731	47 781	56 851	56 851	56 851	56 529	59 355	62 323
Community Library Services	61 360	61 630	53 445	62 733	53 048	52 069	81 337	81 337	50 378	82 693	82 693	82 693	56 528	81 010	111 502
EPWP Incentive Allocation							536	536		1 000	1 000	1 000	550		

Table 1.23: Details of provincial payments and estimates by economic classification

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2009/10	2010/11	2011/12	2012/13			2013/14	2014/15	2015/16
Current payments	28 882 292	33 476 386	35 621 260	38 111 584	39 296 828	39 686 049	41 495 000	43 989 380	46 411 856
Compensation of employees	23 122 337	26 513 992	29 343 612	31 380 299	31 861 876	31 900 400	33 881 884	35 949 215	37 828 311
Salaries and wages	20 187 067	23 221 347	25 654 456	27 278 649	27 765 715	27 818 310	29 666 595	31 457 860	33 033 092
Social contributions	2 935 270	3 292 645	3 689 156	4 101 650	4 096 161	4 082 090	4 215 290	4 491 356	4 795 219
Goods and services	5 759 436	6 962 004	6 277 648	6 730 902	7 434 549	7 785 245	7 612 714	8 039 760	8 583 128
of which									
Communication									
Transport									
Rental Buildings									
Operational Leases									
Interest and rent on land	519	390	-	384	404	404	402	405	416
Interest	-	-	-	-	-	-	-	-	-
Rent on land	519	390	-	384	404	404	402	405	416
Transfers and subsidies to¹:	4 398 853	5 172 903	4 911 633	5 449 041	6 021 879	6 077 085	4 991 637	4 304 424	4 598 292
Provinces and municipalities	47 838	150 852	72 983	88 681	65 005	65 719	77 448	92 470	106 613
Provinces ²	28 431	30 535	25 569	33 159	6 090	7 159	21 862	23 295	24 678
Provincial Revenue Funds	28 431	29 535	25 569	33 007	5 938	7 007	21 703	23 136	24 519
Provincial agencies and funds	-	1 000	-	152	152	152	159	159	159
Municipalities ³	19 407	120 317	47 414	55 522	58 915	58 560	55 586	69 175	81 935
Municipalities	13	91 181	4 951	1 623	3 820	3 465	4 054	4 164	4 294
Municipal agencies and funds	19 394	29 136	42 463	53 899	55 095	55 095	51 532	65 011	77 641
	1 226 388	1 211 824	1 244 484	1 210 586	1 640 573	1 633 259	882 787	758 545	850 048
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers ⁴	1 226 388	1 211 824	1 244 484	1 210 586	1 640 573	1 633 259	882 787	758 545	850 048
Universities and technikons	-	-	-	-	1 000	597	560	1 060	1 060
Public corporations and private enterprises ⁵	509 171	480 808	512 992	598 593	592 091	592 091	601 721	632 629	648 443
Public corporations	457 279	480 808	512 907	598 593	592 091	592 091	601 721	632 629	648 443
Subsidies on production	457 271	480 808	249 487	324 008	317 530	317 530	326 789	343 789	346 317
Other transfers	8	-	263 420	274 585	274 561	274 561	274 932	288 840	302 126
Private enterprises	51 892	-	85	-	-	-	-	-	-
Subsidies on production	51 776	-	-	-	-	-	-	-	-
Other transfers	116	-	85	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Non-profit institutions	1 330 716	1 621 115	1 473 066	1 633 185	1 637 906	1 665 438	1 664 023	1 655 015	1 809 566
Households	1 284 740	1 708 304	1 608 108	1 917 996	2 085 304	2 119 981	1 765 098	1 164 705	1 182 563
Social benefits	154 855	165 077	176 038	118 903	145 897	152 986	167 788	190 315	193 874
Other transfers to households	1 129 885	1 543 227	1 432 070	1 799 093	1 939 407	1 966 995	1 597 310	974 390	988 689
Payments for capital assets	2 239 514	2 670 676	2 683 802	2 376 828	2 591 384	2 549 623	1 948 183	1 907 161	2 347 616
Buildings and other fixed structures	1 806 061	2 257 828	2 372 397	2 121 971	2 377 736	2 372 012	1 733 313	1 598 224	2 091 502
Buildings	1 563 603	1 862 297	2 012 467	1 614 266	1 929 379	1 924 077	1 339 046	1 260 159	1 747 846
Other fixed structures	242 458	395 531	359 930	507 705	448 357	447 935	394 267	338 065	343 656
Machinery and equipment	425 926	402 608	311 344	250 307	208 998	173 052	210 510	305 873	252 960
Transport equipment	133 476	131 155	101 377	69 469	57 611	57 608	35 563	63 042	39 467
Other machinery and equipment	292 450	271 453	209 967	180 838	151 387	115 444	174 947	242 831	213 493
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	50	50	-	-	54	56
Software and other intangible assets	3 171	-	-	-	-	-	-	-	-
Land and subsoil assets	4 356	10 240	61	4 500	4 600	4 559	4 360	3 010	3 097
Payments for financial assets	4 502	3 843	6 020	-	1 500	1 300	-	-	-

