



# ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE 2014



The Estimates of Provincial Revenue and Expenditure 2014 report is compiled using the available information from different sources. Some of this information is subject to revision.

To obtain additional copies of this document, please contact:

The Head Official of Treasury  
Gauteng Provincial Government  
Private Bag X091, Marshalltown, 2107

Tel: 011 227 9004

PR28/2014  
ISBN: 978-0-621-42464-5

**Mandla Nkomfe**

MEC for Finance

## FOREWORD

The 2014 Budget is a hallmark in the journey that begun in 1994. The journey that has been characterized by changing the legacy of apartheid that has divided the South African society based on race. This budget not only does it provide the plans for the next three years but it also provide progress that have been made since 1994 and 2009. In 2009, the present term of government started the term of office with high uncertainties lingering in the global economic environment. South Africa entered its first recession since the dawn of democracy in 2009. This posed both an opportunity and threat at the same time. It was an opportunity in the sense that in an environment of uncertain global economy, government had to maintain a sound fiscal position to bolster confidence and growth. It was also a challenge in that revenue to finance government programmes dwindled and posed a threat to sustaining service delivery to the people of Gauteng.

In this term, despite all these challenges, government learnt to do things differently. The provincial finances were set on the right footing through a number of reforms that the provincial Treasury embarked on, which included amongst the others:

- Ring fencing of earmarked cash;
- Enhanced budget process;
- Allocation of infrastructure resources based on readiness to implement projects; and
- Re-orientation of public spending.

Government has taken strides to overcome the systemic divisions of apartheid in the economy, education, health and human settlements. The lives of most people in Gauteng have greatly improved. Over the past 20 years, schools were built to bring learning opportunities to the historically deprived communities thereby achieving more equitable access to public education for all. Clinics and hospitals were built to provide a better health care for the Gauteng citizens. The apartheid spatial developments were redesigned to have an inclusive society through a number of government interventions i.e. mixed housing development. Economic development was prioritized through a direct investment on economic infrastructure as contextualized in the establishment of the Blue IQ.

This budget serves as a continuation of what government has attained in the past 20 years. This is a budget that indeed takes the Gauteng Province forward. The challenges that lie ahead are immense, however we remain confident that we will overcome. In the effort to move the Gauteng Province forward, both the G2055 and the National Development Plan are the epicentre of our resource allocations. Education, health, rural development, land reform and food security, the creation of more jobs, decent work and sustainable livelihoods, and the fight against crime and corruption remain priorities for government.

This budget gives expression to the government's intention to deal with the scourge of poverty, inequality and unemployment. The social services spending as the main programme to push the frontiers of poverty back, receives the biggest share of the budget over the MTEF. Gauteng Provincial Government (GPG) has allocated R32.4 billion over the 2014 Medium Term Expenditure Framework (MTEF) period for the delivery of social and economic infrastructure. Over the 2014 MTEF, R16.8 billion is

allocated towards new infrastructure mainly for the provision of new housing units and houses, schools, clinics, community health centres, hospitals, roads and public transport facilities.

The budget is but one step in meeting the society's challenges, our historic journey has taught us that it takes many small steps to walk a mile. With this budget we commit to make small steps towards eradicating poverty, dealing with unemployment and inequality.

The Budget is the collective outcome of the efforts of diligent and dedicated staff within the Provincial Treasury, departments and office bearers in all departments. My heartfelt gratitude goes to the Head of Department of Treasury and the staff within Sustainable Resources Management for the sterling work in the production of this budget.



**Mandla Nkomfe**

MEC for Finance

Gauteng





# LIST OF ABBREVIATIONS

AARTO	Administrative Adjudication of Road Traffic Office
ABET	Adult basic education and training
ABSA	Amalgamated Bank of Southern Africa
AC	Audit Committee
ACO	Assessment of Company Operations
ACSA	Airports Company of South Africa
AET	Adult education and training
AFP	Acute Flaccid Paralysis
AG	Auditor General
AIDC	Automotive Industry Development Centre
AIDS	Acquired Immune Deficiency Syndrome
ALLS	Automated Liquor Licensing System
AMD	Acid mine drainage
AMF	Asset Management Forum
ANA	Annual National Assessment
ANC	African National Congress
AoPO	Auditing of Predetermined Objectives
APP	Annual performance plan
AQMP	Air Quality Management Plan
ARC	Agricultural Research Council
ART	Antiretroviral Treatment
ARV	Anti-retroviral
AM	Asset Management
ASF	African swine fever
ATC	Approved Training Centre
ATM	Automated Teller Machine
BAS	Basic Accounting System
BBBEE	Broad Based Black Economic Empowerment
BBC	Buy - back Centre
BEC	Bid Evaluation Committee
BKB	Bontle ke Botho
BLSA	Business leadership South Africa
BMC	Business Communication Management
BNG	Breaking New Ground
BNM	Basa nje ngo Magogo
BPO-O	Business process outsourcing/offshoring
BUSOSA	Burial Society of South Africa
CAATS	Revenue Computer Assisted Audit Techniques
CAF	Confederation of African Football
CAP	Cooperatives Assistance Programme
CAPEX	Capital expenditure
CAPS	Curriculum Assessment Policy Statement
CARMMSA	Campaign on Accelerated Reduction of Maternal and Child Mortality In Africa
CASP	Comprehensive Agricultural Support Programme
CBD	Central Business District
CBNRM	Community Based Natural Resource Management
CBO	Community Based Organization
CBP	Community Based Programme
CCMT	Comprehensive Care Management and Treatment
CCS	Carbon Capturing and Sequestration
CCTV	Closed circuit television
CDC	Centre for Disease Control
CDE	Centre for Development Enterprise
CDW	Community Development Worker
CEO	Chief Executive Officer

CFO	Chief Financial Officer
CHC	Community Health Centre
CHH	Child Headed House
CHW	Community Health Worker
CIC	Climate Innovation Centre
CIDA	Community Development and Individual Development of Johannesburg
CIDB	Construction and Infrastructure Development Board
CJCC	Criminal Justice coordinating committee
CJS	Criminal justice system
CMDF	Curriculum Management and Framework
COGTA	Cooperative Governance and Traditional Affairs
COH WHS	Cradle of Humankind World heritage Site
CoJ	City of Johannesburg
CONTRALESA	Congress of Traditional Leaders of South Africa
COSSASA	Confederation of School Sport Associations of Southern Africa
CPA	Commonwealth Parliamentary Association
CPD	Continuing Professional Development
CPF	Community Police Forum
CPI	Consumer price index
CPI	Consumer price inflation
CPSI	Creative Problem Solving Institute
CRDP	Comprehensive Rural Development Programme
CRM	Credit Risk Management
CRM	Customer Relationship Management
CRO	Chief Risk Officer
CRU	Community residential unit
CSSL	Committee of Scrutiny of Subordinate Legislation
CSU	Committee Support Unit
CTOP	Choice on Termination of Pregnancy
CWP	Community Work Programme
CYCC	Centre for children and youth
DAC	Departmental Acquisition Council
DAFF	Department Of Agriculture, Forestry and Fisheries
DAM	Digital Asset Management
DARD	Department of Agriculture and Rural Development
DAV	Design and Validation
DBSA	Development Bank of Southern Africa
DCS	Department of Community Safety
DCST	District Clinical Specialist Teams
DDG	Deputy-Director General
DDI	Domestic direct investment
DED	Department of Economic Development
DFI	Development Financial Institutions
DG	Director-General
DGR	Dinokeng Game Reserve
DHET	Department of Higher Education and Training
DID	Department of Infrastructure Development
DLGH	Department of Local Government and Housing
DLGTA	Department of Local Government and Traditional Affairs
DLTC	Drivers' License Testing Centre
DMC	Debt Management Committee
DMC	Disaster Management Centre
DMO	Destination Marketing Organization
DoH	Department of Housing
DORA	Division of Revenue Act
DORB	Division of Revenue Bill
DOT	Direct Observation Therapy
DPME	Department of Performance Monitoring and Evaluation



DPSA	Department of Public Service and Administration
DRDLR	Department of Rural Development and Land Reform
DRMC	Documents and Records Management Centre
DRT	Department of Roads and Transport
DSACR	Department of Sport, Arts, Culture and Recreation
DSD	Department Of Social Development
DTA	Department of Traditional Affairs
DTI	Department of Trade and Industry
EaaS	Email as a Service
ECC	Employment Condition Commission
ECD	Early childhood development
ECE	Estimates of Capital Expenditure
ECM	Environmental Compliance Monitoring
EDI	Electronic Data Interchange
EDL	Essential Drugs List
EE	Employment Equity
EEDBS	Enhanced Extended Discount Benefit Scheme
EHP	Environmental Health Perspective
EHWP	Employee Health and Wellness Programme
EIA	Environmental Impact Assessment
EIP	Environmental Implementation Plan
EMDP	Emerging Management Development Programme
EME	Exempted Micro Enterprises
EMF	Environmental Management Framework
EMI	Environmental management inspector
EMIS	Education Management Information Systems
EMM	Ekurhuleni Metropolitan Municipality
EMS	Emergency medical service
EPE	Estimates of Capital Expenditure
EPI	Expanded Programme on Immunization
EPRE	Estimates of Provincial Revenue and Expenditure
EPWP	Expanded Public Works Programme
ERM	Enterprise-wide risk management
ERP	Enterprise resource planning
ESMOE	Essential Steps in the Management of Obstetric Emergencies
ESSP	Extra school support Programme
EWP	Employee Wellness Programme
EXCO	Executive Council
FACIM	Feira International De Maputo
FAL	First additional Language
FAMLA	Financial Management of Gauteng Provincial Legislative Act
FCS	Family Violence, Child Protection and Sexual Offences
FDC	Fixed –Dose Combination
FDI	Foreign direct investment
FET	Further education and training
FFC	Financial and Fiscal Commission
FIFA	Federation of International Football Associations
FLISP	Finance-linked individual subsidy Programme
FMCMM	Financial Management Capability Maturity Model
FMDC	Fully Managed Data Centre
FSDM	Frontline service delivery monitoring
FTE	Full-time equivalent
G2055	Gauteng Vision 2055
GAC	Gauteng Advisory Committee
GACC	Gauteng Arts and Culture Council
GAP	Gauteng Accelerator Programme
GAPA	Gauteng Agriculture Potential Atlas
GAS	Gauteng Audit Services

GBCP	Gender Based Violence Prevention Interventions
GBN	Gauteng Broadband Network
GBV	Gender Based Violence
GCR	Global City Region
GCRA	Gauteng City Region Academy
GCRO	Gauteng City Region Observatory
GCRS	Global City Region Strategy
GDARD	Gauteng Department of Agriculture and Rural Development
GDCCS	Gauteng Department of Community Safety
GDE	Gauteng Department of Education
GDED	Gauteng Department of Economic Development
GDF	Gauteng Department of Finance
GDID	Gauteng Department of Infrastructure Development
GDLGH	Gauteng Department of Local Government and Housing
GDLT	Gauteng Department of Local Government and Traditional Affairs
GDoH	Gauteng Department of Health
GDoH	Gauteng Department of Housing
GDRT	Gauteng Department of Roads and Transport
GDSACR	Gauteng Department of Sport, Arts, Culture and Recreation
GDSD	Gauteng Department of Social Development
GEDA	Gauteng Economic Development Agency
GEGDS	Gauteng Employment, Growth and Development Strategy
GEP	Gauteng Enterprise Propeller
GET	General Education and Training
GEYODI	Gender, youth and people with disabilities
GFA	Gauteng Funding Agency
GFC	Gauteng Film Commission
GFSP	Gauteng Farmer Settlement Programme
GGB	Gauteng Gambling Board
GGDA	Gauteng Growth and Development Agency
GGT	Gauteng Government Transport
GHG	Greenhouse Gas
GIAMA	Government Immovable Asset Management Act
GIC	Government Information Centre
GIDP	Gauteng Integrated Development Plan
GIPF	Gauteng Industrial Policy Framework
GIZ	German Development Agency
GLB	Gauteng Liquor Board
GMA	Gautrain Management Agency
GNC	Geographic Names
GoL	Gauteng Online
GP	Gauteng Province
GPC	Gauteng Planning Commission
GPDB	Gauteng Planning and Development Bill
GPG	Gauteng Provincial Government
GPL	Gauteng Provincial legislature
GPLMS	Gauteng Primary Literacy and Mathematics Strategy
GPT	Gauteng Provincial Treasury
GRAP	Generally Recognized Accounting Practice
GRRLP	Gautrain Rapid Rail Link Project
GRT	Department of Roads and transport
GSC	Gauteng Smart City
GSDF	Gauteng Spatial Development Framework
GSSD	Gauteng Strategy for Sustainable Development
GT	Gauteng Treasury
GTA	Gauteng Tourism Authority
GTIA	Gauteng Transport Infrastructure Act
GTP	Graduate Teacher Programme



GYC	Gauteng Youth Commission
HAART	Highly Active Anti-retroviral Therapy
HCBC	Home community based care Programme
HCT	HIV Counselling and Testing
HCW	Health care waste
HDI	Human Development Index
HH	Households
HIS	Health Info System
HIV	Human Immunodeficiency Virus
HIV/AIDS	Human Immune Virus and Acquired Immune Deficiency Syndrome
HoD	Head of Department
HPTDG	Health Professions and Training Development Grant
HPV	Human Papillomavirus Vaccine
HR	Human resources
HRD	Human Resource Development
HRIMS	Human resources information management system
HRM	Human Resource Management
HWSETA	Health and Welfare Sector Education and Training Authority
IAP	Innovation Advisory Panel
ICD	Independent Complaints Directorate
ICS	Improvement in conditions of service
ICSW	Institute of Climate, Soil and Water
ICT	Information and Communications Technology
ICU	Intensive Care Unit
IDIP	Infrastructure Delivery Improvement Programme
IDMS	Infrastructure delivery management system
IDP	Infrastructure Development Plan
IDP	Integrated development plan
IDT	Independent Development Trust
IDZ	Industrial Development Zone
IED	Institute for Enterprise Development
IFMS	Integrated Financial Management System
IFS	Interim financial statement
IGR	Inter-governmental relations
IIA	Institute of Internal Auditors
IIAL	Incremental Introduction of African Language
IIP	Integrated infrastructure plan
IISE	Impophoma Infrastructure Support Entity
ILO	International Labour Organization
IMCI	Integrated Management of Childhood Illness
IOD	Injury on Duty
IPID	Independent Police Investigative Directorate
IPS	Intrusion Projection System
IPTN	Intermodal Public Transport Facilities
IR	International Relations
IRE	Invoice and receipting engine
IRM	Information Resource Management
ISHP	Integrated School Health Programme
IT	Information technology
ITSM	Information Technology Service Management
IVS	Identity Verification Solution
IYM	In-year Monitoring
JEC	Johannesburg Expo Centre
JMP	Jewellery Manufacturing Precinct
JRA	Johannesburg Roads Agency
LAN	Local Area Network
LDAC	Local drug action committee
LED	Local Economic Development
LGAC	Local Government Accounting Certificate

LGFS	Local Government Financial Services
LGSETA	Local Government Sector Education Training Authority
LIMS	Legislation Information Management System
LM	Local Municipality
LEA	Law Enforcement Agencies
LOE	Letter of Engagement
LSB	Legislative Services Board
LSEN	Learner with special education needs
LTSM	Learner and teacher support materials
LWA	Leading Women of Africa
M&E	Monitoring and Evaluation
MACC	Minimum Anti-Corruption Capacity
MAFISA	Micro Agricultural Financial Institutional Scheme
MANCOM	Management committee
MASP	Men as Safety Promoters
MBM	Municipal Budget Management
MBS	Monthly Budget Statement
MDB	Municipal Demarcation Board
MDG	Millennium Development Goal
MEC	Member of the Executive Council
MEDSAS	Medical Stores Administration System
MFHSP	Municipal Finance Hands on Support Programme
MFMA	Municipal Finance Management Act
MGSLG	Mathew Goniwe school of leadership and governance
MHD	Mixed housing development
MIG	Municipal Infrastructure Grant
MISA	Municipal Infrastructure Support Agency
MISS	Minimum Information Security Standard
MMC	Member of Mayoral Committee
MMDP	Middle Management Development Programme
MoA	Memorandum of Agreement
MOU	Midwife Obstetric Units
MPAC	Municipal Public Accounts Committee
MPAT	Monitoring and performance assessment tool
MPL	Members of Parliament
MPP	Mass Participation Programme
MRR	Market related rental
MSA	Municipal Systems Act
MSAU	Multi-Sectoral Aids Unit
MSD	Medical Supply Depot
MSIG	Municipal Systems Improvement Grant
MSP	Master Skills Plan
MST	Mathematics, science and technology
MSTEF	Medium Term Strategic Framework
MTBPS	Medium Term Budget Policy Statement
MTBS	Medium Term Budget Statement
MTEC	Medium Term Expenditure Committee
MTEF	Medium Term Expenditure Framework
MTK	Mma-Tshepo Khumbane Awards
MTREF	Medium Term Revenue Expenditure Framework
MTSF	Medium Term Strategic Framework
MV	Military Veterans
MVLF	Motor Vehicle License Fee
NARYSEC	National Rural Youth Service Corps
NCOP	National Council of Provinces
NCPS	National Crime Prevention Strategy
NDA	National Development Agency
NDoh	National Department of Health
NDot	National Department of Transport



NDP	National Development Plan
NDPW	National Department of Public Works
NEMA	National Environmental Management Act
NEPA	National Education Policy Act
NGO	Non-governmental Organization
NHFC	National Housing Finance Corporation
NHI	National Health Insurance
NHLS	National Health Laboratory Service
NIMART	Nurse Initiated Management of Anti-retroviral
NLTA	National Land Transport Act
NMT	Non-motorized transport
NPA	National Prosecuting Authority
NPI	Non-profit Institutions
NPO	Non-profit organization
NQF	National Qualification Framework
NRTA	National Road Traffic Act
NRTLEC	National Road Traffic Law Enforcement Code
NSC	National Senior Certificate
NSNP	National School Nutrition Programme
NSP	National Strategic Plan
NT	National Treasury
NTSG	National Tertiary Services Grant
NYDA	National Youth Development Agency
NYS	National Youth Service
OBA	Outcome Based Approach
OBB	Outcome Based Budgeting
OHS	Occupational health and safety
OHSA	Occupational Health and Safety Act
OHSC	Office of Health Standards Compliance
OoP	Office of the Premier
OPCA	Operation Clean Audit
OPD	Out Patience Department
ORTIA	OR Tambo International Airport
ORY	Oral Rehydration Therapy
OSD	Occupation Specific Dispensation
OVCs	Orphaned and vulnerable children
20PTP	Twenty Priority Townships
PACCC	Provincial Anti-Corruption Coordinating Committee
PACF	Provincial Anti-Corruption Forum
PAHC	Primary Animal Health Care
PAIA	Promotion of Access to Information Act
PAJA	Promotion of Administration Justice Act
PALAMA	Public Administration Leadership and Management Academy
PAM	Personnel Administration Measures
PANSALB	Pan South African Language Board
PAS	Provincial Accounting Services
PBC	Premier's Budget Committee
PCF	Premier's Coordinating Forum
PDE	Patient Day Equivalent
PDMC	Provincial Disaster Management Centre
PDP	Personal development plan
PEBA	Programme Evaluation and Budget Analysis
PEPFAR	Presidential Emergency Plan for Aids Relief
PERO	Provincial Economic Review and Outlook
PERSAL	Personnel salary
PFMA	Public Finance Management Act
PGDS	Provincial Growth and Development Strategy
PHC	Primary health care
PHP	People's housing process

PHRA-G	Provincial Heritage Resource Agency of Gauteng
PLC	Language Heritage
PLG	Professional learning group
PLTF	Provincial Land Transport Framework
PMDS	Performance Management and Development System
PME	Performance monitoring and evaluation
PMO	Project management office
PMS	Performance Management System
PMTCT	Prevention of mother to child transmission
POA	Programme of action
POBA	Public Office Bearers Act
POPS	Personal Development Plans
POS	Public Ordinary Schooling
PP	Preferential Procurement
PPF	Public Participation Framework
PIIP	Perinatal Problem Identification Programme
PPP	Public-private partnership
PPPFA	Preferential Procurement Policy Financial Act
PPRS	Provincial Policy Strategy
PPT	Planned patient transport
PRASA	Passenger Rail Agency of South Africa
PRE	Public transport regulatory entity
PRMG	Provincial Roads Maintenance Grant
PRMG	Provincial Roads Maintenance Grant
PROVJOINT	Provincial Joint Operational Intelligence Structure
PSA	Public Service Act
PSC	Public Service Commission
PSETA	Public Service Sector Education and Training
PSI	Public Service Induction
PSLDC	Provincial State Land Disposal Committee
PT	Provincial Treasury
PTB	Pulmonary tuberculosis
PTOG	Public Transport Operations Grant
PTP	Priority Township Programme
PTSA	Parent Teacher Student Association
PWC	Price Waterhouse Coopers
PWD	Person with disabilities
QPR	Quarterly performance report
QSE	Qualifying Small Enterprises
RA	Registering Authority
RAF	Road Accident Fund
RCC	Roller compacted concrete
RDP	Reconstruction and Development Programme
REM	Regional Economies Monitor
RFP	Request for proposal
RFQ	Request for quotation
ROD	Record of Decision
RTMC	Road Traffic Management Corporation
RTT	Race to the Top
RV	Rota Virus
RWOPS	Remunerated Work Outside of the Public service
SABRIC	South African Banking Risk Identification Centre
SABS	South African Bureau of Standards
SACE	South African Council of educators
SACR	Sports Arts, Culture and Recreation
SAFEC	South Africa Flower Export Council
SAHRA	South African Heritage Resources Agency
SAICA	South African Institute of Chartered Accountants
SAICE	South African Institute of Civil Engineers





SAIPA	South African Institute of Professional Accountants
SALGA	South African Local Government Association
SALSA	Secretary Association of the Legislature of South Africa
SANBI	South African National Biodiversity Institution
SANBS	South African National Blood Service
SANRAL	South African Roads Agency Limited
SAP	System Application Program
SAPR	Semi-annual Performance Report
SAPS	South African Police Service
SARS	South African Revenue Services
SASCE	Southern African Society for Cooperative Education
SASSA	South African Social Security Agency
SCM	Supply chain management
SCOA	Standard Chart of Accounts
SCOPA	Standard Committee on Public Accounts
SDF	Service Delivery Forum
SDF	Spatial Development Framework
SDS	Social Development Strategy
SEA	Strategic Environmental Assessment
SED	Socio-economic development
SERO	Socio-Economic Review and Outlook
SETA	Sector Education Training Authority
SEZ	Special Economic Zone
SGB	School Governing Body
SIP	Strategic Infrastructure Project
SITA	State Information Technology Agency
SLA	State Law Advisor
SLA	Service Level Agreement
SMART	Specific, Measurable, Achievable, Relevant and Time-based
SMMEs	Small medium and micro enterprises
SMPP	School Mass Participation Programme
SMS	Senior Management Services
SMT	School Management Team
SOC	Security operations Centre
SOCCAT	Society of Clerks at the Table
SOI	School of Industries
SOP	Standard operating procedure
SOPA	State of the Province Address
SPDC	Supplier Park Development Company
SRM	Sustainable Resource Management
SRSA	Sport and Recreation South Africa
SSA	State Security Agency
SSE	Special School Education
SSIP	Secondary School Improvement Plan
SSMPP	School Support Mass Participation Programme
SSP	Strategic support plan
STD	Sexually Transmitted Diseases
SWH	Solar water heater
TB	Tuberculosis
TBC	To Be Confirmed
TC	Traditional Councils
TCC	Tax Clearance Certificates
TDS	Technology Development and Support
TIH	The Innovation Hub
TL	Traditional leadership
TMG	Traffic Management Gauteng
TOLAB	Transport operating license administrative body
TR	Treasury regulation
TSC	Thusong Service Centre

TSS	Technology Support Services
TUT	Tshwane University of Technology
UJ	University of Johannesburg
UN	United Nations
UNICEF	United Nations Children Fund
UNISA	University of South Africa
URP	Urban renewal project
UTRC	Ultra-thin reinforced concrete
VAWAC	Violence against women and children
VEP	Victim Empowerment Programme
VIC	Visitor Information Centre
VOIP	Voice over Internet Protocol
VTC	Vehicle Testing Centre
VTs	Vehicle testing station
WAN	Wide Area Network
WBOT	Ward-based Outreach Teams
WC/WDM	Water conservation and water demand management
WFW	Work for Waste
WHH	Women Headed House
WHO	World Health Organization
WISN	Workload indicators for Shafting Needs
WITS	University of the Witwatersrand
WOP	War on poverty
WRDP	Water Resources Development Project
WROP	War Room on Poverty
WWTW	Waste-Water Treatment Works
XDR	Extensive Drug-Resistant



# TABLE OF CONTENTS

Foreword	iii
Abbreviations	v

<b>OVERVIEW OF THE PROVINCIAL ESTIMATES</b>	<b>1</b>
---	----------

1.	Socio-economic outlook
2.	Budget strategy and aggregates
3.	Medium term expenditure framework and budget process
4.	Receipts
4.1	Overview of provincial receipts
4.2	Equitable share
4.3	Conditional grants
4.4	Provincial own receipts
5.	Payments
5.1	Payments by votes
5.2	Payments by economic classification
5.3	Payments by policy area
5.4	Transfers to public entities
5.5	Transfers to local government
5.6	Infrastructure payments
5.7	Personnel numbers and costs
5.8	Payments on training

## ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE

<b>VOTE 1: OFFICE OF THE PREMIER</b>	<b>29</b>
--------------------------------------	-----------

1.	Overview
2.	Review of the current financial year (2013/14)
3.	Outlook for the coming financial year (2014/15)
4.	Reprioritisation
5.	Procurement
6.	Receipts and financing
7.	Payment summary
8.	Programme description
9.	Other programme information

<b>VOTE 2: GAUTENG PROVINCIAL LEGISLATURE</b>	<b>61</b>
---	-----------

1.	Overview
2.	Review of the current financial year (2013/14)
3.	Outlook for the coming financial year (2014/15)
4.	Reprioritisation
5.	Receipts and financing
6.	Payment summary
7.	Programme description
8.	Other programme information

### **VOTE 3: ECONOMIC DEVELOPMENT**

**81**

1. Overview
2. Review of the current financial year (2013/14)
3. Outlook for the coming financial year (2014/15)
4. Reprioritisation
5. Procurement
6. Receipts and financing
7. Payment summary
8. Programme description
9. Other programme information
10. Cross cutting issues

### **VOTE 4: HEALTH**

**117**

1. Overview
2. Review of the current financial year (2013/14)
3. Outlook for the coming financial year (2014/15)
4. Reprioritisation
5. Procurement
6. Receipts and financing
7. Payment summary
8. Programme description
9. Other programme information
10. Cross cutting issues

### **VOTE 5: EDUCATION**

**177**

1. Overview
2. Review of the current financial year (2013/14)
3. Outlook for the coming financial year (2014/15)
4. Reprioritisation
5. Procurement
6. Receipts and financing
7. Payment summary
8. Programme description
9. Other programme information
10. Cross cutting issues

### **VOTE 6: SOCIAL DEVELOPMENT**

**241**

1. Overview
2. Review of the current financial year (2013/14)
3. Outlook for the coming financial year (2014/15)
4. Reprioritisation
5. Procurement
6. Receipts and financing
7. Payment summary
8. Programme description
9. Other programme information
10. Cross cutting issues

### **VOTE 7: COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS**

**285**

1. Overview
2. Review of the current financial year (2013/14)
3. Outlook for the coming financial year (2014/15)
4. Reprioritisation
5. Procurement
6. Receipts and financing



7. Payment summary
8. Programme description
9. Other programme information

#### **VOTE 8: HUMAN SETTLEMENTS**

**315**

1. Overview
2. Review of the current financial year (2013/14)
3. Outlook for the coming financial year (2014/15)
4. Reprioritisation
5. Procurement
6. Receipts and financing
7. Payment summary
8. Programme description
9. Other programme information

#### **VOTE 9: ROADS AND TRANSPORT**

**343**

1. Overview
2. Review of the current financial year (2013/14)
3. Outlook for the coming financial year (2014/15)
4. Reprioritisation
5. Procurement
6. Receipts and Financing
7. Payment summary
8. Programme description
9. Other programme information

#### **VOTE 10: COMMUNITY SAFETY**

**381**

1. Overview
2. Review of the current financial year (2013/14)
3. Outlook for the coming financial year (2014/15)
4. Reprioritisation
5. Procurement
6. Receipts and financing
7. Payment summary
8. Programme description
9. Other programme information
10. Cross cutting issues

#### **VOTE 11: AGRICULTURE AND RURAL DEVELOPMENT**

**413**

1. Overview
2. Review of the current financial year (2013/14)
3. Outlook for the coming financial year (2014/15)
4. Reprioritisation
5. Procurement
6. Receipts and financing
7. Payment summary
8. Programme description
9. Other programme information
10. Cross cutting issues

#### **VOTE 12: SPORT, ARTS, CULTURE AND RECREATION**

**445**

1. Overview
2. Review of the current financial year (2013/14)
3. Outlook for the coming financial year (2014/15)
4. Reprioritisation

5. Procurement
6. Receipts and financing
7. Payment summary
8. Programme description
9. Other programme information
10. Cross cutting issues

### **VOTE 13: FINANCE**

**481**

1. Overview
2. Review of the current financial year (2013/14)
3. Outlook for the coming financial year (2014/15)
4. Reprioritisation
5. Procurement
6. Receipts and financing
7. Payment summary
8. Programme description
9. Other programme information
10. Cross cutting issues

### **VOTE 14: GAUTENG PROVINCIAL TREASURY**

**511**

1. Overview
2. Review of the current financial year (2013/14)
3. Outlook for the coming financial year (2014/15)
4. Reprioritisation
5. Procurement
6. Receipts and financing
7. Payment summary
8. Programme description
9. Other programme information
10. Cross cutting issues

### **VOTE 15: INFRASTRUCTURE DEVELOPMENT**

**539**

1. Overview
2. Review of the current financial year (2013/14)
3. Outlook for the coming financial year (2014/15)
4. Reprioritisation
5. Procurement
6. Receipts and financing
7. Payment summary
8. Programme description
9. Other programme information
10. Cross cutting issues

### **GLOSSARY**

**565**



2014/15 • EPRE •



# OVERVIEW OF PROVINCIAL ESTIMATES



• EPRE • 2014/15







# 1. SOCIO-ECONOMIC OUTLOOK

## 1.1 Introduction

This section briefly outlines the state of the world economy from the recession and provides a short review of the country's economy and that of the Gauteng Province. It also analyses the demographic profile and presents information about the distribution of income amongst households in the Province.

## 1.2 World economic review and outlook

The International Monetary Fund's (IMF) World Economic Outlook (WEO) update for January 2014 reports growth in world output at 3.1 and 3 per cent in 2012 and 2013, respectively. The report forecasts that global growth will reach 3.7 per cent in 2014 and then 3.9 per cent in 2015. These expectations are largely unchanged from the predictions made in the October 2013 report. This indicates that economic conditions since then have been in line with the IMF expectations. The IMF, however, warns that many economies still face downside risks to their future economic growth.

On average, advanced economies grew by 1.4 and 1.3 per cent in 2012 and 2013, respectively. This is despite continued contraction in the Euro area. The Euro area is expected to return to positive growth in 2014, contributing favourably to forecast averages of advanced economy growth rates of 2.2 per cent in 2014 and 2.3 in 2015. More rapid growth in advanced economies should increase these economies' demand for imports, improving global trade and contributing to the already positive growth in emerging markets and developing economies. Emerging markets and developing economies grew by 4.9 and 4.7 per cent in 2012 and 2013, respectively. The IMF predicts that the growth rates in these economies will reach 5.1 per cent in 2014 and 5.4 in 2015. Sub-Saharan Africa grew faster than the average growth for emerging markets and developing economies in 2013, at 5.1 per cent. It is forecast to continue growing faster with a rate of 6.1 per cent in 2014 and 5.8 in 2015.

A significant downside risk for both advanced and emerging markets, including developing economies is that Central Banks in advanced economies may withdraw their monetary stimulus rapidly. In advanced economies, output is still below potential, inflation is generally low and many governments are still implementing austerity measures. Tightening monetary stimulus thus risks returning advanced economies to recession and must be carefully managed.

Emerging markets and developing economies have been receiving significant portions of advanced economies' monetary stimulus as investment, which has strengthened their financial markets and their currencies. The reduction in stimulus would adversely affect Foreign Direct Investment these economies benefited from, previously, thus potentially causing instability into exchange rates and financial markets. Although the global economic recovery is on course, care must be taken to keep it on track.

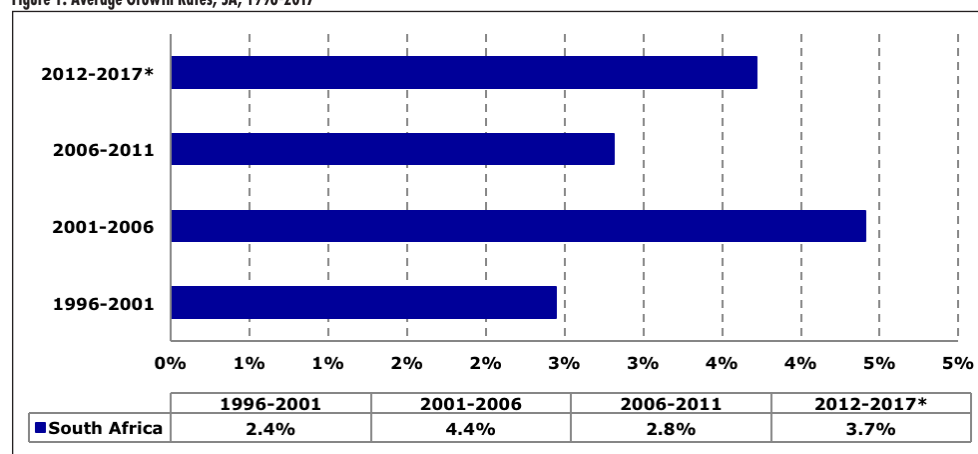
## 1.3 National economic review and outlook

It is still evident that the impact of the 2008 and 2009 financial crisis continue to exist in most economies of the world, as shown by relatively low growth rates. Being part of the global economy, South Africa continues to be affected by the effects of the financial crisis. Economic growth in the Euro area, South Africa's major trading partner, is forecast to be positive but presently remains relatively low at 1 per cent in 2014 and 1.4 per cent in 2015.<sup>1</sup> The South African Reserve Bank's Monetary Policy Committee estimates economic growth to have reached 1.9 per cent in 2013. It has revised growth forecast for 2014 and 2015 to 2.8 and 3.3 per cent, down from the 3 and 3.4 per cent respectively, citing amongst other reasons, low business confidence and labour unrests.<sup>2</sup>

1 Information from the International Monetary Fund (IMF), World Economic Outlook, January 2014 Update.

2 Information from the South African Reserve Bank, Monetary Policy Media Statement, 29th January 2014.

Figure 1: Average Growth Rates, SA, 1996-2017\*

Source: IHS Global Insight, 2014<sup>3</sup>

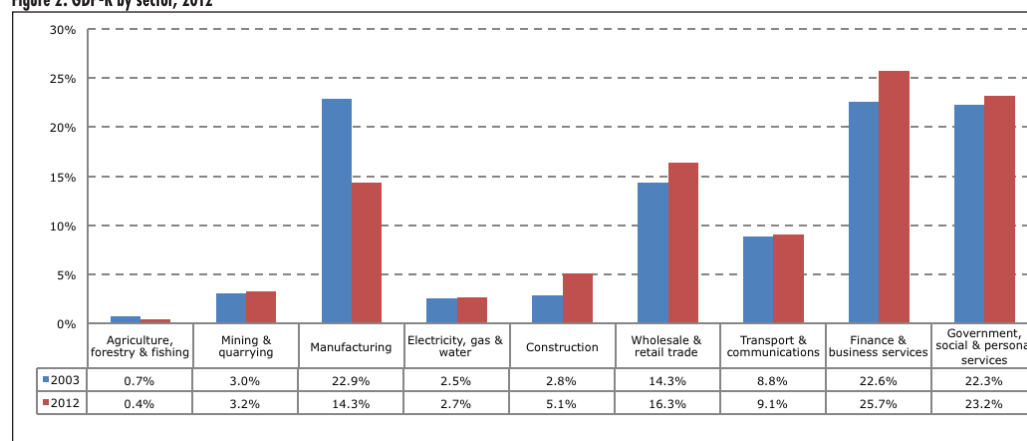
Note: \* indicates forecasts

Figure 1 shows the average economic growth rates and forecast rates for South Africa. Between 1996 and 2001, the country's economy grew by an average of 2.4 per cent, which increased to 4.4 per cent between 2001 and 2006. This growth was mainly accounted for by the finance and business services sub-sector. Growth between 2006 and 2011 declined to 2.8 per cent, mainly due to the global financial crisis. It is forecast to be at 3.7 per cent between 2012 and 2017.

#### 1.4 Gauteng economic review and outlook

As the economic hub of South Africa, Gauteng province is also affected by the global economic trends that affect the country. The province accounted for 36 per cent of the country's GDP in 2012.<sup>4</sup> The metro municipalities contributed the largest share to the GDP-R of Gauteng and accounted for a combined 92.7 per cent of the province's GDP-R in 2012. The City of Johannesburg contributed the largest share at 46.2 per cent followed by the City of Tshwane at 27.9 per cent. Ekurhuleni contributed the least of the three municipalities at 18.6 per cent. The two districts, accounted for 7.3 per cent of the province's GDP-R. About 3.8 per cent was from Sedibeng and 3.5 per cent from the West Rand. The figure below shows Gauteng's sectoral contribution to the GDP-R.

Figure 2: GDP-R by sector, 2012



Source: IHS Global Insight, 2014

As shown in Figure 2, the manufacturing sub-sector was the main driver of growth in the province in 2003, contributing almost 23 per cent to GDP-R. However, its contribution to the GDP-R has since declined to 14.3 per cent in 2012. The manufacturing sub-sector was by-passed by the finance and business services sub-sector in 2012, which accounted for 25.7 per cent of GDP-R. The contribution by the government, social and personal services sub-sector increased from 22.3 per cent in 2003 to 23.2 per cent in 2012. Despite accounting for the largest proportion of the country's total exports, the mining and quarrying sub-sectors contributed a mere 3 per

<sup>3</sup> All data is obtained from IHS Global Insight. However, IHS Global Insight sources most of their data from Statistics South Africa.

<sup>4</sup> Information is according to IHS Global Insight



cent to the GDP-R in 2003 and 3.2 per cent in 2012. Agriculture, forestry and fishing sub-sectors contributed the least to the GDP-R at 0.7 per cent in 2003 and 0.4 per cent in 2012.

## 1.5 Demographics

The following section provides an overview of the demographics of Gauteng Province and its municipalities in 2012.

TABLE 1: POPULATION SIZE AND DISTRIBUTION BETWEEN REGIONS, 2012

Region	Total Population	Percentage Share
City of Johannesburg	4,488,843	36.2%
City of Tshwane	2,961,022	23.9%
Ekurhuleni	3,197,299	25.8%
Sedibeng	927,351	7.5%
Emfuleni	723,421	5.8%
Midvaal	97,847	0.8%
Lesedi	106,083	0.9%
West Rand	820,165	6.6%
Mogale City	363,383	2.9%
Randfontein	150,654	1.2%
Westonaria	110,169	0.9%
Merafong City	195,959	1.6%
<b>Total/Gauteng</b>	<b>12,394,681</b>	<b>100%</b>

Source: IHS Global Insight, 2014

Although Gauteng is the smallest province geographically, it is the most populated province in South Africa. In 2012, there were 12.4 million people living in Gauteng, accounting for 23.7 per cent of the total population of South Africa. There were 4.5 million people living in the City of Johannesburg; making it the municipality with the highest share of the population in Gauteng. This was followed by the Ekurhuleni metro (with a share of 25.8 per cent), and the City of Tshwane with a share of 23.9 per cent. The two district municipalities had the lowest share of Gauteng's population at 7.5 per cent for Sedibeng and 6.6 per cent for the West Rand. The seven local municipalities had even smaller shares of the population of Gauteng. Emfuleni, a local municipality of Sedibeng, had the highest share amongst the local municipalities at 5.8 per cent.

TABLE 2: CHANGES IN PROVINCIAL DEMOGRAPHICS, 2002-2012

Description	Period	Effective change
Population growth rate	2002-2012	2.6% p.a, 9.5 million to 12.4 million
Population increase	2002-2012	increase of 2.8 million or 29.8%
Number of households	2002	3 million
	2012	4.1 million (36.2% increase)
Average household size	2002	3.2
	2012	3.1

Source: IHS Global Insight, 2014

Table 2 shows the changes in population and household numbers in Gauteng between 2002 and 2012. The population of Gauteng grew on average by 2.6 per cent per year between 2002 and 2012, reaching 12.4 million in 2012. In 2002, there were 3 million households in Gauteng. These increased to 4.1 million in 2012, bringing the average size of a household in Gauteng to 3.1.

TABLE 3: GENDER AND AGE DISTRIBUTION, 2012

Age Cohort	Male	Female	Total	Percent Share
00-14	1,562,470	1,615,689	3,178,159	25.60%
15-29	1,584,333	1,562,158	3,146,492	25.40%
30-44	1,691,584	1,528,266	3,219,850	26.00%
45-59	923,660	931,372	1,855,031	15.00%
60+	434,805	560,343	995,148	8.00%
	<b>6,196,853</b>	<b>6,197,828</b>	<b>12,394,681</b>	<b>100%</b>

Source: IHS Global Insight, 2014

Table 3 depicts the distribution of the population in Gauteng by gender and age cohort. The 30-44 age cohorts made up the highest share of those living in Gauteng. Males of that age cohort equalled 1.7 million while females equalled 1.5 million. The age cohort of 60 and above made up the lowest share of those residing in Gauteng.

TABLE 4: INCOME DISTRIBUTION, 2012

Annual Income per Household	Number of Households	Percentage of Households
Less than R12,000	169,070	4.20%
R12,000 to R42,000	1,154,228	28.50%
R42,000 to R96,000	1,101,181	27.10%
R96,000 to R360,000	1,084,824	26.70%
R360,000 to R2,400,000	543,332	13.40%
R2,400,000+	4,085	0.10%
<b>Total</b>	<b>4,056,720</b>	<b>100.00%</b>

Source: IHS Global Insight, 2014

Table 4 shows income distribution for the households in Gauteng. Households who earn between R12 000 to R42 000 per year account for the highest share of 28.5 per cent of all households in Gauteng. About 86.5 per cent of households in Gauteng earn R360 000 or less per year and the remaining 13.5 per cent earn more than 360 000 per year. Overall, the data shows that as the income increases, the household shares decreases.

## 2. BUDGET STRATEGY AND AGGREGATES

The provincial budget sets out the allocations proposed by the MEC for Finance following consideration by political office-bearers and officials of the expenditure requirements of all spending agencies. Detailed submissions to the Provincial Treasury by all departments provided the essential information needed to assess competing demands on available funds. Given the continued tight fiscal constraints the province had to make the difficult trade-offs between competing priorities. Also given the limited resources amid a myriad of needs, it was necessary for departments to prioritise core functions and continue to assess how to improve both the method and vehicle of delivery to ensure that services are delivered in the most effective and efficient manner.

In preparing the budget submissions, departments were expected to pursue cost-effective strategies for delivering the services for which they are responsible and to ensure full political endorsement of departmental plans and priorities. They were expected to review their policy priorities and spending programmes with the intention of aligning the plans with set government priorities and outcomes. Key principles that inform the budget preparation include the following:

- Implementation of cost containment given the anticipated increases in goods and services and other inflationary pressures.
- Reprioritization of funding to critical areas of need
- Readiness assessment to deliver infrastructure
- Shifting spending away from consumption to investment
- Alignment of budget to outcomes

The bulk of provincial spending goes to social services, namely: basic education; primary health care and social security. These services make up approximately 78 per cent of total provincial spending. The remainder of the budgets goes to the non-social services departments with 22 per cent. Provinces also fund other key economic infrastructure such as provincial roads, housing, agriculture and economic development programmes. This is indicative of our commitment to improving social services and investing in social and economic infrastructure. The province remains committed to delivery of economic infrastructure which will create an environment in which the economy can grow while ensuring that job creation remains a priority in the delivery of social infrastructure.



## 2.2 Outcomes

The province continues to implement outcomes based planning and budgeting when preparing the budget over the next MTEF and has adopted 14 outcomes for the 2004-2019 planning process. The details of outcomes and related outputs over MTEF are listed below:

### 2.2.1 Quality basic education

The department is in concurrence with the objectives and goals articulated in the NDP and Action Plan 2014 and have prioritized these plans over the 2014-2019 which will contribute to quality basic education. The 2014/15 financial year will focus on mainstreaming the intervention programmes put in place. These intervention programmes are aimed at ensuring that all targets as set in the 2009-2014 strategic plan of the GDE are achieved.

### 2.2.2 A long and healthy life for all

The province will achieve this outcome through implementing key interventions to increase life expectancy, which include all programmes that deal with maternal and child health, HIV and AIDS, Sexual Transmitted Infections (STIs), TB, Primary Health Care (PHC), Emergency Medical Services (EMS) and other programmes related to promoting healthy lifestyles and addressing non-communicable diseases.

### 2.2.3 All people in South Africa are and feel safe

Intensifying the efforts with respect to the responsibility of overseeing the law enforcement agencies in Gauteng will help the province contribute to the safety of people in South Africa. The Department of Community Safety, supported by the Department of Social Development will implement strategies such as the Co-Created Policing Strategy, Social Crime Prevention Strategy and Violence against Women and Children (VAWAC) Strategy in its programmes for monitoring of law enforcement agencies, combating crime and protecting the vulnerable members of the society.

### 2.2.4 Decent employment through inclusive economic growth

The Department of Roads and Transport supports the Department of Economic Development in the implementation of programmes that aim to (a) move towards a more equitable competitive urban economy; (b) facilitate transition to a vibrant capacitated knowledge economy; (c) move the economy from a resource based to a green economy and (e) position the Gauteng City Region (GCR) in a regional, continental and global space. The ultimate results of these programmes are the creation of employment opportunities in the province.

### 2.2.5 Skilled and capable workforce to support an inclusive growth path

The Gauteng Master Skills Plan (MSP) is a key component of the province's strategy for providing a sustainable pool of economically relevant skills, thus eradicating poverty and decreasing the unemployment rate. The Gauteng MSP provides an opportunity to learners and students to attend institutions of higher learning. The Department of Education supports increased access to post-secondary education by providing bursaries and directing resources towards the transition from school to tertiary institutions and helping learners to gain access to universities and colleges. The Department of Economic Development plays a supportive role in the achievement of this outcome.

### 2.2.6 An efficient, competitive and responsive economic infrastructure network

The Department of Roads and Transport overall mandate is linked to this outcome through plans to provide affordable new transport infrastructure and upgrade current infrastructure and systems. There will also be a focus on promoting accessibility to major economic hubs and creating jobs for citizens in the province. The department will contribute to this outcome through the construction and maintenance of the provincial road network.

### 2.2.7 Vibrant, equitable, sustainable rural communities contributing to food security for all

The provision of support to the farming community and the implementation of programmes to create jobs and to secure continued food supply for consumption and trade are one of the driving factors in the achievement of this outcome. The beneficiaries of these programmes include the emerging farmers, large scale farmers and poor households.

### 2.2.8 Sustainable human settlements and improved quality of household life

The province will provide differentiated quality housing solutions through the implementation of the various national housing programmes, utilising the Human Settlements Development Grant and by the eradication of informal settlements. The Department of Human Settlements continues to deliver in its key priority programmes, which are Mixed Housing Development, Eradication of informal settlement, Alternative Tenure, Urban Renewal Programme and Priority Township Programme.

### **2.2.9 Responsive, accountable, effective and efficient local government system**

The Department of Cooperative Governance and Traditional Affairs plays a lead role in the implementation of programmes to achieve this outcome. The support provided to local government aims to improve institutional and administrative systems to municipalities. The Provincial Treasury supports municipalities through the financial management interventions that are aimed at increasing the number of municipalities that achieve unqualified audits.

### **2.2.10 Protect and enhance our environmental assets and natural resources**

The Department of Agriculture and Rural Development is the lead department for this outcome and is responsible for ensuring that they protect and enhance the environmental assets and natural resources. Six Provincial Nature Reserves are managed as part of the Department's Protected Area Management portfolio. The Department implements strategies that involve communities when delivering programmes relating to the management of natural resource.

### **2.2.11 Create a better South Africa, a better Africa and a better world**

The province will implement the Integrated Service Delivery Improvement Framework in three wards (i.e. Westrand, Sebokeng and Ekurhuleni). The framework will ensure that appropriate institutional mechanisms are in place for inter-sphere coordination as well as empower citizens to contribute to the development of communities. It will also promote integrated approach to decentralize service delivery to improve access (including Thusong and mobile services), and will improve the capability of Community-based workers (including Community Development Workers) to offer integrated service delivery through appropriate empowerment programmes. These are some of the interventions that the province will implement to create a better South Africa.

### **2.2.12 An efficient, effective and development oriented public service**

It is the core of this outcome to ensure improvement in the efficiency and effectiveness of public service which impacts on service delivery to the citizenry. The government programmes and strategies that will help the province achieve this objective involve improving financial management to achieve clean audit in the province and municipalities; increasing the efficiency in government expenditure and reducing incidences of corruption in procurement processes; better management of human resources and the implementation of the outcomes-based approach in planning and budgeting to ensure proper resourcing the government outcomes.

### **2.2.13 Social protection**

The Gauteng Department of Social Development is the lead department for outcome Social Protection, which aims to address the challenges of unemployment, poverty and inequality. The protection of vulnerable members of the society including older persons, people with disabilities, children and youth is central to the implementation of various interventions that contribute to the achievement of this outcome.

### **2.2.14 Nation building and social cohesion**

The Department of Sports Arts Culture and Recreation and the Office of the Premier are the main departments that are responsible for this outcome. The province will identify, grade, preserve, protect, brand and promote the heritage resources, in partnership with strategic role-players, including national and local government, the South African Heritage Resources Agency (SAHRA) and the Provincial Heritage Resource Agency of Gauteng (PHRA-G). The department will also focus on the celebration of 20 Years of Democracy by implementing activities such as Freedom Fridays with Lead SA, to promote nation building and social cohesion.

## **3. MEDIUM TERM EXPENDITURE FRAMEWORK AND THE BUDGET PROCESS**

### **3.1 The importance of a medium term perspective for budgeting**

The Medium Term Expenditure Framework (MTEF) is an annual, three year rolling planning and budgeting framework which is used for the strategic allocation of resources in line with government's policies and priorities. In most cases, the priorities needs exceed the available resources and the MTEF is therefore used as a mechanism for assisting decision makers in allocating the limited resources between sectors and between specific activities within particular sectors.

Adopting the MTEF ensures that there is more efficient use of public funds, greater political accountability and credibility of budgetary decision making as well budgets ensuring that there is predictability in funding for a three



year period for programmes within the different sectors of the economy.

### 3.2 Overview of the 2014 budget process

The Gauteng Provincial Treasury in collaboration with other stakeholders is responsible for facilitating the provincial budget process, preparing the provincial budget and exercising control over the utilisation of resources. The key underlining principles which informed the formulation of the 2014 reprioritised budget are as indicated above.

The Premier Budget Committee (PBC) and the MTEC considered the aforementioned principles and criteria amongst other factors to decide on budget allocations. The key stages of the 2014 budget process with developments in stages are described below:

#### Strategic planning

During this stage the strategic direction of departments are determined taking into account policy directives and priorities. The 2014/15 financial year marks the start of a new term of governance and therefore an examination and consolidation of past performance was done to better inform plans for the next political cycle.

The Executive Council meetings and Finance Lekgotla took place during the second quarter of the financial year. Gauteng received the initial allocations from the National Government in terms of its Provincial Equitable Share which spelt out the share of funding that the Gauteng Province will receive from the nationally raised revenue. For 2014, the Provincial Equitable Share allocations for Gauteng were increased after the provincial equitable share formula was revised to take into account the population profiles of province, which has seen an increase in the population due to in migration.

The MTEC databases were sent to departments to establish the baselines which informed the extensive engagement with the National Treasury and sector departments during the functional group meetings in July 2013. The Gauteng Provincial Treasury trained the departments on the completion of the database to ensure that appropriate budget baselines are established.

#### Preparation

At this stage the departments begins to prepare their budget submissions according to the resolutions of the Lekgotla.

The Budget Forum was held in July 2013 with departments to provide guidance on the socio-economic environment within which departments must plan, the key dates in the budget process and the compilation of budget submissions. A new development is MTEC focus groups which are bilateral discussions between departments and GPT around the overall analysis of the budget baselines, policy priorities, analysis of spending pressures and achieving value for money. This took place in October 2013. The GPT also held feedback sessions with departments to enhance the credibility of budget documents during January 2014.

#### Recommendation and decision making

During the preparation of the 2014 MTEF budget, the MTEC focus groups assessed the baseline realignment to determine how existing core operations are funded, the baseline reprioritisation to fund priorities and spending pressures from identified efficiencies and implementing cost containment measures. Departments were advised to improve the alignment between budgets and outcomes as there will be increased focus on increasing service delivery while sustaining existing funding levels.

The MTEC met with all departments in October and November 2013, and looked critically at departments existing baselines and spending proposals. Departments were advised to allocate resources to priority areas and to be prudent when allocating resources in light of the tight fiscal environment. MTEC resolutions informed further deliberations at the PBC. The strategic allocation of limited funding was completed after continuous engagements at the PBC.

#### Implementation

The legislative process is concluded with the MEC of Finance for tabling of the provincial budget to be adopted by the Legislature. The approved budget is implemented in line with the plans of the department.



## Monitoring and evaluation

Financial and non-financial performance of the departments is monitored monthly and quarterly in the form of In-Year Monitoring (IYM) report and Quarterly Performance Report (QPR). Evaluation takes place in the form of Annual Financial Statements (AFS) and periodically through internal audit process.

The credibility of monthly expenditure and projections in the IYM is significant because it allows departments and other stakeholders to make informed decisions. In order to improve accountability, the quarterly performance information of sector departments will continue to be published.

## 4. RECEIPTS

### 4.1 Overview of provincial receipts

The provincial receipts constitute mainly of the equitable share, conditional grants and provincially generated revenue. The equitable share portion constitutes a significantly higher proportion of the total revenue followed by conditional grants and provincially generated own revenue. Section 227 (1) of the Constitution of the Republic of South Africa of 1996 (Act 108 of 1996) requires that revenue raised nationally should be distributed equitably amongst the three spheres of government and it is an unconditional transfer designed to assist in delivery of basic services and assigned functions.

Conditional grants are additional transfers from the national government with conditions attached to them. Their limited flexibility is often emphasised as they are designed to fund national priorities and compensate provinces in their quest to provide services to citizens. Conditional grants therefore remain centralised and accompanied by strict conditions.

Provincial own revenue is mainly generated through motor vehicle taxes, casino taxes, patient fees, interest revenue and other user charges and levies. The proclamation of the Provincial Tax Regulation Process Act (Act 53 of 2001) served as a great initiative for provinces because it allowed provinces to explore increasing its own revenue base as the Constitution sanctions provinces to impose certain taxes.

TABLE 5: SUMMARY OF PROVINCIAL RECEIPTS

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
<b>R thousand</b>									
Transfer receipts from national	59 870 361	65 701 420	70 858 193	76 869 746	77 230 702	77 230 702	85 608 012	92 234 526	98 502 964
Equitable share	45 869 090	50 967 615	55 212 862	61 374 917	61 494 894	61 494 894	68 672 720	74 214 208	80 243 782
*Conditional grants	14 001 271	14 733 805	15 645 331	15 494 829	15 735 808	15 735 808	16 935 292	18 020 318	18 259 182
Provincial own receipts	3 098 509	3 615 241	3 779 326	3 972 410	4 081 807	4 161 020	4 265 929	4 568 931	4 817 895
<b>Total provincial receipts</b>	<b>62 968 870</b>	<b>69 316 661</b>	<b>74 637 519</b>	<b>80 842 156</b>	<b>81 312 509</b>	<b>81 391 722</b>	<b>89 873 941</b>	<b>96 803 457</b>	<b>103 320 859</b>

\*Including funds allocated in the 2nd adjustment budget

The table above shows aggregates of provincial receipts over a seven financial year period. Total receipts have increased from R62.7 billion in 2010/11 to R81.3 billion in 2013/14 thus showing an average annual growth rate of 9.05 per cent. The total transfers from national government have increased from R59.8 billion in 2010/11 to R77.2 billion in 2013/14 and this shows an increase of R17.3 billion or 29 per cent. On average the annual growth in total transfers from national government from 2010/11 to 2013/14 amounts to 8.8 per cent. National transfers are projected at R85.6 billion in 2014/15; R92.2 billion in 2015/16 and R98.5 billion in 2016/17. This represents an average annual growth rate of 8.5 per cent over the 2014 Medium Term Expenditure Framework.

For 2013/14 the equitable share amounts to R61.4 billion or 75.6 per cent of total provincial receipts, while conditional grants and own revenue account for R15.7 billion or 19.4 per cent and R4 billion or 5.0 per cent respectively. Over the 2014 MTEF, total provincial receipts are recorded at R89.9 billion in 2014/15; R96.9 billion in 2015/16 and R103.4 billion in 2016/17 thus showing an average annual growth rate of 8.4 per cent.



## 4.2 Equitable share

Section 214 of the Constitution states the Act of Parliament must provide for the equitable division of revenue raised nationally among the national, provincial and local spheres of government and furthermore must provide for the determination of each province's equitable share of the provincial share of that revenue. The determination of each province's equitable share is derived by using the equitable share formula which is reviewed and updated annually with new data taking into account the recommendations by the Financial and Fiscal Commission (FFC). Provincial governments have limited discretion on how to allocate the equitable share between functions assigned to them by the Constitution within the framework of government policy priorities.

TABLE 6: EQUITABLE SHARE ALLOCATION FOR GAUTENG PROVINCE

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Equitable share	45 869 090	50 967 615	55 212 862	61 374 917	61 494 894	61 494 894	68 672 720	74 214 208	80 243 782

The above table shows the allocation in the equitable share over a seven financial year period. The equitable share shows an increase from R45.9 billion in 2010/11 to an adjusted appropriation amount of R61.5 billion in the 2013/14 financial year; this represents an average annual growth rate of 10.3 per cent in the equitable share allocation to the province. The total projected allocation for 2014/15 is R68.7 billion and R74.2 billion for 2015/16 and this amount is further projected to increase to R80.2 billion during the 2016/17 financial year. Over the 2014 MTEF the allocation is projected to increase on average at an annual rate of 9.3 per cent.

The increase in allocations in 2011/12 was informed by the following:

- Provision for the shortfall and carry through effect of the OSD for educators; and
- Provision to fund health priorities including health therapeutic OSD, Doctors OSD and medical registrars in obstetrics and paediatrics.

Specific allocations that increased the 2012/13 funding:

- Personnel costs for the education and health sector;
- Child and youth care services by increasing subsidies;
- Expansion of the no-fee schools by equalising the per-capita subsidies paid at schools in quintile 1 to 3; and
- Universalisation of Grade R.

In 2013/14, equitable share allocation increased due to the phasing in of the Devolution of the property rates funds grant into the equitable share and also as a result of increased allocation to the social sector to fund the following priorities:

- Increasing the number of teachers in quintile 1 schools to reduce the learner: teacher ratio in poorer schools;
- Increase number of Grade R teachers to achieve the objectives of universalising access to the Grade R;
- Improved tuberculosis diagnostic test using the quicker and more accurate GeneXpert machines;
- Absorption of social work graduates, whose studies were funded by national government and in the province;
- Support to the NGO sector to ensure that continued service delivery; and
- Increased demand of services due to increased population in Gauteng as per the 2011 Census results.

During the 2013/14 adjustment budget process, the province received an additional R119.9 million to fund the difference of 0.3 per cent between the 6.6 per cent actual salary increment and the 6.3 per cent on the budget baseline. The other component that received funding was the re-grading of clerical positions especially in the social sector as per the December 2012 circular from Department of Public Service and Administration.

Allocations over the 2014 MTEF provide carry-through costs of all key priorities in the social sector as stated above, funding for the re-grading of clerical positions to level 5 as per the above abovementioned circular was allocated, provision for ICS, strengthening of PHC engineering, funding to relieve pressure on compensation of employees within the education sector and provision for e-learning. Funds phased into the equitable share on the Devolution of Property Rates and Taxes grant amounts to R312.7 million in 2014/15 and R327.1 million in 2015/16.

TABLE 7: PROVINCIAL EQUITABLE SHARE WEIGHTED AVERAGE

Components	Education	Health	Basic	Poverty	Economic Activity	Institutional	Weighted average
<b>Weights</b>	<b>48%</b>	<b>27%</b>	<b>16%</b>	<b>3%</b>	<b>1%</b>	<b>5%</b>	<b>100%</b>
Eastern Cape	16.30%	14.20%	13.50%	16.70%	7.60%	11.10%	14.90%
Free State	5.60%	5.50%	5.50%	5.70%	5.50%	11.10%	5.80%
<b>Gauteng</b>	<b>15.70%</b>	<b>20.50%</b>	<b>22.40%</b>	<b>15.70%</b>	<b>33.90%</b>	<b>11.10%</b>	<b>18.00%</b>
KwaZulu-Natal	23.20%	23.00%	21.40%	23.00%	16.10%	11.10%	22.20%
Limpopo	13.90%	10.70%	11.00%	14.40%	7.00%	11.10%	12.40%
Mpumalanga	8.40%	6.80%	7.20%	8.60%	7.10%	11.10%	7.90%
Northern Cape	2.20%	2.20%	2.20%	2.40%	2.30%	11.10%	2.60%
North West	6.30%	6.50%	6.40%	7.50%	6.50%	11.10%	6.60%
Western Cape	8.40%	10.60%	10.50%	6.00%	14.00%	11.10%	9.40%
<b>TOTAL</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

Table 7 shows a breakdown of Provincial Equitable Share (PES) weighted average that determines the share of each province. The PES is revised and updated annually with new data to ensure that the formula is objective and redistributive. The weights consist of six components related to the demand for services amongst provinces. The shares are allocated in relation to nationally determined weights. The total provincial equitable share weighted average for Gauteng was revised to 18 per cent. The formula consists of six following components and they are set out as follows:

- An education share (48 per cent) based on the size of the school-age population (ages 5-17) and the number of learners (grade R to 12) enrolled in public ordinary schools. In the education component, Gauteng weights is the third highest (15.7 per cent) implying that the enrolment of learners is higher than other provinces;
- A health share (27 per cent) based on a combination of a risk-adjusted capitation index for the population, which takes into account the health risks associated with the demographic profile of the population and the relative share of caseloads in hospitals. The risk-adjusted capitation index is given a 75 per cent weighting and the case load (output component) is given a 25 per cent weighting. Gauteng health component is allocated a share of 20.5 per cent;
- A basic share (16 per cent) derived from each province's share of the national population. The Gauteng basic share is allocated 22.4 per cent;
- An institutional component (5 per cent) divided equally between the provinces. Institutional share is equally divided amongst all the provinces at 11.1 per cent;
- A poverty component (3 per cent) reinforcing the redistributive bias of the formula. The Gauteng poverty component share is allocated 15.7 per cent;
- An economic output component (1 per cent) based on Gross Domestic Product (GDP) data. The Gauteng economic activity share is the highest in the country with 33.9 per cent, due to contribution the province makes to South Africa's GDP; and
- The total weighted average share for Gauteng is 18 per cent, the second highest after Kwazulu-Natal.

### 4.3 Conditional grants

Conditional grants are assigned to provinces from national government to pursue specific national objectives and targets aimed at enhancing the delivery of services. Conditional grants are also used to ensure that the minimum nation-wide standards for the provision of services of national concern are met across all provinces. The grants allow government to supplement various programmes such as infrastructure and tertiary services at central hospitals, school nutrition and other support specific programmes.

TABLE 8: CONDITIONAL GRANTS ALLOCATION FOR GAUTENG PROVINCE

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Conditional grants	14 001 271	14 733 805	15 645 331	15 494 829	15 735 808	15 735 808	16 935 292	18 020 318	18 259 182

Table 8 provides provincial conditional grant allocation over a seven financial year period. Conditional grants increased from R14 billion in 2010/11 to R15.6 billion in 2012/13, this shows an average annual growth rate of 3.9 per cent. For the 2013/14 financial year the revised estimates for conditional grants amounts R15.7 billion.

From the 2014/15 to 2016/17 financial year conditional grants are expected to increase from R16.9 billion to R18.3 billion, increasing by R1.4 billion at an average growth rate of 3.8 per cent.

Budget allocation over the 2014 MTEF has increased as a result of the introduction of the new grant within the education sector for the payment of Occupational Specific Dispensation (OSD) for therapist grant which amounts to R93.6 million in 2014/15 and R29.4 million in 2015/16 and it will be phased in to equitable share from 2016/17 going forward. The province also received the EPWP grant which is split between the Integrated and the social sector incentive. The objective of both grants is to increase job creation. The EPWP incentive grant amounts to R73.3 million and R23.6 million for the integrated grant.

TABLE 9: CONDITIONAL GRANT PER DEPARTMENT

R thousand	Medium-term estimates		
	2014/15	2015/16	2016/17
<b>Health</b>	<b>7 632 101</b>	<b>7 789 201</b>	<b>8 095 471</b>
Comprehensive HIV and Aids Grant	2 632 578	2 975 139	3 345 986
Health Facility Revitalisation Grant	671 033	303 630	
Health Professions Training and Development Grant	811 114	848 425	893 392
National Tertiary Services Grant	3 493 891	3 654 610	3 848 304
National Health Insurance	7 000	7 397	7 789
Social Sector EPWP Incentive Grant	14 475		
EPWP Integrated Grant	2 010		
<b>Education</b>	<b>2 202 628</b>	<b>2 420 844</b>	<b>1 623 548</b>
Further Education and Training College Grant	725 809	777 452	820 320
Dinaledi Schools Grant	22 458	23 491	24 736
Education Infrastructure Grant	623 602	852 247	
HIV and Aids (Life Skills Education) Grant	30 195	30 611	33 388
National School Nutrition Programme Grant	640 541	678 974	714 960
Technical Secondary Schools Recapitalisation Grant	27 958	28 627	30 144
OSD Therapists	93 599	29 442	
Social Sector EPWP Incentive Grant	36 016		
EPWP Integrated Grant	2 450		
<b>Social Development</b>	<b>22 267</b>		
Social Sector EPWP Incentive Grant	20 267		
EPWP Integrated Grant	2 000		
<b>Roads and Transport</b>	<b>2 337 897</b>	<b>2 392 873</b>	<b>2 518 690</b>
Provincial Roads Maintenance Grant	514 903	490 172	516 152
Public Transport Operations Grant	1 819 854	1 902 701	2 002 538
EPWP Integrated Grant	3 140		
<b>Agriculture and Rural Development</b>	<b>88 144</b>	<b>89 755</b>	<b>113 441</b>
Comprehensive Agricultural Support Programme Grant	60 816	60 720	72 890
Ililima/Letsema Projects Grant	20 126	24 234	35 515
Land Care Programme Grant: Poverty Relief and Infrastructure Development	4 748	4 801	5 036
EPWP Integrated Grant	2 454		
<b>Sport, Arts, Culture and Recreation</b>	<b>225 103</b>	<b>261 879</b>	<b>276 595</b>
Community Library Services Grant	125 608	162 693	172 450
Mass Sport and Recreation Participation Programme Grant	94 915	99 186	104 145
Social Sector EPWP Incentive Grant	2 580		
EPWP Integrated Grant	2 000		
<b>Human Settlement</b>	<b>4 419 641</b>	<b>5 065 766</b>	<b>5 631 437</b>
Integrated Housing and Human Settlement Development Grant	4 417 641	5 065 766	5 631 437
Of which the following should be allocated to:			
EPWP Integrated Grant	2 000		
<b>Cooperative Governance and Traditional Affairs</b>	<b>2 000</b>		
EPWP Integrated Grant	2 000		
<b>Infrastructure Development</b>	<b>5 511</b>		

R thousand	Medium-term estimates		
	2014/15	2015/16	2016/17
EPWP Integrated Grant	5 511		
<b>Total conditional grants</b>	<b>16 935 292</b>	<b>18 020 318</b>	<b>18 259 182</b>

Table 9 shows a breakdown of the conditional grants allocations per department over a period of three years. It is estimated that over the period under review conditional grants will increase from R16.9 billion in 2014/15; R18 billion in 2015/16 and to R18.3 billion in 2016/17. This represents annual average growth rate of 3.8 per cent over the three years.

The Department of Health has numerous grants which are aimed at achieving amongst other priorities, ensuring a healthy lifestyle for all South Africans. The Comprehensive HIV and Aids grant is aimed at enabling the health sector to respond to the HIV and AIDS epidemic. The National Health Insurance Grant is aimed at testing innovative interventions and methods of service delivery. Other grants within the Department of Health include the Hospital Facility Revitalisation Grant which is meant for the transforming and modernising infrastructure and equipment in hospitals and comprises of two components: health infrastructure and hospital revitalisation. The National Tertiary Services Grant aims at providing strategic funding to enable provinces to plan modernise and transform the tertiary hospital service delivery platform in line with national policy objectives. The Health Facility Revitalisation grant was reduced in the 2014 MTEF; this is as a result of the bidding system introduced by National Treasury as per 2013 Division of Revenue Act. The outcome of the bid resulted in the infrastructure grant reduced in 2014/15 and 2015/16 as compared to the 2013 MTEF baselines and not allocated in the outer year. The allocation for the Department of Health is estimated to increase from R7.6 billion in 2014/15; R7.8 billion in 2015/16 to R8.1 billion in 2016/17 at an annual growth rate of 3 per cent.

Conditional grants for the Department of Education include the National School Nutrition Programme Grant which seeks to improve the nutrition of poor school children, enhance active learning capacity and improve attendance in schools. The Dinaledi Schools Grant aims at enhancing the quality of Maths and Science in Dinaledi schools by providing additional resources to deserving schools. The other grants are the Education Infrastructure grant, the Technical Secondary Schools Recapitalisation grant and the HIV and AIDS (life skills education) grant; all of which are administered by the National Department of Basic Education. The Department of Education is projected to receive allocations of R2.2 billion in 2014/15; R2.4 billion in 2015/16 and R1.6 billion in 2016/17. In addition, the Department of Education has a new grant introduced for the payment of OSD to therapists which is allocated in 2014/15 and 2015/16 and it will be phased into equitable share from 2016/17 going forward. The method for allocating the infrastructure grant to Education was revised by National Treasury, as a result of the two year bidding system. The outcome of the bid resulted in the Education Infrastructure Grant being reduced in the first two years as compared to the 2013 MTEF baseline allocations and not allocated in the outer year. This resulted in the conditional grant allocation decreasing from R2.4 billion in 2015/16 to R1.6 billion in 2016/17. The allocation for Further Education and Training is still with Basic education and the transfer to Department of Higher Education and Training (DHET) will be effected 1<sup>st</sup> April 2015, this is due to concerns that have been raised on the operational issues which have delayed the process.

The Department of Transport's overall purpose is to provide a balanced and equitable road network. The Provincial Roads Maintenance Grant and the Public Transport Operations Grant make up the bulk of the allocation to the Department. The Public Transport Operations subsidises is for commuter bus services and are paid to operators of commuter. The Department is projected to receive conditional grants allocations of R2.3 billion in 2014/15; R2.4 billion in 2015/16 and R2.5 billion in 2016/17 which grows by an average annual growth rate of 3.8 per cent.

In order to support newly established and emerging farmers in the province the Comprehensive Agricultural Support Programme Grant is estimated to receive the highest allocation at R60.8 million; R60.7 million and R72.8 million over the 2014 MTEF, this shows a growth of 19.8 per cent over the three year period. The Ilima/Letsema Projects Grant is intended to boost food production by assisting previously disadvantaged farming communities and the allocation is estimated to increase from R20.1 million in 2014/15 to R35.5 million in 2016/17 representing a growth of 32.8 per cent. The Department of Agriculture and Rural Developments' overall conditional grants allocation is expected to grow from R88.1 million in 2014/15; R89.8 million in 2015/16 and to R113.4 million in the 2016/17 financial year; growing at an average growth rate of 13.4 per cent.

The Department of Sport, Arts, Culture and Recreation through Mass Sport and Recreation Grant promotes mass participation by historically disadvantaged communities in a selected number of developmental sporting

activities. The estimated allocation for the grant grows from R94.9 in 2014/15 to R99.2 million in 2015/16 and to R104.1 million in the 2016/17 financial year; this shows a growth of 9.7 per cent in the allocation. The highest allocation however is allocated to the Community Library Service Grant which aims to help South Africans access knowledge and information, so that their socio economic situation can be improved. The allocation increases from R125.6 million to R172.5 million at an annual average growth rate of 17.2 per cent over the 2014 MTEF.

The Department of Human Settlement receives conditional grants mainly through the Human Settlements Development Grant which seeks to establish habitable, stable and sustainable human settlements in which all citizens have access to social and economic amenities. The allocation for the grant is expected to increase from R4.4 billion in 2014/15; R5.1 billion in 2015/16 and to R5.6 billion in 2016/17, growing at an annual average growth rate of 12.9 per cent.

The social sector EPWP incentive grant allocation is R73.3 million which is allocated to Education (R36 million); Health (R14.5 million); Social Development (R20.3 million) and Sports, Arts, Culture and Recreation (R2.6 million). This is allocated for the payment of stipends to volunteers to enhance and expand services within the social sector concurrently creating work opportunities.

The integrated EPWP grant allocation to the province is R23.6 million split between Health (R2 million); Education (R2.5 million); Social Development (R2 million); Agriculture and Rural Development (2.5 million); Sports, Arts, Culture and Recreation (R2 million); Housing (R2 million) and Infrastructure Development (R5.5 million).

#### 4.4. Provincial own receipts

The four main contributors to provincial own revenue is the Gauteng Department of Roads and Transport (GDRT), Gauteng Department of Economic Development (GDED), Gauteng Department of Health (GDoH) and the Gauteng Provincial Treasury (GPT). The combined own revenue generated by the four mentioned departments amounts to approximately 97 per cent of the total provincial own revenue. In the 2012/13 financial year the GDRT alone contributed approximately 61.8 per cent to total own revenue through the collection of motor vehicle licences. The GDED generates its own revenue mainly from casino taxes and horse racing taxes, this department contributed 18.1 per cent to total own revenue in the 2012/13 financial year. The GDoH generates own revenue mainly from patient fees, while GPT generates revenue from interest, dividends, and rent on land from provincial reserves, these departments contributed 12.7 per cent and 4.7 per cent respectively to total own revenue collected in the 2012/13 financial year. Other departments worth noting are the Gauteng Department of Education (GDoE) which generates significant revenue from examination fees; and the Gauteng Department of Community Safety (GDSCS) which generates its own revenue through traffic fines; and Gauteng Department of Infrastructure Development (GDID) through property fees. Contribution to provincial own revenue is less significant in other departments as their activities are not geared towards revenue generation.

TABLE 10: GPG OWN REVENUE PER CLASSIFICATION

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Tax receipts	2 322 450	2 840 664	3 120 962	3 251 481	3 251 481	3 301 032	3 502 304	3 756 343	3 955 429
Casino taxes	585 980	580 337	684 364	622 371	622 371	622 371	666 229	706 204	743 633
Horse racing taxes	30 656	32 602	34 979	86 202	86 202	86 202	92 277	97 813	102 997
Liquor licences									
Motor vehicle licences	1 705 814	2 227 725	2 401 619	2 542 908	2 542 908	2 592 459	2 743 798	2 952 326	3 108 799
Sales of goods and services other than capital assets	435 827	490 363	576 011	561 291	572 203	598 393	609 510	647 118	681 665
Transfers received		686		40					
Fines, penalties and forfeits	8 462	7 083	11 791	9 348	9 348	9 475	9 909	10 492	11 047
Interest, dividends and rent on land	46 612	170 633	198 159	66 213	185 562	186 193	86 550	94 873	107 175
Sales of capital assets	62	152	10 419		7 000	6 892			
Transactions in financial assets and liabilities	25 518	105 660	74 398	84 037	56 213	59 035	57 656	60 105	62 579
<b>Total provincial own receipts</b>	<b>2 838 931</b>	<b>3 615 241</b>	<b>3 991 740</b>	<b>3 972 410</b>	<b>4 081 807</b>	<b>4 161 020</b>	<b>4 265 929</b>	<b>4 568 931</b>	<b>4 817 895</b>

Table 10 shows own revenue collection per economic classification over a seven-year period. Provincial own revenue has been on an increasing trend since 2010/11 at R2.8 billion, increasing to R3.9 billion in the 2012/13 financial year, this represents an average annual growth rate of 18.5 per cent. In the 2013/14 financial year, the main appropriation was R3.9 billion and was adjusted to an adjusted appropriation of R4.1 billion showing a growth rate of 2.8 per cent. Over the 2014 MTEF own revenue is expected to increase from R4.3 billion in 2014/15, increasing to R4.6 billion in 2015/16 and to R4.8 billion in 2016/17. This shows an average annual growth rate of 6.3 per cent. Tax receipts is the highest contributor to provincial own revenue and is expected to contribute R3.2 billion in the 2013/14 financial year. Motor vehicle licences fees contributed approximately 60.2 per cent to the total tax receipt in 2012/13 financial year while in the same period gambling taxes contributed 18 per cent. Sales of goods and services other than capital assets dominate the non-tax receipts sources and comprises mostly of patient fees collected by the GDoH. The source is expected to contribute R609.5 million, R647.1 million and R681.6 million in 2014/15, 2015/16 and 2016/17 respectively; which shows an average annual growth rate of 5.7 per cent over the three years.

TABLE 11: SUMMARY OF ACTUAL AND BUDGETED OWN RECEIPTS BY DEPARTMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Office Of The Premier	697	465	277	190	565	565	430	452	476
Gauteng Provincial Legislature									
Economic Development	565 128	614 769	721 855	710 701	710 701	710 701	760 762	806 405	849 145
Health	437 824	449 362	506 939	509 429	493 721	522 048	524 510	555 727	585 100
Education	37 063	44 452	48 612	44 100	44 100	44 100	45 202	46 333	47 492
Social Development	1 155	4 143	5 941	2 713	4 963	5 368	1 684	1 767	1 861
Human Settlements	1 204	19 461	12 701	3 969	3 660	4 465	4 235	4 429	4 664
Cooperative Governance And Traditional Affairs	239	613	441	455	455	646	465	481	506
Roads And Transport	1 722 896	2 283 876	2 466 851	2 606 626	2 610 556	2 660 021	2 812 550	3 026 303	3 186 697
Community Safety	11 848	13 781	20 612	13 442	13 442	12 913	14 248	15 087	15 887
Agriculture And Rural Development	1 268	1 058	2 106	1 390	1 390	1 240	1 463	1 532	1 613
Sport, Arts, Culture And Recreation	620	295	184	383	206	206	208	217	228
Finance	5 559	2 572	2 355	1 807	1 048	1 048	961	976	993
Gauteng Treasury	37 044	164 758	187 811	60 205	180 000	180 372	80 211	88 222	100 234
Infrastructure Development	16 386	15 636	15 055	17 000	17 000	17 327	19 000	21 000	23 000
<b>Total provincial own receipts by Vote</b>	<b>2 838 931</b>	<b>3 615 241</b>	<b>3 991 740</b>	<b>3 972 410</b>	<b>4 081 807</b>	<b>4 161 020</b>	<b>4 265 929</b>	<b>4 568 931</b>	<b>4 817 895</b>

Table 11 above summarises own revenue collection over a seven-year period per departments. In the 2010/11 the total own revenue collected amounted R2.8 billion; increasing to R3.6 billion in 2011/12 and to R3.9 billion in 2012/13. This shows an average annual growth of 18.5 per cent which is significantly high when compared to the expected annual average growth rate in own revenue of 6.3 per cent over the 2014 MTEF.

The four main revenue generating departments determine to a large extent the amount of own revenue collected in GPG. The GDRT collects most of its revenue from motor vehicle licence fees, which is the most vital and productive source in the province. Municipalities and the South African Post Office (SAPO) are the agents responsible for collecting revenue on behalf of the Department of Roads and Transport in terms of the Road Traffic Act (Act 93 of 1996). The Road Traffic Act (RTA) provides for the registration and licencing system for motor vehicles in the country, and for agreements between the department and Metro/Local authorities for collection of licencing fees on an agency bases. In order to optimise own revenue the Department utilises a revenue information management system which contributes to the completeness of revenue. In addition, the provincial Driver's License Testing Centre upgrade is aimed at improving service and revenue collection. In the 2013/14 financial year, the main appropriation was adjusted by R3.9 million indicating an increase of 0.15 per cent. Over the 2014 MTEF the Department of Roads and Transport anticipates to collect R2.8 billion, R3 billion and R3.2 billion in 2014/15, 2015/16 and 2016/17 respectively; showing an average annual growth rate of 6.4 per cent over the 2014 MTEF.

Health generates own revenue from patient fees. The department projects to collect an estimated R493.7 million in the 2013/14 which will increase to an estimated R524.5 million in 2014/15 and to R555.7 million in 2015/16 and to R585.1 million in 2016/17. This shows an average annual growth rate of 5.6 per cent over the 2014 MTEF.



The department is currently faced with difficulties in the collection of debt particularly those related to patient fees and other state organs. GPT has provided funding to improve patient data systems such as MEDICOM and PAAB; this contributes to completeness of revenue which has been the main reason for increasing debt in the department.

Economic Development generate revenue mainly from gambling (casino and horse racing) taxes which contribute approximately 98 per cent of the department's total own revenue. The Gauteng Gambling Board (GGB) collects gambling taxes on behalf of the Department and receives a commission of an 8 per cent flat agency fee. The Department anticipates collecting an estimated R710.7 million for 2013/14, R760.8 million for 2014/15 and R806.4 million for 2015/16 and R849.1 million in 2016/17. This shows an average annual growth rate of 5.7 per cent in revenue over the 2014 MTEF.

The main source of revenue for GPT is interest generated from positive cash balances held in the Corporation of Public Deposit (CPD) account within the South African Reserve Bank (SARB). Anticipated revenue for 2013/14 financial year amounts to R180 million and this decreases to R80.2 million in 2014/15; to R88.2 in 2015/16 and R100.2 million in 2016/17 showing an average annual growth rate of 11.89 per cent over the MTEF.

Education has projected to collect R44.1 million in 2013/14, which will increase to R45.2 million in 2014/15 and to R46.3 million in 2015/16 and R47.5 million in 2016/17; showing an average annual growth rate of 2.5 per cent over the 2014 MTEF.

The activities of other provincial departments are not geared towards significant revenue generation and as a result the revenue contribution is minimal and accounts for a combined contribution of approximately 2 per cent. The total provincial own revenue is projected at R4.2 million in 2013/14, R4.3 million in 2014/15; R4.5 million in 2015/16 and to R4.8 million in 2016/17 showing an average annual growth rate of 6.3 per cent over the 2014 MTEF.

## 5. PAYMENTS

### 5.1 Payments by vote

Reinforced by a carefully managed expansionary fiscal stance over the past 17 years, the Gauteng Provincial Government has made great strides to accelerate the progressive realisation of social and economic rights. Through cautious budget implementation the non-interest spending have decreased, while spending on social programmes like Education, Health, Human Settlement and Social Development continued to grow strongly in real terms. During the 2014/15 MTEF the province plans to continue providing adequate and sufficient service delivery and ensuring that resources are distributed fairly and equally to various departments to address various needs.

TABLE 12: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY VOTE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Office Of The Premier	210 479	226 094	238 957	296 718	342 783	413 485	317 283	334 563	352 852
Gauteng Provincial Legislature	291 099	376 190	472 004	470 587	496 831	506 619	521 571	555 473	594 198
Economic Development	1 030 029	759 394	873 371	967 551	963 353	962 995	1 072 661	1 135 900	1 197 468
Health	20 475 420	23 666 337	26 834 347	27 992 680	28 770 785	29 774 439	31 524 334	33 985 127	35 776 432
Education	22 250 711	26 120 029	28 317 035	29 275 841	30 695 257	31 151 220	32 845 229	36 360 639	37 444 016
Social Development	1 933 115	2 351 013	2 524 726	2 896 320	2 916 748	2 916 750	3 524 662	3 957 090	4 170 464
Human Settlements	4 300 443	4 186 196	4 421 597	4 616 498	4 619 641	4 617 472	4 968 101	5 647 976	6 245 724
Cooperative Governance And Traditional Affairs	231 879	274 413	208 770	312 560	312 703	312 703	340 598	359 972	379 838
Roads And Transport	6 967 647	5 784 647	5 564 906	4 769 964	5 671 487	5 690 222	6 152 859	6 646 106	7 188 862
Community Safety	382 300	401 469	414 662	496 937	496 937	511 403	573 510	606 807	639 954
Agriculture And Rural Development	412 807	478 124	515 888	553 571	554 177	561 020	602 825	635 969	689 683
Sport, Arts, Culture And Recreation	341 370	409 623	434 025	537 292	521 192	521 192	714 362	779 406	651 320
Finance	1 249 364	1 253 578	1 291 785	985 328	1 298 355	1 298 478	1 422 223	1 404 146	1 131 656

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Gauteng Treasury	209 428	204 484	224 927	320 292	322 423	314 836	412 774	402 323	424 379
Infrastructure Development	1 167 195	1 260 419	1 408 343	1 472 513	1 532 081	1 529 775	1 975 628	1 931 880	2 076 361
<b>Total provincial payments and estimates by Vote</b>	<b>61 453 286</b>	<b>67 752 010</b>	<b>73 745 343</b>	<b>75 964 652</b>	<b>79 514 753</b>	<b>81 082 609</b>	<b>86 968 620</b>	<b>94 743 377</b>	<b>98 963 207</b>

From the Table 12 above, the expenditure of GPG departments increased by 20 per cent from R61.5 billion in 2010/11 to R73.7 billion in the 2012/13 financial year.

For 2013/14 financial year the total main appropriation of the province amounted to R75.9 billion and increased by R3.6 billion to R79.5 billion during the 2013/14 adjustment budget. The growth in the mainly as a result of funding allocated to Department of Education; the Department of Health and the Department of Roads and Transport to address unforeseeable expenditure and ease budget pressures.

The provincial budget grows from R86.9 billion to R98.9 billion from 2014/15 to the 2016/17 financial year, which represent a growth of 14 per cent with the social sector receiving the lion's share.

Over the MTEF, the Departments of Education, Health and Social Development received 78 per cent of the overall provincial budget as a result of government's commitment to deliver quality education and health services. The budget for these departments grow from R62.4 billion in 2013/14 to R67.9 billion in the 2014/15 financial year.

The Department of Education receives the largest share of the total provincial budget which is R32.8 billion in 2014/15 and grows to R37.4 billion in the 2016/17 financial year. This is mainly due to the appointment of educators to accommodate the growth in the number of learners as a result of in-migration in the province. The baseline of the Department of Health in 2014/15 is at R31.5 billion due to the reengineering of Primary Health Care and other budget priorities such as emergency medical services and personnel requirements to address the growing need for services.

The Department of Roads and Transport receives the third largest share of the total provincial budget, which is R6.2 billion in 2014/14. Through this budget allocation the Department of Roads and Transport aims to upgrade existing road infrastructure and provide affordable new transport infrastructure which contributes to job creation and promotes accessibility to the major economic hubs in Gauteng.

## 5.2 Payments by economic classification

TABLE 13: SUMMARY OF PROVINCIAL PAYMENTS BY ECONOMIC CLASSIFICATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>45 016 057</b>	<b>51 006 273</b>	<b>55 160 039</b>	<b>57 781 174</b>	<b>60 204 178</b>	<b>61 699 967</b>	<b>66 088 375</b>	<b>71 846 380</b>	<b>75 890 457</b>
Compensation of employees	32 735 846	37 020 666	39 986 309	43 458 527	44 235 600	44 880 169	48 869 091	53 606 991	56 644 096
Goods and services	12 243 108	13 940 992	15 163 479	14 316 558	15 962 351	16 814 804	17 218 134	18 238 239	19 245 176
Interest and rent on land	37 103	44 616	10 251	6 089	6 227	4 994	1 150	1 150	1 185
<b>Transfers and subsidies</b>	<b>14 327 522</b>	<b>13 968 589</b>	<b>14 739 644</b>	<b>14 004 680</b>	<b>14 813 313</b>	<b>14 964 201</b>	<b>16 037 603</b>	<b>17 604 689</b>	<b>19 033 141</b>
Provinces and municipalities	551 716	749 617	1 441 852	987 962	949 370	949 664	1 027 439	1 091 590	1 151 311
Departmental agencies and accounts	4 759 683	2 807 853	2 312 663	1 570 894	2 200 640	2 200 312	2 090 952	2 390 225	2 704 805
Higher education institutions	13 583	15 728	17 156	15 835	16 833	16 916	16 581	18 057	19 014
Foreign governments and international organisations									
Public corporations and private enterprises	1 368 863	1 906 289	1 702 133	1 787 250	1 826 526	1 855 902	1 951 137	2 067 324	2 176 031
Non-profit institutions	3 527 951	4 412 714	4 888 623	5 182 377	5 352 511	5 370 756	6 080 677	6 491 027	6 851 065
Households	4 105 726	4 076 388	4 377 217	4 460 362	4 467 433	4 570 651	4 870 817	5 546 466	6 130 915
<b>Payments for capital assets</b>	<b>2 035 105</b>	<b>2 674 235</b>	<b>3 732 582</b>	<b>4 178 797</b>	<b>4 497 261</b>	<b>4 406 422</b>	<b>4 842 642</b>	<b>5 292 308</b>	<b>4 039 609</b>
Buildings and other fixed structures	1 449 846	1 951 691	3 007 381	3 076 749	3 432 731	3 376 936	3 892 445	4 420 830	2 916 422



R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Machinery and equipment	518 628	684 255	625 703	1 034 696	1 032 078	998 687	897 912	829 808	1 050 634
Land and sub-soil assets	59 537	18 053	6 569	27 500	12 500	12 500	22 000	25 000	55 000
Software and other intangible assets	7 094	20 236	92 929	39 852	19 952	18 299	30 285	16 670	17 553
<b>Payments for financial assets</b>	<b>74 602</b>	<b>102 913</b>	<b>113 078</b>			<b>12 019</b>			
<b>Total economic classification</b>	<b>61 453 286</b>	<b>67 752 010</b>	<b>73 745 343</b>	<b>75 964 652</b>	<b>79 514 753</b>	<b>81 082 609</b>	<b>86 968 620</b>	<b>94 743 377</b>	<b>98 963 207</b>

### Current Payments

Total payment and estimates by economic classification show that for the 2014/15 financial year, current payment accounts for 76 per cent of the total share of provincial payments. The reason for the large budget under current payments is provision made for compensation of employees.

Expenditure incurred by the province on compensation of employees grew by 22 per cent from R32.7 billion in 2010/11 to R40 billion in the 2012/13 financial year primarily due to the growth in the head count in the big departments, namely Health and Education that has seen the demand for these basis services grow due to the population size. In the 2013/14 financial year, the personnel budget in the province increased from R43.5 billion to R44.2 billion as a result of funding allocation to address in-year budget pressures in relation to compensation of employees. The Department of Education received additional funding for personnel in order to achieve the prescribed learner-educator ratio.

The budget for personnel continues to grow at an annual average of 5.3 per cent over the MTEF. The budget growth for personnel relates to all the aspects of personnel policy including anticipated higher personnel cost that arises from high inflation general salary increases, carry through cost of personnel an increase in departmental post establishments and the Occupational Specific Dispensation.

The expenditure for goods and service has risen by 7.6 per cent on annual average from 2010/11 to 2012/13 as results of increased spending on priorities such as scholar transport, medical supplies, Learner Teacher Support Material, the expansion of the National School Nutrition programme, also due to inflationary increases on costs of goods and services. The budget for goods and services continues to grow slightly from R17.2 billion in 2014/15 to R18 billion and R19 billion 2015/16 and 2016/17 respectively. The growth in goods and services budget estimates is attributed to the additional allocations for the Sport Academic, OR Tambo Memorial, and Library services, the maintenance of infrastructure projects. Furthermore, the increase to EPWP and projects for the Women's Monument and additional funding allocated towards the re-engineering of Primary Health Care.

### Transfer and subsidies

Total transfers and subsidies for both current and capital transfers and subsidies and from 2010/11 to 2012/13 transfer payments trends are relatively stable from R14.3 billion to 14.7 billion. The increases in transfer and subsidies payments are also attributed to social infrastructure projects and transfer payments to non-profit organisations in Department of Social Development. During 2013/14 transfers and subsidies payments were increase from R14 billion to R14.8 billion during adjustment budget. For the period under review, payments for transfers and subsidies grow from R16 billion in the 2015/16 to R19 billion in the outer year.

This includes Department of Health's provision for transfer payments to municipalities for primary health care, HIV and AIDS as well as emergency medical services. Furthermore, transfers and subsidies growth is also attributed the Integrated Human Settlement Conditional Grant which planned to transfers significant amount of the grant allocation to municipalities in line with their level 2 accreditation.

### Payments for capital assets

Payment for capital assets increases by 1.7 billion or 85 per cent from R2 billion to R3.7 billion between 2010/11 and 2012/13 financial year. The expenditure increases are attributed to the reclassification of infrastructure related funds from goods and services as per Standard Chart of Accounts. For the period under review, the capital budget allocated over the MTEF amount to R14 billion to fund infrastructure project as part of enhancing the economic growth and service delivery in the province.

### 5.3 Payments by policy area

TABLE 14: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY FUNCTIONAL AREA

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
General public services	3 366 591	3 669 291	3 844 786	3 643 520	4 090 698	4 161 419	5 057 580	4 988 357	4 959 284
Public order and safety	381 538	423 747	414 662	477 153	483 135	485 369	506 007	511 675	526 761
Economic affairs	8 574 262	7 797 415	6 825 431	7 673 951	7 266 246	7 298 452	7 666 471	8 341 134	8 896 661
Environmental protection	102 294	117 062	128 734	150 866	151 051	156 296	161 874	171 973	179 353
Housing and community amenities	4 068 751	4 141 357	4 421 597	4 608 270	4 619 641	4 617 472	4 968 101	5 647 976	6 245 724
Health	20 627 385	23 010 748	26 834 347	27 588 858	28 770 785	29 774 439	31 524 334	33 985 127	35 776 432
Recreation, culture and religion	323 363	375 598	434 025	436 737	521 192	521 192	714 362	779 406	764 513
Education	22 256 305	25 965 171	28 317 035	28 776 868	30 695 257	31 151 220	32 845 229	36 360 639	37 444 016
Social protection	1 752 797	2 251 621	2 524 726	2 608 429	2 916 748	2 916 750	3 524 662	3 957 090	4 170 464
<b>Total provincial payments and estimates by policy area</b>	<b>61 453 286</b>	<b>67 752 010</b>	<b>73 745 343</b>	<b>75 964 651</b>	<b>79 514 753</b>	<b>81 082 609</b>	<b>86 968 620</b>	<b>94 743 377</b>	<b>98 963 206</b>

As in the previous financial years, the main beneficiaries of the 2014 MTEF provincial budget are the Departments of Health and Education. This is necessary in order to continuously build on government's efforts to attain high quality health services and access to quality education in order to attain the provincial outcomes the province set for itself in respect of Health and Education in 2009. In this regard, the budget for the Department of Health increases from a revised estimate of R29.8 billion in the 2013/14 financial year to a budget of R31.5 billion in 2014/15; R34 billion in 2015/16; and R35.8 billion in the 2016/17 financial year. In a similar vein the revised estimate of R31.1 billion in 2013/14 for the Department of Education is increased to a budget of R32.8 billion in 2014/15; R36.4 billion in 2015/16; and to R37.4 billion in the 2016/17 financial year.

Over the 2014 MTEF, the province will continue to deliver quality health services and achieving health outcomes through the provision of key interventions to increase life expectancy. The key interventions will include, amongst other things, strengthening primary health care, emergency medical services, promoting healthy lifestyles and addressing non-communicable diseases. Primary Health Care (PHC) interventions in the 2014/15 financial year will include the full implementation of the three streams of PHC re-engineering, the Integrated School Health Programme (ISHP), the District Clinical specialist Teams (DCSTs), and the Ward-based Outreach Teams (WBOTs). During the 2014/15 financial year, Emergency Medical Services will be improved with the purchase of additional ambulances in order to improve the response times for delivering patients threatened with emergency conditions to their respective hospitals and clinics. The department will also ensure that mechanisms to address non-communicable diseases are put in place. The department will also continue to strengthen services rendered by hospitals during the 2014/15 financial year.

In order to decrease maternal, infant and child mortality, the department will continue to focus on the campaign to reduce maternal and child mortality by increasing awareness by booking early for antenatal visits. The department will work with various stakeholders in order to achieve this. The emphasis on infant and child health will continue to receive attention, with a particular focus on the Expanded Programme on Immunization (EPI) and the perinatal problems. During the 2014/15 financial year, the national Department of Health has planned to roll out the HPV vaccine to girls aged 9 – 10 attending in quintiles 1 – 4 schools. The vaccine has shown to have a dramatic impact on reducing rates of cervical cancer. The Gauteng Department of Health will aim to reach 80 percent of girls in this age group.

The Gauteng Department of Health will also continue further to reduce new HIV infections in babies, youths and adults. This fight will manifest through mass education to increase safe sex behaviors to reduce HIV and pregnancy through ward based door to door education. The department has also planned to continue to strengthen to fight the scourge of deaths from TB and AIDS in babies, mothers and adults. The department will make further steps aimed at strengthening health system effectiveness by working to continuously to implement the turnaround strategy in order to ensure there is not just adequate capacity to run the provincial health system, but to ensure there is effectiveness in the delivery of quality health care.

The Gauteng Department of Education aims to ensure that all targets set out in the 2009 -2014 strategic plan are realized. The outcomes where the increased budget over the 2014 MTEF will be spent include:

#### **Improving the quality of education in the foundation phase**

This entails improving the quality of education in the foundation phase and the expansion of Grade R in the province.

#### **Improving the quality of education in the foundation phase**

The department will continue to improve language and mathematics in the intermediate phase.

#### **Improving the quality of education in the senior phase**

This translates into the improving Language and Mathematics in the senior phase.

#### **Secondary School Improvement Programme (SSIP)**

The department aims to ensure that 50 percent of Grade 12 learners perform at the required level in science and 60 percent at the required level in mathematics. These targets should lead to improvements in Science in the FET phase, improvements in Mathematics in the FET phase, and improvements in the Grade 12 pass rate.

#### **Education support services**

The main interventions here include improvements in nutrition, increasing access to schooling, improving the conditions of learning, extra school support programmes, strengthening school safety programmes, improving school sport, enhancing access to LTSM, implementing "e-Learning", and teacher development.

#### **Skilled and capable workforce to support an inclusive growth path**

The Gauteng Master Skills Plan places emphasis on improvements in technical and vocational education, career options for learners that dropped out of school, skills development for government officials, training and skills development to enable economic growth, and partnering with sector organizations to respond to the skills needs and provide access to work experience.

### **5.4 Transfers to public entities**

TABLE 15: SUMMARY OF DEPARTMENTAL TRANSFERS TO PUBLIC ENTITIES

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
1. Blue IQ Investment Holding (Pty) Ltd	255 837	180 453	225 223	302 320	302 320	302 320	283 369	307 559	323 860
2. Gauteng Economic Development Agency	65 836	48 362	68 000	55 785	55 785	55 785	55 703	30 474	32 089
3. Gauteng Enterprise Propeller	131 659	93 912	104 300	128 447	128 447	128 447	129 291	125 838	132 507
4. Gauteng Tourism Agency	70 551	61 488	52 045	62 016	62 016	62 016	65 427	60 298	63 494
<b>Total departmental transfers to public entities</b>	<b>523 883</b>	<b>384 215</b>	<b>449 568</b>	<b>548 568</b>	<b>548 568</b>	<b>548 568</b>	<b>533 790</b>	<b>524 169</b>	<b>551 950</b>

Table 15 depicts the total actual and estimated transfers to public entities for the seven year period under review. The provincial public entities in the table above play a major role in the creation of decent work opportunities and contribute to economic growth and addressing socio-economic challenges such as unemployment.

Transfers to public entities fluctuated for the period 2010/11 to 2012/13 declining from R523.9 million in 2010/11 to R384.2 million in 2012/13 and increasing again to R449.6 million in 2012/13. The substantial transfer payments to public entities in 2010/11 are due to the motorsport contract which was undertaken by Blue IQ Investment Holdings (Pty) Ltd. In the 2012/13 financial year transfers to Blue IQ (Pty) Ltd increased again as a result of investment in strategic economic infrastructure and a greener economy amongst other projects.

Over the 2014 MTEF transfers to public entities amounts to R533.8 million; R524.2 million; and R552 million for the respective years of the MTEF.

The Blue IQ Investment Holdings (Pty) Ltd budget grows from R283.4 million in 2014/15 to R323.9 million in the 2016/17 financial year, at a rate of 14 per cent to make provision for inter alia strategic economic infrastructure and the green economy. The Blue IQ (Pty) Ltd budget is primarily intended for key projects such as metal and machinery sector development, the Gauteng Tooling Initiative, the BPO-O strategy and automotive

sector development. In terms of developing the Constitution Hill Precinct as a lead project in city renewal and for the establishment of a struggle history route, the Nelson Mandela Centre of Memory will be developed as an anchor attraction to enhance the visitor experience. The budgeted transfer to the GEP escalates from R128.4 million in 2013/14 to R132.5 million in the 2016/17 financial year primarily to support and train SMMEs and cooperatives. The Gauteng Enterprise Propeller (GEP) will also continue with the Regeneration Old Townships Programme and targets to regenerate three old township industrial sites.

The budget for the GEDA declined over the 2014 MTEF from R55.7 million in 2014/15 to R30.5 million 2015/16 due to the plans to merge Blue IQ Investment Holdings (Pty) Ltd and GEDA into one public entity, the Gauteng Growth and Development Agency (GGDA). The GEDA will continue with the mineral beneficiation, jewelry fabrication, furniture sector development projects and initiatives directed at export promotion and investment attraction.

The Gauteng Tourism Authority (GTA) will continue to market Gauteng as a tourism destination. An increase was observed in the number of domestic trips to Gauteng, which will be stimulated through targeted domestic campaigns and niche product development hence the GTA budget grows from R62 million in 2013/14 to R65.4 million in 2014/15 to make Gauteng a preferred tourism destination and to continue with the refurbishment of ramparts and interior office space at the Constitution Hill Precinct and the state-of-the-art visitor information Centre.

## 5.5 Transfer to local government

TABLE 16: TRANSFERS TO LOCAL GOVERNMENT (BY CATEGORY)

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Category A	427 968	584 892	1 258 591	827 946	829 370	829 370	876 183	925 272	1 521 952
Category B	57 257	85 905	65 500	70 122	69 522	69 522	85 449	98 810	103 584
Category C	41 475	57 682	112 409	88 494	49 078	49 078	62 007	65 309	71 361
<b>Total transfers to municipalities</b>	<b>526 700</b>	<b>728 479</b>	<b>1 436 500</b>	<b>986 562</b>	<b>947 970</b>	<b>947 970</b>	<b>1 023 639</b>	<b>1 089 390</b>	<b>1 696 896</b>

In terms of section 30(2a)(i) of the Division of Revenue Bill 2014, the Gauteng Provincial Treasury is required to publish the transfer allocations to local government as budgeted by each department by means of a Gazette. These allocations must also be published in the budget documents of the Gauteng Provincial Treasury.

The table above indicates the actual and estimated transfers over the seven year period.

Total transfers increased significantly from R526.7 million in 2010/11 to R1.4 billion in 2012/13. The 2010/11 transfers amounted to R526.7 million included R21.5 million from the Department of Economic Development to various municipalities for the development of local economies in partnership with key stakeholders by aligning local economic development (LED) initiatives with government programmes.

In 2011/12 the transfer made by the Department of Cooperative Governance and Traditional Affairs was allocated to Tshwane Municipality as once off costs for the operational requirements that needed to be concluded for integrating the Metsweding District Municipality. The department also made transfers in 2010/11 and 2011/12 for funds to municipalities for HIV/AIDS and water demand programmes. These functions currently reside with the Department of Health and Water Affairs respectively.

During the 2013/14 financial year total transfers amounted to R986.6 million, with a significant transfer of R828 million being made under Category A municipalities. A portion of the transferred emanates from the Department of Health whilst the transfer by the Department of Sports, Arts, Culture and Recreation was to make provision for the library facilities.

The following departments will make transfers over the 2014 MTEF:

The Department of Health will transfer a total amount of R647 million in Category A and Category C municipalities during the 2014/15 financial year to cater for:

- **Primary Health Care(PHC) services:** to improve access to extended hours, increase availability of elderly and rehabilitative services , also to improve TB cure rate and the nutritional state of children ;
- **HIV and AIDS:** to reduce HIV and pregnancy through ward-based and door-to-door mass education, peer

education for high risk groups and in workplaces, life skills training in schools and the HIV Counselling and Testing (HCT) programme;

- **Emergency Medical Services (EMS):** to maintain the number of calls attended and services within the acceptable norms and standards.

The primary health care services in district councils have been partially provincialized as the staff and assets are still not handed over for Lesedi, Midvaal and Emfuleni local municipalities. The Emergency Medical Services unit in the Sedibeng District have been provincialised.

A total amount of R313 million during 2014/15 will be transferred by the Department of Infrastructure Development to various municipalities for the payment of rates and taxes on provincial properties. Over the past financial years the department has been unable to transfer their entire allocated budget this was due late submission of claims by the municipalities which has since improved as a result of the continuous verification of provincial properties.

The Agriculture and Rural Development will transfer a total amount of R8.7 million to municipalities. The department will transfer R4.5 million under Category A to the City of Johannesburg for the implementation of the Klipspruit and Diepsloot River clean-up which includes the creation of temporary jobs, removal of waste, reeds and grass from the river, skills development and pollution awareness campaigns. A further amount of R2.7 million will be transferred to Emfuleni, Lesedi and Merafong City under Category B for the implementation of alien vegetation eradication projects as part of job creation initiatives. A total of R1.4 million will be transferred under Category C to Sedibeng and West Rand for the maintenance of mechanization inputs.

Sports, Arts, Culture and Recreation will transfer an amount of R55.2 million over the 2014 MTEF. The allocation for transfer to Category B (R34.5 million) is significant when compared to Category A (R20 million) and C (R500 000), this increase is to provide additional support to municipalities in relation to the building of new libraries and libraries that are still to be built over the MTEF.

## 5.6 Infrastructure payments

For more information on infrastructure payments refer to Estimates of Capital Expenditure (ECE)

## 5.7 Personnel numbers and costs

TABLE 17: PROVINCIAL PERSONNEL NUMBERS

Department	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
					2013/14				
Office Of The Premier	310	270	278	294	294	294	300	300	304
Gauteng Provincial Legislature	351	382	418	474	474	474	487	487	487
Economic Development	338	366	282	278	278	278	305	371	376
Health	60 738	63 882	63 443	62 945	62 945	62 945	63 054	63 961	64 489
Education	91 470	96 063	101 979	111 042	111 042	111 042	112 876	114 185	114 496
Social Development	3 294	3 392	3 461	3 533	3 533	3 533	3 640	3 747	3 854
Human Settlements	1 160	1 160	1 160	1 411	1 411	1 411	1 411	1 411	1 411
Cooperative Governance And Traditional Affairs	937	936	782	783	783	783	783	783	783
Roads And Transport	1 845	1 697	1 663	2 177	2 177	2 177	2 177	2 177	2 177
Community Safety	929	938	938	1 628	1 628	1 628	1 494	1 494	1 494
Agriculture And Rural Development	904	904	904	904	904	904	949	949	949
Sport, Arts, Culture And Recreation	712	645	567	696	696	696	739	532	522
Finance	1 126	1 126	1 122	1 477	1 477	1 477	1 477	1 477	1 477
Gauteng Treasury	307	538	406	455	455	455	496	524	552
Infrastructure Development	2 093	1 871	2 179	2 396	2 396	2 396	2 410	2 417	2 417
<b>Total provincial personnel numbers</b>	<b>166 514</b>	<b>174 170</b>	<b>179 582</b>	<b>190 493</b>	<b>190 493</b>	<b>190 493</b>	<b>192 598</b>	<b>194 823</b>	<b>195 788</b>

The above table depicts the total personnel head count of each one of the Gauteng Provincial Government (GPG) departments. The GPG remains a main employer in the province with the total wage bill at R48.9 billion in 2014/15 financial year which grows to R53.6 billion and R56.6 billion for the 2014/15 and 2015/16 financial years respectively. The growing wage bill is however impacted by ICS and the re-grading of clerical posts as per the DPSA circular. As a result of the nature of the services delivered by Education and Health, these departments continue to contribute the largest share to the total provincial wage bill.

The total head count in the province grow at a moderate pace, from 190 493 in 2013/14 to 192 598 in the 2014/15 financial year which shows that the province will appoint 2 330 officials in the 2014/15 financial year.

The total head count of the Department of Health grows from 62 945 in 2013 to 63 054 in 2014/15 to appoint additional staff to perform critical services. This is fundamentally because of the plans to appoint health professionals to perform community service and specialists to address need for doctors and nurses in the institutions. This is due to the re-classification and revitalisation of hospitals, to be in line with the norms and standards of tertiary services; the reengineering of PHC; and the growing demand for health services in Gauteng. The Department of Health will also appoint emergency care technicians to improve response times.