Table 1.24: Summary of provincial goods and services payments and estimates

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2009/10	2010/11	2011/12	2012/13			2013/14	2014/15	2015/16
Goods and services									
of which									
Administrative fees	14 194	13 793	15 437	15 249	17 822	17 922	15 908	22 378	22 041
Advertising	72 071	93 417	36 772	27 683	23 613	22 884	27 067	29 854	33 920
Assets <R5000	140 075	115 486	121 485	92 217	91 422	79 915	83 309	105 096	122 498
Audit cost: External	63 541	71 589	39 861	56 422	66 248	62 890	73 026	68 544	73 787
Bursaries (employees)	65 133	61 112	97 140	54 072	104 826	154 322	52 183	37 053	32 078
Catering: Departmental activities	48 557	55 627	50 825	42 212	62 979	65 609	36 351	39 704	45 000
Communication	152 929	155 650	168 173	128 371	127 926	144 243	106 563	106 687	116 330
Computer services	219 653	186 776	122 505	168 153	187 832	237 014	155 682	151 419	147 348
Cons/prof: business & advisory services	221 602	188 466	168 524	236 506	199 962	233 818	207 527	109 194	149 761
Cons/prof: Infrastructre & planning	18 208	33 863	10 781	35 500	40 874	40 874	41 194	70 277	74 118
Cons/prof: Laboratory services	288 975	229 959	205 067	237 792	274 768	303 226	320 721	232 722	521 901
Cons/prof: Legal cost	22 551	9 190	38 877	4 686	14 368	12 358	4 611	4 666	4 760
Contractors	242 494	802 067	722 630	850 579	698 389	670 126	1 132 917	1 537 151	1 487 906
Agency & support/outourced services	343 542	443 084	1 049 595	1 303 665	1 288 580	1 316 823	1 250 032	1 306 434	1 320 933
Entertainment	37 768	20 828	24 700	30 815	29 703	26 099	17 773	19 729	21 795
Fleet Services	150 255	179 814	198 168	177 298	195 202	203 894	165 247	144 540	151 467
Housing	5 278	5 713	7 088	7 539	7 545	7 669	7 587	8 001	7 791
Inventory: Food and food supplies	492 723	663 300	86 774	126 418	112 617	119 735	106 219	56 607	88 434
Inventory: Fuel, oil and gas	53 586	40 827	38 041	49 090	50 090	53 835	54 236	69 235	62 139
Inventory: Learn & teacher support material	474 750	679 187	300 552	290 526	800 309	801 888	664 147	702 768	784 573
Inventory: Materials & supplies	22 021	25 877	25 135	22 628	22 684	23 624	40 398	44 322	49 988
Inventory: Medical supplies	827 903	749 806	159 007	219 800	218 440	214 571	395 183	263 541	225 412
Inventory: Medicine	5 128	206 248	629 314	856 696	899 824	1 048 869	1 017 058	1 196 414	1 265 415
Medsas inventory interface	20 712	5 855	5 408	-	-	7 480	5 468	-	-
Inventory: Military stores	2 799	-	-	-	-	-	-	-	-
Inventory: Other consumables	134 858	150 355	171 183	155 444	166 888	157 082	112 397	159 498	120 871
Inventory: Stationery and printing	145 413	170 105	135 787	168 763	240 253	212 643	159 228	191 102	227 393
Lease payments	198 241	223 660	229 425	207 593	218 401	211 917	213 958	227 362	237 830
Rental & hiring	27 785	39 517	44 369	39 005	39 892	40 946	76 715	56 208	64 729
Property payments	360 885	448 632	462 348	292 248	425 884	412 188	300 156	265 831	262 673
Transport provided dept activity	126 963	118 031	152 762	191 649	191 155	193 543	235 600	254 140	272 118
Travel and subsistence	420 681	451 700	439 356	276 714	264 169	299 261	213 379	238 403	254 692
Training & staff development	144 018	128 011	120 823	116 049	113 056	104 520	97 902	82 188	90 528
Operating payments	45 751	43 905	45 133	55 696	57 070	98 531	42 697	47 313	44 089
Venues and facilities	41 547	45 655	49 378	36 467	29 272	35 328	23 672	25 349	25 170
Total economic classification	5 652 590	6 857 104	6 172 423	6 573 544	7 282 062	7 635 646	7 456 111	7 873 732	8 409 486