The Department of Education projects to appoint approximately 1 834 officials which will mostly be educators as a result of migration of the province. The appointment of educators is as a result of a concerted effort to meet the targets for public schools in respect of the learner educator ratio.

The personnel head count in the Department of Social Development increases from 3 533 in 2013/14 to 3 640 in the 2014/15 financial year. This is due to the absorption of social work graduates, the filling of critical posts at School of Industry, and the adsorption of social work graduates.

**TABLE 18: PROVINCIAL PERSONNEL COSTS**

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13		2013/14		2014/15	2015/16	2016/17
Office Of The Premier	99 587	105 615	104 612	146 341	131 875	131 877	156 343	170 601	179 927
Gauteng Provincial Legislature	119 849	159 489	181 637	199 050	219 259	218 563	254 958	274 705	296 880
Economic Development	80 372	91 036	110 304	124 786	124 988	124 988	190 540	214 001	225 786
Health	12 221 463	14 163 518	15 244 542	16 826 726	16 998 724	17 201 950	18 778 461	20 412 706	21 567 471
Education	17 355 058	19 370 174	21 040 358	22 082 190	22 747 164	23 203 024	24 703 031	27 291 025	28 801 339
Social Development	639 942	743 797	782 298	930 904	929 994	929 994	1 107 801	1 284 721	1 352 811
Human Settlements	245 651	247 082	298 769	320 437	320 580	320 580	348 460	372 402	393 149
Cooperative Governance And Traditional Affairs	183 843	207 695	182 711	235 345	235 488	235 488	252 131	266 481	281 297
Roads And Transport	370 159	433 527	437 039	540 237	540 560	498 805	640 092	693 032	731 401
Community Safety	221 168	236 077	252 299	330 415	330 415	326 388	394 272	410 194	428 494
Agriculture And Rural Development	229 400	254 125	267 441	303 223	303 632	303 085	326 875	354 462	374 136
Sport, Arts, Culture And Recreation	106 122	111 667	109 238	168 403	148 283	148 283	176 109	179 441	189 375
Finance	345 443	368 358	385 173	513 916	464 640	464 241	557 272	588 899	628 127
Gauteng Treasury	126 878	126 663	141 098	188 365	188 241	180 579	244 877	267 075	281 828
Infrastructure Development	390 911	415 543	448 790	548 189	551 757	592 324	737 869	827 246	912 075
<b>Total provincial personnel costs</b>	<b>32 735 846</b>	<b>37 034 366</b>	<b>39 986 309</b>	<b>43 458 527</b>	<b>44 235 600</b>	<b>44 880 169</b>	<b>48 869 091</b>	<b>53 606 991</b>	<b>56 644 096</b>

The table above demonstrates compensation of employees for the seven year period for each provincial department in Gauteng. The expenditure grew at a moderate pace by 22 per cent from R32.7 billion in 2010/11 to R39.9 million in 2012/13. The province projects to spend R48.9 billion on personnel, thus an increase of R5.4 million when compared with the main appropriation of R43.5 million due to filling critical vacancies, the re-grading of clerical posts and ICS. Provision was made for the cost of living adjustments in over the medium term.

The Gauteng Department of Education is the highest contributor to the wage bill and forecasts to spend R24.7 billion in the 2014/15 financial year. This is attributable to the growth in the population size which resulted in more learners. There is a substantial increase in personnel costs for Education over the 2014 medium term as a result of the implementation of cost of living increases, Occupational Specific Dispensation (OSD) and the



continuous efforts to meet the prescribed learner educator ratio. The second highest contributor is the Department of Health with a personnel budget of R18.7 billion in 2014/15, which is a growth of 12 per cent, as a result of an increasing need to deliver health services and appoint the essential health professionals. The Department of Social Development will also increase its capacity, which produced a growth of 19 per cent in its personnel budget from the main budget of R920.4 million in 2013/14 to R1.1 billion in the 2014/15 financial year. Factors that contributed to the higher personnel budget for Social Development in the 2014/15 financial year are the absorption of social work graduates, the filling of critical posts at School of Industries and the identified critical posts.

Furthermore, other provincial departments that contribute significantly to the provincial personnel budget in the 2014/15 financial year are the Department of Infrastructure Development, the Department of Roads and Transport, the Department of Community Safety. The Department of Road and Transport started filling posts in line with the approved structure in 2013/14, hence the increase in budget. The organisational structure has been in a restructuring process since the reconfiguration process of 2010, and was subsequently approved by the DPSA in November 2012. With regard to the Department of Infrastructure development, the 2014/15 personnel budget allocation has increased by 24 per cent to R737.9 million as a result of the establishment of the Infrastructure Delivery Management System (IDMS) in the department and changes in the classification of expenditure for the payment of stipends to the National Youth Service (NYS). In the Department of Community Safety, the personnel budget allocation of R394.3 million in 2014/15 makes provision for the complete establishment of the functions pertaining to the Civilian Secretariat Act as well as the continuation of other mandatory functions.

## 5.8 Payments on training

TABLE 19: PAYMENTS ON TRAINING BY VOTE

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Office Of The Premier	369	1 037	2 262	860	860	860	1 350	896	943
Gauteng Provincial Legislature	1 322	1 504	4 884	2 000	1 755	1 755	3 366	3 548	3 736
Economic Development	3 423	1 199	1 399	1 808	1 808	1 808	4 044	5 667	5 664
Health	25 903	18 780	28 499	23 945	28 941	56 690	43 019	55 811	75 818
Education	249 434	266 375	379 253	478 134	483 386	475 688	398 977	463 575	408 747
Social Development	4 335	8 942	4 465	4 885	7 166	7 229	9 995	10 011	10 541
Human Settlements	394	1 307	2 062	7 120	7 120	7 120	6 410	9 050	9 050
Cooperative Governance And Traditional Affairs	1 056	1 559	8 974	5 683	5 683	5 683	11 501	10 642	11 321
Roads And Transport	8 202	8 655	8 713	564	564	564	7 600	8 140	8 860
Community Safety	5 392	28 640	4 080	2 239	2 239	3 777	4 841	6 552	5 616
Agriculture And Rural Development	5 758	6 115	6 519	6 909	6 909	6 909	5 579	5 782	6 094
Sport, Arts, Culture And Recreation	772	805	1 559	1 607	1 607	1 631	1 719	1 719	2 160
Finance	419	994	1 899	657	2 571	2 571	2 805	2 939	3 070
Gauteng Treasury	187	3 260	3 513	1 995	1 995	1 995	1 838	1 937	2 040
Infrastructure Development	4 654	6 808	11 661	11 689	6 350	18 039	19 842	23 810	20 827
<b>Total provincial payments on training</b>	<b>311 620</b>	<b>355 980</b>	<b>469 742</b>	<b>550 095</b>	<b>558 954</b>	<b>592 319</b>	<b>522 886</b>	<b>610 079</b>	<b>574 487</b>

The table above presents the provincial payments and estimates on training budget.

Provincial payments and estimates on training have grown substantially from R311.6 million in 2010/11 to R469.7 million in the 2012/13 financial year demonstrating the commitment of the province to develop the skills and competencies of its staff and improving service delivery.

Over the 2014 MTEF the total provincial budget allocation for training fluctuates from R522.9 million in 2014/15 increasing to R610 million in 2015/16 and decreasing again to R574.5 million in 2016/17 as a result of bursary contracts that end in the 2015/16 financial year. Indeed, the departments that spend the most on training is Health and Education due to the large head count in both these departments followed by the Department of Infrastructure Development.

The Department of Infrastructure development allocated R19.8 million to training in 2014/15 period which

is aimed at providing 60 learnerships and 110 internships. In the Department of Infrastructure Development, emphasis will be placed on addressing the capacity constraints in areas such as engineering and thereafter registering the qualified officials with the respective professional bodies (Engineering Council and others).

Other GPG departments in the table above made provision for training which is aimed at building capacity to improve the efficiency and effectiveness of each department and to enable staff members to participate in continuous professional managerial development programmes.

The GPG departments implement various training programmes, but the budget allocation is not captured in the table above. Some of these capacity building strategies are described hereunder.

Learnerships and internship programmes are one of the areas that are not reflected in Table 21 but exist in all of the GPG departments. As part of each department's contribution towards skills development and job creation, youth are awarded with internship or learnership programmes which not only contribute to enhancing service delivery but concurrently provide them with skills that will make them potential future employees.

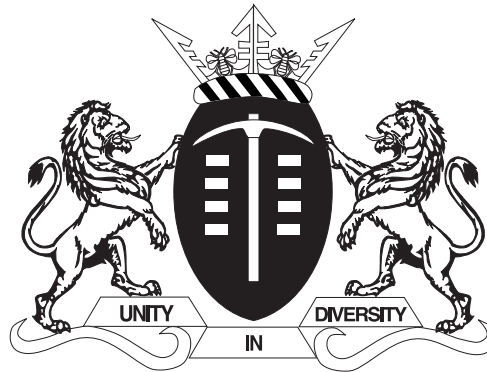
The training initiatives in the Department of Education aim to support and develop educators and support staff through offering formal and certificated programmes. These programmes have three main aims: to respond to growth needs identified through performance management systems; to address targets identified through system-wide improvement strategies; and to support enhancement and continuous professional development. One of the strategic focus areas in the Education department is the implementation of the Teacher Development Strategy that focuses on underperforming schools and assists these schools in Mathematics, Science and Technology and Curriculum and Assessment Policy Statements (CAPS). Educators also benefit from the intervention strategies such as Gauteng Primary Literacy and Mathematics Strategy (GPLMS), Secondary School Improvement Plan (SSIP) and the Mathematics and Science Strategy (MST) as these innovative interventions aim to develop educators to provide teaching and learning of a high standard to all learners. Coaches are appointed to assist and provide technical support as the teacher implements the curriculum. The budget allocation on these strategies is not included on the above table as it forms part of transfers to the implementing agencies, Matthew Goniwe School of Leadership, Sci-Bono Discovery Centre and the Gauteng Education Development Trust.

The Department of Health is the second largest contributor to training which focuses on reengineering PHC primary health care through training of community health workers thus relieving the pressure on central hospitals. The Department of Health also trains medical and support staff to improve the HIV and AIDS and other health interventions. The department will also focus on training the project managers which mainly aims at organisational development and improving service deliverables on infrastructure projects. The Department of Health will continue to offer bursaries as part of the South African Cuban Medical Training Programme to address the shortage of medical professionals in Gauteng. This is in line with the ministerial determination and continued bilateral cooperation agreement between South Africa and Cuba.





2014/15 • EPRE •



# ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE



• EPRE • 2014/15



# VOTE 1

## OFFICE OF THE PREMIER

To be appropriated by vote in 2014/15	R 317 283 000
Responsible Executing Authority	Premier of the Gauteng Provincial Government
Administering Department	Office of the Premier
Accounting Officer	Director-General

### 1. OVERVIEW

#### Vision

To serve as a political nerve centre to ensure that the government excels in fulfilling its mandate.

#### Mission

To be innovative, responsive and dynamic in providing strategic support to the Premier and Executive Council.

#### Strategic goals

- Providing strategic support to the Premier and the Executive Council (EXCO), to ensure effective strategic leadership of the work of government and the realisation of the electoral mandate;
- Driving a shared vision and strategic priorities of government to ensure effective implementation of the electoral mandate;
- Facilitating the setting of clear priorities, enabling legislation and improved governance to realise desired policy outcomes;
- Building a developmental state with capacity to drive change and transformation for the betterment of the lives of the people of Gauteng;
- Driving short, medium and long-term province-wide planning to ensure integrated and streamlined planning and development across departments and spheres of government;
- Monitoring and evaluation of government performance;
- Forging social compacts with all stakeholders to strengthen social partnerships for improved service delivery in Gauteng;
- Ensuring that the Premier is provided with appropriate support to effectively execute her role and responsibilities in the Legislature;
- Fostering strong intergovernmental and international relationships to advance Gauteng's development agenda;
- Driving human resource policy and strategy to attract, develop and retain best possible skill and to harness the productive energies of all Gauteng Provincial Government (GPG) employees;
- Driving integrated and effective government communication, to ensure that the people of Gauteng are well informed and have access to credible information about government services and programmes; and
- Promoting participatory democracy to ensure ongoing interaction between government and civil society.

#### Core functions and responsibilities

##### Political management nerve centre

As the political nerve centre, the Office of the Premier (OoP) provides strategic support and advice to the Premier and EXCO. It facilitates the role of Premier as the political head of provincial government and supports the Premier in the discharge of her political responsibilities. It also facilitates strategic planning and agenda setting in line with the political outcomes, strategic priorities and the annual Intergovernmental Programme of Action (POA).

### Strategic leadership and coordination

The process of strategic leadership and monitoring and evaluation of the implementation of the intergovernmental programme of action plays a fundamental role in the achievement of the electoral mandate and goals set by the EXCO. Particular emphasis is placed on research, strategic analysis and policy development, management of the cabinet system, strategic communications and stakeholder management, mainstreaming of youth, gender and disability issues, international and intergovernmental relations, support for the leader of government business, monitoring and evaluation and the development of the legislative agenda for the province.

### Transversal services

The OoP fulfils a transversal role that is significant for the realisation of strategic and political objectives that is inclusive but not limited to transversal human resource (HR); cabinet secretariat services; legal and legislative drafting services; communication services; service delivery improvement and change management and security; threat and risk management services of government buildings and residences of political office bearers.

### Planning

The results of Census 2011 with specific reference to the huge migration to the Gauteng province requires planning capability in the form of centralised planning and spatial planning to ensure that the needs of citizens are adequately addressed.

### Main services

The main services, which are aligned with the OoP's priorities for the 2014/15 financial year, are as follows:

- Coordinating, planning, monitoring and evaluating the work of government based on agreed outcomes;
- Facilitating the implementation of high impact provincial flagship projects;
- Supporting and facilitating local government priorities and projects through inter-governmental relations functions;
- Unblocking key private sector initiatives;
- Implementing the Outcome 11, 12 and 14 with a focus on frontline service delivery monitoring, improving human resource management in the province, facilitating the payment of service providers within 30 days, ensuring compliance to financial disclosure frameworks and the implementation of controls in this regard, and the development of a single spatial plan for the province; and
- Ensuring that communication with stakeholders improves service delivery, develops relationships, and creates policy through participation between government and stakeholders and builds on community participation in government.

### Outcomes

The OoP is responsible for the coordination of all fourteen (14) national outcomes and the National Development Plan (NDP) but is primarily responsible for the implementation of Outcome 11, 12 and 14 of the NDP and the Medium Term Strategic Framework (MTSF). However, Outcome 8A of the intergovernmental POA will continue to be the focus of delivery for term of office of the current government. The deliverables of outcome 8A are reflected in the objectives of outcomes 11, 12 and 14, to ensure continuity in service delivery.

The focus areas relating to this Outcome include monitoring the frontline service delivery, improving human resource management in the province, facilitating the payment of service providers within 30 days, ensuring compliance to financial disclosure frameworks, and developing a single spatial plan for the province.

With regard to service delivery monitoring, the OoP collaborated with the Department of Performance Monitoring and Evaluation (DPME) in implementing the Frontline Service Delivery Monitoring (FSDM) project. This project resulted in a minimum of 103 visits to frontline service delivery sites. The Gauteng Planning Commission monitors the implementation of the provincial departments' improvement plans relating to the Management Performance Assessment Tool (MPAT). This monitoring follows from the DPME's release of the second phase MPAT results in April 2013, which helped identify the necessary improvements required. The MPAT third phase was launched on 2 August 2013 and the related plans, guidelines and documents were provided to support the provincial departments. The gender mainstreaming remain a priority despite significant milestones achieved in employment equity, youth enterprises, employment of women, and enterprises owned by people with disabilities.

Regarding the management of human resources, the vacancy rate is lower and five organisational structures were approved. In 2009/10 the vacancy rate was as high as 30 per cent. Due to coordinated efforts, the vacancy rate has reduced to below 20 per cent. Significant delays in the approval of organisational structures contributed negatively towards building a developmental state, staff retention and the vacancy rate. In April 2012, the organisational structure of the Office of the Premier was finally approved. Through the intervention of the Premier,

a further 4 organisational structures were approved by the Minister of Public Service and Administration. Currently 4 other departmental organisational structures are in the process of approval and remaining departments will engage the DPSA shortly.

All GPG departments support the payment of service providers in line with National Treasury Instruction Note number 34 dated 30 November 2011. The Note requires the government departments to effect payments within thirty (30) days from receipt of an invoice as per Treasury Regulation 8.2.3. Accounting Officers are required to submit on a monthly basis the exception reports on all the invoices that were settled beyond 30 days and invoices that remain outstanding after 30 days and the reasons thereof. Significant improvement has been made with the payment of service providers within the required 30 day period.

The Office provided sound advice and support to the Premier and EXCO through agenda setting, coordination and management of executive council meetings, and decision tracking. The year under review saw the implementation of the Litigation Management Approach, a strategy to address the increasing cases of litigation against the provincial government. In line with the International Relations Programme, partnerships with Chongqing have been finalised and the already established partnerships with Bavaria and Katanga are reinforced. The National Development Plan (NDP) version for Gauteng, the Gauteng Vision 2055 (G2055), was approved for implementation, including the fourteen (14) strategic pathways for further refinement and alignment of content. The Gauteng Spatial Development Framework (GSDF) was presented to the intergovernmental forum in February 2013 to obtain buy in from local government and sector departments towards implementation. The GSDF includes managing growth and optimal utilisation of land use in a sustainable, equitable and integrated manner. The framework provides a broad long-term spatial concept, key spatial strategies and supporting policies for economic development, urban growth and development and land use integration among others.

The OoP has forged ahead to promote social cohesion in communities with a number of public participation events and economic opportunity roadshows. The focus for the year under review was to promote the good work of government through a number of media platforms. Media has proliferated, fragmented and faces significant change as consumers move from traditional media such as newspapers and magazines to more contemporary channels such as social media. The office of the Premier and the broader Gauteng Provincial Government has certainly embraced this form of communication. In an attempt to regularly appraise the citizens of Gauteng on the strategic direction and important policy imperatives, monthly media briefings with the Premier and Members of the Executive Council were held. As the primary custodian of the organisation's brand and reputation, all efforts are aimed at building and preserving a positive reputation through reputation monitoring and risk mitigation strategies in the event of a crisis.

Extended Executive Council Lekgotla identified the following priorities for the provincial government for the remainder of the current term of office:

#### **Capacity of legal services in line with litigation strategy**

The State Law Advisors in the OoP, in collaboration with departments, is implementing the Litigation Management Approach in line with the four strategic pillars that focus on: prevention and relationship management; case management; capacity building; communication and awareness; and management accountability. The strategy addresses the increasing cases of litigation against the provincial government by getting the basics right to prevent litigation from arising. The year under review saw this further strengthened through training of legal practitioners on case management to actively deal with litigation.

#### **Management of cabinet system**

Cabinet systems have been reviewed to ensure that effective policy and decision-making processes support the Premier and EXCO. The new cabinet system focuses on the implementation of the Medium Term Strategic Framework (MTSF) and includes an annual legislative programme to improve the speed at which critical legislation is tabled and passed. Strategic issues from National Outcomes Plans were integrated into the Annual Intergovernmental POA. This ensured that emerging issues of a strategic nature were incorporated into the cabinet system and support EXCO's vision for improved performance and accountability in the achievement of political outcomes. Linked to the strategic shift of the cabinet system there has been an improvement in the technical and strategic support offered to EXCO. The design and management of the cabinet system was overhauled to support improved decision-making. Further support to cabinet included the development of a memo analysis framework, policy analysis of memos submitted to the EXCO and its clusters, an audit of policy and legislation, putting in place the annual legislative programme, and holding regular Legal Manager's Forum meetings. Legislative requirements were achieved with all Bills, Notices and Regulations passed.

### Financial management

The partnership and support of the Auditor-General has ensured improvements in the achievement of unqualified and clean audit reports in provincial departments and entities. More stringent internal control measures have been put in place to ensure 100 per cent payment of service providers within 30 days upon receipt of a legitimate invoice. The enforcement of preferential procurement targets to all GPG's departments has increased spending on women, youth and people with disability enterprises. Plans for interventions to reduce accruals and improve revenue collection have been made.

### Development planning

A number of engagements, to allow participation in the process of developing a vision, took place, including youth, women, people with disability, business, academics, among others. Input and feedback was reviewed and collated into the G2055 draft framework. Task Teams, led by Gauteng Advisory Council members were established, mainly aimed at developing the content of the vision, and incorporating inputs from stakeholders and research outputs. The draft Gauteng Vision 2055 delivery agenda was presented and extensively discussed at the Extended EXCO Lekgotla in May 2013. GDSF Implementation Plan was developed and approved by EXCO, providing a basis for integrated provincial-wide planning. The Planning House Draft Concept Paper was developed and agreement reached with the MEC for Infrastructure Development to provide the necessary technical assistance in the feasibility study process, which commenced in 2013/14.

### Human Resources Management

The strategies implemented by GPG departments in improving the reduction of turnaround times for filling positions to not more than six months has yielded significant results. The timeframe for the filling of vacant positions was reduced to 4 months. The vacancy rate in the OoP has been reduced and the turnover rate is stable. The OoP continues to monitor the finalisation of disciplinary cases on a monthly and quarterly basis through the intergovernmental POA.

### Performance Monitoring and Evaluation

Consistent with the mandate of the EXCO, the emphasis of performance monitoring and evaluation is on FSDM, implementation of the MPAT, Outcomes-Based Approach (OBA), evaluations, systems including information management systems, strengthening departmental and municipal monitoring for early warning systems and service delivery quality and access, Public Service Hotline, integrated service delivery model and POA on veterans.

### Communications

The OoP has made significant strides in building public confidence in government through sustained awareness of government progress and good work, programmes to address challenges, sustained engagement with stakeholders, programme of public participation linked to building public confidence in government, and improved access to information and improved responsiveness. The year under review saw improvements on service delivery and effectiveness of Thusong Service Centres (TSCs).

### External activities and events relevant to budget decisions

External events in the OoP relate to the engagement with governmental and non- governmental institutions including the private sector, to realise the outcomes outlined above. Based on the decisions of the EXCO Lekgotla's decisions that relate to the outcomes, budget provisions are aligned to reflect the channelling of funding to the identified priority areas.

### Acts, rules and regulations

- Treasury Regulations, 2005;
- Intergovernmental Relations Framework Act 13 of 2005;
- Promotion of Access to Information Act, 2000;
- Preferential Procurement Policy Framework Act, 2000;
- Promotion of Administrative Justice Act, 2000;
- Public Finance Management Act, 1999;
- Skills Development Act, 1998;
- Basic Conditions of Employment Act, 1997;
- Constitution of the Republic of South Africa, 1996;
- Public Service Act, 1994, with regulations; and
- Occupational Health and Safety Act 85 of 1993.

### Provincial legislation

The OoP derives its mandate primarily from the constitution, the Public Service Act (PSA) and its regulations, the

Public Finance Management Act (PFMA), policy directives and the overall mandate of government. The most important provisions are:

- The Premier has executive, policy, legislative, intergovernmental and ceremonial functions and responsibilities as defined in Chapter 6 of the Constitution of the Republic of South Africa.
- The Premier, as the political head of the Provincial Government, is also responsible for the implementation of Chapter 3 of the Constitution. Section 41(1) defines the relationship and principles underlying co-operation between the various spheres of government.
- Section 125(2) of the Constitution determines that the Premier exercises the executive authority of the province together with other members of the EXCO. The Premier appoints these members and assigns their functions and responsibilities and delegates powers to them.
- The Premier, with the EXCO, exercises Executive power by:
  - Implementing provincial legislation;
  - Implementing all applicable national legislation;
  - Developing and implementing provincial policy;
  - Coordinating the functions of the provincial administration and its departments;
  - Performing any other function assigned to the Provincial Executive in terms of the Constitution or an Act of Parliament; and
  - Implementing new national policies introduced by the Department of Performance Monitoring and Evaluation in the Presidency which relate to the Outcomes-Based approach to improving the performance of government, Frontline Service Delivery Monitoring, the introduction of a Management Performance Assessment Tool and a National Evaluation Policy Framework.

### **Good governance legislation**

Good governance in the OoP is ensured inter alia, through guidance from, and compliance with, a number of policies and the legislative framework governing the functioning of the OoP and the Premier as the head of the provincial government. A cooperative governance and stakeholder engagement framework forms the basis of interaction with a range of stakeholders, including the citizens of Gauteng. The governance framework is built as a tool to ensure a strong governance environment and as a mechanism to strengthen accountability. The OoP has established structures and/or mechanisms to ensure accountability and participative governance.

## **2. REVIEW OF THE CURRENT FINANCIAL YEAR (2013/14)**

In implementing its mandate, and in accordance with the Intergovernmental POA approved by the Extended EXCO Lekgotla, the OoP focused on facilitating implementation and service delivery.

The implementation of the outcomes-based approach continued during the financial year, supported by continuous commitment towards the strategic objectives and Five-Year Strategic Plan of the OoP. The OoP contributed to the following achievements in terms of Outcome 12.

### **Outcome 12: An efficient, effective and development orientated public service**

#### **Output 1: Service delivery quality and access**

A draft Integrated Service Delivery Improvement Framework has been developed and work has been done to explore the function of Thusong Service Centres and ward level delivery. Government Departments render services at TSCs to ensure that government services are brought closer to communities. Service directory booklets were delivered to all 46 TSC. Monthly Open Days are hosted. The Public Service Hotline continued to serve as an effective mechanism for the resolution of complaints and queries. In the year under review, over 96 per cent of calls were responded to. Within this 96 per cent, over 49 per cent of calls were resolved within 72 hours. Ninety-eight per cent of the cases were resolved.

#### **Output 2: Human resource management and development**

The Gauteng reconfiguration process proceeded very well and exceeded expectations. The process of deployment of staff, secondment and placement of staff in positions best suited to their competencies and qualifications, was met favourably by unions and all stakeholders in the bargaining process. Significant progress has been made with the filling of vacant positions and the reduction of the vacancy rate. The vacancy rate has moved from 18 per cent in the 2011/12 financial year to 11 per cent in the 2012/13 financial year. This has resulted in the reduction of the vacancy rate by 7 per cent across the GPG. The timeframe for the filling of vacant positions was reduced to 6 months and further improvements will be made thereon to 4 months by 2014. The average time to conclude disciplinary cases improved from 70 per cent to 76 percent. The OoP continues to monitor the finalisation of disciplinary cases on a monthly and quarterly basis through the intergovernmental POA.



**Output 3: Business processes, systems, decision rights and accountability**

A total overhaul of the business operations was undertaken with the business engineering process and the development of Standard Operating Procedures (SOP). The clean-up of the Personnel Salary (PERSAL) system was at the forefront of improving business processes. The implementation and operationalisation of the Promotion of Access to Information Act (PAIA) and Promotion of the Administrative Justice Act (PAJA) was seen as being accountable to citizens. Awareness sessions to increase the implementation of PAIA and PAJA with particular emphasis on the request for information and the increase of section 32 reports were finalised. The improvement of systems and processes necessitated the review of the Supply Chain Management (SCM) framework to place emphasis on business opportunities for youth, women and people with disabilities. The revised framework was approved and controls for demand management and acquisition management were tightened without compromising delivery of services.

**Output 4: Corruption tackled effectively**

The Gauteng government has adopted a zero tolerance approach towards fraud and corruption. Internal and external processes have been strengthened to combat fraud and corruption. From an internal perspective, all staff have submitted a declaration of financial and business interest to avoid possible conflict in the awarding of tenders to prospective service providers. The declaration of interest has also been extended to high-risk areas that are deemed, in the opinion of the OoP, as vulnerable or targeted for fraud and corruption. The Minimum Anti-Corruption Capacity (MACC) requirements call for departments to develop capacity to prevent, detect, investigate and resolve corruption. As part of efforts to combat fraud and corruption all departments are now required to have capacity in this regard. The OoP has intensified its efforts and will ensure full compliance by all departments by 2014. Currently at least 6 departments register compliance in excess of 50 per cent with the MACC framework. By 2014, all departments will receive 100 per cent compliance with the MACC framework. Various awareness sessions have been undertaken, such as ethics training, whistleblowing workshops and the establishment of ethics committees.

**Output 5: Effective financial management**

The goal of the OoP is to ensure that all provincial departments receive unqualified audit reports by 2014. This vision has also been supported by the Auditor-General who will make technical teams available to help departments achieve clean audit reports. The OoP has set the benchmark for all government departments with a clean audit in the current financial year, including unqualified audits in the prior years, through the implementation of efficient and effective systems of financial management, risk management and internal controls. Over the past years, all other departments have made major improvements in terms of financial management and controls and are steadily on track to meet the 100 per cent compliance rate with unqualified audit reports by 2014. The OoP has set a target for the payment of service providers within 30 days. The improvement of internal systems and processes has ensured that 100 per cent of service providers were paid within 30 days.

**Output 6: Performance monitoring and evaluation**

In the current term of office, particular emphasis has been placed on the role of Performance Monitoring and Evaluation (PME) in contributing to the improvement of government's performance in key outcome areas and in advancing Gauteng and South Africa's developmental objectives. Through the PME branch of the Gauteng Planning Commission, implementation of the intergovernmental POA is monitored on a monthly and quarterly basis and progress reported to EXCO. This system of monthly and quarterly reporting against targets provides timeous and consistent performance information to managers and the Executive on progress in the key priority areas of government. Further, it identifies areas of under-performance in which intervention is required and provides an early warning on where problems are likely to occur. The implementation of the MPAT 1.3 went smoothly with all of Gauteng's 13 departments submitting, within the agreed timeframes, departmental self-assessments, as agreed in departmental management meetings, together with the relevant evidence. The results for MPAT 1.2 were released by DPME in April 2013. All departments developed MPAT Improvement Plans and monitoring is taking place through the Performance Monitoring and Evaluation unit of the Gauteng Planning Commission. In 2012/13, PME in collaboration with the DPME continued to monitor frontline service delivery against standards, at selected service delivery sites in line with the 2012/13 FSDM plan and schedule.

**Output 7: Development Planning**

The year under review saw the Gauteng 2055 Vision Discussion Document and public participation process launched. A number of engagements with youth, women, and people with disability, business, researchers, academics, city-region planners and intergovernmental partners took place, to ensure participation in the process of developing the vision document. Task Teams, led by Gauteng Advisory Council members, were established, mainly aimed at developing the content for the vision through incorporating stakeholder input and



current research. Draft comprehensive G2055 framework was approved by EXCO for further consolidation and refinement. During this period under review, the EXCO approved the GSDF Implementation Plan developed, which provided a basis for the integrated provincial-wide planning.

### **3. OUTLOOK FOR THE COMING FINANCIAL YEAR (2014/15)**

The service delivery of the OoP in the coming financial year will be informed by the department's mandate, priorities and provincial outcomes. The priorities of the OoP set for the 2014/15 financial year are reflected in the main services section (above).

During the process of reviewing the provincial priorities, the Premier's Budget Council and Extended EXCO Lekgotla identified and agreed on the priorities of priorities that are stated below:

#### **Performance Monitoring and Evaluation**

The OoP's increased focus on facilitating service delivery is informed by the departmental mandate and the Intergovernmental POA approved by the Extended EXCO Lekgotla. The Outcomes-based approach will once again dominate the year 2014/2015, supported by continuous commitment towards the strategic objectives and Five-Year Strategic Plan of the Office of the Premier. The intergovernmental POA will continue to serve as a mechanism to monitor government service delivery through monthly and quarterly reports in the EXCO system, with early warnings on under-performance. Interventions will be made in areas of sustained under-performance. PME in collaboration with the DPME continues to monitor the frontline service delivery against standards, at selected service delivery sites, in line with the FSDM plan and schedule. The process is undertaken in line with the standardised procedures and methodologies developed in conjunction with the DPME.

#### **Communications**

The State of the Province communication strategy is currently being implemented. Gauteng News edition is published monthly as part of the communication campaign for the State of the Province Address (SOPA). Cabinet bulletins will continue to be published, as well as the live screenings of the Opening of Legislature and State of the Province address. The OoP will continue to generate news stories, opinion pieces/ letters to the editor and media statements to keep the citizens of Gauteng well informed about the work of government. The multimedia campaign (wall murals, print, billboards, taxi and vehicle branding) and other partnerships to showcase government achievements since 2009 will be focused on education, youth employment programmes, HIV/AIDS, pregnancy, women and child abuse, among others. In order to share information on programmes and economic opportunities and give citizens a platform to engage with the Executive Council, various public events and stakeholder engagements will be held. Social media platforms will continue to be used for the GPG's messages.

#### **Contributing towards an effective public service**

A high-level Task Team (appointed by the HOD Forum, led by the Deputy-Director General (DDG) official and supported by HR specialists in the province) will address the province's transversal and strategic HR matters taking into account the results of second phase MPAT and develop improvement plans for those areas that require corrective action as well as develop high-level action plan addressing HR matters with clear recommendations that will be elevated to the HOD Forum with proper oversight, monitoring and evaluation of the implementation of recommendations. The same process will be followed with the MPAT 1.3 results once announced.

#### **Strengthening transversal issues relating to human resources**

The Transversal HR Forum will be further strengthened to ensure proper coordination and standardisation of HR functions across the province. Stakeholder relations with the Bargaining Chamber have been improved and this should improve and expedite policy development. Emphasis will be placed on ensuring sufficient technical capacity in departments to deliver on their mandate. The recruitment of staff in critical positions will be accelerated. Improvement on the timeframe for the filling of vacant positions will further reduce to 4 months. The vacancy rate in the OoP has been reduced and the turnover rate is stable. The efforts to improve service delivery will continue in the new term and the years and beyond.

#### **Improve and retain capacity of legal services to ensure successful implementation of litigation strategy**

The State Law Advisors in the OoP, in collaboration with departments, will continue to implement the Litigation Management Strategy. Building on the awareness sessions that emphasised to Accounting Officers, Chief Financial Officers, Legal Senior Managers and Hospital Chief Executive Officers the need to expedite resolution

of legal cases, the next step will be the training of legal practitioners on case management, to actively deal with litigation. The planned interventions to improve efficiency in litigation will prioritise the Department of Health, given its volume of cases. The intervention focuses mainly on four levels, namely: strengthening the capacity in the legal unit; improving administration and process flow of cases received; specific interventions at hospital level where incidents of medical negligence arise; and the secondment of legal practitioners from GPG departments to the Department of Health to assist with capacity constraints.

### **Management of cabinet system**

The strategic policy matters requiring the attention of the EXCO will continue to be processed through the Annual Cabinet Programme. The Intergovernmental POA will be managed through strategic forums such as the Executive Council System, bi-annual Extended EXCO Makgotla, Quarterly Premier's Coordination Forums, monthly MEC/ MMC engagements, Technical Inter-Governmental Relations (IGR) involving municipalities and provincial departments. The development of the e-Cabinet system has reached the pilot stage, which involves three departments (that is, Education; Roads and Transport; and Sport, Arts, Culture and Recreation). The work planned for this stage includes scanning, indexing and uploading of all official reports in the system and digitising policies and legislation that were approved in the Cabinet system from 1994 to date. These electronic documents will form part of the e-Cabinet system to create a repository of policies, legislation, strategies and plans adopted by Cabinet for future referencing.

### **Gauteng Vision 2055**

Gauteng Vision 2055 draft was presented and extensively discussed at the Extended EXCO Lekgotla on 28-29 May 2013. Fourteen strategic pathways were developed and aligned to the 14 MTSF Outcomes. The launch of G2055 Vision is planned for March 2014. A guideline was produced to assist GPG departments in developing their MTSF priorities in line with NDP 2030 and Vision 2055.

### **Financial management**

The achievement of clean audit reports in all departments and entities will continue to be a strong focus area. The improvement of internal systems and processes over the years has ensured that between 98 per cent and 100 per cent of service providers were paid within 30 days upon receipt of a legitimate invoice.

Whilst the OoP coordinates all the provincial outcomes, its outputs planned for the coming financial year align with three outcomes, namely: Outcome 11 - Creating a better South Africa and contributing to a better and safer Africa in a better world; Outcome 12 - An efficient, effective and development oriented public service; and Outcome 14 - Transforming society and uniting the country.

These outputs (below) provide an overview of the key responsibility areas in which OoP leads and/ or supports contribution to the outcomes.

#### **Output 1: Service delivery quality and access**

The province will implement the Integrated Service Delivery Improvement Framework in three wards (i.e. Westrand, Sebokeng and Ekurhuleni). The Framework was developed after benchmarking with a similar model called Operation Sukuma Sakhe integrated service delivery model in KwaZulu Natal Province. The model will ensure that appropriate institutional mechanisms are in place for inter-sphere coordination as well as empower citizens to contribute to the development of communities. It will also promote an integrated approach to decentralising service delivery in order to improve access (including Thusong and mobile services), and it will improve the capability of Community-based workers (including Community Development Workers) to offer integrated service delivery (through appropriate empowerment programmes). Site verification of flagship projects will continue to be conducted to verify actual achievements against reported achievements. The effectiveness of the TSCs will be dealt with as part of a comprehensive strategy called The Integrated Service Delivery Framework. The Public Service Hotline continues to serve as an effective mechanism for the resolution of complains and queries.

#### **Output 2: Human resource management and development**

In addition to the planned output of the transversal HR high-level Task Team in line with MPAT results, the province will continue utilising the Human Resources Framework to: provide technical capacity, strengthen departmental organisational capacity, implement phase 2 of organisational structure, reduce vacancy rates in funded posts, reduce the average time taken to conclude disciplinary hearings, and achieve the Employment equity (EE) targets (i.e. 50 per cent women in Senior Management Services (SMS) positions and 2 per cent for people with disabilities).

**Output 3: Business processes, systems, decision rights and accountability**

Following the review of the Supply Chain Management (SCM) framework to place emphasis on business opportunities for youth, women and people with disabilities, the OoP will implement the revised framework whilst ensuring that the service delivery is not compromised. The abovementioned planned continuation of the e-Cabinet system relates to the scanning and uploading of documents to the e-Cabinet system.

**Output 4: Corruption tackled effectively**

The Gauteng government adopted a zero tolerance approach towards fraud and corruption. The OoP will intensify its fight against fraud and corruption through more effective partnership with civil society. It aims to implement anti-corruption campaigns, and implement a robust communication campaign (including improved reporting on manifestations of corruption). Various awareness sessions to intensify ethics training, verification of qualifications, integrity testing and security vetting, including training departments on verification of financial disclosure methods and verification of annual financial disclosures, will be conducted. SMS and staff in high-risk areas will continue to be vetted.

**Output 5: Effective financial management**

The OoP will ensure that all departments in the province receive unqualified audit reports in 2014. The Office has received tremendous support from the Auditor-General who has made available technical teams to assist departments in achieving clean audit reports. Plans for interventions to reduce accruals and improve revenue collection have been made. The OoP has set a target for the payment of service providers within 30 days. The improvement of internal systems and processes has ensured that 100 per cent of service providers were paid within 30 days.

**Output 6: Performance monitoring and evaluation**

In line with the resolutions of the Premier's Budget Council and Extended Executive Council Lekgotla, particular emphasis has been placed on the role of PME in contributing to the improvement of government performance in key outcome areas. Through the PME branch of the Gauteng Planning Commission, implementation of the intergovernmental POA will continue to be monitored on a monthly and quarterly basis and progress reported on to the EXCO. PME will continue the management of the MPAT. It is expected that the results for MPAT 1.3 will be released by DPME in January 2014, where departments will be given an opportunity to discuss the scores. All departments for those areas of under-performance will develop MPAT Improvement Plans, and monitoring will take place through the PME unit of the Gauteng Planning Commission. In 2014/15, PME in collaboration with the DPME will continue to monitor frontline service delivery against standards, at selected service delivery sites in line with the 2014/15 FSDM plan and schedule. The Web-based PME dashboard is in the process of being developed, to monitor progress and performance of targets. Evaluations and better programme design are being developed. The Gauteng Government is also considering citizen-based monitoring.

In facilitating integrated programmes for vulnerable groups, including women, youth and people with disabilities, partnerships based on economic opportunities have been established and will continue to be prioritised. Plans are underway for the establishment of an Older Persons Desk. Engagements with all departments are taking place to ensure the development of youth and women cooperatives. Work was undertaken together with the Department of Infrastructure Development to determine the status, scope of work, and preliminary financial implications, of the project to improve access to government buildings by people with disabilities.

**Output 7: Development planning**

The extended Executive Council Lekgotla considered the 14 new MTSF outcomes previously termed the G2055 delivery agenda. The launch of the G2055 is scheduled for March 2014. The GSDF Implementation Plan was developed and approved by EXCO, providing the basis for integrated provincial-wide planning. The Development Planning unit of the Gauteng Planning Commission will continue to monitor its implementation and quarterly progress reports will be presented to EXCO. The PMO will oversee the implementation of Flagship projects.

**4. REPRIORITISATION**

The budget baselines were reprioritised to fund high priority government plans that are relevant during this transition phase to the new term of governance. The year 2014 marks the double decade of democracy in South Africa and therefore funds have been made available for provincial communication services, in order for the province to participate in this national celebration. Profiling the work of the government becomes more relevant, especially during the consolidation of achievements of the current government at the end of its term; hence more funds have been available for this purpose.

The provincial planning function is pivotal for the forward movement of the province. The budget for the Gauteng Planning Commission increases to fund the development planning function, Infrastructure Master Plan, and the Gauteng Vision 2055 projects.

The province also prioritises the building of state capacity and improving efficiency in the operations of government. Therefore, there is an increased focus on the transversal human resource management, with regard to the implementation of the HR framework, and on the implementation of a litigation management approach, to resolve legal cases more efficiently.

## 5. PROCUREMENT

The Department has allocated for the 2014/15 financial year funds to ensure, among other things, GPG wide projects such as profiling the work of government. This project will ensure that communication reaches citizens by building partnerships and coordinating public campaigns linked to the POA. Some of the major outputs that would impact on the procurement process are as follows:

- 20-year freedom celebration and communicating achievements thereof;
- State of Province Address (June and February);
- Profiling of new administration and the work of government at large;
- Corporate identity audit of GPG infrastructure;
- Gauteng TV;
- Establishment of Older Persons Desk;
- Economic opportunities for youth, women and people with disabilities;
- Multi-sectoral GBV programme;
- Up-scaling Young Women's' Development Program;
- Accessibility of GPG buildings for People with Disabilities;
- Partnerships for delivery;
- Infrastructure Master Plan;
- Gauteng Planning House;
- Gauteng Spatial Development Framework;
- Centre for Urban Innovation; and
- Provincial GIS Portal.

## 6. RECEIPTS AND FINANCING

### 6.1 Summary of receipts

TABLE 1.1: SUMMARY OF RECEIPTS: OFFICE OF THE PREMIER

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Equitable share	217 284	228 742	249 810	296 718	342 783	342 783	317 283	334 563	352 852
<b>Total receipts</b>	<b>217 284</b>	<b>228 742</b>	<b>249 810</b>	<b>296 718</b>	<b>342 783</b>	<b>342 783</b>	<b>317 283</b>	<b>334 563</b>	<b>352 852</b>

The department is funded from equitable share allocation. The department's receipts increased from R217.3 million in 2010/11 to R249.8 million in 2012/13 due to the growth in the structure, inflationary pressures as well as the establishment of the GPC.

The budget increased by R46 million from the main budget of R296.7 million in 2013/14 to the adjusted budget of R342.8 due to two state funerals held, as pronounced by the State President, and additional funds required for the commencement of the 20-year celebration of freedom.

In 2013/14 there was a growth on the main budget allocation amounting to R296 million, which was mainly influenced by the function shift of the Development Planning unit from the Department of Economic Development, and the funding of the critical posts within the GPC.

The allocation in 2014/15 amounts to R317.2 million, and increases to R352.8 million in 2016/17. This increase indicates a growth of approximately 11 per cent over the MTEF period.

## 6.2 Departmental receipts

TABLE 1.2: DEPARTMENTAL RECEIPTS: OFFICE OF THE PREMIER

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Tax receipts									
Casino taxes									
Horse racing taxes									
Liquor licences									
Motor vehicle licences									
Sales of goods and services other than capital assets	38	34	189	180	319	319	400	420	442
Transfers received									
Fines, penalties and forfeits									
Interest, dividends and rent on land	18	3	1	10	20	20	30	32	34
Sales of capital assets									
Transactions in financial assets and liabilities	641	428	87		226	226			
<b>Total departmental receipts</b>	<b>697</b>	<b>465</b>	<b>277</b>	<b>190</b>	<b>565</b>	<b>565</b>	<b>430</b>	<b>452</b>	<b>476</b>

The main contributors to revenue collection are parking fees, debt recoveries and interest charged on debt. The actual collection for own revenue between the years 2010/11 and 2012/13 financial years has actually deteriorated from R697 000 to R277 000. This was caused by the amount of debt collected during this period. The budget in 2013/14 financial year has been adjusted upwards from R190 to R565 000, resulting from an over collection as a result of the incorporation of the Development Planning Unit from GDED into the Gauteng Planning Commission with revenue from land development rights and establishment of townships applications. The budget in 2014/15 financial year is projected at R430 000 showing a 5 per cent over the outer financial years.

## 6.3 Donor funding

N/A

## 7. PAYMENT SUMMARY

### 7.1 Key assumptions

The funding of the key assumption is informed by personnel costs in the main over the MTEF. This is as a result of the growing structure and the automatic increases due to inflationary adjustment over the MTEF as prescribed by Treasury. Furthermore, personnel costs also include the migration of staff from the Department of Finance to the Office of the Premier over the MTEF. Of critical importance on the personnel costs are the following three areas:

- Funding of the critical posts within GPC and cabinet office;
- Annual increase of costs of living; and
- Migration of staff from GDF and function shift of Development Planning unit from DED.

The funding implications of the above factors are those relating to office accommodation and other CAPEX related spending.

### 7.2 Programme summary

TABLE 1.3: SUMMARY OF PAYMENTS AND ESTIMATES: OFFICE OF THE PREMIER

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1. Administration	60 878	66 481	73 241	77 215	87 668	87 668	96 072	94 256	99 518
2. Institutional Development	83 128	90 923	104 915	106 068	168 394	239 096	124 370	128 651	135 474
3. Policy and Governance	66 473	68 690	60 801	113 435	86 721	86 721	96 841	111 656	117 861
<b>Total payments and estimates</b>	<b>210 479</b>	<b>226 094</b>	<b>238 957</b>	<b>296 718</b>	<b>342 783</b>	<b>413 485</b>	<b>317 283</b>	<b>334 563</b>	<b>352 852</b>

## 7.3 Summary of economic classification

TABLE 1.4: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: OFFICE OF THE PREMIER

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>194 082</b>	<b>209 967</b>	<b>219 152</b>	<b>281 919</b>	<b>286 709</b>	<b>357 074</b>	<b>302 172</b>	<b>318 603</b>	<b>336 046</b>
Compensation of employees	99 587	105 615	104 612	146 341	131 875	131 877	156 343	170 601	179 927
Goods and services	94 495	103 229	114 540	135 578	154 834	225 197	145 829	148 002	156 119
Interest and rent on land		1 123							
<b>Transfers and subsidies to</b>	<b>9 706</b>	<b>11 065</b>	<b>13 749</b>	<b>11 762</b>	<b>50 360</b>	<b>50 586</b>	<b>12 397</b>	<b>13 005</b>	<b>13 694</b>
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions	9 680	10 648	12 422	11 762	12 760	12 760	12 397	13 005	13 694
Foreign governments and international organisations									
Public corporations and private enterprises					37 500	37 500			
Non-profit institutions		50							
Households	26	367	1 327		100	326			
<b>Payments for capital assets</b>	<b>6 666</b>	<b>4 893</b>	<b>6 022</b>	<b>3 037</b>	<b>5 714</b>	<b>5 714</b>	<b>2 714</b>	<b>2 955</b>	<b>3 112</b>
Buildings and other fixed structures									
Machinery and equipment	6 666	4 893	5 934	3 037	5 714	5 714	2 714	2 955	3 112
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets			88						
<b>Payments for financial assets</b>	<b>25</b>	<b>169</b>	<b>34</b>			<b>111</b>			
<b>Total economic classification</b>	<b>210 479</b>	<b>226 094</b>	<b>238 957</b>	<b>296 718</b>	<b>342 783</b>	<b>413 485</b>	<b>317 283</b>	<b>334 563</b>	<b>352 852</b>

The table above reflects the summary of payments and estimates by economic classification from 2010/11 to 2016/17. The current payments (compensation of employees and goods and services) form the largest share of the department's budget. The personnel budget increases from R99.5 million in the 2010/11 financial year to R104 million in the 2012/13 financial year, mainly due to the carry through costs of improvement of condition of service and inflation. The table further indicates the total expenditure for the Office of the Premier including the transfer of function from the Department of Economic Development to the OoP. The expenditure grew steadily between 2010/11 and 2012/13 from R210.4 million in 2010/11 to R238.9 million in 2012/13 as a result of the cost of living expenses, inflation as well as the establishment of the GPC

Programme 2: Institutional Development constitutes the largest appropriation amounting to R124 million in 2014/15 followed by Programme 3: Policy and Governance amounting to R96.8 million for the same period. The increase from R342.7 million in 2013/14 to R352.8 million in 2016/17 is mainly due to the operationalisation of G2055 and the prioritisation of Provincial Communication Services. The OoP will continue to generate news stories, opinion pieces/ letters to the editor and media statements to keep the citizens of Gauteng well informed about the work of government. The multimedia campaign (wall murals, print, billboards, taxi and vehicle branding) and other partnerships to showcase government achievements since 2009 will be focused on education, youth employment programmes, HIV/AIDS, pregnancy, women and child abuse among others. In order to share information on programmes and economic opportunities and to give citizens a platform to engage with the Executive Council, various public events and stakeholder engagements will be held. Social media platforms will continue to be used for the GPG's messages.

The personnel budget grows by an amount of R23 million in 2014/15 to R179.9 million in 2016/17. The increase in personnel over the MTEF is due to the additional allocation made to cater for the critical posts in GPC and Cabinet Services, migration of personnel from GDF, as well as carry through effects of improvement of conditions of service of the Department.

The Goods and Services budget grows by approximately R11 million from R145.8 million in 2014/15 to R156.1 million in 2016/17 owing to the structural funding. The increase over the MTEF is mainly made for projects such as the Provincial Information Portal, Monitoring and Evaluation Programmes and Anti-Corruption Projects that



were approved at PBC and to make provision for inflation adjustments based on Consumer Price Index (CPI).

Expenditure on capital assets decreases by R3 million from R5.7 million in 2013/14 to R2.7 million in 2014/15 mainly due to the implementation of cost cutting measures by the department.

#### 7.4 Infrastructure payments

N/A

##### 7.4.1 Departmental infrastructure payments

N/A

##### 7.4.2 Departmental Public-Private partnerships (PPP) projects

N/A

#### 7.5 Transfers

N/A

##### 7.5.1 Transfers to public entities

N/A

##### 7.5.2 Transfers to local government

N/A

## 8. PROGRAMME DESCRIPTION

### PROGRAMME 1: ADMINISTRATION

#### Programme description

The programme is responsible for the overall strategic management of the province and support of the Premier, EXCO and the Director General in fulfilling their statutory and political responsibilities. Administration is comprised of the Premier's Support Office, Office for Executive Council Support, Office of the Director General, Financial Management and Security and Risk Management.

#### Programme objectives

- To render security services to the OoP, GPG and EXCO, ensuring that there are no security related incidents in the precinct and that there is total compliance with the Minimum Information Security Standard (MISS) provisions;
- To provide timeous and effective strategic, operational and administrative support to administrative and political principals; and
- To render effective financial management and procurement services to the OoP, to maintain the current audit track record and to comply with relevant targets for BBBEE and payment of suppliers.

TABLE 1.5: SUMMARY OF PAYMENTS AND ESTIMATES: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1. Premier's Support	21 317	17 037	15 701	14 548	20 548	20 548	18 253	14 133	14 882
2. Executive Council Support	5 355	4 631	5 412	8 565	7 428	7 428	11 894	12 074	12 987
3. Director General	13 099	17 403	15 835	19 748	26 144	26 144	24 178	26 289	27 682
4. Financial Management	19 447	27 037	33 776	32 434	32 028	32 028	38 712	38 520	40 555
5. Programme Support	1 660	373	2 517	1 920	1 520	1 520	3 035	3 240	3 412
<b>Total payments and estimates</b>	<b>60 878</b>	<b>66 481</b>	<b>73 241</b>	<b>77 215</b>	<b>87 668</b>	<b>87 668</b>	<b>96 072</b>	<b>94 256</b>	<b>99 518</b>

TABLE 1.6: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>60 744</b>	<b>63 031</b>	<b>70 990</b>	<b>76 103</b>	<b>86 154</b>	<b>86 017</b>	<b>95 385</b>	<b>93 431</b>	<b>98 649</b>
Compensation of employees	33 292	38 284	37 951	36 104	46 039	46 040	50 321	52 894	55 690
Goods and services	27 452	23 638	33 039	39 999	40 115	39 977	45 064	40 537	42 958
Interest and rent on land		1 109							
<b>Transfers and subsidies to</b>		<b>246</b>	<b>1 249</b>		<b>51</b>	<b>77</b>			
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions		50							
Households		196	1 249		51	77			
<b>Payments for capital assets</b>	<b>109</b>	<b>3 035</b>	<b>968</b>	<b>1 112</b>	<b>1 463</b>	<b>1 463</b>	<b>687</b>	<b>825</b>	<b>869</b>
Buildings and other fixed structures									
Machinery and equipment	109	3 035	968	1 112	1 463	1 463	687	825	869
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>	<b>25</b>	<b>169</b>	<b>34</b>			<b>111</b>			
<b>Total economic classification</b>	<b>60 878</b>	<b>66 481</b>	<b>73 241</b>	<b>77 215</b>	<b>87 668</b>	<b>87 668</b>	<b>96 072</b>	<b>94 256</b>	<b>99 518</b>

Total expenditure for this programme increased from R60.8 million in 2010/11 to R73.2 million in 2012/13. The increase is mainly due to the partial implementation of the revised structure and the appointment of additional staff to support and advise the Premier in the execution of her duties.

In the 2013/14 financial year, the budget increased with R10.4 million from R77.2 million to the adjusted budget of R87.7 million. The increase was mainly due to the shifting of funds during the 2013/14 adjustment budget process, to ensure the directorates are fully capacitated.

The total programme budget and expenditure amounts to R96 million for 2014/15 and increases with R3.4 million to R99.5 million in 2016/17. The main cost driver in this programme is goods and services, as certain services, such as stores, are centralised under Financial Management. Furthermore this programme houses the Executive Council Support Unit/Cabinet Office as well as the Private Office of the Premier.

The Cabinet Office alone will, over the MTEF, tremendously increase in spending as the political term comes to an end, not excluding the 20-year celebration of democracy. Preparations are underway to usher in and commence with the celebration of 20 years of freedom, as 2014 would be the 20<sup>th</sup> year since democracy was accomplished in 1994. This would further align with the ushering in of the new political term and administration.

The establishment of the Vetting unit in Risk and Security under the sub-programme Director General is given high priority, given that GPG requires timeous security vetting for all employees in GPG.

Compensation of employees increases by R5.3 million from R50.3 million in 2014/15 to R55.7 million in 2016/17 due to the improvement of condition of service, as well as the regrading of clerks.

## PROGRAMME 2: INSTITUTIONAL DEVELOPMENT

### Programme description

This programme comprises Strategic Human Resources, Legal Services, and Government Communication and Information Services. These services promote effective government communication leading to high levels of



public participation, awareness and access to government information. It promotes positive perceptions of government and provides human resource management and auxiliary services support to the OoP. It provides strategic support for human resources management to the GPG, and provides strategic legal support to the Premier and EXCO, in order to ensure that the OoP excels in fulfilling its mandate.

### Programme objectives

- Developing programmes, policies and initiatives to improve service delivery across all portfolios in the GPG;
- Developing and implementing a cabinet communication system in line with Cabinet decisions;
- Building partnerships in support of the Gauteng strategic priorities and electoral mandate;
- Enhancing corporate services to support delivery on core mandates;
- Implementing public campaigns linked to the Gauteng strategic priorities and POA; and
- Offering strategic legal advice and support, including in relation to the legislative agenda of the Premier, EXCO and departments.

TABLE 1.7: SUMMARY OF PAYMENTS AND ESTIMATES: INSTITUTIONAL SUPPORT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1. Strategic Human Resources	14 092	22 956	25 894	26 613	25 690	25 690	34 229	34 658	36 499
2. Information Communication	9 073	5 475	5 460	6 400	7 317	7 317	6 829	7 170	7 550
3. Legal Services	3 792	4 613	4 151	6 256	8 656	8 656	6 471	6 270	6 602
4. Communication Services	54 359	55 943	67 961	64 649	87 581	158 283	75 147	78 780	82 955
5. Programme Support	1 812	1 936	1 449	2 150	39 150	39 150	1 694	1 773	1 867
<b>Total payments and estimates</b>	<b>83 128</b>	<b>90 923</b>	<b>104 915</b>	<b>106 068</b>	<b>168 394</b>	<b>239 096</b>	<b>124 370</b>	<b>128 651</b>	<b>135 474</b>

TABLE 1.8: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: INSTITUTIONAL SUPPORT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>76 657</b>	<b>89 128</b>	<b>102 752</b>	<b>104 143</b>	<b>126 594</b>	<b>197 159</b>	<b>122 343</b>	<b>126 521</b>	<b>133 231</b>
Compensation of employees	29 309	37 125	41 423	46 020	46 019	46 020	57 021	60 286	63 485
Goods and services	47 348	52 003	61 329	58 123	80 575	151 139	65 322	66 235	69 745
Interest and rent on land									
<b>Transfers and subsidies to</b>	<b>26</b>	<b>69</b>	<b>41</b>		<b>37 549</b>	<b>37 686</b>			
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises					37 500	37 500			
Non-profit institutions									
Households	26	69	41		49	186			
<b>Payments for capital assets</b>	<b>6 445</b>	<b>1 726</b>	<b>2 122</b>	<b>1 925</b>	<b>4 251</b>	<b>4 251</b>	<b>2 027</b>	<b>2 130</b>	<b>2 243</b>
Buildings and other fixed structures									
Machinery and equipment	6 445	1 726	2 034	1 925	4 251	4 251	2 027	2 130	2 243
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets			88						
<b>Payments for financial assets</b>									
<b>Total economic classification</b>	<b>83 128</b>	<b>90 923</b>	<b>104 915</b>	<b>106 068</b>	<b>168 394</b>	<b>239 096</b>	<b>124 370</b>	<b>128 651</b>	<b>135 474</b>

The total expenditure for this programme increased from R83.1 million in 2010/11 to R104.9 million in 2012/13. The increase in expenditure is mainly due to the need to ensure that the operationalisation of the new structure was funded.

During the 2013/14 financial year, the budget increases with R62.3 million from R106 million to R168.3 million. The last mentioned increase is mainly attributed to the additional funds that were allocated for two state funerals as pronounced by the State President, and for the commencement of the 20-year celebration of freedom.

This programme accounts for the biggest part of the entire departmental budget, amounting to R124.3 million for 2014/15. Of this amount Provincial Communication is the main cost driver as it is one of the strategic components for both the Department and GPG.

An amount of R65.3 million of the above mentioned budgets are allocated to goods and services, whereas R57 million is for personnel costs.

The budget increases by an average of 9 per cent over the MTEF. In 2013/14 the budget allocation was R106 million and increases by R18 million to R124.3 million in 2014/15. The increase in budget is associated with the establishment of strategic projects such as the Gauteng TV and profiling the work of government in Gauteng. The main projects in this programme are focusing on the transversal activities. This includes, amongst others, the Provincial Communication Services, where the work of government is profiled; celebration of 20 years of democracy; and electronic communication with the public is being administered. It is also under this programme that the Legal Services would develop the provincial litigation strategies as resolved by EXCO. Transversal Human Resources, also housed in this programme, is responsible for the monitoring of all HR administration, labour relations matters, and human resources development matters.

## SERVICE DELIVERY MEASURES

### PROGRAMME 2: INSTITUTIONAL DEVELOPMENT

#### Strategic Human Resources

Performance Measures	Estimated Annual Targets		
	2014/15	2015/16	2016/17
Number of reports on the implementation of the approved organisational structures of GPG departments	Bi-annual consolidated report on the implementation of the approved organisational structures of GPG departments	Bi-annual consolidated report on the implementation of the approved organisational structures of GPG departments	Bi-annual consolidated report on the implementation of the approved organisational structures of GPG departments
Number of reports on the management of discipline by GPG departments	Bi-annual consolidated report on the management of discipline by GPG departments	Bi-annual consolidated report on the management of discipline by GPG departments	Bi-annual consolidated report on the management of discipline by GPG departments
Number of reports on the achievement of the set targets of 50% women in SMS and 2% of PwDs in GPG	Annual consolidated report on the achievement of the set targets of 50% women in SMS and 2% of PwDs in GPG	Annual consolidated report on the achievement of the set targets of 50% women in SMS and 2% of PwDs in GPG	Annual consolidated report on the achievement of the set targets of 50% women in SMS and 2% of PwDs in GPG
Number of reports on the conclusion of performance contracts for all GPG HoD and SMS	Annual consolidated report on the conclusion of performance contracts for all GPG HoD and SMS	Annual consolidated report on the conclusion of performance contracts for all GPG HoD and SMS	Annual consolidated report on the conclusion of performance contracts for all GPG HoD and SMS
Number of reports on the Financial Disclosures of all GPG SMS by the 31 May	Annual consolidated report on the Financial Disclosures of all GPG SMS by the 31 May	Annual consolidated report on the Financial Disclosures of all GPG SMS by the 31 May	Annual consolidated report on the Financial Disclosures of all GPG SMS by the 31 May
Approved Integrated GPG HR Plan	Approved integrated 5yr GPG HR plan	-	-
Number of analysis reports on the implementation of the GPG departments' HR Plans	Analysis report on the implementation of the GPG departments' HR Plans	Analysis report on the implementation of the GPG departments' HR Plans	Analysis report on the implementation of the GPG departments' HR Plans

#### Information Communication Services

Performance Measures	Estimated Annual Targets		
	2014/15	2015/16	2016/17
Number of reports on the implementation of 3-year obsolescence model	Annual report on the replacement of laptops and desktops in line with 3-year obsolescence model	Annual report on the replacement of laptops and desktops in line with 3-year obsolescence model	Annual report on the replacement of laptops and desktops in line with 3-year obsolescence model
Percentage compliance with Archives Act	100% compliance with Archives Act	100% compliance with Archives Act	100% compliance with Archives Act
Number of onsite data backup reports	12	12	12
Number of offsite data backup reports	12	12	12

#### Legal Services

Performance Measures	Estimated Annual Targets		
	2014/15	2015/16	2016/17
Approved annual legislative proposal programmes	Legislative Proposal programme for 2014/15 submitted into the EXCO cycle	Legislative Proposal programme for 2015/16 submitted into the EXCO cycle	Legislative Proposal programme for 2016/17 submitted into the EXCO cycle
Legal advice and support provided within 20 working days	Strategic legal advice and support provided to the Premier, EXCO, LGB, PCF and Departments within 20 working days	Strategic legal advice and support provided to the Premier, EXCO, LGB, PCF and Departments within 20 working days	Strategic legal advice and support provided to the Premier, EXCO, LGB, PCF and Departments within 20 working days
Legislation certified within 60 days of receipt of all information required and in accordance with the Path to Legislation	Legislation (Bills and subordinate) certified within 60 days of receipt of all information required and in accordance with the Path to Legislation	Legislation (Bills and subordinate) certified within 60 days of receipt of all information required and in accordance with the Path to Legislation	Legislation (Bills and subordinate) certified within 60 days of receipt of all information required and in accordance with the Path to Legislation

Performance Measures	Estimated Annual Targets		
	2014/15	2015/16	2016/17
Number of reports on the implementation and effectiveness of the litigation strategy and tracking of high profile cases	Biannual reports on the implementation and effectiveness of the litigation strategy	Biannual reports on the implementation and effectiveness of the litigation strategy	Biannual reports on the implementation and effectiveness of the litigation strategy
Number of reports on the compliance with PAJA and PAIA	Annual report on compliance with PAIA and PAJA	Annual report on compliance with PAIA and PAJA	Annual report on compliance with PAIA and PAJA
Number of days in which appropriate legal agreements finalised	Legal agreements, aligned with policy objectives, procurement and legal frameworks, are finalised within 10 working days of receipt of all relevant information required	Legal agreements, aligned with policy objectives, procurement and legal frameworks, are finalised within 10 working days of receipt of all relevant information required	Legal agreements, aligned with policy objectives, procurement and legal frameworks, are finalised within 10 working days of receipt of all relevant information required

**Communication Services**

Performance Measures	Estimated Annual Targets		
	2014/15	2015/16	2016/17
Approved communication strategy for the 2014-2019 period	Approved 2014-2019 communication strategy	-	-
Number of implementation plans for the communication strategy	Annual implementation plan for the 2014-2019 communication strategy	Annual implementation plan for the 2014-2019 communication strategy	Annual implementation plan for the 2014-2019 communication strategy
Number of reports on implementation of the communication strategy on the GPG achievements of the 20 years of freedom	Quarterly reports on implementation of the communication strategy on the GPG achievements of the 20 years of freedom	-	-
Number of pilot sites established	GTV piloted in 21 sites	GTV Rolled out to identified sites	GTV accessible to all Gauteng TV households
Percentage of media spend into LSM 4-7 and 8-10	80% of media spend into LSM 4-7 and 20% for LSM 8-10	80% of media spend into LSM 4-7 and 20% for LSM 8-10	80% of media spend into LSM 4-7 and 20% for LSM 8-10
Number of community engagements	11	11	11
Number of targeted stakeholder engagements	35	35	35
Number of media monitoring and analysis report	12	12	12
Number of public perception survey reports on identified service delivery issues	Public perception survey reports on 2 identified service delivery issues	Public perception survey reports on 2 identified service delivery issues	Public perception survey reports on 2 identified service delivery issues
Number of Intergovernmental Communication Forum meetings to provide advice and strategic support to Departments to strengthen government communication system	Quarterly Intergovernmental Communication Forum meetings	Quarterly Intergovernmental Communication Forum meetings	Quarterly Intergovernmental Communication Forum meetings
Number of training programmes for MECs, MLOs and Heads of Communication	Annual training programme for MECs, MLOs and Heads of Communication	Annual training programme for MECs, MLOs and Heads of Communication	Annual training programme for MECs, MLOs and Heads of Communication

**PROGRAMME 3: POLICY AND GOVERNANCE****Programme description**

To support the Premier and EXCO through:

- Centralised strategic planning through the GPC;
- Monitoring and evaluation of government performance through the GPC;
- Renewal of the cabinet system;
- Developing strategic partnerships;
- Development of intergovernmental relations;
- Developing international relations; and
- Coordination of programmes for targeted and vulnerable groups including women, youth, persons with disabilities and military veterans.

**Programme objectives**

- Centralised planning through the establishment of the GPC;
- Monitoring and evaluation of government performance in implementing the Gauteng strategic priorities and achieving the outcomes envisaged in the electoral mandate;
- Coordinating the development and implementation of integrated programmes for targeted groups including women, youth, people with disabilities and military veterans;
- Establishing a cabinet office to implement the renewal of the EXCO system and ensure that the Premier and EXCO are at the centre of government and drive the implementation of the electoral mandate;
- Promoting international and intergovernmental relations in support of the five-year strategic priorities and programme; and
- Support for the leader of government business.

# Vote 1 - Office of the Premier • EPRE - 2014/15

**TABLE 1.9: SUMMARY OF PAYMENTS AND ESTIMATES: POLICY AND GOVERNANCE**

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1. Inter-governmental Relations	5 515	7 486	9 408	16 359	19 059	19 059	15 046	16 345	17 211
2. Provincial Policy Management	59 618	59 556	50 329	93 002	65 088	65 088	77 477	90 880	95 984
3. Programme Support	1 340	1 648	1 064	4 074	2 574	2 574	4 318	4 431	4 666
<b>Total payments and estimates</b>	<b>66 473</b>	<b>68 690</b>	<b>60 801</b>	<b>113 435</b>	<b>86 721</b>	<b>86 721</b>	<b>96 841</b>	<b>111 656</b>	<b>117 861</b>

**TABLE 1.10: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: POLICY AND GOVERNANCE**

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>56 681</b>	<b>57 808</b>	<b>45 410</b>	<b>101 673</b>	<b>73 961</b>	<b>73 898</b>	<b>84 444</b>	<b>98 651</b>	<b>104 167</b>
Compensation of employees	36 986	30 206	25 238	64 217	39 817	39 817	49 001	57 421	60 751
Goods and services	19 695	27 588	20 172	37 456	34 144	34 081	35 443	41 230	43 415
Interest and rent on land		14							
<b>Transfers and subsidies to:</b>	<b>9 680</b>	<b>10 750</b>	<b>12 459</b>	<b>11 762</b>	<b>12 760</b>	<b>12 823</b>	<b>12 397</b>	<b>13 005</b>	<b>13 694</b>
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions	9 680	10 648	12 422	11 762	12 760	12 760	12 397	13 005	13 694
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households		102	37			63			
<b>Payments for capital assets</b>	<b>112</b>	<b>132</b>	<b>2 932</b>						
Buildings and other fixed structures									
Machinery and equipment	112	132	2 932						
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>									
<b>Total economic classification</b>	<b>66 473</b>	<b>68 690</b>	<b>60 801</b>	<b>113 435</b>	<b>86 721</b>	<b>86 721</b>	<b>96 841</b>	<b>111 656</b>	<b>117 861</b>

The programme houses the Gauteng Planning Commission and certain cabinet support functions. The budget allocation for this programme is R96.8 million for 2014/15 and increases by R21 million over the MTEF. The increase is due to the establishment of the Gauteng Planning house, the Project management Office and the establishment of the Infrastructure Master plan that will ensure long term integrated master plan that will address infrastructure development for all three spheres of government to ensure that Gauteng vision 2055 is accomplished. Furthermore, the function shift of the Development Planning Unit has led to the increase in budget.

Compensation of employees amounts to R49 million which is almost half of the entire programme budget. This is due to the incorporation of the DED functions. The goods and services allocation is R35 million and transfers and subsidies amounts to R12 million.

The total expenditure for this programme shows an increase of R47 million from R66 million in 2010/11 to R113 million in 2013/14. The increase is due to the GPC function shift from the DED.

The Gauteng Planning Commission (under Provincial Policy Management) and the Intergovernmental Relations units are the main cost drivers in this programme, with more vigorous implementation of the Gauteng Planning Commission and Intergovernmental Relations programmes. As from the 2010/11 financial year, an allocation was included in the OoP's budget for the Gauteng Planning Commission. This was established in 2009 to assist the province with the monitoring and evaluation of provincial outcomes and outputs in order to meet the targets. The largest allocation in terms of economic classification is appropriated in compensation of employees in this programme; it constitutes 51 per cent of the programme budget in the 2014/15 financial year. Increase in compensation of employees is due to the additional allocation earmarked for funding critical posts in GPC, and Cabinet services.

The increase in goods and services over the MTEF is mainly due to the operationalisation of G2055, as the GPC will be embarking on a major communications and public participation process in the coming financial year. The establishment of the Gauteng City Region Observatory (GCRO), which works in partnership with the University of the Witwatersrand, is still in place and a budget has been allocated under Transfers and Subsidies to the University to fund the collaborative activities as per the agreement. The partnership is essential and promotes cooperation between the provincial government, municipalities and academic institutions responsible for conducting research, that will help the province with long-term strategic planning related to economic, social and other areas of development in the province. The increase over the MTEF is mainly due to inflationary increase.

## SERVICE DELIVERY MEASURES

### PROGRAMME 3: POLICY AND GOVERNANCE

#### Development Planning

Performance Measures	Estimated Annual Targets		
	2014/15	2015/16	2016/17
Number of research papers	2 research papers in support of province-wide planning developed	3 research papers in support of province-wide planning developed	4 research papers in support of province-wide planning developed
Number of reports on operations of the Gauteng City Region Observatory (GCRO)	Annual report to EXCO on the operations of the GCRO	Annual report to EXCO on the operations of the GCRO	Annual report to EXCO on the operations of the GCRO
Operational model for Planning House	Planning House Operational Model submitted to EXCO for approval	Recommendations contained in the operational model implemented	Recommendations contained in the operational model implemented
Number of reports to EXCO on the recommendations executed as per the approved business case for Centre for Urban Innovation	Annual report to EXCO on the execution of the recommendations contained in the business case for Centre for Urban Innovation	Full operationalization of Centre for Urban Innovation	Full operationalization of Centre for Urban Innovation
Number of reports on the implementation of the GSDF Implementation Plan (GSDFIP)	Annual report on the implementation of the GSDFIP	Annual report on the implementation of the GSDFIP	Annual report on the implementation of the GSDFIP
Approved Revised GSDF and Implementation Plan		EXCO approved reviewed GSDF	Revised GSDF Implementation Plan approved by EXCO
Number of reports on alignment of Municipal Spatial Development Frameworks (MSDFs) in terms of Credibility Framework	Annual report on alignment of MSDFs in terms of Credibility Framework	Annual report on alignment of MSDFs in terms of Credibility Framework	Annual report on alignment of MSDFs in terms of Credibility Framework
Draft Gauteng Planning and Development Bill for pre-certification submitted to EXCO	Gauteng Planning and Development Bill in line with SPLUMA regulations submitted to EXCO	Annual status report to EXCO of the Gauteng Planning and Development Bill	Annual status report to EXCO of the Gauteng Planning and Development Bill
Number of oversight reports on identified Flagship Projects	Quarterly reports on oversight and support to EXCO	Quarterly reports on oversight and support to EXCO	Quarterly reports on oversight and support to EXCO
Approved phases of Infrastructure Master Plan	Phase 1 (Infrastructure Framework) in line with Concept and Process plan submitted for EXCO approval	Phase 2 (Consolidation and analysis of existing master plans) and Phase 3 (Integrated Sectoral and Geographic Master Plan) in line with Concept and Process plan submitted for EXCO approval	Annual report to EXCO on the review and implementation of Infrastructure Master Plan
Established provincial GIS portal	Establishment of Phase 1 of the GIS portal	Establishment of Phase 2 of the GIS portal	Establishment of Phase 3 of the GIS portal

#### Performance Monitoring and Evaluation

Performance Measures	Estimated Annual Targets		
	2014/15	2015/16	2016/17
Annual POA tabled within the Executive Council system	2015/16 Gauteng POA tabled	2016/17 Gauteng POA tabled	2017/18 Gauteng POA tabled
Number of POA performance monitoring reports and analysis tabled within EXCO system	8 monthly and 4 quarterly performance monitoring reports and analysis on implementation of the 2014/15 POA tabled within EXCO system	8 monthly and 4 quarterly performance monitoring reports and analysis on implementation of the 2015/16 POA tabled within EXCO system	8 monthly and 4 quarterly performance monitoring reports and analysis on implementation of the 2016/17 POA tabled within EXCO system
Number of interventions to improve performance in areas of under-performance identified in performance monitoring reports	10	10	10
Number of Annual Performance Reports on the implementation of the annual Gauteng POA tabled within the Executive Council system	One (2013/14) Annual Performance Report on the implementation of the 2013/14 Gauteng POA tabled within the Executive Council system	One (2014/15) Annual Performance Report on the implementation of the 2014/15 Gauteng POA tabled within the Executive Council system	One (2015/16) Annual Performance Report on the implementation of the 2015/16 Gauteng POA tabled within the Executive Council system
End of Term review document tabled within EXCO system		Conceptualisation of Midterm Review for 2014-2016	Completion of Midterm Review for 2014-2016
Number of Departmental MPAT self-assessments completed and submitted to DPME	14	14	14
Number of Departmental MPAT improvement plans	6	8	8
Number of FSDM programmes developed	1 (for 2015/16)	1 (for 2016/17)	1 (for 2017/18)
Number of FSDM visits conducted	150	150	150
Number of improvement plans facilitated at sites with areas of under-performance	Improvement plans facilitated at 10 sites with areas of under-performance	Improvement plans facilitated at 10 sites with areas of under-performance	Improvement plans facilitated at 10 sites with areas of under-performance

## Vote 1 - Office of the Premier • EPRE - 2014/15

Performance Measures	Estimated Annual Targets		
	2014/15	2015/16	2016/17
Number of Annual Provincial Evaluation Plans tabled for approval in EXCO system	1 (for 2015/16)	1 (for 2016/17)	1 (for 2017/18)
Number of evaluation studies conducted	5	6	7
Number of PME training modules developed and implemented	4	5	6

## Cabinet Office

### Executive Council Strategic Support

Performance Measures	Estimated Annual Targets		
	2014/15	2015/16	2016/17
Approved annual Cabinet programme	Approved Annual Cabinet Programmes	Approved Annual Cabinet Programmes	Approved Annual Cabinet Programmes
Number of Executive Council agendas	11 (as per 2014-2015 POA)	11 (as per 2015-2016 POA)	11 (as per 2016-2017 POA)
Number of briefing notes for the Chairpersons of the Executive Council cycle of meetings	11	11	11
Number of Executive Council memoranda analysed	100	90	80
Number of records of Executive Council resolutions Executive Council cycle meetings	11	11	11
Number of Executive Council Support Forum meetings held	4 (1 per quarter)	4 (1 per quarter)	4 (1 per quarter)
Number of Legislature Programmes tabled at Executive Council meetings	4 (1 per quarter)	4 (1 per quarter)	4 (1 per quarter)
Number of reports on questions in the legislature tabled at Executive Council	4 (1 per quarter)	4 (1 per quarter)	4 (1 per quarter)

### Targeted Groups

Performance Measures	Estimated Annual Targets		
	2014/15	2015/16	2016/17
Number of GEYODI policy frameworks developed and implemented	3	3	3
Number GEYODI MTSF developed	GEYODI MTSF frameworks developed	GEYODI MTSF frameworks implemented	GEYODI MTSF frameworks implemented
Number of GEYODI POA developed	1	1	1
Number of economic opportunities interventions implemented	20	20	20
Number of GPG head office buildings accessibility improvement facilitated	6	12	14
Number of GBV interventions facilitated	3 GBV forums revived. GBV POA ward based GBV activities	6 forums revived. GBV POA ward based GBV activities	9 forums revived. GBV POA ward based GBV activities
Number of GEYODI monthly, quarterly POA analysed reports developed	16 monthly, quarterly GEYODI POA analyses developed	16 monthly, quarterly GEYODI POA analyses developed	16 monthly, quarterly GEYODI POA analyses developed
Number of annual GEYODI POA developed	1	1	1
Number of Research studies completed	3 studies (1 per programme)	3 studies (1 per programme)	3 studies (1 per programme)
Number of partnership implemented in line with GEYODI priorities	10 partnerships facilitated to implement projects and programmes to benefit women, youth and people with disabilities	10 partnerships facilitated to implement projects and programmes to benefit women, youth and people with disabilities	10 partnerships facilitated to implement projects and programmes to benefit women, youth and people with disabilities
Number of advocacy programs implemented	4 (1 per quarter)	4 (1 per quarter)	4 (1 per quarter)
Number of GEYODI awards coordinated	Gauteng youth award launch facilitated	1 GEYODI award facilitated	1 GEYODI award facilitated
Number of GEYODI media products produce	3 GEYODI policy booklets distributed	3 GEYODI policy booklets printed (1 per program	-
	GEYODI portal established	GEYODI portal maintained	GEYODI portal maintained
	3 GEYODI directory of services developed	3 GEYODI directory of services printed and distributed	3 GEYODI directory of services distributed
Number of young women participating in the mentorship program (YWDP)	500	500	500
Number of mentors participating in the mentorship program (YWDP)	500	500	500
Number of YWDP regional workshops conducted	10	10	10

Performance Measures	Estimated Annual Targets		
	2014/15	2015/16	2016/17
Number of YWDP portal developed	1 YWDP web based portal and database developed		
Number of GEYODI training sessions conducted	3	3	3
Number of GEYODI forums with civil society	12	12	12

**Stakeholder Relations, Intergovernmental Relations and International Relations**

Performance Measures	Estimated Annual Targets		
	2014/15	2015/16	2016/17
Approved Social Compact Model	Approved consolidated social compact model	Annual consolidated social compact plan	Annual consolidated social compact plan
Number of reports on the implementation of the social compact plan	Annual report on the implementation of the social compact plan	Annual report on the implementation of the social compact plan	Annual report on the implementation of the social compact plan
Number of reports on provincial inputs to the African Peer Review Mechanism	Annual report on provincial inputs to the African Peer Review Mechanism	Annual report on provincial inputs to the African Peer Review Mechanism	Annual report on provincial inputs to the African Peer Review Mechanism
Approved International Relations Programme	Approved Annual International Relations Programme	Approved Annual International Relations Programme	Approved Annual International Relations Programme
Number of reports on the implementation of the International Relations Programme	4 (1 per quarter)	4 (1 per quarter)	4 (1 per quarter)
Number of status reports on Sisterhood Agreements	1 p.a.	1 p.a.	1 p.a.
Approved Intergovernmental Relations Programme	Annual Intergovernmental Relations Programme approved by EXCO	Annual Intergovernmental Relations Programme approved by EXCO	Annual Intergovernmental Relations Programme approved by EXCO
Approved annual Premier's coordination forum programme	Approved annual Premier's coordination forum programme	Approved annual Premier's coordination forum programme	Approved annual Premier's coordination forum programme
Number of agendas set for PCF meetings	4 (1 per quarter)	4 (1 per quarter)	4 (1 per quarter)
Approved records of resolutions for PCF meetings	Approved record of resolutions for quarterly PCF meetings	Approved record of resolutions for quarterly PCF meetings	Approved record of resolutions for quarterly PCF meetings
Number of reports on implementation of the IGR programme	4 (1 per quarter)	4 (1 per quarter)	4 (1 per quarter)

**Service Delivery**

Performance Measures	Estimated Annual Targets		
	2014/15	2015/16	2016/17
Number of monitoring reports on the implementation of the Service Delivery Improvement Programme	1 submitted to the DPSA	1 submitted to the DPSA	1 submitted to the DPSA
Number of Service Delivery Excellence Awards hosted	1	1	1
Number of monitoring reports on the implementation of the Gauteng Anti-corruption Programmes	12 (1 per month)	12 (1 per month)	12 (1 per month)
Approved reviewed Anti-Corruption Strategic Framework	EXCO approved reviewed Anti-Corruption Strategic Framework		

**Public Liaison Hotline**

Performance Measures	Estimated Annual Targets		
	2014/15	2015/16	2016/17
Number of sets of guidelines and training for all users	1	1	1
Signed Memorandum of Understanding (MoU)	Signed MoU with all GPG entities on the responsive timeframes	Signed MoU with all GPG entities on the responsive timeframes	Signed MoU with all GPG entities on the responsive timeframes
Percentage of Hotline customer service requests handled and resolved at first line support	65%	68%	71%
Percentage of Hotline calls answered within 20 seconds	80%	90%	90%
Percentage of escalated call responded to within given timeline	90% Compliance to providing customer feedback within 3 working days	93% Compliance to providing customer feedback within 3 working days	96% Compliance to providing customer feedback within 3 working days
Percentage of escalated cases resolved within stated number of working days	90% of escalated cases resolved within 60 working days	95% of escalated cases resolved within 60 working days	98% of escalated cases resolved within 60 working days
Number of updates of the Information Portal on developments in Gauteng province	1 000	1 100	1 200

## 9. OTHER PROGRAMME INFORMATION

### 9.1 Personnel numbers and costs

TABLE 1.11: PERSONNEL NUMBERS AND COSTS:OFFICE OF THE PREMIER

Personnel numbers	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	As at 31 March 2017
1. Administration	101	121	101	95	104	104	100
2. Institutional Development	121	101	134	123	120	128	128
3. Policy & Governance	88	48	43	76	76	76	76
<b>Total departmental personnel numbers</b>	<b>310</b>	<b>270</b>	<b>278</b>	<b>294</b>	<b>300</b>	<b>308</b>	<b>304</b>
Total provincial personnel cost (R thousand)	99 587	105 615	104 612	131 877	156 343	170 601	179 927
Unit cost (R thousand)	321	387	376	449	521	554	584

TABLE 1.12: SUMMARY OF DEPARTMENTAL PERSONNEL NUMBERS AND COSTS

	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Total for department</b>									
Personnel numbers (head count)	310	270	278	294	294	294	300	308	304
Personnel cost (R thousands)	99 587	105 615	104 612	146 341	131 875	131 877	156 343	170 601	179 927
<b>Human resources component</b>									
Personnel numbers (head count)	45	43	44	47	48	48	48	48	48
Personnel cost (R thousands)	9 869	1 442	12 702	12 235	12 847	12 847	12 847	12 847	13 528
Head count as % of total for department	15%	16%	16%	16%	16%	16%	16%	16%	16%
Personnel cost as % of total for department	10%	1%	12%	8%	10%	10%	8%	8%	8%
<b>Finance component</b>									
Personnel numbers (head count)	32	27	30	31	31	31	31	31	31
Personnel cost (R thousands)	7 681	9 459	14 368	15 087	15 841	15 841	15 841	15 841	16 681
Head count as % of total for department	10%	10%	11%	11%	10%	10%	10%	10%	10%
Personnel cost as % of total for department	8%	9%	14%	10%	12%	12%	10%	9%	9%
<b>Full time workers</b>									
Personnel numbers (head count)	310	246	252	294	294	294	300	308	304
Personnel cost (R thousands)	99 587	105 615	104 612	146 341	131 875	131 877	156 343	170 601	179 927
Head count as % of total for department	100%	100%	100%	100%	100%	100%	100%	100%	100%
Personnel cost as % of total for department	100%	100%	100%	100%	100%	100%	100%	100%	100%
<b>Part-time workers</b>									
Personnel numbers (head count)									
Personnel cost (R thousands)									
Head count as % of total for department									
Personnel cost as % of total for department									
<b>Contract workers</b>									
Personnel numbers (head count)		24	26						
Personnel cost (R thousands)		14 760	13 319						
Head count as % of total for department		9%	9%						
Personnel cost as % of total for department		14%	13%						



Tables 1.11 and 1.12 above provide detailed information on personnel numbers and costs of the department and the breakdown in terms of components (Human Resource, Finance, part time workers, and contract workers). The personnel budget increases from R99.5 million in the 2010/11 financial year to R104.6 million in the 2012/13 financial year mainly due to the carry through costs of improvement of condition of service and inflation.

Personnel cost increased from R104.6 million in 2012/13 to R156.3 million in 2014/15. This is due to a number of critical posts that need to be filled and completed in 2014/15. Increase in personnel cost over the MTEF is due to the continuation of the operationalisation of the structure. The personnel cost and number provided in the revised column indicate the current posts filled, and personnel cost to date. Personnel numbers reflect an insignificant growth over the MTEF and mainly relate to the critical posts to be filled in GPC and Cabinet Services. The growth in personnel numbers and cost under Provincial Policy is in line with the Department's plans to build the requisite capacity in the GPC unit.

## 9.2 Training

TABLE 1.13: PAYMENTS ON TRAINING: OFFICE OF THE PREMIER

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>1. Administration</b>	<b>1</b>		<b>50</b>	<b>100</b>	<b>100</b>	<b>100</b>			
Subsistence and travel									
Payments on tuition	1		50	100	100	100			
Other									
<b>2. Institutional Development</b>	<b>368</b>	<b>1 020</b>	<b>842</b>	<b>760</b>	<b>760</b>	<b>760</b>	<b>850</b>	<b>896</b>	<b>943</b>
Subsistence and travel									
Payments on tuition	368	1 020	842	760	760	760	850	896	943
Other									
<b>3. Policy &amp; Governance</b>		<b>17</b>	<b>1 370</b>				<b>500</b>		
Subsistence and travel		17	1 370				500		
Payments on tuition									
Other									
<b>Total payments on training</b>	<b>369</b>	<b>1 037</b>	<b>2 262</b>	<b>860</b>	<b>860</b>	<b>860</b>	<b>1 350</b>	<b>896</b>	<b>943</b>

Training of employees is one of the important priorities in order to build human capital so that service delivery can be driven effectively and efficiently. Training constitute group of items that provide details of staff development and the related costs in terms of the development of training material and manuals for in-house training and development. The table above provides detailed information for payments on training by programme. Expenditure on training shows an increase of R980 000 from R369 000 in 2010/11 to R1.4 million in 2014/15. In 2014/15 the department has adjusted the training budget up by R490 000 to cater for the specialised training for officials in the Cabinet Office unit on Protocol training.

Training has declined over the outer year when compared to 2014/15 financial year due to the fact that specialised training to be undertaken in programme three will only be conducted as and when the need arises and when new employees are appointed, depending on the numbers. Training is centralised in Programme 2: Institutional Support under Strategic HR, however training allocated in Programme 2 is meant for special training. Payment in training in Programme 1 is discontinued due to centralisation of training in Programme 2.

TABLE 1.14: INFORMATION ON TRAINING: OFFICE OF THE PREMIER

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Number of staff	310	270	278	294	294	294	300	308	304
Number of personnel trained	101	101	122	134	134	134	155	160	175
Male	33	33	60	67	67	67	70	60	75
Female	68	68	62	67	67	67	85	100	100
Number of training opportunities	26	34	183	202	202	202	200	245	160
Tertiary	26	34	37	42	42	42	40	45	55

**Vote 1 - Office of the Premier • EPRE - 2014/15**

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Workshops							5	7	9
Seminars									
Other	10.7	1.33	146	160	160	160	155	193	96
Number of bursaries offered		29	24	30	30	30	35	40	45
Number of interns appointed		27	18	25	25	25	30	35	40
Number of learnerships appointed		1							
Number of days spent on training		181	69	200	200	200	225	240	255

The table above provides detailed information on training related to gender, training opportunities and bursaries offered to employees. The department projects an increase in the total number of employees to be trained in 2014/15 to 155, when compared to 134 employees trained in 2013/14. The increase is due to the additional personnel numbers transferred from the Department of Economic Development as a result of function shift.

The OoP conducts a number of formal and certificate programmes to support public service staff. This includes awarding of bursaries to individuals working for the Office of the Premier. The number of staff members planned to be trained by the department increases from 134 in 2013/14 to 175 in 2016/17.

The department currently offers bursaries to internal employees in the Office of the Premier. The number of bursaries will increase from 30 in 2013/14 to 45 in the 2016/17 financial year, thus reducing the skills gap.

A total of 25 interns were appointed during the 2013/14 financial year and this number will increase to 40 in 2016/17. The internship programme will give students relevant experience and exposure in their relevant fields.

# **ANNEXURES TO ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE**

# Vote 1 - Office of the Premier • EPRE - 2014/15

TABLE 1.15: SPECIFICATION OF RECEIPTS: OFFICE OF THE PREMIER

R thousand	Outcome			Main	Adjusted	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Tax receipts</b>									
Casino taxes									
Horse racing taxes									
Liquor licences									
Motor vehicle licences									
<b>Sales of goods and services other than capital assets</b>	<b>38</b>	<b>34</b>	<b>189</b>	<b>180</b>	<b>319</b>	<b>319</b>	<b>400</b>	<b>420</b>	<b>442</b>
Sale of goods and services produced by department (excluding capital assets)	<b>38</b>	<b>34</b>	<b>189</b>	<b>180</b>	<b>319</b>	<b>319</b>	<b>400</b>	<b>420</b>	<b>442</b>
Sales by market establishments	38	34	189	180	319	319	400	420	442
Administrative fees									
Other sales									
Sales of scrap, waste, arms and other used current goods (excluding capital assets)									
<b>Transfers received from:</b>									
Other governmental units									
Higher education institutions									
Foreign governments									
International organisations									
Public corporations and private enterprises									
Households and non-profit institutions									
<b>Fines, penalties and forfeits</b>									
<b>Interest, dividends and rent on land</b>	<b>18</b>	<b>3</b>	<b>1</b>	<b>10</b>	<b>20</b>	<b>20</b>	<b>30</b>	<b>32</b>	<b>34</b>
Interest	18	3	1	10	20	20	30	32	34
Dividends									
Rent on land									
<b>Sales of capital assets</b>									
Land and sub-soil assets									
Other capital assets									
<b>Transactions in financial assets and liabilities</b>	<b>641</b>	<b>428</b>	<b>87</b>		<b>226</b>	<b>226</b>			
<b>Total departmental receipts</b>	<b>697</b>	<b>465</b>	<b>277</b>	<b>190</b>	<b>565</b>	<b>565</b>	<b>430</b>	<b>452</b>	<b>476</b>

TABLE 1.16: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>60 744</b>	<b>63 031</b>	<b>70 990</b>	<b>76 103</b>	<b>86 154</b>	<b>86 017</b>	<b>95 385</b>	<b>93 431</b>	<b>98 649</b>
Compensation of employees	33 292	38 284	37 951	36 104	46 039	46 040	50 321	52 894	55 690
Salaries and wages	29 877	34 504	32 791	31 722	40 584	38 931	44 295	46 919	49 399
Social contributions	3 415	3 780	5 160	4 382	5 455	7 109	6 026	5 975	6 292
Goods and services	27 452	23 638	33 039	39 999	40 115	39 977	45 064	40 537	42 958
Administrative fees	208	33	33	47	81	81	45	46	48
Advertising	1 706	913	262	259	259	259	255	269	283
Assets less than the capitalisation threshold	79	150	653	137	167	167	517	171	180
Audit cost: External	1 489	1 848	1 518	2 000	2 000	2 000	2 090	2 204	2 321
Bursaries: Employees									
Catering: Departmental activities	569	1 476	1 022	926	984	984	786	812	855
Communication (G&S)	2 979	3 343	4 538	3 215	3 371	3 371	4 250	3 894	4 100
Computer services	15								

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Consultants and professional services: Business and advisory services	5 837	3 691	1 100	1 268	1 572	1 572	6 265	1 396	1 470
Consultants and professional services: Infrastructure and planning									
Consultants and professional services: Laboratory services									
Consultants and professional services: Scientific and technological services									
Consultants and professional services: Legal costs		81		450	450	450	50	53	56
Contractors	21	411	158	457	300	300	428	396	417
Agency and support / outsourced services									
Entertainment	46	427	23	305	305	305	200	53	56
Fleet services (including government motor transport)				10 948	10 948	10 948	7 152	9 411	9 910
Housing									
Inventory: Clothing material and accessories				460	420	420	50		
Inventory: Farming supplies									
Inventory: Food and food supplies	88	152	216	150	104	104			
Inventory: Fuel, oil and gas	138	57	98						
Inventory: Learner and teacher support material									
Inventory: Materials and supplies			5	5	5	6			
Inventory: Medical supplies									
Inventory: Medicine									
Medsas inventory interface									
Inventory: Other supplies									
Consumable supplies	316	5	417	843	646	647	584	570	600
Consumable: Stationery, printing and office supplies	779	1 268	2 312	2 437	2 441	2 111	1 551	2 629	2 768
Operating leases	1 750	1 510	2 702	2 376	2 580	2 580	3 700	2 616	2 755
Property payments	2 083	2 974	7 955	3 942	3 628	3 846	5 406	4 706	4 955
Transport provided: Departmental activity									
Travel and subsistence	7 801	3 655	7 649	7 423	7 357	7 330	8 362	7 761	8 172
Training and development	1			100	35	35	150		
Operating payments			188	5		(1)	2	2	2
Venues and facilities	1 547	1 644	2 190	2 246	2 462	2 462	3 221	3 548	4 009
Rental and hiring									
Interest and rent on land		1 109							
Interest		1 109							
Rent on land									
<b>Transfers and subsidies</b>		<b>246</b>	<b>1 249</b>		<b>51</b>	<b>77</b>			
Provinces and municipalities									
Provinces									
Non-profit institutions		50							
Households		196	1 249		51	77			
Social benefits		109			21	21			
Other transfers to households		87	1 249		30	56			
<b>Payments for capital assets</b>	<b>109</b>	<b>3 035</b>	<b>968</b>	<b>1 112</b>	<b>1 463</b>	<b>1 463</b>	<b>687</b>	<b>825</b>	<b>869</b>
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	109	3 035	968	1 112	1 463	1 463	687	825	869
Transport equipment		2 376							
Other machinery and equipment	109	659	968	1 112	1 463	1 463	687	825	869

**Vote 1 - Office of the Premier • EPRE - 2014/15**

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>	<b>25</b>	<b>169</b>	<b>34</b>			<b>111</b>			
	25	169	34			111			
<b>Total economic classification</b>	<b>60 878</b>	<b>66 481</b>	<b>73 241</b>	<b>77 215</b>	<b>87 668</b>	<b>87 668</b>	<b>96 072</b>	<b>94 256</b>	<b>99 518</b>

**TABLE 1.17: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: INSTITUTIONAL DEVELOPMENT**

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2015/16
<b>Current payments</b>	<b>76 657</b>	<b>89 128</b>	<b>102 752</b>	<b>104 143</b>	<b>126 594</b>	<b>197 159</b>	<b>122 343</b>	<b>126 521</b>	<b>133 231</b>
Compensation of employees	29 309	37 125	41 423	46 020	46 019	46 020	57 021	60 286	63 485
Salaries and wages	25 531	32 460	36 899	41 460	40 096	40 860	49 913	52 800	55 602
Social contributions	3 778	4 665	4 524	4 560	5 923	5 160	7 108	7 486	7 883
Goods and services	47 348	52 003	61 329	58 123	80 575	151 139	65 322	66 235	69 745
Administrative fees	123	148	539	50	1			37	39
Advertising	28 515	20 554	25 298	21 440	29 686	29 686	24 914	26 319	27 714
Assets less than the capitalisation threshold	164	57	58	116	116	110	192	202	213
Audit cost: External									
Bursaries: Employees	212	206	375	425	374	374	450	471	496
Catering: Departmental activities	237	579	2 268	1 855	3 591	3 672	2 883	2 469	2 600
Communication (G&S)	299	656	167	636	274	274	674	713	751
Computer services	993	1 049	273	3 886	2 128	2 128	4 471	4 712	4 962
Consultants and professional services: Business and advisory services	736	2 521	6 043	11 515	8 150	7 525	7 144	7 022	7 394
Consultants and professional services: Infrastructure and planning									
Consultants and professional services: Laboratory services									
Consultants and professional services: Scientific and technological services									
Consultants and professional services: Legal costs	174	289	84	276	356	588	300	474	499
Contractors	122	142	941	280	811	811	225	237	250
Agency and support / outsourced services		5 919	3 779		7 032	77 726			
Entertainment	1	2				290			
Fleet services (including government motor transport)									
Housing									
Inventory: Clothing material and accessories					55	55			
Inventory: Farming supplies									
Inventory: Food and food supplies	59								
Inventory: Fuel, oil and gas									
Inventory: Learner and teacher support material									
Inventory: Materials and supplies									
Inventory: Medical supplies									
Inventory: Medicine									
Medsas inventory interface									

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Inventory: Other supplies									
Consumable supplies	7	64	91	33	39	39	39	4	4
Consumable: Stationery, printing and office supplies	6 328	6 542	9 184	9 615	12 645	12 419	11 054	11 506	12 116
Operating leases			309						
Property payments	814	1 207	778	1 563	1 563	1 688	1 631	1 730	1 822
Transport provided:									
Departmental activity				240	240	285	653	583	614
Travel and subsistence	1 605	1 298	996	775	600	555	924	1 073	1 130
Training and development	368	1 020	884	760	820	820	1 210	896	943
Operating payments	82	1 346	1 127	315	315	315	400	369	389
Venues and facilities	6 509	8 404	8 135	4 343	11 779	11 779	8 158	7 418	7 811
Rental and hiring									
Interest and rent on land									
Interest									
Rent on land									
<b>Transfers and subsidies</b>	<b>26</b>	<b>69</b>	<b>41</b>	<b>37 549</b>	<b>37 686</b>				
Provinces and municipalities									
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities									
Municipal bank accounts									
Municipal agencies and funds									
Departmental agencies and accounts									
Social security funds									
Departmental agencies (non-business entities)									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises					37 500	37 500			
Public corporations					37 500	37 500			
Subsidies on products and production (pc)									
Other transfers to public corporations					37 500	37 500			
Private enterprises									
Subsidies on products and production (pe)									
Other transfers to private enterprises									
Non-profit institutions									
Households	26	69	41		49	186			
Social benefits	26	69	41		49	186			
Other transfers to households									
<b>Payments for capital assets</b>	<b>6 445</b>	<b>1 726</b>	<b>2 122</b>	<b>1 925</b>	<b>4 251</b>	<b>4 251</b>	<b>2 027</b>	<b>2 130</b>	<b>2 243</b>
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	6 445	1 726	2 034	1 925	4 251	4 251	2 027	2 130	2 243
Transport equipment									
Other machinery and equipment	6 445	1 726	2 034	1 925	4 251	4 251	2 027	2 130	2 243
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									

Vote 1 - Office of the Premier • EPRE - 2014/15

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Software and other intangible assets			88						
<b>Payments for financial assets</b>									
Thefts and losses									
<b>Total economic classification</b>	<b>83 128</b>	<b>90 923</b>	<b>104 915</b>	<b>106 068</b>	<b>168 394</b>	<b>239 096</b>	<b>124 370</b>	<b>128 651</b>	<b>135 474</b>

TABLE 1.18: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: POLICY AND GOVERNANCE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2015/16
<b>Current payments</b>	<b>56 681</b>	<b>57 808</b>	<b>45 410</b>	<b>101 673</b>	<b>73 961</b>	<b>73 898</b>	<b>84 444</b>	<b>98 651</b>	<b>104 167</b>
Compensation of employees	36 986	30 206	25 238	64 217	39 817	39 817	49 001	57 421	60 751
Salaries and wages	32 821	26 810	22 729	59 837	36 527	34 437	44 705	54 370	57 539
Social contributions	4 165	3 396	2 509	4 380	3 290	5 380	4 296	3 051	3 213
Goods and services	19 695	27 588	20 172	37 456	34 144	34 081	35 443	41 230	43 415
Administrative fees	1	2							
Advertising	1 701	5 904	1 144	2 030	3 075	3 075	1 085	2 393	2 520
Assets less than the capitalisation threshold	50	21				10			
Audit cost: External									
Bursaries: Employees	4	5							
Catering: Departmental activities	323	1 103	1 813	3 347	3 637	3 637	3 210	3 491	3 676
Communication (G&S)	123	132	6	100	20	20	100		
Computer services			40						
Consultants and professional services: Business and advisory services	5 679	7 215	7 659	17 955	13 985	13 985	17 431	14 737	15 518
Consultants and professional services: Infrastructure and planning									
Consultants and professional services: Laboratory services									
Consultants and professional services: Scientific and technological services									
Consultants and professional services: Legal costs		332							
Contractors	22	1	19						
Agency and support / outsourced services		7							
Entertainment	1								
Fleet services (including government motor transport)						(63)			
Housing									
Inventory: Clothing material and accessories									
Inventory: Farming supplies									
Inventory: Food and food supplies	102	16							
Inventory: Fuel, oil and gas									
Inventory: Learner and teacher support material									
Inventory: Materials and supplies	7	5							
Inventory: Medical supplies									
Inventory: Medicine									
Medsas inventory interface									
Inventory: Other supplies									



R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Consumable supplies	4			520	20	20	6		
Consumable: Stationery, printing and office supplies	1 042	3 693	760	2 138	1 595	1 575	1 611	790	832
Operating leases	95	248	6		170	170			
Property payments	8 161	10							
Transport provided:									
Departmental activity			770	931	931	931	956	986	1 038
Travel and subsistence	1 163	2 947	3 653	4 178	3 602	3 612	4 396	7 544	7 944
Training and development		17	552		8	8	100		
Operating payments		92	22	100	100	100	100		
Venues and facilities	1 217	5 838	3 728	6 158	7 002	7 001	6 448	11 289	11 887
Rental and hiring									
Interest and rent on land		14							
Interest		14							
Rent on land									
<b>Transfers and subsidies</b>	<b>9 680</b>	<b>10 750</b>	<b>12 459</b>	<b>11 762</b>	<b>12 760</b>	<b>12 823</b>	<b>12 397</b>	<b>13 005</b>	<b>13 694</b>
Provinces and municipalities									
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities									
Municipal bank accounts									
Municipal agencies and funds									
Departmental agencies and accounts									
Social security funds									
Departmental agencies (non-business entities)									
Higher education institutions	9 680	10 648	12 422	11 762	12 760	12 760	12 397	13 005	13 694
Foreign governments and international organisations									
Public corporations and private enterprises									
Public corporations									
Subsidies on products and production (pc)									
Other transfers to public corporations									
Private enterprises									
Subsidies on products and production (pe)									
Other transfers to private enterprises									
Non-profit institutions									
Households		102	37			63			
Social benefits		102	37			63			
Other transfers to households									
<b>Payments for capital assets</b>	<b>112</b>	<b>132</b>	<b>2 932</b>						
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	112	132	2 932						
Transport equipment			2 932						
Other machinery and equipment	112	132							

# Vote 1 - Office of the Premier • EPRE - 2014/15

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>									
Thefts and losses									
<b>Total economic classification</b>	<b>66 473</b>	<b>68 690</b>	<b>60 801</b>	<b>113 435</b>	<b>86 721</b>	<b>86 721</b>	<b>96 841</b>	<b>111 656</b>	<b>117 861</b>

# VOTE 2

## GAUTENG PROVINCIAL LEGISLATURE

To be appropriated by Vote in 2014/15	R521 571 000
Responsible Executive Authority	Speaker of Gauteng Provincial Legislature
Administering Institution	Gauteng Provincial Legislature
Accounting Officer	Secretary to the Gauteng Provincial Legislature

### 1. OVERVIEW

#### Vision

Fostering public pride and confidence in democracy and enhancing government's ability to deliver services to the people of Gauteng.

#### Mission

In observing its constitutional obligations, Gauteng Provincial Legislature (GPL) will:

- Be a modern, dynamic African Legislature of the 21st century;
- Be a caring, responsive, activist and transformative legislature;
- Reflect the values, aspirations and cultures of the South African People;
- Be the most competent, accessible, transparent and accountable Legislature;
- Foster ethical and good governance;
- Attract, develop and retain skilled and professional staff;
- Create a conducive working environment for all diverse groups; and
- Recognise staff contributions, reward their achievements, and provide a stimulating environment.

#### Strategic goals

- Improved accountability by the executive to the legislature in respect of service delivery;
- Improved empowerment of the people of Gauteng to participate in the Legislature business;
- Improved quality of laws passed that are responsive to the needs of the people of Gauteng;
- Strengthened Gauteng Provincial Legislature role in fostering Co-operative Governance; and
- Improved public confidence in the governance and leadership of the legislature.

#### Acts, rules and regulations

The GPL's legislative power originates from section 114 of the Constitution. This charges it with the responsibility to pass, amend and reject any bill before it. It may even initiate or prepare legislative bills.

Some of the key legislative mandates are embedded in the following:

- Chapter 3 of the Constitution;
- Section 114 of the Constitution;
- Section 142 of the Constitution;
- Financial Management of Gauteng Provincial Legislature Bill, 2009;
- Political Party Fund Act, 2007;
- The 2002 Second King Commission Report on Corporate Governance in South Africa;
- Preferential Procurement Framework Act, No 5 of 2000;
- The Promotion of Access to information Act, No 2 of 2000;
- Public Finance Management Act, 1999; and
- The Gauteng Provincial Legislature Service Act, No.5 of 1966.

### **Main services to be delivered by the Legislature**

The core mandate of the GPL is: facilitating law making; ensuring public participation in the legislative processes; and exercising oversight over the executive and the organs of the state. The GPL is also responsible for furthering cooperative governance between provincial, national and local legislative institutions.

## **2. REVIEW OF THE CURRENT FINANCIAL YEAR (2013/14)**

The Legislature has accelerated its political mandate of ensuring increased public participation and representing a democratic institution, ready to discharge its key role in social transformation by promoting active public participation in its core activities, to ensure that the people's views and needs are addressed and implemented into reality. During the financial year under review, the GPL also strengthened its role of effectively holding the executive accountable, and that of ensuring effective law making processes. Notable achievements in the 2013/14 financial year include:

### **Facilitating law making**

To ensure improved qualities of laws passed that are responsive to the needs of the people of Gauteng, the Institution has adopted the following bills: Gauteng Provincial Appropriation Bill and the Gauteng Archives and Records Services Bill. In addition, the Gauteng Liquor Bill was introduced during the period under review and will be reviewed by the house to ensure that the needs of the citizens are taken into consideration. In ensuring effective facilitation of oversight on the implementation of legislation by the executive, the Draft Money Bills Amendment Procedure and Related Matters Legislation has been produced and is currently undergoing a consultation process before adoption. The Health Committee successfully considered and adopted the Mental Health Amendment Bill [B39-2012].

During the 2013/14 financial year, the GPL also ensured improved collaboration between GPL and the National Council of Provinces (NCOP) programmes by providing qualitative support to the NCOP activities. The GPL rules were reviewed and adopted by rules committee.

### **Oversight over the executive and organs of the state**

The GPL has an obligation to hold the Executive accountable through vigorous oversight and scrutiny, as stipulated in the Constitution. The Executives are expected to provide the GPL with regular and full reports on matters they are responsible for.

In ensuring the implementation of the province's legislation in the best interest of the people, the Institution has monitored and assessed compliance with Programme Evaluation and Budget Analysis (PEBA) by means of conducting Chairperson's review sessions. All quarterly oversight reports were considered and adopted by the Portfolio committee. To ensure increased implementation of the petitions system, the GPL has made tremendous improvements in awareness creations and turnaround times, through workshops on the integrated petitions system and hearings with all affected parties. Committees held public engagements, which were conducted across all Gauteng regions, as part of putting into action the commitment of the GPL to take the legislature to the people of Gauteng. These included adjudication of 19 petitions by the Petitions Standing Committee during external hearings, and the Social Development Committee oversight visits to two schools and Imbizo on Social Services in the City of Johannesburg. In addition, to enhance public participation in oversight processes of the GPL, the Health Committee and Community Safety Committee held the budget process in Sebokeng and Soweto respectively. In addition, the Health Committee conducted announced oversight visits at Pretoria District hospital in October to assess the state of readiness in terms of the NHI as this particular hospital is part of the Pilot project for the National Health Insurance (NHI) in the Country.

The Standing Committee on Public Accounts, (SCOPA) also conducted hearings with the following departments: Human Settlements; Cooperative Governance and Traditional Affairs; Infrastructure Development; Economic Development; and Community Safety in enhancing the oversight over the organs of the state.

### **Public participation**

In enhancing public participation in all law making processes of the GPL, the Institution held public hearings on Provincial Bills and four National Council of Provinces (NCOP) Bills, namely: the Spatial Planning and Land Use Management Bill; the Mental Health Amendment Bill; the Division of Revenue Bill (DoRB); the Tourism Bill; and the Gauteng Liquor Bill during the period under review.

Various public participation activities have been undertaken by the Institution in the format of workshops, stakeholder engagements, summits, road shows, round table discussions and campaigns in support of oversight processes of the GPL. These include the advertorials in various print media, community, regional and national radio station interviews, electronic post alerts and exhibitions across the regions of Gauteng, with educational messages for the people of the province, on how to better interact with the legislature. A total of 12 petitions were submitted and registered in the system as a result of the public education and awareness campaign, which also aims to have a great impact on alleviating unwanted protests in the province in relation to service delivery issues. The hearings conducted by the Petitions Committee have been very effective in bringing together relevant stakeholders, providing feedback, and improving the turnaround times for the resolution of petitions.

In the period under review the Petitions Standing Committee successfully conducted internal and external hearings, and a petitions seminar and workshop. Community Development Workers and representatives from three municipalities, namely: City of Tshwane, Mogale City and Emfuleni Municipality, attended. The Petitions Standing Committee also succeeded in referring 700 RDP petition queries to the Department of Human Settlement for responses.

The Legislature continued to focus on public participation programmes that seek to improve interaction between the Institution and the citizens of the province. Public participation is key to reinforcing the trust of the people of Gauteng, thus the integration of our stakeholders into the initiatives of the Institution is crucial. The Institution recorded significant achievements in response to its mandate of promoting meaningful public participation, as well as implementing the GPL collaboration strategy. The GPL notion of 'taking parliament to the people' has been put into action, as indicated by the increasing hosting of GPL sector parliaments across the regions of Gauteng. The following events and sector parliaments were taken to the people of Gauteng as follows:

- Community Safety successfully convened a Bua Le Sechaba Campaign in Wattville Youth Centre in Benoni, during October 2013 to assess the role of the Department of Community Safety in promoting community involvement in the fight against crime: Community Police Forum and Patroller Programme.
- In ensuring and encouraging public participation in the Legislature processes, the Institution has successfully rolled-out the education programs. During October, Education Committee conducted a stakeholder workshop on teen pregnancy, drug and alcohol abuse and bullying. In addition, a total of 140 public workshops were conducted across all regions of Gauteng.
- The Youth Parliament was held in June in Newlands by the Education Portfolio Committee to deliberate on issues of youth development.
- The GPL held Women's Parliament in August 2013 in Mamelodi as part of taking Legislature to the people to ensure increased implementation of public participation to support the budget process. A total of 1300 women were directly reached and addressed by various stakeholders from the GPL, Department of Justice and Constitutional Development Gender Directorate and Speaker of the City of Tshwane.
- The Institution held sector parliaments for Senior Citizens, Persons with Disabilities as well as a consultative session with Gays and Lesbians. The engagements enabled the GPL to consult and consolidate its relations with the targeted stakeholders.

### **Public Education**

In ensuring and encouraging public participation in the Legislature processes, the Institution has successfully rolled out the education programs. The public education programme comprises of the public education workshops, public outreach workshops, school programme, budget training workshops, sector parliaments and Bua le Sechaba. The one-day public education workshops were held to inform and educate citizens about the processes of the Legislature. Communities were educated to participate in the Bua le Sechaba sessions, in which the Committee engages with the communities regarding pertinent issues. The sector parliament achievements are stated below.

### **Youth Parliament**

The Youth Parliament was held in June in Newlands by the Education Portfolio Committee to deliberate on issues of youth development.

### **Women's Parliament**

To ensure increased implementation of public participation in supporting the budget process, the GPL held Women's Parliament in August 2013 in Mamelodi, as part of taking Legislature to the people. A total of 1300 women were directly reached and addressed by various stakeholders from the GPL, Department of Justice and Constitutional Development, Gender Directorate, and Speaker of the City of Tshwane.

### **Disestablishing the fourth Legislature and establishing the fifth Legislature**

Plans are currently underway to implement the project and it is anticipated that it will be completed before the end of the current financial year. The project pertains to procedural requirements for the exits of the 4<sup>th</sup> legislature and the introduction of the 5<sup>th</sup> legislature.

### **Speakers' Forum**

During the period under review, the GPL continues to strengthen the relationship between the Speakers through the implementation of Legislature Sector programmes in establishing uniform norms and standards governing the sector. The project aims to formalise the working relationship between the Speakers; coordinate work in areas of common interest; and develop a common understanding from shared experience, from which a legislative sector evolves. The project also aims to help with capacity building programs for local councils through the offices of Speakers. The Forum also aims to create opportunity for the implementation of Provincial Legislative Sector programmes, and to establish uniform norms and standards governing the Sector.

### **Stakeholder relations**

In accordance with the Public Participation strategy, mobilisation in the GPL is underpinned by strategic partnerships with Parliamentary Constituency Offices, Community Development Workers, Municipality Public Participation Offices, Community Based Organisations, Non-Governmental Organisations, Ward Committees and most importantly, collaboration with Community Mobilisers who are volunteers from different communities across Gauteng.

The Petitions Standing Committee held its annual seminar on "Reinforcing Petitions System as a tool for effective Service Delivery". The Gauteng Municipalities, the Public Service Commissioner, and the South African Local Government Association (SALGA) attended the seminar. In addition, Community Safety Committee had a door-to-door campaign on drug and substance abuse in Alexandra on 18 May 2013.

Overall, public participation and stakeholder mobilisation to GPL oversight activities has improved. This includes enhanced relations between committees, professional bodies and other relevant organisations.

### **Infrastructure**

To ensure improved facilities for effective law-making, oversight and public participation, the project of installation of the a lift and air-conditioner in the City Hall is currently underway and will be completed in the last quarter of the 2013/14 financial year. The Installation of the other two lifts in the West wing and the Business Intelligence projects have been decommissioned due to budget constraints and reprioritisation processes.

## **3. OUTLOOK FOR THE COMING FINANCIAL YEAR (2014/15)**

In the 2014/15 financial year, the GPL will continue to focus on key projects and programmes that contribute to the execution of the Institution's constitutional mandate of Law Making, Public Participation and Oversight to ensure enhanced service delivery and improved quality of life for the people of Gauteng. The GPL will focus on the following key areas to ensure achievement of the strategic objectives and mandate:

### **Facilitating law making**

The GPL will continue to develop and implement laws that create an enabling environment for a better life for the people of Gauteng, by consolidating law making processes and lessons, and reviewing the impact of laws passed on the lives of the citizens. To ensure improved scrutiny of the Provincial Budget the GPL will focus on scrutinising, finalising, and adopting of the Gauteng Provincial Legislature money bills amendment procedure, and related bills, to ensure improved initiation and consideration of laws by the GPL.

### **Oversight over the executive and the organs of the state**

In strengthening the Institutions oversight function, the GPL, as an organ of the state, has an obligation to hold the Executive accountable through vigorous oversight and scrutiny processes. The Institution will continue to monitor the implementation of the Programme Evaluation and Budget Analysis (PEBA) provisions by committees; the resolution tracking system, the implementation of the defined analytical parameters in undertaking research; and committees' compliance with guidelines for assessing service delivery matters detailed in the resolutions passed.

### **Public participation**

In order to increase and improve active involvement by the people of Gauteng, the GPL will continue to create

opportunities for Gauteng citizens to participate in law-making and oversight processes, by locating and facilitating public involvement at the centre of the legislative processes. This is in order to be known as the caring government that listens, and implements the needs of its constituencies.

Furthermore, the Institution will also hold the following Public Participation events in order to enhance active public involvement and increased access in legislature processes of oversight and Law-Making:

- Bua le Sechaba campaigns to ensure improved public participation strategy;
- 240 Public Education Workshops to promote meaningful public participation;
- Youth Parliament focusing on issues relevant to youth development;
- Women's Parliament which aims to discuss ways to increase women's representations in Parliament, and work towards the mainstreaming of gender considerations in all CPA activities and programmes; and
- Senior Citizens' Parliament and People with Disability Parliament, to ensure increased engagements with designated groups resulting in meaningful participation.

Disestablishment of the fourth legislature and establishment of the fifth legislature

In 2014/15, the GPL will embark on a project to prepare for the establishment of the fifth Legislature term, a process that follows in line with the electoral cycle. The GPL is currently in its fourth term, which will be concluded in 2014. The GPL will conduct procedural processes to disestablish the fourth Legislature and establish the fifth Legislature.

### **GPL's 20 years of democracy**

The year 2014 will mark the 20 years of democracy in South Africa. To celebrate the 20 years of uninterrupted law-making, oversight and public participation, the Institution will commemorate the 20 years of Gauteng Legislature in the 2014/15 financial year by promoting conversations among the GPL and all its stakeholders about the role of the Legislature in deepening democracy in the Province.

The project seeks to document 20 years of democracy, focusing on the evolution and achievements of the GPL between 1994 and 2014, in relation to its core mandates of Law Making, Oversight, Public Participation and Co-operative Governance. Overall, the project will develop the GPL's 20 years of democracy report, commemorate 20 years of democracy and develop a long term strategy and plan for the GPL.

### **Speakers' forum**

In 2014/15, the GPL will continue with the formalisation of the Speakers Forum, which aims to formalise the working relationship between the Speakers; co-ordinate work in areas of common interest; develop a common understanding from shared experience from which a legislative sector evolves; and to help with capacity building programs for local councils through the offices of Speakers. The Forum also aims to create opportunity for the implementation of Provincial Legislative Sector programmes, and to establish uniform norms and standards governing the Sector.

### **Stakeholder relations**

In ensuring effective mechanisms of fostering co-operative governance, the GPL will ensure increased collaboration between GPL, Local Councils, and Institutions supporting democracy. The GPL will ensure implementation of the memorandum of understanding through a customised co-operative governance framework that governs the legislature's engagement with organs of state.

## **4. REPRIORITISATION**

The planning for the next financial year is prepared on the basis of the new upcoming electoral cycle for the election of the new government that will impact on the Strategic Plan and Annual Performance Plan of the Institution. The Institution engaged in a reprioritisation process when developing the 2014/15 budget by shifting funds from non-core activities to core service delivery outputs in line with the Institution's strategic objectives as outlined in the Annual Performance Plan. This resulted in a steady budget increase of 5 per cent from 2013/14 to 2014/15 to allow for inflationary adjustments.

The major part of the budget is allocated to Corporate Support Services and Core Business. Corporate Support Services increased due to allocation to political parties. Core Business supports the House and its Committees to make laws for the Gauteng Province, conduct oversight over the Executive, and facilitate cooperative governance. The Programme also supports the involvement of the people of Gauteng in all GPL processes through its public participation initiatives, ensuring that platforms are created for their effective participation. The budget



of the Office of the Secretary and CFO increased slightly, to cater for inflationary salary adjustments and new positions, including the provision of office furniture for new staff. Though the overall budget increased, the estimated spending for Leadership and Governance has been reduced in 2014/15 due to implementation of cost-cutting measures.

## 5. RECEIPTS AND FINANCING

### 5.1 Summary of Receipts

TABLE 2.1: SUMMARY OF RECEIPTS: GAUTENG PROVINCIAL LEGISLATURE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Equitable share	310 148	402 720	476 305	470 587	496 831	496 831	521 571	555 473	594 198
<b>Total receipts</b>	<b>310 148</b>	<b>402 720</b>	<b>476 305</b>	<b>470 587</b>	<b>496 831</b>	<b>496 831</b>	<b>521 571</b>	<b>555 473</b>	<b>594 198</b>

The Gauteng Provincial Legislature is funded through the equitable share. The budget allocation increases from R310.1 million in 2010/11 to R521.6 million in 2014/15, then further increases to R594.2 million in 2016/17.

The allocation of R310.1 million in 2010/11 comprises the main appropriation and the adjusted appropriation. The main appropriation had increased significantly from R210 million in 2009/10 to R294 million in 2010/11 (i.e. by 40 percent) due to allocation of R70 million to correct the budget baseline, to fund the operational requirements. This baseline adjustment was effected throughout the MTEF period and it amounted to R80 million in 2010/11 and R95 million in 2011/12. The main appropriation increased by R16 million during the adjusted budget process. The increase comprised R10 million allocated to the political parties to fund the political and voter education to South African citizens; and other amounts allocated for salary increases and the Legislature's projects (including the automation of recruitment systems and talent development, refurbishment of the City Hall, and the development of the GPL law making framework).

The final allocation for 2011/12 amounts to R402.7 million; it comprises the abovementioned baseline adjustment included in the main allocation and the increase of R3 million allocated during in-year adjustments to reimburse the Legislature's personnel budget after it had incurred excess expenditure relating to the remuneration of the public officer bearers.

Increases in the budget in 2012/13 funded the political parties and the capacity building programme. The increase amounted to R45 million in 2012/13, then increased to R47 million and R50 million in the next two financial years, of which funds for political parties amounted to R26 million; R27 million; and R29 million over three financial years. The 2012/13 adjustment budget process increased the budget by a R21 million increase to fund the rollover of capital projects from 2011/12 (R7 million) and the spending pressures relating to the CPA Africa region conference, formalisation of the Speakers forum, and Committees' study tours (R14 million).

Allocations in 2013/14 continue to fund operational costs, political parties, and personnel requirements. Included in the R26.2 million in-year adjustments in 2013/14 are funds allocated to voter education and an identity document campaign towards the 2014 elections; operational costs including security and cleaning services; personnel requirements including bursaries and temporary positions; and the continuation of infrastructure projects including the installation of the City Hall air conditioners.

Allocations over the 2014 MTEF period aim to enable the Legislature to execute its core mandate of facilitating law making, ensuring public participation in the legislative processes, and exercising oversight over the executive and the organs of the state. These comprise the implementation of the Institution's strategic plan for the new term 2014- 2019, financing new emerging priority projects that assist in enhancing the oversight and the operational processes, and contractual obligations.

### 5.2 Donor funding

N/A

## 6. PAYMENT SUMMARY

### 6.1 Key assumptions

The Gauteng Provincial Legislature is guided by its new business model that puts the House and its committees' functions at the centre of its business in developing the 2014 MTEF budget. To arrive at these estimates, the following inputs were taken into account:

- The Gauteng Provincial Legislature's approved personnel structure and the agreed salary adjustments for 2014/15 to determine the personnel budget;
- The number of estimated House sittings and committee meetings;
- Oversight visits as well as planned public participation workshops; and
- The Gauteng Provincial Legislature's strategic projects to enhance its effectiveness and efficiency.

### 6.2 Programme summary

TABLE 2.2: SUMMARY OF PAYMENTS AND ESTIMATES: GAUTENG PROVINCIAL LEGISLATURE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1. Leadership and Governance	18 553	23 943	29 495	26 414	37 448	37 448	27 174	31 682	33 797
2. Office of the Secretary	8 365	12 079	27 607	20 146	12 833	12 833	18 564	20 532	22 142
3. Corporate Support Services	160 534	194 916	258 191	243 928	256 539	267 023	258 083	273 344	290 416
4. Core Business	85 469	124 020	131 659	151 033	156 991	156 991	178 404	187 889	202 733
5. Office of the Secretary	18 178	21 232	25 053	29 066	33 020	32 324	39 347	42 026	45 109
<b>Total payments and estimates</b>	<b>291 099</b>	<b>376 190</b>	<b>472 004</b>	<b>470 587</b>	<b>496 831</b>	<b>506 619</b>	<b>521 571</b>	<b>555 473</b>	<b>594 198</b>

### 6.3 Summary of economic classification

TABLE 2.3: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: GAUTENG PROVINCIAL LEGISLATURE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>224 741</b>	<b>303 742</b>	<b>352 739</b>	<b>379 977</b>	<b>406 391</b>	<b>405 695</b>	<b>409 447</b>	<b>438 790</b>	<b>471 331</b>
Compensation of employees	119 849	159 489	181 637	199 050	219 259	218 563	254 958	274 705	296 880
Goods and services	104 892	144 253	171 102	180 927	187 132	187 132	154 489	164 085	174 451
Interest and rent on land									
<b>Transfers and subsidies to</b>	<b>54 449</b>	<b>48 296</b>	<b>84 169</b>	<b>60 831</b>	<b>80 455</b>	<b>90 939</b>	<b>94 776</b>	<b>99 893</b>	<b>105 187</b>
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions	54 449	48 296	84 169	60 831	80 455	90 939	94 776	99 893	105 187
Households									
<b>Payments for capital assets</b>	<b>11 909</b>	<b>24 152</b>	<b>35 096</b>	<b>29 779</b>	<b>9 985</b>	<b>9 985</b>	<b>17 348</b>	<b>16 790</b>	<b>17 680</b>
Buildings and other fixed structures	4 149	10 968	15 838	6 191	3 986	3 986			
Machinery and equipment	6 968	12 767	17 826	19 300	5 999	5 999	10 115	9 166	9 652
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets	792	417	1 432	4 288			7 233	7 624	8 028
<b>Payments for financial assets</b>									
<b>Total economic classification</b>	<b>291 099</b>	<b>376 190</b>	<b>472 004</b>	<b>470 587</b>	<b>496 831</b>	<b>506 619</b>	<b>521 571</b>	<b>555 473</b>	<b>594 198</b>

The Institution's expenditure increased from R291.1 million in 2010/11 to R472 million in 2012/13. A significant amount of this expenditure is evident in Corporate Support Services and Core Business accounting for approximately 84 per cent of the GPL's total expenditure between 2010/11 and 2012/13 financial years. The core function of the Legislature is housed under the Core Business and the administration and capital projects are housed under Corporate Support Services, to ensure adequate functioning of the Institution.

The Institution's overall budget has increased by 5 per cent from the adjusted budget of R496.8 million to an estimated expenditure of R521.6 million in 2014/15. The increase is primarily due to the agreed salary adjustments, including new approved positions; implementation of the emerging priorities; committee activities and public participation workshops; implementation of strategic projects including the Disestablishment of the 4<sup>th</sup> Legislature and Establishment of the 5<sup>th</sup> Legislature; and 20 years celebration projects. In addition, a significant portion of this budget is allocated to political parties.

Over the MTEF period the estimated allocation increases from R496.8 million to R594.2 million as a result of projected inflationary adjustments on salaries; provision made for new approved positions; transfer allocation to political parties in order to enable members to fulfil their constitutional obligations; implementation of Institutional core functions of law-making; oversight and public participation; and operational projects.

Expenditure on compensation of employees increased by an average of 23.1 per cent between from 2010/11 and 2012/13 financial years due to an increase of the staff compliment and implementation of salary adjustments. During the 2013/14 financial year, personnel costs increased by 10 per cent from R199.1 million to the adjusted budget of R219.3 million, to cater for salary adjustments. In 2014/15, personnel costs increases by 16 per cent on average from the adjusted budget of R219.3 million to the 2014/15 budget of R255 million, due to provision made for inflationary salary adjustments and new proposed positions. Over the MTEF, compensation of employees grows by 10.6 per cent on average.

Expenditure on goods and services increased by R66.2 million or 27.7 per cent from 2010/11 to 2012/13 financial years. The increase is mainly as a result of implementation of emerging priority projects that were executed during the 2011/12 financial year. In 2014/15, the estimated payments decreased from R187.8 million in 2013/14 to R154.5 million due to reprioritisation and implementation of efficiency measures. The estimated spending caters for committee activities and public education workshops, operational costs including existing contractual obligations of the institution as well as the planned implementation of new strategic projects. Over the MTEF period, payments for goods and services are estimated to decrease by 2.3 per cent on average as a result of implementation of cost-cutting measures.

Transfer payments increased from R54.4 million to R84.2 million between 2010/11 and 2012/13 financial years. During 2013/14, transfer allocation to political parties increased from R60.3 million to R91 million. The budget is estimated to increase by 4.2 per cent from R90.9 million to R94.8 million between 2013/14 and 2014/15 financial years. Over the MTEF, transfers increase steadily at 5 per cent, due to provision made for inflationary adjustments.

Capital payments increased from R11.9 million in 2010/11 to R35.1 million in the 2012/13 financial year due to implementation of projects such as the Refurbishment of the city hall, Sandstone and Chemical cleaning of the Legislature exterior wall, and the purchase of City Hall chairs. During 2013/14, the budget decreases to R10 million due to completion of most of the projects. Over the MTEF period the budget increases from R10 million to R17.7 million between 2013/14 and 2016/17 financial years, in order to capacitate new Members and staff with office furniture and contractual obligations relating to computer software.

## **6.4 Infrastructure payments**

N/A

### **6.4.1 Departmental infrastructure payments**

N/A

### **6.4.2 Departmental Public-Private partnerships (PPP) projects**

N/A

## **6.5 Transfers**

N/A

**6.5.1 Transfers to public entities**

N/A

**6.5.2 Transfers to other entities**

N/A

**6.5.3 Transfers to local government**

N/A

**7. PROGRAMME DESCRIPTION****PROGRAMME 1: LEADERSHIP AND GOVERNANCE****Programme description**

The purpose of the Programme is to provide overall strategic leadership and direction to the Institution by:

- Providing leadership and management of the Programme;
- Monitoring and overseeing the execution of institutional obligations;
- Providing leadership and direction to the Legislative Services Board (LSB);
- Ensuring strategic Political Management of Presiding Officers and Office Bearers; and
- Providing strategic management to committees to ensure political outcomes.

**Programme objectives**

- Ensure the development and implementation of the Institutional Strategy and Budget;
- Ensure the development and implementation of Legislative Programme;
- Ensure that the business of the house functions optimally;
- Ensure the further development and implementation of standing rules;
- Ensure that the Legislature Services Board functions optimally;
- Ensure development and maintenance of Inter-institutional relations/partnerships and Cooperative Governance;
- Ensure the promotion of Nation building and good governance. Mobilisation of the diverse societies in an all-embracing effort to build a sense of shared destiny and common nationhood;
- Mobilisation of civil society to participate in the GPL, especially in public participation programmes;
- Participatory lawmaking process and effective oversight on the governance of the Province;
- Ensure the development and implementation of a training and development programme for members to:
- Pass effective laws;
- Oversee government effectively;
- Enhance and ensure public participation; and
- To play a productive and effective role in the future South Africa.
- Strategic Management of Committees and programmes;
- Political Management of Committee of Chairpersons and Committees;
- Ensure implementation of Committee Enquiries;
- Ensure implementation of Programme Evaluation and Budget Analysis (PEBA);
- Ensure implementation of the Ministerial Accountability; and
- Ensure the strategic coordination of NCOP.

**TABLE 2.4: SUMMARY OF PAYMENTS AND ESTIMATES: LEADERSHIP AND GOVERNANCE**

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1. Office of the Speaker	18 553	12 599	20 403	17 112	34 589	34 589	23 689	25 093	26 859
2. Office of the Deputy Speaker			34	411	283	283	291	307	323
3. Chair of Chairs		11 344	9 053	8 434	1 336	1 336	2 827	5 906	6 219
4. Legislative Service board			5	457	1 240	1 240	367	376	396
5. Deputy Chair of Chairs									
<b>Total payments and estimates</b>	<b>18 553</b>	<b>23 943</b>	<b>29 495</b>	<b>26 414</b>	<b>37 448</b>	<b>37 448</b>	<b>27 174</b>	<b>31 682</b>	<b>33 797</b>

TABLE 2.5: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: LEADERSHIP AND GOVERNANCE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>18 553</b>	<b>23 943</b>	<b>29 495</b>	<b>26 414</b>	<b>37 448</b>	<b>37 448</b>	<b>27 174</b>	<b>31 682</b>	<b>33 797</b>
Compensation of employees	5 804	7 878	9 745	11 918	12 831	12 831	14 965	16 162	17 455
Goods and services	12 749	16 065	19 750	14 496	24 617	24 617	12 209	15 520	16 343
Interest and rent on land									
<b>Transfers and subsidies to</b>									
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households									
<b>Payments for capital assets</b>									
Buildings and other fixed structures									
Machinery and equipment									
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>									
<b>Total economic classification</b>	<b>18 553</b>	<b>23 943</b>	<b>29 495</b>	<b>26 414</b>	<b>37 448</b>	<b>37 448</b>	<b>27 174</b>	<b>31 682</b>	<b>33 797</b>

Total programme expenditure increased from R18.6 million in 2010/11 to R29.5 million in the 2012/13 financial year. The increase in expenditure is mainly due to inflationary adjustments in compensation of employees. Included in goods and services expenditure are costs associated with participation in various events such as the regional and international CPA conferences, national and Provincial Speakers' Forums, international study tours, and international conferences undertaken by committees.

The Programme's budget was adjusted upwards during the 2013/14 financial year from R26.4 million to R37.4 million primarily to cater for the Voter Education and Identity Document campaign towards the 2014 election. The campaign aims to raise awareness about the voter registration process and encourage the people of Gauteng to vote in the 2014 elections, and will target first time voters across Gauteng.

The budget for the programme decreases from R37.4 million in 2013/14 to R27.2 million in 2014/15 due to an implementation of cost-efficiency measures, including Committees' international study tours in the next financial year, to allow for transition into the new Legislature term.

Over the MTEF period, the budget increase to R33.8 million due to Programme's participation in the Legislative Sector such as Commonwealth Parliamentary Association (CPA), Commonwealth Women's Parliamentary (CWC), The Secretaries' Association of the Legislatures of South Africa (SALSA) and National Speakers Forum. The Committees will also resume the international study tours in 2015/16 and the Programme will continue to host delegates from other countries to strengthen relations and the continuation of the coordination and implementation of the Gauteng Speakers Forum 5 year-plan.

## PROGRAMME 2: OFFICE OF THE SECRETARY

### Programme description

The Secretary's Office serves as the custodian of the Development and Implementation of the Strategy and Provides Administrative Leadership to the achievement of the Institutional Mandate of Oversight and Scrutiny, Law Making, Public Participation and Cooperative Governance.

### Programme objectives

- To ensure implementation of Legislature Programme (New measurable objective);

- To identify best practice parliaments on oversight;
- To Ensure compliance to Oversight requirements by the Executive;
- Develop and sustain relations with civil society organisations for public participation;
- Ensure GPL implements all applicable legislation;
- To provide tactical, strategic and operational leadership and direction to the Secretariat and its Sub-Committees;
- Lead integrated support services to law-making, oversight, public participation and co-operative governance;
- Implement the Institutional Leadership Model and charter;
- Lead integrated support services to law-making, oversight, public participation and co-operative governance;
- Manage relations with internal and external stakeholders;
- Implement the Contract Management Framework;
- Integrate the three (3) GPL Streams, in line with the GPL Turn-around Recommendations;
- Implement the Monitoring & Evaluation Framework for the GPL;
- Execute effective financial and risk management;
- Ensure that all revenue, expenditure, assets and liabilities of the Legislature are managed efficiently, effectively and transparently;
- Manage relations with internal stakeholders;
- Manage relations with external stakeholders;
- Implement the Sector-wide Plan (GPL specific projects);
- Execute effective Financial and Risk Management; and
- Ensure that all revenue, expenditure, assets and liabilities of the Legislature are managed efficiently, effectively and transparently.

TABLE 2.6: SUMMARY OF PAYMENTS AND ESTIMATES: OFFICE OF THE SECRETARY

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1. Office of the Secretary	8 365	12 079	27 607	20 146	12 833	12 833	18 174	20 121	21 587
2. Office of the Integrity Commissioner							390	411	555
<b>Total payments and estimates</b>	<b>8 365</b>	<b>12 079</b>	<b>27 607</b>	<b>20 146</b>	<b>12 833</b>	<b>12 833</b>	<b>18 564</b>	<b>20 532</b>	<b>22 142</b>

TABLE 2.7: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: OFFICE OF THE SECRETARY

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>8 365</b>	<b>12 079</b>	<b>27 607</b>	<b>20 146</b>	<b>12 833</b>	<b>12 833</b>	<b>18 564</b>	<b>20 532</b>	<b>22 142</b>
Compensation of employees	3 456	4 392	4 878	4 853	8 896	8 896	13 725	14 823	16 009
Goods and services	4 909	7 687	22 729	15 293	3 937	3 937	4 839	5 709	6 134
Interest and rent on land									
<b>Transfers and subsidies to</b>									
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households									
<b>Payments for capital assets</b>									
Buildings and other fixed structures									
Machinery and equipment									
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>									
<b>Total economic classification</b>	<b>8 365</b>	<b>12 079</b>	<b>27 607</b>	<b>20 146</b>	<b>12 833</b>	<b>12 833</b>	<b>18 564</b>	<b>20 532</b>	<b>22 142</b>

Between 2010/11 to 2012/13 financial years the Programme's expenditure increased from R8.4 million to R27.6 million. The increased expenditure relates to participation in SALSA meetings, International study tours, and hosting of delegates and preparations for the 43<sup>rd</sup> CPA conference. During the 2013/14 financial year the budget decreased to R12.8 million due to the completion of the 43<sup>rd</sup> CPA conference and the African Youth Parliament.

In 2014/15, the Programme's budget increases by 45 per cent from R12.8 million to R18.6 million. This is mainly due to provision made for the agreed salary adjustments and the implementation of leadership management practices. Further contributing to the increase in the budget are international study tours that will be undertaken from 2014/15 which were not undertaken during the 2013/14 financial year due to reprioritisation.

Over the MTEF, the estimated expenditure grows by 20 per cent on average. The growth is mainly attributed to the increased participation in the Legislative sector such as the CPA, Society of clerks at the table (SoCATT), SALSA and the Legal Advisors' Forum. An increase in the compensation of employees of the programme is as a result of the filling of all vacant Monitoring and Evaluation positions and the estimated inflationary cost adjustments over the MTEF period.

### PROGRAMME 3: CORPORATE SUPPORT SERVICES

#### Programme description

The purpose of the Corporate Support Services Programme is to be a catalyst for service provision to GPL stakeholders, by deploying systems; processes; policies; human capital; technologies; infrastructure; and instituting an enabling environment necessary for the effective and efficient functioning of the GPL. The programme comprises three sub-programmes, namely:

- Members' Affairs;
- Institutional Support Services; and
- Operational Support Services.

#### Programme objectives

- To ensure that there is an effective system for tracking resolutions of Oversight committee, Legislative Services Board (LSB), subcommittees of the LSB, and Secretariat as well as its Sub-committees;
- To ensure that the Business Requirements are catered for through ICT support on Business Solutions (e.g. SAP), appropriate training, Licensing, Maintenance and Access to required reports;
- To develop a system for effective integration processes and practices with internal and external stakeholders (Participation in the Events Coordinating Committee, SALSA, Speaker's Forum processes);
- To develop a system for effective stakeholder resourcing (Resource model);
- Develop a culture of leadership that promotes diversity, work life balance, transparency and accountability;
- To ensure that Members are provided with the necessary support that is responsive and relevant to their needs;
- Ensure the provision of the IT and office space infrastructure to enable staff and members to execute their functions; and
- Ensure the provision of the administrative support such as HR services, office equipment and stationery,
- Manage and control the provision of communication services.

TABLE 2.8: SUMMARY OF PAYMENTS AND ESTIMATES: CORPORATE SUPPORT SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1. Management	38 985	51 814	60 564	68 161	75 391	75 391	81 956	88 509	95 785
2. Members Affairs	55 776	54 936	92 185	74 011	92 717	103 201	105 496	111 192	117 085
3. Institutional Support Services	26 557	28 354	35 023	35 466	35 007	35 007	26 484	27 112	28 549
4. Operational Support Services	39 216	59 812	70 419	66 290	53 424	53 424	44 147	46 531	48 997
<b>Total payments and estimates</b>	<b>160 534</b>	<b>194 916</b>	<b>258 191</b>	<b>243 928</b>	<b>256 539</b>	<b>267 023</b>	<b>258 083</b>	<b>273 344</b>	<b>290 416</b>



TABLE 2.9: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: CORPORATE SUPPORT SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>94 724</b>	<b>122 518</b>	<b>139 634</b>	<b>153 318</b>	<b>167 738</b>	<b>167 738</b>	<b>149 201</b>	<b>158 543</b>	<b>169 531</b>
Compensation of employees	38 802	54 010	60 054	66 875	74 536	74 536	81 782	88 324	95 590
Goods and services	55 922	68 508	79 580	86 443	93 202	93 202	67 419	70 219	73 941
Interest and rent on land									
<b>Transfers and subsidies to</b>	<b>54 449</b>	<b>48 296</b>	<b>84 169</b>	<b>60 831</b>	<b>80 455</b>	<b>90 939</b>	<b>94 776</b>	<b>99 893</b>	<b>105 187</b>
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions	54 449	48 296	84 169	60 831	80 455	90 939	94 776	99 893	105 187
Households									
<b>Payments for capital assets</b>	<b>11 361</b>	<b>24 102</b>	<b>34 388</b>	<b>29 779</b>	<b>8 346</b>	<b>8 346</b>	<b>14 106</b>	<b>14 908</b>	<b>15 698</b>
Buildings and other fixed structures	4 149	10 968	15 838	6 191	3 986	3 986			
Machinery and equipment	6 604	12 767	17 139	19 300	4 360	4 360	6 873	7 284	7 670
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets	608	367	1 411	4 288			7 233	7 624	8 028
<b>Payments for financial assets</b>									
<b>Total economic classification</b>	<b>160 534</b>	<b>194 916</b>	<b>258 191</b>	<b>243 928</b>	<b>256 539</b>	<b>267 023</b>	<b>258 083</b>	<b>273 344</b>	<b>290 416</b>

Programme expenditure has increased from R160.5 million in 2010/11 to R258.2 million in 2012/13 financial year. The expenditure relates to execution of projects including the rehabilitation of the City Hall building, the Sandstone and Cleaning of the exterior wall of the Legislature building and operational costs including maintenance costs, ICT infrastructure, telecommunication, payment of rent and municipal rates and taxes.

During the 2013/14 financial year, the budget for the Programme was adjusted upwards from R243.9 million to R256.5 million. The increase was due to a roll-over of funds to finalize the Installation of air conditioners in the City Hall building, and higher-than-anticipated increase in transport services costs due to Committee and Public Participation activities that are undertaken in communities (taking Parliament to the people).

Over the MTEF period the programme budget increases from R256.5 million in 2013/14 to R290.4 million. The increase is mainly attributed to the expansion of the structure, provision made for inflationary salary adjustments, transfer allocation to political parties, and contractual obligations and operational costs relating to administration support to the Institution.

## PROGRAMME 4: CORE BUSINESS

### Programme description

The purpose of the Core Business Programme is to support the House and its Committees in making laws for the Gauteng Province, and conduct oversight over the Executive and facilitate cooperative governance. The Stream also supports the involvement of the people of Gauteng in all GPL processes through its public participation initiatives, ensuring that platforms are created for their effective participation. The Stream consists of three directorates that play a critical role in supporting the execution of the GPL Constitutional mandate by providing professional support for the House and Committees, facilitating communication, public participation, and information and knowledge Management.

### Programme objectives

The Stream functions in the area of Communications, Parliamentary Business, and Information and Knowledge Management. The key functions are:

- To coordinate and drive the execution of the core mandate of the GPL;

- To provide strategic direction to the Stream and its directorates (overall strategic planning, implementation, monitoring and evaluation);
- Financial management and administration of the Stream;
- Capacity building within the Stream;
- Effective and efficient coordination of support functions to the Committees and the House;
- Professional and Procedural support to committees of the House;
- Development and delivery of strategic projects which are organised through directorates;
- Monitoring and evaluation of the key deliverables on law-making, oversight and public participation;
- Improvement of internal processes, inter-directorate planning, planning and accountability;
- To foster good relations with internal and external service providers and support our customers;
- Provision of research services to Committees of the House and the Institution;
- Provision of analysis during oversight activities of the Legislature;
- Coordination of interface between the Legislature and the National Council of Provinces;
- Provision of legal services to committees of the House during national and provincial law making activities of the institution;
- Coordination of committee activities, including scheduling (programming) of committee business;
- Coordination of interface between the office of the Speaker and committees of the House;
- Coordination of provincial law making processes;
- To promote information and knowledge sharing, to support GPL business processes, retention of institutional memory, and embedding of knowledge management to business processes that support the GPL mandate;
- Providing Document Management Services to the House and Committees, Printing Services, Document registration Services, Interpretation translation services, recording of House and Committee proceedings, Transcription services, and provision of Information Services, to support GPL business and Service Officers Services;
- Provide the Sergeant-at-arms function;
- Policy implementation and monitoring;
- Adherence to the Public Finance Management Act (PFMA) and relevant legislation;
- Profile the GPL through the Speaker; public education workshops; media; publications; branding/marketing/advertising; and
- To promote and facilitate public participation in all Legislative Processes.

TABLE 2.10: SUMMARY OF PAYMENTS AND ESTIMATES: CORE BUSINESS

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1. Management	60 544	87 218	92 065	95 939	105 688	105 688	123 119	126 544	136 590
2. Parliamentary Business	10 565	19 676	20 557	27 624	25 288	25 288	24 363	30 642	33 813
3. Information and Knowledge Management	6 767	6 882	6 093	9 739	9 199	9 199	10 818	10 894	11 471
4. Communication	7 593	10 244	12 944	17 731	16 816	16 816	20 104	19 809	20 859
<b>Total payments and estimates</b>	<b>85 469</b>	<b>124 020</b>	<b>131 659</b>	<b>151 033</b>	<b>156 991</b>	<b>156 991</b>	<b>178 404</b>	<b>187 889</b>	<b>202 733</b>

TABLE 2.11: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: CORE BUSINESS

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>85 052</b>	<b>123 970</b>	<b>131 638</b>	<b>151 033</b>	<b>156 991</b>	<b>156 991</b>	<b>178 404</b>	<b>187 889</b>	<b>202 733</b>
Compensation of employees	60 234	77 865	87 718	93 883	99 249	99 249	114 265	123 690	133 585
Goods and services	24 818	46 105	43 920	57 150	57 742	57 742	64 139	64 199	69 149
Interest and rent on land									
<b>Transfers and subsidies to:</b>									
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households									
<b>Payments for capital assets</b>	<b>417</b>	<b>50</b>	<b>21</b>						

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Buildings and other fixed structures									
Machinery and equipment	364								
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets	53	50	21						
<b>Payments for financial assets</b>									
<b>Total economic classification</b>	<b>85 469</b>	<b>124 020</b>	<b>131 659</b>	<b>151 033</b>	<b>156 991</b>	<b>156 991</b>	<b>178 404</b>	<b>187 889</b>	<b>202 733</b>

Core Business expenditure has increased from R85.5 million in 2010/11 to R131.7 million in 2012/13. Contributing to the expenditure is the sub-programme Management with expenditure increasing from R60.5 million to R92.1 million as a result of filling of vacant positions and higher inflation adjustment for salaries of staff as well as the opening of the Legislature.

During the 2013/14 financial year, the budget increased by 3.9 per cent from R151 million to R157 million mainly due to funding of the operational requirements, after the reconciliation of the budget and service delivery plan for the Programme.

Over the 2014 MTEF, the allocation increases from R157 million in 2013/14 to R178.4 million in the 2014/15 financial year. The budget increase is mainly due to provision made for salary adjustments; committee activities; public education workshops; strategic projects including the disestablishment of the fourth Legislature, and the establishment of the fifth Legislature; celebration of 20 years of the Gauteng Legislature; road show for the Public Participation Programme Strategy; and the framework for the GPL law making.

In addition the programme makes provision for, amongst others, the Bua le Sechaba campaigns; NCOP taking Parliament to the people; and implementation of public hearings for the law making and Committee inquiries act.

## SERVICE DELIVERY MEASURES

### PROGRAMME 4: CORE BUSINESS

Programme Measures	Estimated Annual Targets		
	2014/15	2015/16	2016/17
<b>4.1 Parliamentary Business</b>			
Levels of public participation law making processes	100% participation in law making processes	100% participation in law making processes	100% participation in law making processes
Level of participation in oversight processes of the GPL	100% support provided	100% support provided	100% support provided
NCOP legislation processed	100% of NCOP legislation processed timeously	100% of NCOP legislation processed timeously	100% of NCOP legislation processed timeously
Number of public education workshops	240 sector specific workshop	240 sector specific workshop	240 sector specific workshop
Level of implementation of Committees Inquiries	100% implementation of the Committees inquiries	100% implementation of the Committees inquiries	100% implementation of the Committees inquiries
Percentage of resolutions implemented	100%	100%	100%
Level of compliance with standing rules	100% compliance with standing rules	100% compliance with standing rules	100% compliance with standing rules
Level of interrogation of the Appropriation Bill for adoption	Implemented Money Bills Amendment Procedure and related matters Act	Implemented Money Bills Amendment Procedure and related matters Act	
<b>4.3 Communication</b>			
Percentage of people reached through the Bua Le Sechaba campaign	100%	100%	100%
Percentage of targeted groups participating in Legislature processes	100%	100%	100%
Coverage of the people of Gauteng in respect of Public Participation to support the budget process	70% of coverage across identified communication platforms	80% of coverage across identified communication platforms	100%
Increased percentage of participation of external stakeholders	80%	100%	100%

**PROGRAMME 5: OFFICE OF THE CFO****Programme description**

The purpose of the Programme is to provide professional financial, risk and supply chain management services to stakeholders for the realisation of the Institutional (GPL) strategic goals and objectives. The Office strives to raise financial resources equitably, to ensure adequate funding for the implementation of the Institutional strategic plan, whilst promoting effective financial management in respect of revenue, expenditure, assets and liabilities.

The Office promotes strong financial, supply chain and risk management practices through partnership processes with all Programmes of the GPL. It provides effective and efficient management of all financial resources through the implementation of best business practices, by linking strategic planning, budgeting and reporting.

The Office is also responsible for ensuring continuous implementation of the Financial Management of Gauteng Provincial legislature Act (FAMLA) and all relevant financial legislation to enhance the fiscal stability, accountability and integrity of the GPL. The Programme comprises of the following Sub-Programmes:

The Executive Office of the CFO provides strategic guidance and leadership to the overall Programme. The Programme comprises of the following Directorates:

- Executive Office of the CFO;
- Financial Management;
- Supply Chain Management; and
- Audit, Risk and Governance.

**Programme objectives**

- Coordinate and prepare reports on the implementation of the Institutional strategic plan and budget;
- Execution of payroll for both Members and staff in line with relevant acts and policies on prescribed dates;
- Ensuring a three year internal audit plan is approved by the Audit & Risk Committee and executed within the respective timeframes;
- Ensuring that an annual external audit plan is approved by the Audit & Risk Committee and external audit reports finalised within five months after the financial year-end in pursuance of an unqualified audit opinion; and
- Ensure effective fraud prevention plans are implemented through the Implementation of the Anti-fraud and Corruption policy and Fraud Prevention Plan.

**TABLE 2.12: SUMMARY OF PAYMENTS AND ESTIMATES: OFFICE OF THE CFO**

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1. Management	13 132	17 919	21 664	25 088	27 343	26 646	33 647	35 473	38 209
2. Finance	208	855	531	788	923	923	453	1 664	1 752
3. Supply Chain Management	179	684	2 166	576	2 960	2 960	3 678	3 098	3 262
4. Risk Management	4 659	1 774	691	2 614	1 794	1 795	1 569	1 791	1 886
<b>Total payments and estimates</b>	<b>18 178</b>	<b>21 232</b>	<b>25 052</b>	<b>29 066</b>	<b>33 020</b>	<b>32 324</b>	<b>39 347</b>	<b>42 026</b>	<b>45 109</b>

**TABLE 2.13: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: OFFICE OF THE CFO**

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>18 047</b>	<b>21 232</b>	<b>24 366</b>	<b>29 066</b>	<b>31 381</b>	<b>30 685</b>	<b>36 105</b>	<b>40 144</b>	<b>43 128</b>
Compensation of employees	11 553	15 344	19 242	21 521	23 747	23 051	30 222	31 706	34 242
Goods and services	6 494	5 888	5 123	7 545	7 634	7 634	5 883	8 438	8 885
Interest and rent on land									
<b>Transfers and subsidies to</b>									
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Non-profit institutions									
Households									
<b>Payments for capital assets</b>	<b>131</b>		<b>687</b>		<b>1 639</b>	<b>1 639</b>	<b>3 242</b>	<b>1 882</b>	<b>1 982</b>
Buildings and other fixed structures									
Machinery and equipment			687		1 639	1 639	3 242	1 882	1 982
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets	131								
<b>Payments for financial assets</b>									
<b>Total economic classification</b>	<b>18 178</b>	<b>21 232</b>	<b>25 052</b>	<b>29 066</b>	<b>33 020</b>	<b>32 324</b>	<b>39 347</b>	<b>42 026</b>	<b>45 109</b>

The programme's expenditure increased from R18.2 million to R25.1 million between 2010/11 and 2012/13 financial years. The main contributing Sub-Programme is Management, with the total expenditure of R21.7 million in 2012/13 due to the expansion of the structure and inflationary adjustments for staff salaries, and the payment of external audit fees. Adding to the increased expenditure over the audited period is the Sub programme: Risk Management, primarily as result of internal audits.

In 2013/14, the Programme's budget was adjusted upwards by R4 million from the main budget of R29.1 million to the adjusted budget of R33 million. The increase is attributable to reconciliation of the main budget with the Programme's service delivery plans.

In 2014/15, the Programme's expenditure is estimated to increase by 19 per cent from the adjusted budget of R33 million. Over the 2014 MTEF period the budget increases from R33 million in 2013/14 to R45.1 million or 11 per cent. The increase is largely in compensation of employees, due to the expansion of structure and provisions made for 2014/15 agreed salary adjustments.

Though the programme's budget increases over the MTEF, goods and services reflect a decrease of R1.8 million from 2013/14 to 2014/15 primarily as a result of implementation of cost-cutting measures and reprioritisation of SAP enhancement projects.

The increase in the expenditure on capital assets from R1.6 million in 2013/14 to R3.2 million in 2014/15 is mainly to ensure that GPL new Members and staff are fully capacitated to operate efficiently through provision of office furniture and equipment.

## 8. OTHER PROGRAMME INFORMATION

### 8.1 PERSONNEL NUMBERS AND COSTS

TABLE 2.14: PERSONNEL NUMBERS AND COSTS: GAUTENG PROVINCIAL LEGISLATURE

Personnel numbers	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	As at 31 March 2017
1. Leadership and Governance	13	14	20	22	20	20	20
2. Office of the Secretary	8	6	8	15	15	15	15
3. Corporate Support Services	120	141	150	175	178	178	178
4. Core Business	180	190	200	218	223	223	223
5. Office of the CFO	30	31	40	44	51	51	51
<b>Total departmental personnel numbers</b>	<b>351</b>	<b>382</b>	<b>418</b>	<b>474</b>	<b>487</b>	<b>487</b>	<b>487</b>
Total departmental personnel cost (R thousand)	119 849	159 489	181 637	218 563	254 958	274 705	296 880
Unit cost (R thousand)	341	418	435	461	524	564	610

## Vote 2 - Gauteng Provincial Legislature • EPRE - 2014/15

TABLE 2.15: SUMMARY OF DEPARTMENTAL PERSONNEL NUMBERS AND COSTS: GAUTENG PROVINCIAL LEGISLATURE

	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Total for department</b>									
Personnel numbers (head count)	351	382	418	474	474	474	487	487	487
Personnel cost (R thousands)	119 849	159 489	181 637	199 050	219 259	218 563	254 958	274 705	296 880
<b>Human resources component</b>									
Personnel numbers (head count)	13	12	15	18	14	14	17	17	17
Personnel cost (R thousands)	3 995	4 250	4 463	4 686	4 385	4 385	7 648	8 241	8 906
Head count as % of total for department	4%	3%	4%	4%	3%	3%	3%	3%	3%
Personnel cost as % of total for department	3%	3%	2%	2%	2%	2%	3%	3%	3%
<b>Finance component</b>									
Personnel numbers (head count)	30	34	40	45	45	45	52	52	52
Personnel cost (R thousands)	10 769	15 344	19 476	23 051	26 311	26 228	30 595	32 965	35 626
Head count as % of total for department	9%	9%	10%	9%	9.49%	9.49%	10.68%	10.68%	10.68%
Personnel cost as % of total for department	9%	10%	11%	12%	12.00%	12.00%	12.00%	12.00%	12.00%
<b>Full time workers</b>									
Personnel numbers (head count)	351	382	418	474	474	474	487	487	487
Personnel cost (R thousands)	119 849	159 489	181 637	199 050	219 259	218 563	254 958	274 705	296 880
Head count as % of total for department	100%	100%	100%	100%	100%	100%	100%	100%	100%
Personnel cost as % of total for department	100%	100%	100%	100%	98%	98%	99%	99%	99%
<b>Part-time workers</b>									
Personnel numbers (head count)									
Personnel cost (R thousands)									
Head count as % of total for department									
Personnel cost as % of total for department									
<b>Contract workers</b>									
Personnel numbers (head count)	2	3		3	16	16	20	20	20
Personnel cost (R thousands)	77	79		144	1 186	1 186	960	960	960
Head count as % of total for department	1%	1%		1%	3%	3%	4%	4%	4%
Personnel cost as % of total for department	0%	0%		0%	2%	2%	1%	1%	1%

The personnel grew from 351 in 2010/11 to 487 in 2014/15 financial year as a result of new positions. This is to ensure that each Programme is fully capacitated in line with the growing organisation and new challenges, and to ensure that operational costs driven by each Programme are fully funded, to enable implementation of its priority projects. This will contribute to the overall Gauteng Legislature's deliverable outputs.

## 8.2 TRAINING

TABLE 2.16: PAYMENTS ON TRAINING: GAUTENG PROVINCIAL LEGISLATURE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>1. Leadership And Governance</b>	<b>37</b>	<b>55</b>	<b>234</b>	<b>90</b>	<b>90</b>	<b>90</b>	<b>168</b>	<b>177</b>	<b>186</b>
Subsistence and travel									
Payments on tuition	37	55	234	90	90	90	168	177	186
Other									
<b>2. Office Of The Secretary</b>	<b>33</b>	<b>24</b>	<b>93</b>	<b>40</b>	<b>40</b>	<b>40</b>	<b>100</b>	<b>106</b>	<b>112</b>
Subsistence and travel									
Payments on tuition	33	24	93	40	40	40	100	106	112

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Other									
<b>3. Corporate Support Services</b>	<b>178</b>	<b>255</b>	<b>1 753</b>	<b>770</b>	<b>670</b>	<b>670</b>	<b>977</b>	<b>1 030</b>	<b>1 085</b>
Subsistence and travel									
Payments on tuition	178	255	1 753	770	670	670	977	1 029	1 084
Other									
<b>4. Core Business</b>	<b>1 042</b>	<b>1 048</b>	<b>2 337</b>	<b>930</b>	<b>785</b>	<b>785</b>	<b>1 717</b>	<b>1 809</b>	<b>1 905</b>
Subsistence and travel									
Payments on tuition	1 042	1 048	2 337	930	785	785	1 717	1 809	1 905
Other									
<b>5. Office of the CFO</b>	<b>32</b>	<b>122</b>	<b>467</b>	<b>170</b>	<b>170</b>	<b>170</b>	<b>404</b>	<b>426</b>	<b>448</b>
Subsistence and travel									
Payments on tuition	32	122	467	170	170	170	404	426	448
Other									
<b>Total payments on training</b>	<b>1 322</b>	<b>1 504</b>	<b>4 884</b>	<b>2 000</b>	<b>1 755</b>	<b>1 755</b>	<b>3 366</b>	<b>3 548</b>	<b>3 736</b>

The Institution's expenditure on training has increased from R1.3 million in 2010/11 to R4.9 million in 2012/13. During 2013/14, the budget for training was reduced from R2 million to R1.8 million due to reprioritisation of funds to meet the increased demand for staff bursaries.

In 2014/15, payments for training are expected to increase by R1.6 million from R1.8 million to R3.4 million. Over the MTEF period, training expenditure is estimated to increase from R1.8 million to R3.7 million from 2013/14 to 2016/17 financial years. A significant portion of the budget is allocated to Core Business accounting for the followed by Corporate Support Services. Core Business provides service delivery mandate of the GPL while Corporate Support Services provide professional support to Members of the Legislature including training and development.

TABLE 2.17: INFORMATION ON TRAINING: GAUTENG PROVINCIAL LEGISLATURE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Number of staff	351	382	418	471	474	474	487	487	487
Number of personnel trained	350	235	254	350	293	293	360	365	370
of which									
Male	147	83	114	150	127	127	144	146	148
Female	203	152	140	200	166	166	216	218	221
Number of training opportunities	57	105	120	130	130	130	130	130	130
of which									
Tertiary	55	29	30	30	30	30	30	30	30
Workshops	2	76	90	100	100	100	100	100	100
Seminars									
Other									
Number of bursaries offered	40	44	50	50	75	75	60	60	60
Number of interns appointed			12	50	10	10	10	10	10
Number of learnerships appointed				10	10	10	10	10	10
Number of days spent on training	105	107	120	125	105	105	120	120	120

The GPL, being dedicated to fostering Members and staff's skills development, trained all levels of management on leadership principles as part of preparing for the implementation of the GPL leadership programme in 2010/11. The impact of the GPL Turn-Around Strategy was assessed the with the view of improving systems, processes and policies of the GPL as a learning organisation.

The GPL had 382 staff members as at the end of the 2011/12 financial year, the majority of which being women. This ratio, which is in favour of women, is also evident in the number of female personnel trained. There were 152 women trained, which constitutes 65 per cent of the 235 total personnel trained. There were 44 bursaries awarded to improve skills and knowledge in the Legislature. Many training opportunities provided were in the form of workshops (i.e. 76 out of a total of 105 training opportunities). The balance of these training opportunities was for tertiary education. Members of Parliament (MPL) registered for their capacity building development by taking part in Leadership and Governance with UNISA, through the Public Administration Leadership and Management Academy (PALAMA). 29 MPLs graduated with the Leadership and Governance



certificates at national qualification level (NQL5). Other MPLs registered for diplomas and degrees with various institutions of higher learning.

Appointments and transfers to the GPL increased the personnel from 382 to 418 in 2012/13. The recruitment aims to be inclusive, by accommodating people living with disabilities, through creating a working environment that is conducive to their needs, and running awareness campaigns on disability. The training opportunities increased from 105 in 2011/12 to 120 in 2012/13. A total of 34 Members registered for capacity building development on Leadership and Governance with the University of the Witwatersrand (WITS) through PALAMA (Public Administration Leadership and Management Academy). All 34 Members successfully completed the Leadership and Governance Certificate and graduated. 26 of the 34 Members qualified to study the Masters Programme with WITS. In addition, political staff members were trained in financial management, budget analysis, PEBA, IPMS policy, Corporate Governance and King III.

The GPL's personnel increased to 474 in 2013/14 with concomitant increase in training requirements. The appointment of ten learnerships began in 2013/14 and this number of learnership positions will continue in the subsequent financial years. The personnel numbers will increase by 14 positions in 2014/15 (i.e. from 474 to 487). The GPL plans to fill critical posts as per the organisational requirements, namely: 3 posts in the Supply Chain Management unit; 1 post in the Financial Management unit; 5 posts in the Communication unit; and 3 posts in the Human Resources unit).

### 8.3 RECONCILIATION OF STRUCTURAL CHANGES

TABLE 2.18: RECONCILIATION OF STRUCTURAL CHANGES: GAUTENG PROVINCIAL LEGISLATURE

2013/14		2014/15	
Vote/Department	R'000	Vote/Department	R'000
Programme 2: Office of the Secretary		Programme 2: Office of the Secretary New sub programme: Office of the Integrity Commissioner	390

# VOTE 3

## DEPARTMENT OF ECONOMIC DEVELOPMENT

To be appropriated by vote in 2014/15	R1 072 661 000
Responsible MEC	MEC for Economic Development
Administering Department	Department of Economic Development
Accounting Officer	Head of Department

### 1. OVERVIEW

#### Vision

Sustainable job creation and inclusive economic development in an integrated and globally competitive City Region.

#### Mission

The Department of Economic Development (DED) will be an activist, interventionist and developmentally focused department contributing to an inclusive and growing economy in Gauteng by providing thought leadership to inform the economic development agenda, mobilising stakeholders to partner for economic growth and development, creating an enabling regulatory environment and stimulating business practices that promote inclusive economic growth, promoting and attracting trade and investment to the economy and directing investment into strategic economic infrastructure.

#### Strategic Goals

The DED reflected strongly on its dual economic growth and development mandate in its revised strategic plan. This mandate informs the DED strategic goals, which are as follows:

- To provide integrated economic and development planning that informs spatially referenced regional and local economic development, and contributes to the development of Gauteng into a globally competitive city region;
- To facilitate the implementation of strategic programmes that will stimulate the brand, competitiveness and social transformation of Gauteng, enhance trade and export promotion and the attraction of investment, resulting in the creation of decent jobs, increased tourism and a greener economy;
- To promote an efficient, equitable and socially responsible business environment;
- To act as an economic intelligence nerve-centre to inform strategic decisions and targeted sector development strategies; and
- To promote public accountability and achieve high standards of corporate governance and efficient resource utilisation.

#### Main Services

The department contributes to an inclusive and growing economy in Gauteng by:

- Providing thought leadership to inform the economic development agenda;
- Mobilising stakeholders to partner for economic growth and development;
- Creating an enabling regulatory environment and stimulating business practices that promote inclusive economic growth;
- Enhancing the competitive advantage of key sectors of the economy;
- Promoting and attracting trade and investment to the economy;
- Directing investment into strategic economic infrastructure;
- Proactively linking communities to economic opportunities;
- Playing a facilitative role – engaging with actors in civil society and developing constructive engagements with the private sector; and
- Contributing towards skills initiatives in the furniture, mineral beneficiation and jewellery fabrication, automotive, Information and Communication Technology (ICT), tourism and green economy sectors.

## Outcomes

The DED recognises its role as a lead department in relation to Outcome 4 “Decent Employment and Inclusive Economic Growth” and equally affirms its role in support of other provincial outcomes i.e. Outcome 5: An efficient, competitive and responsive economic infrastructure network; and Outcome 6: Skilled and capable workforce to support an inclusive growth path. The Gauteng Medium Term Strategic Framework (MTSF) emphasises the large scale creation of decent work opportunities as the centre of its socio-economic agenda, so as to deal with the triple challenge of unemployment, inequality and poverty. The department of Economic Development, in aligning its plans with the MTSF and the outcomes of the provincial government, led the development of the Gauteng Employment, Growth and Development Strategy (GEGDS) which is the framework that underpins the developmental objectives of the province to achieve decent work creation and sustainable economic growth.

To support these objectives, the DED finalised economic policies and strategies, which include the Industrial Policy, the Broad Based Black Economic Empowerment (BBBEE) strategy, the Green Economy strategy and the Small Micro and Medium Enterprises (SMME) and Cooperatives strategies. The focus is on improving the effective implementation of these strategies, and this critically informs the reprioritisation and reconfiguration of the department, and was considered in the development of its 2013 medium term budget.

## Acts, rules and regulations

- Municipal Finance Management Act (MFMA), 2004;
- Gauteng Liquor Act, 2003;
- National Protected Areas Act, 2003;
- Blue IQ Investment Holding Act, 2003;
- Gauteng Tourism Act, 2001;
- Promotion of Access to Information Act, 2000;
- Administration of Justice Act, 2000;
- Preferential Procurement Policy Framework Act, 2000;
- Municipality Systems Act, 2000;
- Gauteng Gambling Act, 1995, 1996, 2001;
- World Heritage Convention Act, 1999;
- Public Finance Management Act (PFMA), 1999;
- Skills Development Act, 1998;
- Employment Equity Act, 1998;
- Convention Concerning the Protection of the World Cultural and Natural Heritage (adopted 1997);
- Intergovernmental Fiscal Relations Act, 1997;
- Gauteng Unfair Business Practices Act, 1996;
- Sale and Service Matters Amendment Act, 1995;
- Public Service Act, 1994;
- Business Act, 1991;
- Credit Agreements Act, 1980; and
- 2009-2014 Electoral Manifesto and Medium Term Strategic Framework (MTSF).

## 2. REVIEW OF THE CURRENT FINANCIAL YEAR (2013/14)

### Outcome 1: Strategic economic Infrastructure stimulating employment-led economic growth and development

#### Output 1: Strategic economic infrastructure

The Department of Economic Development (GDED) in partnership with Department of Roads and Transport (GRT), Gauteng Growth and Development Agency (GGDA), West Rand District Municipality and Mogale City conducted a feasibility study for a site suitable to establish an Inland Hub in West Rand.

The department has secured funding from Gauteng Fund Agency (GFA) to conduct the Vaal logistic hub feasibility study. A letter that confirms the department’s commitment to the project has been forwarded to GFA. The draft terms of reference were also circulated for DRT, Transnet and Emfuleni Municipality for comments.

The department has entered into heads of agreement with Airports Company South Africa (ACSA) and a lease agreement is being negotiated. In principle, an undertaking to fund has been secured from the Department of Trade and Industry (DTI). ACSA has undertaken to deliver bulk infrastructure at the DEDs costs. A Procurement Advisor was appointed in August and will facilitate the PPP process.

**Output 2: Re-industrialisation to support the growth of labour intensive industries**

DED will make contributions in training to Gauteng Master Skills Plan and/or re-industrialisation, as it pertains to its focus area. These include training for repair shops, simulator training academy, foundry and tooling training, tourism, and reskilling and technical training.

**Output 3: Building an innovation and knowledge-based economy to drive competitiveness and economic growth****Gauteng ICT Park**

The aim of the Gauteng ICT Park is to provide an institutional environment that enables enterprises, individuals and the government to interact for purposes of generating economic growth, while delivering on all Pillars of the Province's ICT Strategy. Key focus areas for the Park are Electronics and Manufacturing, ICT Research and Development, Media and Content Production, ICT Knowledge Development, ICT Connectivity and Transition Switching, Business Process Outsourcing and Logistics and Distribution.

The completion of the Special Economic Zone (SEZ) business case, as mandated by the DTI, was 30 per cent complete by the end of the third quarter. The Master Blue Plan (MBP) for the Gauteng ICT Park has been completed and submitted for approval to the DTI (as the SEZ regulator). The process of evaluating the MBP report against the SEZ requirements has been conducted between the DTI and GDED. The GDED through GGDA has submitted an application to the DTI SEZ Fund to address all the SEZ establishment requirements.

The DTI has subsequently approved funding as follows: 2014/15 - R7,6 million; 2015/16- R7,4 million; and 2016/17- R7,8 million -for opportunity packaging and investor recruitment as well as project management. The DTI has furthermore provided funding for the recruitment of a SEZ Executive at a Chief Director level, a Project Manager at a Director Level as well as a Sector Specialist also at a Director Level.

**Gauteng Accelerator Programme (GAP) Biosciences**

The Gauteng Accelerator Programme – Biosciences (GAP-Biosciences) is an initiative by The Innovation Hub (TIH) in collaboration with Emory University (Atlanta, Georgia) that aims to transfer essential business and business-related skills to researchers and entrepreneurs in the biosciences sector, to ultimately establish viable biosciences start-up companies in Gauteng.

The GAP competitions received over 200 applications from entrepreneurs across Gauteng. An award ceremony was hosted on 6 December 2013 with attendance from various stakeholders within the innovation community. Fourteen entrepreneurs from the GAP ICT, Medical, Green and Biosciences were announced as winners on 6 December 2013 and have won seed funding and incubation. Incubation contracts are currently being finalised.

Eight teams of 23 people were selected to undergo the executive education programme and receive business and technical mentoring for business plan development with the internal The Innovation Hub (TIH) and Emory team. These 8 teams are still on the programme.

**Output 4: Green economy interventions to support sustainable economic growth and interventions**

The biogas production pilot projects in Sedibeng schools and in a nursery situated in Jabulani informal settlement in the West Rand District progressed well. A total of three digester technologies have been successfully installed. Biogas lines were then fitted and commissioning of the digester to produce gas commenced. Monitoring of the gas producing technology is underway.

The target for the "waste to energy" plant in a poultry farm based in Ekurhuleni has not been met due to challenges with the Intellectual Property of the technology. The mediation process was undertaken and challenges have been resolved. In addition, a request for proposals to appoint a service provider who has waste to energy technology has been published. This process will assist to benchmark the Chick Energy technology.

The "waste to energy" feasibility study for Sedibeng and the West Rand area is not complete due to the outstanding waste characterisation study. This study forms part of the entire feasibility study it is anticipated that it will be completed in the fourth quarter of 2013/2014. Currently five chapters of the feasibility study have been drafted and approved by the Steering committee. These include status quo analysis, market analysis, legal analysis, technological analysis and options analysis.

**Output 5: Tourism sector development to drive competitiveness and economic growth**

The design concepts for upgrade of the Interpretation Centre Hominid-House and the Maropeng Hotel have been successfully completed. On the completion of facilities to host outdoors events, it is recorded that the construction of the trail has commenced earnestly and this achievement is attributed to the final appointment of contracts and dedicated team member's on-site fast tracking the implementation of the project.

However, the construction of facilities at Maropeng to attract more visitors is delayed as the Construction Industry Development Board (CIDB) requirements for infrastructure projects procurement has not been finalised.

In the third quarter, the final signing of the transfer protocol with North West province assisted the department to commence and complete the development of the Operating Model for the Ga-Rankuwa Hotel School.

The department has established the second Visitor Information Centre (VIC) and these centres are strategically positioned at OR Tambo International Airport's (ORTIAs) international and domestic terminals. The results of the visitor satisfaction surveys currently being conducted at the aforesaid OR Tambo Airport VICs show a satisfactory level of achievement quarter-on-quarter and have recorded an average of 79 per cent against a target of 60 per cent during the period under review.

The department trained 670 people on tourism excellence against a target of 500 in the period under review. This achievement was due to effective collaboration with partners and huge demand by sector practitioners.

**Output 7: Sustainable Employment Creation****SMME and cooperatives support: Gauteng Enterprise Propeller (GEP)**

As at the end of the third quarter, 1 828 SMMEs and 510 Co-operatives were supported. These businesses were assisted through a range of tailored financial and non-financial interventions such as Business Development Support; Training; Aftercare and Loans. A combination of training and mentorship from the Enterprise Support Unit continued to boost interest in the Agency's programmes.

The GEYODI breakdown of SMMEs assisted and supported was 645 women, 402 youth and 200 People with Disabilities (PwDs). Through different types of interventions, 510 Cooperatives were supported and 26 received Cooperative Assistance Programme (CAP). The CIPC System is fully functional through the GEP Transnet Hub at the Carlton Centre and 146 businesses were registered at the end of the period under review.

The old township industrial site regeneration programme is continuing and Chamdor industrial site has been completed; the service providers have been contracted to start with the refurbishment of Ga-Rankuwa and Orlando sites. A needs analysis for Sedibeng industrial park was delayed.

**Implementation of Youth Employment Strategy**

The number of young people placed at various clinics and hospitals in all 5 regions increased from 793 to 1 044. Inductions, identification of mentors and signing of contracts have been completed with all the placed learners. In addition, GEP entered into a one year placement agreement with 883 learners who were placed in various municipal entities (Renaissance - 100, Transnet - 8, Joburg Water - 235, Joburg City Power 418, Prasa - 3, MTN Hub - 3, Makplan - 100 and Hosea - 16) with the objective of forming them into Cooperatives.

Tourism was elevated as the 6th economic pillar in the New Growth Path due to its labour-intensive character and the ability to create employment opportunities across a skills level spectrum. There are some initiatives that create short-term employment in the tourism space – particularly targeted at the youth as part of the designated groups – through government's strategic interventions.

To this end, Gauteng Tourism has created 30 youth work placements through an apprenticeship project in partnership with the National Department of Tourism.

Other opportunities targeted at the youth are through the 'Working on Fire' project which is an EPWP initiative that has created 24 and 45 opportunities in the Cradle of Humankind and Dinokeng areas respectively.

**Output 8: Trade and Investment Promotion**

The Gauteng Growth and Development Agency (GGDA) has successfully facilitated one Domestic Direct Investment (DDI) project in the Business Process Outsourcing (BPO) sector which created 75 temporary jobs with investments amounting to R48 million. One Foreign Direct Investment (FDI) project, namely Cyreldene Mall, has been facilitated. The rand value of the investment is R20 million with 40 temporary jobs created during the

demolishing phase. In the year under review, the total rand value of FDI and DDI investments facilitated through GGDA is R135 million.

The GGDA provided investment retention services to one company, Proban IT Systems (Pty), for a joint venture with a Dutch company to develop research software. The continued support of the department of Trade and Industry and fostered relationships with Embassies, enabled the hosting of 51 inward delegations at the Investment business lounge. Through The International Trade Institute of Southern Africa, the GGDA facilitated the training of 61 enterprises on export development.

### **Broad Based Black Economic Empowerment**

At the end of the third quarter review, a total of 35 interventions were facilitated as a result of designation of sectors and were targeted for the public and civil sector/private sector stakeholders. The interventions focused on compliance with the GPG BBEE strategy and its targets and compliance to local content and new BBEE Codes of Good Practice gazetted. It was published in October 2013.

There was slight progress from 72.81 per cent to 72.9 per cent that was recorded towards the achievement of GPG compliance Preferential Procurement spend target. The province continued to achieve on the QSE target of 30 per cent by spending 58.7 per cent of its total procurement budget for the year under review.

### **Consumer protection**

At the end of the third quarter review, the department received 2 267 complaints and resolved 1 488 complaints against the targeted amount of 1 178.

In observance of both the Liquor Awareness Month and the Disability Month, the department conducted consumer education workshops in the four regions of the province, targeting disabled persons and liquor traders during the month of October and November respectively. The main workshop, which had attracted scores of disabled persons, was held in Sharpeville, Emfuleni, co-hosted by the Local Municipality. The department also invited other departments, namely Gauteng Department of Finance, Social Development and the Gauteng Enterprise Propeller.

The department has wrapped up its workshops for the funeral industry stakeholders, the Burial Society of South Africa (BUSOSA), and attended their end-of-the-year function at Parktown, Johannesburg. A three-day Consumer Financial Wellness campaign, targeting DED employees, was also held at 124 Main Street. This campaign, themed "Spend Wisely", was launched on 15 November 2013 with a series of workshops and Friday exhibitions at the 94 Main Street foyer and lasted until 13 December 2013. This also coincided with the woman empowerment seminar for women in business organised by the department and co-hosted by an organization called, Leading Women of Africa (LWA).

### **Liquor licencing**

At the end of the third quarter review, 2 696 applications were received and considered due to a large number of applications for transfers and relocations of Shebeen permits approved in accordance with the Provincial Notice 3283 dated 7 December 2012, published in the Government Gazette Number 376.

This called for the interested parties or clients to apply for relocations or transfers approval. The said applications were considered and approved, in addition to application considered in terms of Act 2, of 2003. During the adjudication over license applications, 2 396 licenses were issued within the turnaround time.

At the end of the third quarter review, 3 045 pre-inspections were conducted, exceeded the target because of the availability of resources. The number of Compliance inspections conducted was 2 498 at the end of the period under review. This achievement is attributed to the joint operations with other Law Enforcement Agencies and the implementation of the festive season plan.

A total of 3 350 000 people were reached through awareness programmes, which is inclusive of both the number of people who attended the workshops and the records on media coverage. In October 2013 the GLB conducted successful Liquor month campaigns and it was widely covered both by print and electronic media. A total of R18.2 million was collected through licence fees during the period under review, which reflects a consistent improvement in revenue collection.

### **Gambling regulation**

The provisional gambling revenue collection has shown an increase from the target amount of R186.7 million to R203.2 million which is 9 per cent above the tax budget. Increase in consumer spending on gambling products



led to the high tax revenue collected.

Regarding applications processed within the standard timeframe, the percentage has decreased from 94, 1 per cent to 81 per cent. Unprocessed applications are due to queries emanating from Home Affairs, other gambling boards and incomplete application files received.

The planned 38 compliance audits were completed as planned owing to the cooperation of licensees, adherence to the plan and 9 inspections being conducted against a target of 7.

### 3. OUTLOOK FOR THE COMING FINANCIAL YEAR (2014/15)

#### Output 1: Inclusive and equitable economic growth

##### Re-industrialization

The department through lessons learnt from the implementation of the Winterveldt and Mohlakeng Township Enterprises, the department will develop the operating model and governance framework that will inform the rolling out of the new hubs. The Gauteng Enterprise Propeller (GEP) will also continue with the Regeneration Old Townships programme and will regenerate further three (3) Old township industrial sites.

##### Enterprise Development

Enterprise support will continue to be provided in the next financial year. In this regard, GEP will provide financial support to 150 SMMEs and non-financial support will be provided to 1 800 SMMEs. The Cooperatives Support Programme will be continued, 70 Cooperatives will be provided with financial support and 300 Cooperatives will be provided with non-financial support. The Agency will also provide financial and non-financial support to 425 informal businesses. The department, through GEP, will establish 1 000 (cumulative 2 000) youth businesses.

##### Innovation and Knowledge based economy

Twenty-six companies will be recruited for pre-incubation through the Maxum programme at TIH whilst 16 will be enrolled for incubation. Ninety individuals will also be trained through the CoachLab programme at TIH. The Climate Innovation Centre (CIC) will provide support to 60 green companies and its incubation programme will incubate 20 green companies.

##### Green economy

As part of implementing the Green Strategy, the department will conduct the following studies:

- A market study of local industrial ability to develop, manufacture and produce relevant technologies for emissions reduction and adaptation;
- Investigative study on the feasibility of a provincial tax option to fund renewable and alternative energy in Gauteng; and
- Nodal and corridor studies on food valley.

The department will also work with the private sector, towards ensuring that Gauteng-based businesses achieve green building status in accordance with the Green Building Council of SA standards.

##### Tourism development

The department, through the Gauteng Tourism Authority, will continue to market Gauteng as a tourism destination. In this regard, targeted international marketing and communications campaigns will be used to stimulate an increase in the number of international visitor arrivals to Gauteng. The increase in the number of domestic trips to Gauteng will be stimulated through targeted domestic campaigns and niche product development.

##### Preferential procurement

Training, education and awareness workshops will be continued to provide GPG Departments and entities with guidance on the calculation of local content. The department will also continue to monitor the Provincial target on preferential procurement and payment of suppliers within 30 days after receipt of invoices.

##### Equitable urban economy space

The Local Economic Development (LED) will provide capacity building Interventions to municipalities. In this regard, the department will assist municipalities to draw their LED Strategies and alignment thereof to provincial priorities.

**Output 2: Strategic economic infrastructure stimulating employment-led growth and development**

The department, through Gauteng Growth and Development Agency (GGDA), will continue with the completion of Industrial Development Zone (IDZ) phase 1 and to finalise phase 1 top structure and bulk development by March 2015. The feasibility of next phases of IDZ translated to Phase 2 will also be established.

Through the work to be undertaken by ICT project management office (PMO), the department, working together with DTI, will finalise the completion of business case as part of the SEZ process for Gauteng ICT Park. Working together with private sector will ensure the completion of business cases for the ICT component, media component, knowledge component and logistics component.

**Output 3: Sustainable youth employment creation**

The department, through the Youth PMO, will liaise with DTI to review the current programme logic and alignment thereof to the budget ultimately allocated. To this end and through lessons learnt in the implementation of the programme in the previous financial year, the department will ensure the placement of a further 1 500 youths into work opportunities.

**Output 4: Trade and investment promotion****Investment attraction and export promotion**

The department's Trade and Investment promotion, through GGDA, will directly facilitate 5 Foreign Direct Investments and 6 Domestic Direct Investments. The Gauteng Investment Centre (GIC) will continue as a platform to stimulate investments and will host 57 inward missions in the next financial year. The department, through GGDA, will continue to facilitate access to export markets for SMMEs and in this regard 100 enterprises will be supported to be export ready.

**Improve ease of doing business**

The department will produce Intelligence reports to track developments in the respective sectors and disseminate information to assist decision making by prospective investors. In this regard, the Gauteng Investor Incentive Guide will be updated annually.

**Output 5: Build Skills to drive the economy**

The department, through the GGDA, will to continue to focus on addressing skills gaps and creating jobs through partnerships with industries to deliver skills for the economy in labour intensive sectors such as the automotive, furniture, fashion, metal fabrication and mineral beneficiation sectors. As part of skills development in the Automotive sector, through GGDA, 350 individuals will be trained at the Ford Simulator facility. The 60 mentees enrolled for the Mentorship programme for Body repairs will continue with their 3-year programme.

Twenty students enrolled for the jewellery manufacturing and design and will continue with the two-year training programme. Thirty furniture craftsmen and designers will be trained. The Metal fabrication skills development will also continue to be a focus for the department. Thus 250 tool makers will be trained through the tooling artisan training programme and 20 individuals will be trained through the foundry skills development programme.

**Output 6: Business regulation****Consumer protection**

The department identified sections in the National Legislation that impact on its mandate and role, and will review the Consumer Affairs (Unfair Business Practices) Act 7 of 1996 during the year. Thus the department will prioritise the review of the Provincial Legislation for alignment with the National Legislation. There will also be continued focus on consumer education, advocacy and awareness campaigns in the 2014/2015 financial year.

**Liquor licencing**

To improve the ease of doing business, adherence to the turnaround time for approving the liquor license applications will be reinforced. Stakeholder programmes and engagement will be streamlined to improve the department's reputation on liquor licensing. Liquor Abuse Education and Awareness Programmes will continue, and inspections will be increased in order to enforce compliance.



### Gambling regulation

In continuing regulating the gambling industry, the number of compliance audits (158 per annum) conducted on gambling licences will be maintained in the 2014/2015 financial year. Similarly, the number of inspections conducted will continue to be 102 per annum in the upcoming financial year.

## 4. REPRIORITISATION

The implementation of approved strategies critically informs the reprioritisation of the budget and projects. The department examined the budget proposals from its public entities in order to strengthen the alignment with its mandate. Several budget proposals from public entities were declined and some were realigned and reprioritised. The budget reprioritisation exercise identified savings within the existing committed expenditure envelope and assigned funds to emerging priorities in the areas of enterprise development, job creation and targeted sector development. Costing cutting measures were implemented and the department reduced internal costs through centralisation of common expenditure such as stationery, computer consumable, catering and etc. The Department went further to cut costs by developing austerity measures that affect certain items such as cell phones, travel and substance, venue and facilities and etc. This reprioritisation will necessitate an efficient use of resources while, on the other hand, ensuring that service delivery targets are met. However, cost savings will continue to play an important role in the budget allocation and management processes thereof.

## 5. PROCUREMENT

The Department of Economic Development, during the MTEF process, highlighted procurement projects that will happen in the 2014/15 financial year, which have an impact on the service delivery of the department. This will also be in line with the projects that the department would plan to deliver on and it will have procurement implications. This will further be backed up by individual procurement project plans to ensure that bids are evaluated and awarded timeously.

The communication unit will procure media campaigns to advertise service offerings and programmes of the department, such as Disability workshops spend wisely campaigns, World Consumer Right Month, Savings Month Campaign, Youth Month, Human Rights, and Worker's Month. Another procurement managed by the project management office through consulting services is the Gauteng Smart City, which involves the procurement of ICT infrastructure, Alexandra broadband, and Soweto broadband.

## 6. RECEIPTS AND FINANCING

### 6.1 Summary of receipts

TABLE 3. 1: SUMMARY OF RECEIPTS: ECONOMIC DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Equitable share	1 087 082	822 573	874 412	967 551	963 353	963 353	1 072 661	1 135 900	1 197 468
<b>Total receipts</b>	<b>1 087 082</b>	<b>822 573</b>	<b>874 412</b>	<b>967 551</b>	<b>963 353</b>	<b>963 353</b>	<b>1 072 661</b>	<b>1 135 900</b>	<b>1 197 468</b>

The allocation decreased from R1.1 billion in 2010/11 to R822.6 million in 2011/12 before increasing to R874.4 million in 2012/13. The main appropriation increases by 11 per cent from 967.6 million in the 2013/14 financial year to R1 072.7 billion in the 2014/15 financial year. Over the MTEF the departmental baseline increases to R1.1 billion and R1.2 billion for 2015/16 and 2016/17 respectively. The departmental budget for 2014/15 caters for enhancements in conditions of service, a phased-in implementation of the organisational structure, job creation through partnerships with industries to deliver skills for the economy in labour intensive sectors and the Nelson Mandela Centre of Memory project that started the implementation of the first phase during the 2013/14 financial year. The Department received additional funding of R407 000 for the 2014/15 financial year, which is for personnel that migrated from the Department of Finance, based on the reallocation of the procurement and human resource function. In terms of developing the Constitutional Hill Precinct as a lead project in city renewal and for the establishment of a struggle history route, the Nelson Mandela Centre of Memory will be developed as an anchor attraction to enhance the visitor experience. This will have an impact on tourism increase due to the increased number of people flocking the Centre of Memory and will increase the revenue collection.

## 6.2 Departmental receipts

TABLE 3.2: DEPARTMENTAL RECEIPTS:ECONOMIC DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Tax receipts</b>	616 636	612 939	719 343	708 573	708 573	708 573	758 506	804 017	846 630
Casino taxes	585 980	580 337	684 364	622 371	622 371	622 371	666 229	706 204	743 633
Horse racing taxes	30 656	32 602	34 979	86 202	86 202	86 202	92 277	97 813	102 997
Liquor licenses									
Motor vehicle licenses									
Sales of goods and services other than capital assets	<b>311</b>	<b>125</b>	<b>288</b>						
Transfers received									
Fines, penalties and forfeits									
Interest, dividends and rent on land	2 706	1 579	2 006	1 878	1 878	1 878	1 991	2 111	2 223
Sales of capital assets		47							
Transactions in financial assets and liabilities	( 54 525)	79	218	250	250	250	265	277	292
<b>Total departmental receipts</b>	<b>565 128</b>	<b>614 769</b>	<b>721 855</b>	<b>710 701</b>	<b>710 701</b>	<b>710 701</b>	<b>760 762</b>	<b>806 405</b>	<b>849 145</b>

In achieving the goals and priorities outlined in the strategic goal of the department, the main source of departmental funding is the equitable share and own revenue mainly generated from gambling taxes (casino and horse racing taxes). The department's other sources include sales of goods and services other than capital assets; interest, dividends and rent on land; financial transactions in assets and liabilities, and sales of capital assets. Gambling revenue is collected by the Gauteng Gambling Board (GGB) for a commission in terms of the Public Finance Management Act Sec 21 (b)(iii), s23(1) & (2) and (3), as well as the Gauteng Gambling Act of 1995 as amended.

The table above shows the contribution of different types of revenue sources. During the 2011/12 financial year the collection was R614.8 million and R721.9 million in 2012/13 showing an increase of R107 million. For the 2013/14 financial year the projected collection amounts to R710.7 million. As at the end of the third quarter, revenue collection amounts to R568 million. The highest contribution of 97.2 per cent is from the Tax receipts, which are made up of casino taxes and horse racing taxes. Sales of goods and services other than capital assets contributed 2.1 per cent of the total revenue collected. Sales of goods and services other than capital assets consists of bookmakers licenses, commission auctions, commission on insurance and garnishees, rental on open and covered parking and sales of scrap paper.

Interest, dividends and rent on land comprises only interest on the PMG account and contributed less than 1 per cent to the total collection to date. Financial transactions in assets and liabilities have the lowest contribution to total revenue, collecting less than 1 per cent.

Over the 2014 MTEF total revenue will grow from R760.8 million in 2014/15 to R806.4 million in 2015/16, producing an annual average growth rate of 6 per cent. The projected revenue collection over the MTEF is projected on the basis of tourism data, taking into consideration the number of people coming into the province to gamble and the number of people coming into the province for holidays. For the 2016/17 financial year of the MTEF, the projected receipts amount to R849 million. The GGB will continue implementing its mandate by attracting tourists to ensure sustainable revenue collection, including intensifying the responsible gambling awareness campaign in the domain. The GGB will continue with its programmes as planned and the baseline will not be reduced moving forward.

## 7. PAYMENT SUMMARY

### 7.1 Key assumptions

The department has applied the following key assumptions when compiling the budget:

- Implementation of the recently approved structure;
- Increase in personnel and performance bonuses;
- Number of staff and possible changes over MTEF;
- Medical aid contributions that increase annually;
- Basic salary costs including the Improvement in Condition of Services adjustments from July each year;
- Skills development levy;
- Inflation related adjustments and; and
- Cost-saving strategies.

## 7.2 Programme summary

TABLE 3.3: SUMMARY OF PAYMENTS AND ESTIMATES: ECONOMIC DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1.Administration	126 334	129 436	129 864	127 707	132 013	131 655	171 379	171 940	177 098
2.Integrated Economic Development Services	198 794	158 379	196 458	239 766	237 087	237 087	268 135	268 495	288 364
3.Trade And Sector Development	641 578	410 337	452 110	507 885	513 187	513 187	510 665	566 061	596 063
4.Business Regulation And Governance	52 685	43 092	66 734	64 159	59 460	59 460	81 692	84 307	88 458
5.Economic Planning	10 638	18 151	28 205	28 034	21 606	21 606	40 790	45 096	47 487
<b>Total payments and estimates:</b>	<b>1 030 029</b>	<b>759 394</b>	<b>873 371</b>	<b>967 551</b>	<b>963 353</b>	<b>962 995</b>	<b>1 072 661</b>	<b>1 135 900</b>	<b>1 197 468</b>

## 7.3 Summary of economic classification

TABLE 3.4 SUMMARY OF DEPARTMENTAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ECONOMIC DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>198 389</b>	<b>258 620</b>	<b>265 609</b>	<b>299 645</b>	<b>295 219</b>	<b>295 219</b>	<b>392 962</b>	<b>412 271</b>	<b>435 487</b>
Compensation of employees	80 372	91 036	110 304	124 786	124 988	124 988	190 540	214 001	225 786
Goods and services	118 017	167 561	155 305	174 859	170 231	170 231	202 422	198 270	209 700
Interest and rent on land		24							
<b>Transfers and subsidies to</b>	<b>822 705</b>	<b>495 094</b>	<b>590 114</b>	<b>657 492</b>	<b>657 720</b>	<b>657 720</b>	<b>659 507</b>	<b>703 443</b>	<b>740 726</b>
Provinces and municipalities	21 500								
Departmental agencies and accounts	800 136	494 851	587 495	657 492	657 492	657 492	659 507	703 443	740 726
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households	1 069	243	2 619		228	228			
<b>Payments for capital assets</b>	<b>1 637</b>	<b>5 443</b>	<b>6 213</b>	<b>10 414</b>	<b>10 414</b>	<b>10 056</b>	<b>20 192</b>	<b>20 186</b>	<b>21 256</b>
Buildings and other fixed structures									
Machinery and equipment	1 637	5 423	5 855	10 414	10 414	10 056	20 192	20 186	21 256
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets		20	358						
<b>Payments for financial assets</b>	<b>7 298</b>	<b>237</b>	<b>11 435</b>						
<b>Total economic classification</b>	<b>1 030 029</b>	<b>759 394</b>	<b>873 371</b>	<b>967 551</b>	<b>963 353</b>	<b>962 995</b>	<b>1 072 661</b>	<b>1 135 900</b>	<b>1 197 468</b>

Total expenditure has decreased by 26 per cent from R1 billion in 2010/11 to R759.3 million in the 2011/12 financial year, growing to R873 million in the 2012/13 financial year. The decrease was due to the realignment of provincial functions. The Gauteng Film Commission migrated to the Department of Sports, Arts, Culture and Recreation, which created a decline in the fiscal.

An amount of R494.9 million of the 2011/12 allocation was transferred to public entities and translates to 65 per cent of the total budget. In the 2011/12 financial year, sector plans were swiftly translated into practical work across the Department and its public entities and the focus was on the implementation of the GEGDS.

Over the 2014/15 MTEF period, the departmental budget amounts to R1 billion, R1.1 billion and R1.2 billion for the respective years of the MTEF with funds earmarked for job creation, the Nelson Mandela Centre of Memory and the implementation of the organisational structure.

In 2014/15 the largest share of the budget is allocated to the Trade and Sector Development Programme to provide for transfers to the public entities for projects such as the Nissan Project, Strategic economic infrastructure and the Gauteng Investment Centre.

Under compensation of employees, cost of living adjustments were effected for personnel, with the budget growing from R124.7 million in 2013/14 to R190.5 million in the 2014/15 financial year. The increase is due to the implementation of the approved organisational structure as well as the migration of personnel from GDF, based on the reallocation of the procurement and human resource function.

Over the MTEF the compensation of employees grows to R190.5 million in 2014/15 and R225.8 million in 2016/17, primarily due to the implementation of a new structure for the Department to align to the needs of the province.

Under machinery and equipment the Department catered for the replacement of old furniture and machinery. The allocation amounted to R1.6 million in 2010/11 and increased to R5.9 million in 2012/13. The allocation increases to 10 million in the 2013/14 financial year, and increases significantly over the 2014/15 financial year to R20 million and R21.2 million in the 2016/17 financial year.

#### 7.4 Infrastructure payments

N/A

##### 7.4.1 Departmental infrastructure payments

N/A

##### 7.4.2 Departmental Public-Private partnerships (PPP) projects

N/A

#### 7.5 Transfers

##### 7.5.1 Transfers to public entities

TABLE 3.5: SUMMARY OF DEPARTMENTAL TRANSFERS TO PUBLIC ENTITIES

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
1. Blue IQ Investment Holding (Pty) Ltd	255 837	180 453	225 223	302 320	302 320	302 320	283 369	307 559	323 860
2. Gauteng Economic Development Agency	65 836	48 362	68 000	55 785	55 785	55 785	55 703	30 474	32 089
3. Gauteng Enterprise Propeller	131 659	93 912	104 300	128 447	128 447	128 447	129 291	125 838	132 507
4. Gauteng Tourism Agency	70 551	61 488	52 045	62 016	62 016	62 016	65 427	60 298	63 494
<b>Total departmental transfers to public entities</b>	<b>523 883</b>	<b>384 215</b>	<b>449 568</b>	<b>548 568</b>	<b>548 568</b>	<b>548 568</b>	<b>533 790</b>	<b>524 169</b>	<b>551 950</b>

Total transfers to public entities decreased from R523 million in the 2010/11 financial year to R384.2 million in the 2011/12 financial year. Transfers to public entities reached a peak in the 2010/11 financial year due to the motorsport contract that was funded under Blue IQ Investment Holdings (Pty) Ltd.

In 2012/13 total transfers to public entities increase from R449.6 million in 2013/14 to R548.5 million due to the additional funding allocated to Blue IQ Investment Holdings (Pty) Ltd for the Nelson Mandela Centre of Memory and other job creation endeavors.

Over the 2014 MTEF the allocation decrease to R533.8 million in 2014/15 and increases to R552 million in 2016/17.

The allocation to the GEP escalates from R128.4 million in 2013/14 to R129.3 million in the 2014/15 financial year to cater for a targeted focus on providing support and training to informal businesses, SMMEs and cooperatives.

The Gauteng Tourism Authority (GTA) budget grows from R52 million in 2012/13 to R62 million in 2013/14 at a rate of 19 per cent for projects such as finalising the transfer and operating model for the Garankuwa Hotel School, the refurbishment of ramparts and interior office space at Constitution Hill and the state-of-the-art visitor information Centre. Furthermore, the GTA will intensify its goal of making Gauteng a preferred tourism destination. For 2014/15 the budget grows to R65.4 million and increases by R3 million when comparing it to the 2013/14 budget.

During the 2013/14 financial year the GEDA and Blue IQ were combined into one agency. The mandate of GEDA is infused into that of Blue IQ to form the Gauteng Growth and Development Agency (GGDA) where Blue IQ and GEDA will trade as a single entity. The budget of the two entities is combined in 2013/14, even though they are listed as separate entities over the MTEF. The Blue IQ (Pty) Ltd budget is intended for key projects such as metal and machinery sector development, the Gauteng Tooling Initiative, the BPO-O strategy and automotive sector development. In terms of developing the Constitution Hill Precinct as a lead project in city renewal and for the establishment of a struggle history route, the Nelson Mandela Centre of Memory will be developed as an anchor attraction to enhance the visitor experience. The Blue IQ Investment Holdings (Pty) Ltd budget grows from R255 million in 2010/11 to R302.3 million in 2013/14, in order to cater for the areas noted above. During the 2012/13 financial year Blue IQ Investment Holdings (Pty) Ltd received an additional R20 million for the Nissan project which stimulated job creation in the automotive sector.

The budget for the GEDA has declined by 15.2 per cent from R65 million during 2010/11 to R55.8 million in the 2013/14 financial year. Furthermore, over the 2014 MTEF the allocation for GEDA further declines from R55.8 million in 2014/15 to R30.5 million 2015/16 due to the plans in place to merge Blue IQ Investment Holdings (Pty) Ltd and GEDA into one public entity, the GGDA. Therefore the department envisages a reduction in operational costs since these two entities will share support services.

### 7.5.2 Transfers to other entities

TABLE 3.6: SUMMARY OF DEPARTMENTAL TRANSFERS TO OTHER ENTITIES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1. Cradle of Humankind	72 954	62 923	57 157	44 115	44 115	44 115	53 442	83 594	88 024
2. Dinokeng	71 598	32 613	48 100	42 139	42 139	42 139	37 736	65 587	65 588
3. Gauteng Liquor Board	28 590	15 100	32 670	28 781	28 781	28 781	30 255	31 438	33 104
<b>Total departmental transfers to trading entities</b>	<b>173 142</b>	<b>110 636</b>	<b>137 927</b>	<b>115 035</b>	<b>115 035</b>	<b>115 035</b>	<b>121 433</b>	<b>180 619</b>	<b>186 717</b>

The department has three trading entities and they all administered by the department.

The allocation for the Cradle of Humankind and Dinokeng fluctuates from R73 million and R71.6 million respectively in 2010/11 and R57.2 million and R48.1 million respectively in 2012/13. The main appropriation amounts to R44.1 million and R42.1 million for the respective entities. Over the MTEF the Cradle of Humankind allocation increases from R53.4 million in 2014/15 to R88 million in 2016/17 while Dinokeng's allocation first decreases to R37.7 million in 2014/15 before increasing to R65.6 million in 2016/17.

Gauteng Liquor Board is under Programme 4 within the departments and its budget is still managed by the department. The budget amounts to R28.6 million in 2010/11 and increases to R32.7 million in 2012/13 before decreasing to R28.8 million in 2013/14 main appropriation. Over the MTEF the budget increases to R30.3 million in 2014/15 and R33.1 million in 2016/17.

### 7.5.3 Transfers to local government

TABLE 3.7: SUMMARY OF DEPARTMENTAL TRANSFERS TO LOCAL GOVERNMENT BY CATEGORY

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Category A	19 300								
Category B	2 200								
Category C									
<b>Total departmental transfers to local government</b>	<b>21 500</b>								

These transfers relate to the development of local economies in partnership with key stakeholders by aligning local economic development (LED) initiatives with government programmes. The total transfers to local government in the 2010/11 financial year amounted to R21.5 million, of which R19.3 million were Category A transfers and R2.2 million were Category B transfers.

The department did not provide for any transfers to municipalities over the 2011 MTEF but provided non-financial support to local municipalities. This includes the implementation of the Gauteng LED Strategic Framework, in particular the capacity building programme, which will target stakeholders in municipalities.

## 8. PROGRAMME DESCRIPTION

### PROGRAMME 1: ADMINISTRATION

#### Programme description

The purpose of the programme is to provide strategic leadership, support and transversal business solutions to enable the MEC, HOD and the DED Group to effectively and efficiently deliver on its mandate.

The transversal nature of the administration support functions means that, indirectly, the programme contributes to all five DED strategic goals set out in the revised strategic plan; however the programme directly leads delivery towards goal five which is to promote public accountability and achieve high standards of corporate governance and efficient resource utilisation.

#### Programme objectives

Towards achievement of the above goal, the programme level strategic objectives set out in the Strategic Plan are as follows:

- Financial accountability and compliance with all prescribed financial regulations and guidelines; and
- Employment equity targets achieved.

TABLE 3.7: SUMMARY OF PAYMENTS AND ESTIMATES: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1.Office of the MEC	9 903	14 079	13 973	10 240	11 635	11 635	16 167	18 561	19 545
2.Office of the HOD	22 366	28 418	16 454	11 965	12 001	12 001	21 794	23 054	24 276
3.Financial Management	16 178	13 116	18 599	16 199	19 870	20 654	22 422	26 850	28 318
4.Corporate Services	77 887	73 823	80 838	89 303	88 507	87 365	110 996	103 475	104 959
<b>Total payments and estimates</b>	<b>126 334</b>	<b>129 436</b>	<b>129 864</b>	<b>127 707</b>	<b>132 013</b>	<b>131 655</b>	<b>171 379</b>	<b>171 940</b>	<b>177 098</b>

TABLE 3.8: SUMMARY OF DEPARTMENTAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>116 885</b>	<b>124 154</b>	<b>121 273</b>	<b>117 960</b>	<b>121 439</b>	<b>121 439</b>	<b>152 111</b>	<b>152 720</b>	<b>156 859</b>
Compensation of employees	45 942	56 201	55 157	74 665	74 867	74 867	86 994	87 669	88 360
Goods and services	70 943	67 929	66 116	43 295	46 572	46 572	65 117	65 051	68 499
Interest and rent on land		24							
<b>Transfers and subsidies to</b>	<b>1 069</b>	<b>230</b>	<b>2 472</b>		<b>218</b>	<b>218</b>			
Provinces and municipalities									
Departmental agencies and accounts	1 069	230	2 472		218	218			
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households									
<b>Payments for capital assets</b>	<b>1 082</b>	<b>4 814</b>	<b>6 091</b>	<b>9 747</b>	<b>10 356</b>	<b>9 998</b>	<b>19 268</b>	<b>19 220</b>	<b>20 239</b>
Buildings and other fixed structures									
Machinery and equipment	1 082	4 794	5 733	9 747	10 356	9 998	19 268	19 220	20 239
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets		20	358						
<b>Payments for financial assets</b>	<b>7 298</b>	<b>238</b>	<b>28</b>						
<b>Total economic classification</b>	<b>126 334</b>	<b>129 436</b>	<b>129 864</b>	<b>127 707</b>	<b>132 013</b>	<b>131 655</b>	<b>171 379</b>	<b>171 940</b>	<b>177 098</b>

The administration budget remains relatively constant at R129.4 million and 129.9 million for the periods from 2011\12 to 2012/13. It increased from the 2013/14 main appropriation of R127.7 million to R171 million in the 2014/15 financial year due to the increase in personnel and the implementation of a new organogram for the department. Corporate Services received the biggest portion of the budget due to the provision of ICT support to the Department.

Under compensation of employees the budget increases from R45.9 million in 2010/11 to R55.2 million in 2012/13. It then increases from R74.7 million in 2013/14 to R86.9 million in 2014/15 due to the implementation of the recently approved organisational structure. In the outer year the compensation increases to R88.4 million.

The goods and services budget reduces from R70.9 million in 2010/11 to R66.1 million in 2012/13. Goods and services reduce even further by 34.5 per cent from R66 million in 2012/13 to R43.3 million in 2013/14 due to cost saving measures and channeling the budget towards job creation initiatives. Thereafter, the goods and services budget of the programme increase again to R65.1 million in 2014/15 and R68.5 million in 2016/17 after the planned implementation of the organisational structure.

Machinery and equipment starts from a low base of R1 million in 2010/11 and grows to R5.7 million in 2012/13 and R9.7 million in the main appropriation of 2013/14. Additional appointments under personnel in the 2014/15 financial year will require additional machinery and equipment with a budget of R19.2 million in the 2014/15 financial year and R20.2 million in 2016/17.

The administration programme will continue to focus on the achievement of the following targets in the 2014/2015 financial year:

- 5% variance between budget and actual expenditure;
- 3% representation of PwDs within the department's staff complement;
- 50% representation of Women in Senior Management positions within the department; and
- Payment of invoices within 30 days.

## PROGRAMME 2: INTEGRATED ECONOMIC DEVELOPMENT SERVICES

### Programme description

As reflected in the revised Strategic Plan of the DED, the programme's aim is to facilitate equitable regional and local economic development and to promote and support business enterprises in priority sectors, guided by spatially referenced integrated economic and development planning, thereby contributing to the development of Gauteng into a competitive global city region.

The Integrated Economic Development Services Programme is a lead delivery programme for the DED's core mandate, and as such leads delivery towards the following DED Strategic Goal:

Goal 1: To provide integrated economic and development planning which informs spatially referenced regional and local economic development, and contributes to the development of Gauteng into a globally competitive city region.

### Programme objectives

Towards achievement of the above goal, the programme level strategic objectives set out in the Strategic Plan are as follows:

- Youth employment programmes implemented ;
- Regional and Local Economic Development; and
- SMME's and cooperatives supported financially and non-financially.

TABLE 3.9: SUMMARY OF PAYMENTS AND ESTIMATES: INTERGRATED ECONOMIC DEVELOPMENT SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1. Enterprise Development	132 329	97 435	111 142	133 623	133 002	133 002	139 485	145 311	157 808
2. Regional and Local Economic Development	23 759	2 950	4 864	3 354	3 087	3 087	14 503	20 626	20 924
3. Economic Empowerment	42 706	57 994	80 452	102 789	100 998	100 998	114 147	102 558	109 632
<b>Total payments and estimates</b>	<b>198 794</b>	<b>158 379</b>	<b>196 458</b>	<b>239 766</b>	<b>237 087</b>	<b>237 087</b>	<b>268 135</b>	<b>268 495</b>	<b>288 364</b>



TABLE 3.10: SUMMARY OF DEPARTMENTAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: INTERGRATED ECONOMIC DEVELOPMENT SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>45 621</b>	<b>64 313</b>	<b>86 124</b>	<b>110 988</b>	<b>108 582</b>	<b>108 582</b>	<b>138 209</b>	<b>141 993</b>	<b>155 157</b>
Compensation of employees	2 533	3 174	18 008	6 058	8 433	8 433	19 757	33 034	39 501
Goods and services	43 088	61 139	68 116	104 930	100 149	100 149	118 452	108 959	115 656
Interest and rent on land									
<b>Transfers and subsidies to</b>	<b>153 159</b>	<b>93 912</b>	<b>104 354</b>	<b>128 447</b>	<b>128 447</b>	<b>128 447</b>	<b>129 291</b>	<b>125 838</b>	<b>132 507</b>
Provinces and municipalities	21 500								
Departmental agencies and accounts	131 659	93 912	104 300	128 447	128 447	128 447	129 291	125 838	132 507
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households			54						
<b>Payments for capital assets</b>	<b>14</b>	<b>154</b>	<b>71</b>	<b>331</b>	<b>58</b>	<b>58</b>	<b>635</b>	<b>664</b>	<b>699</b>
Buildings and other fixed structures									
Machinery and equipment	14	154	71	331	58	58	635	664	699
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>			<b>5 909</b>						
<b>Total economic classification</b>	<b>198 794</b>	<b>158 379</b>	<b>196 458</b>	<b>239 766</b>	<b>237 087</b>	<b>237 087</b>	<b>268 135</b>	<b>268 495</b>	<b>288 364</b>

Expenditure from the 2010/11 financial year to the 2011/12 financial year was restated following the shift of the Development Planning function. The allocation for the 2012/13 financial year increased by R38 million because of an increase in personnel numbers and goods and services. Although there was an increase in the allocation from 2011/12 to 2012/13, during the adjustment budget of 2012/13 the budget declined slightly in line with the shift of the Development Planning function.

The allocation in this programme decreases from R198.8 million in 2010/11 to R196.5 million in 2012/13 before increasing to R239.8 million in 2013/14. Over the 2014 medium term, the budget increased from R268 million to R269 million and R288 million in order to cater for transfers to the GEP under the Enterprise Development sub-programme and support provided to local municipalities under the Regional and Local Economic Development sub-programme. Provision was made for projects in relation to the implementation of the GDED under the Economic Empowerment sub-programme projects such as Waste to Energy plant, establishment of bio digesters, and industrial waste energy.

The allocation for personnel grows from R2.5 million in 2010/11 to R18 million in 2012/13 before decreasing to R6.1 million in 2013/14. The personnel budget significantly increases by R19.7 million in 2014/15 to R33 million in the 2015/16 financial year due to the planned implementation of the recently approved organisational structure.

In the 2014/2015 financial year, 150 SMMEs will be supported financially and 1 800 SMMEs will be provided with non-financial support. The Cooperatives Assistance Program will continue, providing financial support to 70 Cooperatives and non-financial support will be provided to 300 Cooperatives.

The goods and services budget increased from R43 million in 2010/11 to R68 million in 2012/13. It then continued to increase from R104.9 million in 2013/14 to R118.5 million in the 2014/15 financial year to cater for projects in relation to job creation and the implementation of the GEGDS. The allocation fluctuates to R109 million in 2015/16 and R115.6 million in 2016/17.



**SERVICE DELIVERY MEASURES****PROGRAMME 2: INTEGRATED ECONOMIC DEVELOPMENT SERVICES**

Performance measures	Estimated annual targets		
	2014/15	2015/16	2016/17
Number of old township industrial sites regenerated	3	2	2
Number of youth businesses established	1000	1000	1000
Number of economic development projects supported at local and regional levels	4	4	4
Number of capacity building interventions to municipalities	4	4	4
Number of existing SMME's supported financially	105	115	127
Number of existing SMME's supported non-financially	1260	1386	1524
Number of new SMME's supported financially	45	165	180
Number of new SMME's supported non-financially	540	1800	1800
Number of existing cooperatives supported financially	70	100	100
Number of existing Cooperatives supported non-financially	210	231	254
Number of new Cooperatives supported financially	70	100	110
Number of new Cooperatives supported non-financially	90	130	150
Number of informal businesses supported	425	425	425

**PROGRAMME 3: TRADE AND SECTOR DEVELOPMENT****Programme description**

The programme's aim is to facilitate the implementation of strategic programmes that will stimulate and enhance the brand, competitiveness and social transformation of Gauteng; enhance trade and export promotion and attract investment; with the result being the creation of decent jobs, increased tourism, and a greener economy. This will be achieved as the programme seeks to increasingly integrate and upscale the work of its implementation agencies: GEDA, BLUE IQ, GTA and Dinokeng and the Cradle of Humankind World Heritage Site under an enhanced institutional arrangement and governance structure. This work is ongoing.

The aim of the programme will be achieved as it primarily drives:

- Sector and Industry Development - to accelerate the development of high growth, competitive and labour-absorbing sectors to support the creation of decent jobs and global competitiveness
- Trade and Investment Promotion - to attract DDI and FDI in identified markets and unlock increased trade opportunities on the African continent and across the globe
- Strategic Economic Infrastructure - to invest in strategic economic infrastructure in targeted sectors, and to create an enabling environment for crowding-in strategic economic infrastructure; and
- A Greener Economy – a sustainable economy by decoupling economic growth from resource usage.

The Trade and Sector Development Programme is a lead delivery programme for the DED's core mandate, and as such, leads delivery towards the following DED Strategic Goal:

Goal 2: To facilitate the implementation of strategic programmes that will stimulate and enhance the brand, competitiveness and social transformation of Gauteng, enhance trade and export promotion; and attract investment, with the result being the creation of decent jobs, increased tourism, and a greener economy.

**Programme objectives**

Towards achievement of the above goal, the programme level strategic objectives set out in the Strategic Plan and aligned to the 2014-2019 draft MTSP Outcome Plan are as follows:

- Inclusive equitable growth;
- Strategic economic infrastructure stimulating employment-led growth and development;
- Sustainable youth employment;
- Trade and investment promotion;
- Skills for the economy;
- Business regulation;
- Creative industries sector development to drive competitiveness and economic growth; and
- Trade and investment promotion.

TABLE 3.11: SUMMARY OF PAYMENTS AND ESTIMATES: TRADE AND SECTOR DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1.Trade and Investment Promotion	67 527	54 926	29 876	57 295	59 999	59 999	57 007	34 857	36 705
2.Sector Development	318 214	168 809	157 302	148 270	150 868	150 868	160 889	214 245	225 600
3.Strategic Initiatives	255 837	186 602	264 932	302 320	302 320	302 320	292 769	316 959	333 758
<b>Total payments and estimates</b>	<b>641 578</b>	<b>410 337</b>	<b>452 110</b>	<b>507 885</b>	<b>513 187</b>	<b>513 187</b>	<b>510 665</b>	<b>566 061</b>	<b>596 063</b>

TABLE 3.12: SUMMARY OF DEPARTMENTAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: TRADE AND SECTOR DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>1 691</b>	<b>24 498</b>	<b>1 585</b>	<b>1 510</b>	<b>6 812</b>	<b>6 812</b>	<b>10 704</b>	<b>13 783</b>	<b>14 513</b>
Compensation of employees	1 654	399		1 352	6 654	6 654	10 634	13 693	14 419
Goods and services	37	24 099	1 585	158	158	158	70	90	95
Interest and rent on land									
<b>Transfers and subsidies to</b>	<b>639 887</b>	<b>385 839</b>	<b>450 525</b>	<b>506 375</b>	<b>506 375</b>	<b>506 375</b>	<b>499 961</b>	<b>552 278</b>	<b>581 549</b>
Provinces and municipalities									
Departmental agencies and accounts	639 887	385 839	450 525	506 375	506 375	506 375	499 961	552 278	581 549
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households									
<b>Payments for capital assets</b>									
Buildings and other fixed structures									
Machinery and equipment									
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>									
<b>Total economic classification</b>	<b>641 578</b>	<b>410 337</b>	<b>452 110</b>	<b>507 885</b>	<b>513 187</b>	<b>513 187</b>	<b>510 665</b>	<b>566 061</b>	<b>596 063</b>

The main appropriation for 2010/11 amounts to R641.6 million and decreases to R410.3 million in 2011/12 due to number of projects transferred to Blue IQ (Pty) Ltd for the motorsports contract.