Table 1.26: Details of provincial payments and estimates by functional area

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2009/10	2010/11	2011/12	2012/13			2013/14	2014/15	2015/16
General Public Services									
Executive and Legislature									
Office of the Premier	296 729	288 898	280 744	329 288	288 959	306 138	322 857	337 825	350 899
Provincial Legislature	157 018	191 251	217 817	217 664	244 224	244 224	225 987	236 365	245 590
Financial and Fiscal Services									
Provincial Treasury	356 408	359 372	258 137	315 521	304 935	354 496	384 708	326 071	317 472
General Services (Public Works, Local Government)	1 196 741	1 503 534	1 452 302	1 671 261	1 685 826	1 710 883	1 686 823	1 761 022	1 843 048
Total: General Public Services	2 006 896	2 343 055	2 209 000	2 533 734	2 523 944	2 615 741	2 620 375	2 661 282	2 757 009
Public Order and Safety									
Police Services	52 970	56 844	58 790	67 301	62 549	64 809	74 749	75 871	78 724
Safety and Liaison	52 970	56 844	58 790	67 301	62 549	64 809	74 749	75 871	78 724
Total: Public Order and Safety	52 970	56 844	58 790	67 301	62 549	64 809	74 749	75 871	78 724
Economic Affairs									
General Economic Affairs									
Dept of Economic Affairs	581 995	763 760	758 240	804 161	805 558	805 558	920 853	961 755	1 000 306
Agriculture									
Dept of Agriculture Affairs	1 190 535	1 361 547	1 448 836	1 580 374	1 580 158	1 560 158	1 525 716	1 559 636	1 615 920
Transport									
Department of Transport	2 638 385	3 402 261	3 439 111	3 776 872	3 907 048	3 907 048	3 521 882	3 475 088	3 645 473
Total: Economic Affairs	4 420 915	5 527 568	5 646 187	6 161 407	6 272 764	6 272 764	5 968 451	5 996 479	6 261 699
Environmental Protection									
Environmental Protection	88 256	97 311	108 703	84 177	84 780	84 780	153 094	155 454	158 479
Total: Environmental Protection	88 256	97 311	108 703	84 177	84 780	84 780	153 094	155 454	158 479
Housing and Community Amenities									
Housing Development									
Department of Housing	1 059 843	1 341 461	1 254 235	1 562 444	1 723 095	1 726 045	1 421 863	790 830	788 406
Total: Housing and Community Amenities	1 059 843	1 341 461	1 254 235	1 562 444	1 723 095	1 726 045	1 421 863	790 830	788 406
Health									
Outpatient services	1 214 334	1 446 677	1 436 838	1 424 322	1 898 040	1 914 882	1 265 729	1 372 207	1 372 446
R and D Health (CS)	6 357 201	7 463 810	8 365 392	8 828 237	9 181 714	9 322 174	9 880 530	10 317 367	11 249 552
Hospital Services	1 448 485	1 595 476	1 564 112	1 695 426	1 785 769	1 918 179	1 930 690	2 108 695	2 018 264
Total: Health	9 020 020	10 505 963	11 366 342	11 947 985	12 865 523	13 155 235	13 076 949	13 798 269	14 640 263
Recreation, Culture and Religion									
Sporting and Recreational Affairs									
Sport, Arts and Culture	238 354	245 450	255 670	288 441	301 856	217 977	266 191	295 230	337 028
Total: Recreation, Culture and Religion	238 354	245 450	255 670	288 441	301 856	217 977	266 191	295 230	337 028
Education									
Pre-primary & Primary Phases									
Secondary Education Phase									
Subsidised Services to Education									
Education not defined by level	17 864 636	20 202 227	21 161 391	22 126 035	22 883 897	22 983 523	23 475 305	24 950 436	26 757 797
Total: Education	17 864 636	20 202 227	21 161 391	22 126 035	22 883 897	22 983 523	23 475 305	24 950 436	26 757 797
Social protection									
Social Security Services	425 271	539 504	701 982	730 597	785 086	785 086	922 724	990 105	1 065 748
Social Services and Population Development	348 000	464 425	460 415	435 332	408 097	408 097	455 119	487 009	512 613
Total: Social protection	773 271	1 003 929	1 162 397	1 165 929	1 193 183	1 193 183	1 377 843	1 477 114	1 578 361
Total provincial payments and estimates by policy area	35 525 161	41 323 808	43 222 715	45 937 453	47 911 591	48 314 057	48 434 820	50 200 965	53 357 765