In the 2012/13 financial year, the total allocation grows from R452 million to R507.9 million in the 2013/14 financial year with an increase of R55.7 million. The allocation subsequently decreases to R510 million in 2014/15, before increasing to R566 million in 2015/16 and R596 million in 2016/17. The biggest portion of the allocation is reflected under the sub-program Strategic initiative and Sector Development due to the transfer to GGDA, GTA (Cradle of Human kind and Dinokeng) of which all entities are under the control of the Department which implements various projects on its behalf.

The department will continue with skills development initiatives in the 2014/2015 financial year as part of its contribution to Outcome 5 coordinated by the Gauteng Department of Education. The skills initiatives will be in the furniture, fashion, automotive, ICT metal fabrications, and tourism and green economy sectors.

The budget for compensation of employees increases from R1.3 million in 2013/14 to R10.6 million in 2014/15 and further increases to R14.4 million in 2016/17.

## SERVICE DELIVERY MEASURES

## PROGRAMME 3: TRADE AND SECTOR DEVELOPMENT

Performance measures	Estimated annual targets		
	2014/15	2015/16	2016/17
Airport City (ORTIA) - stimulating mineral beneficiation % completion of the JMP bulk infrastructure	80% (phase 1 top structure completed: bulk development completed)	80% implementation – Construction phase 2 top structure completed and operations initiated	90% Implementation Practical completion and snagging
BioPark Facility % completion of the establishment of a BioPark facility	100% completion of phase 1 ready for occupation	50 % Phase 2 Construction	100% construction and phase 2
Nissan Investment Support Programme % completion of Nissan incubator and training facility	100% completion of Nissan incubator and training facility		
NASREC Precinct Development % Completion of Special Economic Zone (SEZ) business case	100 % (Business Case Development Completed)	100% (Business Case completed and Sword turning)	25% (Construction of bulk infrastructure completed )
Automotive Supplier Park % Completion of ASP Infrastructure (Mini Factory Phase 1A) )	Mini Factory Phase 1A 100% completed	Secure tenants for second phase of mini factory	Secure one automotive OEM
Automotive Supplier Park % Completion of ASP Infrastructure (Mini Factory Phase 2)	% Completion of ASP Infrastructure (Mini Factory Phase 2)		
Investing in Tourism Infrastructure % - Construction of Phase 2 of Visitor centre completed	(80% completed)  Phase 2 of the construction of the Visitor Centre Completed	Practical Completion  (construction 100% completed, and commencement of snagging and consequent defect period)	Final Completion and Handover (issuing of final certificate – dependent on defect period as per contract)
Furniture sector development Number of Furniture Craftsmen and designers trained	30	30	30
Mineral Beneficiation and Jewellery Fabrication Number of students graduating from JMP training	15	15	15
Automotive sector development Number of beneficiaries from Mentorship programme for body repair shops	60	60	0
Automotive sector development Number of people trained at FORD SIMULATOR and Training Academy	200	200	200
Tourism skills development Number of people trained in Tourism Skills	1100	1150	1200
No of people trained at the Gauteng Automotive Training Academy (GATA)	900	1000	1000
Number of individuals reached through appropriate training programmes CoachLab	90	100	120
Metal fabrication skills development Number of students benefiting from foundry skills development training	20	20	
Metal fabrication skills development Number of students benefiting from tooling artisan training programme	250 (1st year)	250 (2nd year)	250 (3rd year)
Maxum at TIH Number of companies in pre-incubation	26	26	26
Maxum at TIH Number of companies in incubation	16	16	10
Open Innovation Solution Exchange Number of OISE innovations challenges posted on the platform	8	8	8
Open Innovation Solution Exchange Number of new technology offers for incubation (GIC & OISE)	5	6	6
mLab / ICT Mobile applications development Number of new developers supported in M/lab	20	20	20
mLab / ICT Mobile applications development Number of new mobile apps to be developed	20	20	20

Performance measures	Estimated annual targets		
	2014/15	2015/16	2016/17
mLab / ICT Mobile applications development			
Number of innovations commercialised	4	5	6
Number of entrepreneurs supported through leveraged funds	12	12	12
Climate Innovation Centre at TIH			
Number of Green companies receiving technical advisory services from CIC .	30	40	50
Climate Innovation Centre at TIH			
Number of Green companies incubated through CIC	20	25	30
Gauteng Accelerator Programme – BioSciences (GAP)			
Number of technologies identified for incubation through Gauteng Accelerator Programme	14	14	14
Waste to Energy projects			
% Completion of the feasibility study of waste to energy plant in Sedibeng and West Rand	5	5	5
Visitor Information Centres			
Number of operational Visitor Information Centres (VICs)	1	1	1
Tourism Association meetings and exhibitions			
Number of MICE hosted in Gauteng	40	40	40
Tourism Signature Events			
Number of annual signature events hosted	10	10	12
Tourism Coops support			
Number of co-operatives supported	2	2	2
Fashion industries sector development.			
Number of designers showcasing at the Fashion Week	4	6	6
Fashion industries sector development.			
Number of designers showcasing at the Trade EXPO	20	30	40
Fashion industries sector development.			
Number of designers employed by the industry through the Fast Track Programme	3	4	5
Fashion industries sector development.			
Number of designers receiving trade (orders) through the Fast Track Programme	3	3	5
Fashion industries sector development.			
Number of designers receiving business mentorship	8	12	16
Direct permanent jobs created through DED programmes	3552	3552	3552
Direct temporary jobs created through DED programmes	1103	1103	1103
Number of FDI investments directly facilitated	5	5	5
Rand value of FDI investments directly facilitated	R60 million	R70 million	R80 million
Number of DDI investments directly facilitated	6	6	6
Rand value of DDI investments directly facilitated	R50 million	R51 million	R53 million
Number of companies assisted to expand	5	7	9
Number of companies retained	5	7	9
Number of inbound missions hosted at the GBIC	57	62	69
Number of enterprises supported to be export ready per annum	100	110	121
Rand Value of Trade Deals secured through Export Promotion	R110 million	R121 million	R133 million
Number of targeted trade and investment engagements with Gauteng.	8	13	15
Number of targeted missions to rest of the world	10	10	10
No of firms assisted to access DTI export support programmes and incentive	35	35	45
No of firms assisted to secure trade deals through Export Promotion	18	18	20

**PROGRAMME 4: BUSINESS REGULATION AND GOVERNANCE****Programme description**

The programme's aim is to implement and promote measures that ensure the rights and interests of consumers; to promote and maintain governance, regulation and compliance in and by the gambling and liquor industries; and to monitor and evaluate the impact of BBBEE strategies in Gauteng. The programme is primarily concerned with the regulatory mandates prescribed by the relevant acts and regulations, it however actively seeks to add value by ensuring that compliance is not malicious, but rather brings benefit to the people of Gauteng, and promotes decent work, sustainable livelihoods and safer and more inclusive communities.

The Business Regulation and Governance Programme is a lead delivery programme of the DED's core mandate, and as such leads delivery towards the following DED Strategic Goal:

Goal 3: To promote an efficient, equitable and socially responsible business environment.

**Programme objectives**

Towards achievement of the above goal, the programme level strategic objectives set out in the Strategic Plan are as follows:

- Effective governance and regulation of the liquor industry, ensuring ethical business practice and empowered stakeholders;
- Effective governance and regulation of the gambling industry, ensuring ethical business practice and empowered stakeholders;
- Effective regulation for increased levels of consumer protection;
- Effective regulation and monitoring of the implementation of the GPG BBBEE strategy; and
- Enhanced integration and accountability through effective and efficient planning and oversight, and compliance with corporate governance principles.

**TABLE 3.13: SUMMARY OF PAYMENTS AND ESTIMATES: BUSINESS REGULATION AND GOVERNANCE**

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1. Governance	9 746	12 306	16 297	14 645	8 356	8 356	12 549	10 675	11 241
2. Regulation Services	1 829	2 602	1 542	3 947	2 498	2 498	8 600	9 226	9 715
3. Consumer Protection	12 520	13 084	16 225	16 786	19 825	19 825	30 288	32 968	34 397
4. Liquor Regulation	28 590	15 100	32 670	28 781	28 781	28 781	30 255	31 438	33 104
<b>Total payments and estimates</b>	<b>52 685</b>	<b>43 092</b>	<b>66 734</b>	<b>64 159</b>	<b>59 460</b>	<b>59 460</b>	<b>81 692</b>	<b>84 307</b>	<b>88 458</b>

**TABLE 3.14: SUMMARY OF DEPARTMENTAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: BUSINESS REGULATION AND GOVERNANCE**

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>23 769</b>	<b>27 665</b>	<b>33 578</b>	<b>41 489</b>	<b>36 790</b>	<b>36 790</b>	<b>51 437</b>	<b>58 980</b>	<b>61 788</b>
Compensation of employees	21 142	23 173	28 973	30 631	25 096	25 096	45 742	47 115	49 294
Goods and services	2 627	4 492	4 605	10 858	11 694	11 694	5 695	11 865	12 494
Interest and rent on land									
<b>Transfers and subsidies to</b>	<b>28 590</b>	<b>15 113</b>	<b>32 707</b>	<b>22 670</b>	<b>22 670</b>	<b>22 670</b>	<b>30 255</b>	<b>25 327</b>	<b>26 669</b>
Provinces and municipalities									
Departmental agencies and accounts	28 590	15 100	32 670	22 670	22 670	22 670	30 255	25 327	26 669
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households		13	37						
<b>Payments for capital assets</b>	<b>326</b>	<b>314</b>	<b>51</b>						
Buildings and other fixed structures									
Machinery and equipment	326	314	51						
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>				<b>398</b>					
<b>Total economic classification</b>	<b>52 685</b>	<b>43 092</b>	<b>66 734</b>	<b>64 159</b>	<b>59 460</b>	<b>59 460</b>	<b>81 692</b>	<b>84 307</b>	<b>88 458</b>

The total expenditure in this programme decreased from R52.6 million in 2010/11 to R66.7 million in the 2012/13 financial year. The allocation for the 2013/14 main appropriation amounted to R64.2 million. During the 2012/13 financial year the Gauteng Liquor Board received a total of R32.7 million for business process re-engineering, compensation of employees and other operational costs.

Over the 2014 MTEF the total programme budget increased from R81.6 million in 2014/15 to R88.4 million in the 2016/17 financial year. The budget allocated to the sub-programme Liquor Regulation is to fund the personnel costs of the Gauteng Liquor Board and priority projects such as the finalisation and implementation of the Automated Liquor Licensing System (ALLS), intensifying liquor abuse education and awareness programmes and increasing the number of inspections in order to enforce compliance. The goods and services budget also caters for workshops such as Disability, Spend Wisely Campaigns, World Consumer Right Month, Savings Month Campaign, Youth Month, Human Rights, and Workers' Month. The Consumer protection and awareness sub-programme increases to R30.2 million in the 2014/15 financial year from the main budget of R16.7 million in 2013/14.

The number of consumer complaints resolved per annum will increase from 1 796 to 1 800 in the upcoming financial year. Emphasis will also be on consumer education programmes and so the number of programs will be increased from 70 to 250.

The number of liquor licenses issued will be maintained at 2 000 licenses per annum in the 2014/2015 financial year.

## SERVICE DELIVERY MEASURES

### PROGRAMME 4: BUSINESS REGULATION AND GOVERNANCE

Performance measures	Estimated annual targets		
	2014/15	2015/16	2016/17
Number of applications received per annum (GLB)	2 000	2 000	2 000
Number of licenses issued per annum (GLB)	2 000	2 000	2 000
Number of inspections per annum (GLB)	2 700	2800	2 900
Number of pre-inspections conducted per annum (GLB)	1 600	1 700	1 800
Number of Awareness Programmes conducted per annum (GLB)	110	120	130
Number of people reached through awareness programmes per annum (GLB)	5.5 million	6 million	6.5 million
Number of social responsibility programmes conducted (GLB)	1	1	1
% of gambling licenses issued (approved) per annum (GGB)	500	500	500
Percentage of applications processed within the standard time frames (GGB)	100%	100%	100%
% of disputes processed within the standard time frames (GGB)	100%	100%	100%
Number of compliance audits conducted on gambling licensees per annum (GGB)	158	158	158
Number of inspections conducted per annum (GGB)	102	102	102
Number of planned raids conducted per annum (GGB)	36	36	36
% Spend on goods and services from Service Providers complying with PPPF Legislation (GGB)	75%	80%	80%
Number of awareness programmes conducted (GGB)	5	5	5
Number of people reached with messaging on the dangers of gambling (GGB)	120 000	120 000	120 000
Number of consumer complaints received per annum	2 198	2 418	2 660
Number of Consumer Complaints resolved per annum	1 800	1 980	2 178
Number of consumer education programs (workshops) conducted per annum	250	300	350
Number of target groups specific opportunities identified	24	26	28
Number of target groups specific interventions	24	26	28
% Compliance to GPG BBBEE Preferential Procurement targets per annum	HDI: 80%	HDI: 80%	HDI: 80%
	Women: 30%	Women: 30%	Women: 30%
	Youth: 10%	Youth: 10%	Youth: 10%
	PWD: 5%	PWD: 5%	PWD: 5%
Percentage spend on local procurement	75%	75%	75%
Number of agency performance reports received and analysed	16	16	16

**PROGRAMME 5: ECONOMIC PLANNING****Programme description**

The Economic Planning programme's aim is to provide thought leadership in economic planning, which results in an integrated economic development agenda that ensures the creation of decent jobs and a sustainable, inclusive economy in Gauteng.

As such, the Economic Planning Programme is a lead delivery programme for the DED's core mandate, and leads delivery towards the following DED Strategic Goal:

Goal 3: To act as an economic intelligence nerve-centre to inform strategic decision making and targeted sector development strategies.

**Programme objectives**

Towards achievement of the above goal, the programme level strategic objectives set out in the Strategic Plan are as follows:

- Credible and relevant socio-economic intelligence that supports the economic development agenda;
- Enhanced collective ownership by municipalities of the Gauteng economic agenda;
- Evidence-based economic policies and targeted strategies; and
- Impact of economic interventions vis-a-vis the implementation of policies and strategies assessed.

**TABLE 3.15: SUMMARY OF PAYMENTS AND ESTIMATES: ECONOMIC PLANNING**

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1. Policy and Planning	4 319	4 357	8 198	8 330	7 060	7 060	10 877	12 089	12 730
2. Research and Development	3 894	7 100	4 809	7 829	8 316	8 316	10 203	11 546	12 158
3. Knowledge Management	690	3 502	3 025	4 625	1 969	1 969	10 919	11 622	12 238
4. Monitoring and Evaluation	1 735	3 192	12 173	7 250	4 261	4 261	8 791	9 839	10 360
<b>Total payments and estimates</b>	<b>10 638</b>	<b>18 151</b>	<b>28 205</b>	<b>28 034</b>	<b>21 606</b>	<b>21 606</b>	<b>40 790</b>	<b>45 096</b>	<b>47 487</b>

**TABLE 3.16: SUMMARY OF DEPARTMENTAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ECONOMIC PLANNING**

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>10 423</b>	<b>17 990</b>	<b>23 049</b>	<b>27 698</b>	<b>21 596</b>	<b>21 596</b>	<b>40 501</b>	<b>44 795</b>	<b>47 169</b>
Compensation of employees	9 101	8 088	8 166	12 080	9 938	9 938	27 413	32 490	34 212
Goods and services	1 322	9 902	14 883	15 618	11 658	11 658	13 088	12 305	12 957
Interest and rent on land									
<b>Transfers and subsidies to</b>			<b>56</b>		<b>10</b>	<b>10</b>			
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households			56		10	10			
<b>Payments for capital assets</b>	<b>215</b>	<b>161</b>		<b>336</b>			<b>289</b>	<b>302</b>	<b>318</b>
Buildings and other fixed structures									
Machinery and equipment	215	161		336			289	302	318
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>			<b>5 100</b>						
<b>Total economic classification</b>	<b>10 638</b>	<b>18 151</b>	<b>28 205</b>	<b>28 034</b>	<b>21 606</b>	<b>21 606</b>	<b>40 790</b>	<b>45 096</b>	<b>47 487</b>

Total expenditure of the programme increase from R10.6 million in the 2010/11 financial year to R18.2 million in 2011/12, increasing again to R28 million in the 2012/13 financial year as a result of the additional research work completed under the Research and Development sub-programme. The 2013/14 main appropriation amounts to R28 million.

Over the 2014 MTEF the total programme budget grows from R40.8 million in 2014/15 to R45.1 million in 2015/16 and to R47.8 million in 2016/17.

Compensation for this programme fluctuates from R9.1 million in 2010/11 and decreases to R8.2 million in 2012/13 before increasing to R12 million in the 2013/14 main appropriation. The compensation budget increases from R27 million in 2014/15 to R32 million in the 2015/16 financial year due to the additional funding for the implementation of a new organogram for the Department.

Goods and services grow from R1.3 million in 2010/11 to R14.9 million in 2012/13. A slight decrease in the goods and services budget is evident from R15.6 million in 2013/14 to R13.1 million in the 2014/15 financial year due to the implementation of cost cutting measures. The focus of the programme is the development of evidence-based policies and tracking the contribution of the implementation of the GEGDS.

In the 2014/2015 financial year this programme will continue to be the economic intelligence nerve-centre, informing strategic decision making and targeted sector development strategies within the Department. In this regard, the number of provincial economic intelligence reports produced quarterly will be maintained during the upcoming financial year.

## SERVICE DELIVERY MEASURES

### PROGRAMME 5: ECONOMIC PLANNING

Performance measures	Estimated annual targets		
	2014/15	2015/16	2016/17
Number of provincial economic intelligence reports produced	4	5	5
Number of Research Reports	5	6	6
Number of research and development initiatives supported	6	5	5
Number of economic strategies developed	1	1	-
Number of strategies reviewed	1	1	3
Number of strategic programmes developed	1	1	1
Number of monitoring reports produced	1	1	1
Number of evaluation reports produced	1	1	1

## 9. OTHER PROGRAMME INFORMATION

### 9.1 Personnel numbers and costs

TABLE 3.18: PERSONNEL NUMBERS AND COSTS: ECONOMIC DEVELOPMENT

Personnel numbers	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	As at 31 March 2017
1.Administration	168	185	152	154	154	154	149
2.Integrated Economic Development Services	54	82	43	23	29	46	47
3.Trade And Sector Development	6	1		2	2	2	2
4.Business Regulation And Governance	77	70	66	64	68	100	113
5.Economic Planning	33	28	21	35	52	69	65
<b>Total departmental personnel numbers</b>	<b>338</b>	<b>366</b>	<b>282</b>	<b>278</b>	<b>305</b>	<b>371</b>	<b>376</b>
Total provincial personnel cost (R thousand)	80 372	91 036	110 304	124 988	190 540	214 001	225 786
Unit cost (R thousand)	238	249	391	397	625	577	600

TABLE 3.19: SUMMARY OF DEPARTMENTAL PERSONNEL NUMBERS AND COSTS

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Total for department</b>									
Personnel numbers (head count)	338	366	282	278	305	371	305	371	376
Personnel cost (R thousands)	80 372	91 036	110 304	124 786	124 988	124 988	190 540	214 001	225 786
<b>Human resources component</b>									
Personnel numbers (head count)	52	17	52	58	58	58	60	63	66
Personnel cost (R thousands)	10 250	3 351	10 250	10 558	10 558	10 558	10 769	10 876	11 452
Head count as % of total for department	15.38%	4.64%	18.44%	20.86%	19.02%	15.63%	19.67%	16.98%	17.55%



## Vote 3 - Economic Development • EPRE - 2014/15

TABLE 3.19: SUMMARY OF DEPARTMENTAL PERSONNEL NUMBERS AND COSTS

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Personnel cost as % of total for department	12.75%	3.68%	9.29%	8.46%	8.45%	8.45%	5.65%	5.08%	5.07%
<b>Finance component</b>									
Personnel numbers (head count)	34	35	35	34	34	34	35	40	43
Personnel cost (R thousands)	10 009	10 303	10 824	11 149	11 149	11 149	11 372	11 486	12 095
Head count as % of total for department	10%	10%	12%	12%	11%	9%	11%	11%	11%
Personnel cost as % of total for department	12%	11%	10%	9%	9%	9%	6%	5%	5%
<b>Full time workers</b>									
Personnel numbers (head count)	338	366	282	278	305	371	305	371	376
Personnel cost (R thousands)	80 372	91 036	110 304	124 786	124 988	124 988	190 540	214 001	225 786
Head count as % of total for department	100%	100%	100%	100%	100%	100%	100%	100%	100%
Personnel cost as % of total for department	100%	100%	100%	100%	100%	100%	100%	100%	100%
<b>Part-time workers</b>									
Personnel numbers (head count)			9						
Personnel cost (R thousands)			400						
Head count as % of total for department			3.19%						
Personnel cost as % of total for department			0.36%						
<b>Contract workers</b>									
Personnel numbers (head count)	55	55	85						
Personnel cost (R thousands)	14 334	12 933	21 142						
Head count as % of total for department	16.27%	15.03%	30.14%						
Personnel cost as % of total for department	17.83%	14.21%	19.17%						

Personnel numbers for the 2014/15 financial year and over MTEF will increase due to the implementation of the newly approved structure. The vacant positions on the new structure will be filled in a phased approach based on the availability of the compensation budget and also based on the criticality of the position.

## 9.2 Training

TABLE 3.20 : PAYMENTS ON TRAINING

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>1. Administration</b>	<b>3 107</b>	<b>954</b>	<b>1 186</b>	<b>452</b>	<b>452</b>	<b>452</b>	<b>2 310</b>	<b>3 237</b>	<b>3 237</b>
Subsistence and travel									
Payments on tuition	154	379	300	140	140	140	1 076	1 124	1 124
Other	2 953	575	886	312	312	312	1 234	2 113	2 113
<b>2. Integrated Economic Development Services</b>	<b>56</b>	<b>42</b>	<b>24</b>	<b>452</b>	<b>452</b>	<b>452</b>	<b>578</b>	<b>810</b>	<b>809</b>
Subsistence and travel			18						
Payments on tuition	30	18		140	140	140	269	281	281
Other	26	24	6	312	312	312	309	529	528
<b>3. Trade And Sector Development</b>			<b>10</b>						
Subsistence and travel			10						
Payments on tuition									
Other									
<b>4. Business Regulation And Governance</b>	<b>97</b>	<b>75</b>	<b>48</b>	<b>452</b>	<b>452</b>	<b>452</b>	<b>578</b>	<b>810</b>	<b>809</b>
Subsistence and travel			48						
Payments on tuition	97	34		312	140	140	269	281	281
Other		41		140	312	312	309	529	528
<b>5. Economic Planning</b>	<b>163</b>	<b>128</b>	<b>131</b>	<b>452</b>	<b>452</b>	<b>452</b>	<b>578</b>	<b>810</b>	<b>809</b>
Subsistence and travel			131						

TABLE 3.20 : PAYMENTS ON TRAINING

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Payments on tuition	22	36		140	140	140	269	281	281
Other	141	92		312	312	312	309	529	528
<b>Total payments on training</b>	<b>3 423</b>	<b>1 199</b>	<b>1 399</b>	<b>1 808</b>	<b>1 808</b>	<b>1 808</b>	<b>4 044</b>	<b>5 667</b>	<b>5 664</b>

TABLE 3.21: INFORMATION ON TRAINING

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Number of staff	338	366	282	320	320	278	305	371	368
Number of personnel trained	300	277	302	302	388	388	400	420	440
of which									
Male	100	86	130	130	164	164	164	174	184
Female	200	191	172	172	224	224	236	246	256
Number of training opportunities	87	111	399	421	430	400	720	780	780
of which									
Tertiary	54	85	68	75	75	75	80	85	85
Workshops	31	16	321	321	330	300	550	600	600
Seminars	2	10	10	10	10	10	75	80	80
Other				15	15	15	15	15	15
Number of bursaries offered	54	85	70	75	75	75	80	85	85
Number of interns appointed	50	38	33	45	20	15	50	55	55
Number of learnerships appointed	25	12		66	66	66	70	75	80
Number of days spent on training	348	444	963	1 308	1 515	1 425	2 550	2 595	2 595

The department will be up-skilling employees placed and matched into the newly approved structure to ensure that they are fully capacitated to deliver on the mandate of the Department. In addition, as per the directive from the department of Public Service and Administration (DPSA), all employees appointed from 01 July 2012 must attend compulsory one year induction with the National School Of Governance and the department is responsible for the cost thereof through the allocated training budget. It is also anticipated that the cost of the induction programme will increase due to the implementation of the newly approved structure. The department will also award bursaries to employees, especially those appointed on lower levels (1-12), to ensure proper succession planning and retention of skills. The Department also spends the training budget on development of Graduate trainees that are mostly placed in the core business units.

## 10. CROSS CUTTING ISSUES

Cross Cutting Issue	Programme and subprogram me	Indicator/	Output	Outcome	MTEF BUDGET		
		Measure			R thousand		
						2014/15	2015/16
Women	Human Capital Management	50%of females on SMS level	Improve growth and access for females within the workplace	Employment of Females on SMS positions	R4 000 000	R3 000 000	R2 000 000
Youth	Human Capital Management	Number of Female youth appointed on internship programmes	To provide work readiness experience for the Female Youth of Gauteng	Increase employability chances for the Female youth of Gauteng	R4 860 000	R4 960 000	R5 450 000
	Human Capital Management	Number of Male youth appointed on internship programmes	To provide work readiness experience for the male Youths of Gauteng	Increase employability chances for the male youth of Gauteng	R540 000	R594 000	R653 400
	Human Capital Management	Number of bursaries awarded to internal employees	To ensure proper succession planning, up skilling and retention of employees	Retention of employees and management of succession pipeline	R610 000	R670 000	R700 000
People with Disabilities	Human Capital Management	% of people with disabilities employed	Improve access for people with disabilities into the workplace	Improved Employment of people with Disabilities	R1 200 000	R2 000 000	R2 800 000

# ANNEXURES TO THE ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE

TABLE 3.22 SPECIFICATION OF RECEIPTS:ECONOMIC DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Tax receipts</b>	<b>616 636</b>	<b>612 939</b>	<b>719 343</b>	<b>708 573</b>	<b>708 573</b>	<b>708 573</b>	<b>758 506</b>	<b>804 017</b>	<b>846 630</b>
Casino taxes	585 980	580 337	684 364	622 371	622 371	622 371	666 229	706 204	743 633
Horse racing taxes	30 656	32 602	34 979	86 202	86 202	86 202	92 277	97 813	102 997
Liquor licences									
Motor vehicle licences									
<b>Sales of goods and services other than capital assets</b>	<b>311</b>	<b>125</b>	<b>288</b>						
Sale of goods and services produced by department (excluding capital assets)	<b>311</b>	<b>125</b>	<b>288</b>						
Sales by market establishments									
Administrative fees									
Other sales	311	125	288						
Of which									
List Item	311	125	288						
List Item									
List Item									
List Item									
Sales of scrap, waste, arms and other used current goods (excluding capital assets)									
<b>Transfers received from:</b>									
Other governmental units									
Universities									
Foreign governments									
International organisations									
Public corporations and private enterprises									
Households and non-profit institutions									
<b>Fines, penalties and forfeits</b>									
<b>Interest, dividends and rent on land</b>	<b>2 706</b>	<b>1 579</b>	<b>2 006</b>	<b>1 878</b>	<b>1 878</b>	<b>1 878</b>	<b>1 991</b>	<b>2 111</b>	<b>2 223</b>
Interest	2 706	1 579	2 006	1 878	1 878	1 878	1 991	2 111	2 223
Dividends									
Rent on land									
<b>Sales of capital assets</b>		<b>47</b>							
Land and sub-soil assets		47							
Other capital assets									
<b>Transactions in financial assets and liabilities</b>	<b>( 54 525)</b>	<b>79</b>	<b>218</b>	<b>250</b>	<b>250</b>	<b>250</b>	<b>265</b>	<b>277</b>	<b>292</b>
<b>Total departmental receipts</b>	<b>565 128</b>	<b>614 769</b>	<b>721 855</b>	<b>710 701</b>	<b>710 701</b>	<b>710 701</b>	<b>760 762</b>	<b>806 405</b>	<b>849 145</b>

TABLE 3.23: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>116 885</b>	<b>124 154</b>	<b>121 273</b>	<b>117 960</b>	<b>121 439</b>	<b>121 439</b>	<b>152 111</b>	<b>152 720</b>	<b>156 859</b>
<b>Compensation of employees</b>	<b>45 942</b>	<b>56 201</b>	<b>55 157</b>	<b>74 665</b>	<b>74 867</b>	<b>74 867</b>	<b>86 994</b>	<b>87 669</b>	<b>88 360</b>
Salaries and wages	39 409	48 453	47 091	63 658	63 856	63 784	70 078	70 613	70 355
Social contributions	6 533	7 749	8 066	11 007	11 011	11 083	16 916	17 056	18 005
<b>Goods and services</b>	<b>70 943</b>	<b>67 929</b>	<b>66 116</b>	<b>43 295</b>	<b>46 572</b>	<b>46 572</b>	<b>65 117</b>	<b>65 051</b>	<b>68 499</b>
Administrative fees	124	189	120	219	219	219	219	230	242
Advertising	1 486	2 315	4 083	2 110	4 533	4 533	2 776	2 959	3 116
Assets less than the capitalisation threshold	83	110	55	160	160	160	155	162	171
Audit cost: External	3 050	2 416	3 092	2 554	2 392	2 392	2 325	3 050	3 212
Bursaries: Employees	156	379	369	509	509	509	1 076	1 124	1 184

# Vote 3 - Economic Development • EPRE - 2014/15

TABLE 3.23: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Catering: Departmental activities	366	1 010	1 239	617	807	807	1 103	1 154	1 215
Communication (G&S)	3 417	4 240	6 874	1 470	3 047	5 447	1 609	1 265	1 332
Computer services	5 110	5 320	4 827	807	1 235	1 235	847	886	933
Consultants and professional services: Business and advisory services	7 224	15 031	7 524	7 767	511	511	8 936	9 788	10 307
Consultants and professional services: Legal costs	2 408	1 737	3 511	3 195	3 195	3 195	4 590	4 801	5 055
Contractors	104	4 470	1 245	1 704	1 204	1 204	4 024	5 428	5 716
Agency and support / outsourced services	4 579	1 093	391	418	258	258	2 442	2 054	2 163
Entertainment	32	91	31	137	36	36	76	79	83
Fleet services (including government motor transport)		637	1 119	100	238	1 838	98	103	108
Housing									
Inventory: Clothing material and accessories									
Inventory: Farming supplies									
Inventory: Food and food supplies	59	214	340	112	162	162	210	120	126
Inventory: Fuel, oil and gas									
Inventory: Learner and teacher support material									
Inventory: Materials and supplies	91	94	417	65	164	129	135	141	148
Inventory: Medical supplies				82	82	82	92	96	101
Inventory: Medicine	1								
Medsas inventory interface									
Inventory: Other supplies									
Consumable supplies	115	186	292	109	269	160			
Consumable: Stationery, printing and office supplies	1 857	2 306	3 701	729	2 483	2 627	1 241	6 127	6 452
Operating leases	21 941	540	2 721	11 605	11 172	11 152	20 445	11 566	12 179
Property payments	9 607	17 185	16 528	3 569	8 789	4 769	3 732	3 845	4 049
Transport provided: Departmental activity					10	10			
Travel and subsistence	5 241	5 141	4 679	1 552	1 852	1 852	4 620	3 936	4 145
Training and development	2 953	576	825	1 198	1 198	1 198	1 200	2 077	2 187
Operating payments	31	366	448	1 075	1 075	1 095	1 419	1 484	1 563
Venues and facilities	908	2 286	1 685	982	972	972	1 269	2 059	2 168
Rental and hiring				450		20	478	517	544
Interest and rent on land		24							
Interest									
Rent on land		24							
<b>Transfers and subsidies</b>	<b>1 069</b>	<b>230</b>	<b>2 472</b>	<b>218</b>	<b>218</b>				
Provinces and municipalities									
Provinces									
Non-profit institutions									
Households	1 069	230	2 472	218	218				
Social benefits	1 069	230	2 472	218	218				
Other transfers to households									
<b>Payments for capital assets</b>	<b>1 082</b>	<b>4 814</b>	<b>6 091</b>	<b>9 747</b>	<b>10 356</b>	<b>9 998</b>	<b>19 268</b>	<b>19 220</b>	<b>20 239</b>
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	1 082	4 794	5 733	9 747	10 356	9 998	19 268	19 220	20 239
Transport equipment									
Other machinery and equipment	1 082	4 794	5 733	9 747	10 356	9 998	19 268	19 220	20 239
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									

TABLE 3.23: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Software and other intangible assets		20	358						
<b>Payments for financial assets</b>	<b>7 298</b>	<b>237</b>	<b>28</b>						
Thefts and losses	7 298	237	28						
<b>Total economic classification:</b>	<b>126 334</b>	<b>129 435</b>	<b>129 864</b>	<b>127 707</b>	<b>132 013</b>	<b>131 655</b>	<b>171 379</b>	<b>171 940</b>	<b>177 098</b>

TABLE 3.24: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: INTERGRATED ECONOMIC DEVELOPMENT SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	201/17
<b>Current payments</b>	<b>45 621</b>	<b>64 313</b>	<b>86 124</b>	<b>110 988</b>	<b>108 582</b>	<b>108 582</b>	<b>138 209</b>	<b>141 993</b>	<b>155 157</b>
<b>Compensation of employees</b>	<b>2 533</b>	<b>3 174</b>	<b>18 008</b>	<b>6 058</b>	<b>8 433</b>	<b>8 433</b>	<b>19 757</b>	<b>33 034</b>	<b>39 501</b>
Salaries and wages	2 260	2 837	16 463	5 646	8 021	8 021	17 207	29 007	35 037
Social contributions	273	337	1 545	412	412	412	2 550	4 027	4 464
<b>Goods and services</b>	<b>43 088</b>	<b>61 139</b>	<b>68 116</b>	<b>104 930</b>	<b>100 149</b>	<b>100 149</b>	<b>118 452</b>	<b>108 959</b>	<b>115 656</b>
Administrative fees	3	6	40	37	37	37	166	41	43
Advertising		35	18	188	39	39	78	603	154
Assets less than the capitalisation threshold		4	12				334	753	793
Audit cost: External									
Bursaries: Employees	26	18		50					
Catering: Departmental activities	32	51	234	94	293	361	213	214	211
Communication (G&S)	48	55					300	614	647
Computer services	2 646	9	1 311		7	7	552	777	818
Consultants and professional services: Business and advisory services	40 061	57 458	61 575	1 060	47 358	47 358	2 053	2 430	2 396
Consultants and professional services: Infrastructure and planning									
Consultants and professional services: Legal costs									
Contractors		10	34	96 388	51 988	51 988	107 488	102 008	109 052
Agency and support / outsourced services	82			97		( 86)	104	132	139
Entertainment	1			79	11	( 68)	25	27	28
Fleet services (including government motor transport)									
Housing									
Inventory: Clothing material and accessories									
Inventory: Farming supplies									
Inventory: Food and food supplies	4	21		10	10		30	87	92
Inventory: Fuel, oil and gas									
Inventory: Learner and teacher support material									
Inventory: Materials and supplies		4	2	72		40	71	72	18
Inventory: Medical supplies									
Inventory: Medicine									
Medsas inventory interface									
Inventory: Other supplies									
Consumable supplies	1	8			3	3			
Consumable: Stationery, printing and office supplies	18	88	394	132	38	61	179	259	273
Operating leases	85	1 430	218	178	22	( 156)	6 234	199	210
Property payments		107				222			
Transport provided: Departmental activity									
Travel and subsistence	57	197	1 740	215	215	215	392	410	432
Training and development	24	9	53	50			34	36	38
Operating payments		22	62	6 110	13	13			

### Vote 3 - Economic Development • EPRE - 2014/15

**TABLE 3.24: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: INTERGRATED ECONOMIC DEVELOPMENT SERVICES**

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	201/17
Venues and facilities		1 607	2 423	170	115	115	199	297	313
Rental and hiring									
Interest and rent on land									
Interest									
Rent on land									
<b>Transfers and subsidies</b>	<b>153 159</b>	<b>93 912</b>	<b>104 354</b>	<b>128 447</b>	<b>128 447</b>	<b>128 447</b>	<b>129 291</b>	<b>125 838</b>	<b>132 507</b>
Provinces and municipalities	21 500								
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities	21 500								
Municipal bank accounts									
Municipal agencies and funds	21 500								
Departmental agencies and accounts	131 659	93 912	104 300	128 447	128 447	128 447	129 291	125 838	132 507
Social security funds									
Departmental agencies (non-business entities)	131 659	93 912	104 300	128 447	128 447	128 447	129 291	125 838	132 507
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households			54						
Social benefits			54						
Other transfers to households									
<b>Payments for capital assets</b>	<b>14</b>	<b>154</b>	<b>71</b>	<b>331</b>	<b>58</b>	<b>58</b>	<b>635</b>	<b>664</b>	<b>699</b>
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	14	154	71	331	58	58	635	664	699
Transport equipment									
Other machinery and equipment	14	154	71	331	58	58	635	664	699
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>			<b>5 909</b>						
Thefts and losses			5 909						
<b>Total economic classification</b>	<b>198 794</b>	<b>158 379</b>	<b>196 458</b>	<b>239 766</b>	<b>237 087</b>	<b>237 087</b>	<b>268 135</b>	<b>268 495</b>	<b>288 364</b>

**TABLE 3.25: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: TRADE AND SECTOR DEVELOPMENT**

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2015/16
<b>Current payments</b>	<b>1 691</b>	<b>24 498</b>	<b>1 585</b>	<b>1 510</b>	<b>6 812</b>	<b>6 812</b>	<b>10 704</b>	<b>13 783</b>	<b>14 513</b>
<b>Compensation of employees</b>	<b>1 654</b>	<b>399</b>		<b>1 352</b>	<b>6 654</b>	<b>6 654</b>	<b>10 634</b>	<b>13 693</b>	<b>14 419</b>
Salaries and wages	1 654	399		1 297	6 599	6 599	10 610	13 668	14 392
Social contributions				55	55	55	24	25	26
<b>Goods and services</b>	<b>37</b>	<b>24 099</b>	<b>1 585</b>	<b>158</b>	<b>158</b>	<b>158</b>	<b>70</b>	<b>90</b>	<b>95</b>
Administrative fees			5		3	3			
Advertising				37					

TABLE 3.25: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: TRADE AND SECTOR DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2015/16
Bursaries: Employees									
Catering: Departmental activities			3	29			31	32	34
Communication (G&S)	37	17							
Consultants and professional services: Business and advisory services			1 471						
Contractors				17				19	20
Agency and support / outsourced services									
Entertainment				16			17	18	19
Inventory: Materials and supplies				31					
Inventory: Medical supplies									
Consumable: Stationery, printing and office supplies				7					
Operating leases		22 397							
Property payments		1 685							
Transport provided: Departmental activity				21			22	21	22
Travel and subsistence			106		155	155			
Rental and hiring									
Interest and rent on land									
Interest									
Rent on land									
<b>Transfers and subsidies</b>	<b>639 887</b>	<b>385 839</b>	<b>450 525</b>	<b>506 375</b>	<b>506 375</b>	<b>506 375</b>	<b>499 961</b>	<b>552 278</b>	<b>581 549</b>
Provinces and municipalities									
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities									
Municipal bank accounts									
Municipal agencies and funds									
Departmental agencies and accounts	639 887	385 839	450 525	506 375	506 375	506 375	499 961	552 278	581 549
Social security funds									
Departmental agencies (non-business entities)	639 887	385 839	450 525	506 375	506 375	506 375	499 961	552 278	581 549
Higher education institutions									
Households									
Social benefits									
Other transfers to households									
<b>Payments for capital assets</b>									
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment									
Transport equipment									
Other machinery and equipment									
Software and other intangible assets									
<b>Payments for financial assets</b>									
Thefts and losses									
<b>Total economic classification</b>	<b>641 578</b>	<b>410 337</b>	<b>452 110</b>	<b>507 885</b>	<b>513 187</b>	<b>513 187</b>	<b>510 665</b>	<b>566 061</b>	<b>596 063</b>

TABLE 3.26: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: BUSINESS REGULATION AND GOVERNANCE

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2015/16
<b>Current payments</b>	<b>23 769</b>	<b>27 665</b>	<b>33 578</b>	<b>41 489</b>	<b>36 790</b>	<b>36 790</b>	<b>51 437</b>	<b>58 980</b>	<b>61 788</b>



### Vote 3 - Economic Development • EPRE - 2014/15

**TABLE 3.26: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: BUSINESS REGULATION AND GOVERNANCE**

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2015/16
<b>Compensation of employees</b>	<b>21 142</b>	<b>23 173</b>	<b>28 973</b>	<b>30 631</b>	<b>25 096</b>	<b>25 096</b>	<b>45 742</b>	<b>47 115</b>	<b>49 294</b>
Salaries and wages	18 550	20 315	25 590	27 037	21 502	21 502	37 682	37 860	39 549
Social contributions	2 592	2 858	3 383	3 594	3 594	3 594	8 060	9 255	9 746
<b>Goods and services</b>	<b>2 627</b>	<b>4 492</b>	<b>4 605</b>	<b>10 858</b>	<b>11 694</b>	<b>11 694</b>	<b>5 695</b>	<b>11 865</b>	<b>12 494</b>
Administrative fees	9	28	1		6	6			
Advertising	79	453	150	68	460	460			
Assets less than the capitalisation threshold	67	181	111		5	5			
Audit cost: External									
Bursaries: Employees	98	34							
Catering: Departmental activities	164	286	530	258	986	986	241	253	266
Communication (G&S)	260	573	4		250	250			
Computer services	58								
Consultants and professional services: Business and advisory services	484	1 060	1 471	2 849	2 052	852	4 434	4 533	4 773
Consultants and professional services: Legal costs	1		186						
Contractors	36	103	153		93	1 293			
Agency and support / outsourced services		7		8			75	79	83
Entertainment	5	5		13	9	9	21	12	13
Fleet services (including government motor transport)					5	5			
Inventory: Food and food supplies	13	36							
Inventory: Materials and supplies	3	7	3	282	9	( 265)	101	106	112
Consumable supplies	3	2	9		1	1			
Consumable: Stationery, printing and office supplies	498	284	341	194	15	15	60	63	66
Operating leases	163	232	552	6 111	6 311	6 311		6 111	6 435
Property payments			50		80	80			
Transport provided: Departmental activity	310								
Travel and subsistence	179	709	484	490	465	165	202	166	175
Training and development		40				300			
Operating payments		72	118		100	100			
Venues and facilities	197	380	442	585	437	437	561	542	571
Rental and hiring					410	410			
Interest and rent on land									
Interest									
Rent on land									
<b>Transfers and subsidies</b>	<b>28 590</b>	<b>15 113</b>	<b>32 707</b>	<b>22 670</b>	<b>22 670</b>	<b>22 670</b>	<b>30 255</b>	<b>25 327</b>	<b>26 669</b>
Provinces and municipalities									
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities									
Municipal bank accounts									
Municipal agencies and funds									
Departmental agencies and accounts	28 590	15 100	32 670	22 670	22 670	22 670	30 255	25 327	26 669
Social security funds									
Departmental agencies (non-business entities)	28 590	15 100	32 670	22 670	22 670	22 670	30 255	25 327	26 669
Higher education institutions									
Non-profit institutions									
Households		13	37						
Social benefits		13	37						
Other transfers to households									
<b>Payments for capital assets</b>	<b>326</b>	<b>314</b>	<b>51</b>						

TABLE 3.26: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: BUSINESS REGULATION AND GOVERNANCE

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2015/16
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	326	314	51						
Transport equipment									
Other machinery and equipment	326	314	51						
Heritage Assets									
<b>Payments for financial assets</b>			<b>398</b>						
Thefts and losses			398						
<b>Total economic classification</b>	<b>52 685</b>	<b>43 092</b>	<b>66 734</b>	<b>64 159</b>	<b>59 460</b>	<b>59 460</b>	<b>81 692</b>	<b>84 307</b>	<b>88 458</b>

TABLE 3.27: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ECONOMIC PLANNING

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2015/16
<b>Current payments</b>	<b>10 423</b>	<b>17 990</b>	<b>23 049</b>	<b>27 698</b>	<b>21 596</b>	<b>21 596</b>	<b>40 501</b>	<b>44 795</b>	<b>47 169</b>
<b>Compensation of employees</b>	<b>9 101</b>	<b>8 088</b>	<b>8 166</b>	<b>12 080</b>	<b>9 938</b>	<b>9 938</b>	<b>27 413</b>	<b>32 490</b>	<b>34 212</b>
Salaries and wages	8 353	7 369	7 506	10 526	8 384	8 540	23 933	28 562	30 076
Social contributions	748	719	660	1 554	1 554	1 398	3 480	3 928	4 136
<b>Goods and services</b>	<b>1 322</b>	<b>9 902</b>	<b>14 883</b>	<b>15 618</b>	<b>11 658</b>	<b>11 658</b>	<b>13 088</b>	<b>12 305</b>	<b>12 957</b>
Administrative fees	7	25	147	49	30	29	96	100	106
Advertising				370			158	143	150
Assets less than the capitalisation threshold	3	260							
Audit cost: External									
Bursaries: Employees	21	36							
Catering: Departmental activities	40	62	44	102	77	78	220	227	239
Communication (G&S)	200	218							
Computer services	83	734	1 595						
Consultants and professional services: Business and advisory services	588	6 833	11 595	13 275	10 213	10 213	11 392	10 654	11 219
Consultants and professional services: Legal costs							3	3	3
Contractors		42	49	50	1	1	56	59	62
Agency and support / outsourced services		7	14	127			134	140	147
Entertainment	3	3		14	7	7	15	10	11
Fleet services (including government motor transport)					38	38			
Inventory: Food and food supplies	17	39	9						
Inventory: Fuel, oil and gas									
Inventory: Materials and supplies	1	2	3	479	2	2	80	79	83
Inventory: Other supplies			3						
Consumable supplies		2			1	1			
Consumable: Stationery, printing and office supplies	25	119	29	620			260	231	243
Operating leases	92	16		37		( 37)	44		
Property payments									
Transport provided: Departmental activity									
Travel and subsistence	140	1 078	1 318	296	260	260	282	295	311
Training and development	27	90							
Operating payments			2			37	3	3	3
Venues and facilities	76	336	75	199	1 029	1 029	345	361	380
Rental and hiring									

# Vote 3 - Economic Development • EPRE - 2014/15

TABLE 3.27: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ECONOMIC PLANNING

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2015/16
Interest and rent on land									
Interest									
Rent on land									
<b>Transfers and subsidies</b>			<b>56</b>		<b>10</b>	<b>10</b>			
Provinces and municipalities									
Provinces									
Public corporations									
Subsidies on products and production (pc)									
Other transfers to public corporations									
Private enterprises									
Subsidies on products and production (pe)									
Other transfers to private enterprises									
Non-profit institutions									
Households			56		10	10			
Social benefits									
Other transfers to households			56		10	10			
<b>Payments for capital assets</b>	<b>215</b>	<b>161</b>		<b>336</b>			<b>289</b>	<b>302</b>	<b>318</b>
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	215	161		336			289	302	318
Transport equipment									
Other machinery and equipment	215	161		336			289	302	318
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>			<b>5 100</b>						
Thefts and losses			5 100						
<b>Total economic classification:</b>	<b>10 638</b>	<b>18 151</b>	<b>28 205</b>	<b>28 034</b>	<b>21 606</b>	<b>21 606</b>	<b>40 790</b>	<b>45 096</b>	<b>47 487</b>





**Vote 3 - Economic Development • EPRE - 2014/15**



# VOTE 4

## DEPARTMENT OF HEALTH

To be appropriated by vote in 2014/15	R31 524 334 000
Responsible MEC	MEC for Health
Administering Department	Department of Health
Accounting Officer	Head of Department

### 1. OVERVIEW

#### Vision

To be the best provider of quality health services to the people in Gauteng.

#### Mission

Provide excellent, integrated health services in partnership with stakeholders to contribute towards lessening the burden of disease in all communities in Gauteng.

#### Strategic goals

- To improve health and well-being with an emphasis on vulnerable groups;
- To reduce the rate of new HIV infections by 50 per cent in youth, adults and babies in Gauteng, and reduce TB and AIDS related deaths by 20 per cent;
- To increase efficiency of service implementation;
- To improve human capital management and development for better health outcomes; and
- To work towards organisational excellence.

#### Core functions

- Provision of primary health care services through the district health system. A network of provincial clinics and community health centres provides ambulatory care administered by doctors, nurses and other professionals; local government clinics are subsidised to render primary care services;
- Provision of ambulance (emergency) services and planned patient transport throughout the province;
- Rendering secondary health care services through regional hospitals providing out- and in-patient care at general specialist level;
- Provision of specialised in-patient care for psychiatric and infectious diseases, and some tuberculosis and chronic psychiatric services on an outsourced basis;
- Provision of in-patient and out-patient academic health care services through the four Departmental central, tertiary hospitals and three dental hospitals, in addition to the teaching that takes place within other service levels; Training of future health care professionals in health sciences faculties and nursing colleges; and
- Delivering of forensic pathology services and clinical-medico legal services.

These services are supported through human resource development; management and support services such as laundries, facility management, and cook-freeze; and through supplying medical and pharmaceutical materials.

#### Acts, rules and regulations

- Intergovernmental Relations Framework Act, 13 of 2005;
- Broad Based Black Economic Empowerment Act, 53 of 2003;
- The National Health Act, 61 of 2003;
- Mental Health Care Act, 17 of 2002;
- Unemployment Insurance Contributions Act, 4 of 2002;
- Promotion of Access to Information Act, 2 of 2000;
- Promotion of Administrative Justice Act, 3 of 2000;
- Promotion of Equality and the Prevention of Unfair Discrimination Act, 4 of 2000;

- Preferential Procurement Policy Framework Act, 5 of 2000;
- Protected Disclosures Act, 26 of 2000;
- National Health Laboratory Service Act, 37 of 2000;
- Council for Medical Schemes Levy Act, 58 of 2000;
- Public Finance Management Act, 1 of 1999;
- Tobacco Products Control Amendment Act, 12 of 1999;
- State Information Technology Act, 88 of 1998;
- Competition Act, 89 of 1998;
- Copyright Act, 98 of 1998;
- Sterilisation Act, 44 of 1998;
- Employment Equity Act, 55 of 1998;
- Skills Development Act, 97 of 1998;
- Medical Schemes Act, 131 of 1998;
- Public Service Commission Act, 46 of 1997;
- Basic Conditions of Employment Act, 75 of 1997;
- Intergovernmental Fiscal Relations Act, 97 of 1997;
- Medicines and Related Substances Act, 101 of 1965 (as amended in 1997);
- Choice on Termination of Pregnancy Act, 92 of 1996;
- Public Service Act, Proclamation 103 of 1994;
- Occupational Health and Safety Act, 85 of 1993;c
- Trade Marks Act, 194 of 1993;
- Designs Act, 195 of 1993;
- SA Medical Research Council Act, 58 of 1991;
- Control of Access to Public Premises and Vehicles Act, 53 of 1985;
- Child Care Act, 74 of 1983;
- Allied Health Professions Act, 63 of 1982;
- Dental Technicians Act, 19 of 1979;
- Nursing Act, 50 of 1978;
- Patents Act, 57 of 1978;
- International Health Regulations Act, 28 of 1974;
- Pharmacy Act, 53 of 1974;
- Health Professions Act, 56 of 1974;
- Occupational Diseases in Mines and Works Act, 78 of 1973;
- Hazardous Substances Act, 15 of 1973;
- Foodstuffs, Cosmetics and Disinfectants Act, 54 of 1972;
- Conventional Penalties Act, 15 of 1962;
- State Liability Act, 20 of 1957; and
- Merchandise Marks Act, 17 of 1941.

#### **Specific provincial health legislation**

National legislation and policy is further supported by the following provincial legislation:

- The Gauteng Ambulance Services Act, 2002;
- The Gauteng District Health Services Act, 2000; and
- The Hospital Ordinance Act, 1958 (as amended in 1999).

Other policy imperatives guiding the work of the GDH include the following:

- Strategic priorities for the national health system;
- Provincial government's five year strategic programme of action;
- Gauteng's five-year strategic plan for health;
- The Gauteng Global City Region Strategy; and
- The Batho Pele principles of social service delivery and the Service Delivery Charter.

## 2. REVIEW OF THE CURRENT FINANCIAL YEAR (2013/14)

### Outcome 2: A long and healthy life for all South Africans

#### Output 1: Increase life expectancy

The department remains focused on strengthening primary prevention of diseases. This will be achieved through health promotion; vaccination of children against preventable diseases through the Expanded Programme of Immunisation; implementation of the re-engineered Primary Health Care (PHC) services; and rollout of the much needed interventions aimed at increasing life expectancy, such as HIV counseling and testing, and implementation of the Fixed-Dose Combination (FDC) medication. In addition, preventative interventions aimed at chronic diseases continue at facility level, where prevention and management of chronic ailments, particularly diabetes and hypertension, is promoted.

The oral health programme provided 33 961 children with fissure sealants to preserve their teeth and placed 118 022 children in its tooth-brushing programme. With regard to the Rehabilitation Programme, the department provided a total of 32 632 assistive devices such as wheelchairs and hearing aids to persons with disabilities, including children. In so doing, the department exceeded its target of 25 500.

#### Output 2: Decreasing maternal and child mortality

The provision of maternal and child health interventions remained a key priority pursued by the department, in the year under review. To this end, the department provides 24-hour maternity services in all Community Health Centres (CHC) and hospitals. Maternal Mortality ratio has decreased from 167 / 100 000 live births, during the 2005 -2007 triennium report, to 145 / 100 000 live births in the 2008 – 2010. At end of the third quarter of the current financial year (2013/2014), preliminary outcome figures showed a decline in facility Maternal Mortality Rate which was estimated at 111.7 cases per 100 000 population from the 145 per 1000 reported during the first quarter of 2013/14 financial year. This is largely attributed to sustained capacity building and implementation of Saving Mothers Recommendation through training on interventions. The training is aimed at the 5 H's namely: reducing deaths from Haemorrhage; HIV and, Hypertension; Health worker training; and improving the functioning of the Health system. In addition, training on the Early Warning Chart and Essential Steps in the Management of Obstetric Emergencies (ESMOE) continued. Doctors and nurses were trained in ESMOE in the Ekurhuleni district where the maternal mortality has been the highest in the province. To date a total of 43 doctors and 70 nurses have been trained. The department conducted workshops in all 5 districts for the implementation of the recommendations of the 5Hs. District Clinical Specialists Teams have been appointed in all 5 districts who will help to further strengthen efforts towards implementing strategies aimed at improving maternal and child health interventions. Basic Antenatal Care (BANC) has been strengthened by improving the skills of midwives to identify pregnancy related complications in BANC. These and other interventions are being strengthened in line with the recently launched Campaign for the Accelerated Reduction of Maternal Mortality in Africa (CARMMA).

Significant progress has been made with encouraging women to book their first Antenatal Care (ANC) visits before 20 weeks of gestation. As at the end of third quarter, 45 per cent of women have been able to access ANC before 20 weeks of gestation. Efforts in increasing the number of pregnant woman who attend ANC services before 20 weeks are showing gains, with a better understanding by providers of the importance of initiating the first visit at pregnancy confirmation.

The department continued to provide support to postpartum mothers and their babies six weeks after delivery. As at the end of the third quarter of the 2013/14 financial year, 81 per cent of mothers and 75 per cent of babies were attended to by health care providers post-delivery.

The immunisation coverage for children who are less than one year old is maintained above the national target of 90 per cent in order to reach every child to reduce vaccine preventable deaths. Coverage for children under one is at 115 per cent, measles 1<sup>st</sup> dose at 112.7 per cent, pneumococcal 3<sup>rd</sup> dose at 112.1 per cent and Rota Virus 2<sup>nd</sup> dose at 110.6 per cent at the end of the third quarter of the 2013/14 financial year. All health facilities practice the "Every day is an Immunisation Day." Furthermore, there were no vaccine stock outs experienced as at the end of the third quarter of the 2013/14 financial year. The improved immunisation coverage has also contributed to a decline in the incidence of pneumococcal and diarrhoeal infections.

The incidences of severe malnutrition have also been declining. Cases of severe malnutrition for children less than 5 years are now less than 3 cases per 1000 children. Nutrition supplements and promotion of breastfeeding have been instrumental in the decline. The department is conducting on-going information sessions for



communities on the importance of vaccinating all children, and encouraging parents to bring HIV positive children for vaccinations. Child survival was also improved through the promotion of exclusive breastfeeding, and the establishment of Kangaroo Mother Care for low birth weight babies. This was done in 98 per cent of hospitals providing maternity and neonatal care. Currently, the department has 44 facilities accredited "Mother and Baby Friendly" and plans to increase them to 49 maternity facilities by end of the 2013/14 financial year. These facilities assist mothers with breastfeeding (which contributes to good nutrition and infant survival), while educating them about the advantages of breastfeeding.

### **Output 3: Combating HIV and AIDS and decreasing the burden of disease from Tuberculosis**

There has been a further notable reduction in HIV transmission from mother to baby. By end of the third quarter, 97.6 per cent of babies born to HIV positive mothers tested HIV negative. Two major contributions to this positive outcome have been improved baby Nevirapine uptakes, of 98 per cent, and mothers on the Highly Active Antiretroviral Therapy (HAART) treatment programme. Fixed Dose Combination therapy (FDC) has since been introduced in the 2013/14 financial year and the department anticipates that the improvement in the uptake of HAART is likely to increase even further.

There are also improvements in the coverage of some of the HIV community programmes, in that the number of high risk groups benefiting from peer education increased by 496 494 beneficiaries from 171 199 to 667 693, thus exceeding a target of 562 500. Over 5 million people were reached with ward-based education.

The total number of clients remaining on ART has increased slightly by 27 786, from 560 382 in the previous quarter to 588 168 by the end of the third quarter of 2013/14 financial year. However, performance is still below the estimated target of 893 750. Patients still default from treatment. There is a programme plan to strengthen defaulter tracing, community awareness on adherence to the treatment and improve data management.

A significant increase in the distribution of male condoms has been recorded from 9 per cent in the second quarter to 23.6 per cent in the third quarter. This may be attributed to the increase in the number of distribution sites found in the City of Johannesburg, which started reporting in November 2013. However, efforts to strengthen data management and data integrity are continuing.

The department continues to provide support to TB patients through Community Health Workers (CHWs). This is to ensure that patients take treatment appropriately and that those who default, are traced. The support by CHWs has enabled the Department to keep the defaulter rate below 5 per cent. However, a slight increase from 4.7 per cent to 5.6 per cent, just above the target of <5 per cent, has been recorded at the end of the third quarter. This is due to challenges in data management and integrity in some areas. Quarterly data quality audits are being conducted to ensure that these errors are identified and corrected in order to improve data integrity. Regardless of an increasing defaulter rate, about 84.3 per cent of new TB clients on treatment were successfully cured. Over 60 per cent HIV-TB co-infected patients have been placed on ARV. This is due to training of TB nurses on NIMART. Training on NIMART will go on to ensure all facilities are able to initiate ART treatment. TB screening will also be strengthened during HCT campaigns.

### **Output 4: Strengthening health system effectiveness**

#### **Re-engineering of Primary Health Care**

By the end of the third quarter of the current financial year, the total number of people who visited the Primary Health Care (PHC) facilities has increased from 4 029 659 to 14 368 357, an increase of 10 338 698 visits in the three quarters reviewed. Health services are provided through a combination of community-based outreach programmes and facility-based care, involving hospitals, community health centres (CHCs), and fixed and mobile clinics. There is a continuous effort to improve access to care by increasing the number of healthcare facilities, extending hours of service and attending to soft issues that may discourage people from using health services.

The department provides comprehensive PHC services in all its CHCs. The number of CHC facilities has not increased and 26 of the 35 CHCs provide 24 hour health services. The 24 hour services at CHC's are provided as per district needs. Focus will continue to be on improving the quality of services being provided at facilities.

The Ward-based Community Health Outreach Teams are active in 126 municipal wards. They ensure that households are visited and services are offered to frail people in their homes. PHC has been further enhanced by ensuring that each CHC has a resident doctor and a specialist family physician. Every health district has a core specialist team, comprising obstetricians and pediatricians, to provide guidance to staff at CHCs and clinics within the district.

Progress with regard to the health care support services includes improvement in the procurement opportunities awarded to women owned enterprises. Approximately 31 per cent of such opportunities have been provided to women-owned enterprises, exceeding a target of 25 per cent. There has also been improvement in the availability of essential medicines. Availability at the Medical Supplies Depot (MSD) has increased from 75 per cent in the first quarter to 82 per cent in the third quarter of the financial year.

### **National Health Insurance (NHI)**

The National Health Insurance (NHI) is a financing system that will make sure that all citizens of South Africa (and legal long-term residents) are provided with essential healthcare, regardless of their employment status and ability to make a direct monetary contribution to the NHI Fund. The first five years of NHI will include pilot studies and strengthening the health system in the following areas: management of health facilities and health districts; quality improvement; infrastructure development; medical devices including equipment; human resources planning; development and management; information management and systems support as well as the establishment of an NHI Fund.

The Tshwane Health District is one of the 11 pilot sites in South Africa selected for the first phase of NHI implementation. The grant budget allocation decreased from R11.5 million in 2012/13 to R4.8 million in 2012/13 financial year.

The draft referral policy has been developed and Workload Indicators for Staffing Needs (WISN) training and data collection was completed at 4 district hospitals, 46 fixed clinics and seven CHCs. Ward Based Outreach Teams (WBOTs) increased from nine in 2012/13 to 24 by end of December 2013. The Municipal Ward Based PHC outreach teams have been integrated with home based care and integrated school health services.

The integrated school health programme is implemented by 15 school health teams covering 521 public schools in all seven sub-districts. However, the three integrated school health programme mobiles, which were donated by National Health Department are utilised in sub-district two. More than 28 710 school learners have been screened.

Twenty seven general practitioners have signed contracts and service level agreements (SLAs) and currently providing services in PHC facilities. The R5 million additional Facility Improvement Plans (FITs) business plan was submitted to National Department of Health and being implemented. The FITs champions have been assigned per sub-district and commenced with the implementation of the project plan. The facility condition assessment was completed at 33 of the 49 PHC facilities and four district hospitals. Park Homes were constructed at Diloppe clinic and Themba CHC. The process of purchasing and distributing equipment at PHC facilities is underway, whereby over 70 per cent of the 2012/13 allocation (R11.5 million) is being utilised to procure equipment.

The server for health information and record management has been procured. All PHC facilities have functional data points whilst 31 have functional emails and internet and 44 have functional telephones.

### **Implementation of the Turnaround Strategy for Health**

The departmental turnaround strategy was designed to address major challenges that impact on the health system effectiveness. It covers eight focal areas, namely: financial management, human resources, district health services, hospital management, medico-legal services, health information, communication, social mobilisation and health infrastructure. Good progress has been made with implementation of the Turnaround Strategy, some of which are outlined hereunder. Results are visible particularly in the area of financial and supply chain management reforms.

### **Finance and financial management**

Contracts are being subjected to market price analysis, and their terms are being analysed to identify areas where the department can negotiate better contracts that result in improved service delivery and cost savings. Significant savings are possible through this process. For example, the department saved R40 million from hypertension medicines. The analysis of all contracts will be continued, with the aim of improved contract management, more accurate forecasting related to demand, and early detection of low stock levels with appropriate interventions. The implementation of the Procurement Transformation Initiative, in conjunction with the Chief Procurement Office at National Treasury, has begun, and will continue in 2014/15. This initiative will transform the procurement process through end-to-end management of the procurement of particular critical items.

### **Budget management**

The Turnaround Strategy focuses on budget management reforms, to ensure that the budget allocation is informed by service packages. Ultimately the department aims to fully implement a cost centre approach in terms of budgeting, at institutional level, and hospitals. Good progress has been made with the implementation of the Budget Management Support Project. Analysis has been done of the top 10 hospitals' expenditure trends over the last three years and processes have been put in place to improve the budgeting over the 2014 medium term. For the first time in many years, expenditure on the compensation of employees has been within the budget for the 2012/13 financial year. The department has linked budget allocations to health priorities and provincial outcomes, to ensure the optimal use of available funds and the maximising of service delivery.

### **Supply Chain Management**

In terms of enhancing governance and organisational design a Supply Chain Management task team was established to coordinate the stabilisation and reform process. Coaching and training was provided to 27 officials on the bid administration process, 38 on demand management and 15 on the tender briefing processes. The department is developing a new structure for the Supply Chain Management Unit, to better comply with Treasury Regulation 16 (a). Furthermore, a draft interim supply chain management policy was developed, and a consignment stock policy is being implemented at central and tertiary hospitals.

### **Contract Management**

Key accounts are being centralised for long-term strategic sourcing. A Demand Management Functional Model, which is compliant with government requirements, was developed. It is standardised across the four central hospitals, three tertiary hospitals and central office. An total of 38 officials from central and tertiary hospitals were trained on the Demand Management Functional Model, and training on contract management was also provided. Priority contracts such as linen, equipment, food and coal have made significant progress.

### **Procure to Pay system**

The department has commenced with simplifying and reforming the 'Procure to Pay' system to minimise incidents of fraudulent transactions and possible collusion by officials with suppliers. This includes setting up a mechanism to clear all invoices from years prior to 2012/13, and institutionalising a pre-payment audit. In this regard an accruals and project plan has been developed. Systems and processes have been streamlined and training is currently being provided. The department is implementing the 12 step pre-payment review which is a set of procedures involving interrogation and analysis of outstanding invoices for previous financial years. The department established the Health Processing Centre (HPC) during June 2013 where, the 'Procure to Pay' and financial reporting functions are performed an to ensure that suppliers within 30 days.

Subsequent to revised HPC proposal discussion at Technical Task Team meeting (TTT) meeting, an analysis is currently being conducted to assess the readiness of the central hospitals to decentralise supply chain management functions. The functions are to be migrated as soon as the institutions are capacitated. The initial migration of supply chain management functions will be for procurement under R500 000.

### **Medical Supplies Depot Process Re-engineering**

The process of re-engineering the business systems at the Medical Supplies Depot (MSD) is in progress. As a result, key performance indicators demonstrate that the availability of essential medicines at the MSD improved with 82 per cent against the target of 98 per cent.

### **Revenue management**

The department has commenced with the re-engineering process, to identify gaps and challenges experienced from patient registration. A total of 697 officials have been trained on patient classification, uniform patient fee schedules and case management services at hospitals. Thirty eight case managers have been appointed and trained in the four central and three tertiary hospitals. The Revenue Forum was established. In addition, the National Department of Health Revenue Management unit has provided computers and printers, including support, through the Provincial Technical Support Officers (PTSO) for patient administration, billing and debt management at the four central hospitals and Kalafong Hospital. The contract for upgrading of the MEDICOM system is being finalised. The process of re-engineering of processes has started at central hospitals.

### **Strengthening Leadership and Management**

The process of filling senior managers' critical positions is in progress. The human resource value chain assessment has been completed in central and tertiary hospitals. All of the major 27 human resource policies were reviewed. The Back to Basics Train-Trainer programme, based on a leadership development methodology curriculum, will be conducted for officials from institutions and central office. The Identify Verification System (IVS)

is being implemented and verification has been completed at most institutions and hospitals. The department verified a significant number of their employees i.e. 77 per cent of targeted employees as at the end of January 2014. In terms of Remunerated Work Outside the Public Service (RWOPS) and overtime the department has implemented strict processes for monitoring adherence to approved policies.

The department has trained 1 050 institutional managers on the Policy on Incapacity Leave and Ill-health Retirement (PILIR) processes and procedures to ensure that they comply with the ill-health policy and time frames. In terms of improving labour relations, performance management and code of conduct, staff have been trained and booklets and posters have been distributed. The department continues to train health professionals based on the human resource development plan. The department provides extensive training to existing personnel and offers bursaries to the members of the public wishing to study for occupations in which there are critical staff shortages. A total of 4 397 students were awarded bursaries to address scarce skills in the medical field, particularly doctors and nurses.

The integrated school health programme is implemented by 61 school health teams, covering 521 public schools, in all seven sub-districts. The three integrated school health programme mobiles, which were donated by the National Health Department, are utilised in sub-district two. More than 28 710 school learners have been screened.

### **Communication and social mobilisation**

The 2012/13 communication strategy and media policy are being implemented in all the institutions, whilst being reviewed for implementation in 2014/15 financial year. All central hospitals have appointed communication officers. Communicators from hospitals and districts had been trained on crisis communication, media management, rapid response and communication environment. The analysis of media ratings in 2013 by the Institute for Media Analysis has shown improvement. In this case, the perceptions of Health improved according to the Media Perception Barometer.

## **3. OUTLOOK FOR THE COMING FINANCIAL YEAR (2014/15)**

### **Outcome: A long and healthy life for all South Africans**

#### **Output 1: Increasing life expectancy**

The department will implement key interventions to increase life expectancy, which include all of the department's programmes, including: maternal and child health; HIV and AIDS; Sexual Transmitted Diseases (STDs); TB; Primary Health Care (PHC); Emergency Medical Services (EMS) and other programmes related to promoting healthy lifestyles and addressing non-communicable diseases.

The EMS will be strengthened through the purchase of additional ambulances and obstetric ambulances. The department will continue with implementation of the EMS rationalisation strategy across the provincial and local government services, to improve response times of P1 patients from 52 per cent to 65 per cent.

The department will develop and strengthen interventions to address non-communicable diseases as outlined in the first 2013 South African National Health and Nutrition Examination Survey and the underlying social, economic, behavioural and environmental factors that contribute to the population's state of health.

Strengthening of hospital services remains a priority for the department. Therefore the re-classification of hospitals has resulted in additional resource requirements at certain Gauteng hospitals. The three hospitals classified as tertiary hospitals, and some of the regional hospitals, are being assessed in terms of the package of services currently implemented and required. Some of these hospitals have inadequate capacity to offer the services linked to the new classification. It will not be possible to expand services at all of these hospitals, taking into consideration the services requirements of specialists, staff and equipment. However, once the package of services is agreed upon per hospital and per cluster, there may be additional budgetary requirements. The National Department of Health is working on revising the National Tertiary Services Grant (NTSG) allocations, recognising that Gauteng and other provinces with a high concentration of tertiary and central hospitals, as it is currently underfunded from the grant.

#### **Output 2: Decreasing maternal, infant and child mortality**

The department will strengthen the implementation of the key components of the Campaign to Accelerate the Reduction of Maternal and Child Mortality in South Africa (CARMMSA). The priority of increasing awareness

about the importance of early booking of antenatal visits, especially at 14 weeks instead of 20 weeks, will be intensified through strengthening relationships with various stakeholders, such as the churches and community groups, inner city and migrant communities.

The focus on infant and child health will continue through the implementation of the Expanded Programme on Immunisation (EPI), Perinatal Problem Identification Programme (PPIP), Integrated Management of Childhood Illness (IMCI) and the Tshwane Declaration on exclusive breastfeeding support. In addition, training on the Essential Steps of the Management of Obstetric Emergencies (ESMOE), Severe Acute malnutrition and the Perinatal Project will be implemented, concentrating on nurses and doctors.

The department has received additional funding to commence the implementation of the Human Papillomavirus (HPV) vaccine, which will be rolled out by the National Department of Health in 2014/15. This programme is aimed at reducing the rates of cervical cancer, which will target 80 per cent of girls aged 9-10 years in quintile 1-4 schools before their sexual active stage. In the 2016/17 financial year the department will implement the HPV vaccination programme in the province.

### **Output 3: Combating HIV and AIDS and decreasing the burden of disease from Tuberculosis**

The implementation of strategies for further reduction of new HIV infections (incidences) in babies, youth and adults will be intensified. The department is still committed to increasing safe sex behaviours and reducing HIV and pregnancy, through ward-based and door-to-door mass education, peer education for high risk groups and in workplaces, life skills training in schools and the HIV Counselling and Testing (HCT) programme.

Good progress has been made with reducing the HIV infection rate in babies, and this will be maintained through intensification of services for pregnant women such as Prevention of Mother to Child Transmission (PMTCT). After a slow start, it is expected that the Medical Male Circumcision programme will be strengthened, with a target of more than 208 000 circumcisions.

The rapid reduction of deaths from TB and AIDS in babies, mothers and adults remains a priority. The focus will be on early testing and treatment particularly for high-risk groups. The department will implement the new World Health Organisation (WHO) guidelines on Anti-Retroviral Treatment (ART) initiation for anyone with a CD4 count of below 500.

Health care for pregnant mothers and babies (antenatal care with PMTCT) is the top priority for reducing deaths. The target for the number of people remaining on ART for 2014/15 monthly will be more than 65 000. Community workers will provide follow-ups in people's homes to ensure that treatment is taken regularly. The target for the TB cure rate in 2014/15 is 84 per cent.

### **Output 4: Strengthening health system effectiveness**

The strengthening of the health systems effectiveness will be implemented through the Turnaround Strategy for Health. In spite of the good progress made with the implementation of the eight challenges areas, the department will continue to implement the Turnaround Strategy in partnership with the Administrator in the following core challenges areas:

- Finance and financial management;
- Human resources;
- District health services for primary health care;
- Hospital management;
- Medico-legal services and litigation;
- Health info management and health info systems (HIS);
- Communication and social mobilisation; and
- Health infrastructure development.

The department will continue with strengthening of supply chain management systems, focusing on organisational design, contract management, the Procure to Pay system, and of clearing of accruals towards payment of suppliers within 30 days. In addition, revenue management, particularly revenue collection, patient administration and debt recovery strategies will also be implemented.

The department will strengthen the pharmaceutical services through implementation of recommendations arising from the re-engineering process at the Medical Supplies Depot. This will be done by designing a revised approach for ordering medication (direct delivery), and strengthening systems to prevent drug stock outs at facility level.



The department received a qualified audit opinion for the 2012/13 financial year, which is an improvement from the previous financial year. Therefore, the focus will be on the continued improvement in the management of human resources in the department. The department will continue with the human resource reforms outlined in the Turnaround Strategy, including continuing to monitor overtime and Remunerated Work Outside of the Public Service (RWOPS) strictly, and continuing the tight control of appointments aligned to service delivery needs. The department will also collaborate with the National Department of Health (NDOH) on the WISN process, developing 'Workload Indicators for Staffing Norms', which will inform the new Human Resource for Health (HRH) plan for the new 5-year term.

It has been recognised that Information Communication Technology (ICT) fulfils a vital support function for all programmes and facilities, and it is an area that has been under-resourced for a number of years. In 2014/15 the department will implement the revised ICT strategy to ensure that facilities have the ICT infrastructure, internet facilities and credible management information systems required for provision of quality services. In addition, many of the areas identified by the Auditor-General require improved ICT systems and resources, particularly in the area of revenue collection, patient administration and debt recovery. These will be the areas of focus in the 2014/15 financial year. In addition, the department will explore the implications of the 'Normative Standards Framework for e-Health in South Africa' to ensure alignment to national policy.

A large portion of the Hospital Revitalisation Grant budget will be used to implement refurbishment of the Sebokeng Hospital and Ga-Rankuwa Nursing College as well as to complete projects which are currently in progress. The equitable share funding made by the province will be used to commence construction of the Conversion of Lenasia South and Discoverers Community Health Centres into district hospitals as well as to implement the pilot implementation of the National Health Insurance projects in Tshwane District.

The department earmarked funds for the operational costs of Zola/Jabulani District Hospital, which will provide level one services and relieve pressure at Chris Hani Baragwanath Academic Hospital. Funds were allocated for the new Ntshabane Regional Hospital, aimed at rendering level two services, for operational costs.

The department's efforts to improve the provision of Primary Health Care services will continue. Thus far, R500 million has been allocated to support implementation of Primary Health Care re-engineering streams. Through these funds, additional Community Health Workers will be trained and placed in new Ward Based Outreach teams. The additional teams established will ensure provision of community health services in 80 per cent of municipal wards by the end of 2014/2015 financial year.

Provision of services to learners will also be enhanced through establishment of new School Health Teams, comprising of Community Health Workers and health professionals. The province aims to reach out to 50 per cent of deserving schools. These teams will provide comprehensive Primary Health Care services including eye care, hearing, dental services and treatment of minor illnesses. Both these programmes will contribute to reducing long waiting times at Primary Health Care facilities, as more people will be seen and managed at community level.

An effort to improve health of mothers and babies continues with District Clinical Specialist Teams that have been established in all five Districts. Funds have been allocated for procurement of essential health equipment, and the training of doctors and nurses on provision of quality services during pregnancy, delivery and care of mother and baby immediately after delivery.

As part of Expanded Public Works Programme, Sector Education Training Authority (SETA) accredited training opportunities continue to be provided to Community Health Workers. An amount of R2 million is allocated to support this training.

The NHI is a financing system that will make sure that all citizens of South Africa are provided with essential healthcare, regardless of their employment status and ability to make a direct monetary contribution to the NHI Fund. This is the third year of NHI implementation in Tshwane, where the focus is on pilot studies and strengthening the health system in the following areas: management of health facilities and health districts; quality improvement; infrastructure development; medical devices including equipment; human resources planning; development and management; information management and systems support.

In the 2014/15 financial year, the NHI project will focus on strengthening district capacity for monitoring and evaluation, including research/impact assessment reports of selected interventions. These include monitoring and evaluation of direct delivery of chronic medication to patients. The focus will also be on strengthened coordination and integration of existing Municipal Ward-based Outreach Teams within pilot districts and supply chain management.

## 4. REPRIORITISATION

The department will continue to implement cost cutting measures and re-direct funds to essential services to ensure that non-negotiable line items are adequately funded. The department reprioritised the budget over the 2014 medium term to address spending pressures and fund priority projects. The reprioritisation exercise made funding available for inter alia the ICT strategy, to ensure that health facilities have the infrastructure that is required for quality services in the area of revenue collection, patient administration and debt recovery. Furthermore, the communication budget increased due to social mobilisation activities that are aligned with the national health awareness day's calendar, to ensure on-going awareness regarding prevention and care. Provision was also made for airtime purchases from community radio stations to reinforce key health messages and strengthen adherence to referral pathways. Funds were shifted to Programme 5: Central Hospitals, to supplement the budget for non-negotiable items and the re-classified hospitals. These non-negotiable items include the removal of medical waste, consumable supplies (infection control items) and security services. Furthermore, funds were shifted to Programme 4: Provincial Hospital Services, to expand the training and teaching platform to General, Specialised and Dental hospitals. Funding for non-profit institutions declined due to a policy change to directly pay stipends to community health workers under goods and services. Under Programme 4: Provincial Hospital Services, provision was made for the operational costs for Natalspruit and Mamelodi hospitals. In Programme 7: Health Care Support Services, the budget for machinery and equipment was increased to replace obsolete machines used in laundry services.

## 5. PROCUREMENT

The department will continue to strengthen supply chain management systems focusing on organisational design contract management, the Procure to Pay system, and clearing of accruals towards payment of suppliers within 30 days. Procurement is part of the Turnaround Strategy for Health, and results are visible particularly in the area of financial and supply chain management reforms. Contracts are being subjected to market price analysis, and their terms are analysed to identify areas where the department can negotiate better contracts that result in improved service delivery as well as savings. Significant savings are possible through this process. For example, the department switched hypertension drugs and saved R40 million in 2013/14. The analysis of all contracts will be continued, along with improved contract management, more accurate forecasting related to demand, and early detection of low stock levels with appropriate interventions. The implementation of the Procurement Transformation Initiative, in conjunction with the Chief Procurement Office at National Treasury, has begun, and will continue in 2014/15. This initiative will transform the procurement process through end-to-end management of the procurement of particular critical items.

## 6. RECEIPTS AND FINANCING

### 6.1 Summary of receipts

TABLE 4.1: SUMMARY OF RECEIPTS: HEALTH

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Equitable share	14 958 899	17 132 212	20 537 572	20 887 181	21 577 055	21 577 055	23 892 233	26 195 925	27 680 961
Conditional grants	5 427 701	6 254 621	6 653 722	7 105 499	7 193 730	7 193 730	7 632 101	7 789 201	8 095 471
Comprehensive HIV and AIDS Grant	1 281 683	1 620 673	1 901 293	2 258 483	2 258 483	2 258 483	2 632 578	2 975 139	3 345 986
Forensic Pathology Service Grant	92 421	97 966							
Health Facility Revitalisation Grant	839 627	1 074 334	918 280	771 033	844 238	844 238	671 033	303 630	
Health Professions Training and Development Grant	651 701	690 803	725 310	765 202	765 202	765 202	811 114	848 425	893 392

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<i>National Tertiary Service Grant</i>	2 561 154	2 759 968	3 044 567	3 305 931	3 305 931	3 305 931	3 493 891	3 654 610	3 848 304
<i>World Cup Health Preparation Strategy Grant</i>			31 500	4 850	16 876	16 876	7 000	7 397	7 789
<i>National Health Insurance</i>			3 000						
<i>AFCON Medical Services</i>									
<i>Social Sector Expanded Public Works Programme Incentive Grant</i>	1 115	10 877					14 475		
<i>Expanded Public Works Programme Integrated Grant</i>					3 000	3 000	2 010		
<b>Total receipts</b>	<b>20 386 600</b>	<b>23 386 833</b>	<b>27 191 291</b>	<b>27 992 680</b>	<b>28 770 785</b>	<b>28 770 785</b>	<b>31 524 334</b>	<b>33 985 126</b>	<b>35 776 432</b>

Equitable share and conditional grants are the main source of funding for the Gauteng Department of Health. In the 2014/15 financial year, the total budget is R31.5 billion of which equitable share and conditional grants takes up R23.9 billion and R7.6 billion respectively.

Over the seven year period, conditional grants have increased steadily from R5.4 billion in 2010/11 to R8.1 billion in the 2016/17 financial year, which is an average annual growth rate of 11 per cent. The largest conditional grants are the National Tertiary Services grant and the Comprehensive HIV and AIDS grant to ensure the provision of tertiary health services for all South African citizens and for HIV/AIDS treatment and care.

The aim of the National Tertiary Services Grant is to assist the department with planning, modernising and transforming tertiary services in the province, in line with national policy objectives to improve access and equity. The grant increases from R3.5 billion for 2014/15 to R3.8 billion for the 2016/17 financial year, in line with the estimated inflation projections.

The Health Professionals and Training Development Grant have grown over the 2014 MTEF, from R811 million for 2014/15 to R848 million in 2015/16. The purpose of the grant is to fund operational costs associated with the training of health professionals. It is also for development and recruitment of medical specialists, and to support and strengthen undergraduate and postgraduate teaching and training processes in health facilities. As from 2014/15 the funding of Health Profession Training Grant has been extended to district, general, specialised and dental hospitals, to establish clinical teaching and training capacity as required on the public service platform.

Over the 2014 MTEF, the department is allocated additional funding of R1.5 billion for strengthening the implementation of the three streams of Primary Health Care (PHC) re-engineering, which includes the Integrated School Health Programme, the Ward-Based Outreach Teams and the District Clinical Specialist Teams. An additional, R1 billion is allocated to the Department to make provision for Improvement in Conditions of Services (ICS), and the re-grading of clerical posts over the 2014 medium term.

The department has been allocated an amount of R39 million for the 2016/17 financial year for the rollout of the Human Papillomavirus (HPV) vaccine. This programme is aimed at reducing the rates of cervical cancer and will target 80% of girls aged 9-10 years in quintile 1-4 schools before their sexual active stage.

The Expanded Public Works Programme (EPWP) Incentive Grant is reduced slightly to R2 million in 2014/15 to drive job creation and pay stipends to volunteers. The Social Sector EPWP conditional grant in 2014/15 amounts to R14.4 million, and is for the payment of stipends to the volunteers in infrastructure programmes.

The Health Facility Grant has been adjusted downward by 100 million from R771 million in 2013/14 to R671 million for 2014/15. Furthermore the grant has been adjusted down in 2015/16 to R303 million and not allocated in 2016/17 as a result of the two year bidding process. The allocation on infrastructure grant was reduced over the 2014 MTEF due to the allocation system that was used as per the 2013 DoRA. Departments are expected to bid for infrastructure budget allocations and therefore the outcome resulted in the Health infrastructure grant being revised downwards in 2014/15 and 2015/16, and not allocated at in 2016/17.

## 6.2 Departmental receipts collection



TABLE 4.2: DEPARTMENTAL RECEIPTS: HEALTH

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Tax receipts									
Casino taxes									
Horse racing taxes									
Liquor licences									
Motor vehicle licences									
Sales of goods and services other than capital assets	395 580	396 419	474 156	457 284	468 493	493 849	497 896	527 770	555 741
Transfers received		556		40					
Fines, penalties and forfeits	35	13	3	43	43	46	47	50	53
Interest, dividends and rent on land	846	478	1 255	1 053	975	1 575	1 147	1 216	1 280
Sales of capital assets									
Transactions in financial assets and liabilities	41 363	51 896	31 525	51 009	24 210	26 582	25 420	26 691	28 026
<b>Total departmental receipts</b>	<b>437 824</b>	<b>449 362</b>	<b>506 939</b>	<b>509 429</b>	<b>493 721</b>	<b>522 048</b>	<b>524 510</b>	<b>555 727</b>	<b>585 100</b>

The department raises its own revenue from sales of goods and services other than capital assets, transfers received, fines, penalties and forfeits, interest, dividends and rent on land, and transactions in financial assets and liabilities. The main contributing revenue source is sales of goods and services other than capital assets through patient fees and sales of scrap, boarding fees and commission earned on third party transaction. Patient fees contribute approximately 80 percent of revenue under this source. The patient fees are adjusted annually in line with the Consumer Price Index as determined by the national Department of Health. Interest, dividends and rent on land comprise of the interest from revenue associated with ownership of interest-bearing financial instruments. The department's interest is generated from staff debt, which is collected and administered by the GDF. Transactions in financial assets and liabilities consist of debt owed to the department, as well as refunds relating to previous years' expenditure.

Revenue collected by the department during the 2010/11 financial year amounted to R437.8 million. This increased to R449.3 million in 2011/12 financial year and R506.9 million in the 2012/13 financial year. In the 2013/14 financial year, the Department projected to collect R509 429 million. This amount was adjusted downwards to R493.7 million while the revised estimate is sitting at R522 million. The downward adjustment was mainly associated with the decentralisation of functions by the Road Accident Fund (RAF)

In the quest to optimise revenue collection, the department introduced a number of initiatives such the Gauteng Health Turnaround Strategy, which is aimed at improving patient administration. The department also has plans in place that seek to enhance revenue collection, such as the appointment of a service provider to verify the patient information and collect debt from self-paying patients.

Currently the department makes use of agents such as Medikredit to collect revenue from Medical Aid Schemes and Alexander Forbes, whose responsibility it is to collect supporting documents on Motor Vehicle Accidents prior to submission to the Road Accident Fund, thus minimising claims rejection. The department has also appointed case managers in tertiary hospitals to better administer and coordinate health and financial risk management.

### 6.3. Donor funding

TABLE 4.3: SUMMARY OF PAYMENTS AND ESTIMATES: DONOR FUNDING: HEALTH

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
European Union	29 588								
<b>Total donor funding</b>	<b>29 588</b>								

The European Union financial agreement with the department came to an end in December 2010 and has been discontinued. Expenditure related to the donor is absorbed within the equitable share.

## 7. PAYMENT SUMMARY

### 7.1 Key assumptions

The following key assumptions were applied when compiling the 2014 MTEF budget:

- Strengthening of PHC to provide treatment at the appropriate level;
- CPI projections as published in the 2013 Medium Term Budget Policy Statement (MTBPS) which are 5.5 per cent for 2014/15; 5.4 per cent for 2015/16 and 5.4 per cent for 2016/17 were considered when inflation related items were calculated;
- Cost of living adjustment as per the current wage bill agreement, which is CPI inflation plus 1 per cent for 2014/15; 5.4 per cent for 2015/16; and 5.4 per cent for 2016/17, pay progression, housing and other allowances;
- Improvements in conditions of service and the Occupational Specific Dispensation (OSD) for various categories of employees;
- Additional provision was made for the non-negotiable line items as approved by the NDoH to improve the quality of health services; and
- Provision was made for the rollout of the HPV vaccination in the 2016/17 year and other departmental policy changes.

### 7.2 Programme summary

TABLE 4.4: SUMMARY OF PAYMENTS AND ESTIMATES: HEALTH

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1. Administration	371 373	451 651	501 362	608 781	835 543	779 168	602 956	566 413	637 313
2. District Health Services	5 938 736	7 023 360	8 555 956	9 191 756	9 017 899	9 043 426	10 337 745	11 489 491	12 623 414
3. Emergency Medical Services	480 329	696 544	1 147 231	924 657	932 765	970 344	1 013 348	1 087 068	1 143 035
4. Provincial Hospital Services	3 772 238	4 336 690	4 619 534	5 055 445	5 248 849	5 433 316	6 007 001	6 415 178	6 769 377
5. Central Hospital Services	7 925 665	8 940 050	9 762 819	9 266 558	9 880 967	10 785 120	10 628 346	11 738 605	12 084 725
6. Health Sciences and Training	642 085	726 089	807 070	907 966	910 319	892 257	885 881	924 140	978 120
7. Health Care Support Services	151 175	173 687	196 544	245 597	284 520	210 885	249 602	270 192	294 846
8. Health Facilities Management	1 193 819	1 318 266	1 243 831	1 791 921	1 659 924	1 659 923	1 799 455	1 494 040	1 245 601
<b>Total payments and estimates</b>	<b>20 475 420</b>	<b>23 666 337</b>	<b>26 834 347</b>	<b>27 992 680</b>	<b>28 770 785</b>	<b>29 774 439</b>	<b>31 524 334</b>	<b>33 985 127</b>	<b>35 776 432</b>

### 7.3 Summary of economic classification

TABLE 4.5: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HEALTH

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>18 521 538</b>	<b>21 642 433</b>	<b>23 870 650</b>	<b>24 866 981</b>	<b>25 700 923</b>	<b>26 671 477</b>	<b>28 905 603</b>	<b>31 032 263</b>	<b>32 965 305</b>
Compensation of employees	12 221 463	14 163 518	15 244 542	16 826 726	16 998 724	17 201 950	18 778 461	20 412 706	21 567 471
Goods and services	6 292 091	7 474 823	8 625 127	8 040 255	8 702 199	9 468 258	10 127 142	10 619 557	11 397 834
Interest and rent on land	7 984	4 092	981			1 269			
<b>Transfers and subsidies to</b>	<b>849 595</b>	<b>984 305</b>	<b>2 016 510</b>	<b>1 442 024</b>	<b>1 468 780</b>	<b>1 575 835</b>	<b>1 427 392</b>	<b>1 509 219</b>	<b>1 604 690</b>
Provinces and municipalities	249 801	404 090	1 083 525	647 094	607 677	607 679	647 041	681 326	717 436
Departmental agencies and accounts	8 664	2	28 267	16 208	16 208	16 176	17 131	17 919	18 869
Higher education institutions	835	910	500	1 650	1 650	1 650	1 782	1 864	1 963
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions	532 582	514 912	817 505	723 039	788 090	810 525	692 367	740 344	795 066
Households	57 713	64 391	86 713	54 033	55 155	139 805	69 071	67 766	71 357
<b>Payments for capital assets</b>	<b>1 102 548</b>	<b>1 036 393</b>	<b>941 464</b>	<b>1 683 675</b>	<b>1 601 082</b>	<b>1 520 904</b>	<b>1 191 340</b>	<b>1 443 645</b>	<b>1 206 437</b>
Buildings and other fixed structures	762 021	599 654	528 282	856 143	754 057	702 246	510 195	831 157	444 023
Machinery and equipment	340 527	436 687	413 182	827 532	847 025	818 469	681 145	612 488	762 414
Heritage Assets									

#### Vote 4 - Health • EPRE - 2014/15

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets		52				189			
<b>Payments for financial assets</b>	<b>1 739</b>	<b>3 206</b>	<b>5 723</b>			<b>6 223</b>			
<b>Total economic classification:</b>	<b>20 475 420</b>	<b>23 666 337</b>	<b>26 834 347</b>	<b>27 992 680</b>	<b>28 770 785</b>	<b>29 774 439</b>	<b>31 524 334</b>	<b>33 985 127</b>	<b>35 776 432</b>

The expenditure increased from R20.5 billion in 2010/11 to R26.8 billion in 2012/13, which is a growth of 31 per cent. This is due to the burden of disease, which resulted in accelerated expenditure, mainly in District Health Services and Central hospitals, and the payment of accruals from previous financial years.

The total budget increases from R27.9 billion for 2013/14 to R31.5 billion for the 2014/15 financial year. This is as a result of inflationary related adjustments and inter alia additional funding for primary health care re-engineering, Improvement in Conditions of Service and the re-grading of clerical positions.

The Administration budget increased during the 2013/14 adjustment budget process due to centralisation of funding for computer services to improve ICT infrastructure at Health Institutions. This includes the replacement of ageing networks and servers. The department will continue to improve the ICT infrastructure in various facilities in 2014/15.

The budget of Programme 2: District Health Services, has grown by 12 per cent from 2013/14 to 2016/17, as a result of an increase of the National Health Insurance grant for the Tshwane District pilot. In this programme, the budget is earmarked for the operational costs for Zola District Hospital, the re-engineering of Primary Health Care (PHC), the Expanded Public Works Programme Grant and the rollout of the Human Papillomavirus (HPV) Vaccine.

The budget for Programme 3: Emergency Medical Services increased by R218 million or 23.6 per cent from R924.6 million in 2013/14 to R1.1 billion in 2016/17, to fund the continuation of the EMS Fleet Recapitalisation, with the aim of rendering effective and efficient emergency medical services.

The budget of Programme 4: Provincial Hospital Services increases by 19 per cent from R5 billion in 2013/14 to R6.7 billion in 2014/15. This is above the inflation rate, to provide for the operational costs of revitalised and/or re-classified hospitals, the expansion of teaching and training platforms to General, Specialised and Dental hospitals and the decrease in the burden of diseases from Tuberculosis (MDR-XDR).

The budget in Programme 5: Central Hospital Services grows from R9.2 billion in 2013/14 to R10.6 billion in 2014/15. This is attributed to the enhancement of tertiary services, the re-classification of tertiary hospitals and funding budget pressures. In total the baseline of Programme 5 grew by R696. 5 million when compared with the indicative baseline of the previous financial year. This was to supplement the budget of non-negotiable items, in particular, infection control and security services. These funds are reprioritised from HIV and AIDS, community clinics and centers. From 2013/14 to 2016/17, the allocation for central and tertiary hospitals increased by 7.3 per cent.

Over a seven year period (2010/11 – 2016/17) the budget of Programme 7: Health Science and Training, increased by 7.3 per cent to provide for student intake, employee bursary holders and the Cuban Doctor programme to address the shortage of doctors in the country.

From 2013/14 to 2014/15 the Health Care Support Services programme budget reflects a slight increase to cater for the fluctuation of food price baskets and laundry services, to address infection control within the health institutions.

The Health Facilities Management programme is mainly funded by the Health Facility Revitalisation Grant, to improve and maintain infrastructure within the health facilities. This conditional grant reflects a decline over the 2014 MTEF period as a result of the two year bidding process.

A major portion of the department's budget is allocated to compensation of employees, which reflects an increase of R4.7 billion over the 2014 MTEF, from the main budget of R16.8 billion for 2013/14 to R21.5 billion for the 2016/17 financial year. The increase is as a result of additional funding for the re-grading of clerks, the

cost of living adjustment over the 2014 MTEF period, Occupation Specific Dispensation (OSD) for qualifying employees, and overtime.

The goods and services also reflect a significant increase of R2.2 billion from the main budget of R7.9 billion in 2013/14 to an estimated budget of R10.1 billion in 2014/15. The increase is due to additional funding allocated towards the re-engineering of PHC. In 2014/15 the Department prioritised non-negotiable items to ensure that the quality of health services is improved.

The department has made provision for transfer payments to municipalities for primary health care, HIV and AIDS and emergency medical services. Furthermore, spending on social infrastructure projects and transfer payments to non-profit organisations have increased substantially from 2010/11 to 2013/14. Over the 2014 medium term, transfers to non-profit institutions have declined, as a result of a decision taken to pay community health workers directly.

Transfers to departmental agencies and accounts increases from R16.1 million in 2013/14 to R18.8 million from 2016/17, as a result of payments to HW-SETA which is an entity that trains doctors for the Department. Provision was also made for transfers to households and universities. Transfer payments to households have increased from R54 million in the 2013/14 financial year to R69 million in the 2014/15 financial year, whilst transfers to universities reflect an annual average growth rate of 6.2 per cent from R1.6 million in 2013/14 to R1.7 million in the 2014/15 financial year.

In line with the department's commitment to improve infrastructure, the budget for payments to capital assets decreases to cater for the maintenance of infrastructure in various institutions, and thus funds have shifted from the capital to the current infrastructure budget. The infrastructure grant was discontinued in the 2016/17 financial year due to the new allocation process where departments are required to bid for funding.

## 7.4. Infrastructure payments

### 7.4.1 Departmental infrastructure payments

Please refer to the 2014 Estimates of Capital Expenditure (ECE)

### 7.4.2. Departmental Public-Private Partnership (PPP) projects

N/A

## 7.5. Transfers

### 7.5.1. Transfers to public entities

N/A

### 7.5.2. Transfers to other entities

TABLE 4.6: SUMMARY OF DEPARTMENTAL TRANSFERS TO OTHER ENTITIES (NPOS): HEALTH

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Life Esidimeni	206 803	172 256	326 940	234 948	234 948	234 948	251 695	265 287	279 347
HIV/AIDS NPOs	117 104	123 747	196 747	186 677	186 677	186 677	104 955	122 186	144 145
Nutrition	23 704	31 098	49 379	42 865	42 865	42 865	47 759	49 995	52 645
Mental Health NPOs	127 657	125 547	266 498	86 939	86 939	86 939	111 472	116 793	123 624
EPWP NPOs	-	-	-	90 151	90 151	90 151	89 739	94 585	99 693
Alexandra Health Care Centre	32 190	43 000	45 580	48 315	48 315	48 315	65 153	68 150	71 762
Phillip Moyo Community Health Centre	10 750	2 750	24 110	13 150	13 150	13 150	-	-	-
Witkappen Clinic	3 500	4 875	8 125	8 000	8 000	8 000	9 000	9 477	9 979
Bronkhorstspuit Hospital	10 874	11 640	27 406	11 994	11 994	11 994	12 594	13 871	13 871
<b>Sub- Total</b>	<b>532 582</b>	<b>514 913</b>	<b>944 785</b>	<b>723 039</b>	<b>723 039</b>	<b>723 039</b>	<b>692 367</b>	<b>740 344</b>	<b>795 066</b>
HW-SETA	8 664	2	28 286	16 085	16 085	16 085	17 131	17 919	18 869
Universities	835	610	29	1 650	1 650	1 650	1 782	1 864	1 962
EPWP Grant	1 115	18 674	28 235	-	-	-	-	-	-
National Health Insurance	-	-	-	-	333	333	-	-	-
<b>Sub- Total</b>	<b>10 614</b>	<b>19 286</b>	<b>56 550</b>	<b>17 735</b>	<b>18 068</b>	<b>18 068</b>	<b>18 913</b>	<b>19 783</b>	<b>20 831</b>
<b>Total departmental transfers to other entities</b>	<b>543 196</b>	<b>534 199</b>	<b>1 001 335</b>	<b>740 774</b>	<b>741 107</b>	<b>741 107</b>	<b>711 280</b>	<b>760 127</b>	<b>815 897</b>

In order to strengthen the targeted health care services, the department works in partnership with sector NPOs, universities, HW-SETA and Life Esidimeni to facilitate the delivery of services according to the set targets. This working relationship has been in existence for many years. Life Esidimeni is a private company that has been contracted to provide residential care and rehabilitation for patients with chronic psychiatric disorders or severe /profound intellectual disabilities, whom it is difficult to manage or maintain in a community-based care. The HIV/AIDS allocation reflects a decrease over the 2014 MTEF due to reprioritisation to goods and services, as the Department made a decision to pay the community health workers directly instead of transferring the money to NGOs.

### 7.5.3. Transfers to local government

TABLE 4.7: SUMMARY OF DEPARTMENTAL TRANSFERS TO LOCAL GOVERNMENT BY CATEGORY: HEALTH

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Category A	210 979	347 225	971 616	559 399	559 399	559 399	596 185	627 778	661 050
Category B									
Category C	38 822	56 866	111 909	87 695	48 278	48 278	50 856	53 548	56 386
Unallocated									
<b>Total departmental transfers to local government</b>	<b>249 801</b>	<b>404 091</b>	<b>1 083 525</b>	<b>647 094</b>	<b>607 677</b>	<b>607 677</b>	<b>647 041</b>	<b>681 326</b>	<b>717 436</b>

Transfer of funds to local government is made to cater for the provision of primary health care, HIV and AIDS and emergency medical services. All primary health care services in district councils have already been provincialised. Emergency medical services have been provincialised in one (Sedibeng District) of the three district councils. Transfers are only planned for categories A and C municipalities over the 2014 MTEF period, based on the aforementioned reason.

In the 2013/14 financial year an amount of R39.4 million was budgeted for as a transfer to Sedibeng municipality. However, this district municipality was provincialised, and therefore the transfer was re-directed during the 2013/14 adjustment budget to the compensation of employees, to address salary disparities, goods and services, machinery and equipment, for the procurement of additional ambulances, and related costs.

These transfers show an increase from R647.1 million in the 2013/14 to an estimated R717.4 million in the 2016/17 financial year. The increase is attributed mainly to the allocations for transfers towards the provision of primary health care services, HIV and AIDS and emergency medical services.

## 8. PROGRAMME DESCRIPTION

### PROGRAMME 1: ADMINISTRATION

#### Programme description

The purpose of this programme is to provide political and strategic direction and leadership, and to guide and support the development of policy frameworks and guidelines for the implementation of priority programmes. The programme also develops policies and legislation on health care provision and ensures that norms and standards are followed in the course of policy implementation.

#### Programme objectives

- Improve achievement of national norms and standards for health care provision;
- Employment equity and diversity management;
- Unqualified audit;
- Increase levels of implementation of the monitoring and evaluation system; and
- Ensure compliance with the legislative framework.

#### Policies and priorities

- Improved audit outcomes;
- Alignment of drug policy with national policies;
- Implement cost containment measures;
- Address fraud and corruption;
- Tighten security at facilities;

- Ensure that budget allocations are based on Provincial priorities and the approved annual performance plan (APP);
- Calculate the actual cost of employee compensation;
- Negotiate favorable contracts/prices with suppliers, establishment of Contract Management Division;
- Strengthening of Risk Management and Internal Control Unit;
- Enforcing the Fraud Prevention Plan and Strategy through zero tolerance of fraud and corruption; and
- Enforce and Monitor Cost Containment Measures implemented.

TABLE 4.8 : SUMMARY OF PAYMENTS AND ESTIMATES: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1. Office of the MEC	9 169	11 034	11 519	14 272	14 272	13 520	15 444	16 960	17 859
2. Management	362 204	440 617	489 843	594 509	821 271	765 648	587 512	549 453	619 455
<b>Total payments and estimates</b>	<b>371 373</b>	<b>451 651</b>	<b>501 362</b>	<b>608 781</b>	<b>835 543</b>	<b>779 168</b>	<b>602 956</b>	<b>566 413</b>	<b>637 313</b>

TABLE 4.9 : SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>360 986</b>	<b>434 715</b>	<b>471 731</b>	<b>598 245</b>	<b>793 631</b>	<b>736 125</b>	<b>591 688</b>	<b>556 490</b>	<b>626 864</b>
Compensation of employees	240 645	276 150	241 568	346 962	347 954	283 896	331 500	364 768	395 762
Goods and services	118 868	157 952	229 792	251 283	445 677	452 181	260 188	191 721	231 102
Interest and rent on land	1 473	613	371			48			
<b>Transfers and subsidies to</b>	<b>1 114</b>	<b>776</b>	<b>16 136</b>	<b>2 000</b>	<b>2 000</b>	<b>2 103</b>	<b>2 000</b>	<b>2 092</b>	<b>2 203</b>
Provinces and municipalities									
Departmental agencies and accounts			7						
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions			15 131						
Households	1 114	776	998	2 000	2 000	2 103	2 000	2 092	2 203
<b>Payments for capital assets</b>	<b>7 782</b>	<b>16 127</b>	<b>12 761</b>	<b>8 536</b>	<b>39 912</b>	<b>39 912</b>	<b>9 268</b>	<b>7 831</b>	<b>8 246</b>
Buildings and other fixed structures									
Machinery and equipment	7 782	16 127	12 761	8 536	39 912	39 912	9 268	7 831	8 246
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>	<b>1 491</b>	<b>33</b>	<b>734</b>			<b>1 028</b>			
<b>Total economic classification</b>	<b>371 373</b>	<b>451 651</b>	<b>501 362</b>	<b>608 781</b>	<b>835 543</b>	<b>779 168</b>	<b>602 956</b>	<b>566 413</b>	<b>637 313</b>

The expenditure in the Administration programme increased by 35 per cent or R130 million from R371.4 million for 2010/11 to R501.4 million in the 2012/13 financial year, due to the settlement of accruals from prior financial years.

The baseline of the programme declined from R608.7 million in 2013/14 to R602.9 million in 2014/15, due to the implementation of cost containment measures. In order to improve ICT infrastructure at various institutions, provision was made for computer services under goods and services, with the budget growing from R126.7 million in 2013/14 to R139 million in the 2014/15 financial year. Provision for advertising of vacancies was centralised in programme 1 with the aim of controlling and monitoring the advertising costs. The total baseline of the programme declines slightly by R35.5 million from R602.9 million in 2014/15 to R566.4 million in 2015/16, as a result of the investment in ICT infrastructure as described above, which is a once-off expenditure. The programme budget escalates again in the outer year of the 2014 medium term to R637.3 million by 0.6 per cent, which is less than projected inflation, as a result of the cost containment measures implemented in the department.

**SERVICE DELIVERY MEASURES****PROGRAMME 1: ADMINISTRATION**

Performance measures	Estimated annual Targets		
	2014/15	2015/16	2016/17
Develop provincial Human Resources for Health Plan	Approved annual HRH plan	Approved annual HRH plan	Approved annual HRH plan

**PROGRAMME 2: DISTRICT HEALTH SERVICES****Programme description**

The purpose of the programme is to render comprehensive primary health care services, district hospital services, comprehensive HIV and AIDS care and nutrition. It includes the delivery of priority health programmes.

**Programme objectives**

- To render primary health care services;
- To manage district health services and district oral services;
- To deliver a comprehensive primary health care package;
- To render services at district hospitals;
- To render a nutrition programme;
- To render coroner services;
- To render an HIV and AIDS programme; and
- To render integrated community based services.

**Policies and priorities**

- Establish well-functioning sub district offices to monitor service delivery and improve the quality of care to service users;
- Strengthen the Community Based Services programme, particularly through the establishment of Municipal Ward-based PHC Outreach teams in the poorest wards by 2014;
- Building new facilities and /or provide mobile clinics in areas where there are no health facilities and increase the number of consulting rooms on existing structures;
- Extend hours of operation in CHCs and clinics;
- Establish the African Traditional Medicine Programme;
- Strengthen the Community Health Worker programme;
- Re-organisation of District Hospital service points to reduce waiting times; and
- Establish co-operatives per district for cleaning, sewing and laundry services.

**TABLE 4.10 : SUMMARY OF PAYMENTS AND ESTIMATES: DISTRICT HEALTH SERVICES**

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1. District management	310 043	436 027	512 337	414 002	437 576	458 294	497 114	550 921	618 609
2. Community health clinics	1 202 343	1 439 244	1 884 134	1 680 874	1 686 587	1 686 587	2 014 964	2 257 892	2 385 849
3. Community health centres	954 691	1 065 918	1 184 942	1 289 481	1 373 630	1 298 514	1 568 079	1 758 686	1 990 986
4. Community based services	708 675	823 889	919 224	916 392	949 834	1 057 423	1 120 789	1 251 480	1 360 298
5. HIV/AIDS	1 421 840	1 727 578	2 134 359	2 874 650	2 486 556	2 486 556	2 800 532	3 185 416	3 625 784
6. Nutrition	25 012	32 192	49 412	47 238	47 238	47 238	47 759	49 956	52 604
7. Coroner services	104 773	129 981	126 421	173 358	169 950	164 651	183 884	178 593	187 379
8. District hospitals	1 211 359	1 368 531	1 745 127	1 795 761	1 866 528	1 844 163	2 104 624	2 256 547	2 401 905
<b>Total payments and estimates</b>	<b>5 938 736</b>	<b>7 023 360</b>	<b>8 555 956</b>	<b>9 191 756</b>	<b>9 017 899</b>	<b>9 043 426</b>	<b>10 337 745</b>	<b>11 489 491</b>	<b>12 623 414</b>

**TABLE 4.11 : SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: PROGRAMME 2 DISTRICT HEALTH SERVICES**

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>5 393 766</b>	<b>6 474 765</b>	<b>7 415 386</b>	<b>8 288 884</b>	<b>8 048 362</b>	<b>8 073 109</b>	<b>9 409 769</b>	<b>10 545 116</b>	<b>11 568 234</b>
Compensation of employees	3 103 485	3 756 688	4 243 315	4 592 895	4 673 330	4 706 119	5 227 075	5 727 459	6 351 452
Goods and services	2 285 664	2 716 859	3 172 071	3 695 989	3 375 032	3 366 986	4 182 694	4 817 657	5 216 782
Interest and rent on land	4 617	1 218				5			
<b>Transfers and subsidies to</b>	<b>467 679</b>	<b>472 926</b>	<b>1 080 394</b>	<b>784 509</b>	<b>849 760</b>	<b>855 632</b>	<b>765 394</b>	<b>813 881</b>	<b>872 499</b>



R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Provinces and municipalities	134 303	121 244	506 498	288 758	288 758	288 757	310 720	327 388	344 740
Departmental agencies and accounts		2	10	99	99	54			
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions	325 779	342 657	560 418	488 091	553 142	553 142	440 672	475 058	515 720
Households	7 597	9 023	13 468	7 561	7 761	13 678	14 002	11 434	12 040
<b>Payments for capital assets</b>	<b>77 267</b>	<b>75 177</b>	<b>58 989</b>	<b>118 363</b>	<b>119 777</b>	<b>113 817</b>	<b>162 582</b>	<b>130 494</b>	<b>182 681</b>
Buildings and other fixed structures	10 321	8 171	1 510	18 500	18 500	12 381			
Machinery and equipment	66 946	67 006	57 479	99 863	101 277	101 277	162 582	130 494	182 681
Heritage assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets						159			
<b>Payments for financial assets</b>	<b>24</b>	<b>492</b>	<b>1 187</b>			<b>868</b>			
<b>Total economic classification</b>	<b>5 938 736</b>	<b>7 023 360</b>	<b>8 555 956</b>	<b>9 191 756</b>	<b>9 017 899</b>	<b>9 043 426</b>	<b>10 337 745</b>	<b>11 489 491</b>	<b>12 623 414</b>

Expenditure under Programme: District Health Services increased from R5.9 billion in 2010/11 to R8.5 billion in 2012/13 as a result of the payment of accruals from the prior financial years.

The total budget of the programme increased from R9.2 billion in 2013/14 to R12.6 billion in 2016/17, which is in line with one of the pillars of the Turnaround Strategy, aimed at improving district health services for PHC to accelerate service delivery in the province, in order to reduce pressure on central hospitals.

The programme budget grows by 12 per cent from R9.2 billion in 2013/14 to R10.3 billion in 2014/15, which continues to demonstrate the Department's priority in relation to the re-engineering of primary health care services. The largest portion of the programme budget is allocated to the sub-programmes Community Health Clinics, Community Health Centres and Community Based Services. In addition in 2014/15, funds are earmarked for the operational costs of the new Zola (Jabulani) hospital which will include, amongst others, compensation of employees, non-negotiable budget line items and machinery and equipment.

Furthermore, the substantial growth in the budget of the programme over the 2014 medium term is also attributed to additional funding of R500 million in 2014 /15 for the strengthening of the PHC re-engineering. The carry-through costs of this additional funding of R500 million directed at PHC interventions is provided for in the outer years of the 2014 medium term.

Compensation of employees has increased from R4.6 billion in 2013/14 to an estimated R6.4 billion in the 2016/17 financial year. Under compensation of employees, provision is made for the personnel related budget pressures, such as payment of OSD to nurses, doctors, specialists, therapists and additional funding for the re-grading of clerks as per DPSA circular. Over the 2014 MTEF goods and services increased from R3.6 billion for 2013/14 to an estimated R5.2 billion in the 2016/17 financial year, because funds were shifted to Programme 5 to fund other non-negotiable line items in relation to the removal of waste and security services. However, it is observed that that the goods and services budget under this programme still escalates in line with the projected inflation estimates.

Transfers to municipalities increase from R288.8 million in the 2013/14 fiscal year to R310.7 million in 2014/15. The allocations for transfers to non-profit institutions decreased from R488 million in 2013/14 to R440 million in the 2014/15 due to direct payment of community health workers for HIV and AIDS programmes, that were previously paid through non-profit institutions.

The NHI is piloted at the Tshwane Health District. The NHI allocation for 2014/15 has been adjusted to R7 million, earmarked only for Tshwane District.



## SERVICE DELIVERY MEASURES

## PROGRAMME 2: DISTRICT HEALTH SERVICES

Performance measures	Estimated annual Targets		
	2014/15	2015/16	2016/2017
<b>Clinics and Community Health Centres</b>			
Provincial PHC expenditure per uninsured person	R425	R425	R425
PHC utilisation rate	2.3	2.5	2.5
OHV registration visit coverage	4.8	5	5
PHC supervisor visit rate (fixed clinic / CHC / CDC)	100% 352/352	100% 352/352	100% 352/352
Percentage of complaints of users of PHC Services resolved within 25 days	100%	100%	100%
Percentage of PHC facilities conducting patient satisfaction surveys (PSS)	50%	55%	60%
PHC Patient Satisfaction Rate	66%	68%	70%
Number of fully fledged District Clinical Specialist Teams appointed	5	5	5
School ISHP17 coverage	50%	50%	50%
School Grade 1 screening coverage	40%	40%	40%
School Grade 4 screening coverage	20%	20%	20%
School Grade 8 screening coverage	20%	20%	20%
Percentage of fixed PHC facilities that have conducted gap assessments for compliance against the national core standards	50%	50%	50%
Compliance rate of PHC facilities (of national Core Standards)	5%	10%	15%
<b>District Hospitals</b>			
Average Length of Stay	3.5	3.5	3.5
Inpatient Bed utilization Rate	75	75	75
Expenditure per Patient Day Equivalent (PDE)	1600	1650	1650
Complaint resolution within 25 days rate	75%	100%	100%
Mental Health Admission rate	1.0	1.5	1.5
Patient Satisfaction rate	66%	68%	70%
Percentage of hospitals that have conducted gap assessments for compliance against the national core standards	100% (11)	100% (11)	100% (11)
Proportion of hospitals assessed as compliant with the Extreme Measures of National Core Standards	20%	25%	40%
<b>HIV and AIDS, TB and STI Control</b>			
Total clients remaining on ART (TROA) at end of the month	65000	800000	900000
Number of medical male circumcisions conducted	208 261	229 087	251 995
TB (new pulmonary) defaulter rate	< 5%	< 4.5%	< 4.5%
TB AFB sputum result turn-around time under 48 hours rate	85%	90%	90%
TB new client treatment success rate	84%	85%	85%
HIV Testing coverage (15-19 years- annualised)	39%	47%	48%
TB (new pulmonary) cure rate	84%	85%	85%
TB MDR confirmed treatment initiation rate	65%	70%	75%
<b>Maternal, Child and Woman Health</b>			
Immunization coverage under 1 year	90%	90%	90%
Vitamin A coverage 12 – 59 months	55%	60%	60%
Deworming 12-59 months (annualized)	55%	60%	60%
Child under 2 years underweight for age incidence	≤2	≤2	≤2
Measles 1st dose under 1 year coverage	90%	90%	90%
Pneumococcal (PCV) 3rd dose coverage	90%	90%	90%
Rota Virus (RV) 2nd dose coverage	90%	90%	90%
Cervical cancer screening coverage <sup>1</sup>	68	70	70
HVP vaccine coverage amongst grade 4 girl	80%	80%	80%
Antenatal first visit before 20 weeks rate	45	45	45
Infant given NVP within 72 hours after birth uptake rate	95%	95%	95%
Infant first PCR test positive within 6 weeks rate	<5	<5	<5
Couple year protection rate	50%	50%	50%
Maternal mortality in facility ratio (MMR)	137	135	135
Delivery in facility under 18 years rate	< 6.5%	<5%	<5%
Child under 1 year mortality in facility rate	26%	23%	23%
Inpatient death under 5 years rate	21%	20%	20%
Child under 5 years severe acute malnutrition case fatality rate	<12%	10%	10%
Child under 5 years diarrhoea case fatality rate	<3%	<3%	<3%
Child under 5 years pneumonia case fatality rate	<3%	<3%	<3%
<b>Disease Prevention and Control</b>			
Hypertension incidence	0.2	0.2	0.2

Performance measures	Estimated annual Targets		
	2014/15	2015/16	2016/2017
Diabetes incidence	0.2	0.2	0.2
Malaria case fatality rate	<0.4	<1	<1
Cataract surgery rate (uninsured population)	1300/million	1300/million	1500/million

### PROGRAMME 3: EMERGENCY MEDICAL SERVICES

#### Programme description

To render rapid, effective and efficient emergency medical services and non-emergency services in accordance with provincial norms and standards.

#### Programme objectives

- Ensure rapid and effective emergency medical care and transport;
- Ensure efficient planned patient transport; and
- Ensure implementation of provincial norms and standards.

#### Policies and priorities

- Replacement of old fleet;
- Building of new stations;
- Full implementation of provincialisation process; and
- Reduce hospital closures by introducing inter-hospital Planned Patient Transport (PPT) (ensure casualty can still stabilise PPT before they are taken to an open hospital).

TABLE 4.12 : SUMMARY OF PAYMENTS AND ESTIMATES: EMERGENCY MEDICAL SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1, Emergency Transport	365 065	557 465	916 242	794 944	803 052	813 630	861 290	928 104	981 993
2, Planned Patient Transport	115 264	139 079	230 989	129 713	129 713	156 714	152 058	158 964	161 042
<b>Total payments and estimates</b>	<b>480 329</b>	<b>696 544</b>	<b>1 147 231</b>	<b>924 657</b>	<b>932 765</b>	<b>970 344</b>	<b>1 013 348</b>	<b>1 087 068</b>	<b>1 143 035</b>

TABLE 4.13 : SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: EMERGENCY MEDICAL SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>341 919</b>	<b>397 649</b>	<b>556 692</b>	<b>519 061</b>	<b>517 122</b>	<b>553 970</b>	<b>647 340</b>	<b>705 077</b>	<b>737 640</b>
Compensation of employees	201 716	229 344	262 330	295 167	305 297	326 848	379 743	425 710	458 238
Goods and services	140 170	168 305	294 362	223 894	211 825	227 122	267 597	279 367	279 402
Interest and rent on land	33								
<b>Transfers and subsidies to</b>	<b>115 694</b>	<b>283 101</b>	<b>577 474</b>	<b>358 336</b>	<b>319 813</b>	<b>320 018</b>	<b>336 321</b>	<b>353 938</b>	<b>372 696</b>
Provinces and municipalities	115 498	282 846	577 027	358 336	318 919	318 922	336 321	353 938	372 696
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households	196	255	447		894	1 096			
<b>Payments for capital assets</b>	<b>22 716</b>	<b>15 784</b>	<b>13 063</b>	<b>47 259</b>	<b>95 829</b>	<b>96 340</b>	<b>29 687</b>	<b>28 053</b>	<b>32 699</b>
Buildings and other fixed structures									
Machinery and equipment	22 716	15 784	13 063	47 259	95 829	96 340	29 687	28 053	32 699
Heritage assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>	<b>10</b>	<b>2</b>				<b>16</b>			
<b>Total economic classification</b>	<b>480 329</b>	<b>696 544</b>	<b>1 147 231</b>	<b>924 657</b>	<b>932 765</b>	<b>970 344</b>	<b>1 013 348</b>	<b>1 087 068</b>	<b>1 143 035</b>

The overall expenditure of the programme increased significantly from R480.3 million in 2010/11 to R1.1 billion in 2012/13, showing an overall growth of 138 per cent. This is due to the payment of accruals and continuous efforts to improve response times and the quality of emergency assistance to the public.

The total programme budget increased significantly from R924.6 million or 10 per cent for 2013/14 to R1 billion for the 2014/15 financial year. The increase in compensation of employees is as a result of the filling of EMS critical posts, absorption of Emergency Care Technicians trained at Lebone College, OSD implications and salary disparities resulting from the Provincialisation of Sedibeng District. Over the MTEF period an increase in goods and services is mainly under the fleet services, as the item is utilised for EMS vehicles. Hence the funds were shifted from fuel, oil and gas to fleet services. The budget for machinery and equipment has decreased by 36 per cent as compared to 2013/14. This is as a result of a once-off project implemented in 2013/14 for the acquisition of new ambulances for EMS. The investment in the ambulances is aimed at improving response times of P1 patients from 52 per cent to 65 per cent as from the 2014/15 financial year onwards.

Transfer payments to municipalities have been reduced from R358.3 million in 2013/14 to R336.3 million in 2014/15 due to the provincialisation of Sedibeng district EMS section.

## SERVICE DELIVERY MEASURES

### PROGRAMME 3: EMERGENCY MEDICAL SERVICES

Performance measures	Estimated annual Targets		
	2014/15	2015/16	2016/2017
EMS operational ambulance coverage	0.06%	0.06%	0.06%
EMS P1 urban response under 15 minutes rate	65%	70%	70%
EMS P1 rural response under 40 minutes rate	100%	100%	100%
EMS P1 call response under 60 minutes rate	85%	85%	85%

### PROGRAMME 4: PROVINCIAL HOSPITAL SERVICES

#### Programme description

To render general and specialised hospital services provided by general specialists.

#### Programme objectives

- To render general and specialised hospital services;
- To provide chronic mental health and tuberculosis in-patient care on an agency basis for the Department;
- To render hospital services provided by general specialists; and
- To render oral health care services and provide a platform for the training of health workers.

#### Policy objectives

- Implement the service transformation plan. As the bulk of hospital patient care is shifted from central to regional and district hospitals, regional hospitals need to be strengthened to provide support for district hospitals and help to prevent unnecessary referrals to central hospitals;
- Assist with the reorganisation of services required by the service transformation plan, particularly through outreach programmes from central hospitals, and reduce the number of level one and two beds in regional hospitals;
- Implement national policies on conditional grants and revitalisation of hospital services; and
- Implement the National Health Act.

#### Key priorities for the 2012/13

- Turnaround Plan for hospitals;
- Oversee and support the overall management of the regional hospitals, making sure that regional hospitals comply with statutory obligations and clinical functions;
- Assist hospitals in implementing the 6 Ministerial mandates which are informed by the National Core Standards;
- To increase the number of both neonatal and adult ICU beds, so as to improve maternal and child health care in line with the Ministerial priorities and millennium development goals;
- To activate identified medical beds in some of the hospitals in order to relieve overcrowding in medical

- wards;
- Hospital managers will continue to attend hospital management course as scheduled;
- Strengthen the referral system through hospital clusters headed by each Central hospital; and
- Regional hospitals to strengthen working relations and support the district hospitals so as to improve health care delivery.

### Management Improvement

- Head office management teams to work closely and support hospital managers. Encourage culture of professionalism so as to improve staff attitudes;
- Training of staff on customer care and encouraging the culture of quality health services;
- Continuous monitoring and evaluation, to identify areas of weakness and intervene;
- Visit hospitals and implement management by walking and visibility; and
- Implement cost containment measures.

### Improvement in medicine supplies

- Improvement of medicine's supply through effective management of suppliers and contracts;
- Improved stock management at hospitals and clinics by ensuring adherence to minimum and maximum stock levels and having effective strategies to prevent pilfering; and
- Emergency delivery vehicles will continue to assist when there are urgent needs.

The hospitals will provide 2 or 3 months' supply of medication to stable chronic patients, so as to relieve overcrowding in the pharmacy areas. This will also reduce queues and is a convenience for patients.

TABLE 4.14 : SUMMARY OF PAYMENTS AND ESTIMATES: PROVINCIAL HOSPITAL SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1. General Hospitals	2 572 402	3 074 907	3 187 646	3 174 850	3 511 108	3 756 053	4 095 286	4 468 888	4 700 406
2. Tuberculosis Hospitals	158 549	136 029	156 718	399 596	342 689	247 337	425 983	384 630	404 371
3. Psychiatric/Mental hospital	735 330	785 378	893 466	1 029 156	942 414	974 014	999 353	1 050 140	1 109 118
4. Dental Training Hospitals	264 930	293 615	329 030	393 102	396 099	393 132	415 934	438 201	472 471
5. Other Specialised Hospitals	41 027	46 761	52 674	58 741	56 539	62 780	70 445	73 320	83 011
<b>Total payments and estimates</b>	<b>3 772 238</b>	<b>4 336 690</b>	<b>4 619 534</b>	<b>5 055 445</b>	<b>5 248 849</b>	<b>5 433 316</b>	<b>6 007 001</b>	<b>6 415 178</b>	<b>6 769 377</b>

TABLE 4.15 : SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: PROVINCIAL HOSPITAL SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>3 523 924</b>	<b>4 106 860</b>	<b>4 330 570</b>	<b>4 654 379</b>	<b>4 854 467</b>	<b>5 059 947</b>	<b>5 642 013</b>	<b>6 072 937</b>	<b>6 319 933</b>
Compensation of employees	2 753 126	3 147 275	3 257 583	3 672 860	3 724 963	3 816 846	4 294 666	4 694 580	4 865 690
Goods and services	769 910	959 190	1 072 798	981 518	1 129 503	1 242 926	1 347 347	1 378 357	1 454 242
Interest and rent on land	888	395	189			176			
<b>Transfers and subsidies to</b>	<b>214 444</b>	<b>180 085</b>	<b>253 975</b>	<b>240 188</b>	<b>240 216</b>	<b>264 136</b>	<b>257 030</b>	<b>271 014</b>	<b>285 378</b>
Provinces and municipalities									
Departmental agencies and accounts			3	12	12	24			
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions	206 803	172 255	241 843	234 948	234 948	255 804	251 695	265 286	279 346
Households	7 641	7 830	12 129	5 228	5 256	8 309	5 335	5 728	6 032
<b>Payments for capital assets</b>	<b>33 785</b>	<b>49 111</b>	<b>33 393</b>	<b>160 878</b>	<b>154 166</b>	<b>107 879</b>	<b>107 959</b>	<b>71 227</b>	<b>164 067</b>
Buildings and other fixed structures	784	866		82 107	82 107	34 970	500	525	
Machinery and equipment	33 001	48 193	33 393	78 772	72 060	72 892	107 459	70 702	164 067
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets		52				17			
<b>Payments for financial assets</b>	<b>85</b>	<b>634</b>	<b>1 596</b>			<b>1 353</b>			
<b>Total economic classification</b>	<b>3 772 238</b>	<b>4 336 690</b>	<b>4 619 534</b>	<b>5 055 445</b>	<b>5 248 849</b>	<b>5 433 316</b>	<b>6 007 001</b>	<b>6 415 178</b>	<b>6 769 377</b>

The expenditure of the programme increased from R3.8 billion to R4.6 billion in the 2012/13 financial year as a result of the payment of accruals.

The programme budget reflects an overall growth of 34 per cent from R5 billion for 2013/14 to R6.8 billion in the 2016/17 financial year. A major portion of the budget is allocated to General Hospitals to adequately fund the hospitals providing level two services, and ensuring that regional hospitals comply with statutory obligations and continuous functioning of clinical services. General, Dental and Rehabilitation hospitals are also be funded by the Health Profession Training Grant, with the aim of expanding the teaching and training platform from 2014/15.

The infrastructure projects for the renovation of the TB ward have been shifted to Programme 8: Health Facilities Management with effect from 2014/15 financial year. Therefore there is a reduction in the budget to the line item buildings and fixed structures from R82.1 million in 2013/14 to R500 000 and R525 000 in 2014/15 and 2015/16 respectively. Despite the reduction of the capital infrastructure budget, the overall programme budget still grows and provision is made for inflation and priorities over the 2014 medium term.

Compensation of employees is the cost driver due to the nature of the services rendered in the provincial hospitals. Compensation of employees grows from R3.6 billion in the 2013/14 main budget to R4.9 billion in 2016/17, in order to make provision for all salary-related costs, including the re-grading of clerical positions. The department has received funds for the operational costs of Natalspruit Hospital.

## SERVICE DELIVERY MEASURES

### PROGRAMME 4: PROVINCIAL HOSPITAL SERVICES

Performance measures	Estimated annual Targets		
	2014/15	2015/16	2016/2017
Average Length of Stay	4.7	4.7	4.7
Inpatient Bed Utilisation Rate	78%	78%	78%
Expenditure per patient day equivalent (PDE)	R1 857.00	R1 857.00	R1 857.00
Complaint resolution within 25 working days rate	95%	95%	95%
Mental health admission rate	1.0	1.0	1.0
Patient Satisfaction Rate	66%	68%	70%
Percentage of hospitals that have conducted gap assessment for compliance against the national core standards	100%	100%	100%
Proportion of hospitals assessment as compliant with the Extreme Measures of National Core Standards	100%	100%	100%

### PROGRAMME 5: CENTRAL HOSPITAL SERVICES

#### Programme description

To provide a highly specialised health care service, a platform for the training of health workers, a place of research, and to serve as specialist referral centres for regional hospitals and neighbouring provinces.

#### Programme objectives

- Provision of highly specialised health care services;
- Provision of a platform for the training of health workers; and
- To serve as specialist referral centres for regional hospitals and neighbouring provinces.

#### Policy objectives

- Implement the National Health Act;
- Implement the Service Transformation Plan, particularly through de-linking level one beds, implementing referral patterns and outreach programmes;
- Implement national policies on conditional grants and revitalisation of hospital services;
- Agree and implement service level agreements with universities; and
- Modernise tertiary services.

#### Priorities 2014/15

- Agreement on service plan: District, regional, tertiary and central hospitals in Gauteng will clarify and agree on the services to be offered by each hospital, and the linkages between them. This is particularly important

- in the context of limited resources, and the need to utilise resources efficiently across the province.
- Better clustering to share resources (equipment / human resources / overtime) and define the service packages in the cluster, including which services should be developed first.

TABLE 4.16: SUMMARY OF PAYMENTS AND ESTIMATES: CENTRAL HOSPITAL SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1. Central Hospitals	6 373 515	7 131 562	7 799 913	7 296 121	7 690 832	8 508 110	8 313 009	8 876 893	8 965 361
2. Provincial Tertiary Hospital Services	1 552 150	1 808 488	1 962 906	1 970 437	2 190 135	2 277 010	2 315 337	2 861 712	3 119 364
<b>Total payments and estimates</b>	<b>7 925 665</b>	<b>8 940 050</b>	<b>9 762 819</b>	<b>9 266 558</b>	<b>9 880 967</b>	<b>10 785 120</b>	<b>10 628 346</b>	<b>11 738 605</b>	<b>12 084 725</b>

TABLE 4.17: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: CENTRAL HOSPITAL SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>7 824 003</b>	<b>8 800 229</b>	<b>9 531 085</b>	<b>8 862 659</b>	<b>9 477 068</b>	<b>10 391 604</b>	<b>10 357 415</b>	<b>11 385 520</b>	<b>11 733 298</b>
Compensation of employees	5 239 207	5 975 202	6 422 987	6 953 412	6 981 433	7 212 197	7 624 402	8 229 196	8 458 673
Goods and services	2 584 164	2 823 526	3 107 677	1 909 247	2 495 635	3 178 367	2 733 013	3 156 324	3 274 625
Interest and rent on land	632	1 501	421			1 040			
<b>Transfers and subsidies to</b>	<b>19 366</b>	<b>19 511</b>	<b>22 747</b>	<b>8 615</b>	<b>8 615</b>	<b>27 326</b>	<b>11 611</b>	<b>12 145</b>	<b>12 788</b>
Provinces and municipalities									
Departmental agencies and accounts				12	12	13			
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions						1 579			
Households	19 366	19 511	22 747	8 603	8 603	25 734	11 611	12 145	12 788
<b>Payments for capital assets</b>	<b>82 157</b>	<b>118 421</b>	<b>207 190</b>	<b>395 284</b>	<b>395 284</b>	<b>363 763</b>	<b>259 320</b>	<b>340 940</b>	<b>338 639</b>
Buildings and other fixed structures									
Machinery and equipment	82 157	118 421	207 190	395 284	395 284	363 750	259 320	340 940	338 639
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets						13			
<b>Payments for financial assets</b>	<b>139</b>	<b>1 889</b>	<b>1 797</b>			<b>2 427</b>			
<b>Total economic classification</b>	<b>7 925 665</b>	<b>8 940 050</b>	<b>9 762 819</b>	<b>9 266 558</b>	<b>9 880 967</b>	<b>10 785 120</b>	<b>10 628 346</b>	<b>11 738 605</b>	<b>12 084 725</b>

The overall expenditure of the programme indicates a growth of R1.8 billion or 23 per cent from 2010/11 to 2012/13, as a result of payment of accruals from previous financial years.

The programme budget increased from R9.2 billion in 2013/14 to R10.6 billion in the 2014/15 financial year. The largest portion of the budget is allocated to the Sub-programme: Central Hospitals, followed by the Sub-programme: Tertiary Hospitals. The programme is funded mainly from the National Tertiary Services and the Health Professions Training conditional grants.

Over the 2014 medium term, the baseline of the programme increased significantly from R10.6 billion in 2014/15 to R12.2 billion in the 2016/17 financial year. This growth is attributable to, amongst other factors, the reprioritisation exercise which was done to supplement the budget of the non-negotiable line items: infection control, medical waste, medical supplies, and medicine and security services. In addition, provision is made for the additional costs of the re-classified hospitals under this programme.

The budget for compensation of employees has increased from R6.9 billion in 2013/14 to R7.6 billion in the 2014/15 financial year. The increase is due to the provision made for OSD for general doctors, obstetricians and paediatricians and overtime and the re-grading of clerical positions as well as cost of living salary increases.

## SERVICE DELIVERY MEASURES

## PROGRAMME 5: CENTRAL HOSPITALS

Performance measures (For Tertiary Hospitals Helen Joseph Kalafong and Tembisa)	Estimated annual Targets		
	2014/15	2015/16	2016/2017
Inpatient Separations – Total	158 133	163 510	163 510
Average Length of Stay	5.5	5.5	5.5
Inpatient Bed Utilisation Rate	78%	78%	78%
Expenditure per patient day equivalent (PDE)	R2 500	R2 500	R2 500
Complaint resolution within 25 working days rate	80%	80%	80%
Mental Health admission rate	1.0	1.0	1.0
Patient Satisfaction Rate	66%	68%	70%
Percentage of hospitals that have conducted gap assessment for compliance against the national core standards	100%	100%	100%
Proportion of hospitals assessment as compliant with the Extreme Measures of National Core Standards	100%	100%	100%
<b>STEVE BIKO ACADEMIC HOSPITAL</b>			
Average Length of Stay	6	6	6
Patient Bed Utilisation Rate	80%	80%	80%
Expenditure per patient day equivalent (PDE)	R4 000	R4 500	R4 500
Complaint resolution within 25 working days rate	75%	95%	95%
Mental Health Admission rate	1.0	1.0	1.0
Patients Satisfaction Rate	66%	68%	70%
Percentage of hospitals that have conducted gap assessment for compliance against the national core standards	100%	100%	100%
Proportion of hospitals assessment as compliant with the Extreme Measures of National Core Standards	100%	100%	100%
<b>DR GEORGE MUKHARI HOSPITAL</b>			
Average Length of Stay	5.5	5.5	5.5
Inpatient Bed Utilisation Rate	75%	75%	75%
Expenditure per patient day equivalent (PDE)	R3 000	R3 000	R3 000
Complaint resolution within 25 working days rate	75%	78%	80%
Mental Health Admission rate	≤1	≤1	≤1
Patient Satisfaction Rate	66%	68%	70%
Percentage of hospitals that have conducted gap assessment for compliance against the national core standards	100%	100%	100%
Proportion of hospitals assessment as compliant with the Extreme Measures of National Core Standards	100%	100%	100%
<b>CHARLOTTE MAXEKE ACADEMIC HOSPITAL</b>			
Average Length of Stay	6	6	6
Bed Utilisation Rate	85%	85%	85%
Expenditure per patient day equivalent (PDE)	R3 000	R3 500	R3 600
Complaint resolution within 25 working days rate	75%	97%	97%
Mental Health Admission rate	2%	2%	2%
Patient Satisfaction Rate	66%	68%	70%
Percentage of hospitals that have conducted gap assessment for compliance against the national core standards	100%	100%	100%
Proportion of hospitals assessment as compliant with the Extreme Measures of National Core Standards	100%	100%	100%
<b>CHRIS HANI BARAGWANATH HOSPITAL</b>			
Average Length of Stay	5.8	5.8	5.8
Inpatient Bed Utilisation Rate	79%	79%	79%
Expenditure per patient day equivalent (PDE)	R3101	R3101	R3101
Complaint resolution within 25 working days rate	75%	78%	80%
Mental Health Admission rate	2%	2%	2%
Patient Satisfaction Rate	66%	68%	70%
Percentage of hospitals that have conducted gap assessment for compliance against the national core standards	100%	100%	100%
Proportion of hospitals assessment as compliant with the Extreme Measures of National Core Standards	100%	100%	100%

## PROGRAMME 6: HEALTH SCIENCES AND TRAINING

### Programme description

To provide education, training and development for all health personnel in health sciences and social services.

### Programme objectives

Improve achievement of national norms and standards for the provision of health care.

### Policy and priorities

- Implement the national Human Resource Framework;
- Implement national legislation on human resource education and training;
- Produce the appropriate number of people with the required skills; and
- Increase the number of social auxiliary workers enrolled.

TABLE 4.18 : SUMMARY OF PAYMENTS AND ESTIMATES: HEALTH SCIENCES AND TRAINING

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1. Nurse Training Colleges	560 558	648 885	689 135	782 434	784 569	713 841	745 000	776 683	817 847
2. EMS Training Colleges	19 009	20 074	24 371	37 776	33 976	32 195	38 559	40 593	42 744
3. Bursaries	27 314	32 138	43 573	45 384	45 384	66 820	50 682	53 058	55 870
4. Other Training	35 204	24 992	49 991	42 372	46 390	79 401	51 640	53 807	61 659
<b>Total payments and estimates</b>	<b>642 085</b>	<b>726 089</b>	<b>807 070</b>	<b>907 966</b>	<b>910 319</b>	<b>892 257</b>	<b>885 881</b>	<b>924 140</b>	<b>978 120</b>

TABLE 4.19 : SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: PROGRAMME 6 HEALTH SCIENCES AND TRAINING

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>606 416</b>	<b>691 854</b>	<b>732 861</b>	<b>850 313</b>	<b>852 666</b>	<b>772 565</b>	<b>816 370</b>	<b>857 034</b>	<b>907 456</b>
Compensation of employees	568 239	646 186	686 494	789 347	789 482	714 882	750 952	791 784	838 749
Goods and services	37 955	45 419	46 367	60 966	63 184	57 683	65 418	65 250	68 708
Interest and rent on land	222	249							
<b>Transfers and subsidies to</b>	<b>30 757</b>	<b>27 553</b>	<b>65 296</b>	<b>48 088</b>	<b>48 088</b>	<b>106 115</b>	<b>54 733</b>	<b>55 833</b>	<b>58 792</b>
Provinces and municipalities									
Departmental agencies and accounts	8 664		28 239	16 085	16 085	16 085	17 131	17 919	18 869
Higher education institutions	835	910	500	1 650	1 650	1 650	1 782	1 864	1 963
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households	21 258	26 643	36 557	30 353	30 353	88 380	35 820	36 050	37 961
<b>Payments for capital assets</b>	<b>4 912</b>	<b>6 565</b>	<b>8 549</b>	<b>9 565</b>	<b>9 565</b>	<b>13 066</b>	<b>14 778</b>	<b>11 274</b>	<b>11 871</b>
Buildings and other fixed structures						1 447			
Machinery and equipment	4 912	6 565	8 549	9 565	9 565	11 619	14 778	11 274	11 871
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>		<b>117</b>	<b>364</b>			<b>511</b>			
<b>Total economic classification</b>	<b>642 085</b>	<b>726 089</b>	<b>807 070</b>	<b>907 966</b>	<b>910 319</b>	<b>892 257</b>	<b>885 881</b>	<b>924 140</b>	<b>978 120</b>

Expenditure increased in this programme by R165 million from R642.1 million in 2010/11 to R807 million in the 2012/13 financial year, in line with the department's priority to address HR deployment and scarce skills, including the nursing profession. Compensation of employees is a cost driver in this programme due to the Sub-programme: Nurse Training Colleges.

From 2013/14 to 2014/15 the budget decreased by R22 million from R907.9 million in 2013/14 to R885.8 million in 2014/15. The decline is reflected in the Sub-programme: Nurse Training Colleges, a result of a reduction of new nursing intakes due to the financial constraints currently experienced within the department. This process is part of the implementation of cost containment measures in accordance with the Turnaround



Strategy for Health. Hence, the budget for compensation of employees decreases from R789 million 2013/14 to R750 million in the 2014/15 financial year. However, the Sub-programme: Bursaries reflects an increase of 12 per cent from the main budget of R45.4 million for 2013/14 to R50.6 million in 2014/15, to cater for bursaries directed at addressing scarce skills such as medical professionals, assistant pharmacists and pharmacists. This initiative includes the Cuban Doctor Programme. Furthermore, the budget of the Sub-programme: EMS Training Colleges grows from R37.8 million to R38.6 million to supplement the budget of EMS Training Colleges. This is to capacitate the department with Emergency Care Technicians (Mid-level workers), thus ensuring that Emergency Medical Services norms and standards are met. The Sub-programme: Other Training also shows a growth of 22 per cent from 2013/14 to 2014/15, thus ensuring that capacity constraints in the health sector are addressed. Additional funding was allocated to the programme to deal with Improvement in Conditions of Service and the re-grading of clerical positions, and the carry-through effect has been taken into account over the 2014 medium term.

## SERVICE DELIVERY MEASURES

### PROGRAMME 6: HEALTH SCIENCES AND TRAINING

Performance measures	Estimated Annual Targets		
	2014/15	2015/16	2016/2017
Basic professional nurse students graduating	1 400	1 500	1 500
Proportion of bursary holders permanently appointed	100%	100%	100%

### PROGRAMME 7: HEALTH CARE SUPPORT SERVICES

#### Programme description

The purpose of this programme is to render non-clinical services, including laundry, food services and medical supplies, to support hospitals and clinics in an effective and efficient manner. The achievements of this programme focus on the implementation of supply chain management, including the Broad Based Black Economic Empowerment (BBBEE) strategy, in support of the six strategic goals of the department.

#### Programme objectives

- Increased level of efficacy of the supply chain management system;

#### Policies and priorities

- Implement the supply chain management policy and preferential procurement policy framework, including the BBBEE framework;
- Develop, implement and monitor supply chain management guidelines;
- Improve sustainability and maintenance of the linen asset register according to norms and standards at all hospitals;
- Ensure full implementation of linen banks at all hospitals and maintenance of the linen asset register;
- Ensure uninterrupted and reliable supply of medicines and consumables;
- Expand distribution of cook freeze food supplies to hospitals and community health centres according to service level agreements (SLA);
- Ensure successful implementation of the new computerised MEDSAS system;
- Implement effective cost recovery solutions between medical supply depots and institutions; and
- Achieve the full availability of the Essential Drug List (EDL) at all facilities, in order to achieve quality and effective patient care and to improve core service efficiency.

TABLE 4.20 : SUMMARY OF PAYMENTS AND ESTIMATES: HEALTH CARE SUPPORT SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1. Laundries	125 920	141 187	152 113	172 645	181 827	160 862	189 419	200 869	218 849
2. Food Supply Services	25 255	32 355	44 281	72 951	102 692	50 022	60 182	69 322	75 996
3. Medicine Trading Account		145	150	1	1	1	1	1	1
<b>Total payments and estimates</b>	<b>151 175</b>	<b>173 687</b>	<b>196 544</b>	<b>245 597</b>	<b>284 520</b>	<b>210 885</b>	<b>249 602</b>	<b>270 192</b>	<b>294 846</b>

TABLE 4.21 : SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HEALTH CARE SUPPORT SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>150 022</b>	<b>169 980</b>	<b>194 173</b>	<b>241 405</b>	<b>280 328</b>	<b>206 896</b>	<b>234 017</b>	<b>250 682</b>	<b>274 302</b>
Compensation of employees	104 085	121 507	120 031	158 986	159 168	124 067	155 345	163 635	182 641
Goods and services	45 818	48 367	74 142	82 419	121 160	82 829	78 672	87 047	91 660
Interest and rent on land	119	106							
<b>Transfers and subsidies to</b>	<b>392</b>	<b>332</b>	<b>276</b>	<b>288</b>	<b>288</b>	<b>505</b>	<b>303</b>	<b>317</b>	<b>334</b>
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households	392	332	276	288	288	505	303	317	334
<b>Payments for capital assets</b>	<b>761</b>	<b>3 344</b>	<b>2 052</b>	<b>3 904</b>	<b>3 904</b>	<b>3 464</b>	<b>15 282</b>	<b>19 194</b>	<b>20 211</b>
Buildings and other fixed structures									
Machinery and equipment	761	3 344	2 052	3 904	3 904	3 464	15 282	19 194	20 211
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>		<b>31</b>	<b>43</b>			<b>20</b>			
<b>Total economic classification</b>	<b>151 175</b>	<b>173 687</b>	<b>196 544</b>	<b>245 597</b>	<b>284 520</b>	<b>210 885</b>	<b>249 602</b>	<b>270 192</b>	<b>294 846</b>

The expenditure of the programme increased from R151.2 million to R196.5 million to provide for laundry and food supply services to health facilities.

The budget of this programme is directed to five laundries throughout the province that provide cleaning services and purchase linen for health facilities. The 2014/15 budget has decreased by 5 per cent when compared with the 2013/14 financial year, as funds were shifted from this programme to ease budgetary pressures in Programme 5: Central Hospitals. The compensation of employees' budget of the programme declines over the 2014 medium term from R158.9 million in the 2013/14 to R155.3 million in the 2014/15 after the reprioritisation process, with no impact on service delivery, as adequate provision is made for all personnel costs for the existing staff under this programme. In the outer year of the 2014 medium term the personnel budget grows again by 11.6 per cent from R163.6 million in 2015/16 to R182.6 million in 2016/17 to make provision for the cost of living adjustment and the filling of vacancies.

The goods and services budget of the programme also decreases from R82.4 million for 2013/14 to an estimated R78.7 million for the 2014/15 financial year, due to the reprioritisation process and the dire need to supplement the budget of non-negotiable line items in Programme 5: Central Hospitals. However, inflationary related budget line items and contractual commitments are sufficiently funded in 2014/15 in this programme, thus there is no adverse impact on service delivery.

The increase in the budget allocated to machinery and equipment is as result of plans to replace the obsolete laundry equipment in the 2014/15 financial year. The capital increased substantially from R3.9 million in 2013/14 to R15.3 million in 2014/15 as a result of the investment in laundry machines. Furthermore, provision was also made in the outer years of the 2014 medium term to replace the laundry machines in a phased-in approach. The machines are expected to realise savings for the Department, as the Department is currently outsourcing the cleaning of linen due the breakdown of laundry equipment.

## PROGRAMME 8: HEALTH FACILITIES MANAGEMENT

### Programme description

To plan, provide and equip new facilities/assets, upgrade and rehabilitate community health centers, clinics, district, provincial, specialised and academic hospitals, and other health-related facilities, and to undertake life cycle management of immovable assets through maintenance of all health facilities.

**Programme objectives**

- Increased level of efficiency in all PHC facilities; and
- Increased level of efficiency in all hospitals.

**Policies and priorities****Plans for 2013 - 2015**

- Ensure improved hygiene and safety for employees;
- Equip CEO's and Institutional Heads to take full responsibility for the management of OHS;
- Advise CEO's and Institutional Heads on Legal requirements relating to OHS;
- Provide assistance with meeting OHS standards;
- Ensure the placement of Community Service EHP's in funded Hospitals;
- Facilitate the provision of main storage areas at all health care facilities;
- Ensure the provision of contracted training programmes for Gauteng;
- Awarding of a new 3 year tender for HCW with improved delegation of responsibility and a more effective services in general or extension of current contracts;
- Facilitate legal compliance through monitoring and evaluation based on audits;
- Develop a baseline risk assessment for HCW and address appropriately;
- Ensure stable data management systems and analyse outcome;
- Research and development of SOP's to ensure best practices in Health Care Waste and OHS;
- Ensure development and implementation of appropriate strategies and SOPs;
- Ensure development of new/ review of existing policies pertaining to HCW and OHS;
- Ensure the development of HCW and OHS policy implementation plans;
- Ensure that the Integrated Health Risk Assessments and Management processes are established in accordance with OHSAS 18000/1 and legal requirements;
- Implement OHS Management Systems in accordance with 18000/1 within the NDoH;
- Facilitate the Emergency Preparedness of all facilities; and
- Develop a marketing strategy and awareness programs.

**TABLE 4.22 : SUMMARY OF PAYMENTS AND ESTIMATES: HEALTH FACILITIES MANAGEMENT**

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1. Community Health Facilities	16 016	100 989	101 168	362 175	343 589	177 133	301 030	526 998	425 088
2. Emergency Medical Rescue Services	676	2 870	18 507	3 536	3 833	3 960	1 639	1 733	5 084
3. District Hospital Services	367 440	529 011	271 851	283 732	250 992	303 110	252 727	137 770	158 306
4. Provincial Hospital Services	397 515	349 398	505 784	768 648	825 466	539 766	612 838	273 817	121 667
5. Central Hospital Services	320 381	225 152	212 039	137 450	202 202	355 664	406 342	224 271	217 563
6. Other Facilities	91 791	110 846	134 482	236 380	33 842	280 290	224 879	329 451	317 893
<b>Total payments and estimates</b>	<b>1 193 819</b>	<b>1 318 266</b>	<b>1 243 831</b>	<b>1 791 920</b>	<b>1 659 923</b>	<b>1 659 923</b>	<b>1 799 455</b>	<b>1 494 040</b>	<b>1 245 601</b>

**TABLE 4.23 : SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: PROGRAMME 8 HEALTH FACILITIES MANAGEMENT**

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>320 502</b>	<b>566 381</b>	<b>638 152</b>	<b>852 034</b>	<b>877 278</b>	<b>877 261</b>	<b>1 206 991</b>	<b>659 408</b>	<b>797 578</b>
Compensation of employees	10 960	11 166	10 234	17 096	17 096	17 096	14 778	15 573	16 265
Goods and services	309 542	555 205	627 918	834 940	860 184	860 165	1 192 213	643 835	781 313
Interest and rent on land		10							
<b>Transfers and subsidies to</b>	<b>149</b>	<b>21</b>	<b>212</b>						
Provinces and municipalities									
Departmental agencies and accounts			8						
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions			113						
Households	149	21	91						
<b>Payments for capital assets</b>	<b>873 168</b>	<b>751 864</b>	<b>605 467</b>	<b>939 887</b>	<b>782 646</b>	<b>782 662</b>	<b>592 464</b>	<b>834 632</b>	<b>448 023</b>
Buildings and other fixed structures	750 916	590 617	526 772	755 536	653 450	653 448	509 695	830 632	444 023
Machinery and equipment	122 252	161 247	78 695	184 348	129 193	129 214	82 769	4 000	4 000

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>									
<b>Total economic classification</b>	<b>1 193 819</b>	<b>1 318 266</b>	<b>1 243 831</b>	<b>1 791 920</b>	<b>1 659 923</b>	<b>1 659 923</b>	<b>1 799 455</b>	<b>1 494 040</b>	<b>1 245 601</b>

The major portion of the budget for this programme is transferred to the Department of Infrastructure Development (DID) for major capital works programmes performed on behalf of the department. This includes new facilities, and the rehabilitation, upgrading and maintenance of facilities.

A major share of the budget for this programme is allocated to goods and services for the maintenance of infrastructure, to address infrastructure requirements which have been identified to be at very critical stages. It is also allocated to buildings and other fixed structures for capital projects, which include building new infrastructure, and upgrading and rehabilitation existing infrastructure. Conditions assessments were conducted in various health institutions where such critical cases and conditions have informed the budget. It is intended that prioritisation will be made to those health facilities that need urgent work to ensure that the conditions of those facilities are improved to the acceptable standards.

The budget allocated to goods and services and buildings and other fixed structures is funded from the earmarked funding for maintenance and Health Facility Revitalisation Grant. The grant reflects a steady decline over the 2014 MTEF. The allocation is revised annually to assist the Department with planning, maintaining and modernising the hospital facilities.

The Hospital Facility Revitalisation Grant (HFRG) for new construction declines over the 2014 MTEF as a result of the 2 year bidding process that resulted in the grant reducing in 2015/16 and not allocated in the 2016/17 financial year. Other factors that contributed to the decline is the completion of the New Ntshurup Hospital and New Zola Hospital in the 2013/14 financial year. New construction of health facilities funded from the Equitable Share (ES) increases and is mainly for piloting the implementation of the NHI in the Tshwane District.

## SERVICE DELIVERY MEASURES

### PROGRAMME 8: HEALTH FACILITIES MANAGEMENT

Performance measures	Estimated Annual Targets		
	2014/15	2015/16	2016/2017
Proportion of Programme 8 budget spent on maintenance (preventative and schedule)	64%	42%	62%
Number of districts spending more than 90% of maintenance budget	5	5	5

## 9. OTHER PROGRAMME INFORMATION

### 9.1 Personnel numbers and costs

TABLE 4.24 : PERSONNEL NUMBERS AND COSTS: HEALTH

Personnel numbers	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	As at 31 March 2017
1. Administration	1 780	2 609	2 617	2 865	1 645	1 670	1 670
2. District Health Services	16 141	17 169	16 798	16 988	17 778	18 045	18 254
3. Emergency Medical Services	1 174	1 324	1 463	1 601	1 522	1 625	1 632
4. Provincial Hospital Services	17 584	18 350	18 275	17 635	18 666	18 826	18 872
5. Central Hospital Services	18 157	18 398	18 379	17 819	18 453	18 730	18 995
6. Health Sciences and Training	5 092	5 197	5 122	5 175	4 256	4 320	4 320
7. Health Care Support Services	774	794	747	818	688	699	700
8. Health Facilities Management	36	41	42	45	45	45	45

## Vote 4 - Health • EPRE - 2014/15

Personnel numbers	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	As at 31 March 2017
<b>Total departmental personnel numbers</b>	<b>60 738</b>	<b>63 882</b>	<b>63 443</b>	<b>62 945</b>	<b>63 054</b>	<b>63 961</b>	<b>64 489</b>
Total provincial personnel cost (R thousand)	12 221 463	14 163 518	15 244 542	17 201 950	18 778 461	20 412 706	21 567 472
Unit cost (R thousand)	201	222	268	242	298	319	334

In 2014/15 the department will focus on addressing scarce skills by appointing the health professionals as opposed to support staff, hence the decline in personnel head count in Programme 1. In Programme 1: Administration, the head count declines over the 2014 medium term because of the reclassification of personnel payments. These will be classified under the correct cost centres in the programmes.

An increase in personnel numbers over the MTEF is due to reclassification and revitalisation of hospitals. To keep in line with the reclassification of the hospitals and to provide fully tertiary services, re-accreditation of the Nursing and Medical training will take place. The majority of staff is placed within Programme 2, to provide treatment at the appropriate level of care in order to strengthen primary health care. The department has to appoint health professionals to perform community service and specialists in order to provide highly specialised care. Over the MTEF the department received additional funding for re-grading of clerks as per the DPSA circular issued in December 2012. The increase in compensation of employees is as a result of the filling of EMS critical posts as well as absorption of Emergency Care Technicians trained at Lebone College.

TABLE 4.25 : SUMMARY OF DEPARTMENTAL PERSONNEL NUMBERS AND COSTS

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13		2013/14		2014/15	2015/16	2016/17
<b>Total for department</b>									
Personnel numbers (head count)	60 738	63 882	63 443	62 945	62 945	62 945	63 054	63 961	64 489
Personnel cost (R thousands)	12 221 463	14 163 518	15 244 542	16 826 726	16 998 724	17 201 950	18 778 461	20 412 706	21 567 472
<b>Human resources component</b>									
Personnel numbers (head count)	1 021	645	636	636	636	636	642	655	721
Personnel cost (R thousands)	109 971	107 474	114 423	121 174	121 174	121 174	127 959	134 357	141 075
Head count as % of total for department	2%	1%	1%	1%	1%	1%	1%	1%	1%
Personnel cost as % of total for department	1%	1%	1%	1%	1%	1%	1%	1%	1%
<b>Finance component</b>									
Personnel numbers (head count)	703	666	662	665	665	665	670	721	750
Personnel cost (R thousands)	103 999	105 219	112 729	119 380	119 380	119 380	126 065	132 369	138 987
Head count as % of total for department	1%	1%	1%	1%	1%	1%	1%	1%	1%
Personnel cost as % of total for department	1%	1%	1%	1%	1%	1%	1%	1%	1%
<b>Full time workers</b>									
Personnel numbers (head count)	60 738	63 882	63 443	62 945	62 945	62 945	63 054	63 961	64 489
Personnel cost (R thousands)	12 221 463	14 163 518	15 244 542	16 826 726	16 998 724	17 201 950	18 778 461	20 412 706	21 567 472
Head count as % of total for department	100%	100%	100%	100%	100%	100%	100%	100%	100%
Personnel cost as % of total for department	100%	100%	100%	100%	100%	100%	100%	100%	100%
<b>Part-time workers</b>									
Personnel numbers (head count)	78	85	87	99	99	99	111	116	118
Personnel cost (R thousands)	22 125	27 567	32 402	34 314	34 314	34 314	36 236	38 048	39 950
Head count as % of total for department									
Personnel cost as % of total for department									
<b>Contract workers</b>									
Personnel numbers (head count)	5 658	4 809	4 663	4 016	4 016	4 016	4 025	4 050	4 050
Personnel cost (R thousands)	1 063 673	364 874	150 166	159 026	159 026	159 026	167 931	170 328	175 144
Head count as % of total for department	9%	8%	7%	6%	6%	6%	6%	6%	6%
Personnel cost as % of total for department	9%	3%	1%	1%	1%	1%	1%	1%	1%

The total head count of the department grows from 62 945 in 2013/14 to 63 054 in 2014/15, to appoint additional staff to perform critical services. This is due to the reclassification and revitalisation of hospitals, to be in line with the norms and standards of tertiary services. The department will continue to appoint health professionals to perform community services and specialists to provide highly specialised tertiary services and strengthen PHC. Over the 2014 MTEF the department received additional funding for re-grading of clerks as per DPSA circular issued in December 2012. Furthermore, the increase in compensation of employees is as a result of the filling of EMS critical posts as well as the absorption of Emergency Care Technicians trained at Lebone College.

As part of the Turnaround Strategy, the department will appoint officials to improve financial management and human resource management and development. Therefore, the head count grows in the finance and human resource components over the 2014 medium term as shown in the table above.

## 9.2 Training

TABLE 4.26 : PAYMENTS ON TRAINING: HEALTH

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>1. Administration</b>	<b>4 253</b>	<b>1 319</b>	<b>13 293</b>	<b>4 096</b>	<b>3 436</b>	<b>4 031</b>	<b>4 096</b>	<b>4 990</b>	<b>5 255</b>
Subsistence and travel									
Payments on tuition	4 253	1 319	13 293	4 096	3 436	4 031	4 096	4 990	5 255
Other									
<b>2. District Health Services</b>	<b>14 421</b>	<b>8 407</b>	<b>5 092</b>	<b>10 893</b>	<b>11 644</b>	<b>10 540</b>	<b>20 156</b>	<b>32 682</b>	<b>55 908</b>
Subsistence and travel									
Payments on tuition	14 421	8 407	5 092	10 893	11 644	10 934	20 156	32 682	55 908
Other									
<b>3. Emergency Medical Services</b>	<b>(1)</b>	<b>41</b>	<b>32</b>		<b>30</b>		<b>1 000</b>	<b>1 000</b>	<b>1 053</b>
Subsistence and travel									
Payments on tuition	(1)	41	32		30		1 000	1 000	1 053
Other									
<b>4. Provincial Hospital Services</b>	<b>594</b>	<b>697</b>	<b>492</b>	<b>625</b>	<b>249</b>	<b>677</b>	<b>1 779</b>	<b>1 895</b>	<b>1 995</b>
Subsistence and travel									
Payments on tuition	594	697	492	625	249	677	1 779	1 895	1 995
Other									
<b>5. Central Hospital Services</b>	<b>201</b>	<b>399</b>	<b>625</b>		<b>112</b>	<b>220</b>	<b>1 638</b>	<b>1 843</b>	<b>1 941</b>
Subsistence and travel									
Payments on tuition	201	399	625		112	220	1 638	1 843	1 941
Other									
<b>6. Health Sciences And Training</b>	<b>5 774</b>	<b>5 136</b>	<b>5 436</b>	<b>5 731</b>	<b>9 370</b>	<b>38 228</b>	<b>7 102</b>	<b>6 401</b>	<b>6 740</b>
Subsistence and travel									
Payments on tuition	5 774	5 136	5 436	5 731	9 370	38 228	7 102	6 401	6 740
Other									
<b>7. Health Care Support Services</b>							<b>128</b>	<b>134</b>	<b>141</b>
Subsistence and travel									
Payments on tuition							128	134	141
Other									
<b>8. Health Facilities Management</b>	<b>661</b>	<b>2 781</b>	<b>3 529</b>	<b>2 600</b>	<b>4 100</b>	<b>7 100</b>	<b>7 120</b>	<b>6 866</b>	<b>2 785</b>
Subsistence and travel									
Payments on tuition	661	2 781	3 529	2 600	4 100	7 100	7 120	6 866	2 785
Other									
<b>Total payments on training</b>	<b>25 903</b>	<b>18 780</b>	<b>28 499</b>	<b>23 945</b>	<b>28 941</b>	<b>60 796</b>	<b>43 019</b>	<b>55 811</b>	<b>75 817</b>

During 2013/14 adjustment budget the department received an additional allocation for skills development and training of health professionals, which includes nurses and radiographers. The increase in the District Health Services is attributed to the department's focus on the re-engineering and rationalisation of the Primary Health Care Services. The increase is also as a result of the training of community health workers, medical and support staff, who will be appointed under the HIV and AIDS programmes. The department will also focus on training the project managers. This is mainly targeted at organisational development and improving service deliverables on infrastructure projects. Over the MTEF the department will continue to up-skill and develop employees in various key areas towards health systems efficiency.

TABLE 4.27 : INFORMATION ON TRAINING: HEALTH

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Number of staff	60 738	63 882	63 443	62 945	62 945	62 945	63 054	63 961	64 489
Number of personnel trained	6 312	13 416	13 051	11 721	9 000	9000	10 905	11 412	12052
of which									
Male	1 986	4 145	3 141	2 814	2 500	2 500	3 177	3 180	3 205
Female	5 841	13 934	9 910	8 907	7 500	7 500	7728	8232	8847
Number of training opportunities	23 541	21 761	13 296	15 000	12 500	12 500	13 500	13 800	13 900
of which									
Tertiary	7 626	5 446	24	35	33	33	33	33	33
Workshops	13 375	13 375	12 828	14 499	12 064	12 064	12 982	13 270	13 362
Seminars	2 200	2 600	2	2	2	2	5	5	5
Other	340	340	442	464	401	401	480	492	500
Number of bursaries offered	647	804	244	334	4 197	4 650	4 659	4 943	5 258
Number of interns appointed	3 759	3 579	1 071	1 000	1 697	1 000	1 000	1 000	1 000
Number of learnerships appointed	669	669	185	500	500	500	500	500	500
Number of days spent on training	208	208	180	200	180	180	210	235	242

The number of bursaries offered increases significantly due to the South African Cuban Medical Training Programme, to address the shortage of medical professionals in Gauteng. This is in line with the ministerial determination and continued bilateral cooperation agreement between South Africa and Cuba. In addition bursaries and training opportunities are also provided to beneficiaries in critically scarce skills as determined by the HRH Plan of the Department. In support of gender equity and woman empowerment the department will train 7728 women in 2014/15, which is 71% of total number of persons to be trained. This trend continues over the 2014 medium term.

## 10. CROSS CUTTING ISSUES

Cross Cutting Issue	Programme and sub-programme	Indicator / Measure	Output	Outcome	MTEF BUDGET R'000		
					2014/15	2015/16	2016/17
Women	Human Resources Management	% number of women employed at senior management	Improved gender representation	Gender Equity achieved	13	13.7	14.4
	Human Resources Development	Percentage of female employees participating in continuing professional development training	Increased number of trained female employees	Gender equality and empowerment of women	2 800	2 960	3 150
	Human Resources Development	Number of Female SMS trained	Training and Development for women SMS levels	Gender Equality and Empowerment of women at SMS	Budget with GCRA	Budget with GCRA	Budget with GCRA
	Human Resources Development	%Number of Female MMS trained	Development of women at MMS levels	Gender equality and empowerment of women	2 100	2 200	2 400
	Human Resources Development	Number of MMS, SMS and frontline staff trained on sign language	Development of Managers at MMS and SMS Levels and frontline staff on Management of Disability	Gender equality and empowerment of People with Disability	1 800	2 000	2 200
	Human Resources Development	Percentage of female employee participating in generic training	Increased number of trained female employees	Gender equality and empower of women	2800	3 000	3 200
	Human Resources Development	Number of women granted bursaries (Internal)	Number of women granted bursaries	Gender equality and empowerment of women	15 500	16 400	17 400
	MCWHN	Vitamin A coverage – postpartum mothers	Decreased Maternal Mortality Ratio	Increased life expectancy	5 800	6 107	6 431
	MCWHN	Maternal Mortality rate in facility	Decreased Maternal Mortality Ratio	Increased life expectancy	3 600	3 791	3 992
	MCWHN	Antenatal visits before 20 weeks	Decreased Maternal Mortality Ratio	Increased life expectancy	1 200	1 264	1 331
	MCWHN	Couple year protection rate		Increased life expectancy	4 500	4 739	4 990
	MCWHN	Deliveries in facilities	Decreased Maternal Mortality ratio	Increased life expectancy	250	26	277



Cross Cutting Issue	Programme and sub-programme	Indicator / Measure	Output	Outcome	MTEF BUDGET R'000		
					2014/15	2015/16	2016/17
<b>Youth</b>	HRD	Number of learnerships provided	Youth accessing learnership opportunities from the Department	Create sustainable communities & eradicate poverty through employment	2 100	2 300	2 400
	HRD	Intake of nurse students	Empower youth who have completed matric	Create sustainable communities and eradicate poverty through employment	153 839	215 656	228 600
	HRD	Number of first year medical interns placed in the service internships provided	Increased number of internships completed	Create sustainable communities & eradicate poverty through employment	153 839	215 656	228 600
	HRD	Number bursary beneficiaries Health	Increased number of students benefiting from Department of Health bursary scheme	Create sustainable communities & eradicate poverty through employment	15 500	16 400	17 400
	HRD	Number of Youth completing internships	Youth access to learnership opportunities	Job creation for youth	2 100	2300	2400
	HRD	Medical registrars registrars graduating	Youth access to advanced education opportunities	Creating sustainable communities and eradication of poverty through employment	153 839	215 656	228 600
<b>GEYODI Mainstreaming</b>	Transformation and Special Programmes	GEYODI Mainstreaming Reports	Improved representation and access for targeted groups	Equitable access in programme planning, projects and implementation and budgeting	3 924	4 180	4 451
<b>People with Disabilities</b>	Human Resources Management	Percentage of People with Disabilities employed	Improved representation of PWDs	Employment equity targets achieved	14 500	15 000	15 500 2%
	Human Resources Management	Number of People with Disabilities with Tools of Trade	Improved Access to Tools of Trade	Equitable access to Tools of Trade	1600	1700	2000
	Human Resources Development	Number of PWDs participating in internship, learnership and bursary programmes	Improved representation of PWDs in bursary, internship and learnership programmes.	Equitable access to bursary and training programmes for PWDs.	3900	4170	4420
	Rehab	Number of people issued with assistive devices as a % of those who have applied for such devices	Improved patient care, accessibility and satisfaction	Equitable access and accommodation of People with Disabilities	52 000	54 756	57 658
	Infrastructure	Number of Institutions accessible to People with Disabilities	Improved access to infrastructure	Equitable access to People with Disabilities	5 200	5 400	5 600
<b>BBBEE</b>	Revenue and Supply Chain Management	Percentage of Procurement awarded to Women owned enterprises	Improved representation of women PP spend	Economic Empowerment of Women	750	790	832
	Revenue and Supply Chain Management	Percentage of Procurement awarded to enterprises owned by People with Disabilities	Improved representation of People with Disabilities PP Spend	Economic Empowerment of People with Disabilities	750	790	832
	Revenue and Supply Chain Management	Number of contracts awarded to HDIs and SMMEs	Improved representation of HDIs and SMMEs	Economic Empowerment of HDIs and SMMEs	750	790	832
	Revenue and Supply Chain Management	Preferential Spend per GPG Targets	Improved representation PP spend	Economic Empowerment of Youth	750	790	832
	HAST	Baby Nevirapine uptake rate	Expanded PMTCT Programme	Combat HIV and AIDS	36 000	37 908	39 917
	HAST	Total registered patients receiving Antiretroviral Therapy (ART patients)	Managing HIV Prevalence	Combat HIV and AIDS	1 700 000	1 790 100	1 884 975
	HAST	% of clients tested for HIV to those counselled (excl antenatal)	Reduce HIV Incidence	Combat HIV and AIDS	78 000	82 134	86 487
	HAST	Number of male condoms distributed	Reduced HIV Incidence	Combat HIV and AIDS	70 000	73 710	77 617
	HAST	Number of female condoms distributed	Reduced HIV Incidence	Combat HIV and AIDS	25 000	26 325	27 720
	HAST	Number of medical male circumcision	Reduced HIV Incidence	Combat HIV and AIDS	100 000	105 300	110 881
	HAST	Number of Children on ART	Managing HIV Prevalence	Combat HIV and AIDS	55 000	57 915	60 984
	HAST	Number of ART sites accredited	Managing HIV Prevalence	Combat HIV and AIDS	300 000	315 900	332 643
	HAST	Percentage of HIV / TB (co-infected) patients eligible for ART started on ART	Managing HIV Prevalence	Combat HIV and AIDS	250 000	263 250	277 202



# ANNEXURES TO ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE

TABLE 4.28: SPECIFICATION OF RECEIPTS: HEALTH

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Tax receipts</b>									
Casino taxes									
Horse racing taxes									
Liquor licences									
Motor vehicle licences									
<b>Sales of goods and services other than capital assets</b>	<b>395 580</b>	<b>396 419</b>	<b>474 156</b>	<b>457 284</b>	<b>468 493</b>	<b>493 848</b>	<b>497 896</b>	<b>527 770</b>	<b>555 741</b>
Sale of goods and services produced by department (excluding capital assets)	<b>394 763</b>	<b>394 611</b>	<b>472 533</b>	<b>455 457</b>	<b>466 834</b>	<b>492 256</b>	<b>496 449</b>	<b>526 236</b>	<b>554 126</b>
Sales by market establishments	15 770	15 565	13 073	17 493	18 247	18 917	19 068	20 212	21 283
Administrative fees			2						
Other sales	378 993	379 046	459 458	437 964	448 587	473 339	477 381	506 024	532 843
Of which									
List Item	341 732	333 124	405 381	394 905	386 191	413 318	430 447	456 274	480 456
List Item	27 872	35 051	35 305	32 209	37 210	35 868	35 108	37 214	39 187
List Item	8 426	9 599	10 438	9 737	16 267	16 282	10 613	11 250	11 846
List Item	963	1 272	8 334	1 113	1 113		1 213	1 286	1 354
Sales of scrap waste arms and other used current goods (excluding capital assets)	817	1 808	1 623	1 827	1 659	1 592	1 447	1 534	1 615
<b>Transfers received from:</b>	<b>556</b>			<b>40</b>					
Other governmental units									
Universities and technicians									
Foreign governments									
International organisations									
Public corporations and private enterprises		556		40					
Households and non-profit institutions									
<b>Fines penalties and forfeits</b>	<b>35</b>	<b>13</b>	<b>3</b>	<b>43</b>	<b>43</b>	<b>47</b>	<b>47</b>	<b>50</b>	<b>53</b>
<b>Interest dividends and rent on land</b>	<b>846</b>	<b>478</b>	<b>1 255</b>	<b>1 053</b>	<b>975</b>	<b>1 571</b>	<b>1 147</b>	<b>1 216</b>	<b>1 280</b>
Interest	846	478	1 255	1 053	975	1 571	1 147	1 216	1 280
Dividends									
Rent on land									
<b>Sales of capital assets</b>									
Land and sub-soil assets									
Other capital assets									
<b>Transactions in financial assets and liabilities</b>	<b>41 363</b>	<b>51 896</b>	<b>31 525</b>	<b>51 009</b>	<b>24 210</b>	<b>26 582</b>	<b>25 420</b>	<b>26 691</b>	<b>28 026</b>
<b>Total departmental receipts</b>	<b>437 824</b>	<b>449 362</b>	<b>506 939</b>	<b>509 429</b>	<b>493 721</b>	<b>522 048</b>	<b>524 510</b>	<b>555 727</b>	<b>585 100</b>

TABLE 4.29: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>360 986</b>	<b>434 715</b>	<b>471 731</b>	<b>598 245</b>	<b>793 631</b>	<b>736 125</b>	<b>591 688</b>	<b>556 490</b>	<b>626 864</b>
Compensation of employees	240 645	276 150	241 568	346 962	347 954	283 896	331 500	364 768	395 762
Salaries and wages	213 919	276 150	169 079	309 006	309 700	198 728	232 111	276 878	299 214
Social contributions	26 726		72 489	37 956	38 254	85 168	99 389	87 890	96 548
Goods and services	118 868	157 952	229 792	251 283	445 677	452 181	260 188	191 721	231 102
Administrative fees	381	559	21	288	912	1 862	721	768	809
Advertising	3 486	2 206	9 368	300	401	1 495	10 716	4 221	4 445
Assets less than the capitalisation threshold	741	745	180	5 012	2 144	1 251	1 126	1 200	1 264
Audit cost: External	17 434	19 763	28 549	21 541	21 541	21 703	20 561	21 913	23 075

# Vote 4 - Health • EPRE - 2014/15

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Bursaries: Employees	78		59			340			
Catering: Departmental activities	1 205	1 125	470	392	559	603	565	593	624
Communication (G&S)	2 932	15 979	7 413	10 205	10 470	14 008	15 387	15 130	15 932
Computer services	4 325	41 316	22 511	126 692	281 893	281 893	139 038	73 690	109 999
Consultants and professional services: Business and advisory services	8 489	17 550	48 475	8 707	68 736	37 040	20 000	21 315	22 445
Consultants and professional services: Infrastructure and planning									
Consultants and professional services: Laboratory services	348	238	940			417			
Consultants and professional services: Scientific and technological services									
Consultants and professional services: Legal costs	5 326	21 530	25 628	19 183	9 702	9 702	13 543	16 794	14 526
Contractors	388	4 973	9 437	5 000	4 378	4 049	1 915	2 041	2 149
Agency and support / outsourced services	15 315	4 172	4 351			9 866			
Entertainment									
Fleet services (including government motor transport)			2	3 414	2 513	2 894	4 685	3 714	3 911
Housing									
Inventory: Clothing material and accessories				72		3 520	22	23	
Inventory: Farming supplies									
Inventory: Food and food supplies	865	641	791	12	65	40	61	66	69
Inventory: Fuel, oil and gas	181	267	12 085	492	292	267	48	52	54
Inventory: Learner and teacher support material	465	11	115					()	()
Inventory: Materials and supplies	93	70	94	62	62	56	32	34	35
Inventory: Medical supplies	4 813	4 389	334		283	585	432	460	484
Inventory: Medicine	9 826	1							
Medsas inventory interface	4								
Inventory: Other supplies									
Consumable supplies	268	931	1 520	721	(6 908)	7 720	2 342	623	656
Consumable: Stationery,printing and office supplies	3 685	3 223	3 899	10 910	10 910	3 453	6 828	7 929	8 349
Operating leases	1 030	5 696	8 205	22 321	22 321	29 103	1 296	1 383	1 457
Property payments	588	424	13 840	3 647	3 647	3 202	4 531	2 697	2 840
Transport provided: Departmental activity	1		184	11	11	42		2	2
Travel and subsistence	30 072	8 104	16 347	8 105	8 105	13 296	11 987	11 810	12 436
Training and development	4 253	1 319	13 293	4 096	3 436	3 583	4 096	4 990	5 255
Operating payments	1 342	1 570	863	100	100	133	237	252	266
Venues and facilities	934	1 150	803		100	54	19	20	21
Rental and hiring			15		4	5			
Interest and rent on land	1 473	613	371			48			
Interest	1 473	613	371			48			
Rent on land									
<b>Transfers and subsidies</b>	<b>1 114</b>	<b>776</b>	<b>16 136</b>	<b>2 000</b>	<b>2 000</b>	<b>2 103</b>	<b>2 000</b>	<b>2 092</b>	<b>2 203</b>
Provinces and municipalities									
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities									
Municipal bank accounts									
Municipal agencies and funds									
Departmental agencies and accounts			7						
Social security funds									
Departmental agencies (non-business entities)			7						
Higher education institutions									

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Foreign governments and international organisations									
Public corporations and private enterprises									
Public corporations									
Subsidies on products and production (pc)									
Other transfers to public corporations									
Private enterprises									
Subsidies on products and production (pe)									
Other transfers to private enterprises									
Non-profit institutions			15 131						
Households	1 114	776	998	2 000	2 000	2 103	2 000	2 092	2 203
Social benefits	1 114	776	998	2 000	2 000	2 103	2 000	2 092	2 203
Other transfers to households									
<b>Payments for capital assets</b>	<b>7 782</b>	<b>16 127</b>	<b>12 761</b>	<b>8 536</b>	<b>39 912</b>	<b>39 912</b>	<b>9 268</b>	<b>7 831</b>	<b>8 246</b>
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	7 782	16 127	12 761	8 536	39 912	39 912	9 268	7 831	8 246
Transport equipment	168								
Other machinery and equipment	7 614	16 127	12 761	8 536	39 912	39 912	9 268	7 831	8 246
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>	<b>1 491</b>	<b>33</b>	<b>734</b>			<b>1 028</b>			
Thefts and losses	1 491	33	734			1 028			
<b>Total economic classification</b>	<b>371 373</b>	<b>451 651</b>	<b>501 362</b>	<b>608 781</b>	<b>835 543</b>	<b>779 168</b>	<b>602 956</b>	<b>566 413</b>	<b>637 313</b>

TABLE 4.30: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: DISTRICT HEALTH SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>5 393 766</b>	<b>6 474 765</b>	<b>7 415 386</b>	<b>8 288 884</b>	<b>8 048 362</b>	<b>8 073 109</b>	<b>9 409 769</b>	<b>10 545 116</b>	<b>11 568 234</b>
Compensation of employees	3 103 485	3 756 688	4 243 315	4 592 895	4 673 330	4 706 119	5 227 075	5 727 459	6 351 452
Salaries and wages	2 700 290	3 756 688	2 970 321	3 842 990	3 972 675	3 294 282	4 378 072	4 682 987	5 185 068
Social contributions	403 195		1 272 994	749 905	700 655	1 411 837	849 003	1 044 472	1 166 384
Goods and services	2 285 664	2 716 859	3 172 071	3 695 989	3 375 032	3 366 986	4 182 694	4 817 657	5 216 782
Administrative fees	128	359	136	184	167	230	367	421	442
Advertising	3 187	4 557	3 605	10 382	3 759	4 135	15 694	17 792	19 927
Assets less than the capitalisation threshold	15 322	10 145	8 923	16 496	22 963	18 735	55 901	61 122	65 419
Audit cost: External	17					3			
Bursaries: Employees	5		1 164						
Catering: Departmental activities	4 402	2 853	2 659	3 072	5 746	4 503	5 478	6 673	7 506
Communication (G&S)	30 898	28 289	30 129	31 882	28 474	28 850	31 690	39 088	41 197
Computer services	789	248	2 450			25		5 030	5 297
Consultants and professional services: Business and advisory services	674	9 841	310	1 000	1 242	985			
Consultants and professional services: Infrastructure and planning									
Consultants and professional services: Laboratory services	357 401	624 307	570 873	498 628	672 762	570 387	790 173	852 728	938 812

# Vote 4 - Health • EPRE - 2014/15

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Consultants and professional services: Scientific and technological services									
Consultants and professional services: Legal costs	2 462	13 057	2 254	4 596	220	4 909	4 801	5 021	5 287
Contractors	11 918	13 517	18 879	26 951	44 441	44 503	250 032	264 676	294 758
Agency and support / outsourced services	36 459	91 125	53 176	38 362	54 942	54 667	41 913	47 072	49 731
Entertainment	1	7	35			6			
Fleet services (including government motor transport)	2 373	2 800	2 838	22 296	37 544	36 068	37 963	64 222	67 908
Housing			11			11			
Inventory: Clothing material and accessories				6 353	3 459	4 167	3 087	1 845	1 943
Inventory: Farming supplies									
Inventory: Food and food supplies	50 263	63 492	45 038	55 223	37 604	30 539	63 449	74 060	81 170
Inventory: Fuel, oil and gas	16 457	19 648	19 335	21 202	23 377	23 345	35 209	39 657	41 805
Inventory: Learner and teacher support material	11	68	29		29	14			
Inventory: Materials and supplies	4 234	6 247	8 324	9 168	9 364	8 720	11 606	11 253	11 851
Inventory: Medical supplies	176 202	214 006	265 517	1 106 543	395 648	360 889	471 883	587 999	701 730
Inventory: Medicine	1 359 973	1 280 270	1 580 402	1 506 352	1 617 406	1 654 849	1 803 981	2 081 953	2 195 966
Medsas inventory interface	469	1	24			2			
Inventory: Other supplies						54			
Consumable supplies	38 858	51 407	70 967	34 948	74 881	75 283	62 721	77 726	82 231
Consumable: Stationery, printing and office supplies	20 421	21 546	29 002	43 691	40 497	37 990	49 162	54 189	59 512
Operating leases	9 515	29 915	35 826	29 358	30 652	30 786	27 485	44 311	46 660
Property payments	130 608	171 808	241 555	169 071	193 876	256 960	335 927	370 547	356 528
Transport provided: Departmental activity	786	492	448	5 128	508	1 720	4 048	5 117	5 389
Travel and subsistence	(10 318)	33 591	132 032	38 908	10 538	18 614	24 807	29 226	30 884
Training and development	14 421	8 407	5 092	10 893	11 644	10 540	20 156	32 682	55 908
Operating payments	4 380	12 157	35 750	4 102	13 602	43 632	3 419	6 869	7 244
Venues and facilities	3 348	2 691	3 770	1 200	39 687	39 625	31 742	36 377	41 679
Rental and hiring		8	1 518			1 243			
Interest and rent on land	4 617	1 218				5			
Interest	4 617	1 218							
Rent on land						5			
<b>Transfers and subsidies</b>	<b>467 679</b>	<b>472 926</b>	<b>1 080 394</b>	<b>784 509</b>	<b>849 760</b>	<b>855 632</b>	<b>765 394</b>	<b>813 881</b>	<b>872 499</b>
Provinces and municipalities	134 303	121 244	506 498	288 758	288 758	288 757	310 720	327 388	344 740
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities	134 303	121 244	506 498	288 758	288 758	288 757	310 720	327 388	344 740
Municipal bank accounts	134 303	121 244	506 498	288 758	288 758	288 757	310 720	327 388	344 740
Municipal agencies and funds									
Departmental agencies and accounts		2	10	99	99	54			
Social security funds									
Departmental agencies (non-business entities)		2	10	99	99	54			
Non-profit institutions	325 779	342 657	560 418	488 091	553 142	553 142	440 672	475 058	515 720
Households	7 597	9 023	13 468	7 561	7 761	13 678	14 002	11 434	12 040
Social benefits	7 597	9 023	13 468	7 554	7 754	13 678	14 002	11 434	12 040
Other transfers to households				7	7				
<b>Payments for capital assets</b>	<b>77 267</b>	<b>75 177</b>	<b>58 989</b>	<b>118 363</b>	<b>119 777</b>	<b>113 817</b>	<b>162 582</b>	<b>130 494</b>	<b>182 681</b>
Buildings and other fixed structures	10 321	8 171	1 510	18 500	18 500	12 381			
Buildings	10 321	95	1 510						
Other fixed structures		8 076		18 500	18 500	12 381			
Machinery and equipment	66 946	67 006	57 479	99 863	101 277	101 277	162 582	130 494	182 681

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Transport equipment	659		1 306	1 844	1 844		7 046	4 448	4 684
Other machinery and equipment	66 287	67 006	56 173	98 018	99 432	101 277	155 536	126 046	177 997
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets						159			
<b>Payments for financial assets</b>	<b>24</b>	<b>492</b>	<b>1 187</b>			<b>868</b>			
Thefts and losses	24	492	1 187			868			
<b>Total economic classification</b>	<b>5 938 736</b>	<b>7 023 360</b>	<b>8 555 956</b>	<b>9 191 756</b>	<b>9 017 899</b>	<b>9 043 426</b>	<b>10 337 745</b>	<b>11 489 491</b>	<b>12 623 414</b>

TABLE 4.31: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: EMERGENCY MEDICAL SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>341 919</b>	<b>397 649</b>	<b>556 692</b>	<b>519 061</b>	<b>517 122</b>	<b>553 970</b>	<b>647 340</b>	<b>705 077</b>	<b>737 640</b>
Compensation of employees	201 716	229 344	262 330	295 167	305 297	326 848	379 743	425 710	458 238
Salaries and wages	169 584	229 344	201 857	257 577	254 433	228 793	321 046	364 715	391 010
Social contributions	32 132		60 473	37 590	50 864	98 055	58 697	60 995	67 228
Goods and services	140 170	168 305	294 362	223 894	211 825	227 122	267 597	279 367	279 402
Administrative fees		434	536	1 285	1 000	965	12	13	14
Advertising	486	131			12	6			
Assets less than the capitalisation threshold	517	1 971	107	3 889	11 406	2 199	5 988	3 999	4 211
Audit cost: External	156	79	32						
Bursaries: Employees									
Catering: Departmental activities	573	49	6		300	2	10	10	11
Communication (G&S)	5 544	4 623	8 639	3 677	3 826	5 659	4 000	5 003	5 268
Computer services	5 249	4 918	8 972	1 453	54	487	1 865	1 500	1 580
Consultants and professional services: Business and advisory services	2 415	35			33	32			
Consultants and professional services: Infrastructure and planning									
Consultants and professional services: Laboratory services									
Consultants and professional services: Scientific and technological services									
Consultants and professional services: Legal costs	38	61	176		136	313			
Contractors	71	271	583	743	2 000	3 706	4 000	3 500	3 686
Agency and support / outsourced services	784	1 665	1 923	1 273	326	239	1 500	1 500	1 580
Entertainment									
Fleet services (including government motor transport)	11 478	1	91 310	75 000	77 120	84 816	107 118	109 690	115 504
Housing									
Inventory: Clothing material and accessories				2 136	6 315	6 145	5 000	5 000	5 265
Inventory: Farming supplies									
Inventory: Food and food supplies	7	6	5	17	17	11	10	10	11
Inventory: Fuel, oil and gas	53 262	75 893	2 859	60 038	9 121	8 741	5 000	13 337	14 044
Inventory: Learner and teacher support material		2							
Inventory: Materials and supplies	102	344	38	198	41	524	200	200	211
Inventory: Medical supplies	7 872	5 074	5 878	7 347	6 607	7 973	12 011	12 563	13 229

# Vote 4 - Health • EPRE - 2014/15

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Inventory: Medicine	528	743	686	687	854	849	10 000	9 000	9 477
Medsas inventory interface	20								
Inventory: Other supplies									
Consumable supplies	2 258	1 708	1 023	664	788	1 351	3 000	2 999	3 158
Consumable: Stationery, printing and office supplies	3 376	1 649	4 079	1 740	4 000	1 669	6 000	6 999	7 370
Operating leases	8 420	405	15 073	637	25 011	17 688	25 000	27 487	23 679
Property payments	290	2 216	799	2 900	3 500	3 021	10 000	11 000	8 424
Transport provided: Departmental activity	36 273	57 290	151 276	59 309	59 018	80 467	64 882	63 557	60 578
Travel and subsistence	187	180	199	890	261	230	1 001	1 000	1 053
Training and development	(1)	41	32		30	26	1 000	1 000	1 053
Operating payments	57	55	131	11		3			
Venues and facilities	208	8 461			25				
Rental and hiring					24				
Interest and rent on land	33								
Interest	33								
Rent on land									
<b>Transfers and subsidies</b>	<b>115 694</b>	<b>283 101</b>	<b>577 474</b>	<b>358 336</b>	<b>319 813</b>	<b>320 018</b>	<b>336 321</b>	<b>353 938</b>	<b>372 696</b>
Provinces and municipalities	115 498	282 846	577 027	358 336	318 919	318 922	336 321	353 938	372 696
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities	115 498	282 846	577 027	358 336	318 919	318 922	336 321	353 938	372 696
Municipal bank accounts	115 498	282 846	577 027	358 336	318 919	318 922	336 321	353 938	372 696
Municipal agencies and funds									
Non-profit institutions									
Households	196	255	447		894	1 096			
Social benefits	196	255	447			1 096			
Other transfers to households					894				
<b>Payments for capital assets</b>	<b>22 716</b>	<b>15 784</b>	<b>13 063</b>	<b>47 259</b>	<b>95 829</b>	<b>96 340</b>	<b>29 687</b>	<b>28 053</b>	<b>32 699</b>
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	22 716	15 784	13 063	47 259	95 829	96 340	29 687	28 053	32 699
Transport equipment	6 273					510			
Other machinery and equipment	16 443	15 784	13 063	47 259	95 829	95 830	29 687	28 053	32 699
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>	<b>10</b>	<b>2</b>				<b>16</b>			
Thefts and losses	10	2				16			
<b>Total economic classification</b>	<b>480 329</b>	<b>696 544</b>	<b>1 147 231</b>	<b>924 657</b>	<b>932 765</b>	<b>970 344</b>	<b>1 013 348</b>	<b>1 087 068</b>	<b>1 143 035</b>

TABLE 4.32: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: PROVINCIAL HOSPITAL SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
	2010/11	2011/12	2012/13	2013/14	2013/14	2013/14	2014/15	2015/16	2016/17
<b>Current payments</b>	<b>3 523 924</b>	<b>4 106 860</b>	<b>4 330 570</b>	<b>4 654 379</b>	<b>4 854 467</b>	<b>5 059 947</b>	<b>5 642 013</b>	<b>6 072 937</b>	<b>6 319 933</b>
Compensation of employees	2 753 126	3 147 275	3 257 583	3 672 860	3 724 963	3 816 846	4 294 666	4 694 580	4 865 690
Salaries and wages	2 415 031	3 147 275	2 010 575	3 286 159	3 304 528	2 671 792	3 301 158	3 600 605	3 701 261
Social contributions	338 095		1 247 008	386 701	420 435	1 145 054	993 508	1 093 976	1 164 429
Goods and services	769 910	959 190	1 072 798	981 519	1 129 504	1 242 926	1 347 347	1 378 357	1 454 242
Administrative fees	61	1 531	2 038	350	358	386	113	113	121
Advertising	1 770	1 042	147	2 302	2 326	1 566	500	525	553
Assets less than the capitalisation threshold	6 119	8 328	3 883	4 179	3 286	4 491	8 495	8 162	8 595
Audit cost: External		1	2						
Bursaries: Employees		6							
Catering: Departmental activities	335	209	111	55	4	72	77	58	61
Communication (G&S)	13 160	12 502	15 203	16 381	11 281	12 319	9 422	10 292	10 837
Computer services	163	1 416	3 399	1 024	1 024	3 448	908		
Consultants and professional services: Business and advisory services	3 380	4 025	1 686	2 998	2 471	2 334	2 876	2 485	2 617
Consultants and professional services: Infrastructure and planning									
Consultants and professional services: Laboratory services	92 979	116 218	9 441	123 156	123 497	102 675	160 955	175 092	181 593
Consultants and professional services: Scientific and technological services									
Consultants and professional services: Legal costs	1 336	13 338	97 188	190	2 190	58 867	40 383	4 925	5 186
Contractors	21 827	26 101	42 752	39 367	28 521	32 905	28 543	31 176	32 828
Agency and support / outsourced services	45 316	46 604	47 458	10 169	48 322	48 488	59 714	37 831	39 836
Entertainment	11	1	4		11	1			
Fleet services (including government motor transport)	4	6		994	3 726	4 033	14 667	15 640	16 469
Housing									
Inventory: Clothing material and accessories				6 745	6 246	5 259	8 372	8 708	9 170
Inventory: Farming supplies									
Inventory: Food and food supplies	50 375	55 479	56 851	121 555	62 126	58 010	117 352	81 164	85 466
Inventory: Fuel, oil and gas	10 142	8 856	9 887	14 781	19 743	19 257	40 431	22 013	23 179
Inventory: Learner and teacher support material	27	(13)	42	7	43	43	2 403	84	89
Inventory: Materials and supplies	805	1 246	3 003	1 452	2 020	5 025	2 342	2 645	2 785
Inventory: Medical supplies	232 192	292 060	401 898	264 840	306 153	350 017	309 915	363 296	387 423
Inventory: Medicine	139 980	158 053	93 630	246 594	283 322	251 042	353 023	397 445	427 098
Medsas inventory interface	9	34	(4)						
Inventory: Other supplies									
Consumable supplies	48 963	68 541	74 622	32 090	59 680	75 809	67 826	75 412	80 138
Consumable: Stationery, printing and office supplies	10 201	10 523	16 213	10 300	10 620	14 806	15 613	12 848	13 529
Operating leases	9 091	8 000	3 903	16 683	14 770	25 264	15 271	15 167	16 071
Property payments	80 533	119 359	170 996	58 776	133 740	161 926	77 417	102 581	99 336
Transport provided: Departmental activity	259	79	(117)	553	168	297	294	306	322
Travel and subsistence	(788)	3 986	16 733	2 629	911	937	1 785	1 685	1 775
Training and development	594	697	492	625	249	654	1 779	1 895	1 995
Operating payments	1 066	832	989	210	496	907	1 671	1 348	1 420
Venues and facilities		130	342	2 514	2 200	1 721	5 200	5 460	5 749
Rental and hiring			6			367			
Interest and rent on land	888	395	189			176			
Interest	888	395	189			175			
Rent on land						1			



# Vote 4 - Health • EPRE - 2014/15

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Transfers and subsidies</b>	<b>214 444</b>	<b>180 085</b>	<b>253 975</b>	<b>240 188</b>	<b>240 216</b>	<b>264 136</b>	<b>257 030</b>	<b>271 014</b>	<b>285 378</b>
Provinces and municipalities									
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities									
Municipal bank accounts									
Municipal agencies and funds									
Departmental agencies and accounts			3	12	12	24			
Social security funds									
Departmental agencies (non-business entities)			3	12	12	24			
Non-profit institutions	206 803	172 255	241 843	234 948	234 948	255 804	251 695	265 286	279 346
Households	7 641	7 830	12 129	5 228	5 256	8 309	5 335	5 728	6 032
Social benefits	7 641	7 830	12 129	5 228	5 256	8 309	5 335	5 728	6 032
Other transfers to households									
<b>Payments for capital assets</b>	<b>33 785</b>	<b>49 111</b>	<b>33 393</b>	<b>160 878</b>	<b>154 166</b>	<b>107 879</b>	<b>107 959</b>	<b>71 227</b>	<b>164 067</b>
Buildings and other fixed structures	784	866		82 107	82 107	34 970	500	525	
Buildings	786	9							
Other fixed structures	(2)	857		82 107	82 107	34 970	500	525	
Machinery and equipment	33 001	48 193	33 393	78 771	72 059	72 892	107 459	70 702	164 067
Transport equipment		(1 474)	1						
Other machinery and equipment	33 001	49 667	33 392	78 771	72 059	72 892	107 459	70 702	164 067
Heritage Assets									
Software and other intangible assets		52				17			
<b>Payments for financial assets</b>	<b>85</b>	<b>634</b>	<b>1 596</b>			<b>1 353</b>			
Thefts and losses	85	634	1 596			1 353			
<b>Total economic classification</b>	<b>3 772 238</b>	<b>4 336 690</b>	<b>4 619 534</b>	<b>5 055 445</b>	<b>5 248 849</b>	<b>5 433 316</b>	<b>6 007 001</b>	<b>6 415 178</b>	<b>6 769 377</b>

TABLE 4.33: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: CENTRAL HOSPITAL SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>7 824 003</b>	<b>8 800 229</b>	<b>9 531 085</b>	<b>8 862 659</b>	<b>9 477 068</b>	<b>10 391 604</b>	<b>10 357 415</b>	<b>11 385 520</b>	<b>11 733 298</b>
Compensation of employees	5 239 207	5 975 202	6 422 987	6 953 412	6 981 433	7 212 197	7 624 402	8 229 196	8 458 673
Salaries and wages	4 678 168	5 848 567	4 765 824	6 209 797	6 203 407	5 048 537	6 461 209	7 015 894	7 015 603
Social contributions	561 039	126 635	1 657 163	743 615	778 026	2 163 660	1 163 193	1 213 302	1 443 070
Goods and services	2 584 164	2 823 526	3 107 677	1 909 247	2 495 635	3 178 367	2 733 013	3 156 324	3 274 625
Administrative fees	67	262	424	152	113	90	95	52	55
Advertising	2 402	2 251	198	650	748	1 060			
Assets less than the capitalisation threshold	10 547	9 713	8 774	25 958	12 971	11 838	44 327	41 627	34 285
Audit cost: External									
Bursaries: Employees		54							
Catering: Departmental activities	21	323	17		17	16	90	99	104
Communication (G&S)	19 127	16 386	16 356	10 947	13 472	16 126	11 506	13 700	14 426
Computer services	936	937	8 350	10 000	228	3 189		0	0
Consultants and professional services: Business and advisory services	153	235	228	192	192	215	801	954	1 004
Consultants and professional services: Infrastructure and planning									
Consultants and professional services: Laboratory services	359 480	465 817	653 973	609 807	542 885	394 763	529 045	502 854	510 992

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Consultants and professional services: Scientific and technological services									
Consultants and professional services: Legal costs	6 763	20 475	19 209	139	30 211	119 867	3 087	2 146	2 260
Contractors	203 402	183 207	245 314	89 902	126 006	139 870	132 333	135 238	142 406
Agency and support / outsourced services	162 360	145 858	133 889	23 652	175 478	200 581	128 744	158 729	167 568
Entertainment	216	39	204		9	20			
Fleet services (including government motor transport)	21	101	941	200	2 318	6 279	6 799	6 282	6 615
Housing									
Inventory: Clothing material and accessories				12 703	5 248	9 317	7 386	5 594	5 890
Inventory: Farming supplies									
Inventory: Food and food supplies	62 825	73 864	62 919	186 975	98 498	72 280	111 189	138 004	145 318
Inventory: Fuel, oil and gas	34 563	50 625	39 941	21 840	32 792	40 008	42 617	55 546	58 491
Inventory: Learner and teacher support material	480		712	46	50	50			
Inventory: Materials and supplies	4 058	4 008	7 992	1 781	4 109	8 873	6 700	5 171	5 445
Inventory: Medical supplies	938 060	1 025 208	1 090 630	484 519	598 023	1 021 026	1 027 482	1 241 589	1 270 690
Inventory: Medicine	514 996	429 557	317 969	235 641	381 767	485 538	386 986	390 113	430 397
Medsas inventory interface	3	424	4						
Inventory: Other supplies									
Consumable supplies	92 717	134 715	150 535	44 612	147 693	205 410	110 569	146 011	153 750
Consumable: Stationery, printing and office supplies	21 290	20 360	26 363	16 199	16 699	22 838	20 893	17 767	18 709
Operating leases	8 889	8 608	8 692	5 996	5 996	3 229	6 620	15 769	16 605
Property payments	128 359	197 214	290 836	125 208	296 869	409 893	149 752	272 093	282 259
Transport provided: Departmental activity	11 378	29 619	5 401	2 035	1 161	1 116	1 078	1 197	1 260
Travel and subsistence	428	2 089	16 849	84	1 089	2 078	954	1 384	1 457
Training and development	201	399	625		112	607	1 638	1 843	1 941
Operating payments	422	1 153	308	9	881	2 190	2 322	2 562	2 697
Venues and facilities		25	24						
Rental and hiring									
Interest and rent on land	632	1 501	421			1 040			
Interest	632	74	421			1 040			
Rent on land		1 427							
<b>Transfers and subsidies</b>	<b>19 366</b>	<b>19 511</b>	<b>22 747</b>	<b>8 615</b>	<b>8 615</b>	<b>27 326</b>	<b>11 611</b>	<b>12 145</b>	<b>12 788</b>
Provinces and municipalities									
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities									
Municipal bank accounts									
Municipal agencies and funds									
Departmental agencies and accounts				12	12	13			
Social security funds									
Departmental agencies (non-business entities)				12	12	13			
Other transfers to private enterprises									
Non-profit institutions						1 579			
Households	19 366	19 511	22 747	8 603	8 603	25 734	11 611	12 145	12 788
Social benefits	19 366	19 511	22 747	8 603	8 603	25 734	11 611	12 145	12 788
Other transfers to households									
<b>Payments for capital assets</b>	<b>82 157</b>	<b>118 421</b>	<b>207 190</b>	<b>395 284</b>	<b>395 284</b>	<b>363 763</b>	<b>259 320</b>	<b>340 940</b>	<b>338 639</b>
Buildings and other fixed structures									
Buildings									
Other fixed structures									

# Vote 4 - Health • EPRE - 2014/15

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Machinery and equipment	82 157	118 421	207 190	395 284	395 284	363 750	259 320	340 940	338 639
Transport equipment	199	1 474							
Other machinery and equipment	81 958	116 947	207 190	395 284	395 284	363 750	259 320	340 940	338 639
<b>Payments for financial assets</b>	139	1 889	1 797			2 427			
Thefts and losses	139	1 889	1 797			2 427			
<b>Total economic classification</b>	<b>7 925 665</b>	<b>8 940 050</b>	<b>9 762 819</b>	<b>9 266 558</b>	<b>9 880 967</b>	<b>10 785 120</b>	<b>10 628 346</b>	<b>11 738 605</b>	<b>12 084 725</b>

TABLE 4.34: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HEALTH SCIENCES AND TRAINING

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>606 416</b>	<b>691 854</b>	<b>732 861</b>	<b>850 313</b>	<b>852 666</b>	<b>772 565</b>	<b>816 370</b>	<b>857 034</b>	<b>907 456</b>
Compensation of employees	568 239	646 186	686 494	789 347	789 482	714 882	750 952	791 784	838 749
Salaries and wages	481 325	646 186	480 547	698 672	682 414	500 418	528 870	715 630	756 658
Social contributions	86 914		205 947	90 675	107 068	214 464	222 082	76 154	82 091
Goods and services	37 955	45 419	46 367	60 966	63 184	57 683	65 418	65 250	68 708
Administrative fees		717	14	13	13	13	19	14	15
Advertising	668	830	269	513	453	289			
Assets less than the capitalisation threshold	1 857	745	278	2 999	1 929	1 964	2 495	1 349	1 420
Audit cost: External									
Bursaries: Employees	6 699	6 182	8 225	15 583	15 583	10 349	16 362	17 615	18 548
Catering: Departmental activities	335	117	81	189	281	190	127	147	154
Communication (G&S)	1 486	1 198	1 304	2 310	2 218	1 508	2 292	2 605	2 744
Computer services	25	158	82			4	500	600	632
Consultants and professional services: Business and advisory services		186	1				50		
Consultants and professional services: Legal costs	192					37			
Contractors	176	336	910	1 777	1 028	746	1 179	1 249	1 315
Agency and support / outsourced services	273	74		768		126	138	174	184
Entertainment	2								
Fleet services (including government motor transport)		162	443	760	1 260	1 300	3 313	1 931	2 033
Housing									
Inventory: Clothing material and accessories				3 953	2 892	3 409	3 819		
Inventory: Farming supplies									
Inventory: Food and food supplies	491	101	19	250	200	93	260	21	22
Inventory: Fuel, oil and gas	269	51	22	538	536	64	603	676	712
Inventory: Learner and teacher support material	494	623	433	2 130	2 082	1 465	2 817	1 169	1 231
Inventory: Materials and supplies	856	614	582	1 417	1 216	943	1 283	1 253	1 320
Inventory: Medical supplies	166	382	297	949	810	825	1 078	1 088	1 146
Inventory: Medicine	49	34	110		210	8	7		
Medsas inventory interface			1						
Inventory: Other supplies									
Consumable supplies	5 700	6 016	6 400	810	3 307	5 774	2 430	5 015	5 280
Consumable: Stationery, printing and office supplies	1 644	1 943	1 991	3 579	3 079	3 116	3 857	4 928	5 189
Operating leases	1 239	206	895	2 705	1 655	704	3 905	3 039	3 200
Property payments	7 757	9 476	9 885	10 795	11 487	11 580	8 860	13 092	13 786
Transport provided: Departmental activity				12	12	8	12	0	0
Travel and subsistence	(25)	548	5 488	1 369	2 187	2 744	2 517	2 296	2 418
Training and development	5 774	5 136	5 436	5 731	9 370	9 370	7 102	6 401	6 740
Operating payments	1 828	9 524	3 201	1 816	1 316	1 022	393	589	620

Venues and facilities	60			60			31		
Rental and hiring									
Interest and rent on land	222 249								
Interest	222 249								
Rent on land									
Transfers and subsidies	30 757	27 553	65 296	48 088	48 088	106 115	54 733	55 833	58 792
Provinces and municipalities									
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities									
Municipal bank accounts									
Municipal agencies and funds									
Departmental agencies and accounts	8 664		28 239	16 085	16 085	16 085	17 131	17 919	18 869
Social security funds									
Departmental agencies (non-business entities)	8 664		28 239	16 085	16 085	16 085	17 131	17 919	18 869
Higher education institutions	835	910	500	1 650	1 650	1 650	1 782	1 864	1 963
Non-profit institutions									
Households	21 258	26 643	36 557	30 353	30 353	88 380	35 820	36 050	37 961
Social benefits	557	1 157	1 267	552	552	34 692	1 500	607	639
Other transfers to households	20 701	25 486	35 290	29 801	29 801	53 688	34 320	35 443	37 322
Payments for capital assets	4 912	6 565	8 549	9 565	9 565	13 066	14 778	11 274	11 871
Buildings and other fixed structures							1 447		
Buildings									
Other fixed structures							1 447		
Machinery and equipment	4 912	6 565	8 549	9 565	9 565	11 619	14 778	11 274	11 871
Transport equipment	1 279								
Other machinery and equipment	4 912	5 286	8 549	9 565	9 565	11 619	14 778	11 274	11 871
Payments for financial assets	117 364			511					
Thefts and losses	117 364			511					
Total economic classification	642 085	726 089	807 070	907 966	910 319	892 257	885 881	924 140	978 120

TABLE 4.35: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HEALTH CARE SUPPORT SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>150 022</b>	<b>169 980</b>	<b>194 173</b>	<b>241 405</b>	<b>280 328</b>	<b>206 896</b>	<b>234 017</b>	<b>250 682</b>	<b>274 302</b>
Compensation of employees	104 085	121 507	120 031	158 986	159 168	124 067	155 345	163 635	182 641
Salaries and wages	88 899	121 507	116 295	138 323	138 451	86 846	133 297	138 634	153 705
Social contributions	15 186		3 736	20 663	20 717	37 221	22 048	25 001	28 936
Goods and services	45 818	48 367	74 142	82 419	121 160	82 829	78 672	87 047	91 660
Administrative fees									
Advertising		19							
Assets less than the capitalisation threshold	86	100	23	202	104	93	418	436	459
Audit cost: External									
Bursaries: Employees									
Catering: Departmental activities	4	1							
Communication (G&S)	488	544	487	717	717	669	979	1 024	1 078
Consultants and professional services: Legal costs		4							
Contractors	1 138	1 323	413	1 477	942	438	1 080	1 150	1 211
Agency and support / outsourced services	432	8		11		6	505	631	665
Entertainment		15							
Fleet services (including government motor transport)				1 977	2 131	2 131	2 200	2 362	2 487
Housing									

# Vote 4 - Health • EPRE - 2014/15

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Inventory: Clothing material and accessories				950	1 050	1 247			
Inventory: Farming supplies									
Inventory: Food and food supplies	8 646	13 099	19 029	31 143	61 117	20 098	23 312	26 835	28 257
Inventory: Fuel, oil and gas	1 006	887	985	1 265	873	767	1 314	1 440	1 516
Inventory: Learner and teacher support material									
Inventory: Materials and supplies	450	21	65	23	50	69	80	84	88
Inventory: Medical supplies	75	197	149	219	219	206	278	290	306
Inventory: Medicine	4	6							
Medsas inventory interface									
Inventory: Other supplies									
Consumable supplies	19 414	23 620	33 946	32 900	42 273	44 868	35 652	38 766	40 821
Consumable: Stationery, printing and office supplies	183	142	262	518	518	394	292	323	340
Operating leases	185	74	326						
Property payments	13 136	7 686	12 033	11 017	11 166	11 843	12 307	13 440	14 152
Transport provided: Departmental activity									
Travel and subsistence	549	621	6 528				127	133	140
Training and development							128	134	141
Operating payments	22		(104)						
Venues and facilities									
Rental and hiring									
Interest and rent on land	119	106							
Interest	119	106							
Rent on land									
<b>Transfers and subsidies</b>	<b>392</b>	<b>332</b>	<b>276</b>	<b>288</b>	<b>288</b>	<b>505</b>	<b>303</b>	<b>317</b>	<b>334</b>
Provinces and municipalities									
Provinces									
Non-profit institutions									
Households	392	332	276	288	288	505	303	317	334
Social benefits	392	332	276	288	288	505	303	317	334
Other transfers to households									
<b>Payments for capital assets</b>	<b>761</b>	<b>3 344</b>	<b>2 052</b>	<b>3 904</b>	<b>3 904</b>	<b>3 464</b>	<b>15 282</b>	<b>19 194</b>	<b>20 211</b>
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	761	3 344	2 052	3 904	3 904	3 464	15 282	19 194	20 211
Transport equipment									
Other machinery and equipment	761	3 344	2 052	3 904	3 904	3 464	15 282	19 194	20 211
<b>Payments for financial assets</b>		31	43			20			
Thefts and losses		31	43			20			
<b>Total economic classification</b>	<b>151 175</b>	<b>173 687</b>	<b>196 544</b>	<b>245 597</b>	<b>284 520</b>	<b>210 885</b>	<b>249 602</b>	<b>270 192</b>	<b>294 846</b>

TABLE 4.36: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HEALTH FACILITIES MANAGEMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>320 502</b>	<b>566 381</b>	<b>638 152</b>	<b>852 034</b>	<b>877 278</b>	<b>877 261</b>	<b>1 206 991</b>	<b>659 408</b>	<b>797 578</b>
Compensation of employees	10 960	11 166	10 234	17 096	17 096	17 096	14 778	15 573	16 265
Salaries and wages	9 691	11 166	7 164	13 801	13 801	11 967	11 119	11 920	12 399
Social contributions	1 269		3 070	3 295	3 295	5 129	3 659	3 653	3 866
Goods and services	309 542	555 205	627 918	834 938	860 182	860 165	1 192 213	643 835	781 313
Administrative fees			2						
Advertising		16	86	500	500	500	300	300	317

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Assets less than the capitalisation threshold	4 217	3 658	3 631	520	40 220	40 220	23 850	850	898
Audit cost: External									
Bursaries: Employees			66						
Catering: Departmental activities	7	70	8				100	100	105
Communication (G&S)	196	118	4	250	250	250	150	158	167
Computer services		38 587	30 126	209 641	1 439	1 439			
Consultants and professional services: Business and advisory services		14							
Consultants and professional services: Legal costs	161								
Contractors	1 066	714	3 724				2 010		
Agency and support / outsourced services	439	2 088	420	500	500	500	525		
Entertainment		3							
Fleet services (including government motor transport)				100	100	100		555	586
Housing									
Inventory: Clothing material and accessories									
Inventory: Farming supplies									
Inventory: Food and food supplies	40	12	98						
Inventory: Fuel, oil and gas	250	1	335						
Inventory: Learner and teacher support material									
Inventory: Materials and supplies	522	875	400						
Inventory: Medical supplies	20	457	1 854		11 000	11 000			
Inventory: Medicine		1	1						
Medsas inventory interface									
Inventory: Other supplies						(1 058)			
Consumable supplies	354	877	1 297		17 000	18 038	6 000		
Consumable: Stationery, printing and office supplies	14	95	189	420	420	420	270	285	300
Operating leases	5 503	1 746	9 430	17 000	17 000	17 000	33 067	38 502	40 569
Property payments	295 818	502 616	572 442	602 992	764 238	761 241	1 118 641	596 029	735 385
Transport provided: Departmental activity									
Travel and subsistence	268	294	297	415	415	415	180	190	200
Training and development	661	2 781	3 529	2 600	4 100	7 100	7 120	6 866	2 785
Operating payments	6	182	(229)		3 000	3 000			
Venues and facilities			208						
Rental and hiring									
Interest and rent on land		10							
Interest		10							
Rent on land									
<b>Transfers and subsidies</b>	<b>149</b>	<b>21</b>	<b>212</b>						
Provinces and municipalities									
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities									
Municipal bank accounts									
Municipal agencies and funds									
Departmental agencies and accounts			8						
Social security funds									
Departmental agencies (non-business entities)			8						
Non-profit institutions			113						
Households	149	21	91						
Social benefits	149	21	91						

# Vote 4 - Health • EPRE - 2014/15

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Other transfers to households									
<b>Payments for capital assets</b>	<b>873 168</b>	<b>751 864</b>	<b>605 467</b>	<b>939 887</b>	<b>782 646</b>	<b>782 662</b>	<b>592 464</b>	<b>834 632</b>	<b>448 023</b>
Buildings and other fixed structures	750 916	590 617	526 772	755 536	653 450	653 448	509 695	813 381	444 023
Buildings	750 916	590 617	526 772	755 536	653 450	653 448	509 695	813 381	444 023
Other fixed structures									
Machinery and equipment	122 252	161 247	78 695	184 351	129 196	129 214	82 769	21 251	4 000
Transport equipment									
Other machinery and equipment	122 252	161 247	78 695	184 351	129 196	129 214	82 769	21 251	4 000
Software and other intangible assets									
<b>Payments for financial assets</b>									
Thefts and losses									
<b>Total economic classification</b>	<b>1 193 819</b>	<b>1 318 266</b>	<b>1 243 831</b>	<b>1 791 921</b>	<b>1 659 924</b>	<b>1 659 923</b>	<b>1 799 455</b>	<b>1 494 040</b>	<b>1 245 601</b>

TABLE 4.37: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION : COMPREHENSIVE HIV/AIDS : DISTRICT HEALTH SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>1 211 251</b>	<b>1 558 629</b>	<b>1 806 434</b>	<b>2 136 473</b>	<b>2 136 473</b>	<b>2 136 473</b>	<b>2 550 869</b>	<b>2 882 798</b>	<b>3 242 135</b>
Compensation of employees	219 219	377 433	415 085	438 758	438 758	438 758	671 919	759 351	854 003
Salaries and wages	215 516	330 021	361 070	365 832	365 832	365 832	560 100	632 982	711 882
Social contributions	3 703	47 412	54 015	72 926	72 926	72 926	111 819	126 369	142 121
Goods and services	992 032	1 181 196	1 391 349	1 697 715	1 697 715	1 697 715	1 878 950	2 123 447	2 388 132
Administrative fees			2						
Advertising	810	1 145	2 745	60	60	60	15 694	17 736	19 947
Assets less than the capitalisation threshold	1 560	2 677	1 190	1 260	1 260	1 260	7 953	8 988	10 108
Catering: Departmental activities	1 236	1 139	2 089				4 331	4 872	5 479
Communication (G&S)	360	89	85	4 949	4 949	4 949	260	294	331
Computer services				80	80	80			
Consultants and professional services: Business and advisory services	2 600								
Consultants and professional services:Laboratory services	173 764	511 069	406 553	497 262	497 262	497 262	530 010	598 977	673 639
Contractors		110	140	20 900	20 900	20 900	211 348	516	580
Agency and support / outsourced services		26 659	446				2 052	2 319	2 608
Entertainment									
Fleet services (including government motor transport)							216	244	274
Inventory: Food and food supplies	41 000	38 315	23 185	12 000	12 000	12 000	15 000	16 952	19 065
Inventory: Materials and supplies	10 200	745	2 477						
Inventory: Medical supplies	19 784	70 423	81 168	131 035	131 035	131 035	150 312	169 871	191 045
Inventory: Medicine	722 760	509 534	833 615	976 529	976 529	976 529	884 462	999 552	1 124 145
Meddas inventory interface									
Inventory: Other supplies	14	2 153							
Consumable supplies			1 692				28	32	36
Consumable: Stationery,printing and office supplies	1 150	3 694	5 467	7 725	7 725	7 725	18 813	21 261	23 911
Operating leases		150	26 310	132	132	132	252	285	321
Property payments	1 256	1 642	567	1 212	1 212	1 212	1 506	240 058	269 981
Transport provided: Departmental activity		12							
Travel and subsistence	1 090	805	507	606	606	606	800	904	1 017
Training and development	10 391	4 009	2 849	7 155	7 155	7 155	8 313	9 395	10 566
Operating payments		6 370							

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Venues and facilities	4 057	456	262	36 810	36 810	36 810	27 600	31 191	35 079
Rental and hiring									
Interest and rent on land									
Interest									
Rent on land									
<b>Transfers and subsidies to</b>	<b>62 797</b>	<b>53 871</b>	<b>91 422</b>	<b>101 364</b>	<b>101 364</b>	<b>101 364</b>	<b>77 449</b>	<b>87 527</b>	<b>98 437</b>
Provinces and municipalities									
Provinces									
Other transfers to private enterprises									
Non-profit institutions	62 397	53 681	90 617	101 364	101 364	101 364	77 449	87 527	98 437
Households	400	190	805						
Social benefits									
Other transfers to households									
<b>Payments for capital assets</b>	<b>7 635</b>	<b>9 449</b>	<b>3 437</b>	<b>20 646</b>	<b>20 646</b>	<b>20 646</b>	<b>4 260</b>	<b>4 814</b>	<b>5 414</b>
Buildings and other fixed structures	7 635	3 095	649	18 500	18 500	18 500			
Buildings									
Other fixed structures	7 635	3 095	649	18 500	18 500	18 500			
Machinery and equipment		6 354	2 788	2 146	2 146	2 146	4 260	4 814	5 414
Transport equipment									
Other machinery and equipment		6 354	2 788	2 146	2 146	2 146	4 260	4 814	5 414
Heritage Assets									
<b>Payments for financial assets</b>									
<b>Total economic classification</b>	<b>1 281 683</b>	<b>1 621 949</b>	<b>1 901 293</b>	<b>2 258 483</b>	<b>2 258 483</b>	<b>2 258 483</b>	<b>2 632 578</b>	<b>2 975 139</b>	<b>3 345 986</b>

TABLE 4.38: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HEALTH PROFESSIONS TRAINING AND DEVELOPMENT GRANT: DISTRICT HEALTH SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>42 284</b>	<b>53 736</b>		<b>154 850</b>	<b>154 850</b>	<b>154 850</b>	<b>153 617</b>	<b>157 181</b>	<b>160 297</b>
Compensation of employees		40 271	46 514	130 400	130 400	130 400	130 000	136 048	138 107
Salaries and wages		39 372	42 632	91 030	91 030	91 030	104 000	108 774	109 469
Social contributions		899	3 882	39 370	39 370	39 370	26 000	27 274	28 638
Goods and services		2 013	7 222	24 450	24 450	24 450	23 617	21 133	22 190
Administrative fees									
Consultants and professional services: Laboratory services		217		4 521	4 521	4 521	2 898	3 031	3 183
Inventory: Materials and supplies			6						
Inventory: Medical supplies		468	1 364	10 696	10 696	10 696	11 770	8 742	9 179
Inventory: Medicine		1 328	5 560	9 233	9 233	9 233	8 069	8 439	8 861
Medsas inventory interface									
Consumable supplies			35						
Travel and subsistence			257						
Interest and rent on land									
Interest									
Rent on land									
<b>Transfers and subsidies to</b>				<b>146</b>					
Provinces and municipalities									
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Non-profit institutions									
Households			146						
Social benefits			146						



# Vote 4 - Health • EPRE - 2014/15

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Other transfers to households									
<b>Payments for capital assets</b>									
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment									
Transport equipment									
Other machinery and equipment									
Software and other intangible assets									
<b>Payments for financial assets</b>									
<b>Total economic classification</b>	<b>42 284</b>	<b>54 327</b>		<b>163 000</b>	<b>163 000</b>	<b>163 000</b>	<b>161 000</b>	<b>164 903</b>	<b>168 310</b>

TABLE 4.39: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HEALTH PROFESSIONS TRAINING AND DEVELOPMENT GRANT: CENTRAL HOSPITAL SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>604 771</b>	<b>501 952</b>	<b>592 498</b>	<b>509 260</b>	<b>509 260</b>	<b>509 260</b>	<b>515 360</b>	<b>539 015</b>	<b>569 966</b>
Compensation of employees	593 969	493 615	507 508	428 800	428 800	428 800	428 800	448 482	470 906
Salaries and wages	548 624	440 999	467 753	302 327	302 327	302 327	316 587	331 118	347 674
Social contributions	45 345	52 616	39 755	126 473	126 473	126 473	112 213	117 364	123 232
Goods and services	10 802	8 337	84 990	80 460	80 460	80 460	86 560	90 533	99 060
Administrative fees									
Assets less than the capitalisation threshold			335	383	383	383	383	401	421
Consultants and professional services: Laboratory services	516	291	11 347	30 912	30 912	30 912	30 912	32 331	33 947
Contractors			13						
Inventory: Materials and supplies			15						
Inventory: Medical supplies	8 207	7 484	64 962	32 701	32 701	32 701	36 741	38 427	44 349
Inventory: Medicine	2 079	562	8 000	16 464	16 464	16 464	18 524	19 374	20 343
Medsas inventory interface									
Consumable supplies			21						
Consumable: Stationery, printing and office supplies			175						
Travel and subsistence			105						
Training and development			17						
Interest and rent on land									
Interest									
Rent on land									
<b>Transfers and subsidies to</b>				<b>503</b>					
Provinces and municipalities									
Provinces									
Non-profit institutions									
Households			503						
Social benefits			428						
Other transfers to households			75						
<b>Payments for capital assets</b>	<b>1 319</b>	<b>298</b>	<b>5 465</b>	<b>26 800</b>	<b>26 800</b>	<b>26 800</b>	<b>20 640</b>	<b>21 587</b>	<b>22 667</b>
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	1 319	298	5 465	26 800	26 800	26 800	20 640	21 587	22 667
Transport equipment									
Other machinery and equipment	1 319	298	5 465	26 800	26 800	26 800	20 640	21 587	22 667
<b>Payments for financial assets</b>									
<b>Total economic classification</b>	<b>606 090</b>	<b>502 250</b>	<b>598 466</b>	<b>536 060</b>	<b>536 060</b>	<b>536 060</b>	<b>536 000</b>	<b>560 602</b>	<b>592 633</b>

TABLE 4.40: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HEALTH PROFESSIONS TRAINING AND DEVELOPMENT GRANT: PROVINCIAL HOSPITAL SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
<b>Current payments</b>	<b>45 611</b>	<b>66 862</b>	<b>72 034</b>	<b>62 832</b>	<b>62 832</b>	<b>62 832</b>	<b>108 408</b>	<b>116 952</b>	<b>126 184</b>
<b>Compensation of employees</b>	<b>44 719</b>	<b>66 374</b>	<b>67 980</b>	<b>52 962</b>	<b>52 962</b>	<b>52 962</b>	<b>91 291</b>	<b>95 481</b>	<b>100 255</b>
Salaries and wages	39 731	61 091	63 093	37 073	37 073	37 073	67 882	70 998	74 548
Social contributions	4 988	5 283	4 887	15 889	15 889	15 889	23 409	24 483	25 708
<b>Goods and services</b>	<b>892</b>	<b>488</b>	<b>4 054</b>	<b>9 870</b>	<b>9 870</b>	<b>9 870</b>	<b>17 117</b>	<b>21 471</b>	<b>25 928</b>
Administrative fees			3						
Assets less than the capitalisation threshold				108	108	108	1 313	1 373	1 442
Communication (G&S)			6						
Consultants and professional services: Laboratory services	210	46	1 275	2 746	2 746	2 746	3 921	4 101	4 306
Inventory: Fuel, oil and gas			14						
Inventory: Medical supplies	324	136	2 439	4 767	4 767	4 767	8 434	12 389	16 393
Inventory: Medicine	358	220	270	2 249	2 249	2 249	3 449	3 607	3 788
Consumable supplies		12	10						
Travel and subsistence		43	37						
Training and development									
Operating payments		31							
Interest and rent on land									
Interest									
Rent on land									
<b>Transfers and subsidies to</b>	<b>32</b>								
Provinces and municipalities									
Provinces									
Households		32							
Social benefits		32							
Other transfers to households									
<b>Payments for capital assets</b>	<b>483</b>	<b>3 310</b>	<b>3 310</b>	<b>3 310</b>	<b>3 310</b>	<b>3 310</b>	<b>5 706</b>	<b>5 968</b>	<b>6 266</b>
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment			483	3 310	3 310	3 310	5 706	5 968	6 266
Transport equipment									
Other machinery and equipment			483	3 310	3 310	3 310	5 706	5 968	6 266
Software and other intangible assets									
<b>Payments for financial assets</b>									
<b>Total economic classification</b>	<b>45 611</b>	<b>66 894</b>	<b>72 517</b>	<b>66 142</b>	<b>66 142</b>	<b>66 142</b>	<b>114 114</b>	<b>122 920</b>	<b>132 450</b>

TABLE 4.41: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: NATIONAL TERTIARY GRANT: CENTRAL HOSPITAL SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
<b>Current payments</b>	<b>2 495 259</b>	<b>2 754 330</b>	<b>2 878 317</b>	<b>2 964 491</b>	<b>2 964 491</b>	<b>2 964 491</b>	<b>3 160 989</b>	<b>3 306 395</b>	<b>3 306 395</b>
Compensation of employees	1 781 468	1 919 667	2 115 553	2 198 804	2 198 804	2 198 804	2 330 866	2 438 086	2 438 086
Salaries and wages	1 753 271	1 851 294	1 929 297	2 198 804	2 198 804	2 198 804	2 330 866	2 438 086	2 438 086
Social contributions	28 197	68 373	186 256						
Goods and services	713 791	834 663	762 764	765 687	765 687	765 687	830 123	868 309	868 309
Assets less than the capitalisation threshold	517	34	3 922	2 343	2 343	2 343	2 082	2 178	2 178
Communication (G&S)		1							
Computer services			7 689						
Consultants and professional services: Laboratory services	226 814	228 118	240 910	182 384	182 384	182 384	194 398	203 340	203 340
Contractors	26 949	54 264	48 687	30 204	30 204	30 204	31 834	33 298	33 298
Agency and support / outsourced services		19	14 525	11 100	11 100	11 100	16 432	17 188	17 188

# Vote 4 - Health • EPRE - 2014/15

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Inventory: Clothing material and accessories							5 700	5 962	5 962
Inventory: Farming supplies									
Inventory: Food and food supplies			194	3 000	3 000	3 000	3 900	4 079	4 079
Inventory: Fuel, oil and gas		5 873	66	501	501	501	528	552	552
Inventory: Materials and supplies			378	73	73	73	77	81	81
Inventory: Medical supplies	369 598	483 455	302 821	325 685	325 685	325 685	359 741	376 289	376 289
Inventory: Medicine	89 818	60 657	113 986	182 527	182 527	182 527	196 745	205 794	205 794
Medsas inventory interface									
Consumable supplies	10	879	11 768	19 650	19 650	19 650	10 707	11 199	11 199
Consumable: Stationery, printing and office supplies	29	39	120	569	569	569	865	908	908
Operating leases		1 015	1 539	6 951	6 951	6 951	6 320	6 611	6 611
Property payments			15 618						
Travel and subsistence	56	227	437						
Training and development			85	700	700	700	794	830	830
Operating payments		82	19						
Rental and hiring									
Interest and rent on land									
Interest									
Rent on land									
<b>Transfers and subsidies to</b>									
Provinces and municipalities									
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Non-profit institutions									
Households									
Social benefits									
Other transfers to households									
<b>Payments for capital assets</b>	<b>65 750</b>	<b>5 391</b>	<b>166 209</b>	<b>341 440</b>	<b>341 440</b>	<b>341 440</b>	<b>332 902</b>	<b>348 215</b>	<b>348 215</b>
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	65 750	5 391	166 209	341 440	341 440	341 440	332 902	348 215	348 215
Transport equipment									
Other machinery and equipment	65 750	5 391	166 209	341 440	341 440	341 440	332 902	348 215	348 215
Software and other intangible assets									
<b>Payments for financial assets</b>									
<b>Total economic classification</b>	<b>2 561 009</b>	<b>2 759 721</b>	<b>3 044 526</b>	<b>3 305 931</b>	<b>3 305 931</b>	<b>3 305 931</b>	<b>3 493 891</b>	<b>3 654 610</b>	<b>3 654 610</b>

TABLE 4.42: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: NATIONAL HEALTH INSURANCE: DISTRICT HEALTH SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>			<b>2 195</b>	<b>2 250</b>		<b>2 250</b>	<b>1 936</b>	<b>2 041</b>	<b>2 149</b>
Compensation of employees			1 291	850		850	902	951	1 001
Salaries and wages			1 291				902	951	1 001
Social contributions				850		850			
Goods and services			904	1 400		1 400	1 034	1 090	1 148
Assets less than the capitalisation threshold			533				1 034	1 090	1 148
Audit cost: External									
Catering: Departmental activities									
Communication (G&S)				1 267		1 267			
Inventory: Materials and supplies									
Inventory: Medical supplies			371						

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Consumable: Stationery, printing and office supplies				43		43			
Travel and subsistence				50		50			
Training and development				40		40			
Interest and rent on land									
Interest									
Rent on land									
<b>Transfers and subsidies to</b>				<b>333</b>		<b>333</b>			
Provinces and municipalities									
Provinces									
Non-profit institutions				333					
Households									
Social benefits									
Other transfers to households									
<b>Payments for capital assets</b>	<b>211</b>	<b>2 600</b>	<b>8 647</b>	<b>11 247</b>	<b>5 064</b>	<b>5 356</b>	<b>5 640</b>		
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	211	2 600	8 647	11 247	5 064	5 356	5 640		
Transport equipment									
Other machinery and equipment	211	2 600	8 647	11 247	5 064	5 356	5 640		
Heritage Assets									
Software and other intangible assets									
<b>Payments for financial assets</b>									
<b>Total economic classification</b>	<b>2 406</b>	<b>4 850</b>	<b>8 980</b>	<b>13 830</b>	<b>7 000</b>	<b>7 397</b>	<b>7 789</b>		

TABLE 4.43: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: EXPANDED PUBLIC WORKS PROGRAMME: DISTRICT HEALTH SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>1 530</b>	<b>785</b>					<b>14 275</b>		
Compensation of employees	1 530								
Salaries and wages	1 530								
Social contributions									
Goods and services		785					14 275		
Administrative fees									
Contractors							14 275		
Inventory: Medical supplies		666							
Consumable supplies		119							
Interest and rent on land									
Interest									
Rent on land									
<b>Transfers and subsidies to</b>	<b>17 889</b>	<b>28 727</b>							
Provinces and municipalities									
Provinces									
Public corporations									
Non-profit institutions		17 889	28 727						
Households									
Social benefits									
Other transfers to households									
<b>Payments for capital assets</b>							<b>200</b>		
Buildings and other fixed structures									
Machinery and equipment							200		

## Vote 4 - Health • EPRE - 2014/15

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Transport equipment							200		
Other machinery and equipment									
Heritage Assets									
<b>Payments for financial assets</b>									
<b>Total economic classification</b>	<b>1 530</b>	<b>18 674</b>	<b>28 727</b>				<b>14 475</b>		

TABLE 4.44: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: AFCON 2013 GRANT: EMERGENCY MEDICAL SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>			<b>661</b>						
Compensation of employees			661						
Salaries and wages			661						
Social contributions									
Goods and services									
Administrative fees									
Advertising									
Venues and facilities									
Rental and hiring									
Interest and rent on land									
Interest									
Rent on land									
<b>Transfers and subsidies to</b>									
Provinces and municipalities									
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Non-profit institutions									
Households									
Social benefits									
Other transfers to households									
<b>Payments for capital assets</b>			<b>2 339</b>						
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment			2 339						
Transport equipment									
Other machinery and equipment			2 339						
Software and other intangible assets									
<b>Payments for financial assets</b>									
<b>Total economic classification</b>			<b>3 000</b>						

TABLE 4.45: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: FORENSIC PATHOLOGY SERVICES GRANT: DISTRICT HEALTH SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>43 443</b>	<b>82 930</b>							
Compensation of employees	27 186	49 151							
Salaries and wages	23 831	43 137							
Social contributions	3 355	6 014							
Goods and services	16 257	33 779							
Administrative fees	2	2							
Advertising	103	265							
Assets less than the capitalisation threshold	420	686							
Catering: Departmental activities	29	35							
Communication (G&S)	987	777							
Computer services		78							
Consultants and professional services: Laboratory services	168	649							
Consultants and professional services: Legal costs	81	21							
Contractors	223	257							
Agency and support / outsourced services	253	486							
Entertainment									
Fleet services (including government motor transport)	2 367	2 777							
Inventory: Food and food supplies	14	15							
Inventory: Fuel, oil and gas	6	23							
Inventory: Materials and supplies	185	127							
Inventory: Medical supplies	2 933	2 531							
Inventory: Medicine	2	6							
Consumable supplies	742	922							
Consumable: Stationery, printing and office supplies	337	422							
Operating leases	2 654	2 214							
Property payments	4 393	19 841							
Transport provided: Departmental activity	4	26							
Travel and subsistence	31	20							
Training and development	197	952							
Operating payments	8	47							
Venues and facilities	118	600							
Rental and hiring									
Interest and rent on land									
Interest									
Rent on land									
<b>Transfers and subsidies to</b>	<b>26</b>								
Provinces and municipalities									
Provinces									
Non-profit institutions									
Households	26								
Social benefits	26								
Other transfers to households									
<b>Payments for capital assets</b>	<b>7 303</b>	<b>13 604</b>							
Buildings and other fixed structures		1 800							
Buildings		1 800							
Other fixed structures									
Machinery and equipment	7 303	11 804							
Transport equipment									
Other machinery and equipment	7 303	11 804							
Heritage Assets									
Software and other intangible assets									

## Vote 4 - Health • EPRE - 2014/15

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Payments for financial assets									
<b>Total economic classification</b>	<b>50 772</b>	<b>96 534</b>							

**TABLE 4.46: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: NATIONAL HEALTH INSURANCE: CENTRAL HOSPITAL SERVICES**

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>			<b>3 207</b>						
<b>Compensation of employees</b>			<b>2 358</b>						
Salaries and wages			2 153						
Social contributions			205						
<b>Goods and services</b>			<b>849</b>						
Administrative fees									
Assets less than the capitalisation threshold			555						
Contractors			153						
Inventory: Medical supplies			27						
Consumable supplies			54						
Consumable: Stationery, printing and office supplies			60						
Rental and hiring									
Interest and rent on land									
Interest									
Rent on land									
<b>Transfers and subsidies to</b>									
Provinces and municipalities									
Provinces									
Non-profit institutions									
Households									
Social benefits									
Other transfers to households									
<b>Payments for capital assets</b>			<b>2 449</b>	<b>3 046</b>	<b>3 046</b>				
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment			2 449	3 046	3 046				
Transport equipment									
Other machinery and equipment			2 449	3 046	3 046				
Heritage Assets									
<b>Payments for financial assets</b>									
<b>Total economic classification</b>			<b>5 656</b>	<b>3 046</b>	<b>3 046</b>				

**TABLE 4.47: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION : HEALTH FACILITY REVITALIZATION GRANT: HEALTH FACILITIES MANAGEMENT**

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>51 573</b>	<b>182 774</b>	<b>109 638</b>	<b>144 287</b>	<b>328 159</b>	<b>328 159</b>	<b>284 802</b>	<b>83 506</b>	
Compensation of employees				4 000	4 000	4 000	4 000	4 000	
Salaries and wages				3 600	3 600	3 600	3 600	3 600	
Social contributions				400	400	400	400	400	
Goods and services	51 573	182 774	109 638	140 287	324 159	324 159	280 802	79 506	
Administrative fees									
Advertising		16	227						
Assets less than the capitalisation threshold	4 205	3 273	2 314		39 700	39 700	23 000		

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Catering: Departmental activities		6							
Communication (G&S)		1							
Computer services		38 587	30 124						
Contractors		(81)	257						
Agency and support / outsourced services		1 771							
Inventory: Food and food supplies		28	8						
Inventory: Materials and supplies		294	12						
Inventory: Medical supplies	12	458	381						
Inventory: Medicine		1							
Inventory: Other supplies		434	382						
Consumable supplies	57				18 000	18 000	6 000		
Consumable: Stationery, printing and office supplies	3	1	100						
Operating leases			1 056						
Property payments	46 965	135 546	72 128	139 287	258 359	258 359	244 682	72 730	
Travel and subsistence			33						
Training and development	331	2 279	2 616	1 000	8 100	8 100	7 120	6 776	
Operating payments		160							
Rental and hiring									
Interest and rent on land									
Interest									
Rent on land									
<b>Transfers and subsidies to</b>									
Provinces and municipalities									
Provinces									
Households									
Social benefits									
Other transfers to households									
<b>Payments for capital assets</b>	<b>824 793</b>	<b>745 959</b>	<b>568 655</b>	<b>626 746</b>	<b>516 079</b>	<b>516 079</b>	<b>386 231</b>	<b>220 124</b>	
Buildings and other fixed structures	711 091	590 302	520 663	435 276	386 891	386 891	304 062	216 724	
Buildings	711 091	590 302	520 663	435 276	386 891	386 891	304 062	216 724	
Other fixed structures		84							
Machinery and equipment	113 702	155 657	47 992	191 470	129 188	129 188	82 169	3 400	
Transport equipment									
Other machinery and equipment	113 702	155 657	47 992	191 470	129 188	129 188	82 169	3 400	
Software and other intangible assets									
<b>Payments for financial assets</b>									
<b>Total economic classification</b>	<b>876 366</b>	<b>928 733</b>	<b>678 293</b>	<b>771 033</b>	<b>844 238</b>	<b>844 238</b>	<b>671 033</b>	<b>303 630</b>	

TABLE 4.48: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: EXPANDED PUBLIC WORKS PROGRAMME: HEALTH FACILITIES MNGEMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>					<b>3 000</b>	<b>3 000</b>	<b>2 010</b>		
Compensation of employees									
Salaries and wages									
Social contributions									
Goods and services					3 000	3 000	2 010		
Administrative fees									
Contractors							2 010		
Training and development									
Operating payments					3 000	3 000			
Venues and facilities									
Rental and hiring									
Interest and rent on land									



## Vote 4 - Health • EPRE - 2014/15

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Interest									
Rent on land									
<b>Transfers and subsidies to</b>									
Provinces and municipalities									
Provinces									
Non-profit institutions									
Households									
Social benefits									
Other transfers to households									
<b>Payments for capital assets</b>									
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment									
Transport equipment									
Other machinery and equipment									
Software and other intangible assets									
<b>Payments for financial assets</b>									
<b>Total economic classification</b>					<b>3 000</b>	<b>3 000</b>	<b>2 010</b>		

TABLE 4.49: TRANSFERS TO LOCAL GOVERNMENT

Rand thousand	Audited outcome			Preliminary outcome	Main appropriation	Adjusted appropriation	Revised estimate	Medium-term receipts estimate		
	2010/11	2011/12	2012/13					2014/15	2015/16	2016/17
<b>Category A</b>	<b>210 979</b>	<b>347 225</b>	<b>971 616</b>		<b>559 399</b>	<b>559 399</b>	<b>559 399</b>	<b>596 185</b>	<b>627 778</b>	<b>661 050</b>
City of Johannesburg	100 634	126 617	391 481		215 526	215 526	215 526	229 602	241 769	254 583
City of Tshwane	39 130	96 523	139 106		99 990	99 990	99 990	107 573	113 273	119 276
Ekurhuleni	71 215	124 085	441 029		243 883	243 883	243 883	259 010	272 736	287 191
<b>Category B</b>										
Emfuleni										
Midvaal										
Lesedi										
Mogale City										
Randfontein										
Westonaria										
Merafong City										
<b>Category C</b>	<b>38 822</b>	<b>56 866</b>	<b>111 909</b>		<b>87 695</b>	<b>48 278</b>	<b>48 278</b>	<b>50 856</b>	<b>53 548</b>	<b>56 386</b>
Sedibeng District Municipality	8 492	34 151	54 209		45 789	6 372	6 372	6 691	7 043	7 416
West Rand District Municipality	30 330	22 715	57 700		41 906	41 906	41 906	44 165	46 505	48 970
Unallocated										
<b>Total transfers to municipalities</b>	<b>249 801</b>	<b>404 091</b>	<b>1 083 525</b>		<b>647 094</b>	<b>607 677</b>	<b>607 677</b>	<b>647 041</b>	<b>681 326</b>	<b>717 436</b>

# VOTE 5

## DEPARTMENT OF EDUCATION

To be appropriated by vote in 2014/15	R 32 845 229 000
Responsible MEC	MEC for Education
Administering Department	Department of Education
Accounting Officer	Head of Department

### 1. OVERVIEW

#### Vision

Ensuring that all learners in Gauteng do well at school and leave our institutions with the values, knowledge, skills and qualifications that will give them the best chance of success in adult life.

#### Mission

To ensure that quality learning and teaching take place in the classroom every day.

#### Strategic Goals

The goals of the Gauteng Department of Education (GDE) are:

Goal 1: Ensuring that Gauteng has effective schools and learning institutions.

Goal 2: Ensuring that GDE Head and District Offices –provide relevant, coordinated and effective support.

Goal 3: Enabling young people to make the transition from school to further education and/or work that provides further training opportunities.

Goal 4: Strengthening partnerships with all stakeholders, resulting in education becoming a societal priority.

#### Core functions and responsibilities

- Public Ordinary Schooling (POS): providing ordinary schooling to all learners in the province, from the compulsory schooling band and older (from Grade 1 to Grade 12);
- Independent Schools (IS): includes the provision of subsidies to qualifying independent schools and monitoring the conditions that are prerequisites for continued funding;
- Special Schools Education (SSE): provision of schooling to all learners with special educational needs in the province currently from the compulsory schooling band and older (Grade 1 to Grade 12), and non-formal education programmes;
- Early Childhood Development (ECD): provision of Grade R in state, private and community centres. The programme also seeks to provide ECD programmes for pre-Grade R learners;
- Further Education and Training (FET): provision of pre-tertiary technical and vocational education as part of further education. This service includes the establishment of learnership programmes; and
- Adult Basic Education and Training (ABET): involves the provision of formal Level One to Five ABET programmes to adults and youth.

Underpinning the provision of the services above are the following activities:

- Curriculum development; implementation of support systems to teachers, learners and management; and assessment of learning. This includes specialist support to learners by therapists and educational psychologists;
- Institutional development and support to schools through school development planning, subsidies, monitoring of institutional performance and monitoring and developing school governance;
- Human resource development: provision of in-service programmes, management development and pre-service bursaries;

- In-school/ in-college sport and culture: provision of extra-curricular activities in the form of sport, arts and culture in schools;
- Resources management and provision: procurement of goods and services for schools that are not self-managing, and provision of learner and teacher support materials (LTSM), administrative equipment and labour saving devices; and
- Standards and benchmarking: a school evaluation service has been established to measure and report on institutional and learner performance per school.

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

- Constitution of the Republic of South Africa, 1996 (Act 108 of 1996), as amended;
- National Education Policy Act, 1996 (Act 27 of 1996) (NEPA), as amended;
- South African Schools Act, 1996 (Act 84 of 1996), as amended;
- Employment of Educators Act, 1996 (Act 76 of 1998);
- Public Service Act, 1994 (Proclamation 103, Published in GG 15791 of 3 June 1994);
- Further Education and Training Colleges Act, 2006 (Act No.16 of 2006), as amended;
- Adult Education and Training Act, 2000 (Act No. 52 of 2000), as amended;
- South African Council for Educators Act, 2001 (Act 31 of 2001), as amended;
- Gauteng Schools Education Act, 1995 (Act No. 6 of 1995), as amended;
- Gauteng Education Policy Act, 1998 (Act No. 12 of 1998), as amended;
- Public Finance Management Act, 1999 (Act No. 1 of 1999), as amended;
- Skills Development Act, 1998 (Act No. 97 of 1998), as amended;
- Promotion of Administrative Justice Act, 2000 (Act No. 3 of 2000); and
- Promotion of Access to Information Act, 2000 (Act No. 2 of 2000).

#### **Outcomes**

The aim of achieving Outcome 1: Quality Basic Education is to ensure that Gauteng learners have access to education and training of a high quality, leading to significantly improved learning outcomes by 2030. The Department's strategic plan and 2014/15 annual performance plan served as a basis for the development of the outcomes plan and targets which guides the department in achieving its goals.

The Department is also responsible for monitoring and reporting on Outcome 5: Skilled and capable workforce to support an inclusive growth path. This outcome is managed by the GDE's Goal 3: Enabling young people to make the transition from school to further education and/or work that provides further training opportunities.

In the 2014/15 financial year great emphasis will be placed on mainstreaming the Gauteng Primary Language and Mathematics Strategy (GPLMS) while continuing with the other intervention strategies which are the Secondary School Improvement Programme (SSIP), the Extra School Support Programme (ESSP), the School Safety Strategy as well as other poverty alleviation strategies.

The Department has also partnered with and signed memorandums of understanding (MoU)'s with other government departments to realise the goal of making education a societal priority.

#### **The National Development Plan (NDP)**

The Department has aligned all its plans, policies and strategies with the objectives of the NDP for the Education Sector which draws on the Action Plan 2014, "Towards the realisation of schooling 2025", and the proposal in the Green paper for Post School Education and Training.

The aim of the NDP is to ensure that South Africans have access to education and training of a high quality, leading to significantly improved learning outcomes by 2030. This requires a range of ECD services and programmes that support the holistic development of young children. These services need to be flexible, so that they can be responsive to the needs of children, families and communities. The NDP focuses on 6 sub-outcomes to improve the education performance as listed hereunder:

1. Access to quality ECD;
2. Improved quality teaching and learning;
3. Capacity of the state to intervene and support quality education;
4. Increase accountability for improved learning;
5. Human resources development and management of schools; and
6. Infrastructure and learning materials to support effective education.

In line with the NDP and 2014 Action Plan, a focused intervention to increase the number of learners in Grades 3, 6 and 9 who have achieved the appropriate levels in literacy, language, numeracy and mathematics is in place. Another focal point for the coming financial year is increasing the number of Grade 12 learners who

achieve university entrances with bachelor passes while improving the quality of education throughout the entire school sector in the province.

## **2. REVIEW OF THE CURRENT FINANCIAL YEAR (2013/14)**

The GDE successfully reached the end of the 2009-2014 political term of office. During this period the core functions were set into four strategic goals that were the centre of a framework committed to deliver quality education in the classroom every day. The developed framework acknowledged the central role of social partners and that effective education requires deep societal change. In order to achieve the goal of quality basic education, a number of strategies were adopted that assisted the Department in its endeavours, including the GPLMS, the SSIP that includes the Mathematics, Science and Technology Strategy (MST), the School Safety Strategy, the ECD Implementation Strategy and the Master Skills Plan (MSP). Progress made by the Department with regard to the implementation of these innovative strategies amongst other achievements is discussed hereunder:

### **Outcome 1: Quality Basic Education**

#### **Output 1: Improving the Quality of education in the Foundation Phase**

##### **Grade R Expansion**

In line with the 2014 Millennium Development Goal, the department made great strides in achieving the universalisation of Grade R in the province. To date 120 000 learners have access to public and private Grade R sites. Schools and community centres were equipped with the resources required for Grade R classes. This included the provision of stationery, basic LTSM and consumable packs for 530 Grade R sites in the public primary schools and registered community centres, as well as 530 basic starter packs were also procured for new Grade R sites. Outdoor equipment (jungle gyms) as well as traffic tracks and signs have been installed at Grade R sites in 390 and 340 public primary schools respectively. In the priority schools 530 library trolleys were procured for Grade R classes.

##### **Improve Literacy and Numeracy in the Foundation Phase**

The GPLMS, one of the most promising educational programmes currently in place, began its third year of implementation in January 2013. The GPLMS is aimed at overcoming primary school underachievement and the programme primarily involves the creation of lesson plans and the coaching of teachers to further improve teaching and learning. The paragraphs hereunder provide progress made on the implementation of the GPLMS in the foundation, intermediate and senior phases in the priority schools.

A key strategy for teacher development and support is the teacher coaching programme which is a first in the country. As a result, Foundation Phase coaches were trained on the implementation of lesson plans, and they facilitated a total of 43 Professional Learning Groups (PLG) and 327 school-based workshops with teachers. In order to promote an early culture of reading, a mobile library visited a total of 42 Grade R sites to provide support, and 914 teaching resource items were issued to 85 Grade R practitioners. A mobile library service was rendered to 35 schools to encourage reading from an early age.

As emphasised in the paragraph above, implementation of the teacher coaching programme continued in the 2013/14 financial year. In this regard, the Department appointed a total of 256 coaches to improve numeracy and literacy in the Foundation Phase. These coaches offer technical support and act as a critical friend to the teachers as they implement the curriculum. All 6500 project teachers in the Foundation Phase have been provided with lesson plans for numeracy and literacy. Priority primary schools received mental mathematics kits and games and these kits were mediated with all the targeted teachers. Material for the Grades 1-3 Phonics Programmes was procured, as well as 700 additional mathematics resource booklets.

Learner performance in Grade 3 based on the 2013 Annual National Assessments (ANA) indicated that learner achievements improved in Numeracy from 49 per cent in the 2012 academic year to 59 per cent in the 2013. The ANA results for Literacy, however, remained constant at 55 per cent.

## Output 2: Improving the Quality of Education in the Intermediate Phase

### Improve Language and Mathematics in the Intermediate Phase

In order to improve Language in the intermediate phase, which is a key pillar of the GPLMS, language lesson plans for Grades 4 to 6 were developed and language training was provided to supervisors and district officials. The Intermediate Phase coaches were trained and these coaches then conducted PLGs for teachers on language lesson plans and revision throughout the 2013 academic year. A further 212 Language and Mathematics coaches were deployed in the Intermediate Phase.

In order to monitor and expand quality curriculum delivery in mathematics, the Department developed provincial work schedules for Grades 4 to 6. In preparation for the 2013 academic year, a structured revision programme on mathematics was developed for the Grade 4-6 learners, to bring them to the required grade level. To provide on-site support, a minimum of one visit per teacher per month, was conducted by coaches in the 849 priority schools. With regard to Just-In-Time training, Intermediate Phase coaches and district officials received training in two sessions including a Mathematics Orientation/Revision Programme.

Grade 6 learners' performance in the 2013 ANA examinations showed improvements in Home Language from 49 per cent to 61 per cent and from 42 per cent to 52 per cent in the First Additional Language. Grade 6 Mathematics improved from 31 per cent in the 2012 ANA examinations to 45 per cent in 2013.

## Output 3: Improving the Quality of education in the Senior Phase

### Improve Language and Mathematics in the Senior Phase

In order to expose learners to the skills that promote fluency in reading and understanding English, the department delivered to schools 1409 and 1209 workbooks for Grade 8 and 9 learners respectively. Learner activities for the Grades 8 and 9 Catch-up Programmes were included in the workbook. In preparation for the 2013 Grade 9 ANA, a total of 90 000 learners were given revision books in the prioritised secondary schools and teachers were provided with guides for English and Mathematics.

To monitor and improve quality curriculum delivery in mathematics, the Department developed provincial work schedules for Grades 7 to 9. The purpose of the initiative was to ensure that all schools have an average level of content coverage on which common assessments can be based. In addition, Grade 7 mathematics textbooks were procured and delivered to 849 priority schools.

The department strengthened and expanded the SSIP programme to incorporate Grade 9 learners, ensuring that learners have the strong academic foundation required to make a success of the FET Phase (Grades 10-12). The Grade 9 Catch-up initiative included developing, distributing, mediating and monitoring the use of Grade 9 lesson plans for all prioritised schools. A total of 120 000 Grade 9 learners benefited from career exhibitions and 12 596 had access to career guidance and counselling through lay counsellors.

Learner performance in Grade 9 based on the 2013 ANA indicated that learners achieved a pass percentage of 44 per cent for Home Language, 38 per cent for First Additional Language and 16 per cent in Mathematics. Therefore, learners performed better than the national averages, which are 43 per cent for Home Language, 33 per cent for First Additional Language and 14 per cent for Mathematics.

## Output 4: Secondary School Improvement Programme (SSIP)

### Improving Science and Mathematics in the FET Phase

The SSIP is now in its fifth year of operation and has contributed to the improvement of the matric pass rate. It primarily focuses on providing additional support and materials to learners in secondary schools, and providing extra tuition in maths, physical science and accounting. Learners, through the SSIP, attended extra classes on weekends and during school holidays. In 2013, the Department intensified support provided to Grade 12 learners and thus expanded the SSIP to reach a total of 439 priority secondary schools. The SSIP classes reached a total of 63 290 Grade 12 learners through 140 SSIP sites established across the province.

### Improve Grade 12 performance

The number of learners writing matric examinations increased by 23 per cent with 73 164 learners in 1996 to 89 627 learners in 2013. The matric pass rate increased from 61 per cent in 1994 to 87 per cent in 2013 and plans to maintain at least an 80 per cent pass rate in the foreseeable future are in place. To date the province achieved an increased rate of girl participation in subjects such as mathematics, science and technology. However, boys and girls are performing almost at the same level with boys having a slight upper hand at 87.5 per cent against 86.5 percent.

A revision pack was compiled for learners using previous final matric examination question papers and distributed to all priority schools to be used for school interventions and for revision. This contributed to the high matric pass rate of 87 per cent in the 2013 academic year which is the highest pass rate achieved by the province since 1994. This is a 9 per cent improvement on the national average of 78 percent. The province improved the number of bachelor passes from 31301 in 2010 to 38104 in 2013 indicating an increase of 27.7 percent. Learners achieved 71 per cent in Mathematics an improvement of 3 per cent from the 2012 results of 68 percent. Science learners achieved 76 percent, that is, a 6 per cent improvement from the 2012 results of 70 percent.

## **Output 5: Education Support Services**

### **Improving nutrition**

The National School Nutrition Programme (NSNP) ensured that 1 052 627 learners in no-fee schools receive a daily nutritional meal and this programme was successfully extended to 1 247 no-fee schools in the province.

### **Increasing access to schools**

The Department successfully reached its target of ensuring that 60% of all school going children in the province benefit from the no-fee policy. This was done by increasing the number of no-fee schools in the province to 1 247 as 164 schools voluntarily registered to become no-fee schools in the 2013 academic year. Schools that apply for voluntary no fee status are critically scrutinised and are usually schools that cannot function solely on the collection of school funds. The no-fee schools have a combined enrolment of 1 052 627 learners, which accounts for 62 per cent of all learners in the province, essentially exceeding the national target of 60 percent. Scholar transport was provided to 66 000 learners in the province including those from rural and informal settlements. Transport routes are monitored to ensure that learners are safely transported to enjoy a full day of learning.

### **Improving the condition of learning**

Over the last five years, the province has seen the demand for classroom space increasing rapidly because an average of 36 000 more learners enter the system year after year. In response to the demand for learning space, a total of 141 new schools were built since 2009. In addition, a total of 2195 additional classrooms were provided to 1073 schools over the same period. A total of 540 schools were fenced and with regard to Grade R, a total of 728 classrooms were provided to 609 schools.

### **Extra School Support Programme (ESSP)**

The Extra School Support Programme (ESSP) provides after-school support for homework and school sports. The programme provides learners with caring and supporting individuals available beyond normal contact time. This programme incorporates homework assistants, sport assistants and Parent/Family Support Programmes.

In terms of the Parent/Family Support Programme, which is aimed at capacitating parents and families as the main pillars of support for the schooling of their children, a Parent/Family Guideline was designed to assist parents in accessing and supporting the services offered by the department. The Parental/ Family Guideline was distributed to schools and a total of 81 806 parents/families were trained.

### **School Safety**

In implementing the School Safety Strategy, all the districts initiated the linking of schools with their local police stations and verified specific data to ensure that schools have safety committees and plans of action. To date a total of 800 schools were linked to the local police stations. The schools were introduced into the sector policing system and provided with the telephone number of the sector vehicle that was linked to them. The department also partnered with law enforcement agencies, that is, the Department of Community Safety and the South African Police Services in conducting random searches and seizing dangerous weapons and drugs in schools. The Department deployed a total of 6041 patrollers to schools throughout the province as part of the School Safety Campaign.

### **School Sport**

The Wednesday Sport Programme was successfully rolled out to priority schools in the 2013 academic year. An additional sport programme was introduced in the Foundation Phase schools to improve the levels of physical activity by learners in this sector of schooling. The programme will include athletics, swimming, winter sport, cross country and summer sport. Special Schools Sport will focus on Multi-Discipline LSEN Athletics Competition, MMH Football, Physical/Blind/Deaf Sport Programme and Intellectual Impaired Sport Programme.

The department has partnered with the Department of Sports Arts Recreation and Culture (DSARC) in identifying schools to participate in the schools sport



## **E-Learning**

The 'e-Learning Solution' roll out for schools is one part of the GDE's comprehensive ICT & e-Education Integration Strategy that aims to distribute 88000 tablets in the first phase with WI-FI & 3G connectivity as well as training for educators in the usage of the devices.

The tablets and devices have been procured. The rollout has commenced and is scheduled to end of March 2014. The devices will be distributed to all priority schools.

## **Outcome 5: Skilled and capable workforce to support an inclusive growth path**

### **Output 6: Implementing the Master Skills Plan**

#### **Strengthening the capacity of the education system in Gauteng**

In realising the goal of enabling young people to make the transition from school to further education and or work that provides further training opportunities, more than 180 000 learners received access to career guidance programmes. A total of 9 965 Grade 9 learners were assessed to determine their career competencies and preferences.

In the Technical High Schools four schools have been refurbished and handed over, and are ready for occupation. These schools have received new tools, and 64 Electrical Technology and 50 Engineering Graphics and design teachers received training in preparation for the implementation of the Curriculum and Assessment Policy Statements (CAPS) for Technical High Schools. A seminar for technical teachers who currently teach technical subjects was held at Sci-Bono Discovery Centre in November 2013, a total of 690 teachers attended. The focus of the seminar was to share best practices; furthermore each teacher received a kit containing all the relevant subject information for 2014. Top performing teachers were recognised for their efforts at the seminar.

#### **Develop targeted interventions for responding to the skills needs of the GPG**

The department, since 2009, trained a total of 97 242 public servants across all GPG departments in a variety of disciplines.

#### **Enable the economic growth in the province through education and skill**

A total of 4 808 learners were enrolled in formal learning programmes and 3 178 graduates and learners were placed in internships. A further 8 133 learners benefitted from workplace experience as facilitated by the Department. A total of 11 675 community members and unemployed youth were employed as patrollers in schools and 18 326 unemployed youth were provided with employment opportunities to assist learners with homework and sports, arts and culture afterschool activities. By end of the third quarter of 2013/14 a total of 22 567 unemployed youth applications have been scanned and captured on the database.

#### **Bursaries**

To increase the sustainability of learning and the flow of learners to higher education and eventual gainful employment, a total of 13 555 bursaries have been issued to learners from no-fee schools as well as the GPG employees in specific skilled areas.

## **3. OUTLOOK FOR THE COMING FINANCIAL YEAR (2014/15)**

### **Outcome 1: Quality Basic Education**

The department is in concurrence with the objectives and goals articulated in the NDP and Action Plan 2014 and have prioritised these plans over the 2014 Medium Term Strategic Framework (MTSF), which will contribute to quality basic education. The 2014/15 financial year will focus on mainstreaming the intervention programmes put in place. These intervention programmes are aimed at ensuring that all targets as set in the 2009-2014 strategic plan of the GDE are achieved.

### **Output 1: Improve the quality of education in the Foundation Phase**

#### **Grade R expansion**

In order to realise the goal of Universalisation of Grade R education in the province, the Department plans to increase the number of Grade R learners from 120 000 to 140 000. This will be done by registering new Grade R sites, procuring additional classrooms, and training 750 additional Grade R practitioners to ensure standardised curriculum delivery. As part of the pursuit of delivery of quality education, the department will

continue screening Grade R learners to detect and assess the need for simple assistive devices, and any learning difficulties such as, dyslexia and psycho-motor disorders.

### **Improving Literacy and Numeracy in the Foundation Phase**

The department will improve the quality of education in the Foundation Phase (Grades 1 – 3) by improving learner performance in literacy and numeracy. The implementation of a First Additional Language (with an English Focus) in the Foundation Phase in Grades 1 – 3 and the new content areas in Life Skills will improve the quality of learning in the Foundation Phase.

The incremental Introduction of African Language (IIL) will be piloted in 2014 and fully implemented in Grade 1 in the 2015 academic year, together with the implementation of English in Grades 1-3, and will thus will require more teacher development, teacher provisioning and school resourcing.

The department will introduce Phase 2 of the GPLMS strategy. The aim of Phase 2 is to fully mainstream the GPLMS strategy into the line-functions of the department and to deepen and improve the innovations developed in Phase 1. The department together with subject facilitators and existing coaches will incorporate the principles of the strategy into the teaching and learning methods and processes in the province. The second phase of the GPLMS will ultimately result in heads of department, deputy principals, principles and district officials playing an increasingly important role to ensure that this new practice is sustained and institutionalised.

The Grade 3 Literacy and Numeracy ANA for 2014 are prepared by the Department of Basic Education. The GDE will distribute revision packs to schools as an initiative to increase literacy and numeracy levels from 55 per cent and 59 per cent respectively to 60 per cent at the end of the 2014 academic year.

## **Output 2: Improve the quality of education in the Intermediate Phase**

### **Improving Language and Mathematics in the Intermediate Phase**

A support structure incorporating subject facilitators, existing coaches and PLGs will continue to assist and support teachers in the delivery of curriculum content and teaching practices as part of the second phase of the GPLMS. Additional focus will be placed on the assistance and support of Mathematics in the Intermediate and Senior Phases (Grade7). The Strategy will also encompass multi-grade support, classroom management training and support, and micro-targeting coaching for schools with low ANA results. The intervention works towards standardised and quality support and strives towards institutionalised sustainability.

Phase 2 of GPLMS also aims to improve learner performance in mathematics. Teachers will receive revised GPLMS lesson plans that cover background content to assist them with content gaps. The revised lesson plans include the use of the mental mathematics kits and structured scaffold content, with class work and homework activities. The Intermediate and Senior (Intersen) Phase's resources include homework booklets for learners to reinforce key concepts learnt, and textbooks with embedded assessments in preparation for CAPS. Priority schools will get DVDs based on content and pedagogical training for teachers.

The PLG will include content training for teachers and a concept manual showing the development of mathematical skills and concepts. The resources will benefit Intermediate Phase mathematics teachers as well as district officials, principals and heads of departments.

The 2014 ANA for Grade 6 Mathematics and Languages is in its preparation phase. The department aims to increase the pass rates in Mathematics and Languages from 40 per cent and 51 per cent respectively to 60 per cent with the assistance of the GPLMS, and other intervention programmes.

## **Output 3: Improve the quality of education in the Senior Phase**

### **Improving Language and Mathematics in the Senior Phase**

The Intersen as well as the GPLMS strategies will continue and focus on improving teacher competencies and pedagogical knowledge. These strategies also aim to improve the professional practices of teachers in classrooms, to escalate learner performance in mathematics and English First Additional Language.

The Intersen Strategy includes the development of Grade 8 and 9 lesson plans for Languages and Mathematics. The Grade 9 learner resources for ANA preparation focus on the reinforcement of concepts and drill work. The Department will develop annual teaching plans for those grades, implementing CAPS in 2014 and School Management Team (SMT) members in priority schools will be trained as well.



The Mathematics Science and Technology Strategy (MST), which forms a subcomponent of the SSIP, will continue to be implemented in the 2014/15 financial year as it has been proven to be effective in the past.

Through SSIP, priority schools will be supported and this will include amongst others, direct interaction with Grade 8 and 9 learners in mathematics and languages. The Grade 8 and 9 mathematics programme will focus on the teaching of mathematics and improving the performance of learners by providing additional lesson plans and study materials targeting 155 000 learners from priority schools.

The MST will further accommodate intervention in the Senior Phase, to improve the quality of teaching and learning in mathematics. The improvement programme will be included in School Improvement Plans to ensure that monitoring takes place and that the roles and responsibilities of each official are defined to institutionalise these interventions and promote accountability at all levels. The Mathematics Broadcast Program with Mind-set Channel will be rolled out to 439 priority secondary schools to contribute towards improving the performance of Grade 8 and 9 learners in mathematics and science.

The content of the Broadcast Program and curriculum pacing is in line with the Grade 8 and 9 lesson plans for Mathematics. Grade 9 learner resources for ANA preparation focuses on the reinforcement of concepts and drill work.

The Grade 9 Mathematics and Languages ANA for 2014 is in its preparation phase. The Department aims to increase learner performance in Mathematics from 45 per cent to 60 per cent in 2014 academic year and the achievement in language is 60 per cent in 2013 and is expected to grow in 2014 with the assistance of the GPLMS and SSIP.

#### **Output 4: Secondary School Improvement Programme (SSIP)**

##### **Improve Science in the FET Phase**

The department's aim is to ensure that 50 per cent of Grade 12 learners perform at the required level in science and 60 per cent at the required level in mathematics. The SSIP will mobilise parents to improve learner attendance during school and holiday programmes. Classroom practice in schools will be aligned to the SIPP and all other programmes in schools will be quality assured to link with GPLMS lesson plans in preparation for exams.

##### **Improve Mathematics in the FET Phase**

The department will provide additional learner and teacher support material (LTSM) to schools to support the implementation of the GPLMS, and those grades implementing CAPS in the General Education and Training (GET) and FET Bands. CAPS textbooks will be provided for implementation in Grade 12. The execution of the MST strategy in the department will provide the FET Phase with mathematics and mental mathematical kits, science microscopes and technology. These resources will be accompanied by educator training on the optimal use of resources.

##### **Improve the Grade 12 pass rate**

The SSIP programme will target the various subjects in Grades 10, 11 and 12, which includes Maths, Life Sciences, Physical Science, Accounting, Geography, Economics, Maths Literacy, History, Business Studies, and English First Additional Language (FAL), reaching a total of 57 573 Grade 12 learners.

#### **Output 5: Education Support Services**

##### **Improving Nutrition**

In contribution to the poverty alleviation programme the department will continue to provide a daily nutritious meal to all learners in no-fee schools. The department has entered into a partnership with the Gauteng Department of Agriculture and Rural Development (GDARD) and plans to expand the number of fully sustainable food gardens at schools that can assist in providing the much needed nutrients in the nutrition programme.

##### **Increasing access to schooling**

The total number of no-fee schools in the province is anticipated to increase in light of the applications currently being received from schools. However, due to budgetary constraints, all applications will be strictly sifted based on the context of the school. For the 2014 academic year, 1 323 no-fee schools are registered, servicing a total of 1 063 153 learners. The national threshold funding for no-fee schools has been increased to R1 059 per learner in Public Ordinary Schools. To further increase access to schooling, the department will transport 66 000 learners, living more than 5 km away from schools, to approximately 360 schools across the province. As part

of the initiatives directed at promoting school safety the department in conjunction with the Gauteng Department of Roads and Transport will arrange to have all school transport vehicles tested before these vehicles will be allowed to transport learners.

### **Improving the condition of learning**

The department's infrastructure delivery programme for the 2014/15 financial year will focus on, amongst other projects, new infrastructure, which includes new schools and the completion of residential facilities for learners in rural areas. The focus will also include additions to and upgrading of existing infrastructure, including the provision of new steel palisade fencing to enhance security at schools, as well as classrooms, using alternative construction methods for Grade R and ordinary classrooms. Major rehabilitation as well as minor repairs and renovations of existing infrastructure will be paramount in the 2014/15 financial year. As part of the maintenance programme, the aim will be to ensure functionality, a safe and healthy environment and the preservation of fixed assets.

### **Extra School Support Programme**

The ESSP provides after-school support for homework and school sports. The programme provides learners with caring and supporting individuals available beyond normal contact time. These caregivers will assist with homework support for Grade 1 – 7 pupils in no-fee schools, and the sport assistants will facilitate sporting activities. The ESSP contributes to job creation by providing unemployed youth with work experience, accredited education, on the job training and skills that will assist them in future job seeking. A total 4 300 homework assistants and sport assistants will be deployed to no-fee schools.

### **School Safety Programme**

To improve the school safety campaign, the departments plans to capacitate 2 551 patrollers by enrolling them into conflict management workshops. This training includes the procedures expected from the employed patrollers in implementing schools safety. A further 1 012 patrollers are attending NQF level 3 training, to improve their qualifications. In collaboration with the Gauteng Department of Community Safety, the SAPS and the Gauteng Department of Social Development the school safety programme will be rolled out. One of these initiatives is the Ke Moja campaign, which includes searches and seizures of substances by raiding unlicensed liquor outlets and shebeens by the respective authorities. Additional emphasis will be placed on substance abuse, teenage pregnancies and the deployment of social workers from social development to the community clinics closest to schools where they can service the whole community.

### **School Sport**

The Wednesday Sports Programme will continue in no-fee primary schools including athletics, swimming, and winter sport, cross country and summer sport. Sporting in special schools will focus on Multi Discipline Learners with Special Educational Needs (LSEN) Athletic Competitions, MMH Football, Physical/Blind/Deaf Sport Programme and Intellectual Impaired Sport Programme. In partnership with the Gauteng Department of Sport, Arts Culture and Recreation (DSACR), various arts and culture programmes will be introduced in schools. This includes basic arts and culture programmes, South African Schools Choir Eisteddfod (SASCE) music programmes, debate, public speaking and Magnet Music Schools. The sports programme is a big contributor to the ESSP, as the recruitment and selection of a new cohort of sport supervisors is part of the programme. The Department will be responsible for scheduling and employment of sport coordinators and the DSARC will be responsible for the providing of equipment and training, and coordinating competitive sporting events. The sport coordinators will be trained in partnership with the Sports SETA during the July school holidays at FET colleges across the province. The training will lead to a formal qualification.

### **Access to LTSM**

In the 2014/15 financial year the department will continue to provide LTSM, especially to support CAPS and the GPLMS. These resources include lesson plans, graded readers, teacher resource packs, worksheets, handwriting charts, posters and the Department of Basic Education's workbooks for language and mathematics for Grades 3 to 7. Funding is allocated to provide textbooks for CAPS implementation for Grades 7-9 and Grade 12. The execution of the MST strategy in the department will provide the FET Phase with mathematics and mental mathematical kits, science microscopes and technology. The provision of these resources will be accompanied by the training of educators on the optimal use of those resources to provide quality education. Additional funds have been allocated to LTSM to top-up existing textbooks and provide workbooks and learning materials to priority schools.

### **E-Learning**

The department has formulated the E-Learning Strategy that represents an integrated and comprehensive

approach which undertakes to align Information Communication and Technology (ICT) and e-Education initiatives to a broader GDE Vision.

The integrated strategy outlines GDE's endeavours to upgrade its ICT capacity to:

- Improve curriculum delivery in classrooms;
- Improve school management;
- Build teacher capacity to use ICT;
- Improve digital literacy and ICT skills in all school leavers; and
- Embed a strong and integrated ICT system.

The 'e-Learning Solution' roll out for schools is one part of the GDE's comprehensive ICT & e-Education Integration Strategy that aimed at the utilisation of 88000 tablets to enhance curriculum and knowledge content of learners. This project will be implemented with many other ICT initiatives currently underway and within the curriculum requirements of learners. Further all public schools will have internet connectivity to enhance classroom activities and this will supplement the current deployment of ICT infrastructure in schools but Firewall will be installed to block undesired websites.

### Teacher Development

A comprehensive GDE Teacher Development Curriculum Management and Delivery Framework (CMDf) was developed, adopted and implemented as a provincial document. It will have two tiers, one at district level and another at a school level. An induction programme for the development of heads of departments, deputy principles and principals in schools will be adopted as a provincial programme, and implemented for leadership development. This exercise will include the development of materials that will ensure South African Council of Educators (SACE) accreditation.

The GDE district capacity building programme will incorporate three areas where districts need focussed support, namely in terms of administrative, managerial and instructional capacity. These areas will be underpinned by a three-level change management programme:

- Generic induction and reorientation;
- Teams (how the teams must work together, roles and responsibilities etc.); and
- Individuals (continuous support for the individual in line with district needs).

This teacher development programme will include psycho-social support and stakeholder management. The Matthew Goniwe School of Leadership and Governance (MGS LG) Simulation Centre (for testing tools and practising purposes) will play a critical role in advancing the outcomes in district development.

## Outcome 5: Skilled and capable workforce to support an inclusive growth path

### Output 6: Master Skills Plan

The Gauteng MSP is a key component of the department's strategy of providing the province with a sustainable pool of economically relevant skills, thus eradicating poverty and decreasing the unemployment rate. The Gauteng MSP provides an opportunity to learners to attend institutions of higher learning. The department supports increased access to post-secondary education by providing bursaries and directing resources towards the transition from school to tertiary institutions and helping learners to gain access to universities and colleges. The Gauteng MSP is covered as follows:

### Technical and Vocational Education

This will focus on the transition from school to tertiary educational institutions and the workplace through bursaries, career guidance and technical education. Career guidance and counselling will be offered to Grade 8 and 9 learners in the priority schools in the 2014 academic year. Advocacy and career booklets on Technical High Schools and FET Colleges will be distributed during the counselling sessions. In addition, a separate parental guideline will be developed to support caregivers in assisting children in choosing career choices and pathways.

The department is in its final stages of recapitalising 41 Technical High Schools. The vocational and education strategy will be implemented to include an admission policy based on psychometric testing. The workshops in recapitalisation of Technical High Schools will fund the improvement of specialised tools and equipment, redesigning and refurbishment of workshops and the training of teachers on specific skills and content. The department plans to introduce specialisation within the mechanical, civil and electrical engineering and

technology fields of study in the 2015 academic year.

#### **Career options for learners that dropped out of schools**

The FET Colleges will create pathways for drop-out learners from Grade 9 and above to register in FET colleges in the National Certificate Vocational Level 1 programme. The department is partnering with the private sector and the National Youth Development Agency (NYDA) to increase the number of bursaries for FET learners. The department will provide an additional 2 030 bursaries to learners from no-fee schools. The top three learners from each priority school will be awarded a bursary and the rest of the bursaries will be allocated to learners on the basis of their academic performance.

#### **Skills development for government officials**

The Gauteng MSP will continue with management and leadership initiatives for top, middle and junior managers across the province to improve management and leadership capacity. In order to respond to specific transversal skills gaps considered priority and urgent to service delivery in the province, the training will include government officials in the province as well as external individuals, to address scarce skills in government.

#### **Training and skills development to enable economic growth**

In support of the economic growth strategy of the province, the department has partnered with the Department of Economic Development (DED) to strengthen the economic growth by engaging industries such as Tool Making, Foundry, Aerospace, Automotive, Jewellery, ICT, Furniture and Tourism to develop various skills development programmes. These programmes include artisan development for business sectors, expanding learnership and internship programmes, enforcing experiential learning opportunities, facilitating short skills programmes and encouraging entrepreneurial education.

Partner with sector organisations to respond to the skills needs and provide access to work experience

The department will continue to establish partnerships to improve the coordination with key role-players and stakeholders in the provincial skills development sector. This will include partnerships with SETAs and the private sector on programmes promoting learnership, experiential learning and work-shadowing. Areas of priority will include the signing of MOU's with business partners to promote skills development.

### **4. REPRIORITISATION**

Due to the prevailing tight fiscal environment that the department is operating under and the adverse financial position, the department is compelled to continue implementing cost containment measures and to reduce spending obligations on other items in order to allocate resources to projects and initiatives that will have an impact on the achievement of strategic objectives.

Through reprioritisation, the department has made funding available for the procurement of school furniture, required due to additional classrooms built as a result of learner growth, and to replace dilapidated furniture, to ensure that learning takes place in a proper environment. Furthermore, transfers to Matthew Goniwe School of Leadership, Sci-Bono and Gauteng education Development Trust were also prioritised to ensure that the implementation of the teacher development strategy, SSIP and the GPLMS are adequately funded in order to realise the desired outcome.

The department also prioritised funding for recruitment of class assistants at Public Special Schools and funding for the payment of ESSP practitioners who are involved in providing homework assistance to learners, scholar patrol and sports assistance in priority schools.

### **5. PROCUREMENT**

The department will continue to ensure that the procurement of goods and services is done timely, to ensure that service delivery is not compromised. Furthermore all contracts will be subject to market price analysis and the terms and conditions will be analysed to identify areas where the department can negotiate for better value for money without compromising the quality of services acquired. Contracts related to the core services of the department are discussed below:

Learner Teacher Support Material (LTSM) contract for the supply and delivery of learning material which caters

for section 20 and centrally procured LTSM for schools is currently in place. GDE will monitor the services rendered in line with the service level agreement in the coming financial year. In order to improve access to schooling, a scholar transport contract will be awarded at the beginning of the financial year. The contract caters for transportation of 66 000 learners staying five kilometres away from schools.

As part of poverty alleviation programme, food suppliers have been contracted for a school nutrition programme which targets 1 063 153 learners. To ensure that the learners have furniture on the first day of school, including replacement of school furniture, a service provider will be contracted in 2014/15 for supply and delivery of furniture. For the department to reduce the risk of exam paper leaks and to protect the quality and integrity of our examination process, the department will outsource security services for safeguarding of exam papers.

## 6. RECEIPTS AND FINANCING

### 6.1. Summary of receipts

TABLE 5.1: SUMMARY OF RECEIPTS: EDUCATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Equitable share	21 332 423	24 212 455	26 135 764	27 375 600	28 781 540	28 781 540	30 642 601	33 939 795	35 820 468
Conditional grants	1 509 063	2 225 152	2 365 060	1 900 241	1 913 717	1 913 717	2 202 628	2 420 844	1 623 548
<i>Dinaledi Schools Grant</i>		14 140	20 139	21 244	21 244	21 244	22 458	23 491	24 736
<i>Education Disaster Management Grant</i>									
<i>Education Infrastructure Grant</i>	181 466	473 393	512 866	537 892	537 892	537 892	623 602	852 247	
<i>HIV and Aids (Life Skills Education) Grant</i>	26 202	31 146	29 147	30 012	34 803	34 803	30 195	30 611	33 388
<i>National School Nutrition Programme Grant</i>	388 884	539 707	619 526	585 157	616 516	616 516	640 541	678 974	714 960
<i>Technical Secondary Schools Recapitalization Grant</i>	17 944	34 173	48 524	26 375	26 375	26 375	27 958	28 627	30 144
<i>OSD for Therapists</i>							93 599	29 442	
<i>Social Sector Expanded Public Works</i>					3 000	3 000	36 016		
<i>Expanded Public Works Programme Incentive Grant</i>			1 613	25 674			2 450		
<i>Further Education and Training College Sector Grant</i>	894 567	1 132 593	1 133 245	673 887	673 887	673 887	725 809	777 452	820 320
<b>Total receipts</b>	<b>22 841 486</b>	<b>26 437 607</b>	<b>28 500 824</b>	<b>29 275 841</b>	<b>30 695 257</b>	<b>30 695 257</b>	<b>32 845 229</b>	<b>36 360 639</b>	<b>37 444 016</b>

The total budget of the department for the period 2010/11 to 2012/13 has increased by 25.8 per cent from R22.8 billion for 2010/11 to R28.5 billion for 2012/13. The growth was mainly attributable to the growing demand for learning space and teachers as the number of learners escalated due to migration into the province.

In the 2012/13 financial year, the equitable share formula was revised to take into account Census 2011, which demonstrated that demographic trends show a growth in the population of Gauteng. As a result, equitable share grew. The allocation for conditional grants grew from R1.5 billion in 2010/11 to R2.3 billion for 2012/13 or 57 per cent, as a result of the introduction of the Dinaledi Schools Grant in 2011/12, which is used to promote teaching and learning in Mathematics and Physical Science. In addition, the Technical Schools Recapitalisation Grant increased from R17.9 million in 2010/11 to R48.5 million in 2012/13 to recapitalise technical schools. There has been a substantial increase in the allocation for the Education Infrastructure Grant, which is used for the construction and maintenance of school infrastructure for the period 2010/11 to 2012/13. This allocation has grown from R181.5 million in 2010/11 to R512.9 million in 2012/13 to make provision for additional classrooms, new schools and maintain the existing schools infrastructure.

The education budget grew by 12 per cent from R29.3 billion in 2013/14 (main appropriation) to R32.8 billion for 2014/15. This is as a result of funds being allocated to compensation of employees, Improvement in Conditions of Service (ICS), the re-grading of clerical posts and for new projects such as e-learning. Furthermore, the department received a new conditional grant, the Occupational Specific Dispensation (OSD) for Therapists and the EPWP Incentive grant in 2014/15 financial year. In the 2016/17 financial year, the OSD for Therapists conditional grant is phased into equitable share, hence the zero allocation.

Funds have been earmarked for ECD, the expansion of no-fee schools, scholar transport, psychosocial support for inclusive education and LTSM. The carry-through effect over the 2014 medium term was taken into account. However, the Education Infrastructure conditional grant in the outer year of the 2014 medium term was reduced over the 2014 Medium-Term Expenditure Framework (MTEF) due to the allocation system that was used as per the 2013 Division of Revenue Act (DoRA). Departments are expected to bid for infrastructure budget allocations and therefore the outcome resulted in the Education infrastructure grant being revised downwards in 2014/15 and 2015/16 and not allocated at all in 2016/17.

## 6.2. Departmental receipts

TABLE 5.2: DEPARTMENTAL RECEIPTS: EDUCATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Tax receipts</b>									
Casino taxes									
Horse racing taxes									
Liquor licenses									
Motor vehicle licenses									
Sales of goods and services other than capital assets	17 233	20 051	21 651	20 315	20 315	20 315	20 823	21 344	21 878
Transfers received									
Fines, penalties and forfeits	27	53	151	35	35	35	36	37	38
Interest, dividends and rent on land	1 235	3 014	7 000	2 131	2 131	2 131	2 184	2 239	2 295
Sales of capital assets		45	257						
Transactions in financial assets and liabilities	18 568	21 289	19 553	21 619	21 619	21 619	22 159	22 713	23 281
<b>Total departmental receipts</b>	<b>37 063</b>	<b>44 452</b>	<b>48 612</b>	<b>44 100</b>	<b>44 100</b>	<b>44 100</b>	<b>45 202</b>	<b>46 333</b>	<b>47 492</b>

The department does not render services for revenue generation through user fees. The main sources of revenue collection is from the administrative fees for the collection of insurance premium from employees, rechecking and remarking of examination scripts, examination certificate reprints, official housing (rental income) and financial transactions in assets and liabilities relating to departmental debt account and receivable relating to previous financial expenditure.

Schools are entitled to raise funds through school fees and other fundraisers to meet any shortfall between subsidies and the actual cost of running a school, but the department does not receive any of the funds collected by the school.

Revenue collection increases by 31 per cent from 2010/11 to 2012/13, this is due to an increase on sale of goods and services which consists of revenue collected from departmental publications, exam certificates, registration, tuition, exam fees, commission insurance and garnishee, boarding service for staff, rental dwellings and rental of open and covered parking.

The second largest contributor is from transactions in financial assets and liabilities which comprises of departmental debt and domestic services with recoveries from previous year's Expenditure and State cheques contributing the largest percentage, however both these items are not necessarily revenue generating items. The department did not adjust its revenue in the 2013/14 as the collection trends were indicating the probability of breaking even. Revenue collection increases over the MTEF due to annual adjustments on examination related receipts, which are implemented annually by National Department of Education.

## 7. PAYMENT SUMMARY

### 7.1 Key assumptions

The following key assumptions were taken into account when determining the personnel budget for the 2014 MTEF:

- Number of staff and possible changes over the 2014 MTEF;
- Basic salary costs including ICS adjustments from 1 April 2014;
- Pension fund contributions, thirteenth cheque and overtime all linked to the basic salary cost and increasing at the same rate;



## Vote 5 - Education • EPRE - 2014/15

- Salary increases for people with scarce skills;
- Grades and level of each staff member;
- Increased take up of benefits such as medical aid and housing allowance;
- Contract employees, merit bonuses;
- Re-grading of clerical posts as per the DPSA circular;
- Appointment of additional educators (growth posts) to accommodate learner growth;
- Medical aid contributions which normally increase more rapidly than inflation; and
- Skills development and technical and vocational training.

The department aims to achieve the 75:25 split of personnel and non-personnel costs although an increase in personnel cost is evident. The following key assumptions were also considered when determining the budget for the 2014 MTEF in order to meet the goal of improving the quality of learning:

- Infrastructure development and the maintenance of school buildings with the aim of eradicating the backlog of learning space and preventative maintenance;
- Transfers and subsidies to institutions and schools;
- The implementation of the National School Nutrition Policy;
- The provision of LTSM, workbooks and lesson plans for learners;
- District development and support;
- Reduction of class sizes;
- Providing therapists and social workers to school to support learners;
- Rollout of the Curriculum and Assessment Policy Statements (CAPS); and
- Implementation and maintenance of intervention strategies such as the GPLMS, SSIP, Teacher Development Strategy and ESSP.

## 7.2 Programme Summary

TABLE 5.3: SUMMARY OF PAYMENTS AND ESTIMATES: EDUCATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1. Administration	1 791 245	2 138 931	2 474 554	2 422 979	2 422 979	2 422 979	2 516 919	2 608 055	2 743 066
2. Public Ordinary School	16 246 553	18 038 016	19 472 806	20 379 583	20 982 178	21 438 141	22 912 346	25 574 344	27 026 145
3. Independent Schools Education	353 036	409 004	421 446	490 304	460 304	460 304	514 329	537 988	566 502
4. Public Special Schools Education	1 278 410	1 290 621	1 444 314	1 612 043	1 675 000	1 675 000	1 817 476	1 873 716	1 948 443
5. Further Education and Training	785 196	1 113 444	1 132 172	673 887	677 060	677 060	725 809	777 452	820 320
6. Adult Basic Education and Training	261 225	347 706	379 481	388 983	416 983	416 983	403 471	421 962	444 326
7. Early Childhood Development	161 056	340 828	338 659	635 631	635 631	635 631	733 958	923 212	972 835
8. Infrastructure Development	726 055	1 529 609	1 669 458	1 259 194	1 713 885	1 713 885	1 686 635	1 967 442	1 175 416
9. Auxiliary and Associated Services	647 935	911 870	984 145	1 413 237	1 711 237	1 711 237	1 534 286	1 676 468	1 746 964
<b>Total payments and estimates</b>	<b>22 250 711</b>	<b>26 120 029</b>	<b>28 317 035</b>	<b>29 275 841</b>	<b>30 695 257</b>	<b>31 151 220</b>	<b>32 845 229</b>	<b>36 360 639</b>	<b>37 444 016</b>

## 7.3 Summary of economic classification

TABLE 5.4: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: EDUCATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>19 450 070</b>	<b>21 919 371</b>	<b>23 941 827</b>	<b>25 198 224</b>	<b>26 084 055</b>	<b>26 543 728</b>	<b>27 619 627</b>	<b>30 686 442</b>	<b>32 497 643</b>
Compensation of employees	17 355 058	19 370 174	21 040 358	22 082 190	22 747 164	23 203 024	24 703 031	27 291 025	28 801 339
Goods and services	2 091 820	2 548 975	2 898 526	3 116 034	3 336 891	3 340 339	2 916 596	3 395 417	3 696 304
Interest and rent on land	3 192	222	2 943			365			
<b>Transfers and subsidies to</b>	<b>2 055 298</b>	<b>2 814 261</b>	<b>2 927 573</b>	<b>3 033 264</b>	<b>3 102 869</b>	<b>3 108 619</b>	<b>3 724 634</b>	<b>3 863 161</b>	<b>4 060 185</b>
Provinces and municipalities						17			
Departmental agencies and accounts	14 413	18 886	20 151	21 212	21 213	21 213	22 252	23 276	24 510

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Universities and technicians									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions	1 937 303	2 635 637	2 686 863	2 805 827	2 875 431	2 860 757	3 420 287	3 532 511	3 712 010
Households	103 582	159 738	220 559	206 225	206 225	226 632	282 095	307 374	323 665
<b>Payments for capital assets</b>	<b>726 580</b>	<b>1 378 981</b>	<b>1 387 443</b>	<b>1 044 353</b>	<b>1 508 333</b>	<b>1 498 868</b>	<b>1 500 968</b>	<b>1 811 036</b>	<b>886 188</b>
Buildings and other fixed structures	626 064	1 258 561	1 335 442	930 694	1 423 619	1 430 678	1 440 297	1 742 624	785 488
Machinery and equipment	73 595	118 431	43 174	83 659	69 279	54 824	37 611	42 366	44 599
Heritage assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets	22 446		6 569	27 500	12 500	12 500	22 000	25 000	55 000
Software and other intangible assets	4 475	1 989	2 258	2 500	2 935	866	1 060	1 046	1 101
<b>Payments for financial assets</b>	<b>18 763</b>	<b>7 416</b>	<b>60 192</b>			<b>5</b>			
<b>Total economic classification</b>	<b>22 250 711</b>	<b>26 120 029</b>	<b>28 317 035</b>	<b>29 275 841</b>	<b>30 695 257</b>	<b>31 151 220</b>	<b>32 845 229</b>	<b>36 360 639</b>	<b>37 444 016</b>

The department's expenditure increased by R6.1 billion from R22.3 billion in 2010/11 to R28.3 billion in 2012/13. A large portion of the recurrent expenditure from 2010/11 to 2012/13 is contributed to by the compensation of employees, which increased from R17.4 billion in the 2010/11 to R21 billion in 2012/13. This accounts for at least 75 per cent of the expenditure over the three years. The increase is as a result of the growth in educator posts to make provision for growth in learner numbers due to a large migration to the province as revealed by Census 2011 and also as a result of other costs which are not budgeted for and are beyond the control of the Department, such as substitute teachers and relief teachers. Transfers and subsidies has also grown substantially from R1.9 billion in 2010/11 to R2.7 billion in 2012/13, due to the no-fee policy, which resulted in an increase in the number of learners in no fee schools from 879 161 in 2010/11 to 1 051 362 learners in 2012/13. Goods and services increased due to spending on priorities such as scholar transport, LTSM, the expansion of the National School Nutrition programme and also due to inflationary increases on costs of goods and services.

In the 2013/14 financial year, the Department budget was adjusted upwards by R1.4 billion to cover the shortfall on ICS as a result of higher than anticipated wage agreement in the education sector. Furthermore the R1.4 billion eased the persistent budgetary pressure under compensation of employees in relation to the existing number of educators, and funded the procurement of LTSM for the implementation of CAPS for Grades 7, 8, 9 and 12.

The department's total allocated budget for the 2014/15 financial year amounts to R32.8 billion. The budget grew by 12.2 per cent from a main appropriation of R29.2 billion in 2013/14; the percentage growth translates to a nominal rand value increase of R3.5 billion. This is as a result of R400 million additional funding allocated to the department to ease pressure on the compensation of employees' budget, R167 million for ICS, R11.7 million for the re-grading of clerical positions to salary level 5 and 7 as per DPSA circular dated 12 December 2012. Furthermore, the personnel budget was increased in line with the Occupation Specific Dispensation (OSD) for Therapists, which is currently a grant in 2014/15 and 2015/16 and will be phased in to the equitable share as from 2016/17 moving forward. The personnel budget over the 2014 medium term increased by R1.3 billion due to additional funding allocated to the department to ease budgetary pressures, R881.6 million for ICS, R123 million to fund OSD for therapists and R39.9 million for the re-grading of clerical positions.

The increase in budget for compensation of employees was primarily to make provision for the recruitment of additional educators, support staff and to meet the policy demands of having a learner: educator ratio as per the policy requirements of 1:40 and 1:35 for public primary schools and public secondary schools respectively. Learner numbers in the province has increased by 54 139 learners in the 2013 academic year showing a growth of 2.6 percent.

The budget for goods and services decreased in the 2014/15 financial year by 6.4 percent. The decrease in goods and services translates to a rand value of R199.4 million, from R3.1 billion in 2013/14 to R2.8 billion in 2014/15. The decrease mainly relates to re-classification of funding for the NSNP to pay food handlers at schools, and for the implementation of the Teacher Development Strategy, the GPLMS and the SSIP, by related parties. Funds within



goods and services were reprioritised to fund amongst others, the payment of ESSP practitioners implementing the homework programme, sport assistants and scholar patrol and for the recruitment of school assistants at public special schools.

The department's transfer and subsidies allocation increased from R3 billion in 2013/14 to R3.7 billion in 2014/15. This shows an increase of 22.8 per cent, a direct result of the department's no-fee policy. More schools are applying for no-fee status, which increases the transfers to schools. Transfers have also increased to Matthew Goniwe School of Governance and Leadership (MGSL) for the implementation of the Teachers Development Strategy as well as the Gauteng City Region Academy (GCRA) for skills development and training in the province.

The budget allocated towards payments for the capital assets amount to R1.6 billion, in order to address the backlog of classrooms, and the refurbishment and maintenance of schools. It is to ensure that schools are safe and secured. This is in line with the priorities set out by the provincial government in addressing its mandate.

## 7.4 Infrastructure payments

### 7.4.1 Infrastructure payments

For information on infrastructure refer to Estimate of Capital Expenditure (ECE)

## 7.5 Departmental Public-Private-Partnership (PPP) projects

N/A

## 7.6 Transfers

### 7.6.1 Transfers to public entities

N/A

### 7.6.2 Transfers to other entities

TABLE 5.6: SUMMARY OF TRANSFERS TO OTHER ENTITIES

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate 2013/14	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1. Public Ordinary Schools	976 009	1 118 148	1 250 590	1 344 893	1 404 478	1 385 778	1 541 292	1 614 734	1 702 007
2. Sci-Bono Discovery Centre	15 000	189 196	103 695	148 248	148 248	142 248	238 408	200 346	206 197
3. Matthew Goniwe School of Leadership and Governance	12 241	36 609	112 769	394 370	249 623	249 623	297 285	310 959	327 826
4. Independent Schools	353 036	409 004	421 446	490 304	456 304	456 304	514 329	537 988	566 502
5. Special Schools	290 450	205 601	231 546	273 380	273 380	292 380	286 776	299 968	315 866
6. FET Colleges	269 262	561 205	528 115	1 694	1 806	1 806	1 745	1 745	1 745
7. University of the Witwatersrand (Examinations)	21 306	22 678	23 987	23 133	23 133	23 133	23 365	24 440	25 735
8. Households Social Benefits	42 533	87 394	127 131	56 225	56 225	76 632	102 095	107 552	113 252
9. Households Other Transfers GCRA Bursaries to learners)	61 048	72 344	93 428	150 000	150 000	150 000	180 000	199 822	210 413
10. Department Agencies			7		1	18	1	1	1
11. SETA	14 413	18 886	20 144	21 212	21 212	21 212	22 251	23 275	24 509
12. ABET Centres		25	14 715	15 911	17 325	18 823	16 865	17 641	18 576
13. Grade R Sites/ Centers		93 171		113 894	113 894	113 894	134 930	141 137	148 617
14. Gauteng Education Development Trust					187 240	176 768	365 292	383 553	398 939
<b>Total departmental transfers to other entities</b>	<b>2 055 298</b>	<b>2 814 261</b>	<b>2 927 573</b>	<b>3 033 264</b>	<b>3 102 869</b>	<b>3 108 619</b>	<b>3 724 634</b>	<b>3 863 161</b>	<b>4 060 185</b>

Transfers and subsidies increased from R3 billion in 2013/14 to R3.7 billion in 2014/15, increasing by 22.8 per cent. This is attributable to a substantial increase in projected transfers to public ordinary schools and related parties.

The total transfer allocated to the public ordinary school sector is R1.5 billion including both Section 20 and Section 21 primary and secondary schools and covers municipal services and social upliftment programmes. Transfers to public ordinary schools increase in line with the per capita allocation of R1059 per learner.

Independent subsidised schools will receive R514.3 million in subsidies which is directly derived from the per capita expenditure of public ordinary schools. Further transfers of R286.8 million will be made to public special schools and R134.9 million to ECD for the delivery of quality education. Transfers to Matthew Goniwe School of Leadership, Sci-Bono Discovery Centre and the Gauteng Education Development Trust are for the implementation of interventions such as GPLMS, SSIP, Teacher Development Strategy, MST, School Safety and MSP.

### 7.6.3 Transfers to local government

N/A

## 8. PROGRAMME DESCRIPTION

### PROGRAMME 1: ADMINISTRATION

#### Programme description

To provide overall management of the education system in accordance with the national Education Policy Act, the Public Finance Management Act and other policies.

#### Programme objectives

- To provide for the functioning of the office of the Member of the Executive Council (MEC) for Education;
- To provide management services which are not education specific for the education system;
- To provide education management services for the education system;
- To provide human resource development for office-based staff;
- To provide for projects under Programme 1 specified by the Department of Education and funded by conditional grants; and
- To provide an Education Management Information System in accordance with the national Education Information Policy.

TABLE 5.7: SUMMARY OF PAYMENTS AND ESTIMATES: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1.Office of the MEC	2 753	3 986	2 604	3 686	3 686	3 686	3 838	4 015	4 228
2.Corporate Services	960 173	1 179 180	1 445 228	1 347 397	1 347 216	1 342 481	1 411 137	1 472 274	1 547 089
3.Education Management	762 233	856 165	911 053	1 033 959	1 034 140	1 038 872	1 057 149	1 084 911	1 142 411
4.Human Resource Management	14 093	28 512	19 086	20 873	20 873	4 835	26 895	28 132	29 623
5.Education Management	51 993	71 088	96 583	17 064	17 064	33 105	17 900	18 723	19 715
<b>Total payments and estimates</b>	<b>1 791 245</b>	<b>2 138 931</b>	<b>2 474 554</b>	<b>2 422 979</b>	<b>2 422 979</b>	<b>2 422 979</b>	<b>2 516 919</b>	<b>2 608 055</b>	<b>2 743 066</b>

TABLE 5.8: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>1 757 824</b>	<b>2 045 570</b>	<b>2 383 120</b>	<b>2 399 985</b>	<b>2 398 033</b>	<b>2 397 933</b>	<b>2 490 640</b>	<b>2 580 568</b>	<b>2 714 124</b>
Compensation of employees	1 317 323	1 635 981	1 888 264	1 962 478	1 962 478	1 962 478	2 043 237	2 112 586	2 221 337
Goods and services	440 473	409 577	492 118	437 507	435 555	435 155	447 403	467 982	492 787
Interest and rent on land	28	12	2 738			300			
<b>Transfers and subsidies to</b>	<b>5 241</b>	<b>11 338</b>	<b>10 850</b>	<b>5 258</b>	<b>5 259</b>	<b>7 629</b>	<b>4 767</b>	<b>4 987</b>	<b>5 251</b>
Provinces and municipalities						17			
Departmental agencies and accounts			7		1	1	1	1	1
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions			717						
Households	5 241	11 338	10 126	5 258	5 258	7 611	4 766	4 986	5 250
<b>Payments for capital assets</b>	<b>9 417</b>	<b>74 607</b>	<b>20 392</b>	<b>17 736</b>	<b>19 687</b>	<b>17 412</b>	<b>21 512</b>	<b>22 500</b>	<b>23 691</b>

## Vote 5 - Education • EPRE - 2014/15

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Buildings and other fixed structures			9						
Machinery and equipment	5 058	72 618	18 098	15 236	16 760	16 554	20 512	21 454	22 590
Heritage assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets			27						
Software and other intangible assets	4 359	1 989	2 258	2 500	2 927	858	1 000	1 046	1 101
<b>Payments for financial assets</b>	<b>18 763</b>	<b>7 416</b>	<b>60 192</b>			<b>5</b>			
<b>Total economic classification</b>	<b>1 791 245</b>	<b>2 138 931</b>	<b>2 474 554</b>	<b>2 422 979</b>	<b>2 422 979</b>	<b>2 422 979</b>	<b>2 516 919</b>	<b>2 608 055</b>	<b>2 743 066</b>

The Administration expenditure increased by R683.3 million from R1.8 billion 2010/11 to R2.5 billion in 2012/13. The largest share of the expenditure over this period is reflected under current payments, as a result of an increase in personnel, because of the carry-through effect of the cost of living increment, which has been higher than estimated. Current payments have also grown in this period as a result of the impact of accruals on the goods and services budget, unforeseen legal costs, maintenance of infrastructure and communication costs, which increased substantially over this period.

The Administration budget for the 2014/15 financial year amounts to R2.5 billion which indicates an increase of 3.9 per cent compared to the 2013/14 main appropriation of R2.4 billion. The increase translates to a rand value of R93.9 million. Compensation of employees increased with 4.1 per cent, which translates to a rand value of R80.7 million. The Department has maintained the budget in this programme and growth related to provision for the ICS under the personnel budget, whereas the increase on goods and services is related to provision for price inflation.

District Administration will receive an allocation of R45 million for the 2014/15 financial year. In support of the GPLMS Phase 2, the Department is allocating a further R5.1 million to a Library Information System. This system will provide access to learners in schools that do not have libraries. The department's Information Management Systems will receive an allocation of R103 million to ensure connectivity in schools and to enable schools to utilise the South African School and Administration Management System (SA-SAMS) to provide learner data to the national learner tracking system.

The budget of the Office of the MEC receives an allocation for administrative costs only. The budget increased from an allocation of R3.6 million in 2013/14 to R3.8 million in 2014/15, indicating an increase of 4.1 percent. The budget has remained stable over the past five years and is largely influenced by the increase in administration costs and salary increases.

The budget for Corporate Services is the largest under Programme 1 and it manages all the financial, administrative and personnel support services, which is key to the broad management of the Department. The budget increased from R1.3 billion in 2013/14 to R1.4 billion in 2014/15, a rand value increase of R63.7 million. The re-aligned structure of the department will ensure the streamlining of business processes, which will ensure that most of the administration costs are reduced and funds reprioritised to core programmes.

Education Management receives the second largest budget under this programme with personnel as the biggest cost driver, as the activities are personnel driven. The overall budget of the Education Management sub-programme increased with R23 million, which translates to a 2.2 per cent increase from 2013/14 to 2014/15. The sub-programme functions include Quality Assurance, Policy Development, Monitoring and Evaluation, Research Coordination, Education Planning, Information Management.

## SERVICE DELIVERY MEASURES

### PROGRAMME 1: ADMINISTRATION

Performance measures	Estimated Annual Targets		
	2014/15	2015/16	2016/17

PM101: Number of public schools that use the school administration management systems (electronic) to provide data to the national learner tracking system	2 000	2 060	2 065
PM102: Number of public schools that can be contacted electronically (e-mail)	1 900	2 000	2 060
PM103: Percentage of education current expenditure going towards non-personnel items	24,5% (8 301 850)	25% (9 281 154)	25% (9 773 055)
PM104: Number of visits to schools by a Circuit Manager	All Schools in a circuit	All Schools in a circuit	All Schools in a circuit

## PROGRAMME 2: PUBLIC ORDINARY SCHOOL EDUCATION

### Programme description

To provide public ordinary education from Grades 1 to 12, in accordance with the South African Schools Act.

### Programme objectives

- Provide specific public primary ordinary schools with the resources required for the Grade 1 to 7 phases;
- Provide specific public secondary ordinary schools with resources required for the Grades 8 to 12 levels;
- Provide departmental services for the professional and other development of educators and non-educators in public ordinary schools;
- Provide additional and departmentally managed sporting and cultural activities in public ordinary schools; and
- Provide for projects under Programme 2 specified by the Department of Education and funded by conditional grants.

The department will focus on the following targets and interventions to ensure that the goals set are met:

- Expansion of the provision of the school nutrition programme;
- Expansion of the provision of the learner educator support material;
- Introduction of the CAPS roll out and Intersen Strategy;
- Improved learning in poor communities to urgently address the growing class sizes in schools;
- Expansion of no-fee schools;
- Leadership skills and capacity building programmes for managing learning through the effective governance and management of schools;
- Implementation of a province-wide Literacy and Numeracy programme to improve basic writing, reading and arithmetic. This will include the promotion of the use of mother tongue instruction as an enabler of learner performance;
- Improve the quality and competence of teachers in the Foundation Phase and review all textbooks and learning support materials utilised in the Phase;
- Improve the quality of learning in all other grades and in languages, Mathematics, Science, Technology and the economic and management sciences;
- Increase the role of School Governing Bodies (SGBs) and society at large in supporting and monitoring schools and the quality of learning that they provide; and
- Enhance vocational and technical skills in learners.

**TABLE 5.9: SUMMARY OF PAYMENTS AND ESTIMATES: PUBLIC ORDINARY SCHOOL**

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1.Public Primary Schools	9 284 584	10 204 702	10 817 601	11 129 373	11 318 556	11 774 519	12 500 673	13 928 050	14 720 639
2.Public Secondary Schools	6 517 714	7 222 701	7 909 925	8 427 841	8 795 869	8 795 869	9 523 120	10 709 489	11 317 895
3.Human Resource Development	30 599	60 714	73 993	157 950	157 950	157 950	165 690	173 312	182 498
4.School Sport, Culture and Media Services	31 063	37 852	23 167	1 631	1 631	1 631	1 711	1 790	1 885
5.Conditional Grants	382 593	512 047	648 120	662 788	708 172	708 172	721 152	761 703	803 228
<b>Total payments and estimates</b>	<b>16 246 553</b>	<b>18 038 016</b>	<b>19 472 806</b>	<b>20 379 583</b>	<b>20 982 178</b>	<b>21 438 141</b>	<b>22 912 346</b>	<b>25 574 344</b>	<b>27 026 145</b>

**TABLE 5.10: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: PUBLIC ORDINARY SCHOOLS**

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>15 242 100</b>	<b>16 776 124</b>	<b>18 147 150</b>	<b>18 729 351</b>	<b>19 286 803</b>	<b>19 749 480</b>	<b>20 924 299</b>	<b>23 490 708</b>	<b>24 830 005</b>
Compensation of employees	14 199 903	15 643 894	16 785 396	17 436 758	17 793 969	18 249 931	19 480 426	21 734 180	22 975 823
Goods and services	1 039 033	1 132 020	1 361 549	1 292 593	1 492 834	1 499 484	1 443 873	1 756 528	1 854 182
Interest and rent on land	3 164	210	205			65			

## Vote 5 - Education • EPRE - 2014/15

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Transfers and subsidies to</b>	<b>937 588</b>	<b>1 217 044</b>	<b>1 306 282</b>	<b>1 583 828</b>	<b>1 635 090</b>	<b>1 635 604</b>	<b>1 959 521</b>	<b>2 054 419</b>	<b>2 165 381</b>
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions	903 445	1 147 265	1 196 279	1 535 112	1 586 374	1 571 700	1 864 521	1 954 289	2 059 944
Households	34 143	69 779	110 003	48 716	48 716	63 904	95 000	100 130	105 437
<b>Payments for capital assets</b>	<b>66 865</b>	<b>44 848</b>	<b>19 374</b>	<b>66 404</b>	<b>60 285</b>	<b>53 057</b>	<b>28 526</b>	<b>29 217</b>	<b>30 758</b>
Buildings and other fixed structures			1 289		23 234	30 289	27 958	28 627	30 144
Machinery and equipment	66 865	44 848	17 521	66 404	37 051	22 768	568	590	614
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets			564						
Software and other intangible assets									
<b>Payments for financial assets</b>									
<b>Total economic classification</b>	<b>16 246 553</b>	<b>18 038 016</b>	<b>19 472 806</b>	<b>20 379 583</b>	<b>20 982 178</b>	<b>21 438 141</b>	<b>22 912 346</b>	<b>25 574 344</b>	<b>27 026 145</b>

Programme 2: Public Ordinary Schools is the largest budget programme in the department with 70 per cent of the total budget allocated to this programme in the 2014/15 financial year.

The expenditure increased by R3.2 billion from R16.2 billion in 2010/11 to R19.5 in 2012/13 with the increase influenced inter alia by the expansion of the education sector, increased learner enrolment, opening of new schools, the employment of more educators, the implementation of education interventions, and the procurement of LTSM. The implementation of the GPLMS, Extra School Support Program (ESSP) and the extension of the SSIP to more priority schools have contributed to the higher expenditure for this programme. The programme recorded higher expenditure on compensation of employees as a result of learner growth and opening of new schools. Goods and services increased due to spending on LTSM, increasing access to scholar transport to children living 5 km away from schools and higher fuel costs, expansion of the national school nutrition programme, increase in municipal costs in schools, procurement of and replacement of school furniture and inflationary costs.

Over the past five years the budget for public primary and secondary schools increased by 34.6 per cent and 46.1 per cent respectively. The increase in the allocations can be ascribed to the no-fee school policy, the increase in learners and educators and the implementation of national and provincial interventions to improve the quality of education. The intervention programmes include the resourcing of schools, especially to improve learner performance in Literacy and Numeracy in the Foundation Phase, and Languages and Mathematics in the Intermediate and Intersens Phases. Classroom resources are also accompanied by Teacher Development hence there is a substantial increase from 2010/11 to 2014/15 of in the HRD sub-programme budget.

There is also a marked increase in conditional grant budgets, which consists of Dinaledi Schools grant; HIV and AIDS; Technical Secondary Schools Recapitalisation Grant; and National School Nutrition Programme, which constitutes 3.1 per cent of the 2014/15 programme budget. These grants continue to grow over the 2014 MTEF to ensure that learner performance improves through the provision of nutritious meals to children in no fee schools. There will also be improved performance in mathematics and science through the Dinaledi conditional grant.

The programme budget increased from R20.3 billion in 2013/14 to R22.9 billion in 2014/15, representing an increase of 12.4 percent. The trend still indicates the increase under compensation of employees, which grew by 11.7 per cent, constituting a rand value of R2 billion. The increase is to counter the personnel related budgetary constraints with an allocation of R400 million allocated between public primary and secondary schools, R167 million to provide for ICS, R11.7 million for the re-grading of clerical positions and R23 million for the operational cost for the newly built Magaliesburg hostel. An amount of R15.7 million of the R23 million for the Magaliesburg Hostel is allocated to compensation of employees. Over the 2014 medium term the budget has been allocated for the same objectives as mentioned above to make provision for carry through costs. Therefore a total amount

of R1.6 billion is allocated to compensation of employees in the outer years of the MTEF, which is 2015/16 and 2016/17.

The goods and services budget increased from R1.2 billion in 2013/14 to R1.4 billion in 2014/15 showing an increase of 11.7 per cent, translating to a rand value of R151 million. The 11.7 per cent increase in the goods and services budget is sufficient to ensure that the department maintains the procurement of quality inputs for its schools. This includes the procurement of LTSM for section 20 schools, the provision for scholar transport, municipal costs for schools, allocation for school furniture and other administrative costs within the programme. The increased allocation to scholar transport and school nutrition aims to collaborate with the Department's quality upliftment programmes to improve the level of learner attainment in the province.

There has also been an increase in allocations to no-fee schools over the 2014 medium term in the form of subsidies to accommodate the increase in number of learners attending no-fee schools. Transfers to institutions have increased by 23.7 per cent for the 2014/15 financial year, from R1.5 billion to R1.9 billion. This increase is largely due to the increase in the learner per capita adequacy amount, the implementation of the no-fee policy, and compensating for fee exemptions in fee-paying schools. The transfer allocation also includes funding for the MST strategy and the GPLMS strategy. An amount of R12 million will be spent on School Safety in the 2014/15 financial year, which includes the advocacy, and development of school safety plans in all priority schools, including the training of Occupational Health and Safety Officers. A further R50.8 million will be invested in the intensification of the psycho-social services in 2014/15, which includes the early identification of learners with minor barriers and the distribution of assistive devices in the Foundation Phase to all primary school learners. In the 2014/15 financial year a total of R18.5 million is allocated to the After School Services and R58 million for the homework programme. The Parental/Family Support Programmes in no-fee schools will receive R21.9 million.

In terms of providing access to schooling the Department has budgeted just over R1 billion to implement the no-fee school policy. A further R338 million will be allocated to transport 66 000 learners to 360 schools in the province. To improve learning in schools and to alleviate poverty, the department has allocated R640 million to school nutrition that will feed over one million primary and secondary school learners.

## SERVICE DELIVERY MEASURES

### PROGRAMME 2: PUBLIC ORDINARY SCHOOL EDUCATION

Performance measures	Estimated Annual Targets		
	2014/15	2015/16	2016/17
PM201: Number of learners enrolled in public ordinary schools.	1 918 537	1 937 723	1 957 100
PM202: Number of educators employed in public ordinary schools.	53 630	53 950	54 200
PM203: Number of non-educator staff employed in public ordinary schools.	14 143	14 243	14 343
PM204: Number of learners in public ordinary schools benefiting from the "No Fee School" policy.	1 063 153	1 100 000	1 100 000
PM205: Number of learners with access to the National School Nutrition Programme.	1 063 153	1 100 000	1 100 000
PM206: Number of learners eligible to benefit from learner transport.	66 000	66 000	66 000
PM207: Number of learners with special education needs that are enrolled in public ordinary schools.	4 410	4 454	4 498
PM208: Number of full service schools providing support to learners with learning barriers.	45	45	45

### PROGRAMME 3: INDEPENDENT SCHOOL SUBSIDIES

#### Programme description

To provide independent ordinary education from Grades 1 to 12, in accordance with the South African Schools Act.

#### Programme objectives

- To support independent schools in accordance with the South African Schools Act;
- To support independent schools in Grades 1 to 7; and
- To support independent schools in Grades 8 to 12.

TABLE 5.11: SUMMARY OF PAYMENTS AND ESTIMATES: INDEPENDENT SCHOOLS SUBSIDIES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1.Primary Phase	214 352	253 807	250 287	287 038	257 038	183 446	301 103	314 954	331 647

## Vote 5 - Education • EPRE - 2014/15

2.Secondary Phase	138 684	155 197	171 159	203 266	203 266	276 858	213 226	223 034	234 855
<b>Total payments and estimates</b>	<b>353 036</b>	<b>409 004</b>	<b>421 446</b>	<b>490 304</b>	<b>460 304</b>	<b>460 304</b>	<b>514 329</b>	<b>537 988</b>	<b>566 502</b>

**TABLE 5.12: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: INDEPENDENT SCHOOLS SUBSIDIES**

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>					<b>4 000</b>	<b>4 000</b>			
Compensation of employees									
Goods and services					4 000	4 000			
Interest and rent on land									
<b>Transfers and subsidies to:</b>	<b>353 036</b>	<b>409 004</b>	<b>421 446</b>	<b>490 304</b>	<b>456 304</b>	<b>456 304</b>	<b>514 329</b>	<b>537 988</b>	<b>566 502</b>
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions	353 036	409 004	421 446	490 304	456 304	456 304	514 329	537 988	566 502
Households									
<b>Payments for capital assets</b>									
Buildings and other fixed structures									
Machinery and equipment									
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>									
<b>Total economic classification</b>	<b>353 036</b>	<b>409 004</b>	<b>421 446</b>	<b>490 304</b>	<b>460 304</b>	<b>460 304</b>	<b>514 329</b>	<b>537 988</b>	<b>566 502</b>

The Independent School sector has grown significantly from 2010/11 to 2014/15. The budget has grown overall by 45.7 per cent from R353 million to R514 million.

Subsidies to independent schools will increase with R24 million from R490 million in 2013/14 (main appropriation) to R514 million in 2014/15, indicating a percentage growth of 4.9 per cent. The subsidies to independent schools are directly linked to increased expenditure in Programme 2 as the policy is hard-normed, i.e. the budget of independent schools is directly derived from the per capita expenditure of public ordinary schools. The Department has a total of 157 independent subsidised schools and a total of 81 269 learners benefiting under this programme. Subsidies to primary schools will amount to R301 million and R213 million to secondary schools.

The Independent School directorate monitors all subsidised independent schools and ensures that the norms and standards are implemented for the improvement of learning. The monitoring is funded through compensation of employees in Programme 1: Administration. Subsidies will be paid to institutions within the stipulated time frame and the Department will increase its capacity to register new independent schools or de-register schools that does not fulfil the stipulated requirements.

## SERVICE DELIVERY MEASURES

### PROGRAMME 3: INDEPENDENT SCHOOL SUBSIDIES

Performance measures	Estimated Annual Targets		
	2014/15	2015/16	2016/17
PM301: Number of subsidised learners in Independent Schools	85 000	90 000	92 000





**PROGRAMME 4: PUBLIC SPECIAL SCHOOL EDUCATION****Programme description**

To provide compulsory public education in special schools in accordance with the South African Schools Act and White Paper 6 on inclusive education.

**Programme objectives**

- To provide specific public special schools with resources;
- To provide educators and learners in public special schools with departmentally managed support services;
- To provide departmental services for the professional and other development of educators and non-educators in public special schools; and
- To provide additional and departmentally managed sporting and cultural activities in public special schools.

**TABLE 5.13: SUMMARY OF PAYMENTS AND ESTIMATES: PUBLIC SPECIAL SCHOOLS EDUCATION**

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1.Schools	1 277 963	1 289 894	1 439 910	1 609 275	1 672 232	1 672 232	1 720 973	1 841 237	1 945 245
2.Human Resource Development	1	712	1 603	1 686	1 686	1 686	1 769	1 850	1 948
3.School Sport, Culture and Media Services	446	15	2 801	1 082	1 082	1 082	1 135	1 187	1 250
4.Conditional Grants							93 599	29 442	
<b>Total payments and estimates</b>	<b>1 278 410</b>	<b>1 290 621</b>	<b>1 444 314</b>	<b>1 612 043</b>	<b>1 675 000</b>	<b>1 675 000</b>	<b>1 817 476</b>	<b>1 873 716</b>	<b>1 948 443</b>

**TABLE 5.14: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: PUBLIC SPECIAL SCHOOL EDUCATION**

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>985 901</b>	<b>1 079 645</b>	<b>1 206 476</b>	<b>1 336 329</b>	<b>1 380 279</b>	<b>1 378 295</b>	<b>1 506 697</b>	<b>1 548 641</b>	<b>1 606 138</b>
Compensation of employees	969 401	1 072 783	1 170 860	1 295 030	1 360 987	1 360 987	1 490 961	1 532 182	1 588 807
Goods and services	16 500	6 862	35 616	41 299	19 292	17 308	15 736	16 459	17 331
Interest and rent on land									
<b>Transfers and subsidies to:</b>	<b>292 509</b>	<b>210 976</b>	<b>237 437</b>	<b>275 631</b>	<b>294 631</b>	<b>296 615</b>	<b>310 674</b>	<b>324 965</b>	<b>342 188</b>
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions	290 450	205 601	231 546	273 380	292 380	292 380	308 345	322 529	339 623
Households	2 059	5 375	5 891	2 251	2 251	4 235	2 329	2 436	2 565
<b>Payments for capital assets</b>			<b>401</b>	<b>83</b>	<b>90</b>	<b>90</b>	<b>105</b>	<b>110</b>	<b>117</b>
Buildings and other fixed structures									
Machinery and equipment			401	83	90	90	105	110	117
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>									
<b>Total economic classification</b>	<b>1 278 410</b>	<b>1 290 621</b>	<b>1 444 314</b>	<b>1 612 043</b>	<b>1 675 000</b>	<b>1 675 000</b>	<b>1 817 476</b>	<b>1 873 716</b>	<b>1 948 443</b>

The spending on the special schools has increased from R1.3 billion in 2010/11 to R1.4 billion in 2012/13; this is as a result of the department's responsibility of ensuring that all learners with special educational needs are suitably accommodated in institutions that are appropriately resourced. The spending pattern between 2010/11 and 2012/13 is reflective of this focus.

The Special School Education Programme budget for 2014/15 has increased significantly. It grew with R205

million from R1.6 billion in 2013/14 to R1.8 billion in 2014/15, a percentage increase of 12.7 percent. The budget is split to finance the resource requirements and support to 109 special schools, and is to be extended from 19 to 45 full-service schools while a portion of the budget is earmarked to be spent on the provision of various assistive devices used and required at special schools.

The increase on compensation of employee's budget amounts to 15.1 per cent from the 2013/14 to the 2014/15 financial year. This is mainly due to additional funds allocated to ICS and the OSD allocated for therapists amounting to a total of R93.5 million. The budget for goods and services shows a decrease of 61.9 per cent from R41.2 million in 2013/14 to R15.7 million in 2014/15. The decrease of the budget is as result of funds being reprioritised for implementation of teacher development and for the recruitment of class assistants at special schools.

The budget for transfer payments increased from R275 million for 2013/14 to R310 million for 2014/15; this increase amounts to R35 million. The increase in transfers can be attributed to the implementation of the department's Inclusion Strategy and the establishment and resourcing of full service schools as well as for teacher development.

The expansion budget of R34.5 million will include the early identification of learners in need of assistive devices in Public Special Schools. A further R1.7 million has been allocated to teacher development to improve the performance of educators in the special schools in the province.

## SERVICE DELIVERY MEASURES

### PROGRAMME 4: PUBLIC SPECIAL SCHOOL EDUCATION

Performance measures	Estimated Annual Targets		
	2014/15	2015/16	2016/17
PM401: Number of learners enrolled in public special schools.	40 867	41 275	41 688
PM402: Number of educators employed in public special schools.	2 990	3 010	3 035
PM403 Number of Professional non-educator staff employed in public special schools	539	550	556

### PROGRAMME 5: FURTHER EDUCATION AND TRAINING

#### Programme description

To provide FET at public FET colleges, in accordance with the Further Education and Training Act.

#### Programme objectives

- To provide specific public FET colleges with resources:
- To provide specific public youth colleges with resources:
- To provide educators and students in public FET colleges with departmentally managed support services:
- To provide departmental services for the professional development of educators and non-educators in public FET colleges:
- To provide additional and departmentally managed sporting and cultural activities in public FET colleges: and
- To provide for projects under Programme 5 specified by the Department of Higher Education and funded by conditional grants.

TABLE 5.15: SUMMARY OF PAYMENTS AND ESTIMATES: FURTHER EDUCATION AND TRAINING

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1. Conditional Grants	785 196	1 113 444	1 132 172	673 887	677 060	677 060	725 809	777 452	820 320
<b>Total payments and estimates</b>	<b>785 196</b>	<b>1 113 444</b>	<b>1 132 172</b>	<b>673 887</b>	<b>677 060</b>	<b>677 060</b>	<b>725 809</b>	<b>777 452</b>	<b>820 320</b>

## Vote 5 - Education • EPRE - 2014/15

TABLE 5.16: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: FURTHER EDUCATION AND TRAINING

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>515 560</b>	<b>551 703</b>	<b>603 632</b>	<b>672 193</b>	<b>675 182</b>	<b>675 012</b>	<b>724 004</b>	<b>775 647</b>	<b>818 515</b>
Compensation of employees	514 327	550 579	602 263	671 443	674 504	674 504	723 264	774 907	817 775
Goods and services	1 233	1 124	1 369	750	678	508	740	740	740
Interest and rent on land									
<b>Transfers and subsidies to</b>	<b>269 636</b>	<b>561 741</b>	<b>528 531</b>	<b>1 694</b>	<b>1 806</b>	<b>1 976</b>	<b>1 745</b>	<b>1 745</b>	<b>1 745</b>
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions	269 262	561 205	528 115	1 694	1 806	1 806	1 745	1 745	1 745
Households	374	536	416			170			
<b>Payments for capital assets</b>			<b>9</b>		<b>72</b>	<b>72</b>	<b>60</b>	<b>60</b>	<b>60</b>
Buildings and other fixed structures									
Machinery and equipment			9		72	72	60	60	60
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>									
<b>Total economic classification</b>	<b>785 196</b>	<b>1 113 444</b>	<b>1 132 172</b>	<b>673 887</b>	<b>677 060</b>	<b>677 060</b>	<b>725 809</b>	<b>777 452</b>	<b>820 320</b>

In 2010/11, the funding mechanism of this programme was changed from equitable share to conditional grant in preparation for the migration of the programme to the Department of Higher Education and Training (DHET). As from the 2013/14 financial year, the DHET took over the transfer of funds to FET colleges hence a reduction of budget and expenditure from R1.1 billion in 2012/13 to R677 million in 2013/14. The department retained the allocation for compensation of employees and a minimal amount to transfers to the FET colleges for the training of college staff. The department and the DHET are co-managing and monitoring the FET colleges based on an agreement between the two parties.

The FET conditional grant increased by R51.9 million from R673.9 million for 2013/14 to R725.8 million for the 2014/15 financial year. These funds will be used to facilitate personnel payments and goods and services under this programme. The transfers and subsidies allocation will be used for the training of college staff through the department's training parties.

Compensation of employees shows an increase of 7.7 per cent. The budget increased from an allocation of R671 million in 2013/14 to R723 million in 2014/15, showing an increase of R51 million. The additional money allocated in the conditional grants, has been allocated by the national department to compensate for the ICS payments

The portion of the funds allocated to the GDE will assist in improving career counselling with the aim of improving the transition from school to further education or place of work, increase access for successful Grade 12's to bursaries and the national student loan fund, or encourage learners to do vocational and technical skill courses.

**SERVICE DELIVERY MEASURES****PROGRAMME 5: FURTHER EDUCATION AND TRAINING**

Performance measures	Estimated Annual Targets		
	2014/15	2015/16	2016/17
PM501: Number of students enrolled in NC (V) courses in FET Colleges.	29 949	30 248	30 551
PM502: Number of FET College NC (V) students who completed full courses successfully.	13 443	13 578	13 714

**PROGRAMME 6: ADULT BASIC EDUCATION AND TRAINING****Programme description**

To provide ABET in accordance with the Adult Basic Education Act.

**Programme objectives**

- To provide specific public ABET sites with resources;
- To support specific private ABET sites through subsidies;
- To provide educators and students in public ABET sites with departmentally managed support services; and
- To provide departmental services for the professional and other development of educators and non-educators in public ABET sites.

**TABLE 5.17: SUMMARY OF PAYMENTS AND ESTIMATES: ADULT BASIC EDUCATION AND TRAINING**

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1.Public Centers	259 604	346 369	378 595	385 200	413 200	413 200	399 502	417 811	439 955
3.Professional Services	1 292	1 035	529	2 385	2 385	2 385	2 502	2 617	2 756
4.Human Resource Development	329	302	357	1 398	1 398	1 398	1 467	1 534	1 615
<b>Total payments and estimates</b>	<b>261 225</b>	<b>347 706</b>	<b>379 481</b>	<b>388 983</b>	<b>416 983</b>	<b>416 983</b>	<b>403 471</b>	<b>421 962</b>	<b>444 326</b>

**TABLE 5.18: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADULT BASIC EDUCATION AND TRAINING**

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>260 185</b>	<b>347 021</b>	<b>363 862</b>	<b>371 248</b>	<b>397 939</b>	<b>397 317</b>	<b>384 976</b>	<b>402 617</b>	<b>423 958</b>
Compensation of employees	183 718	249 862	342 870	351 105	379 072	379 072	364 334	381 094	401 292
Goods and services	76 467	97 159	20 992	20 143	18 867	18 245	20 642	21 523	22 666
Interest and rent on land									
<b>Transfers and subsidies to</b>	<b>622</b>	<b>271</b>	<b>15 093</b>	<b>15 911</b>	<b>18 823</b>	<b>19 445</b>	<b>18 332</b>	<b>19 175</b>	<b>20 191</b>
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions		25	14 715	15 911	18 823	18 823	18 332	19 175	20 191
Households	622	246	378			622			
<b>Payments for capital assets</b>	<b>418</b>	<b>414</b>	<b>526</b>	<b>1 824</b>	<b>221</b>	<b>221</b>	<b>163</b>	<b>170</b>	<b>177</b>
Buildings and other fixed structures	176		15						
Machinery and equipment	242	414	511	1 824	221	221	163	170	177
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>									
<b>Total economic classification</b>	<b>261 225</b>	<b>347 706</b>	<b>379 481</b>	<b>388 983</b>	<b>416 983</b>	<b>416 983</b>	<b>403 471</b>	<b>421 962</b>	<b>444 326</b>

The expenditure increased from R261.2 million in 2010/11 to R379.5 million in 2012/13. This is mainly due to the implementation of the OSD and to accommodate salary increases, to improve the conditions of service of educators as well as improve resources to the centres.

The ABET programme has a total budget of R403 million for the 2014/15 financial year. The budget increased by 3.7 per cent, which translates to a rand value of R14.4 million when compared with the main appropriation in 2013/14. The budget still accommodates further investment in resources for Adult Education and Training (AET) centres as well as supporting curriculum and policy interventions.

The personnel budget increased by 3.8 per cent in 2014/15 as a result of funds directed at improvements in the conditions of service for employees.

The goods and services budget in the programme showed a marginal increase of R499 000 or 2.5 per cent in the 2014/15 financial year. To improve the quality of teaching in AET centres, R1.4 million has been allocated to teacher development, to improve the skills of over 2 000 educators in the AET sector. A further R33.6 million has been allocated for the procurement of resources under this programme. The Department has allocated R2.5 million for curriculum and institutional development and governance. As part of the teacher development strategy in 2014/15, the Department allocated R1.4 million for AET educators who have a qualification below REQV 13 to complete their qualifications with UNISA over a period of five years.

## SERVICE DELIVERY MEASURES

### PROGRAMME 6: ADULT BASIC EDUCATION AND TRAINING

Performance measures	Estimated Annual Targets		
	2014/15	2015/16	2016/17
PM601: Number of learners enrolled in public AET Centres	87 618	88 494	89 379
PM602: Number of educators employed in public AET Centres	2 099	2 120	2 141

### PROGRAMME 7: EARLY CHILDHOOD DEVELOPMENT

#### Programme description

To provide Early Childhood Education (ECD) at Grade R and earlier levels in accordance with White Paper 5.

#### Programme objectives

- To provide specific public ordinary schools with the resources required for Grade R;
- To support particular community centres at the Grade R level;
- To provide particular sites with resources required for pre-Grade R; and
- To provide educators and learners in ECD sites with departmentally managed support services.

TABLE 5.19: SUMMARY OF PAYMENTS AND ESTIMATES: EARLY CHILDHOOD DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1. Grade R in Public Schools	160 821	303 182	321 754	553 753	553 753	553 753	647 996	833 295	878 152
2. Grade R in Community Centers			96	27 126	27 126	27 126	28 527	29 840	31 422
3. Pre-Grade R Training	235	37 646	16 809	41 547	41 547	41 547	43 583	45 588	48 004
4. Human Resource Development				13 205	13 205	13 205	13 852	14 489	15 257
<b>Total payments and estimates</b>	<b>161 056</b>	<b>340 828</b>	<b>338 659</b>	<b>635 631</b>	<b>635 631</b>	<b>635 631</b>	<b>733 958</b>	<b>923 212</b>	<b>972 835</b>

TABLE 5.20: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: EARLY CHILDHOOD DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>160 924</b>	<b>247 537</b>	<b>212 196</b>	<b>472 733</b>	<b>472 733</b>	<b>472 695</b>	<b>553 056</b>	<b>733 988</b>	<b>773 583</b>
Compensation of employees	73 975	114 926	100 722	203 609	203 609	203 609	237 437	379 046	399 291
Goods and services	86 949	132 611	111 474	269 124	269 124	269 086	315 619	354 942	374 291
Interest and rent on land									
<b>Transfers and subsidies to:</b>	<b>95</b>	<b>93 203</b>	<b>125 869</b>	<b>162 898</b>	<b>162 898</b>	<b>162 898</b>	<b>180 782</b>	<b>189 098</b>	<b>199 120</b>
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions		93 171	125 864	162 898	162 898	162 898	180 782	189 098	199 120
Households	95	32	5						
<b>Payments for capital assets</b>	<b>37</b>	<b>88</b>	<b>594</b>			<b>38</b>	<b>120</b>	<b>126</b>	<b>132</b>
Buildings and other fixed structures									
Machinery and equipment	37	88	555			38	120	126	132
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets			39						
Software and other intangible assets									
<b>Payments for financial assets</b>									
<b>Total economic classification</b>	<b>161 056</b>	<b>340 828</b>	<b>338 659</b>	<b>635 631</b>	<b>635 631</b>	<b>635 631</b>	<b>733 958</b>	<b>923 212</b>	<b>972 835</b>

The expenditure for Programme 7: ECD has increased from R161.1 million in 2010/11 to R338.7 million in 2012/13. This increase is mainly attributable to the Sub-programme: Grade R in Public Schools, which has increased by 100 per cent from 2010/11 to 2012/13, an increase of R160.9 million that can be attributed to the expansion of Grade R by providing remuneration and training to Grade R practitioners and other resources. Expenditure on compensation of employees increased by R26.7 million from R74 million in 2010/11 to R100.7 million in 2012/13; this is primarily due to ICS as well as the increased number of ECD practitioners employed to accommodate the growth of learner enrolment in the ECD programme. Goods and services increased by R24.5 million to accommodate the expansion of the Grade R sector by providing start-up kits to new sites and providing resources required to run an ECD centre.

The ECD programme budget for 2014/15 increased from R635 million in 2013/14 to R733.9 million in 2014/15, producing a growth of 15.5 per cent, which is a rand value of R98.3 million. This increase is related to funds prioritised for the procurement of LTSM for new Grade R sites. The compensation of employees budget increased from R203 million for 2013/14 to R237 million for 2014/15; this translates to a percentage increase of 16.6 per cent, amounting to R33.8 million. The allocation will fund the recruitment of Grade R practitioners and make provision for ICS.

In 2014/15, a total of R148 million has been allocated for the purchasing of start-up kits for all new Grade R centres in the province. For 2014/15, R17 million is directed at Teacher Development of pre-Grade R practitioners while the training of Grade R practitioners will receive R13.8 million. The departmental subsidies for Grade R sites amount of R134 million in 2014/15, which is part of the efforts to attain the universalisation of Grade R by 2014 with high quality practitioners teaching the learners. The Department envisages having 140 000 learners in Grade R by the end of the 2014/15 financial year.

Over the 2014 MTEF, the increase in the budget is as a result of the department's stance on universalisation of early childhood development.

## SERVICE DELIVERY MEASURES

## PROGRAMME 7: EARLY CHILDHOOD DEVELOPMENT

Performance measures	Estimated Annual Targets		
	2014/15	2015/16	2016/17
PM701: Number of learners enrolled in Grade R in public schools	95 000	100 000	110 000
PM702: Number of public schools that offer Grade R	1 299	1 312	1 325
PM703: Number of Grade R practitioners employed in public ordinary schools per quarter.	2 140	2 162	2 183

## PROGRAMME 8: INFRASTRUCTURE DEVELOPMENT

## Programme description

To provide and maintain infrastructure facilities for administration and schools.

## Programme objectives

- Infrastructure development and maintenance of buildings;
- Office infrastructure development and maintenance;
- Infrastructure development and maintenance in public ordinary schools (main stream and full service schools);
- Special schools infrastructure development and maintenance; and
- Infrastructure development and maintenance for Early Childhood Development.

TABLE 5.21: SUMMARY OF PAYMENTS AND ESTIMATES: INFRASTRUCTURE DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1. Administration	18 950	21 549	57 503	34 500	19 500	43 711	22 000	25 000	55 000
2. Public Ordinary Schools	703 622	1 253 642	1 246 494	1 097 403	1 619 692	1 595 481	1 450 282	1 526 929	961 916
3. Special Schools	18	6 588	28 265	92 114	44 891	44 891	185 490	262 000	52 000
4. Early Childhood Development	3 465	247 830	337 196	35 177	29 802	29 802	28 863	153 513	106 500
<b>Total payments and estimates</b>	<b>726 055</b>	<b>1 529 609</b>	<b>1 669 458</b>	<b>1 259 194</b>	<b>1 713 885</b>	<b>1 713 885</b>	<b>1 686 635</b>	<b>1 967 442</b>	<b>1 175 416</b>

TABLE 5.22: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: INFRASTRUCTURE DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>77 721</b>	<b>271 048</b>	<b>329 981</b>	<b>301 000</b>	<b>301 000</b>	<b>301 000</b>	<b>252 296</b>	<b>228 445</b>	<b>365 072</b>
Compensation of employees									
Goods and services	77 721	271 048	329 981	301 000	301 000	301 000	252 296	228 445	365 072
Interest and rent on land									
<b>Transfers and subsidies to:</b>									
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households									
<b>Payments for capital assets</b>	<b>648 334</b>	<b>1 258 561</b>	<b>1 339 477</b>	<b>958 194</b>	<b>1 412 885</b>	<b>1 412 885</b>	<b>1 434 339</b>	<b>1 738 997</b>	<b>810 344</b>
Buildings and other fixed structures	625 888	1 258 561	1 334 121	930 694	1 400 385	1 400 385	1 412 339	1 713 997	755 344
Machinery and equipment									
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets	22 446		5 356	27 500	12 500	12 500	22 000	25 000	55 000
Software and other intangible assets									
<b>Payments for financial assets</b>									
<b>Total economic classification</b>	<b>726 055</b>	<b>1 529 609</b>	<b>1 669 458</b>	<b>1 259 194</b>	<b>1 713 885</b>	<b>1 713 885</b>	<b>1 686 635</b>	<b>1 967 442</b>	<b>1 175 416</b>

The programme recorded an increase on spending from R726.1 million in 2010/11 to R1.7 billion in 2012/13; this is supported by the need to eradicate backlogs in schools by accelerating construction, maintenance, upgrading and rehabilitation of infrastructure at schools.

Due to slow spending on infrastructure, budget allocation in 2013/14 and over the 2014 MTEF is allocated based on evidence submitted on projects that will be successfully implemented within a financial year, and this explains the decrease in budget from R1.7 billion in 2012/13 to R1.3 billion in 2013/14. However in the 2013/14 adjustment budget, the Department was allocated additional funding to the value of R454.7 million of which R122.8 million was allocated to finance contractual obligations, R100 million for Fochville and Magaliesburg boarding schools, R131.9 million to provide emergency classrooms and R100 million for alternative construction technology.

In 2014/15, the programme budget for infrastructure is R1.7 billion, which constitutes R623.6 million from the infrastructure grant and R1.1 billion from equitable share. An amount of R253 million will fund the maintenance of the schools and R1.4 billion will fund the construction, upgrading and rehabilitation of schools. The allocation on the infrastructure grant was reduced over the 2014 MTEF due to the allocation system that was used as per the 2013 DORA, which requires departments to bid for their budget allocations, and therefore the outcome resulted in the Education infrastructure grant being revised downward in 2014/15 and 2015/16, and not allocated at all in 2016/17. This explains the reduction of the outer year budget.

The Sub-programme: Public Ordinary Schools receives the largest portion of the infrastructure budget, with an allocation of R1.5 billion in the 2014/15 financial year. The increase in the budget is an indication of the effort the Department is putting in, to ensure that every learner has access to education in the province.

The budget for the Sub-Programme: Special Schools increased with 101.4 percent, a rand value increase of R108 million. The budget increased from R92.1 million in the 2013/14 main appropriation, to R185 million in 2014/15. The infrastructure funds will be utilised for the maintenance and rehabilitation of schools and the conversion of schools to Full Service Schools.

The budget for payment for capital assets, which includes the line item buildings and other fixed assets, increased by 34 per cent, which translates to an amount of R476.1 million. This increase can be attributed to the focus of the refurbishment of fixed structures as well as provision of mobile classrooms, maintenance and repairs, upgrading and refurbishment of infrastructure.

## **SERVICE DELIVERY MEASURES**

### **PROGRAMME 8: INFRASTRUCTURE DEVELOPMENT**

<b>Performance measures</b>	<b>Estimated Annual Targets</b>		
	<b>2014/15</b>	<b>2015/16</b>	<b>2016/17</b>
PM801: Number of public ordinary schools to be provided with water supply.	6	6	6
PM802: Number of public ordinary schools to be provided with electricity supply.	6	6	6
PM803: Number of public ordinary schools to be supplied with sanitation facilities.	6	6	6
PM804: Number of classrooms to be built in public ordinary schools.	165	167	167
PM805: Number of specialist rooms to be built in public ordinary schools.	350	354	354

### **PROGRAMME 9: AUXILIARY AND ASSOCIATED SERVICES**

#### **Programme description**

To provide training and support to all education institutions.

#### **Programme objectives**

- To provide employee Human Resources Development (HRD) in accordance with the Skills Development Act;
- To provide for special departmentally managed intervention projects in the education system as a whole;
- Provide educators and learners in public ordinary schools with departmentally managed support services; and
- Provide departmentally managed examination services.



TABLE 5.23: SUMMARY OF PAYMENTS AND ESTIMATES: AUXILLIARY AND ASSOCIATED SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1. Payments To SETA	14 424	18 886	20 144	21 212	21 212	21 212	22 251	23 275	24 509
2. Professional Services	340 625	499 448	446 101	766 360	1 060 703	1 060 703	815 086	964 420	996 694
3. Special Projects	163 808	229 621	312 271	369 349	369 349	369 349	417 551	436 758	460 389
4. External Examinations	129 078	163 915	205 629	230 642	231 299	231 299	240 932	252 015	265 372
4. Conditional Grants				25 674	28 674	28 674	38 466		
<b>Total payments and estimates</b>	<b>647 935</b>	<b>911 870</b>	<b>984 145</b>	<b>1 413 237</b>	<b>1 711 237</b>	<b>1 711 237</b>	<b>1 534 286</b>	<b>1 676 468</b>	<b>1 746 964</b>

TABLE 5.24: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: AUXILLIARY AND ASSOCIATED SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>449 855</b>	<b>600 723</b>	<b>695 410</b>	<b>915 385</b>	<b>1 168 086</b>	<b>1 167 996</b>	<b>783 659</b>	<b>925 828</b>	<b>966 248</b>
Compensation of employees	96 411	102 149	149 983	161 767	372 545	372 443	363 372	377 030	397 013
Goods and services	353 444	498 574	545 427	753 618	795 541	795 553	420 287	548 798	569 235
Interest and rent on land									
<b>Transfers and subsidies to</b>	<b>196 571</b>	<b>310 684</b>	<b>282 065</b>	<b>497 740</b>	<b>528 058</b>	<b>528 148</b>	<b>734 484</b>	<b>730 784</b>	<b>759 807</b>
Provinces and municipalities									
Departmental agencies and accounts	14 413	18 886	20 144	21 212	21 212	21 212	22 251	23 275	24 509
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions	121 110	219 366	168 181	326 528	356 846	356 846	532 233	507 687	524 885
Households	61 048	72 432	93 740	150 000	150 000	150 090	180 000	199 822	210 413
<b>Payments for capital assets</b>	<b>1 509</b>	<b>463</b>	<b>6 670</b>	<b>112</b>	<b>15 093</b>	<b>15 093</b>	<b>16 143</b>	<b>19 856</b>	<b>20 909</b>
Buildings and other fixed structures			8			4			
Machinery and equipment	1 393	463	6 079	112	15 085	15 081	16 083	19 856	20 909
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets			583						
Software and other intangible assets	116				8	8	60		
<b>Payments for financial assets</b>									
<b>Total economic classification</b>	<b>647 935</b>	<b>911 870</b>	<b>984 145</b>	<b>1 413 237</b>	<b>1 711 237</b>	<b>1 711 237</b>	<b>1 534 286</b>	<b>1 676 468</b>	<b>1 746 964</b>

The expenditure for the Auxiliary and Associated Services programme increased by R336.2 million from R647.9 million for 2010/11 to R984.1 million for the 2012/13 financial year. The key cost drivers in this programme include payment of stipends to exam markers, moderators and ESSP practitioners, travel claims by exam markers, bursaries to good performing students and the provision of learnership as facilitated by the GCRA, as well as transfers to related parties for interventions such as the GPLMS, the SSIP, Teacher Development Strategy and the MST. Costs have increased in this programme due to an increase in the number of learners registered to write matric examinations. The registration of Grade 12 learners in the final examinations grew from 92 241 learners in 2010 academic year to 107 687 in the 2014 academic year, an increase of 14 per cent or 15 446 learners.

Auxiliary and Associated Services received an allocated budget of R1.5 billion showing an increase of 8.6 per cent with a rand value of R121 million. The programme funding for 2014/15 includes the social sector and the integrated Expanded Public Works Programme (EPWP) grant. The social sector incentives grant amounts to R36 million and R2.5 million for EPWP integrated grant. The objective of the grants is to increase job creation, focusing on strengthening and expansion of education sector services. Additional funds have been allocated for the running costs involved with the ANA in Grades 1, 3 and 9. Compensation for employees increased by 124.6 per cent from R161 million to R363 million for the 2014/15 financial year, as a result of reclassification of the budget allocated for payment of ESSP practitioners, from transfers and subsidies to compensation of employees.

The goods and services budget for the programme decreased from R753 million for 2013/14 (main appropriation) to R420 million in 2014/15, a decrease of 44.2 per cent, as funds were prioritised to transfers to related parties implementing intervention strategies of the department. This is also in support of the growth on transfers and subsidies budget, which grew by R236 million from R497 million in 2013/14 to R734 million in the 2014/15 financial year.

The Gauteng City Region Academy (GCRA) will receive an allocation of R326 million. These funds are for the continued expansion of the MSP. The MSP funding includes the provision of bursaries to the top three learners from no-fee schools and other learners based on their performance. Exams will receive an administration budget of R115 million and R125 million for exam markers and moderators respectively, who get paid a stipend as per the Personal Administration Measures (PAM).

A significant portion of the department's budget is devoted to the intervention strategies to improve the quality of learning in the province. Funds are allocated to the GPLMS for primary and secondary schools. This includes R288 million for Literacy and R22.6 million for Numeracy. The Intersen Strategy has an allocated amount of R38 million for teacher development and R126 million for resources in the classroom, which include lesson plans, textbooks, learner and teacher support material.

To further improve the FET phase in our secondary schools, with special emphasis on the Grade 12 results in Mathematics and Science, the department will invest R172 million in the SSIP programme. The budget for MST amounts to R281 million and the SIPP programme will be expanded to include Grades 8 and 9.

## SERVICE DELIVERY MEASURES

### PROGRAMME 9: AUXILIARY AND ASSOCIATED SERVICES

Performance measures	Estimated Annual Targets		
	2014/15	2015/16	2016/17
PM901: Number of candidates in Grade 12 who wrote National Senior Certificate (NSC) examinations.	107 687	118 455	130 301
PM902: Number of candidates who passed National Senior Certificate.	86 149	94 764	95 712
PM903: Number of learners who obtained Bachelor passes in the National Senior Certificate (NSC).	33 101	33 432	33 766
PM904: Number of learners who passed Maths in the NSC examinations.	27 422	27 696	27 973
PM905: Number of learners who passed Physical Science in the NSC examinations.	22 783	23 010	23 240
PM906: Number of Grade 3 learners who passed Language in the Annual National Assessment (ANA).	98 700	99 687	100 684
PM907: Number of Grade 3 learners who passed Maths in the Annual National Assessment (ANA).	98 700	99 687	100 684
PM908: Number of Grade 6 learners who passed Language in the Annual National Assessment (ANA).	85 860	86 718	87 586
PM909: Number of Grade 6 learners who passed Maths in the Annual National Assessment (ANA).	85 860	86 718	87 586
PM910: Number of Grade 9 learners who passed Language in the Annual National Assessment (ANA).	94 221	95 163	96 115
PM911: Number of Grade 9 learners who passed Maths in the Annual National Assessment (ANA).	94 221	95 163	96 115

## 9. OTHER PROGRAMME INFORMATION

### 9.1 Personnel numbers and costs

TABLE 5. 25: PERSONNEL NUMBERS AND COSTS: EDUCATION

Personnel numbers	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	As at 31 March 2017
1. Administration	5 076	5 275	5 094	4 523	4 998	5 153	5 292
2. Public Ordinary schools	65 032	67 048	66 049	68 319	68 868	68 986	69 056
3. Independent Schools							
4. Public Special schools Education	4 758	5 093	5 024	5 186	5 220	5 224	5 248
5. Further Education and Training	2 221	2 314	2 292	2 346	2 395	2 395	2 395
6. Adult Basic Education and Training	2 220	2 329	2 428	2 730	2 730	2 730	2 730
7. Early Childhood Development	2 290	3 003	2 788	3 163	3 890	4 922	5 000
8. Infrastructure Development							
9. Auxiliary and associated Services	9 873	11 001	18 304	24 775	24 775	24 775	24 775
<b>Total departmental personnel numbers</b>	<b>91 470</b>	<b>96 063</b>	<b>101 979</b>	<b>111 042</b>	<b>112 876</b>	<b>114 185</b>	<b>114 496</b>
Total provincial personnel cost (R thousand)	17 355 058	19 370 174	21 040 358	23 203 024	24 703 031	27 291 025	28 801 339
Unit cost (R thousand)	190	202	223	189	219	239	252

TABLE 5.26: SUMMARY OF DEPARTMENTAL PERSONNEL NUMBERS AND COSTS: EDUCATION

Outcome				Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Total for department</b>									
Personnel numbers (head count)	91 470	96 063	101 979	111 042	111 042	111 042	112 876	114 185	114 496
Personnel cost (R thousands)	17 355 058	19 370 174	21 040 358	22 082 190	22 747 164	23 203 024	24 703 031	27 291 025	28 801 339
<b>Human resources component</b>									
Personnel numbers (head count)	602	402	386	390	390	390	394	398	402
Personnel cost (R thousands)	97 261	107 510	162 798	164 426	164 426	164 426	166 070	167 731	169 408
Head count as % of total for department	0.66%	0.42%	0.38%	0.35%	0.35%	0.35%	0.35%	0.35%	0.35%
Personnel cost as % of total for department	0.56%	0.56%	0.77%	0.74%	0.72%	0.71%	0.67%	0.61%	0.59%
<b>Finance component</b>									
Personnel numbers (head count)	335	354	278	281	281	281	284	286	289
Personnel cost (R thousands)	57 921	64 042	45 016	45 466	45 466	45 466	45 921	46 380	46 844
Head count as % of total for department	0.37%	0.37%	0.27%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
Personnel cost as % of total for department	0.33%	0.33%	0.21%	0.21%	0.20%	0.20%	0.19%	0.17%	0.16%
<b>Full time workers</b>									
Personnel numbers (head count)	91 470	96 063	101 979	111 042	111 042	111 042	112 876	114 185	114 496
Personnel cost (R thousands)	17 355 058	19 370 174	21 040 358	22 082 190	22 747 164	23 203 024	24 703 031	27 291 025	28 801 339
Head count as % of total for department	100%	100%	100%	100%	100%	100%	100%	100%	100%
Personnel cost as % of total for department	100%	100%	100%	100%	100%	100%	100%	100%	100%
<b>Part-time workers</b>									
Personnel numbers (head count)	6 915	7 365	21 092	21 303	21 303	21 303	21 516	21 731	21 949
Personnel cost (R thousands)	243 669	352 552	351 937	374 461	374 461	374 461	378 206	381 988	385 808
Head count as % of total for department	7.56%	7.67%	20.68%	19.18%	19.18%	19.18%	19.06%	19.03%	19.17%
Personnel cost as % of total for department	1.40%	1.82%	1.67%	1.70%	1.65%	1.61%	1.53%	1.40%	1.34%
<b>Contract workers</b>									
Personnel numbers (head count)	178	2 107	2 169	2 236	2 236	2 236	2 258	2 281	2 304
Personnel cost (R thousands)	46 130	109 493	309 118	247 827	247 827	247 827	250 305	252 808	255 336
Head count as % of total for department	0.19%	2.19%	2.13%	2.01%	2.01%	2.01%	2.00%	2.00%	2.01%
Personnel cost as % of total for department	0.27%	0.57%	1.47%	1.12%	1.09%	1.07%	1.01%	0.93%	0.89%

The personnel numbers highlight that the commitment of the department to decrease the learner educator ratio and average class sizes at schools will not materialise as the recurrent cost of the personnel does not allow the department to employ additional educators. There is an increase in the number of personnel at school level, but this is to maintain the current average and an attempt to address growth in learner enrolment. There is a substantial increase in personnel costs as a result of the implementation of cost of living increases, the implementation of OSD, compliance with government policy resolution of maintaining the prescribed learner-educator ratio, and other costs incurred related to the requirements of Personnel Administration Measures (PAM), that requires that an educator must be appointed in a post where a permanent incumbent is absent due to maternity, sick and study leave, suspension or secondment.

The department's personnel number has increased over the last three years as a result of a concerted effort to meet the policy targets for public schools in respect of learner: educator ratios that are now within the policy targets. Over the 2014 MTEF, the department will appoint 671 quintile 1 educators with the earmarked allocation of R492.2 million.

## 9.2 Training

TABLE 5. 27: PAYMENT ON TRAINING: EDUCATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>1. Administration</b>	<b>18 899</b>	<b>20 118</b>	<b>15 220</b>	<b>16 693</b>	<b>17 023</b>	<b>4 168</b>	<b>17 034</b>	<b>17 817</b>	<b>19 146</b>
Subsistence and travel									
Payments on tuition	18 899	20 118	15 220	16 693	17 023	4 168	17 034	17 817	19 146
Other									
<b>2. Public Ordinary School Education</b>	<b>103 497</b>	<b>56 478</b>	<b>90 890</b>	<b>234 146</b>	<b>166 522</b>	<b>163 841</b>	<b>173 496</b>	<b>181 058</b>	<b>193 147</b>
Subsistence and travel									
Payments on tuition	103 497	56 478	90 890	234 146	166 522	163 841	173 496	181 058	193 147
Other									
<b>3. Independent School Subsidies</b>									
Subsistence and travel									
Payments on tuition									
Other									
<b>4. Public Special School Education</b>		<b>736</b>	<b>16 547</b>	<b>3 004</b>	<b>2 495</b>	<b>21 015</b>	<b>22 156</b>	<b>23 175</b>	<b>24 404</b>
Subsistence and travel									
Payments on tuition		736	16 547	3 004	2 495	21 015	22 156	23 175	24 404
Other									
<b>5. Further Education And Training</b>	<b>98</b>	<b>286</b>	<b>44</b>	<b>20</b>					
Subsistence and travel									
Payments on tuition	98	286	44	20					
Other									
<b>6. Adult Basic Education And Training</b>	<b>8 242</b>	<b>9 199</b>	<b>3 475</b>	<b>1 644</b>	<b>3 163</b>	<b>1 663</b>	<b>7 267</b>	<b>7 643</b>	<b>8 048</b>
Subsistence and travel									
Payments on tuition	8 242	9 199	3 475	1 644	3 163	1 663	7 267	7 643	8 048
Other									
<b>7. Early Childhood Development</b>	<b>24 999</b>	<b>11 495</b>	<b>32 063</b>	<b>66 400</b>	<b>65 789</b>	<b>56 621</b>	<b>45 852</b>	<b>70 925</b>	<b>51 836</b>
Subsistence and travel									
Payments on tuition	24 999	11 495	32 063	66 400	65 789	56 621	45 852	70 925	51 836
Other									
<b>8. Infrastructure Development</b>									
Subsistence and travel									
Payments on tuition									
Other									
<b>9. Auxiliary And Associated Services</b>	<b>93 699</b>	<b>168 063</b>	<b>221 014</b>	<b>192 026</b>	<b>228 394</b>	<b>228 480</b>	<b>133 172</b>	<b>162 957</b>	<b>112 166</b>
Subsistence and travel									
Payments on tuition	93 699	168 063	221 014	192 026	228 394	228 480	133 172	162 957	112 166
Other									
<b>Total payments on training</b>	<b>249 434</b>	<b>266 375</b>	<b>379 253</b>	<b>513 933</b>	<b>483 386</b>	<b>475 688</b>	<b>396 777</b>	<b>461 219</b>	<b>406 266</b>

## Vote 5 - Education • EPRE - 2014/15

TABLE 5.28: INFORMATION ON TRAINING: EDUCATION

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Number of staff	91 470	96 063	101 979	111 042	111 042	111 042	112 876	114 185	114 496
Number of personnel trained	27 759	30 786	49 056	38 390	43 926	47 308	38 808	39 608	40 408
of which									
Male	10 015	13 983	20 174	18 756	20 805	22 056	19 015	19 415	19 815
Female	17 744	16 803	28 882	19 634	23 121	25 252	19 793	20 193	20 593
Number of training opportunities	1 398	394	15 719	35 008	35 008	35 008	35 808	36 608	37 408
of which									
Tertiary	1 253	4	600	1 525	1 525	1 525	1 625	1 725	1 825
Workshops	145	380	15 119	33 483	33 483	33 483	34 183	34 883	35 583
Seminars		10							
Other									
Number of bursaries offered	4 523	3 819	1 508	4 283	345	4 283	3 655	3 755	3 855
Number of interns appointed	627	449	4 676	383	1 225	1 600	2 100	2 150	2 200
Number of learnership appointed	2 440	64	1 728	1 313	3 187	4 500	4 500	4 500	4 500
Number of days spent on training			100 011	10 146	26 754	36 900			

The department conducts a number of formal and certificated programmes to support both educators and public service staff. This includes awarding bursaries to individuals for programmes lasting a year or more. Training is also provided in a form of short programmes and skills programmes for administration support staff members. Teacher development programmes are implemented through Matthew Goniwe School of Leadership and Governance, Sci-Bono Discovery Centre and Gauteng Education Development Trust. The strategic focus is the implementation of the Teacher development strategy, with the main focus being on Maths, Science and Technology, CAPS and targeted focus on underperforming schools. These programmes have three main aims: to respond to growth needs identified through performance management systems; to address targets identified through system-wide improvement strategies; and to support enhancement and continuous professional development.

### 9.3 Reconciliation of structural changes

N/A

## 10. CROSS CUTTING ISSUES

Cross Cutting Issue	Programme and sub-programme	Indicator/ Measure	Target	Output	Outcome	MTEF BUDGET		
						R thousand		
						2014/15	2015/16	2016/17
Women	There should be 50 percent women in senior management	Equity reports indicate an increase in women representation in Senior Management position i.e. (MMS and SMS)	50 percent women appointed into Senior positions (MMS and SMS)	Establishment of a cohort of women eligible for MMS and SMS position	Women in management are mentored and supported conducive environment created	R2 000	R3 000	R3 200
		Sustainable system to ensure that numbers do not dwindle	A responsive system to maintain the 50percentage of women appointed in Senior positions	Establishment of a system that is gender sensitive	Internal transformation process of the department supports equal representation and participation			
	50 percent of beneficiaries of education and training programmes should be women	Reports to indicate an increase in women beneficiaries in Education and Training programmes	50 percent of women in Education and Training programmes	Creation of a pool of women exposed to focused Education and Training programmes	Equal access to Education and Training	R1 500	R2 000	R2 000
		Disaggregate data available	Focused training programmes for women					

Cross Cutting Issue	Programme and sub-programme	Indicator/ Measure	Target	Output	Outcome	MTEF BUDGET		
						R thousand		
						2014/15	2015/16	2016/17
	Promotion of women owned businesses	Review existing procurement policies and ensure preferential and treatment workability  Signed and approved "set" aside procurement procedures  Create a database of women owned business	20 percent of women owned business to be set aside	Establishment of women owned businesses which are sustainable	Preferential procurement procedure and women empowerment and increase the number of women that can complete in the business market and be able to sustain their businesses	R1 500	R2 000	R2 200
	Establishment of coordinating forums/ structures	Functional coordination structures e.g. departmental gender working committee	Representatives from head office, district offices, agencies and unions	Ensuring the implementation of the GPG five year priorities	Priorities implemented and sustained	R 1 000	R 1 500	R1 500
	Promotion of human rights for women through advocacy programmes promoting women's rights	Informed women on human rights,  And are skilled on how to access and utilise information	Women in the employment of GDE and girl learners	Establish a database of available services and information on human rights	Maximum of exposure of women to available services	R 1 500	R 1 500	R2 000
<b>Youth</b>	The learnerships and internship programmes should benefit the youth	Tight implementation of the provincial learner ship framework  Develop a database of learners who need placement	20 percentage of students placed on learnership programmes through SETA parastatals and private companies PPP to be tightened	Create a pool of learners to be placed according to needs and qualification	Maximum exposure of learners into the world of work	R1 500	R2 000	R2 500
	The youth should benefit from bursaries and training programmes	Reports and statistics to indicate an increase of youth accessing bursaries and training  Colleges to become training providers  Access to the database of youth through GCRA	20 percent of youth are eligible to access bursaries and training programmes  All colleges to accept and be accessible to learners for purposes of training	Bursaries to be available for youth and training programmes	Access to bursaries and training programmes targeting youth	R2 500	R3 000	R3 000
	Promotion of youth owned businesses	Review existing procurement policies and ensure preferential treatment and workability  Signed and approved "set" aside procurement procedures for youth owned business  Create a database of youth owned business	10 percent of youth owned business to be set aside	Establishment of youth owned businesses which are sustainable	Preferential procurement procedure and youth empowerment  Increase in the number of youth owned business that can compete and be sustained in the business market	R2 000	R2 500	R2 500
	Youth should benefit from career guidance	Tight implementation of the career guidance programme from Grade 9 - 12	percentage of learners benefiting from career guidance from Grade 9	Create a database of potential providers of career guidance opportunities	Maximum exposure of youth to career guidance opportunities	R 2 500	R 3 000	R3 000
	Establishment of coordinating forums/ structures	Functional coordination structures e.g. departmental youth forum	Representatives from head office, district offices, agencies and unions	Ensuring the implementation of the GPG five year priorities	Priorities implemented and sustained	R 1 000	R 1.500	R1 500
	Promotion of human rights for youth through advocacy programmes promoting youth rights	Informed youth on human rights,  And are skilled on how to access and utilise information	Youth in the employment of GDE and boy/girl learners	Establish a database of available services and information on human rights	Maximum of exposure of youth to available services	R 1 500	R 1 500	R1 500

## Vote 5 - Education • EPRE - 2014/15

Cross Cutting Issue	Programme and sub-programme	Indicator/ Measure	Target	Output	Outcome	MTEF BUDGET		
						R thousand		
						2014/15	2015/16	2016/17
<b>People with Disabilities (PWDs)</b>	2 percent of employees should be PwDs	Equity reports to indicate an increase in PwD representation at all levels of employment	2 percent of PwDs to be appointed into positions	Establishment of a cohort of PwD eligible for employment at all levels	PwD are mentored and supported	R1 000	R1 500	R2 000
		Preferential recruitment for PwDs Reasonable accommodation			Create a conducive environment for PwD			
	The PwDs should benefit from bursaries and training programmes	Reports and statistics to indicate an increase in the number of PwD accessing bursaries and training programmes	2 percentage of PwD applying and being offered bursaries and training programmes	Preferential treatment for bursaries set aside for PwD and training programmes specially based on PwD	Access to bursaries and training programmes for PwD	R1 500	R2 00	R2 500
		Audit of PwD in the system						
	Promotion of PwDs businesses	Singed and approved "set" aside procurement procedures for PwD	2 percent of PwD owned business to be set aside	Establishment of PwD owned business which are sustainable	Preferential procurement procedure and PwD empowerment	R2 000	R2 500	R3 000
		Implementation of existing procurement policies			Increase in the number of PwD's owned businesses which are supported and sustainable			
	Establishment of coordinating forums/ structures	Functional coordination structures e.g. departmental disability working committee	Representatives from head office, district offices, agencies and unions	Ensuring the implementation of the GPG five year priorities	Priorities implemented and sustained	R 1 000	R 1 500	R1 500
	Promotion of human rights for PwD's through advocacy programmes promoting women's rights	Informed PwD's on human rights, And are skilled on how to access and utilise information	PwD's in the employment of GDE and learners with disabilities	Establish a database of available services and information on human rights	Maximum of exposure of PwD's to available services	R 1 500	R 1 500	R1 500
<b>PwDs</b>	2 percent of employees should be PwDs	Equity reports to indicate an increase in PwD representation at all levels of employment	2 percent of PwDs to be appointed into positions	Establishment of a cohort of PwD eligible for employment at all levels	PwD are mentored and supported	R1 000	R1 500	R2 000
		Preferential recruitment for PwDs Reasonable accommodation			Create a conducive environment for PwD			

# **ANNEXURES TO THE ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE**



## Vote 5 - Education • EPRE - 2014/15

TABLE 5.29: SPECIFICATION ON RECEIPTS: EDUCATION

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Tax receipts</b>									
Casino taxes									
Horse racing taxes									
Liquor licences									
Motor vehicle licences									
<b>Sales of goods and services other than capital assets</b>	<b>17 233</b>	<b>20 051</b>	<b>21 651</b>	<b>20 315</b>	<b>20 315</b>	<b>20 315</b>	<b>20 823</b>	<b>21 344</b>	<b>21 878</b>
Sale of goods and services produced by department (excluding capital assets)	17 127	19 997	21 651	20 315	20 315	20 315	20 823	21 344	21 878
Sales by market establishments	16 943	1 971							
Administrative fees									
Other sales	184	18 026	21 651	20 315	20 315	20 315	20 823	21 344	21 878
Sales of scrap, waste, arms and other used current goods (excluding capital assets)	106	54							
<b>Transfers received from:</b>	<b>27</b>	<b>53</b>	<b>151</b>	<b>35</b>	<b>35</b>	<b>35</b>	<b>36</b>	<b>37</b>	<b>38</b>
Other governmental units									
Universities and technikons									
Foreign governments									
International organisations									
Public corporations and private enterprises									
Households and non-profit institutions	27	53	151	35	35	35	36	37	38
<b>Fines, penalties and forfeits</b>									
<b>Interest, dividends and rent on land</b>	<b>1 235</b>	<b>3 014</b>	<b>7 000</b>	<b>2 131</b>	<b>2 131</b>	<b>2 131</b>	<b>2 184</b>	<b>2 239</b>	<b>2 295</b>
Interest									
Dividends	1 235	3 014	7 000	2 131	2 131	2 131	2 184	2 239	2 295
Rent on land									
<b>Sales of capital assets</b>	<b>45</b>	<b>257</b>							
Land and sub-soil assets		45	257						
Other capital assets									
<b>Transactions in financial assets and liabilities</b>	<b>18 568</b>	<b>21 289</b>	<b>19 553</b>	<b>21 619</b>	<b>21 619</b>	<b>21 619</b>	<b>22 159</b>	<b>22 713</b>	<b>23 281</b>
<b>Total departmental receipts</b>	<b>37 063</b>	<b>44 452</b>	<b>48 612</b>	<b>44 100</b>	<b>44 100</b>	<b>44 100</b>	<b>45 202</b>	<b>46 333</b>	<b>47 492</b>

TABLE 5.30: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>1 757 824</b>	<b>2 045 570</b>	<b>2 383 120</b>	<b>2 399 985</b>	<b>2 398 033</b>	<b>2 397 933</b>	<b>2 490 640</b>	<b>2 580 568</b>	<b>2 714 124</b>
Compensation of employees	1 317 323	1 635 981	1 888 264	1 962 478	1 962 478	1 962 478	2 043 237	2 112 586	2 221 337
Salaries and wages	1 128 641	1 398 583	1 603 674	1 684 985	1 684 985	1 668 938	1 748 840	1 805 085	1 897 957
Social contributions	188 682	237 398	284 590	277 493	277 493	293 540	294 397	307 501	323 380
Goods and services	440 473	409 577	492 118	437 507	435 555	435 155	447 403	467 982	492 787
Administrative fees	924	1 425	1 567	355	359	1 355	264	276	290
Advertising	12 112	5 196	4 956	7 343	9 368	8 236	5 299	5 542	5 836
Assets less than the capitalisation threshold	5 713	3 270	1 553	5 173	1 785	1 199	1 708	1 786	1 880
Audit cost: External	10 718	8 002	11 337	18 732	17 725	17 725	20 182	21 110	22 229
Bursaries: Employees	2 403	2 306	1 224		11 005	52	7 700	8 054	8 480
Catering: Departmental activities	1 433	1 480	981	508	786	654	1 858	1 944	2 045
Communication (G&S)	24 983	43 149	43 565	14 937	15 854	23 655	15 502	16 216	17 076
Computer services	31 907	36 410	61 608	58 931	62 301	51 851	50 361	52 677	55 469
Consultants and professional services: Business and advisory services	15 557	13 665	12 161	18 199	18 189	18 189	29 855	31 228	32 899

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Consultants and professional services: Infrastructure and planning		281							
Consultants and professional services: Legal costs	12 229	16 561	26 675	9 802	9 802	57 658	10 170	10 638	18 716
Contractors	1 927	1 359	1 243	2 475	2 401	939	3 118	3 262	3 419
Agency and support / outsourced services	88 559	83 633	90 125	71 831	76 019	58 932	95 659	100 060	105 364
Entertainment		1		3	53	53	93	97	102
Fleet services (including government motor transport)	32 694	30 059	37 678		12 756	252	16 925	18 080	19 039
Housing									
Inventory: Clothing material and accessories						1	2	2	2
Inventory: Farming supplies									
Inventory: Food and food supplies						27			
Inventory: Fuel, oil and gas						174			
Inventory: Learner and teacher support material	467	620	587	655	277	57	2 520	2 636	2 775
Inventory: Materials and supplies	742	581	280	217	136	136	57	59	62
Inventory: Medical supplies		5	2		7	7	3	3	3
Inventory: Medicine									
Medsas inventory interface									
Inventory: Other supplies									
Consumable supplies	21 798	3 730	2 538	501	5 903	1 780	5 632	5 892	6 205
Consumable: Stationery, printing and office supplies	9 615	12 662	10 522	11 403	10 697	6 680	8 996	9 410	9 909
Operating leases	74 370	57 709	95 387	111 439	107 419	107 304	109 053	114 069	120 115
Property payments	39 897	15 643	34 397	41 603	23 234	24 911	18 164	19 000	20 007
Transport provided: Departmental activity	57	162	429		45	45	160	167	176
Travel and subsistence	18 668	22 941	29 410	38 794	33 087	35 641	21 813	22 440	15 733
Training and development	16 496	17 812	13 996	16 693	6 018	4 116	9 334	9 763	10 666
Operating payments	11 575	26 687	8 941	5 637	8 727	12 097	11 075	11 584	12 198
Venues and facilities	5 629	4 228	956	2 276	1 602	1 429	1 900	1 987	2 092
Rental and hiring									
Interest and rent on land	28	12	2 738			300			
Interest	28	12	2 738			300			
Rent on land									
<b>Transfers and subsidies</b>	<b>5 241</b>	<b>11 338</b>	<b>10 850</b>	<b>5 258</b>	<b>5 259</b>	<b>7 629</b>	<b>4 767</b>	<b>4 987</b>	<b>5 251</b>
Provinces and municipalities						17			
Provinces									
Provincial agencies and funds									
Municipalities						17			
Municipal agencies and funds						17			
Departmental agencies and accounts			7		1	1	1	1	1
Social security funds									
Departmental agencies (non-business entities)			7		1	1	1	1	1
Higher education institutions									
Public corporations and private enterprises									
Public corporations									
Other transfers to public corporations									
Private enterprises									
Other transfers to private enterprises									
Non-profit institutions			717						
Households	5 241	11 338	10 126	5 258	5 258	7 611	4 766	4 986	5 250
Social benefits	5 241	11 338	10 126	5 258	5 258	7 611	4 766	4 986	5 250
Other transfers to households									

# Vote 5 - Education • EPRE - 2014/15

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
					2013/14				
<b>Payments for capital assets</b>	<b>9 417</b>	<b>74 607</b>	<b>20 392</b>	<b>17 736</b>	<b>19 687</b>	<b>17 412</b>	<b>21 512</b>	<b>22 500</b>	<b>23 691</b>
Buildings and other fixed structures			9						
Buildings			9						
Other fixed structures									
Machinery and equipment	5 058	72 618	18 098	15 236	16 760	16 554	20 512	21 454	22 590
Transport equipment									
Other machinery and equipment	5 058	72 618	18 098	15 236	16 760	16 554	20 512	21 454	22 590
Land and sub-soil assets			27						
Software and other intangible assets	4 359	1 989	2 258	2 500	2 927	858	1 000	1 046	1 101
<b>Payments for financial assets</b>	<b>18 763</b>	<b>7 416</b>	<b>60 192</b>			<b>5</b>			
<b>Total economic classification</b>	<b>1 791 245</b>	<b>2 138 931</b>	<b>2 474 554</b>	<b>2 422 979</b>	<b>2 422 979</b>	<b>2 422 979</b>	<b>2 516 919</b>	<b>2 608 055</b>	<b>2 743 066</b>

TABLE 5.31: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: PUBLIC ORDINARY SCHOOLS

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2015/16
					2013/14				
<b>Current payments</b>	<b>15 242 100</b>	<b>16 776 124</b>	<b>18 147 150</b>	<b>18 729 351</b>	<b>19 286 803</b>	<b>19 749 480</b>	<b>20 924 299</b>	<b>23 490 708</b>	<b>24 830 005</b>
Compensation of employees	14 199 903	15 643 894	16 785 396	17 436 758	17 793 969	18 249 931	19 480 426	21 734 180	22 975 823
Salaries and wages	12 081 499	13 330 849	14 435 822	14 994 447	15 301 648	15 877 702	16 766 945	18 717 554	19 794 178
Social contributions	2 118 404	2 313 045	2 349 574	2 442 311	2 492 321	2 372 229	2 713 481	3 016 626	3 181 645
Goods and services	1 039 033	1 132 020	1 361 549	1 292 593	1 492 834	1 499 484	1 443 873	1 756 528	1 854 182
Administrative fees	12 010	1 806			144	1			212
Advertising	957	999	984	834	793	2 191	948	967	766
Assets less than the capitalisation threshold	12 711	41 456	21 448	6 178	860	1 730	71	74	75
Audit cost: External	23		42			11			
Bursaries: Employees	12 684	14 313	14 520			3 312			
Catering: Departmental activities	4 717	6 409	5 594	1 667	2 623	1 420	1 371	1 402	1 364
Communication (G&S)	1 169	2 041	1 603	464	1 120	11 878	870	897	924
Computer services	26				4	4		1	
Consultants and professional services: Business and advisory services		8 949							
Consultants and professional services: Infrastructure and planning			2 116						
Consultants and professional services: Legal costs					3 000	3 000			
Contractors	25 810	12 944	23 344	14 494	31 590	10 268	36	37	39
Agency and support / outsourced services	27 449	319 439	580 076	539 385	559 717	560 466	588 709	624 031	660 017
Entertainment									
Fleet services (including government motor transport)	6 740	3 226	144		1 520	97	1 846	1 901	1 952
Housing									
Inventory: Clothing material and accessories					27	67			
Inventory: Farming supplies									
Inventory: Food and food supplies						6			
Inventory: Fuel, oil and gas						10 523			
Inventory: Learner and teacher support material	190 003	166 763	205 148	270 429	331 609	397 991	346 086	493 365	519 642
Inventory: Materials and supplies	868	1 086	1 085	28	23	151	18	19	20
Inventory: Medical supplies		397	297			255			
Inventory: Medicine									
Medsas inventory interface									
Inventory: Other supplies					20 000	20 197	45 106	47 182	49 683
Consumable supplies	328 236	180 583	24 773	32 937	25 984	2 737	668	694	724

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2015/16
Consumable: Stationery, printing and office supplies	26 533	30 684	6 016	12 272	4 897	2 322	2 140	2 206	2 273
Operating leases	17 412	12 799	1 129	864	864	189			
Property payments	110 652	63 347	142 097	58 407	213 642	218 406	93 612	97 918	103 266
Transport provided:									
Departmental activity	162 388	207 169	238 516	273 542	273 923	232 351	343 755	466 782	491 471
Travel and subsistence	3 470	9 531	8 125	2 764	3 136	3 039	1 874	1 968	1 707
Training and development	90 813	42 165	76 370	76 196	12 869	10 188	15 156	15 434	18 359
Operating payments	3 262	3 812	6 235	17	2 522	5 823	290	299	308
Venues and facilities	1 100	2 102	1 884	2 115	1 967	232	1 317	1 352	1 380
Rental and hiring			3			629			
Interest and rent on land	3 164	210	205			65			
Interest	3 164	210	97			65			
Rent on land			108						
<b>Transfers and subsidies</b>	<b>937 588</b>	<b>1 217 044</b>	<b>1 306 282</b>	<b>1 583 828</b>	<b>1 635 090</b>	<b>1 635 604</b>	<b>1 959 521</b>	<b>2 054 419</b>	<b>2 165 381</b>
Provinces and municipalities									
Provinces									
Provincial agencies and funds									
Municipalities									
Municipal agencies and funds									
Departmental agencies and accounts									
Social security funds									
Departmental agencies (non-business entities)									
Higher education institutions									
Public corporations and private enterprises									
Public corporations									
Other transfers to public corporations									
Private enterprises									
Other transfers to private enterprises									
Non-profit institutions	903 445	1 147 265	1 196 279	1 535 112	1 586 374	1 571 700	1 864 521	1 954 289	2 059 944
Households	34 143	69 779	110 003	48 716	48 716	63 904	95 000	100 130	105 437
Social benefits	34 143	69 779	110 003	48 716	48 716	63 904	95 000	100 130	105 437
Other transfers to households									
<b>Payments for capital assets</b>	<b>66 865</b>	<b>44 848</b>	<b>19 374</b>	<b>66 404</b>	<b>60 285</b>	<b>53 057</b>	<b>28 526</b>	<b>29 217</b>	<b>30 758</b>
Buildings and other fixed structures			1 289		23 234	30 289	27 958	28 627	30 144
Buildings			1 289		23 234	30 289	27 958	28 627	30 144
Other fixed structures									
Machinery and equipment	66 865	44 848	17 521	66 404	37 051	22 768	568	590	614
Transport equipment									
Other machinery and equipment	66 865	44 848	17 521	66 404	37 051	22 768	568	590	614
Heritage Assets									
Land and sub-soil assets			564						
Software and other intangible assets									
<b>Payments for financial assets</b>									
Thefts and losses									
<b>Total economic classification</b>	<b>16 246 553</b>	<b>18 038 016</b>	<b>19 472 806</b>	<b>20 379 583</b>	<b>20 982 178</b>	<b>21 438 141</b>	<b>22 912 346</b>	<b>25 574 344</b>	<b>27 026 145</b>

# Vote 5 - Education • EPRE - 2014/15

TABLE 5.32: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: INDEPENDENT SCHOOLS SUBSIDIES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2015/16
<b>Current payments</b>					4 000	4 000			
Compensation of employees									
Salaries and wages									
Social contributions									
Goods and services					4 000	4 000			
Administrative fees									
Consultants and professional services: Business and advisory services					4 000	3 938			
Consumable: Stationery, printing and office supplies						32			
Travel and subsistence						25			
Training and development									
Operating payments						5			
Rental and hiring									
Interest and rent on land									
Interest									
Rent on land									
<b>Transfers and subsidies</b>	353 036	409 004	421 446	490 304	456 304	456 304	514 329	537 988	566 502
Provinces and municipalities									
Provinces									
Provincial agencies and funds									
Municipalities									
Municipal agencies and funds									
Departmental agencies and accounts									
Social security funds									
Departmental agencies (non-business entities)									
Higher education institutions									
Public corporations and private enterprises									
Public corporations									
Other transfers to public corporations									
Private enterprises									
Other transfers to private enterprises									
Non-profit institutions	353 036	409 004	421 446	490 304	456 304	456 304	514 329	537 988	566 502
Households									
Social benefits									
Other transfers to households									
<b>Payments for capital assets</b>									
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment									
Transport equipment									
Other machinery and equipment									
Software and other intangible assets									
<b>Payments for financial assets</b>									
Thefts and losses									
<b>Total economic classification</b>	<b>353 036</b>	<b>409 004</b>	<b>421 446</b>	<b>490 304</b>	<b>460 304</b>	<b>460 304</b>	<b>514 329</b>	<b>537 988</b>	<b>566 502</b>

TABLE 5.33: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: PUBLIC SPECIAL SCHOOL EDUCATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2015/16
<b>Current payments</b>	<b>985 901</b>	<b>1 079 645</b>	<b>1 206 476</b>	<b>1 336 329</b>	<b>1 380 279</b>	<b>1 378 295</b>	<b>1 506 697</b>	<b>1 548 641</b>	<b>1 606 138</b>
Compensation of employees	969 401	1 072 783	1 170 860	1 295 030	1 360 987	1 360 987	1 490 961	1 532 182	1 588 807
Salaries and wages	823 867	910 347	1 006 940	1 115 420	1 170 674	1 184 059	1 298 443	1 325 466	1 372 976
Social contributions	145 534	162 436	163 920	179 610	190 313	176 928	192 518	206 716	215 831
Goods and services	16 500	6 862	35 616	41 299	19 292	17 308	15 736	16 459	17 331
Administrative fees					9		26	27	28
Advertising				130	130	130	240	251	264
Assets less than the capitalisation threshold			4		10		94	98	103
Audit cost: External			2						
Bursaries: Employees									
Catering: Departmental activities	62	99	576	503	542	503	593	620	653
Communication (G&S)		23	145	11	455	96	638	667	702
Contractors	25		29		2	2			
Agency and support / outsourced services	3 315	2 223	148	5 480	5 423	3 439	240	251	264
Entertainment									
Fleet services (including government motor transport)	1 655	1 840	1 716		1 690	1 690	5 716	5 979	6 296
Inventory: Food and food supplies						(2)			
Inventory: Fuel, oil and gas									
Inventory: Learner and teacher support material	3 924	5	12 357	4 322	4 367	6 804	229	240	253
Inventory: Materials and supplies									
Inventory: Medical supplies				108	108				
Inventory: Medicine									
Consumable supplies	7	199	341	166	186	274	137	143	151
Consumable: Stationery, printing and office supplies	444	709	399	162	802	181	739	773	813
Operating leases	4 595	22							
Property payments	913	1	55	26 271	673				6 296
Transport provided: Departmental activity	115						235	246	261
Travel and subsistence	1 370	903	3 211	990	2 172	1 630	5 845	6 114	142
Training and development		736	16 547	3 004	2 495	2 015	587	614	647
Operating payments	42	86	86	14	98	433	337	353	372
Venues and facilities	33	16		138	130	113	80	83	87
Rental and hiring									
Interest and rent on land									
Interest									
Rent on land									
<b>Transfers and subsidies</b>	<b>292 509</b>	<b>210 976</b>	<b>237 437</b>	<b>275 631</b>	<b>294 631</b>	<b>296 615</b>	<b>310 674</b>	<b>324 965</b>	<b>342 188</b>
Provinces and municipalities									
Provinces									
Provincial agencies and funds									
Municipalities									
Municipal agencies and funds									

# Vote 5 - Education • EPRE - 2014/15

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2015/16
Departmental agencies and accounts									
Social security funds									
Departmental agencies (non-business entities)									
Higher education institutions									
Public corporations and private enterprises									
Public corporations									
Other transfers to public corporations									
Private enterprises									
Other transfers to private enterprises									
Non-profit institutions	290 450	205 601	231 546	273 380	292 380	292 380	308 345	322 529	339 623
Households	2 059	5 375	5 891	2 251	2 251	4 235	2 329	2 436	2 565
Social benefits	2 059	5 375	5 891	2 251	2 251	4 235	2 329	2 436	2 565
Other transfers to households									
<b>Payments for capital assets</b>			<b>401</b>	<b>83</b>	<b>90</b>	<b>90</b>	<b>105</b>	<b>110</b>	<b>117</b>
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment			401	83	90	90	105	110	117
Transport equipment									
Other machinery and equipment			401	83	90	90	105	110	117
Software and other intangible assets									
<b>Payments for financial assets</b>									
<b>Total economic classification</b>	<b>1 278 410</b>	<b>1 290 621</b>	<b>1 444 314</b>	<b>1 612 043</b>	<b>1 675 000</b>	<b>1 675 000</b>	<b>1 817 476</b>	<b>1 873 716</b>	<b>1 948 443</b>

TABLE 5.34: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: FURTHER EDUCATION AND TRAINING

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2015/16
<b>Current payments</b>	<b>515 560</b>	<b>551 703</b>	<b>603 632</b>	<b>672 193</b>	<b>675 182</b>	<b>675 012</b>	<b>724 004</b>	<b>775 647</b>	<b>818 515</b>
Compensation of employees	514 327	550 579	602 263	671 443	674 504	674 504	723 264	774 907	817 775
Salaries and wages	451 440	480 885	517 946	577 569	580 185	586 818	622 617	667 241	704 536
Social contributions	62 887	69 694	84 317	93 874	94 319	87 686	100 647	107 666	113 239
Goods and services	1 233	1 124	1 369	750	678	508	740	740	740
Administrative fees									
Advertising	36								
Assets less than the capitalisation threshold						12			
Audit cost: External									
Bursaries: Employees									
Catering: Departmental activities		1	1						
Communication (G&S)			15		1				
Computer services									
Contractors									
Agency and support / outsourced services	424		422	232					
Entertainment									
Fleet services (including government motor transport)	176	174			303	165	570	570	570

Outcome				Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2015/16
Housing									
Inventory: Clothing material and accessories					2				
Inventory: Learner and teacher support material	87	12							
Inventory: Materials and supplies							3	3	3
Inventory: Other supplies									
Consumable supplies	1	2		40	3		3	3	3
Consumable: Stationery, printing and office supplies	22	126	46	98	113	33	130	130	130
Operating leases				91					
Property payments									
Transport provided: Departmental activity									
Travel and subsistence	358	456	779	256	256	256	34	34	34
Training and development	98	286	45	20					
Operating payments		37	10			42			
Venues and facilities	31	30	51	13					
Rental and hiring									
Interest and rent on land									
Interest									
Rent on land									
<b>Transfers and subsidies</b>	<b>269 636</b>	<b>561 741</b>	<b>528 531</b>	<b>1 694</b>	<b>1 806</b>	<b>1 976</b>	<b>1 745</b>	<b>1 745</b>	<b>1 745</b>
Provinces and municipalities									
Provinces									
Provincial agencies and funds									
Municipalities									
Municipal agencies and funds									
Departmental agencies and accounts									
Social security funds									
Departmental agencies (non-business entities)									
Higher education institutions									
Public corporations and private enterprises									
Public corporations									
Other transfers to public corporations									
Private enterprises									
Other transfers to private enterprises									
Non-profit institutions	269 262	561 205	528 115	1 694	1 806	1 806	1 745	1 745	1 745
Households	374	536	416			170			
Social benefits	374	536	416			170			
Other transfers to households									
<b>Payments for capital assets</b>	<b>9</b>	<b>72</b>	<b>72</b>	<b>60</b>	<b>60</b>	<b>60</b>	<b>60</b>	<b>60</b>	<b>60</b>
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	9	72	72	60	60	60	60	60	60
Transport equipment									
Other machinery and equipment	9	72	72	60	60	60	60	60	60
Software and other intangible assets									
<b>Payments for financial assets</b>									
<b>Total economic classification</b>	<b>785 196</b>	<b>1 113 444</b>	<b>1 132 172</b>	<b>673 887</b>	<b>677 060</b>	<b>677 060</b>	<b>725 809</b>	<b>777 452</b>	<b>820 320</b>



# Vote 5 - Education • EPRE - 2014/15

TABLE 5.35: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADULT BASIC EDUCATION AND TRAINING

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2015/16
<b>Current payments</b>	<b>260 185</b>	<b>347 021</b>	<b>363 862</b>	<b>371 248</b>	<b>397 939</b>	<b>397 317</b>	<b>384 976</b>	<b>402 617</b>	<b>423 958</b>
Compensation of employees	183 718	249 862	342 870	351 105	379 072	379 072	364 334	381 094	401 292
Salaries and wages	175 507	238 433	294 868	281 373	296 071	329 793	292 060	305 495	321 686
Social contributions	8 211	11 429	48 002	69 732	83 001	49 279	72 274	75 599	79 606
Goods and services	76 467	97 159	20 992	20 143	18 867	18 245	20 642	21 523	22 666
Administrative fees	60	297		695					
Advertising	924	596	115		37	37	47	49	51
Assets less than the capitalisation threshold	1 118	2 552	1 219	1 163	33		22	23	24
Audit cost: External				1 605	1 607	1 607			
Bursaries: Employees			2 000	246	2 000	757	2 200	2 356	2 481
Catering: Departmental activities	36	151	190	695	25	25	25	26	27
Communication (G&S)	191	81	121	647	563	563	402	421	443
Computer services			33						
Consultants and professional services: Business and advisory services			311		354	1 011			
Contractors	634	732	417		3	3			
Agency and support / outsourced services	461	176	46						
Entertainment									
Fleet services (including government motor transport)	508	643			131	131	128	134	141
Inventory: Learner and teacher support material	231	21 878	7 245	7 380	7 403	8 505	10 510	10 953	11 534
Inventory: Materials and supplies	256	429	101	99	57				
Inventory: Medical supplies		22							
Consumable supplies	764	1 118	379	744	41	41	17	18	19
Consumable: Stationery, printing and office supplies	3 796	1 411	1 216	726	308	357	304	318	336
Operating leases	1 341	711	57						
Property payments	2 878	6 412	4 390	2 000	2 000	2 775	1 500	1 500	1 580
Transport provided: Departmental activity		111	23	207					
Travel and subsistence	620	362	1 106	2 496	1 811	1 811	1 131	1 184	1 247
Training and development	8 242	9 199	1 475	1 398	1 765	265	3 600	3 753	3 952
Operating payments	54 083	50 066	453	42	729	357	756	789	831
Venues and facilities	324	212	95						
Rental and hiring									
Interest and rent on land									
Interest									
Rent on land									
<b>Transfers and subsidies</b>	<b>622</b>	<b>271</b>	<b>15 093</b>	<b>15 911</b>	<b>18 823</b>	<b>19 445</b>	<b>18 332</b>	<b>19 175</b>	<b>20 191</b>
Provinces and municipalities									
Provinces									
Provincial agencies and funds									
Municipalities									
Municipal agencies and funds									
Departmental agencies and accounts									
Social security funds									
Departmental agencies (non-business entities)									
Higher education institutions									
Public corporations and private enterprises									
Public corporations									
Other transfers to public corporations									
Private enterprises									

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2015/16
Other transfers to private enterprises									
Non-profit institutions		25	14 715	15 911	18 823	18 823	18 332	19 175	20 191
Households	622	246	378			622			
Social benefits	622	246	378			622			
Other transfers to households									
<b>Payments for capital assets</b>	<b>418</b>	<b>414</b>	<b>526</b>	<b>1 824</b>	<b>221</b>	<b>221</b>	<b>163</b>	<b>170</b>	<b>177</b>
Buildings and other fixed structures	176		15						
Buildings	176		15						
Other fixed structures									
Machinery and equipment	242	414	511	1 824	221	221	163	170	177
Transport equipment									
Other machinery and equipment	242	414	511	1 824	221	221	163	170	177
Software and other intangible assets									
<b>Payments for financial assets</b>									
Thefts and losses									
<b>Total economic classification</b>	<b>261 225</b>	<b>347 706</b>	<b>379 481</b>	<b>388 983</b>	<b>416 983</b>	<b>416 983</b>	<b>403 471</b>	<b>421 962</b>	<b>444 326</b>

TABLE 5.36: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: EARLY CHILDHOOD DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2015/16
<b>Current payments</b>	<b>160 924</b>	<b>247 537</b>	<b>212 196</b>	<b>472 733</b>	<b>472 733</b>	<b>472 695</b>	<b>553 056</b>	<b>733 988</b>	<b>773 583</b>
Compensation of employees	73 975	114 926	100 722	203 609	203 609	203 609	237 437	379 046	399 291
Salaries and wages	73 883	114 117	86 620	203 609	203 609	203 609	237 437	378 941	399 180
Social contributions	92	809	14 102					105	111
Goods and services	86 949	132 611	111 474	269 124	269 124	269 086	315 619	354 942	374 291
Administrative fees	195								
Advertising	398	409		123			126	132	139
Assets less than the capitalisation threshold	387	176	330	99	88	9 856			( 1)
Audit cost: External									
Bursaries: Employees									
Catering: Departmental activities	15	30		288					
Communication (G&S)	( 2)	38	12	158	10	10	198	207	219
Computer services				36					
Consultants and professional services: Business and advisory services				1 525	5 180	3 969	10 000	10 460	11 014
Consultants and professional services: Legal costs									
Contractors		18	11						1 657
Agency and support / outsourced services	1 154	36 492	3 532	697	697	797	6 400	6 694	7 049
Entertainment									
Fleet services (including government motor transport)	174	87					120	126	133
Housing									
Inventory: Learner and teacher support material	17 553	47 517	9 380	234 997	219 916	220 547	282 336	297 164	336 299
Inventory: Materials and supplies		15	66						
Inventory: Other supplies									
Consumable supplies	4	98	146	983	74	74	74	77	81
Consumable: Stationery, printing and office supplies	101	302	76	763	246	666	160	167	176

# Vote 5 - Education • EPRE - 2014/15

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2015/16
Operating leases	29	27	7	234					
Property payments		752	168		12 496	11 896	13 108	13 711	12 780
Transport provided:									
Departmental activity		4							
Travel and subsistence	81	19		899	273	265	120	126	132
Training and development	24 999	11 495	32 063	17 396	16 785	7 617		22 964	1 333
Operating payments	41 861	35 132	65 683	10 871	13 359	13 389	2 977	3 114	3 279
Venues and facilities				55					
Rental and hiring									
Interest and rent on land									
Interest									
Rent on land									
<b>Transfers and subsidies</b>	<b>95</b>	<b>93 203</b>	<b>125 869</b>	<b>162 898</b>	<b>162 898</b>	<b>162 898</b>	<b>180 782</b>	<b>189 098</b>	<b>199 120</b>
Provinces and municipalities									
Provinces									
Provincial agencies and funds									
Municipalities									
Municipal agencies and funds									
Departmental agencies and accounts									
Social security funds									
Departmental agencies (non-business entities)									
Higher education institutions									
Public corporations and private enterprises									
Public corporations									
Other transfers to public corporations									
Private enterprises									
Other transfers to private enterprises									
Non-profit institutions		93 171	125 864	162 898	162 898	162 898	180 782	189 098	199 120
Households	95	32	5						
Social benefits	95	32	5						
Other transfers to households									
<b>Payments for capital assets</b>	<b>37</b>	<b>88</b>	<b>594</b>			<b>38</b>	<b>120</b>	<b>126</b>	<b>132</b>
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	37	88	555			38	120	126	132
Transport equipment									
Other machinery and equipment	37	88	555			38	120	126	132
Biological assets									
Land and sub-soil assets			39						
Software and other intangible assets									
<b>Payments for financial assets</b>									
Thefts and losses									
<b>Total economic classification</b>	<b>161 056</b>	<b>340 828</b>	<b>338 659</b>	<b>635 631</b>	<b>635 631</b>	<b>635 631</b>	<b>733 958</b>	<b>923 212</b>	<b>972 835</b>

TABLE 5.37: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: INFRASTRUCTURE DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2015/16
<b>Current payments</b>	<b>77 721</b>	<b>271 048</b>	<b>329 981</b>	<b>301 000</b>	<b>301 000</b>	<b>301 000</b>	<b>252 296</b>	<b>228 445</b>	<b>365 072</b>
Compensation of employees									
Salaries and wages									
Social contributions									
Goods and services	77 721	271 048	329 981	301 000	301 000	301 000	252 296	228 445	365 072
Administrative fees									
Advertising						1 103			
Consultants and professional services: Infrastructure and planning		31 351							
Consultants and professional services: Legal costs						104			
Contractors									
Agency and support / outsourced services	5								
Entertainment									
Inventory: Other supplies						815			
Consumable supplies									
Consumable: Stationery, printing and office supplies									
Operating leases									
Property payments	77 716	239 697	329 981	301 000	301 000	298 480	252 296	228 445	365 072
Transport provided: Departmental activity						498			
Travel and subsistence									
Rental and hiring									
Interest and rent on land									
Interest									
Rent on land									
<b>Transfers and subsidies</b>									
Provinces and municipalities									
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities									
Municipal agencies and funds									
Departmental agencies and accounts									
Social security funds									
Departmental agencies (non-business entities)									
Higher education institutions									
Public corporations and private enterprises									
Public corporations									
Other transfers to public corporations									
Private enterprises									
Other transfers to private enterprises									
Non-profit institutions									
Households									
Social benefits									
Other transfers to households									
<b>Payments for capital assets</b>	<b>648 334</b>	<b>1 258 561</b>	<b>1 339 477</b>	<b>958 194</b>	<b>1 412 885</b>	<b>1 412 885</b>	<b>1 434 339</b>	<b>1 738 997</b>	<b>810 344</b>
Buildings and other fixed structures	625 888	1 258 561	1 334 121	930 694	1 400 385	1 400 385	1 412 339	1 713 997	755 344
Buildings	625 888	1 258 561	1 334 121	930 694	1 400 385	1 400 385	1 412 339	1 713 997	755 344
Other fixed structures									
Machinery and equipment									
Transport equipment									

**Vote 5 - Education • EPRE - 2014/15**

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2015/16
Other machinery and equipment									
Land and sub-soil assets	22 446		5 356	27 500	12 500	12 500	22 000	25 000	55 000
Software and other intangible assets									
<b>Payments for financial assets</b>									
Thefts and losses									
<b>Total economic classification</b>	<b>726 055</b>	<b>1 529 609</b>	<b>1 669 458</b>	<b>1 259 194</b>	<b>1 713 885</b>	<b>1 713 885</b>	<b>1 686 635</b>	<b>1 967 442</b>	<b>1 175 416</b>

**TABLE 5.38: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: AUXILLIARY AND ASSOCIATED SERVICES**

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2015/16
<b>Current payments</b>	<b>449 855</b>	<b>600 723</b>	<b>695 410</b>	<b>915 385</b>	<b>1 168 086</b>	<b>1 167 996</b>	<b>783 659</b>	<b>925 828</b>	<b>966 248</b>
Compensation of employees	96 411	102 149	149 983	161 767	372 545	372 443	363 372	377 030	397 013
Salaries and wages	94 831	102 282	149 372	161 767	372 545	372 443	363 012	377 030	397 013
Social contributions	1 580	(133)	611				360		
Goods and services	353 444	498 574	545 427	753 618	795 541	795 553	420 287	548 798	569 235
Administrative fees	2 970	567	1 358	1 770	8 064	8 067	4 479	5 162	4 611
Advertising	1 196	1 651	319	8 278	2 967	2 968	3 082	4 514	3 930
Assets less than the capitalisation threshold	5 692	919	631	9 818	11 107	11 107	5 483	8 385	10 363
Audit cost: External					71	71			
Bursaries: Employees	150	36	92		100	100			
Catering: Departmental activities	1 213	1 797	1 655	1 297	4 605	4 605	6 808	11 090	7 939
Communication (G&S)	3 098	6 325	5 943	8 986	11 493	11 526	7 429	11 385	9 544
Computer services	7 235	2 164	3 809	8 378	9 095	9 077	13 610	15 301	15 128
Consultants and professional services: Business and advisory services	6 878	6 279	17 740	4 652	561	1 064			
Consultants and professional services: Legal costs	109				1 297	1 297			
Contractors	926	167	356	238	514	600	12 147	21 947	368
Agency and support / outsourced services	35 471	81 317	36 108	94 749	28 591	28 089	37 594	55 195	105 492
Entertainment									
Fleet services (including government motor transport)	15 027	15 026	244		11 132	8 085	15 602	23 868	19 788
Housing									
Inventory: Food and food supplies						54			
Inventory: Fuel, oil and gas									
Inventory: Learner and teacher support material	73 401	131 799	1 400	159 208	337 109	340 144	22 772	30 195	58 295
Inventory: Materials and supplies	135	47	41	52	142	143	22	33	27
Inventory: Medical supplies									
Consumable supplies	632	700	3 361	1 708	2 343	2 781	5 488	9 023	4 065
Consumable: Stationery, printing and office supplies	67 341	36 724	30 587	62 910	29 255	28 787	13 028	19 523	19 989
Operating leases	6 818	5 571	3 650	31 076	6 487	6 396	5 367	4 019	6 394
Property payments	1 230	1 338	863	3 456	2 711	2 711	2 114	1 548	1 630
Transport provided: Departmental activity	2 873	855	1 509	3 796	7 020	7 019	8 060	12 658	10 535
Travel and subsistence	18 745	29 813	34 801	63 801	54 262	54 262	69 463	98 206	97 853
Training and development	93 549	168 027	220 922	192 026	228 394	228 380	133 172	162 957	112 166
Operating payments	1 903	( 221)	176 038	85 678	27 703	27 702	50 204	48 717	74 787
Venues and facilities	6 852	7 673	3 944	11 741	10 518	10 518	4 363	5 074	6 331
Rental and hiring			56						
Interest and rent on land									
Interest									
Rent on land									

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2015/16
<b>Transfers and subsidies</b>	<b>196 571</b>	<b>310 684</b>	<b>282 065</b>	<b>497 740</b>	<b>528 058</b>	<b>528 148</b>	<b>734 484</b>	<b>730 784</b>	<b>759 807</b>
Provinces and municipalities									
Provinces									
Provincial agencies and funds									
Municipalities									
Municipal bank accounts									
Municipal agencies and funds									
Departmental agencies and accounts	14 413	18 886	20 144	21 212	21 212	21 212	22 251	23 275	24 509
Social security funds									
Departmental agencies (non-business entities)	14 413	18 886	20 144	21 212	21 212	21 212	22 251	23 275	24 509
Higher education institutions									
Public corporations and private enterprises									
Public corporations									
Other transfers to public corporations									
Private enterprises									
Subsidies on products and production (pe)									
Other transfers to private enterprises									
Non-profit institutions	121 110	219 366	168 181	326 528	356 846	356 846	532 233	507 687	524 885
Households	61 048	72 432	93 740	150 000	150 000	150 090	180 000	199 822	210 413
Social benefits		88	312			90			
Other transfers to households	61 048	72 344	93 428	150 000	150 000	150 000	180 000	199 822	210 413
<b>Payments for capital assets</b>	<b>1 509</b>	<b>463</b>	<b>6 670</b>	<b>112</b>	<b>15 093</b>	<b>15 093</b>	<b>16 143</b>	<b>19 856</b>	<b>20 909</b>
Buildings and other fixed structures			8			4			
Buildings			8			4			
Other fixed structures									
Machinery and equipment	1 393	463	6 079	112	15 085	15 081	16 083	19 856	20 909
Transport equipment									
Other machinery and equipment	1 393	463	6 079	112	15 085	15 081	16 083	19 856	20 909
Land and sub-soil assets			583						
Software and other intangible assets	116				8	8	60		
<b>Payments for financial assets</b>									
Thefts and losses									
<b>Total economic classification</b>	<b>647 935</b>	<b>911 870</b>	<b>984 145</b>	<b>1 413 237</b>	<b>1 711 237</b>	<b>1 711 237</b>	<b>1 534 286</b>	<b>1 676 468</b>	<b>1 746 964</b>

TABLE 5.39: PAYMENTS AND ECONOMIC CLASSIFICATION: HIV AND AIDS (LIFE SKILLS EDUCATION): PUBLIC ORDINARY SCHOOLS

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>20 257</b>	<b>26 774</b>	<b>20 405</b>	<b>18 987</b>	<b>27 698</b>	<b>27 698</b>	<b>30 065</b>	<b>30 480</b>	<b>33 256</b>
Compensation of employees		2 339		2 015	2 015	2 015	2 193	2 193	2 162
Salaries and wages		2 019		2 015	2 015	2 015	2 193	2 193	2 162
Social contributions		320							
Goods and services	20 257	24 435	20 405	16 972	25 683	25 683	27 872	28 287	31 094
Administrative fees					144	144			
Advertising	9	236	90	834	718	718	756	766	766
Assets less than the capitalisation threshold	292	45	1 343		15	15	37	38	38
Catering: Departmental activities	619	970	3 031	1 474	2 431	2 431	974	987	987

# Vote 5 - Education • EPRE - 2014/15

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Communication (G&S)	58	102	239	415	627	627	388	393	393
Consultants and professional services: Business and advisory services		75							
Consultants and professional services: Legal costs									
Contractors	159	12			1	1	10	10	10
Agency and support / outsourced services	1 065	800							
Entertainment									
Fleet services (including government motor transport)					687	687	930	943	943
Inventory: Learner and teacher support material	112	44	7	407	350	350	3 500	3 548	3 548
Inventory: Materials and supplies	58	9					3	3	3
Inventory: Medical supplies									
Inventory: Medicine	1 180	2							
Medsas inventory interface									
Inventory: Other supplies									
Consumable supplies	10 253	493	2 741		329	329	132	134	134
Consumable: Stationery, printing and office supplies	15	3 639		3 838	3 809	3 809	944	957	957
Operating leases		10	64	864	864	864			
Property payments	8								
Transport provided: Departmental activity	112	97			381	381	5 500	5 576	5 576
Travel and subsistence	532	1 329	1 782	2 343	2 432	2 432	740	781	780
Training and development	5 756	16 441	11 012	4 802	8 903	8 903	13 030	13 210	16 018
Operating payments	27	6		17	2 256	2 256	128	130	130
Venues and facilities	2	125	96	1 978	1 736	1 736	800	811	811
Rental and hiring									
Interest and rent on land									
Interest									
Rent on land									
<b>Transfers and subsidies</b>				<b>11 025</b>	<b>6 999</b>	<b>6 999</b>			
Provinces and municipalities									
Provinces									
Provincial agencies and funds									
Municipalities									
Municipal agencies and funds									
Departmental agencies and accounts									
Social security funds									
Departmental agencies (non-business entities)									
Higher education institutions									
Public corporations and private enterprises									
Public corporations									
Other transfers to public corporations									
Private enterprises									
Other transfers to private enterprises									
Non-profit institutions				11 025	6 999	6 999			
Households									
Social benefits									
Other transfers to households									
<b>Payments for capital assets</b>	<b>16</b>			<b>106</b>	<b>106</b>	<b>106</b>	<b>130</b>	<b>132</b>	<b>132</b>

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment		16			106	106	130	132	132
Transport equipment									
Other machinery and equipment		16			106	106	130	132	132
Software and other intangible assets									
<b>Payments for financial assets</b>									
Thefts and losses									
<b>Total economic classification</b>	<b>20 257</b>	<b>26 790</b>	<b>20 405</b>	<b>30 012</b>	<b>34 803</b>	<b>34 803</b>	<b>30 195</b>	<b>30 612</b>	<b>33 388</b>

TABLE 5.40: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: CONDITIONAL GRANT (NATIONAL SCHOOL NUTRITION PROGRAMME)

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>358 975</b>	<b>468 832</b>	<b>584 640</b>	<b>585 157</b>	<b>567 458</b>	<b>567 458</b>	<b>588 709</b>	<b>624 031</b>	<b>660 018</b>
Compensation of employees									
Salaries and wages									
Social contributions									
Goods and services	358 975	468 832	584 640	585 157	567 458	567 458	588 709	624 031	660 018
Administrative fees									
Advertising									
Assets less than the capitalisation threshold	928	2 633	2 636	6 178	617	617			
Audit cost: External									
Bursaries: Employees									
Catering: Departmental activities	(392)								
Communication (G&S)	1								
Computer services									
Contractors									
Agency and support / outsourced services	21 647	293 051	567 322	539 385	559 717	559 717	588 709	624 031	660 018
Entertainment									
Fleet services (including government motor transport)					154	154			
Housing									
Inventory: Learner and teacher support material		2 344							
Inventory: Materials and supplies				28					
Inventory: Other supplies									
Consumable supplies	336 753	170 636	14 191	14 428	6 781	6 781			
Consumable: Stationery, printing and office supplies	9	8	491	7 740					
Operating leases									
Property payments									
Transport provided: Departmental activity				189	189	189			
Travel and subsistence	29	160		250					
Training and development				16 959					
Operating payments									
Venues and facilities									
Rental and hiring									
Interest and rent on land									
Interest									
Rent on land									



# Vote 5 - Education • EPRE - 2014/15

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Transfers and subsidies</b>					<b>48 898</b>	<b>48 898</b>	<b>51 832</b>	<b>54 942</b>	<b>54 942</b>
Provinces and municipalities									
Provinces									
Provincial agencies and funds									
Municipalities									
Municipal agencies and funds									
Departmental agencies and accounts									
Social security funds									
Departmental agencies (non-business entities)									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Public corporations									
Other transfers to public corporations									
Private enterprises									
Other transfers to private enterprises									
Non-profit institutions					48 898	48 898	51 832	54 942	54 942
Households									
Social benefits									
Other transfers to households									
<b>Payments for capital assets</b>					<b>160</b>	<b>160</b>			
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment					160	160			
Transport equipment									
Other machinery and equipment					160	160			
Software and other intangible assets									
<b>Payments for financial assets</b>									
Thefts and losses									
<b>Total economic classification</b>	<b>358 975</b>	<b>468 832</b>	<b>584 640</b>	<b>585 157</b>	<b>616 516</b>	<b>616 516</b>	<b>640 541</b>	<b>678 973</b>	<b>714 960</b>

TABLE 5.41: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: CONDITIONAL GRANT (DINALEDI SCHOOLS GRANT)

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>		<b>14 140</b>	<b>20 139</b>						
Compensation of employees									
Salaries and wages									
Social contributions									
Goods and services		14 140	20 139						
Administrative fees									
Training and development		14 140	20 139						
Rental and hiring									
Interest and rent on land									
Interest									
Rent on land									
<b>Transfers and subsidies</b>				<b>21 244</b>	<b>21 244</b>	<b>21 244</b>	<b>22 458</b>	<b>23 491</b>	<b>24 736</b>
Provinces and municipalities									
Provinces									
Provincial agencies and funds									

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Municipalities									
Municipal agencies and funds									
Departmental agencies and accounts									
Social security funds									
Departmental agencies (non-business entities)									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Public corporations									
Other transfers to public corporations									
Private enterprises									
Other transfers to private enterprises									
Non-profit institutions				21 244	21 244	21 244	22 458	23 491	24 736
Households									
Social benefits									
Other transfers to households									
<b>Payments for capital assets</b>									
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment									
Transport equipment									
Other machinery and equipment									
Software and other intangible assets									
<b>Payments for financial assets</b>									
Thefts and losses									
<b>Total economic classification</b>		<b>14 140</b>	<b>20 139</b>	<b>21 244</b>	<b>21 244</b>	<b>21 244</b>	<b>22 458</b>	<b>23 491</b>	<b>24 736</b>

TABLE 5.42: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: CONDITIONAL GRANT (TECHNICAL SCHOOL RECAPITALISATION)

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>12 631</b>	<b>10 647</b>	<b>23 487</b>	<b>26 375</b>	<b>12 375</b>	<b>12 375</b>			
Compensation of employees									
Salaries and wages									
Social contributions									
Goods and services	12 631	10 647	23 487	26 375	12 375	12 375			
Administrative fees									
Advertising			23						
Assets less than the capitalisation threshold	4								
Consultants and professional services: Infrastructure and planning	2 992	2 305							
Consultants and professional services: Legal costs									
Contractors			17 804		10 215	10 215			
Agency and support / outsourced services	2 293								
Entertainment									
Inventory: Learner and teacher support material				14 840					

# Vote 5 - Education • EPRE - 2014/15

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Operating leases									
Property payments	7 342	8 334	1 340						
Transport provided:									
Departmental activity									
Travel and subsistence									
Training and development			4 320	11 535	2 160	2 160			
Operating payments									
Venues and facilities		8							
Rental and hiring									
Interest and rent on land									
Interest									
Rent on land									
<b>Transfers and subsidies</b>									
Provinces and municipalities									
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities									
Municipal agencies and funds									
Departmental agencies and accounts									
Social security funds									
Departmental agencies (non-business entities)									
Higher education institutions									
Public corporations and private enterprises									
Public corporations									
Other transfers to public corporations									
Private enterprises									
Subsidies on products and production (pe)									
Other transfers to private enterprises									
Non-profit institutions									
Households									
Social benefits									
Other transfers to households									
<b>Payments for capital assets</b>	<b>1 617</b>	<b>1 307</b>		<b>23 234</b>	<b>23 234</b>		<b>27 958</b>	<b>28 627</b>	<b>30 144</b>
Buildings and other fixed structures	1 589		15 535	23 234	23 234		27 958	28 627	30 144
Buildings	1 589		1 289	23 234	23 234		27 958	28 627	30 144
Other fixed structures									
Machinery and equipment	28								
Transport equipment									
Other machinery and equipment	28								
Biological assets									
Land and sub-soil assets			18						
Software and other intangible assets									
<b>Payments for financial assets</b>									
Thefts and losses									
<b>Total economic classification</b>	<b>14 248</b>	<b>10 647</b>	<b>39 022</b>	<b>26 375</b>	<b>35 609</b>	<b>35 609</b>	<b>27 958</b>	<b>28 627</b>	<b>30 144</b>

TABLE 5.43: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: CONDITIONAL GRANT (INFRASTRUCTURE)

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>89 702</b>	<b>224 483</b>							
Compensation of employees		16							
Salaries and wages		16							
Social contributions									
Goods and services	89 702	224 467							
Administrative fees									
Consultants and professional services: Business and advisory services		2 404							
Consultants and professional services: Infrastructure and planning	8 186	63							
Consultants and professional services: Laboratory services									
Contractors									
Agency and support / outsourced services		(229)							
Entertainment									
Operating leases		(17)							
Property payments	81 516	222 246							
Venues and facilities									
Rental and hiring									
Interest and rent on land									
Interest									
Rent on land									
<b>Transfers and subsidies</b>									
Provinces and municipalities									
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities									
Municipal agencies and funds									
Departmental agencies and accounts									
Social security funds									
Departmental agencies (non-business entities)									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Public corporations									
Other transfers to public corporations									
Private enterprises									
Other transfers to private enterprises									
Non-profit institutions									
Households									
Social benefits									
Other transfers to households									
<b>Payments for capital assets</b>	<b>265 683</b>	<b>75 772</b>	<b>512 397</b>	<b>537 892</b>	<b>537 892</b>	<b>537 892</b>	<b>623 602</b>	<b>852 247</b>	
Buildings and other fixed structures	265 496	75 772	512 397	537 892	537 892	537 892	623 602	852 247	
Buildings	265 496	75 772	512 397	537 892	537 892	537 892	623 602	852 247	
Other fixed structures									
Machinery and equipment									
Transport equipment									
Other machinery and equipment									

# Vote 5 - Education • EPRE - 2014/15

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Biological assets									
Land and sub-soil assets	187								
Software and other intangible assets									
<b>Payments for financial assets</b>									
Thefts and losses									
<b>Total economic classification</b>	<b>355 385</b>	<b>300 255</b>	<b>512 937</b>	<b>537 892</b>	<b>537 892</b>	<b>537 892</b>	<b>623 602</b>	<b>852 247</b>	

TABLE 5.44: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: CONDITIONAL GRANT (FURTHER EDUCATION AND TRAINING)

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>515 560</b>	<b>551 703</b>	<b>603 611</b>	<b>672 193</b>	<b>675 182</b>	<b>671 302</b>	<b>724 004</b>	<b>775 647</b>	<b>818 515</b>
Compensation of employees	514 327	550 579	602 263	671 443	674 504	670 685	723 264	774 907	817 775
Salaries and wages	451 440	480 885	517 946	577 569	580 185	576 789	622 617	667 241	704 536
Social contributions	62 887	69 694	84 317	93 874	94 319	93 896	100 647	107 666	113 239
Goods and services	1 233	1 124	1 348	750	678	617	740	740	740
Administrative fees									
Advertising	36								
Assets less than the capitalisation threshold									
Audit cost: External									
Bursaries: Employees									
Catering: Departmental activities		1	1						
Communication (G&S)			15		1				
Computer services									
Consultants and professional services: Legal costs									
Contractors									
Agency and support / outsourced services	424		401	232		232			
Entertainment									
Fleet services (including government motor transport)	176	174			303		570	570	570
Housing									
Inventory: Clothing material and accessories					2				
Inventory: Learner and teacher support material	87	12							
Inventory: Materials and supplies							3	3	3
Inventory: Medical supplies									
Inventory: Medicine									
Medsas inventory interface									
Inventory: Other supplies									
Consumable supplies	1	2		40	3		3	3	3
Consumable: Stationery, printing and office supplies	22	126	46	98	113	15	130	130	130
Operating leases				91		77			
Property payments									
Transport provided: Departmental activity									
Travel and subsistence	358	456	779	256	256	238	34	34	34
Training and development	98	286	45	20					
Operating payments		37	10			42			
Venues and facilities	31	30	51	13		13			
Rental and hiring									
Interest and rent on land									
Interest									
Rent on land									

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Transfers and subsidies</b>	<b>269 636</b>	<b>561 741</b>	<b>528 531</b>	<b>1 694</b>	<b>1 806</b>	<b>2 577</b>	<b>1 745</b>	<b>1 745</b>	<b>1 745</b>
Provinces and municipalities									
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities									
Municipal agencies and funds									
Departmental agencies and accounts									
Social security funds									
Departmental agencies (non-business entities)									
Higher education institutions									
Public corporations and private enterprises									
Public corporations									
Other transfers to public corporations									
Private enterprises									
Other transfers to private enterprises									
Non-profit institutions	269 262	561 205	528 115	1 694	1 806	2 408	1 745	1 745	1 745
Households	374	536	416			169			
Social benefits	374	536	416			169			
Other transfers to households									
<b>Payments for capital assets</b>			<b>29</b>		<b>72</b>	<b>8</b>	<b>60</b>	<b>60</b>	<b>60</b>
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment			9		72	8	60	60	60
Transport equipment			9						
Other machinery and equipment					72	8	60	60	60
Heritage Assets									
Land and sub-soil assets			20						
Software and other intangible assets									
<b>Payments for financial assets</b>									
Thefts and losses									
<b>Total economic classification</b>	<b>785 196</b>	<b>1 113 444</b>	<b>1 132 171</b>	<b>673 887</b>	<b>677 060</b>	<b>673 887</b>	<b>725 809</b>	<b>777 452</b>	<b>820 320</b>

TABLE 5.45: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: CONDITIONAL GRANT (EXPANDED PUBLIC WORKS PROGRAMME INCENTIVE GRANT)

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>				<b>25 674</b>	<b>25 674</b>	<b>25 674</b>	<b>36 016</b>		
Compensation of employees				25 674	25 674	25 674	36 016		
Salaries and wages				25 674	25 674	25 674	35 656		
Social contributions							360		
Goods and services									
Administrative fees									
Advertising									
Operating leases									
Property payments									
Transport provided: Departmental activity									

# Vote 5 - Education • EPRE - 2014/15

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Travel and subsistence									
Training and development									
Operating payments									
Venues and facilities									
Rental and hiring									
Interest and rent on land									
Interest									
Rent on land									
<b>Transfers and subsidies</b>									
Provinces and municipalities									
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities									
Municipal agencies and funds									
Departmental agencies and accounts									
Social security funds									
Departmental agencies (non-business entities)									
Higher education institutions									
Public corporations and private enterprises									
Public corporations									
Subsidies on products and production (pc)									
Other transfers to public corporations									
Private enterprises									
Other transfers to private enterprises									
Non-profit institutions									
Households									
Social benefits									
Other transfers to households									
<b>Payments for capital assets</b>									
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment									
Transport equipment									
Other machinery and equipment									
Software and other intangible assets									
<b>Payments for financial assets</b>									
Thefts and losses									
<b>Total economic classification</b>				<b>25 674</b>	<b>25 674</b>	<b>25 674</b>	<b>36 016</b>		

TABLE 5.46: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: CONDITIONAL GRANT (EPWP INTEGRATED GRANT FOR PROVINCES)

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>			<b>1 613</b>		<b>3 000</b>	<b>3 000</b>	<b>2 450</b>		
Compensation of employees					3 000	3 000	2 450		
Salaries and wages					3 000	3 000	2 450		
Social contributions									
Goods and services			1 613						
Administrative fees									
Advertising									
Venues and facilities									
Property payment			1 613						
Interest and rent on land									
Interest									
Rent on land									
<b>Transfers and subsidies</b>									
Provinces and municipalities									
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities									
Municipal agencies and funds									
Departmental agencies and accounts									
Social security funds									
Departmental agencies (non-business entities)									
Higher education institutions									
Public corporations and private enterprises									
Public corporations									
Subsidies on products and production (pc)									
Other transfers to public corporations									
Private enterprises									
Subsidies on products and production (pe)									
Other transfers to private enterprises									
Non-profit institutions									
Households									
Social benefits									
Other transfers to households									
<b>Payments for capital assets</b>									
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment									
Transport equipment									
Other machinery and equipment									
Software and other intangible assets									
<b>Payments for financial assets</b>									
Thefts and losses									
<b>Total economic classification</b>			<b>1 613</b>		<b>3 000</b>	<b>3 000</b>	<b>2 450</b>		



## Vote 5 - Education • EPRE - 2014/15

**TABLE 5.47: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: CONDITIONAL GRANT (OSD FOR THERAPISTS)**

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>							<b>93 599</b>	<b>29 442</b>	
Compensation of employees							93 599	29 442	
Salaries and wages							93 599	29 442	
Social contributions									
Goods and services									
Administrative fees									
Advertising									
Operating payments									
Venues and facilities									
Rental and hiring									
Interest and rent on land									
Interest									
Rent on land									
<b>Transfers and subsidies</b>									
Provinces and municipalities									
Provinces									
Provincial agencies and funds									
Municipalities									
Municipal agencies and funds									
Departmental agencies and accounts									
Social security funds									
Departmental agencies (non-business entities)									
Higher education institutions									
Public corporations and private enterprises									
Public corporations									
Other transfers to public corporations									
Private enterprises									
Other transfers to private enterprises									
Non-profit institutions									
Households									
Social benefits									
Other transfers to households									
<b>Payments for capital assets</b>									
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment									
Transport equipment									
Other machinery and equipment									
Software and other intangible assets									
<b>Payments for financial assets</b>									
Thefts and losses									
<b>Total economic classification</b>							<b>93 599</b>	<b>29 442</b>	

# VOTE 6

## DEPARTMENT OF SOCIAL DEVELOPMENT

To be appropriated	R 3 524 662 000
Responsible MEC	MEC for Social Development
Administering Department	Department of Social Development
Accounting Officer	Head of Department

### 1. OVERVIEW

#### Vision

A caring and self-reliant society.

#### Mission

To transform our society by building conscious and capable citizens through the provision of integrated social development services

#### Values

- Human dignity is a fundamental human right that must be protected in terms of the Constitution of South Africa and facilitates freedoms, justice and peace.
- Respect is showing regard for one another and the people we serve and is a fundamental value for the realisation of development goals.
- Integrity is ensuring that we are consistent with our values, principles, actions, and measures and thus generate trustworthiness amongst ourselves and with our stakeholders.
- Fairness expresses our commitment to providing services to all South Africans without prejudice based on race, gender, religion or creed.
- Equality we seek to ensure equal access to services, participation of citizens in the decisions that affect their lives and the pursuit of equity imperatives where imbalances exist.

#### Strategic Outcomes Oriented Goals

##### Goal 1

Human capital management and development improved from adequate to good by 2015 ('Adequate' and 'good' are defined in the indicator protocol reference sheet).

##### Strategic objectives:

- Service delivery quality and access
- Human resource management and development
- Business processes, systems, decision rights and accountability management incorporated
- Corruption tackled effectively
- Effective financial management

##### Goal 2

Efficient and effective integrated social welfare services to 1 062 459 service recipients including children, older person, persons with disabilities and women by 2014/15 financial year

### Strategic objectives:

- Integrated services for the care, support and protection of 36 289 older persons in the 2014/15 financial year.
- Integrated programmes and services to facilitate the promotion of the well-being and the socio economic empowerment of 15 311 persons with disabilities in the 2014/15 financial year.
- Integrated community based care programmes and services aimed at mitigating the social and economic impact of HIV and AIDS to 195 494 affected and affected people in the 2014/15 financial year.
- To respond to emergency needs identified in communities affected by disasters not declared, and or any other social condition resulting in undue hardship to 1 500 beneficiaries.
- Integrated care and support services to promote functional families and to prevent vulnerability to 57 429 families in the 2014/15 financial year.
- Integrated programmes and services that provide for the development, care and protection of the rights of 84 297 children in the 2014/15 financial year.
- Provide comprehensive Early Childhood Development (ECD) services to 80 235 children in the 2014/15 financial year.
- Provide alternative care and support to 4 987 vulnerable children in the 2014/15 financial year.
- Provide protection, care and support to 5 708 vulnerable children in communities in the 2014/15 financial year.
- Develop and implement social crime prevention programmes and provide probation services targeting 117 334 children, youth and adult offenders and victims within the criminal justice process in the 2014/15 financial year.
- Design and implement integrated programmes and services to support, care and empower 39 447 victims of violence and crime in particular women and children in the 2014/15 financial year.
- Design and implement integrated services for substance abuse, prevention, treatment and rehabilitation to 424 428 beneficiaries in the 2014/15 financial year.

### Goal 3

Efficient and effective community development and youth services to 616 905 sustainable livelihoods beneficiaries and 35 465 youth within communities

### Strategic objectives:

- Building safe and sustainable communities through the creation of strong community networks, based on principles of trust and respect for local diversity, and nurturing a sense of belonging and confidence in local people to 10 000 recipients in the 2014/15 financial year.
- To support NPO registration and compliance monitoring, NPO stakeholder liaison and communication, provide institutional capacity building, manage NPO funding and monitoring and create a conducive environment for all NPO to flourish.
- To provide poverty alleviation and sustainable livelihood services to 552 800 recipients in the 2014/15 financial year.
- To provide community based research and planning to 9 000 households in the 2014/15 financial year.
- Create an environment to help young people to develop constructive, affirmative and sustainable relationships while concurrently providing opportunities for them to build their competencies and needed skills to engage as partners in their own development and that of their communities to 36 505 youth in the 2014/15 financial year.
- Create an environment to help 8 600 women to develop constructive, affirmative and sustainable relationships while concurrently providing opportunities for them to build their competencies and needed skills to engage as partners in their own development and that of their communities.
- To promote the implementation of the Population Policy within all spheres of government and civil society through population research, advocacy, capacity building and by monitoring and evaluating the implementation of the policy in the 2014/15 financial year.

### Acts, rules and regulations

- Prevention and Treatment of Substance Abuse Act, No. 70 of 2008;
- Child Justice Act, No 75 of 2008;
- Older Persons Act, 2006;
- Children's Act, No. 38 of 2005;
- Social Assistance Act, 2004;
- South African Social Security Agency Act, No. 9 (2004); and
- Advisory Board on Social Development Act, 2001.

**Policy Directives**

- Policy on the transformation of the Child and Youth Care System;
- National Guidelines for Social Services to children infected and affected by HIV and AIDS;
- Disability Rights Charter of South Africa;
- National Policy on Disability;
- White Paper on Disability – Integrated National Disability Strategy;
- National Policy Guidelines for the handling of Victims and Survivors of Sexual Offences, 1997;
- The Service Charter for the Victims of Crime;
- National Anti- Rape Strategy;
- Shelter Strategy and Framework;
- The National Policy Guidelines for Victim Empowerment;
- National Policy on the Management of Substance Abuse; and
- National Integrated Plan for Early Childhood Development.

**2. REVIEW FOR THE CURRENT FINANCIAL YEAR (2013/14)**

The Gauteng Department of Social Development is committed to addressing the triple challenges of unemployment, poverty and inequality, including the eradication of social ills in our society. It will therefore continue to commit itself to working with civil society in order to accelerate service delivery and effective implementation of programmes aimed at enhancing the quality of life of communities, and it will include target groups, including the poorest of the poor. This commitment will ensure that women, youth, children, the elderly and persons with disabilities enjoy greater freedom and that their human rights and interests are promoted and respected.

In order to realise the outcomes, the department focused on the implementation of programmes geared towards ensuring the care, protection and safety of identified vulnerable groups. Progress on the achievement of planned outputs and programmes as at the end of the third quarter is provided hereunder:

**Outcome 1: Quality basic education**

In order to realise Outcome 1: Quality Basic Education, the department focused on expanding access to Early Childhood Development (ECD) centres, capacitating ECD practitioners and implementing the ECD Regulatory and Funding Strategy. This encompasses appropriate programme design, profiling illegally operating ECD facilities and improving ECD social infrastructure in the 20 prioritised areas.

In partnership with the Gauteng Department of Education, ECD was rolled out. Therefore, as at the end of the third quarter, 69 995 children aged between 0 and 5 years received services from 1 172 funded partial care ECD sites. A total of 1 778 partial care sites were registered with an approved capacity of 119 569.

**Outcome 2: A long and healthy life for all**

**Substance Abuse Prevention, Treatment and Rehabilitation**

Substance abuse is recognised as one of the greatest health and social problems in South Africa. It has wide-ranging consequences, which include physical debilitation, chronic impairment, injuries, marital and family problems, child abuse, violence in families and communities, trauma, depression, crime, traffic accidents, work stress, and economic costs.

At the end of the third quarter, the department provided services through 42 substance abuse treatment centres (out-patient and in-patient), and a total of 3 020 service users accessed these treatment centres. A further 24 233 children and youth were reached through the Ke-Moja Drug Prevention Programme. In addition, 87 690 beneficiaries were assisted through the Substance Abuse Prevention Programme, whilst 1 448 beneficiaries of the Aftercare Programme received treatment for substance abuse.

The aforementioned performance contributes towards the achievement of the set targets of funding 43 substance abuse treatment centers (managed by NPOs), reaching out to 12 699 service users accessing treatment centers (managed by funded NPOs), supporting 119 431 children and youth through the Ke-Moja Drug Prevention Programme, assisting 242 291 beneficiaries through the Substance Abuse Prevention Programme, and providing aftercare services to 3 423 persons receiving treatment for substance abuse.

**HIV and AIDS**

The HIV and AIDS pandemic have a negative effect on society, and children and women are the most affected

by this disease. By the end of the third quarter, a total of 25 100 vulnerable households and 42 472 orphans and vulnerable children received psychosocial support. A total of 220 347 beneficiaries were reached through the HIV and AIDS prevention programmes. These programmes are aimed at providing psychosocial support services, food parcels from the Home and Community-Based Care (HCBC) organisations and daily meals at drop-in centres. In addition, 6 123 work opportunities were created in the HCBC through the Expanded Public Works Programme (EPWP).

HIV and AIDS, food insecurity and malnutrition are interlocked in a vicious cycle. Food insecurity can increase susceptibility to HIV transmission through various routes. To alleviate food insecurity and malnutrition, the department provided food parcels to 15 400 people by the end of the third quarter. A total of 32 401 also received daily meals at drop-in centres during the same period.

### **Outcome 3: All people in South Africa are and feel safe**

#### **Provision of care and support services to older persons**

The department is committed to ensuring that the dignity and worth of older persons is upheld. At the end of the third quarter, 9 339 older persons accessed services in 110 community-based care and support facilities (managed by funded NPOs). The department also funded 71 luncheon clubs that benefited 2 717 older persons. Furthermore, 68 home-based care facilities for older persons were managed by funded NPOs and 5 522 beneficiaries accessed these facilities. A further, 11 378 older persons participated in Active-Ageing Programmes. In addition, there were 6 181 beneficiaries in residential facilities managed by funded NPOs. This positive performance is informed by referrals received and admissions to these facilities.

#### **Services to persons with disabilities**

Disability affects people's lives in a number of ways. Many people with disabilities endure poverty and lack the means to become economically empowered. The department's interventions seek to promote the wellbeing, independent living, and protection of persons with disabilities. At the end of the third quarter, 3 827 persons with disabilities accessed services in 68 funded protective workshops managed by NPOs and 2 017 persons with disabilities also accessed services in residential facilities. In ensuring the dignity of persons with disabilities and ensuring effective and efficient service provision, the department has provided funding to 32 residential facilities for persons with disabilities (NPOs) and 1 837 persons with disabilities accessed these residential facilities.

#### **Crime prevention and support services for children in conflict with the law**

In line with the Child Justice Act (Act 75 of 2008), the department is responsible for the provision of assessments for all arrested children by probation officers within 48 hours.

As at the end of the third quarter, a total of 22 571 beneficiaries, including children, were reached through social crime awareness and prevention programmes. Furthermore, 2 143 children and adults in conflict with the law were assessed. Performance of this service is however dependent on court and SAPS referrals. All cases referred to the department are assessed. The department also manages two secure care centres (child and youth care centres) and one of these is managed by an NPO. A total of 727 children benefitted from these secure care centres. The performance of this indicator is dependent on the number of referrals received from the courts. All children are admitted as and when they are referred by the courts and the South African Police Service (SAPS). A total of 783 children in conflict with the law participated in diversion programmes.

#### **Child care and protection**

The work of the department in relation to child care and protection services is informed by the objectives of the Children's Act No 38 of 2005, which gives effect to the constitutional rights of children.

The third quarter performance contributes towards the achievement of the pre-determined targets of funding 93 Child and Youth Care Centres (childrens homes and shelters), reaching out to 4 045 children in need of care and protection, placing 3 052 (CYCC) children in foster care for the first time, social work services for 39 586 children in foster care, and supporting 105 registered CYCCs with an approved bed capacity of 8 098.

#### **Victim Empowerment Programme (VEP)**

The implementation of the VEP is a core legal mandate that aims to prevent gender-based violence, empower victims of violence and work with perpetrators of violence. Inter-sectoral collaboration and coordinated service delivery to victims forms the cornerstone of the VEP.

At the end of the third quarter, the department provided funding to 22 service sites (shelters) for victims of crime and violence, managed by funded NPOs. The shelters and NPOs rendering VEP services reached 415 individuals (women and children) affected by domestic violence and abuse. This performance is largely attributed to intensified interventions, to address the directive of the 16 Days of Activism, which resulted in greater public awareness and access to the service. The department, in partnership with other stakeholders, further created and placed a total of 68 women in economic empowerment opportunities. The department works in collaboration with the Department of Community Safety to expand the perpetrator programmes through funding the NGO sector.

The aforementioned third quarter performance contributes towards the achievement of the set targets of strengthening prevention programmes. The department is committed to reducing the risk of sexual and physical violence against women and children. This is done by ensuring the participation of men and boys in education on gender-based violence, and fighting against violence toward women and children through its prevention programmes and VEPs. In this regard the department planned on expanding its funding to 23 shelters for victims of crime and violence (managed by funded NPOs), ensuring that 2 256 victims of crime and violence were beneficiaries, and providing services to 23 899 victims of crime and to 245 abused women placed in economic empowerment opportunities.

#### **Outcome 4: Decent employment through inclusive economic growth**

##### **Expanded Public Works Programme (EPWP)**

The EPWP provides an important contribution towards the Millennium Development Goal of halving unemployment by 2014. This programme is a nation-wide government-led initiative, aimed at drawing a significant number of unemployed South Africans into productive work in a manner that will enable them to gain skills and increase their capacity to earn income when they exit the programme. In its efforts to contribute to Outcome 4, namely to "Create decent employment through inclusive economic growth", the department planned to create job opportunities through the provision of learnerships, internships and bursaries, and through placements in the Home Community-Based Care (HCBC) organisations and ECD facilities.

As reported at the end of the third quarter, a total of 6 123 job opportunities were created within the HCBC and the ECD programme. The performance for this quarter contributes towards the achievement of the targets of providing job opportunities to 6 100 beneficiaries. Jobs in HCBC organizations and the ECD sector are created through the EPWP volunteers. These EPWP volunteers are caregivers meant to serve people affected with HIV and AIDS.

##### **Youth Placement Programme/ Development**

The exclusion of youth from the labour market, along with youth poverty, substance abuse, crime and violence, all point to the need to address how best we can improve the socio-economic condition of the youth of Gauteng. In responding to the challenges above, the department is guided by the Youth Development Strategy developed by the National Department of Social Development. At the end of the third quarter, the department provided funding to 32 NPOs delivering youth development services. A total of 3 793 youth participated in skills development programmes rendered by these funded NPOs. In addition, a total of 3 310 youth participated in social change programmes. There was increased participation of 160 youth owned companies which participated in the preferential procurement and 134 young people participated in internship programmes.

##### **Support to cooperatives**

Social cooperatives are organs of civil society intended to strengthen social cohesion and promote local economic development synergy amongst organised communities. Through providing contracts to social cooperatives in previously disadvantaged communities, work opportunities were created for those participating in these cooperatives. At the end of the third quarter, a total of 473 cooperatives were contracted by the department, thus contributing to the target of empowering a total of 464 cooperatives. .

##### **School Uniform Project**

The department's interventions in the implementation of the Bana Pele programme focused on the provision of school uniforms to children in quintile 1 and 2 schools, and schools located in previously disadvantaged communities. Each school uniform package consists of a pair of shoes, one shirt, one jersey, one trousers/tunic/skirt and a pair of socks. At the end of the third quarter of the 2013/14 financial year, the department distributed only 3 865 school uniform packs against a target of 110 000. The remaining portion will be distributed in the fourth quarter, which coincides with the start of the 2014 academic year.

**Dignity Packs**

The provision of dignity packs will help to keep many girls in school and provide an income for two of the cooperatives packaging them. A dignity pack comprises body lotion, deodorant, petroleum jelly, toothpaste, soap and sanitary pads. Since the launch of the programme in 2011, about 136 000 girl children have benefited from the programme.

At the end of the third quarter, 88 999 girl children benefited from the dignity packs programme, thus contributing towards the target of distributing 200 000 dignity packs to children.

**Outcome 5: Vibrant, equitable, sustainable rural communities contributing towards food security for all**

In ensuring this outcome, the department employs a comprehensive strategy that combines short-term relief for food challenges, community development, and sustainable livelihoods. One of the focal areas over the last three years has been ensuring that no household in the province goes to bed with empty stomachs. Through food banks, the department continues to make steady progress in the battle to reduce hunger among households in Gauteng.

At the end of the third quarter, 2 258 households were profiled. This positive performance was due to increased capacity through the utilisation of unemployed graduates as part of the youth employment programme, focusing solely on war on poverty and its interventions. Furthermore, 54 276 beneficiaries received food relief from food banks. Six Community Nutrition centres were established within the prioritised townships and the poorest wards, ensuring that 10 816 households accessed food through community development initiatives.

**Outcome 6: Sustainable human settlements and improved quality of household life**

In response to this outcome the department focuses on engaging in planning for the social infrastructure and development programmes with determination and continues to track progress in collaboration with relevant stakeholders. This includes project management for new and existing infrastructure development; property and lease management; and implementation of timeous maintenance, rehabilitation and upgrading works at all the existing facilities in line with GIAMA. This ensures accessibility to all the department's facilities for people with disabilities, and compliance with Occupational Health and Safety (OHS) Act requirements.

The target of 4 ECD centres was not achieved. One facility was constructed in Protea Glen. Sharpeville is in advanced progress and likely to be completed in the fourth quarter. The performance is attributed to delay in tender processes in Bophelong, Mohlakeng and Hammanskraal. The completion of one shelter for vulnerable women and children in Gauteng was not planned for the third quarter. The progress recorded is that capital transfer agreement and Deed of Donation from Lesedi Municipality are with the Legal Unit for consideration.

The target of 3 service delivery accommodation facilities in Gauteng was achieved. This includes Protea Glen, Kagiso and Munsieville. Other office facilities to be completed where land is available in the 2014/15 financial year are Desmond Tutu, Garankuwa, Rearabilwe and the Mary Moodley Centre. The design is amended and service contractors must still be appointed through tender process by the DID. At Bophelong the contractor is appointed and scheduled to take site in February 2014.

The third quarter performance as described above contributes towards the achievement of the set targets: the construction of 3 community home-based care facilities, including day care facilities for older persons in each of the prioritised townships and poorest wards; 4 ECD centres; one shelter for vulnerable women and children in Gauteng; and 4 service delivery accommodation facilities in Gauteng.

**3. OUTLOOK FOR THE COMING FINANCIAL YEAR (2014/15)****Outcome 13: An inclusive and responsive Social Protection**

The Gauteng Department of Social Development is the lead department for Outcome 13: Social Protection, which aims to address the challenges of unemployment, poverty and inequality. The outputs described hereunder contribute towards the realisation of Outcome 13.

**Output 1: Provision of care and services to older persons**

Ensuring the dignity for older persons by ensuring adequate service provision to these members of society continues to be of importance to the department. In accordance with the legislation for older persons which enjoins the state to provide community-based services to enable older persons to enjoy active, healthy, independent lives



as part of their families and communities for as long as possible, the department plans to provide subsidies to 251 NPOs, including community-based care facilities (service centres, luncheon clubs and home-based care facilities) that will benefit 17 266 older persons.

### **Output 2: Integrated services to persons with disabilities**

According to the census conducted in 2011 by Statistics South Africa, there are 12 272 263 people in Gauteng Province. Of this number, 1 182 512 or 9.64 per cent are persons with disabilities. In terms of the reported 2010 statistics, approximately 2.3 per cent of the Gauteng population is physically disabled, 2.2 per cent are deaf or hard of hearing, 2.1 per cent is intellectually disabled, and 0.6 per cent requires full time care. This means that 16 per cent of all persons with disabilities in the province require full time care either through residential facilities or home and community base care. There are a number of challenges that continue to face people with disabilities. Amongst these are the restrictive environments and barriers that continue to marginalise and exclude them from participating in daily activities of the mainstream society, and exposure to poverty and unemployment.

The vision of the department, in terms of persons with disabilities, is to achieve the full and equitable inclusion and integration into mainstream society, through implementation of community-based and residential care programmes. This is in order to improve the quality of life for persons with disabilities. Provision of services to persons with disabilities is based on a human rights and a developmental approach to disability. Services continue to afford people with disabilities the opportunity to develop, work and acquire social skills in a barrier-free environment in order to ensure that their rights are promoted and protected through mainstreamed programmes.

In an endeavor to promote the wellbeing, independent living, socio-economic participation and protection of persons with disabilities, the department provides care in the form of residential facilities, assisted living facilities and protective workshops.

In realising and promoting the rights of persons with disabilities, the department has established institutional level structures and support to ensure mainstreaming of disability issues. Furthermore, the department provides support and funding to NPOs to implement programmes that support persons with disabilities, and implements various awareness-raising interventions about the rights of persons with disabilities. The department targets to employ 2 per cent of the persons with disabilities.

Services to persons with disabilities are further enhanced through collaboration with other government departments and NPOs to address numerous issues, such as problems with accessing services, resources and promoting economic opportunities and social inclusion.

### **Output 3: Combating HIV and AIDS**

The HIV and AIDS pandemic has undoubtedly compromised the capacity of individuals, families and communities to provide care and support to those infected and affected by the disease. Children and women bear the brunt of the epidemic. In mitigating the risks and resultant depressive conditions associated with this disease, the Department continues to implement psychosocial care and support programmes, particularly for children and affected families.

In the 2014/15 financial year, the department plans to further intensify the HIV and AIDS programme by ensuring that 242 NPOs are supported through funding, 41 762 beneficiaries receive psychosocial support services, 64 236 beneficiaries receive food parcels from the HCBC organisations and 34 695 beneficiaries are provided with daily meals at drop-in centres.

### **Output 4: Integrated child care and protection services**

Children are the future of any society in the world, and should therefore be treated with the highest level of care and protection, and their development should form the cornerstone of each and every society. This being said, children's rights continue to be violated across societies. In South Africa, according to the Mid-Year Population Estimates, there is an estimated 15.3 million children aged 0-14 of which 2 million lives in Gauteng.

An increasing number of children are being orphaned on a yearly basis. The number of orphans in South Africa is particularly high. Orphans are not only traumatised by the loss of their parents, but they may also lack the necessary parental guidance through the crucial life stages of identity formation and socialisation into adulthood. The leading cause of an increase in the number of orphans is HIV and AIDS and therefore an increase in the number of infections and deaths related to the scourge could heavily increase the number of



orphans. The department implements a variety of services for orphans and vulnerable children in partnership with HCBC organisations throughout the province.

The proliferation of street children in the streets of Gauteng is becoming a serious problem. This is mainly as a result of social factors such as poverty and family breakdown. The trend is that there are three times as many boy street children as there are girls. These children are usually exposed to some forms of abuse, and substance abuse is common amongst them. This negatively affects their ability to stabilise and makes reunification with their families very difficult. In this regard, in response to the growing nature of the problem, the department continues to increase the number of facilities for the care and protection of children, including those on the street, such as shelters for street children, children's homes, places of safety (CYCCs) and drop in centres.

An increase in the demand for foster care also continues to be a challenge, which is inherent in the diverse interpretation of the Children's Act, and the insufficient capacity and resources to render appropriate support and services to children in need of care. The non-accreditation of social workers to provide adoption services further exacerbates the challenge of providing care and protection for children in need of care.

#### **Output 5: Early Childhood Development (ECD)**

ECD remains one of the most important preventative intervention programmes implemented, to mitigate the risks of children being vulnerable during their development. Hence, ECD facilities have an important role to play in protecting, caring, stimulating and developing children. Access to such ECD services is still very uneven, as a result of historical race-based discrimination. Considerable progress has been made in phasing-in Grade R in public schools in the province, but much still needs to be done to redress the imbalances in ECD provision and to ensure that the 1.1 million children who are not enrolled in any programme prior to Grade R receive the support they need.

ECD encompasses all the processes that enable emotional, cognitive, sensory, spiritual, moral, physical, social and communication development of children from birth to school-going age.

The programmes attempt to prepare children for compulsory schooling and their development toward being well-functioning adults. Approximately one third (32,3 per cent) of all children aged between 0–5 years attend a day care centres, crèche, ECD Centres, play group, nursery school or pre-primary school.

The highest percentage is found in Gauteng (42.6 per cent) and Western Cape (39.4 per cent) and the smallest percentage is observed in Northern Cape (21.1 per cent). While 28.1 per cent of children are exposed to ECD at a centre, more than half (51 per cent) are exposed at home. Almost two-thirds (63.5 per cent) of children are exposed in general (Social Profile of Vulnerable Groups in South Africa (2002 – 2010: 38).

The department will provide ECD services to 77 261 children (0–5 years) in 2014/15. The quality of this support is also a serious concern as ECD sites in informal urban areas score markedly lower on measures of infrastructure, quality of programmes and training and experience of educators. The other area of concern is the home-based ECD sites, which account for 42 per cent of ECD enrolment. Other areas of focus relate to ensuring access to information and referral services, and promoting a healthy lifestyle amongst children and adolescents.

According to the study conducted by Deloitte and Touche on the strategic indicators of the department, the number of children accessing ECD programmes is expected to increase to over 85 058 by 2015. This means that the number of children that need ECD and receives it will increase from 15 per cent in 2012 to 18 per cent in 2015.

#### **Output 6: Integrated crime prevention and support services**

Crime remains a very serious problem facing South Africa. Gauteng is also one of the major contributors to the national summation of crime, and a significant number of those involved in crime are children and youth. As a result, government in general and the Gauteng Provincial Government in particular, have specifically prioritised services to target this group, in an attempt to decrease crime. Since the promulgation of the Child Justice Act in 2008, the department continues to align its services to the requirements of the Act. In line with this Act, the department is responsible for the provision of assessments for all arrested children by probation officers within 48 hours. All children arrested must be assessed before their first court appearance.

The department is rendering a social crime awareness and prevention programme. The department, in partnership with NPOs, manages secure care centres for children in conflict with the law who are awaiting trial.

With regards to the diversion programme, children in conflict with the law participate in programmes that are more restorative by nature and afford the child to be accountable for his or her actions.

In the 2014/15 financial year, the department will continue to improve the effectiveness of the diversion programmes and reach out to previously disadvantaged communities. The department plans to ensure that 1 982 children in conflict with the law participate in diversion programmes, 1 844 children in conflict with the law are referred to diversion programmes and 6 087 adults and children in conflict with the law are assessed. The approach will continue to emphasise a restorative stance and more accountability on the part of the children in conflict with the law. Other key activities and support will include the improvement of monitoring and evaluation of probation programmes to children and adults, expansion of social crime prevention and awareness programmes, and strengthening of After-care Programmes for families of children in conflict with the law. To strengthen social crime prevention and awareness programmes, the department developed a social crime prevention strategy, namely, the Gauteng Social Crime Prevention Strategy. The purpose of this strategy is to enable the department to promote safety in a coordinated manner, looking at factors causing crime, particularly crime committed between people who are known to each other.

#### **Output 7: Integrated victim empowerment services**

The department, in cooperation with the Department of Community Safety, developed the "Integrated Strategy for the Management of Sexual and Domestic Violence".

NPOs are funded to deliver services to victims of domestic violence and crime. The increased sensitisation about gender-based violence, victims' rights and sexual assault resulted in a large number of individuals accessing VEP services. In partnership with shelters for abused women, abused women who are dependent on abusers are linked to economic empowerment opportunities. There has also been a shift towards prevention and early intervention services through the rendering of psycho-social services by NGO's at identified victim friendly rooms at police stations and the establishment of "Green Doors"(safe houses) in communities.

In strengthening prevention programmes, the department endeavoured to ensure the participation of men and boys through education and awareness to reduce gender-based violence. The strategy for the engagement of men and boys in the eradication of gender-based violence has been approved and training is being rolled out.

In the 2014/15 financial year, the department plans to fund 24 NPOs to assist 2 268 for victims of crime and violence. In addition, 8 765 beneficiaries will be reached through the programme, No Violence Against Women and Children, including 16 Days of Activism Against Women and Child Abuse and 2 400 victims of gender-based who accessed the command centre, will be provided with VEP services.

#### **Output 8: Integrated substance abuse prevention, treatment and rehabilitation services**

One of the key service needs is to decrease the number of people who abuse substances. In Gauteng, the problem is exacerbated by an increase in the number of young people migrating into the province and the proliferation of entertainment places that sell alcohol. The department has also noted an increase in the number of children and youth abusing 'Nyaope' which is a concoction of the cheapest form of heroin and dagga. The new Prevention and Treatment for Substance Abuse Act, No. 70 of 2008, was promulgated in April 2013 and this act will improve substance abuse interventions as it places more emphasis on prevention services.

The department, through an Integrated Anti-Substance Abuse Strategy which was designed to coordinate the provincial response to the problem, provides prevention services in the form of awareness and prevention programmes to educate communities about the dangers associated with the abuse of substances. The department also provides in-patient treatment services to provide specialised social, psychological and medical services to service users and to persons affected by substance abuse and after care services to ensure that abusers maintain sobriety or abstinence, personal growth and enhance self-reliance and optimal social functioning.

In the 2014/15 financial year, the department plans to provide substance abuse prevention programmes to 28 434 beneficiaries. Furthermore, the department aims to reach 252 511 beneficiaries through substance abuse prevention programmes (managed by funded NPOs), 17 060 service users through out-patient treatment centres for substance abuse (managed by funded NPOs) and 119 431 children and youth through the Ke-Moja Drug Prevention Programme.

#### **Output 9: Community development and sustainable livelihood development centres**

Through this programme, the department implements integrated development interventions that facilitate the empowerment of communities towards sustainable livelihood. The department provides financial support to

social cooperatives, managed by women, in previously disadvantaged communities. Financial support was also provided to NPOs rendering a range of services to the youth. These young people were provided with training that seeks to impart life, technical and business skills. As a result of these capacity building initiatives, youth were placed in economic opportunities. Hence, youth participated in the National Youth Service and in the Masupatsela Youth Pioneer programme.

In 2010 research was done on the impact of development centres on poverty alleviation and the findings reflected that 79 per cent of the beneficiaries were successfully assisted in meeting their basic needs and that 84 per cent of community members perceived development centres as an appropriate model to alleviate poverty.

#### **Outcome 5: Vibrant, equitable, sustainable rural communities contributing towards food security for all**

The department's response to the aforementioned outcome has been that of a comprehensive approach that recognises sustainable social development as the best strategy. This strategy combines short term relief to food challenges, community development, and sustainable livelihoods as its main activities.

In this province, children continue to face a number of challenges, all caused and exacerbated by the socio economic conditions they find themselves in. The first critical challenge facing children is poverty. It is well established that conditions associated with poverty have the most powerful and pervasive impact on the broadest range of negative child outcomes.

In mitigating the effects of child poverty in the province, the implementation of the Gauteng Programme of Action for Children, which promotes the wellbeing of children, was intensified in an effort to make Gauteng province fit for children. Intergovernmental forums were formed by different levels of government in the province and facilitation meetings were held to properly coordinate child care services in the province. The flagship programme to tackle child poverty known as "Bana Pele" was also implemented. This programme aimed to ensure that vulnerable children receive a comprehensive package of services from GPG departments through a single window. The programme was implemented in partnership with the GDE and so far has benefited more than one million children through services such as the no-school fee policy, free school uniform and school nutrition programmes.

#### **War on Poverty (WOP)**

The primary objective of War on Poverty is to identify households that are in dire poverty through door to door visits and link them with a range of government interventions that will assist in improving the quality of life of members of the identified households.

Households are profiled to benefit from the basket of services provided by the various GPG departments. The department provides food relief to households through referrals made to its five food banks established in the Ekurhuleni, Sedibeng, Tshwane, West Rand and Johannesburg Regions. In order to intensify this programme, households profiled are also referred to various other government departments for services. Furthermore, partnerships have been brokered with the National Department of Agriculture, Rural Development and Land Reform and with the Community Development Worker (CDW) programme in the province. In promoting service integration, and comprehensive care and support to priority groups, women receiving child support grants are profiled to be referred for beneficiation on the basket of services offered by the various departments within the GPG through the War on Poverty campaign.

The department will continue to strengthen partnerships with state owned enterprises, civil society and the private sector, including the Independent Development Trust, Vodacom and Nestle SA. This is in addition to the partnerships established through the National War Room structure at the Presidency, which includes all national departments and organisations such as South African Local Government Association (SALGA). The primary role of this partnership is to develop poverty stricken communities to a point of self-reliance using a sustainable development framework model.

A challenge, which has impacted the programme performance, is that the department is still operating on a manual profiling system. This creates a time lag of almost a month between the first visits to a household to the end of the process where the particulars of the household are captured onto the National Integrated Social Information System. To mitigate this, the department is conducting investigations into a viable mobile data capturing solution which will expedite the process of capturing data after household visits. In the 2014/15 financial year, the department plans to profile 9 000 households and 9 wards as part of the War on Poverty programme.

### **Dignity Packs**

The plight of girl children in schools who cannot afford to buy sanitary towels has been recognised and the department has since intervened in distributing dignity packs containing Vaseline, body lotion, tooth paste, roll-on and a pack of sanitary towels. Training has also been offered on how to dispose the sanitary pads in an effort to maintain health standards and contribute to effective drainage management systems. This project helped to keep many girls in school and to provide an income for one of the cooperatives producing them. Some of the benefits for provision of dignity packs include restoring the dignity and the rights of the girl child to school, improving the rate of school attendance and upholding the health and reproductive rights of the girl children.

Since the launch of the programme in 2011, about 294 360 girl children have benefited from the programme. In addition, a balance was maintained from a gender perspective for both the girl and boy child as dignity packs were distributed to both. The Department considered expanding these services to boy children as well. The service will also be expanded to children with albinism. Their package will comprise a sun screen and a hat in addition to the usual dignity pack.

To strengthen support to child-headed households and other vulnerable children, the province will roll out a social development led Child and Youth Care Work Programme named Isibindi over the next three years. The programme will realise the training and deployment of over 200 child and youth care workers to provide psychosocial support to child-headed households and other vulnerable children, including the establishment of safe parks in prioritised areas. This initiative will see the recruitment, training and employment of young people in society, contributing immensely to the job creation drive by government. In the 2014/15 financial year the department plans to supply 225 000 dignity packs.

### **Output 10: Sustainable employment creation**

The conceptualisation of the EPWP provided the most sought after contribution towards halving unemployment by 2014 and will continue to be implemented in the 2014/15 financial year. This programme is a nation-wide government-led initiative aimed at drawing a significant number of unemployed South Africans into productive work in a manner that will enable them to gain skills and increase their capacity to earn income when they exit the programme. It is therefore against this background that the programme emphasises broadening of skills base and increasing beneficiaries' capacity to earn income when they exit the programme.

The work opportunities in the EPWP are created through the HCBC and ECD programmes. The EPWP caregivers provide services to people affected by HIV and AIDS and the department plans to expand its target in relation thereto. The department has identified and prioritised cooperatives as an ideal tool in pursuit of local economic development and sustainable livelihoods for poor households. The department has provided technical training to cooperatives in different economic sectors.

In 2010 research was done on the impact of development centres on poverty alleviation and the findings reflected that 79 per cent of the beneficiaries were successfully assisted in meeting their basic needs and that 84 per cent of community members perceived development centres as an appropriate model to alleviate poverty. In the 2014/15 financial year, the Department plans to financially support 464 cooperatives that will provide goods and services to the department. .

### **Targeted Gender, Youth and People with Disabilities (GEYODI) interventions, infrastructure and job creation**

#### **Output 1: Gender Interventions**

The abovementioned output will focus on the provision of services to women on the child support grant and ensure that those woman in need are linked to economic opportunities and participate in income generating programmes, legal rights awareness workshops and socio-economic empowerment programmes.

#### **Output 2: Youth Interventions**

According to the Youth Development Strategy (2012), economic participation of youth in South Africa is poor and characterised by high unemployment and poor entrepreneurial levels. Research shows that, since 2011, South Africa has had an unemployment rate of 25 per cent, and about 70 per cent of the unemployed are youth between the ages of 14 and 35 years. Arguably, unemployment is not only a function of the ability of the economy to absorb labour, but it is also a function of the level of education and work experience of young people. In terms of the New Growth Path 2010, the core challenges hampering meaningful participation of youth in the mainstream economy are unemployment, poverty and inequalities. It is a global trend, and in South Africa it is even more evident, that young people are most affected by unemployment. In contributing to

the New Growth Path 2010 as well as the National Youth Development strategy and policy, the department will have initiatives that focus on the youth, women and PWD (persons with disabilities). These initiatives will include empowering departmental young women through the Departmental Young Women's Forum.

### **Output 3: Infrastructure Plans**

The aim of the 20 Priority Townships Project (20 PTP) is to contribute to the revitalisation of previously disadvantaged townships that are economically, socially and culturally depressed. The department's social infrastructure development programme addresses lack or shortage of infrastructure development within the 20 PTP communities by increasing access to key social upliftment facilities such as ECDs, old age homes, HCBC sites for older persons and HCBC sites for orphaned and vulnerable children (OVCs).

### **Output 4: Job Creation Opportunities**

#### **Contribution to the Government Job Creation Agenda**

As stipulated in the National Development Plan (Vision 2030) of South Africa, "The country needs an economy that is more inclusive, more dynamic and in which the fruits of growth are shared more equitably". For this reason, the department is determined to ensure that the needs of all military veterans in the country are taken care of, which could eliminate poverty and reduce inequality in the country.

As stated in the executive summary of the National Development Plan 2030, the main priorities of government are focused on raising employment through faster economic growth, improving the quality of education, skills development and innovation, and building the capability of the state to play a developmental, transformative role.

In contributing to government's agenda of job creation, the department will in the medium-term implement measures to ensure empowerment of targeted groups and this will in turn result into job creation. Therefore, tenders will be awarded to companies falling within the Historically Disadvantaged Individuals (HDI) groups. Furthermore, the department will ensure that 80 per cent of all goods and services procured are from HDI owned companies, 30 per cent from women owned companies, 10 per cent from youth owned companies and 5 per cent from PWD owned companies. The department will also be involved in other indirect initiatives that will contribute to the government's target of creating 5 million jobs by 2020.

In contributing to the job creation agenda, the department will over the 2014 MTEF continue to make strides in the area of providing internship programmes to 215 youth during 2014/15, 260 youth during 2015/16 and 286 during the 2016/17 financial year. In relation to the learnership programmes the department will support 182, 260, and 286 youth for the financial years 2014/14, 2015/16 and 2016/17 respectively. In supporting formal education and training through awarding bursaries to unemployed youth 22, 24 and 26 bursaries will be awarded to unemployed youth for the financial years 2014/15, 2015/16 and the 2016/17 respectively. During the 2014/15 fiscal year, the department will also recruit EPWP beneficiaries to enhance service delivery and create 6 190 work opportunities.

## **4. REPRIORITISATION**

A reprioritisation exercise was conducted to ease budget pressures over the 2014 medium term. This process was implemented by identifying savings in non-core areas in order to respond to the priorities of the department. The department also reprioritised funds to sustainable livelihoods programmes, to increase transfers to non-profit institutions that provide dignity packs to girl learners in no-fee and special schools.

The savings will also be utilised to intensify the services of the Development Centres which transform young people who transit from substance abuse treatment facilities, foster care and child care institutions. The reprioritisation exercise was also used to supplement the budget for youth development programmes, emphasising on the promotion of youth employability by linking young people to economic opportunities and facilitating skills development for youth through non-profit institutions. The budget for outsourced services which include security, cleaning and lease payments was increased over the 2014 medium term due to the revised rates and annual price adjustments on some contracts. The department will continue to implement austerity measures in an attempt to strengthen social development initiatives.



## 5. PROCUREMENT

In order to improve supply chain management practices and address the capacity constraints in relation thereto, the department institutionalised various procedures. These include:

- The decentralisation of Procure to Pay functions with the exception of buying function;
- The strict monitoring segregation of duties within the SCM unit;
- Delegation letters are issued to supply chain management officials dealing with requests for proposals and quotation functions;
- Training of SCM staff and end users on the SCM process;
- Established supplier forums for women, youth and people with disabilities;
- Arrangement of tender nine months before expiry;
- Establishment of specification, bid evaluation and adjudication committees;
- Establishment of asset management committee to regulate procurement and disposal of assets; and
- Departmental Supply Chain Management guidelines and policies were finalised and implemented.

Major procurement to be undertaken relates to outsourced services, such as security, cleaning, gardening, laundry and catering for beneficiaries at various institutions and for service points. The outsourced services forms part of the 2014/15 financial year procurement plan and funds are allocated according to the revised rates. Contract workers were appointed in the 2013/14 financial year to capacitate the asset management unit for a period of twelve months. This was done to ensure that all Supply Chain Management (SCM) functions are adequately fulfilled in the interim until permanent staff are appointed.

## 6. RECEIPTS AND FINANCING

### 6.1. Summary of receipts

TABLE 6.1: SUMMARY OF RECEIPTS: SOCIAL DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Equitable share	2 177 690	<b>2 424 792</b>	2 531 045	2 896 320	2 916 748	2 916 748	3 502 035	3 957 090	4 170 464
Conditional grants	3 948	8 289	12 873						
<i>Social Sector Expanded Public Works Programme Incentive Grant for Provinces</i>	3 948	8 289	12 873				22 627		
<b>Total receipts</b>	<b>2 181 638</b>	<b>2 443 081</b>	<b>2 543 918</b>	<b>2 896 320</b>	<b>2 916 748</b>	<b>2 916 748</b>	<b>3 524 662</b>	<b>3 957 090</b>	<b>4 170 464</b>

The budget of the department increased from R2.2 billion in the 2010/11 financial year to R2.5 billion in the 2012/13 financial year. This growth in the budget is due to the implementation of legislation such as the Children and Older Persons Act and the filling of critical posts since 2012/13 financial year.

The total baseline increases from R 3.5 billion in 2014/15 financial year to R4.2 billion in the 2016/17 financial year. An amount of R22.6 million is appropriated as the EPWP Conditional Grant in the 2014/15 financial year. This is aimed at creating additional work opportunities for unemployed South Africans in a manner that will enable them to gain skills and increase their capacity to earn income when they exit the programme.

The department further received additional funds for the provision of shelters to victims of Gender-Based Violence over the 2014 medium term which is part of equitable share. These funds will be utilised for inter alia the implementation of the Gender-Based Violence (GBV) Command Centre and the information management system of the Victim Empowerment Programme (VEP). In addition, the funds will enable the department to train officials on human trafficking, implement legislation, and provide social services and support to those in need. The department will continue to fund non-profit institutions to deliver services to victims of domestic violence and crime.

## 6.2. Departmental receipts collection

TABLE 6.2: DEPARTMENTAL RECEIPTS: SOCIAL DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Tax receipts									
Casino taxes									
Horse racing taxes									
Liquor licenses									
Motor vehicle licenses									
Sales of goods and services other than capital assets	810	967	1 602	1 553	1 913	1 914	1 632	1 713	1 804
Transfers received		130							
Fines, penalties and forfeits			1						
Interest, dividends and rent on land	65	9	39	50	50	50	52	54	57
Sales of capital assets									
<b>Transactions in financial assets and liabilities</b>	<b>280</b>	<b>3 037</b>	<b>4 299</b>	<b>1 110</b>	<b>3 000</b>	<b>3 000</b>			
<b>Total departmental receipts</b>	<b>1 155</b>	<b>4 143</b>	<b>5 941</b>	<b>2 713</b>	<b>4 963</b>	<b>4 964</b>	<b>1 684</b>	<b>1 767</b>	<b>1 861</b>

The departmental revenue over the 2014 MTEF period has been revised downward as miscellaneous receipts such as recoveries and refunds were not budgeted for as shown in the line item “transactions in financial assets and liabilities”.

The significant revenue collected in the department for 2013/14 was informed by funds recovered from Non-Profit Institutions (NPI). Funds transferred to NPI, but not fully spent are recovered from these non-profit institutions and therefore is not part of the revenue stream of the department and have not been budgeted for over the 2014 medium term.

Sales of goods and services other than capital assets includes commission on insurance, garnishee orders, parking fees collected from employees and boarding fees from officials who occupy official residence at the departmental institutions.

Interest, dividends and rent on land comprise the interest from revenue associated with ownership of interest-bearing financial instruments, such as bank deposits and loans. Such interest is generated from staff debt, which is collected and administered by the Gauteng Department of Finance.

## 6.3 Donor funding

N/A

# 7. PAYMENT SUMMARY

## 7.1. Key assumptions

The following key assumptions were considered when formulating the budget over the 2014 medium term:

- CPI projections as published in the 2013 Medium Term Budget Policy Statement (MTBPS) which are 5.5 per cent for 2014/15; 5.4 per cent for 2015/16; and 5.4 per cent for 2016/17 were considered when inflation related items were calculated;
- Cost of living adjustment as per the current wage bill agreement which is CPI inflation plus one per cent for 2014/15, 5.4 per cent for 2015/16 and 5.4 per cent for 2016/17, pay progression, housing and other allowances;
- Expansion of ECD and community home-based care services;
- Provision was made for Improvement in Conditions of Service, pay progressions and allowances;
- Ongoing implementation of out-of-school youth related programmes and social infrastructure projects;
- Expansion of services to children in conflict with the law and the poverty alleviation programmes;
- The absorption of social work graduates;
- Continued implementation of the Isibindi programme and the Victim Empowerment Programme; and
- Continued Fight against substance abuse and the implementation of the EPWP.

## 7.2. Programme summary

TABLE 7.1: SUMMARY OF PAYMENTS AND ESTIMATES: SOCIAL DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Administration	278 024	314 298	350 493	386 196	394 929	393 291	425 581	424 529	448 367
Social Welfare Services	450 010	594 193	563 711	561 575	566 522	566 830	639 005	680 679	718 549
Children and Families	837 204	1 014 634	1 102 562	1 371 703	1 354 116	1 355 143	1 747 004	2 059 164	2 159 450
Restorative Services	231 022	237 629	280 142	303 425	309 513	309 554	371 180	421 511	453 217
Development and Research	136 855	190 259	227 818	273 421	291 668	291 932	341 892	371 207	390 882
<b>Total payments and estimates</b>	<b>1 933 115</b>	<b>2 351 013</b>	<b>2 524 726</b>	<b>2 896 320</b>	<b>2 916 748</b>	<b>2 916 750</b>	<b>3 524 662</b>	<b>3 957 090</b>	<b>4 170 464</b>

Note: The department amended its budget and programme structure in line with the revised budget and programme structure for the sector. Comparative figures have been restated where applicable.

## 7.3. Summary of economic classification

TABLE 7.2: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: SOCIAL DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>864 195</b>	<b>1 068 058</b>	<b>1 106 630</b>	<b>1 258 149</b>	<b>1 263 873</b>	<b>1 263 831</b>	<b>1 532 142</b>	<b>1 726 839</b>	<b>1 822 745</b>
Compensation of employees	639 942	743 797	782 298	930 904	929 994	929 994	1 107 801	1 284 721	1 352 811
Goods and services	222 226	324 168	324 332	327 245	333 879	333 837	424 341	442 118	469 934
Interest and rent on land	2 027	93							
<b>Transfers and subsidies to:</b>	<b>991 391</b>	<b>1 191 887</b>	<b>1 286 710</b>	<b>1 586 237</b>	<b>1 584 707</b>	<b>1 584 705</b>	<b>1 856 728</b>	<b>2 101 566</b>	<b>2 213 736</b>
Provinces and municipalities									
Departmental agencies and accounts			114	120	74	74	90	95	100
Universities and technikons									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions	985 748	1 185 009	1 280 438	1 576 929	1 576 929	1 576 929	1 848 833	2 093 052	2 204 734
Households	5 643	6 878	6 158	9 188	7 704	7 702	7 805	8 419	8 902
<b>Payments for capital assets</b>	<b>77 519</b>	<b>90 969</b>	<b>130 487</b>	<b>51 934</b>	<b>68 168</b>	<b>68 172</b>	<b>135 792</b>	<b>128 685</b>	<b>133 983</b>
Buildings and other fixed structures	54 592	74 700	105 676	34 439	54 367	54 368	119 900	125 150	130 260
Machinery and equipment	22 633	16 200	24 594	17 495	13 412	13 414	15 892	3 535	3 722
Heritage assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets	294	69	217		389	390			
<b>Payments for financial assets</b>	<b>10</b>	<b>99</b>	<b>899</b>			<b>42</b>			
<b>Total economic classification</b>	<b>1 933 115</b>	<b>2 351 013</b>	<b>2 524 726</b>	<b>2 896 320</b>	<b>2 916 748</b>	<b>2 916 750</b>	<b>3 524 662</b>	<b>3 957 090</b>	<b>4 170 464</b>

Departmental expenditure increased from R1.9 billion or 30.6 per cent in 2010/11 to R2.5 billion in the 2012/13 financial year. The increase in the expenditure mainly emanates from the Children and Families programme as a result of the implementation of Children's Act and the Development and Research programmes. This was due to the intensification of sustainable livelihood programmes. Compensation of employees' expenditure increased from R640 million in 2010/11 financial year to R782 million in the 2012/13 financial year. The department started the process of filling critical posts from the 2012/13 financial year and this contributed to the significant increase in expenditure.

The total budget over the 2014 MTEF period grows from R3.5 billion in 2014/15 to R4.2 billion in the 2016/17 financial year, which reflects a growth of 18.3 per cent. The department received additional funds for implementation of the expanded public works programme in the 2014/15 financial year and funding for the provision of shelters to victims of gender-based violence over the 2014 MTEF period.

Transfers to non-profit institutions increases by 19 per cent from R1.8 billion in 2014/15 to R2.2 billion in the



2016/17 financial year. The significant growth is attributable to funds received to provide shelters to victims of gender-based violence, and transfers to non-profit institutions increased in order to deliver services to victims of domestic violence and crime. Provision is made for the expansion of youth development programmes and sustainable livelihoods programmes through transfers to non-profit institutions. The increase in transfers to non-profit institutions over the 2014 medium term reflects the significance of existing partnerships between the department and the NPO sector in term of delivering services to the public.

The department budgeted R7.8 million in 2014/15 for bursaries awarded to students who undertake social work studies under the line item households. The 2014/15 budget includes R20.2 million allocated to Programme 2: Social Welfare Services for the EPWP, which aims to create additional work opportunities. The budget for compensation of employees has increased from R1.1 billion in 2014/15 to R1.3 billion in the 2016/17 financial year. The growth in the personnel budget over the 2014 medium term is attributed to funds allocated for Improvement in Conditions of Service, the filling of critical vacancies, the absorption of social work graduates and all other personnel related costs such as pay progression and the housing allowance.

## 7.4. Infrastructure payments

### 7.4.1 Departmental infrastructure payments

For information on infrastructure refer to the 2014 Estimates of Capital Expenditure (ECE)

### 7.4.2 Departmental Public-Private Partnership (PPP) projects

N/A

## 7.5. Transfers

### 7.5.1. Transfers to public entities

N/A

### 7.5. 2. Transfers to other entities

In order to strengthen the targeted welfare services, the department works in partnership with the NPO sector to facilitate the delivery of services according to the set targets. This working relationship has been in existence for many years.

TABLE 6.5: SUMMARY OF DEPARTMENTAL TRANSFERS TO OTHER ENTITIES (FOR EXAMPLE NGOS)

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1. Substance Abuse, Prevention and Rehabilitation	32 586	39 612	44 657	54 352	54 352	54 352	60 193	67 502	71 080
2. Care and Service of Older Persons	120 987	150 820	157 150	170 177	178 966	178 966	205 322	250 174	263 433
3. Crime Prevention and Support	68 282	64 728	68 789	81 095	75 243	75 243	112 481	131 045	137 990
4. Services to Persons with Disabilities	87 403	86 101	76 376	81 284	78 347	78 347	86 161	90 124	94 901
5. Child Care and Protection	4 589	5 245	4 294	9 480	9480	9 480	19 000	21 000	23 000
6. ECD and Partial Care	199 980	214 507	246 230	284 000	284 000	284 000	321 870	341 182	359 265
7. Child and Youth Care Centres	69 495	65 697	147 462	138 520	138 520	138 520	146 264	155 494	159 194
8. Community-Based Care Service for Children	103 589	130 848	69 799	246 640	226 640	226 640	274 045	391 788	417 054
9. HIV and AIDS	155 865	230 357	239 006	231 986	231 986	231 986	266 172	257 217	270 850
10. Victim Empowerment	32 601	34 439	31 064	44 920	44 920	44 920	59 992	66 811	70 254
11. Care and Support Services to Families	68 011	96 989	101 734	113 000	113 000	113 000	113 738	118 765	125 060
12. Poverty Alleviation and Sustainable Livelihoods	36 381	59 068	87 480	101 808	121 808	121 808	145 828	162 234	170 677
13. Institutional Capacity Development	-	-	-	13 000	13 000	13 000	15 000	16 000	16 848
14. Youth Development	5 979	6 598	6 397	6 667	6 667	6 667	16 667	17 216	18 128
15. Women Development							6100	6 500	7 000
<b>Total departmental transfers to other entities</b>	<b>985 748</b>	<b>1 185 009</b>	<b>1 280 438</b>	<b>1 576 929</b>	<b>1 576 929</b>	<b>1 576 929</b>	<b>1 848 833</b>	<b>2 093 052</b>	<b>2 204 734</b>

The expenditure for transfer payments escalated from R985.7 million in 2010/11 to R1.2 billion in the 2012/13 financial year. A major portion of the transfers was made to NPO's that provide services related to priority outputs such as HIV/AIDS, Early Childhood Development (ECD) and Care and Services to Older Persons.

Transfers to non-profit institutions grew by 17 per cent from R1.5 billion in 2013/14 to R1.8 billion in 2014/15. The significant growth is attributable to the continuation of existing social upliftment programmes executed by the NGO sector, additional funding allocated to HIV and AIDS interventions, and the provision of shelters to victims of gender-based violence. The department will continue to partner with non-profit institutions to create additional work opportunities in existing and new programmes that adhere to EPWP principles. In terms of gender-based violence, the funding will be used to intensify victim empowerment programmes which aim to prevent gender-based violence, to empower victims of violence, to work with perpetrators of violence and to provide shelters to Victim of Gender- Based Violence.

A major increase in the budget is evident under Care and Services to Older Persons, Child Care and Protection, ECD and Partial Care, Crime Prevention Support, and Victim Empowerment.

The department will intensify the provision of substance abuse services, to enhance integration of service delivery and to mobilise for resource allocation. This is to combat the scourge of substance abuse, including 'Nyaope', which is causing havoc in communities. The department will provide funding to 40 substance abuse treatment centres in an attempt to combat the high prevalence of substance abuse in the province. The allocation for substance abuse sub-programme will also be used to strengthen prevention and awareness programmes at local level.

The budget for children's programmes shows a significant growth since the department will increase the number of NPOs rendering children services to be funded over the MTEF. The department will continue with the programme of nutrition to centres as part of the implementation of the Children's Act. It is estimated that school uniform beneficiaries will increase over the MTEF period. The additional allocation received will also assist in the expansion of this project.

## 8. PROGRAMME DESCRIPTION

### PROGRAMME 1: ADMINISTRATION

#### Programme description

The purpose of this programme is to provide political and strategic direction and leadership, and to guide and support the development policy frameworks and guidelines for the implementation of priority programmes.

#### Programme objectives

- To provide political and legislative interface between government, civil society and all other stakeholders; and
- To improve accountability through good governance and sound monitoring and evaluation.

TABLE 8.1: SUMMARY OF PAYMENTS AND ESTIMATES: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1. Office of the MEC	1 121		404	882	1 097	1 097	1 193	1 343	1 397
2. Corporate Management Services	162 630	161 997	188 015	187 699	195 110	192 997	200 534	193 042	203 273
3. District Management	114 273	152 301	162 074	197 615	198 722	199 197	223 854	230 144	243 697
<b>Total payments and estimates</b>	<b>278 024</b>	<b>314 298</b>	<b>350 493</b>	<b>386 196</b>	<b>394 929</b>	<b>393 291</b>	<b>425 581</b>	<b>424 529</b>	<b>448 367</b>

Note: The outcome of the sub-programme: Office of the MEC for 2011/12 is not provided because of the merger with the Gauteng Department of Health.

TABLE 8.2: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>256 052</b>	<b>296 654</b>	<b>324 882</b>	<b>360 838</b>	<b>375 611</b>	<b>375 163</b>	<b>403 577</b>	<b>414 584</b>	<b>437 895</b>
Compensation of employees	148 726	161 310	164 496	181 104	190 104	190 104	191 389	200 198	210 809
Goods and services	105 605	135 317	160 386	179 734	185 507	185 059	212 188	214 386	227 086
Interest and rent on land	1 721	27							
<b>Transfers and subsidies to:</b>	<b>4 249</b>	<b>5 266</b>	<b>4 922</b>	<b>7 863</b>	<b>6 017</b>	<b>5 701</b>	<b>6 112</b>	<b>6 410</b>	<b>6 750</b>
Provinces and municipalities									
Departmental agencies and accounts			114	120	74	74	90	95	100
Higher education institutions									

## Vote 6 - Social Development • EPRE - 2014/15

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households	4 249	5 266	4 808	7 743	5 943	5 627	6 022	6 315	6 650
<b>Payments for capital assets</b>	<b>17 723</b>	<b>12 365</b>	<b>19 989</b>	<b>17 495</b>	<b>13 301</b>	<b>12 425</b>	<b>15 892</b>	<b>3 535</b>	<b>3 722</b>
Buildings and other fixed structures									
Machinery and equipment	17 702	12 296	19 772	17 495	12 912	12 035	15 892	3 535	3 722
Heritage assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets	21	69	217		389	390			
<b>Payments for financial assets</b>		<b>13</b>	<b>700</b>			<b>2</b>			
<b>Total economic classification</b>	<b>278 024</b>	<b>314 298</b>	<b>350 493</b>	<b>386 196</b>	<b>394 929</b>	<b>393 291</b>	<b>425 581</b>	<b>424 529</b>	<b>448 367</b>

The expenditure in this programme increased by 26 per cent from R278 million in 2010/11 to R350.5 million in the 2012/13 financial year. The increase in expenditure is due to the administrative support provided to the department, the filling of critical posts, the renewal of lease contracts and other outsourced services at the regional offices and service points.

The total budget for Administration increases over the 2014 medium term from R426.5 million in the 2014/15 financial year to R448.4 million in the 2016/17 financial year.

The goods and services budget increased to make provision for the projected inflation on lease payments, outsourced services and maintenance projects at the regional offices. The goods and services budget also ensures that the necessary tools of trade are available for the social worker graduates based at the regional offices. The budget allocated to the acquisition of machinery and equipment for the entire department is centralised in Programme 1: Administration for control purposes. The budget for machinery and equipment will decline significantly in the outer years of the 2014 MTEF due to the fact that provision is made for the replacement of furniture and equipment in 2014/15, which is not a recurrent expenditure.

## PROGRAMME 2: SOCIAL WELFARE SERVICES

### Programme description

The purpose of this programme is to provide integrated developmental social welfare services to the poor and vulnerable in partnership with stakeholders and civil society.

### Programme objectives

- Integrated services for the care, support and protection of 36 289 older persons in the 2014-15 financial year;
- Integrated programmes and services to facilitate the promotion of the well-being and the socio economic empowerment of 15 215 persons with disabilities in the 2014-15 financial year;
- Integrated community based care programmes and services aimed at mitigating the social and economic impact of HIV and Aids to 167 294 affected and affected people in the 2014-15 financial year; and
- To respond to emergency needs identified in communities affected by disasters not declared, and or any other social condition resulting in undue hardship to 1 500 beneficiaries.

TABLE 8.3: SUMMARY OF PAYMENTS AND ESTIMATES: SOCIAL WELFARE SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1. Management and Support				3 365	3 365	3 365	4 677	4 787	5 041
2. Care and Services to Older Persons	188 551	254 802	228 340	222 549	231 439	231 667	253 373	299 822	317 871
3. Services to Persons with Disabilities	103 116	106 766	93 241	100 427	95 921	96 001	108 912	115 179	120 916

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
4. HIV and AIDS	158 343	232 625	242 130	235 234	235 797	235 797	272 043	260 891	274 721
<b>Total payments and estimates</b>	<b>450 010</b>	<b>594 193</b>	<b>563 711</b>	<b>561 575</b>	<b>566 522</b>	<b>566 830</b>	<b>639 005</b>	<b>680 679</b>	<b>718 549</b>

TABLE 8.4: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: SOCIAL WELFARE SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>49 407</b>	<b>67 719</b>	<b>58 002</b>	<b>67 607</b>	<b>66 480</b>	<b>66 556</b>	<b>78 616</b>	<b>80 707</b>	<b>86 382</b>
Compensation of employees	30 304	32 906	35 208	42 507	42 507	42 507	45 585	47 142	51 015
Goods and services	19 063	34 795	22 794	25 100	23 973	24 049	33 031	33 565	35 367
Interest and rent on land	40	18							
<b>Transfers and subsidies to:</b>	<b>364 909</b>	<b>467 583</b>	<b>473 046</b>	<b>483 718</b>	<b>489 696</b>	<b>489 696</b>	<b>558 089</b>	<b>597 972</b>	<b>629 667</b>
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions	364 255	467 278	472 532	483 447	489 299	489 299	557 655	597 515	629 184
Households	654	305	514	271	397	397	434	457	483
<b>Payments for capital assets</b>	<b>35 694</b>	<b>58 891</b>	<b>32 657</b>	<b>10 250</b>	<b>10 346</b>	<b>10 574</b>	<b>2 300</b>	<b>2 000</b>	<b>2 500</b>
Buildings and other fixed structures	34 780	57 700	31 823	10 250	10 250	10 250	2 300	2 000	2 500
Machinery and equipment	641	1 191	834		96	324			
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets	273								
<b>Payments for financial assets</b>			6			4			
<b>Total economic classification</b>	<b>450 010</b>	<b>594 193</b>	<b>563 711</b>	<b>561 575</b>	<b>566 522</b>	<b>566 830</b>	<b>639 005</b>	<b>680 679</b>	<b>718 549</b>

The programme expenditure increased from R450 million in 2010/11 to R563.7 million in the 2012/13 the financial year. Transfers to non -profit institutions contributed significantly to the overall expenditure as a result of inter alia the implementation of Older Persons Act. Another cost driver in the programme is buildings and fixed structures, as a result of the construction of old age homes in the 20 Prioritised Townships Programme.

Transfers and subsidies to non-profit institutions continues to be a major cost driver in this programme since the Department collaborates with these institutions in order to attain its objectives. The majority of the programme budget was allocated to these institutions. The total budget allocated to transfers to non-profit institutions increases from R558 million in 2014/15 to R629 million in the 2016/17 financial year. The budget includes funds received for the implementation of sector priorities for older persons. The department will continue to provide subsidies to non-profit institutions, which include community-based care facilities (service centre, luncheon clubs and home base care facilities), disability programmes and HIV and AIDS programmes.

Included in the HIV and AIDS sub-programme budget is an additional allocation of R22.2 million for the EPWP of which R20.2 million is allocated to the non-profit institutions line item and R2 million is allocated to goods and services. The budget will be utilised for the creation of work opportunities in existing and new programmes that adhere to EPWP principles. A significant decline of R7.9 million in the budget for capital infrastructure projects is evident with the budget for buildings and fixed structures decreasing from R10.2 million in 2013/14 to R2.3 million in the 2014/15 financial year.

**SERVICE DELIVERY MEASURES****PROGRAMME 3: SOCIAL WELFARE SERVICES**

Performance measures	Estimated Annual Targets		
	2014/15	2015/16	2016/17
<b>2.2 Care and Services to Older Persons</b>			
Number of older persons accessing funded residential facilities	6 024	6 385	6 769
Number of community-based care and support facilities (luncheon clubs) for older persons managed by funded NPOs	56	59	63
Number of older persons accessing community-based care and support facilities (service centres) managed by funded NPOs	9 933	10 529	11 161
<b>2.3 Services to Persons with Disabilities</b>			
Number of persons with disabilities accessing services in protective workshops managed by funded NPOs	3 961	4 199	4 451
Number of persons with disabilities in funded residential facilities	1 807	1 915	2 030
<b>2.4 HIV/AIDS</b>			
Number of beneficiaries receiving psychosocial support services	41 762	44 268	46 924
Number of food parcels issued by HCBC organizations	64 236	68 090	72 176
Number of beneficiaries receiving daily meals at drop-in centres	34 695	36 777	38 983
<b>2.5 Social Relief</b>			
Number of social relief applications recommended for approval by SASSA.	2 074	2 198	2 330

**PROGRAMME 3: CHILDREN AND FAMILIES****Programme description**

Provide comprehensive child and family care and support services to communities in partnership with stakeholders and civil society organisations. (To provide efficient and effective integrated social welfare services to 881 069 service recipients including children, older person, persons with disabilities and women by the end of 2014/15 financial year).

**Programme objectives**

- Integrated care and support services to promote functional families and to prevent vulnerability to 51 646 families in the 2014/15 financial year;
- Integrated programmes and services that provide for the development, care and protection of the rights of 50 365 children in the 2014/15 financial year;
- Provide comprehensive early childhood development services to 80 235 children in the 2014/15 financial year;
- Provide alternative care and support to 6 516 vulnerable children in the 2014/15 financial year; and
- Provide protection, care and support to 5 973 vulnerable children in communities in the 2014/15 financial year.

**TABLE 6.10 : SUMMARY OF PAYMENTS AND ESTIMATES: CHILDREN AND FAMILIES**

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1. Management and Support	3 320	5 126	5 057	6 729	4 844	4 933	5 196	5 462	5 756
2. Care and Services to Families	68 011	96 989	102 962	114 466	114 166	114 304	115 290	120 364	126 743
3. Child care and Protection	210 096	281 036	282 932	314 188	319 442	303 651	462 676	609 021	644 003
4. ECD and Partial Care	218 770	232 008	266 697	294 664	295 911	304 521	404 090	435 082	437 966
5. Child and Youth Care Centres	233 418	268 627	375 115	395 016	393 113	401 094	485 707	497 447	527 928
6. Community-Based Care Services for Children	103 589	130 848	69 799	246 640	226 640	226 640	274 045	391 788	417 054
<b>Total payments and estimates</b>	<b>837 204</b>	<b>1 014 634</b>	<b>1 102 562</b>	<b>1 371 703</b>	<b>1 354 116</b>	<b>1 355 143</b>	<b>1 747 004</b>	<b>2 059 164</b>	<b>2 159 450</b>

TABLE 6.11 : SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: CHILDREN AND FAMILIES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>369 182</b>	<b>482 225</b>	<b>494 491</b>	<b>560 577</b>	<b>561 371</b>	<b>561 492</b>	<b>763 632</b>	<b>930 143</b>	<b>980 879</b>
Compensation of employees	308 723	369 235	395 650	487 128	485 128	485 128	641 665	797 101	838 513
Goods and services	60 277	112 990	98 841	73 449	76 243	76 364	121 967	133 042	142 366
Interest and rent on land	182								
<b>Transfers and subsidies to:</b>	<b>446 211</b>	<b>514 035</b>	<b>570 061</b>	<b>792 437</b>	<b>772 667</b>	<b>772 941</b>	<b>875 972</b>	<b>1 029 371</b>	<b>1 084 810</b>
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions	445 664	513 286	569 519	791 640	771 640	771 641	874 917	1 028 229	1 083 573
Households	547	749	542	797	1 027	1 300	1 055	1 142	1 237
<b>Payments for capital assets</b>	<b>21 801</b>	<b>18 318</b>	<b>37 856</b>	<b>18 689</b>	<b>20 078</b>	<b>20 686</b>	<b>107 400</b>	<b>99 650</b>	<b>93 760</b>
Buildings and other fixed structures	18 637	17 000	34 773	18 689	19 867	19 868	107 400	99 650	93 760
Machinery and equipment	3 164	1 318	3 083		211	818			
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>	<b>10</b>	<b>56</b>	<b>154</b>			<b>24</b>			
<b>Total economic classification</b>	<b>837 204</b>	<b>1 014 634</b>	<b>1 102 562</b>	<b>1 371 703</b>	<b>1 354 116</b>	<b>1 355 143</b>	<b>1 747 004</b>	<b>2 059 164</b>	<b>2 159 450</b>

The programme expenditure increased from R837.2 million in the 2010/11 financial year to R1.1 billion in the 2012/13 financial year. Transfers to non-profit institutions and compensation of employees mainly contributed to the growth in the expenditure trend due to amongst other factors, the Children's Act. The expenditure incurred is also influenced by the two Schools of Industry which were transferred to the Department of Social Development on 1 April 2012.

The total budget increases by 23.6 per cent from R1.7 billion in 2014/15 to R2.1 billion in 2016/17 financial year. There is an increasing demand for services in relation to child protection services, which places pressure on the available resources. The department will implement the Children's Act progressively over the 2014 medium term, hence the growing budget of this programme.

The significant increase in the compensation of employees' budget over the 2014 MTEF period is as a result of the absorption of social work graduates on an annual basis to enable the department to respond to its statutory function in implementing the Child Care Act. The personnel budget grows by 32 per cent from R487.1 million in 2013/14 to R641.6 million in 2014/15.

The budgeted increase in transfers to non-profit institutions is attributed to the continued implementation of the Isibindi programme and the subsidy increase for registered and funded ECD centres. Isibindi is a child protection psychological programme which is based on child and youth care work. The main objective of Isibindi is to provide child care and protection at home to orphans and other vulnerable children. It also aims to create safe parks where children are able to play under care and supervision. It will also create jobs as it serves as an exit strategy for EPWP workers.

The programme allocation also includes provision of school uniform packs to disadvantaged children. The distribution of school uniforms will continue to reach more rural children and Learners with Special Educational Needs (LSEN) over the 2014 MTEF period.

**SERVICE DELIVERY MEASURES****PROGRAMME 3: CHILDREN AND FAMILIES**

Performance measures	Estimated Annual Targets		
	2014/15	2015/16	2016/17
<b>3.2 Care and Service to Families</b>			
Number of family members participating in family preservation programmes provided by Government	9 545	10 118	10 725
Number of family members participating in family preservation programmes provided by funded NPOs	24 904	26 398	27 982
Number of families participating in reunification programmes by Government	2 188	2 319	2 458
Number of families participating in reunification programmes by funded NPOs	2 572	2 726	2 890
Number of family members reunited with their families through services provided by Government	638	676	717
Number of family members reunited with their families through services provided by funded NPOs	187	198	210
<b>3.3 Child Care and Protection</b>			
Number of children placed in foster care by funded NPOs (newly placed)	1 009	1 070	1 134
Number of children placed in foster care that receive social work services (Government and NPOs)	38 896	41 230	43 704
<b>3.4 ECD And Partial Care</b>			
Number of funded partial care sites	1 313	1 392	1 475
Number of children accessing funded ECD programmes	77 261	81 897	86 810
<b>3.5 Child and Youth Care centres</b>			
Number of child and youth care centres (children's homes) managed by Government	1	1	1
Number of child and youth care centres (places of safety) managed by Government	7	7	8
Number of children in need of care and protection placed in CYCCs (children's homes) managed by Government	200	200	200
Number of children in need of care and protection placed in CYCCs (places of safety) managed by Government	660	700	742
Number of child and youth care centres (children's homes) managed by funded NPOs	80	85	90
Number of children in need of care and protection placed in CYCCs (children's homes) managed by funded NPOs	3 645	3 864	4 096
Number of child and youth care centres (shelters) managed by funded NPOs	18	19	20
Number of children in need of care and protection placed in CYCCs (shelters) managed by funded NPOs	441	467	496
Number of child and youth care centres (Schools of Industry) managed by Government	1	1	1
Number of children in need of care and protection placed in CYCCs (Schools of Industry) managed by Government	70	74	79
<b>3.6 Community-Based Care Services for children</b>			
Number of children accessing drop in centres managed by funded NPOs	410	435	461

**PROGRAMME 4: RESTORATIVE SERVICES****Programme description**

Provide integrated developmental social crime prevention and anti-substance abuse services to the most vulnerable in partnership with stakeholders and civil society organisations.

**Programme objectives**

- Develop and implement social crime prevention programmes and provide probation services targeting 117 334 children, youth and adult offenders and victims within the criminal justice process in the 2014/15 financial year;
- Design and implement integrated programmes and services to support, care for and empower 39 447 victims of violence and crime, particularly women and children, in the 2014/15 financial year; and
- Design and implement integrated services for substance abuse, prevention, treatment and rehabilitation to 546 972 beneficiaries in the 2014/15 financial year.

**TABLE 8.5: SUMMARY OF PAYMENTS AND ESTIMATES: RESTORATIVE SERVICES**

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1. Management and Support	839	845	854	874	874	874	1 290	1 362	1 405
2. Crime Prevention and Support	123 850	122 953	160 890	158 767	162 598	162 639	196 920	208 112	217 442
3. Victim Empowerment	35 758	40 459	36 206	52 622	51 808	51 808	70 043	84 208	89 614
4. Substance Abuse, Prevention and Rehabilitation	70 575	73 372	82 192	91 162	94 233	94 233	102 927	127 829	144 756
<b>Total payments and estimates</b>	<b>231 022</b>	<b>237 629</b>	<b>280 142</b>	<b>303 425</b>	<b>309 513</b>	<b>309 554</b>	<b>371 180</b>	<b>421 511</b>	<b>453 217</b>



TABLE 8.6: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: RESTORATIVE SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>95 204</b>	<b>97 073</b>	<b>95 654</b>	<b>117 431</b>	<b>110 471</b>	<b>110 481</b>	<b>128 100</b>	<b>132 233</b>	<b>139 451</b>
Compensation of employees	62 187	63 502	61 675	78 113	71 113	71 113	80 923	81 931	85 732
Goods and services	32 938	33 523	33 979	39 318	39 358	39 368	47 177	50 302	53 719
Interest and rent on land	79	48							
<b>Transfers and subsidies to:</b>	<b>133 646</b>	<b>139 226</b>	<b>144 623</b>	<b>180 744</b>	<b>174 660</b>	<b>174 660</b>	<b>232 880</b>	<b>265 778</b>	<b>279 766</b>
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions	133 469	138 779	144 510	180 367	174 515	174 515	232 666	265 358	279 324
Households	177	447	113	377	145	145	214	420	442
<b>Payments for capital assets</b>	<b>2 172</b>	<b>1 330</b>	<b>39 840</b>	<b>5 250</b>	<b>24 382</b>	<b>24 413</b>	<b>10 200</b>	<b>23 500</b>	<b>34 000</b>
Buildings and other fixed structures	1 175		39 080	5 250	24 250	24 250	10 200	23 500	34 000
Machinery and equipment	997	1 330	760		132	163			
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>			25						
<b>Total economic classification</b>	<b>231 022</b>	<b>237 629</b>	<b>280 142</b>	<b>303 425</b>	<b>309 513</b>	<b>309 554</b>	<b>371 180</b>	<b>421 511</b>	<b>453 217</b>

The programme expenditure increased from R231 million in 2010/11 to R280 million in 2012/13 financial year. This is as a result of an increase in transfers to non-profit institutions, which is attributed to the implementation of Victim and Substance Abuse programmes and other priority outputs. In the 2012/13 financial year the department spent R39.1 million to implement capital infrastructure projects including the new secure care centre in Soshanguve.

The total programme budget increases from R371.2 million in 2014/15 to R453.2 million in the 2016/17 financial year. The significant increase in transfers to non-profit institutions over the 2014 MTEF period is as a result of funds allocated to substance abuse. This is to assist the department in intensifying the provision of substance abuse services, enhancing integration of service delivery, and mobilising for resource allocation, to combat the scourge of substance abuse, including 'Nyapepe', which is causing havoc in townships. The increased funding of the substance abuse sub-programme will also be used to strengthen prevention and awareness programmes at a local level.

The programme received additional allocation for the Victim Empowerment sub-programme which will be used to fund shelters for victims of Gender-Based Violence. The department will continue to fund NPO's to deliver services and address domestic violence and crime.



**SERVICE DELIVERY MEASURES****PROGRAMME 4: RESTORATIVE SERVICES**

Performance measures	Estimated Annual Targets		
	2014/15	2015/16	2016/17
<b>4.2: Crime Prevention and Support</b>			
Number of beneficiaries of social crime awareness and prevention programmes (excluding children)	42 505	45 055	47 759
Number of children in conflict with the law assessed	3 244	3 439	3 645
Number of children in conflict with the law referred to diversion programmes	1 844	1 955	2 072
Number of children in conflict with the law who completed diversion programmes	1 232	1 306	1 384
Number of children in conflict with the law in home-based supervision	1 868	1 980	2 099
Number of children in conflict with the law awaiting trial in registered secure care centres managed by Government	1 300	1 378	1 461
Number of children in conflict with the law awaiting trial in registered secure care centres managed by funded NPOs	1 800	1 908	2 022
Number of children in conflict with the law awaiting trial in registered secure care centres managed by Government	1 300	1 378	1 461
<b>4.3: Victim Empowerment</b>			
Number of victims of crime and violence in VEP service sites (shelters) managed by funded NPOs	2 268	2 404	2 548
Number of victims of crime accessing VEP services (excluding the services rendered at shelters)	25 886	27 439	29 086
Number of reported cases of human trafficking placed in rehabilitation programmes	128	136	144
<b>4.4: Substance Abuse Prevention, Treatment and Rehabilitation Services</b>			
Number of service users accessing out-patient treatment centres for substance abuse managed by funded NPOs	17 060	18 084	19 169
Number of service users who have accessed public in-patient substance abuse treatment centres	1 172	1 242	1 317
Number of children reached through Ke-Moja drug prevention programme	190 687	202 128	214 256
Number of youth(19-35) reached through Ke-Moja drug prevention programme	51 288	54 365	57 627
Number of drug prevention programmes implemented for children	1	1	1
Number of drug prevention programmes implemented for youth	1	1	1
Number of service users who completed inpatient treatment services at funded treatment centres	240	254	270

**PROGRAMME 5: DEVELOPMENT AND RESEARCH****Programme description**

Provide sustainable development programmes which facilitate empowerment of communities, based on empirical research and demographic information.

**Programme objectives**

- Building safe and sustainable communities through the creation of strong community networks, based on principles of trust and respect for local diversity, and nurturing a sense of belonging and confidence in local people.
- To support NPO registration and compliance monitoring, NPO stakeholder liaison and communication, provide institutional capacity building, manage NPO funding and monitoring and create an environment conducive to all NPO's flourishing.
- To provide poverty alleviation and sustainable livelihood services to 529 310 recipients in the 2014/15 financial year;
- Create an environment that helps young people develop constructive, affirmative and sustainable relationships, while concurrently providing opportunities for them to build their competencies and skills to engage as partners in their own development, and that of their communities. ( 35 465 youth in the 2014/15 financial year);
- Create an environment to help 8 450 women develop constructive, affirmative and sustainable relationships while concurrently providing opportunities for them to build their competencies and skills to engage as partners in their own development, and that of their communities.
- To promote the implementation of the Population Policy within all spheres of government and civil society through population research, advocacy, capacity building and by monitoring and evaluating the implementation of the policy in the 2014/15 financial year.

TABLE 6.14 : SUMMARY OF PAYMENTS AND ESTIMATES: DEVELOPMENT AND RESEARCH

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1. Management and Support	3 052	3 335	2 870	3 332	3 166	3 166	4 681	4 888	5 147
2. Community Mobilisation	3 554	4 520	3 608	3 558	3 558	3 543	5 194	5 541	5 835
3. Institutional Capacity and Support for NPOs	70 791	93 459	98 808	123 149	122 680	122 463	132 156	138 509	145 850
4. Poverty Alleviation and Sustainable Livelihoods	48 134	77 382	109 871	129 489	148 242	148 195	169 185	189 263	199 139
5. Community-Based Research and Planning	1 793	2 261	3 042	3 945	3 668	3 675	3 455	4 336	4 566
6. Youth Development	8 287	8 084	7 832	8 111	8 398	8 934	18 952	19 689	20 733
7. Women Development							6 100	6 500	7 000
8. Population Policy Promotion	1 244	1 218	1 787	1 837	1 956	1 956	2 169	2 481	2 612
<b>Total payments and estimates</b>	<b>136 855</b>	<b>190 259</b>	<b>227 818</b>	<b>273 421</b>	<b>291 668</b>	<b>291 932</b>	<b>341 892</b>	<b>371 207</b>	<b>390 882</b>

Note: Women Development is introduced as a separate sub-programme from the 2014 MTEF. The function was previously executed under the Poverty Alleviation and Sustainable Livelihoods sub-programme. The split of expenditure figures was not possible.

TABLE 6.15 : SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: DEVELOPMENT AND RESEARCH

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>94 350</b>	<b>124 387</b>	<b>133 601</b>	<b>151 696</b>	<b>149 940</b>	<b>150 139</b>	<b>158 217</b>	<b>169 172</b>	<b>178 138</b>
Compensation of employees	90 002	116 844	125 269	142 052	141 142	141 142	148 239	158 349	166 741
Goods and services	4 343	7 543	8 332	9 644	8 798	8 997	9 978	10 823	11 397
Interest and rent on land	5								
<b>Transfers and subsidies to:</b>	<b>42 376</b>	<b>65 777</b>	<b>94 058</b>	<b>121 475</b>	<b>141 667</b>	<b>141 707</b>	<b>183 675</b>	<b>202 035</b>	<b>212 743</b>
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions	42 360	65 666	93 877	121 475	141 475	141 474	183 595	201 950	212 653
Households	16	111	181		192	233	80	85	90
<b>Payments for capital assets</b>	<b>129</b>	<b>65</b>	<b>145</b>	<b>250</b>	<b>61</b>	<b>74</b>			
Buildings and other fixed structures				250					
Machinery and equipment	129	65	145		61	74			
Heritage assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>		<b>30</b>	<b>14</b>			<b>12</b>			
<b>Total economic classification</b>	<b>136 855</b>	<b>190 259</b>	<b>227 818</b>	<b>273 421</b>	<b>291 668</b>	<b>291 932</b>	<b>341 892</b>	<b>371 207</b>	<b>390 882</b>

The expenditure in this programme increased from R137 million in 2010/11 to R227.8 million in 2012/13 financial year, which translates to an overall growth of 66 per cent. The significant increase is noted under the non-profit institutions line item as a result of the expansion of the Dignity Packs Programme and the funding of the Food Banks Programme. The budget for the programme increases by 14 per cent from R342 million in 2014/15 to R391 million in the 2016/17 financial year. The budget growth is mainly because funds were reprioritised for the expansion of the dignity pack project, intensifying development centres, and capacity building for non-profit institutions.

The department will continue to fund the Food Bank Programme at regional level. It is anticipated that the number of beneficiaries of food relief from food banks will increase from 80 000 to 122 000 in 2014/15 financial year. In addition, the department will intensify the services of development centres that provides skills

## Vote 6 - Social Development • EPRE - 2014/15

development, entrepreneurship and social programmes. These programmes aim to eliminate extreme poverty and famine, guaranteeing universal primary school education, promoting gender equality, reducing infant mortality, and fighting HIV and AIDS.

Funds were shifted to expand programmes directed at poverty alleviation and sustainable livelihoods, to assist the department in realising its objectives in relation thereto.

The allocation for Youth Development sub-programme increases from the main budget of R8.1 million in 2013/14 to R19 million in the 2016/17 financial year. The enormous increase in this sub-programme is due to the department's commitment to assisting and empowering youth to be active citizens in their communities. Youth will be assisted in accessing decent work and participating in the mainstream economy by ensuring that they are constructively empowered. This in turn, will assist in reducing crime and contributing to an economically stable community. The youth development allocation also targets youth with disabilities and those involved in substance abuse, young victims and survivors of violence and crime, youth in dysfunctional families, and out of school youth.

### SERVICE DELIVERY MEASURES

#### PROGRAMME 3: DEVELOPMENT AND RESEARCH

Performance measures	Estimated Annual Targets		
	2014/15	2015/16	2016/17
<b>5.3 Institutional Capacity Building and support for NPO's</b>			
Number of NPOs capacitated according to capacity building guidelines.	500	530	562
<b>5.4: Poverty alleviation and sustainable livelihoods</b>			
Number of cooperatives empowered to provide goods and services to the Department and other service users	464	492	521
Number of beneficiaries of food relief from food banks	100 000	106 000	112 360
Number of households accessing food through DSD food security programmes	26 500	28 090	29 775
Number of households referred for appropriate support and interventions	23 500	24 910	26 405
Number of dignity packs distributed	225 000	238 500	252 810
<b>5.5 Community-Based Research and Planning</b>			
Number of households profiled	9 000	9 540	10 112
Number of wards profiled	9	10	10
<b>5.6: Youth Development</b>			
Number of youth participating in skills development programme	9 000	9 540	10 112
Number of youth participating in entrepreneurship programme	825	875	927
Number of youth participating in National Youth Service Programme	2 940	3 116	3 303
<b>5.7 Women Development</b>			
Number of women participating in socio-economic empowerment programmes	7 050	7 473	7 921
<b>5.8 Population Policy Promotion</b>			
Number of research projects completed	2	2	2
Number of dissemination workshops for population and development conducted	5	5	6
Number of stakeholders (individuals) who participated in dissemination workshops for population and development	120	127	135
Number of stakeholders (individuals) who participated in capacity building training	25	27	28
Number of demographic profiles completed	20	21	22

### Generic Issues

Performance measures	Estimated Annual Targets		
	2014/15	2015/16	2016/17
Number of work opportunities created through EPWP in the social sector	5 911	6 502	7 152

## 9. OTHER PROGRAMME INFORMATION

### 9.1 Personnel numbers and costs

TABLE 6.16 : PERSONNEL NUMBERS AND COSTS: SOCIAL DEVELOPMENT

Personnel numbers	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	As at 31 March 2017
1. Administration	615	634	619	519	519	519	519
2. Social Welfare Services	175	195	190	187	187	187	187
3. Children and Families	1 782	1 842	1 924	2 016	2 123	2 230	2 337
4. Restorative Services	278	233	232	234	234	234	234
5. Development and Research	444	488	496	577	577	577	577
<b>Total departmental personnel numbers</b>	<b>3 294</b>	<b>3 392</b>	<b>3 461</b>	<b>3 533</b>	<b>3 640</b>	<b>3 747</b>	<b>3 854</b>
Total provincial personnel cost (R thousand)	639 942	743 797	782 298	929 994	1 107 801	1 284 721	1 352 811
Unit cost (R thousand)	185	216	268	221	304	343	351

TABLE 6.17 : SUMMARY OF DEPARTMENTAL PERSONNEL NUMBERS AND COSTS: SOCIAL DEVELOPMENT

	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Total for department</b>									
Personnel numbers (head count)	3 294	3 392	3 461	3 533	3 533	3 533	3 640	3 747	3 854
Personnel cost (R thousands)	639 942	743 797	782 298	930 904	929 994	929 994	1 107 801	1 284 721	1 352 811
<b>Human resources component</b>									
Personnel numbers (head count)	87	105	109	100	100	100	100	100	100
Personnel cost (R thousands)	18 830	24 384	30 246	28 430	28 430	28 430	30 221	31 853	33 541
Head count as % of total for department	2.6%	3.1%	3.1%	3%	2.8%	2.8%	2.7%	2.7%	2.6%
Personnel cost as % of total for department	2.9%	3.3%	3.9%	3%	3.1%	3.1%	2.7%	2.5%	2.5%
<b>Finance component</b>									
Personnel numbers (head count)	61	69	69	66	66	66	66	66	66
Personnel cost (R thousands)	14 610	17 016	20 112	19 584	19 584	19 584	20 818	21 942	23 105
Head count as % of total for department	1.9%	2%	2%	2%	1.9%	1.9%	1.8%	1.8%	1.7%
Personnel cost as % of total for department	2.3%	2.3%	2.6%	2%	2.1%	2.1%	1.9%	1.7%	1.7%
<b>Full time workers</b>									
Personnel numbers (head count)	3 294	3 392	3 461	3 533	3 533	3 533	3 640	3 747	3 854
Personnel cost (R thousands)	639 942	743 797	782 298	929 994	929 994	929 994	1 107 801	1 284 721	1 352 811
Head count as % of total for department	100%	100%	100%	100%	100%	100%	100%	100%	100%
Personnel cost as % of total for department	100%	100%	100%	100%	100%	100%	100%	100%	100%

The increase in personnel expenditure is due to the absorption of social work graduates, the filling of critical posts at Schools of Industry, and critical posts identified in the department. The department will continue to fill the core critical posts identified, including the absorption of graduate social workers. Additional capacity of social workers will be allocated to various Regions and Institutions, based on demand. Priority in the filling of posts over the 2014 MTEF will be given to the Schools of Industry in order to align the organisational structure with the norms and standards of the child and youth care centres.

## 9.2 Training

TABLE 6.18 : PAYMENTS ON TRAINING: SOCIAL DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>1. Administration</b>	<b>2 505</b>	<b>7 296</b>	<b>3 039</b>	<b>4 315</b>	<b>5 455</b>	<b>5 455</b>	<b>8 883</b>	<b>9 081</b>	<b>9 562</b>
Subsistence and travel									
Payments on tuition	2 505	7 296	3 039	4 315	5 455	5 455	8 883	9 081	9 562
Other									
<b>2. Social Welfare Services</b>	<b>1 420</b>	<b>1 521</b>	<b>1 216</b>	<b>570</b>	<b>1 192</b>	<b>1 165</b>	<b>390</b>	<b>930</b>	<b>979</b>
Subsistence and travel									
Payments on tuition	1 420	1 521	1 216	570	1 192	1 165	390	930	979
Other									
<b>3. Children And Families</b>	<b>245</b>	<b>125</b>	<b>136</b>		<b>342</b>	<b>430</b>	<b>460</b>		
Subsistence and travel									
Payments on tuition	245	125	136		342	430	460		
Other									
<b>4. Restorative Services</b>	<b>165</b>		<b>74</b>		<b>147</b>	<b>149</b>	<b>262</b>		
Subsistence and travel									
Payments on tuition	165		74		147	149	262		
Other									
<b>5. Development And Research</b>					<b>30</b>	<b>30</b>			
Subsistence and travel									
Payments on tuition					30	30			
Other									
<b>Total payments on training</b>	<b>4 335</b>	<b>8 942</b>	<b>4 465</b>	<b>4 885</b>	<b>7 166</b>	<b>7 229</b>	<b>9 995</b>	<b>10 011</b>	<b>10 541</b>

TABLE 6.19 : INFORMATION ON TRAINING: SOCIAL DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Number of staff	3 294	3 392	3 461	3 533	3 533	3 533	3 640	3 747	3 854
Number of personnel trained	11 700	1 617	1 586	1 879	1 879	1 879	1 916	1 955	1 994
of which									
Male	312	401	409	569	569	569	580	592	604
Female	11 388	1 216	1 177	1 310	1 310	1 310	1 336	1 363	1 390
Number of training opportunities	67	47	72	66	66	66	67	68	70
of which									
Tertiary	6	6	6	6	6	6	6	6	6
Workshops									
Seminars									
Other	61	41	66	60	60	60	61	62	64
Number of bursaries offered	541	541	589	585	585	585	576	551	535
Number of interns appointed	151	175	235	215	215	215	237	260	286
Number of learnerships appointed	150	200	100	165	165	165	182	200	220
Number of days spent on training									

The department will continue to train staff members on continuous professional development programmes, management development programmes and give bursaries in order to build capacity and improve efficiency and effectiveness. The department continued to provide internship, learnership and bursary opportunities to young people in Gauteng in line with government's drive to achieve the aspirations of a developmental state. The Labour Market's ability to employ youth from the aforementioned initiatives will determine the target set for medium term estimates. The decrease in external bursaries over the MTEF is based on potential student graduation.

### 9.3. RECONCILIATION OF STRUCTURAL CHANGES

TABLE 6.20: RECONCILIATION OF STRUCTURAL CHANGES

Programme and Sub-Programme	2013/14	Programme and Sub-Programme	2014/15
	R'000		R'000
<b>Social Welfare Services</b>		<b>Children and Families</b>	
Care and services to families	114 166	Care and services to families	115 290
Child care and protection services	319 442	Child care and protection	462 676
Child care and protection services	295 911	ECD and partial care	404 090
Child care and protection services	393 113	Child and youth care centre	485 707
Child care and protection services	226 640	Community-based care services for children	274 045
<b>Social Welfare Services</b>		<b>Restorative Services</b>	
Crime prevention and support	162 598	Crime prevention and support	196 043
Victim empowerment	51 808	Victim empowerment	70 043
Substance abuse, prevention and rehabilitation	94 233	Substance abuse, prevention and rehabilitation	102 927
<b>Development and Research</b>		<b>Development and Research</b>	
Sustainable Livelihoods and Institutional Capacity Building	3 558	Community Mobilisation	5 194
		Women Development	6 100

The table above shows the previous budget and programme structure (left column) versus the current budget and programme structure with the appropriate budgets. The department's budget and programme structure was expanded from three to five programmes. This is in line with the sector agreed budget and programme structure effective from the 2014 MTEF. Relevant comparative figures were restated for the purposes of trend analysis and to ensure that past performance is accurate and informs the 2014 medium term budget.

The Social Welfare Services Programme has been split into three programmes namely Social Welfare Services, Children and Families and Restorative Services. The sub-programme Child Care and Protection Services was fragmented into Child Care and Protection, ECD and Partial Care, Child and Youth Care Centre, and Community-Based Care Services for Children. Two new sub-programmes were added to Development and Research programme.

The structural changes did not have an impact on the departmental baseline allocation over the 2014 MTEF period; however funds were reprioritised between the programmes to fund the existing and additional sub-programmes.

### 10. CROSS-CUTTING ISSUES

Cross-Cutting Issue	Programme and sub-programme	Indicator / Measure	Output	Outcome	MTEF BUDGET R'000		
					2014/15	2015/16	2016/17
<b>Women</b>	Human Resources Management	Number of female MMS trained	Improved gender representation	Gender Equity achieved	688	757	833
	Human Resources Management	Number of female employees participating in continuing professional development training	Increase number of trained female employees	Promote gender equality and empower women	1 100	1 210	1 331
	Human Resources Management	Percentage women in senior management employed in terms of the Employment Act.	Improved gender representation	Gender equity achieved	10 000	11 879	12 789
<b>Women</b>	Human Resources Management	Number of female employees participating in generic training	Increase number of trained female employees	Promote gender equality and empower women	1 000	1 050	1 155
	Human Resources Management	Number of work-based internships provided	Number of internships completed	Create sustainable communities & eradicate poverty through employment	5 969	65 291	7 634
	Poverty alleviation and Sustainable Livelihood	Number of Cooperatives empowered to provide goods and services to the Department and other service users	Women in disadvantaged communities assisted	Improved income and asset capabilities of poor families to enhance their livelihoods	116 438	122 609	129 108
	Poverty alleviation and Sustainable Livelihood	Number of dignity packs distributed	Young girls in disadvantaged communities assisted	Improved income and asset capabilities of poor families to enhance their livelihoods	225 000	238 500	252 810

## Vote 6 - Social Development • EPRE - 2014/15

Cross-Cutting Issue	Programme and sub-programme	Indicator / Measure	Output	Outcome	MTEF BUDGET R'000		
					2014/15	2015/16	2016/17
<b>Women</b>	Women Development	Number of women participating in income generating programmes	Women economically empowered	Increased number of women participating in income generating programmes	6 100	6 500	7 000
		Number of women participating in legal rights awareness workshops	Women empowered on legal rights issues	Increased number of women participating in legal rights awareness workshops	6 100	6 500	7 000
		Number of women on child support grant linked to economic opportunities	Women on child support grant accessing economic opportunities	Increased number of women on child support grant linked to economic opportunities	6 100	6 500	7 000
<b>Youth</b>	Human Resources Management	Number of unemployed Youth participating in external bursary programmes	Empower youth out of school	Increased number of youth participating in bursaries	660	726	799
	Human Resources Management	Number of Youth participating in internship programmes	Empower youth from disadvantaged communities	Increased number of youth participating in internship programmes	4 969	5 291	5 634
<b>Youth</b>	Youth Development	Number of youth participating in skills development programmes	Youth empowered on technical and social skills	Increased number of youth participating in skills development programmes	5 890	6 789	7 145
<b>Youth</b>	Youth Development	Number of youth participating in entrepreneurship programmes	Empower youth from disadvantaged communities	Increased number of youth empowered.	5 890	6 789	7 145
	Youth Development	Number of Youth participating in social change programmes.	Youth empowered for social change.	Increased number of youth in social change programmes.	10 000	12 000	13 000
	Youth Development	Number of Youth participating in outreach programmes.	Youth empowered.	Increased number of youth empowered.	10 000	12 000	13 000
	Youth Development	Number of youth participating in National Youth Service Programme	Youth empowered.	Increased number of youth participating in National Youth programmes	3 456	4 100	4 300
	Youth Development	Number of youth accessing economic opportunities	Youth empowered	Increased number of youth accessing economic opportunities	2 560	3 068	3 421
<b>Youth</b>	Youth Development	Number of funded NPOs delivering youth development services	Empower youth from disadvantaged communities.	Increased number of youth participating in development programmes.	9 645	9 832	9 956
<b>People with disabilities</b>	Services to People with Disabilities	Number of NPOs providing services for people with disabilities	To provide Services to People with Disabilities	Awareness created on the protection and care for people with disabilities	86 161	90 124	94 901
	Services to People with Disabilities	Number of persons with disabilities accessing services in funded protective workshops managed by NPOs	To provide Services to People with Disabilities	Awareness created on the protection and care for people with disabilities	86 161	90 124	94 901
<b>People with Disabilities</b>	Services to People with Disabilities	Number of persons with disabilities in residential facilities managed by NPOs	To provide Services to People with Disabilities	Awareness created on the protection and care for people with disabilities	86 161	90 124	94 901

# **ANNEXURE TO THE ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE**



## Vote 6 - Social Development • EPRE - 2014/15

TABLE 6.21: SPECIFICATION OF RECEIPTS: SOCIAL DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Tax receipts</b>									
Casino taxes									
Horse racing taxes									
Liquor licences									
Motor vehicle licences									
<b>Sales of goods and services other than capital assets</b>	<b>810</b>	<b>967</b>	<b>1 602</b>	<b>1 553</b>	<b>1 913</b>	<b>1 914</b>	<b>1 632</b>	<b>1 713</b>	<b>1 804</b>
Sale of goods and services produced by department (excluding capital assets)	<b>801</b>	<b>924</b>	<b>1 583</b>	<b>1 553</b>	<b>1 913</b>	<b>1 914</b>	<b>1 632</b>	<b>1 713</b>	<b>1 804</b>
Sales by market establishments	632	819	1 583	830	1 059	1 059	864	907	955
Administrative fees	169			723	848	848	768	806	849
Other sales		105			6	7			
Of which									
List Item									
List Item		84							
List Item									
List Item									
Sales of scrap, waste, arms and other used current goods (excluding capital assets)	9	43	19						
<b>Transfers received from:</b>		<b>130</b>							
Other governmental units									
Higher education institutions									
Foreign governments									
International organisations		130							
Public corporations and private enterprises									
Households and non-profit institutions									
<b>Fines, penalties and forfeits</b>			<b>1</b>						
<b>Interest, dividends and rent on land</b>	<b>65</b>	<b>9</b>	<b>39</b>	<b>50</b>	<b>50</b>	<b>50</b>	<b>52</b>	<b>54</b>	<b>57</b>
Interest	65	9	39	50	50	50	52	54	57
Dividends									
Rent on land									
<b>Sales of capital assets</b>									
Land and sub-soil assets									
Other capital assets									
<b>Transactions in financial assets and liabilities</b>	<b>280</b>	<b>3 037</b>	<b>4 299</b>	<b>1 110</b>	<b>3 000</b>	<b>3 000</b>			
<b>Total departmental receipts</b>	<b>1 155</b>	<b>4 143</b>	<b>5 941</b>	<b>2 713</b>	<b>4 963</b>	<b>4 964</b>	<b>1 684</b>	<b>1 767</b>	<b>1 861</b>

TABLE 6.22: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>256 052</b>	<b>296 654</b>	<b>324 882</b>	<b>360 838</b>	<b>375 611</b>	<b>375 163</b>	<b>403 577</b>	<b>414 584</b>	<b>437 895</b>
Compensation of employees	148 726	161 310	164 496	181 104	190 104	190 104	191 389	200 198	210 809
Salaries and wages	128 418	138 482	140 318	153 708	162 778	162 778	163 820	171 266	180 343
Social contributions	20 308	22 828	24 178	27 396	27 326	27 326	27 569	28 932	30 465
Goods and services	105 605	135 317	160 386	179 734	185 507	185 059	212 188	214 386	227 086
Administrative fees			438	306	306	305	180	192	202
Advertising	578	1 367	2 038	1 132	2 312	2 372	840	498	524
Assets less than the capitalisation threshold	1 056	3 450	708	2 720	2 359	1 985	2 021	2 957	3 114
Audit cost: External	2 391	108	673	1 699	2 029	2 196	2 500	2 732	2 877

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Bursaries: Employees	1 811	2 163	3 053	3 056	3 056	3 058	3 209	3 372	3 551
Catering: Departmental activities	401	799	653	751	1 017	1 017	702	751	791
Communication (G&S)	24 863	24 521	21 598	17 488	19 864	19 865	19 836	22 345	23 548
Computer services	6 029	12 013	20 381	13 018	15 018	13 597	12 000	6 143	6 469
Consultants and professional services: Business and advisory services	217	620	332	317	767	768	500	524	552
Consultants and professional services: Infrastructure and planning									
Consultants and professional services: Laboratory services									
Consultants and professional services: Scientific and technological services									
Consultants and professional services: Legal costs		6		287	500	500	2 003	2 117	2 229
Contractors	1 178	1 370	3 223	1 592	2 193	2 780	2 182	2 235	2 353
Agency and support / outsourced services	946	405	7			1			
Entertainment									
Fleet services (including government motor transport)	1 965	4 227	8 187	18 751	14 534	13 837	22 600	23 000	24 219
Housing									
Inventory: Clothing material and accessories									
Inventory: Farming supplies									
Inventory: Food and food supplies									
Inventory: Fuel, oil and gas									
Inventory: Learner and teacher support material									
Inventory: Materials and supplies									
Inventory: Medical supplies	1	19	7				80		
Inventory: Medicine									
Medsas inventory interface									
Inventory: Other supplies									
Consumable supplies	680	1 374	1 048	1 607	2 178	3 258	1 880	1 913	2 014
Consumable: Stationery, printing and office supplies	3 964	4 928	7 014	4 664	5 639	5 639	3 951	3 477	3 661
Operating leases	20 632	22 216	29 643	50 992	51 440	51 440	55 550	56 580	61 527
Property payments	34 663	44 307	48 280	47 888	51 890	51 889	68 292	71 050	74 223
Transport provided: Departmental activity	222	6	3		110	113			
Travel and subsistence	1 221	2 704	2 273	2 550	2 864	2 862	2 835	3 072	3 235
Training and development	2 505	7 296	3 039	4 315	5 455	5 455	8 883	9 081	9 562
Operating payments	1	498	7 202	6 253	1 110	1 110	1 463	1 434	1 510
Venues and facilities	281	724	488	348	618	631	608	603	598
Rental and hiring		196	98		248	381	73	310	326
Interest and rent on land	1 721	27							
Interest	1 721	27							
Rent on land									
<b>Transfers and subsidies</b>	<b>4 249</b>	<b>5 266</b>	<b>4 922</b>	<b>7 863</b>	<b>6 017</b>	<b>5 701</b>	<b>6 112</b>	<b>6 410</b>	<b>6 750</b>
Provinces and municipalities									
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities									
Municipal bank accounts									

## Vote 6 - Social Development • EPRE - 2014/15

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Municipal agencies and funds									
Departmental agencies and accounts			114	120	74	74	90	95	100
Social security funds									
Departmental agencies (non-business entities)			114	120	74	74	90	95	100
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Public corporations									
Subsidies on products and production (pc)									
Other transfers to public corporations									
Private enterprises									
Subsidies on products and production (pe)									
Other transfers to private enterprises									
Non-profit institutions									
Households	4 249	5 266	4 808	7 743	5 943	5 627	6 022	6 315	6 650
Social benefits	147	305	463	625	825	825	770	801	843
Other transfers to households	4 102	4 961	4 345	7 118	5 118	4 802	5 252	5 514	5 806
<b>Payments for capital assets</b>	<b>17 723</b>	<b>12 365</b>	<b>19 989</b>	<b>17 495</b>	<b>13 301</b>	<b>12 425</b>	<b>15 892</b>	<b>3 535</b>	<b>3 722</b>
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	17 702	12 296	19 772	17 495	12 912	12 035	15 892	3 535	3 722
Transport equipment			6 473						
Other machinery and equipment	17 702	12 296	13 299	17 495	12 912	12 035	15 892	3 535	3 722
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets	21	69	217		389	390			
<b>Payments for financial assets</b>		13	700			2			
Thefts and losses		13	700			2			
<b>Total economic classification</b>	<b>278 024</b>	<b>314 298</b>	<b>350 493</b>	<b>386 196</b>	<b>394 929</b>	<b>393 291</b>	<b>425 581</b>	<b>424 529</b>	<b>448 367</b>

TABLE 6.23: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: SOCIAL WELFARE SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>49 407</b>	<b>67 719</b>	<b>58 002</b>	<b>67 607</b>	<b>66 480</b>	<b>66 556</b>	<b>78 616</b>	<b>80 707</b>	<b>86 382</b>
Compensation of employees	30 304	32 906	35 208	42 507	42 507	42 507	45 585	47 142	51 015
Salaries and wages	25 686	27 546	29 379	35 584	35 584	35 584	38 761	40 114	41 503
Social contributions	4 618	5 360	5 829	6 923	6 923	6 923	6 824	7 028	9 512
Goods and services	19 063	34 795	22 794	25 100	23 973	24 049	33 031	33 565	35 367
Administrative fees			7	10	5	79			
Advertising	27	194	58				190		
Assets less than the capitalisation threshold	289	702	361		77	83			
Audit cost: External									
Bursaries: Employees			5						

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Catering: Departmental activities	1 535	1 023	1 387	1 067	1 268	1 526	1 252	1 129	1 189
Communication (G&S)	353	481	483	677	502	542	530	749	789
Computer services		10						74	78
Consultants and professional services: Business and advisory services	100	4							
Consultants and professional services: Infrastructure and planning									
Consultants and professional services: Laboratory services									
Consultants and professional services: Scientific and technological services									
Consultants and professional services: Legal costs									
Contractors	413	265	199	175	37	131	37	184	193
Agency and support / outsourced services	3 567	5 816	1 979	1 964	2 520	2 520	2 230	2 291	2 413
Entertainment									
Fleet services (including government motor transport)	76	79	900	1 570	1 094	1 094	1 469	1 500	1 916
Housing									
Inventory: Clothing material and accessories				1	1	1	1		
Inventory: Farming supplies									
Inventory: Food and food supplies	1 592	2 305	1 990	2 276	2 276	1 827	2 468	2 413	2 541
Inventory: Fuel, oil and gas						20			
Inventory: Learner and teacher support material									
Inventory: Materials and supplies				20	20	21		20	21
Inventory: Medical supplies	362	23	598	605	635	431	623	648	682
Inventory: Medicine				20	22	22	11	6	6
Medsas inventory interface									
Inventory: Other supplies				531	706	706	1 507		
Consumable supplies	1 815	3 608	3 417	1 942	2 197	2 360	1 468	2 625	2 765
Consumable: Stationery, printing and office supplies	112	216	638	410	227	227	220	489	515
Operating leases	345	82	499	492	457	457	579	531	559
Property payments	5 711	16 863	7 879	10 639	8 801	8 801	16 772	16 040	16 574
Transport provided: Departmental activity	711	726	533	1 024	664	740	1 042	1 088	1 145
Travel and subsistence	291	695	494	834	874	874	519	1 793	1 819
Training and development	1 420	1 521	1 216	570	1 192	1 165	390	930	979
Operating payments		52	89	237	247	271	1 178	872	928
Venues and facilities	344	130	40		42	42	300	85	153
Rental and hiring			22	36	109	109	245	98	103
Interest and rent on land	40	18							
Interest	40	18							
Rent on land									
<b>Transfers and subsidies</b>	<b>364 909</b>	<b>467 583</b>	<b>473 046</b>	<b>483 718</b>	<b>489 696</b>	<b>489 696</b>	<b>558 089</b>	<b>597 972</b>	<b>629 667</b>
Provinces and municipalities									
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities									
Municipal bank accounts									
Municipal agencies and funds									

## Vote 6 - Social Development • EPRE - 2014/15

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Departmental agencies and accounts									
Social security funds									
Departmental agencies (non-business entities)									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Public corporations									
Subsidies on products and production (pc)									
Other transfers to public corporations									
Private enterprises									
Subsidies on products and production (pe)									
Other transfers to private enterprises									
Non-profit institutions	364 255	467 278	472 532	483 447	489 299	489 299	557 655	597 515	629 184
Households	654	305	514	271	397	397	434	457	483
Social benefits	434	79	250	57	146	146	160	223	66
Other transfers to households	220	226	264	214	251	251	274	234	417
<b>Payments for capital assets</b>	<b>35 694</b>	<b>58 891</b>	<b>32 657</b>	<b>10 250</b>	<b>10 346</b>	<b>10 574</b>	<b>2 300</b>	<b>2 000</b>	<b>2 500</b>
Buildings and other fixed structures	34 780	57 700	31 823	10 250	10 250	10 250	2 300	2 000	2 500
Buildings	34 780	57 700	31 823	10 250	10 250	10 250	2 300	2 000	2 500
Other fixed structures									
Machinery and equipment	641	1 191	834		96	324			
Transport equipment	135	122	134						
Other machinery and equipment	506	1 069	700		96	324			
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets	273								
<b>Payments for financial assets</b>			<b>6</b>			<b>4</b>			
Thefts and losses			6			4			
<b>Total economic classification</b>	<b>450 010</b>	<b>594 193</b>	<b>563 711</b>	<b>561 575</b>	<b>566 522</b>	<b>566 830</b>	<b>639 005</b>	<b>680 679</b>	<b>718 549</b>

TABLE 6.24: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: CHILDREN AND FAMILIES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>369 182</b>	<b>482 225</b>	<b>494 491</b>	<b>560 577</b>	<b>561 371</b>	<b>561 492</b>	<b>763 632</b>	<b>930 143</b>	<b>980 879</b>
Compensation of employees	308 723	369 235	395 650	487 128	485 128	485 128	641 665	797 101	838 513
Salaries and wages	258 535	309 193	333 402	404 526	402 776	402 776	528 434	694 503	730 478
Social contributions	50 188	60 042	62 248	82 602	82 352	82 352	113 231	102 598	108 035
Goods and services	60 277	112 990	98 841	73 449	76 243	76 364	121 967	133 042	142 366
Administrative fees	337	4	186	172	36	35	52	4	4
Advertising	741	350	499		264	298	80		
Assets less than the capitalisation threshold	1 420	628	678		254	399			
Audit cost: External									
Bursaries: Employees									
Catering: Departmental activities	382	1 316	726	820	880	1 187	1 976	1 258	1 291
Communication (G&S)	2 994	3 719	3 142	3 053	2 819	2 818	3 747	4 438	4 680

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Computer services			2						
Consultants and professional services: Business and advisory services	1	23							
Consultants and professional services: Infrastructure and planning									
Consultants and professional services: Laboratory services									
Consultants and professional services: Scientific and technological services									
Consultants and professional services: Legal costs									
Contractors	446	686	268	217	313	313	876	257	271
Agency and support / outsourced services	2 612	5 168	4 535	4 407	4 172	4 170	4 550	4 910	5 170
Entertainment									
Fleet services (including government motor transport)	1 400	2 392	22 931	8 104	7 304	6 488	8 591	9 106	9 589
Housing									
Inventory: Clothing material and accessories					17	17	20		
Inventory: Farming supplies									
Inventory: Food and food supplies	4 238	6 117	7 881	10 161	8 340	8 348	9 606	10 880	6 135
Inventory: Fuel, oil and gas									
Inventory: Learner and teacher support material	58	35	170	105	85	85	134	118	124
Inventory: Materials and supplies		2		32	22	30	34	36	38
Inventory: Medical supplies	2 143	405	399	406	334	333	529	451	475
Inventory: Medicine			76		16	15	65		
Medsas inventory interface									
Inventory: Other supplies				3 173	1 766	1 767		3 565	3 754
Consumable supplies	3 886	6 677	7 498	3 493	2 856	3 197	7 122	4 019	4 249
Consumable: Stationery, printing and office supplies	1 085	938	1 215	2 446	914	913	1 424	2 551	2 727
Operating leases	228	330	866	1 075	777	763	1 161	1 313	1 383
Property payments	31 890	62 829	37 538	22 384	33 460	33 460	68 977	74 285	86 581
Transport provided:									
Departmental activity	144	1 112	413	1 187	524	526	743	847	892
Travel and subsistence	1 827	6 604	4 464	5 334	4 417	4 387	4 747	6 084	5 589
Training and development	245	125	136		342	430	460		
Operating payments	3 738	12 362	4 833	6 356	5 473	5 486	6 525	8 008	8 440
Venues and facilities	462	1 168	259	399	416	457	153	496	535
Rental and hiring			126	125	442	442	395	416	438
Interest and rent on land	182								
Interest	182								
Rent on land									
<b>Transfers and subsidies</b>	<b>446 211</b>	<b>514 035</b>	<b>570 061</b>	<b>792 437</b>	<b>772 667</b>	<b>772 941</b>	<b>875 972</b>	<b>1 029 371</b>	<b>1 084 810</b>
Provinces and municipalities									
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities									
Municipal bank accounts									
Municipal agencies and funds									
Departmental agencies and accounts									
Social security funds									
Departmental agencies (non-business entities)									
Higher education institutions									
Foreign governments and international organisations									

## Vote 6 - Social Development • EPRE - 2014/15

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Public corporations and private enterprises									
Public corporations									
Subsidies on products and production (pc)									
Other transfers to public corporations									
Private enterprises									
Subsidies on products and production (pe)									
Other transfers to private enterprises									
Non-profit institutions	445 664	513 286	569 519	791 640	771 640	771 641	874 917	1 028 229	1 083 573
Households	547	749	542	797	1 027	1 300	1 055	1 142	1 237
Social benefits	405	685	453	611	799	1 116	865	943	1 028
Other transfers to households	142	64	89	186	228	184	190	199	209
<b>Payments for capital assets</b>	<b>21 801</b>	<b>18 318</b>	<b>37 856</b>	<b>18 689</b>	<b>20 078</b>	<b>20 686</b>	<b>107 400</b>	<b>99 650</b>	<b>93 760</b>
Buildings and other fixed structures	18 637	17 000	34 773	18 689	19 867	19 868	107 400	99 650	93 760
Buildings	18 637	17 000	34 773	18 689	19 867	19 868	107 400	99 650	93 760
Other fixed structures									
Machinery and equipment	3 164	1 318	3 083		211	818			
Transport equipment	1 261		1 528						
Other machinery and equipment	1 903	1 318	1 555		211	818			
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>	<b>10</b>	<b>56</b>	<b>154</b>			<b>24</b>			
Thefts and losses	10	56	154			24			
<b>Total economic classification</b>	<b>837 204</b>	<b>1 014 634</b>	<b>1 102 562</b>	<b>1 371 703</b>	<b>1 354 116</b>	<b>1 355 143</b>	<b>1 747 004</b>	<b>2 059 164</b>	<b>2 159 450</b>

TABLE 6.25: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: RESTORATIVE SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>95 204</b>	<b>97 073</b>	<b>95 654</b>	<b>117 431</b>	<b>110 471</b>	<b>110 481</b>	<b>128 100</b>	<b>132 233</b>	<b>139 451</b>
Compensation of employees	62 187	63 502	61 675	78 113	71 113	71 113	80 923	81 931	85 732
Salaries and wages	52 149	53 219	51 530	65 005	59 520	59 520	67 374	68 101	71 171
Social contributions	10 038	10 283	10 145	13 108	11 593	11 593	13 549	13 830	14 561
Goods and services	32 938	33 523	33 979	39 318	39 358	39 368	47 177	50 302	53 719
Administrative fees			1	2	2	2	2		
Advertising	773	23	278		2 139	2 148	3 135	2 716	4 800
Assets less than the capitalisation threshold	298	393	272		25	35			
Audit cost: External									
Bursaries: Employees									
Catering: Departmental activities	513	459	594	388	1 179	1 310	688	1 248	1 314
Communication (G&S)	463	625	564	511	969	969	695	712	753
Computer services									
Consultants and professional services: Business and advisory services					4	4			
Consultants and professional services: Infrastructure and planning									
Consultants and professional services: Laboratory services									

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Consultants and professional services: Scientific and technological services									
Consultants and professional services: Legal costs									
Contractors	126	397	189	162	201	201	435	161	170
Agency and support / outsourced services	7 273	9 217	7 586	9 622	8 569	8 569	8 956	10 004	10 535
Entertainment									
Fleet services (including government motor transport)	315	27	1 436	1 821	621	675	1 608	1 950	2 053
Housing									
Inventory: Clothing material and accessories									
Inventory: Farming supplies									
Inventory: Food and food supplies			334	34	126	118	50		
Inventory: Fuel, oil and gas									
Inventory: Learner and teacher support material	11				8	8	6		
Inventory: Materials and supplies	37	119			149	149	34	77	81
Inventory: Medical supplies	654		5	12	7	17	30	7	7
Inventory: Medicine			113	130	130	130	50		
Medsas inventory interface									
Inventory: Other supplies				525	743	743	624		
Consumable supplies	1 299	3 126	1 504	559	648	644	690	1 278	1 340
Consumable: Stationery, printing and office supplies	867	320	599	1 280	441	444	179	685	721
Operating leases	19	284	422	440	440	440	601	615	647
Property payments	13 932	15 956	17 385	20 069	17 948	17 948	23 440	23 406	23 459
Transport provided: Departmental activity	2 970	54				46	100		
Travel and subsistence	652	918	413	1 145	603	576	649	1 835	1 933
Training and development	165		74		147	149	262		
Operating payments	2 469	1 369	1 601	2 576	3 347	2 933	2 781	2 970	3 664
Venues and facilities	102	231	600	42	750	948	637	606	982
Rental and hiring		5	9		162	162	1 525	2 032	1 260
Interest and rent on land	79	48							
Interest	79	48							
Rent on land									
<b>Transfers and subsidies</b>	<b>133 646</b>	<b>139 226</b>	<b>144 623</b>	<b>180 744</b>	<b>174 660</b>	<b>174 660</b>	<b>232 880</b>	<b>265 778</b>	<b>279 766</b>
Provinces and municipalities									
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities									
Municipal bank accounts									
Municipal agencies and funds									
Departmental agencies and accounts									
Social security funds									
Departmental agencies (non-business entities)									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Public corporations									
Subsidies on products and production (pc)									
Other transfers to public corporations									
Private enterprises									



## Vote 6 - Social Development • EPRE - 2014/15

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Subsidies on products and production									
Other transfers to private enterprises									
Non-profit institutions	133 469	138 779	144 510	180 367	174 515	174 515	232 666	265 358	279 324
Households	177	447	113	377	145	145	214	420	442
Social benefits	133	100	91	140	89	89	154	157	165
Other transfers to households	44	347	22	237	56	56	60	263	277
<b>Payments for capital assets</b>	<b>2 172</b>	<b>1 330</b>	<b>39 840</b>	<b>5 250</b>	<b>24 382</b>	<b>24 413</b>	<b>10 200</b>	<b>23 500</b>	<b>34 000</b>
Buildings and other fixed structures	1 175		39 080	5 250	24 250	24 250	10 200	23 500	34 000
Buildings	1 175		39 080	5 250	24 250	24 250	10 200	23 500	34 000
Other fixed structures									
Machinery and equipment	997	1 330	760		132	163			
Transport equipment	277	1 155	477						
Other machinery and equipment	720	175	283		132	163			
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>			<b>25</b>						
Thefts and losses			25						
<b>Total economic classification</b>	<b>231 022</b>	<b>237 629</b>	<b>280 142</b>	<b>303 425</b>	<b>309 513</b>	<b>309 554</b>	<b>371 180</b>	<b>421 511</b>	<b>453 217</b>

TABLE 6.26: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: DEVELOPMENT AND RESEARCH

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>94 350</b>	<b>124 387</b>	<b>133 601</b>	<b>151 696</b>	<b>149 940</b>	<b>150 139</b>	<b>158 217</b>	<b>169 172</b>	<b>178 138</b>
Compensation of employees	90 002	116 844	125 269	142 052	141 142	141 142	148 239	158 349	166 741
Salaries and wages	76 845	98 917	105 868	121 437	120 507	120 307	126 838	135 922	143 126
Social contributions	13 157	17 927	19 401	20 615	20 635	20 835	21 401	22 427	23 616
Goods and services	4 343	7 543	8 332	9 644	8 798	8 997	9 978	10 823	11 397
Administrative fees		21	33	35					
Advertising			3		4	4			
Assets less than the capitalisation threshold	3	13	49		5	145			
Audit cost: External									
Bursaries: Employees									
Catering: Departmental activities	263	622	643	749	1 044	1 104	1 349	1 225	1 290
Communication (G&S)	343	1 007	928	845	1 341	1 339	2 427	2 524	2 658
Computer services		26	51						
Consultants and professional services: Business and advisory services	195	10	814	1 335	1 158	1 087	1 434	1 501	1 581
Consultants and professional services: Infrastructure and planning									
Consultants and professional services: Laboratory services									
Consultants and professional services: Scientific and technological services									
Consultants and professional services: Legal costs									
Contractors	37	172	49	99	3	3	20	36	38
Agency and support / outsourced services		12							

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Entertainment									
Fleet services (including government motor transport)	10	1	1 177	1 139					
Housing									
Inventory: Clothing material and accessories									
Inventory: Farming supplies									
Inventory: Food and food supplies	147	7	18			14			
Inventory: Fuel, oil and gas									
Inventory: Learner and teacher support material		25	203						
Inventory: Materials and supplies		1							
Inventory: Medical supplies									
Inventory: Medicine									
Medsas inventory interface									
Inventory: Other supplies									
Consumable supplies	856	468	162	64	84	77	86	98	103
Consumable: Stationery, printing and office supplies	244	511	379	1 630	566	567	636	666	701
Operating leases	143	73	312	81	153	238	179	190	200
Property payments	229		25						
Transport provided: Departmental activity		100	83	146	135	65	267	280	295
Travel and subsistence	1 502	3 241	2 167	2 940	2 484	2 548	2 673	3 339	3 516
Training and development					30	30			
Operating payments		601	700	325	664	649	478	474	499
Venues and facilities	371	632	533	256	434	442	175	173	182
Rental and hiring			3		693	685	254	317	334
Interest and rent on land	5								
Interest	5								
Rent on land									
<b>Transfers and subsidies</b>	<b>42 376</b>	<b>65 777</b>	<b>94 058</b>	<b>121 475</b>	<b>141 667</b>	<b>141 707</b>	<b>183 675</b>	<b>202 035</b>	<b>212 743</b>
Provinces and municipalities									
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities									
Municipal bank accounts									
Municipal agencies and funds									
Departmental agencies and accounts									
Social security funds									
Departmental agencies									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Public corporations									
Subsidies on products and production (pc)									
Other transfers to public corporations									
Private enterprises									
Subsidies on products and production									
Other transfers to private enterprises									
Non-profit institutions	42 360	65 666	93 877	121 475	141 475	141 474	183 595	201 950	212 653
Households	16	111	181		192	233	80	85	90
Social benefits	16	111	181		192	233	80	85	90

# Vote 6 - Social Development • EPRE - 2014/15

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Other transfers to households									
<b>Payments for capital assets</b>	<b>129</b>	<b>65</b>	<b>145</b>	<b>250</b>	<b>61</b>	<b>74</b>			
Buildings and other fixed structures				250					
Buildings				250					
Other fixed structures									
Machinery and equipment	129	65	145		61	74			
Transport equipment									
Other machinery and equipment	129	65	145		61	74			
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>		<b>30</b>	<b>14</b>			<b>12</b>			
Thefts and losses		30	14			12			
<b>Total economic classification</b>	<b>136 855</b>	<b>190 259</b>	<b>227 818</b>	<b>273 421</b>	<b>291 668</b>	<b>291 932</b>	<b>341 892</b>	<b>371 207</b>	<b>390 882</b>

TABLE 6.27: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: CONDITIONAL GRANT: SOCIAL SECTOR EPWP INCENTIVE GRANT: SOCIAL WELFARE SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>									
Compensation of employees									
Salaries and wages									
Social contributions									
Goods and services									
Administrative fees									
Operating payments									
Venues and facilities									
Rental and hiring									
Interest and rent on land									
Interest									
Rent on land									
<b>Transfers and subsidies</b>	<b>3 948</b>	<b>11 221</b>	<b>12 873</b>				<b>20 267</b>		
Provinces and municipalities									
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities									
Municipal bank accounts									
Municipal agencies and funds									
Departmental agencies and accounts									
Social security funds									
Departmental agencies (non-business entities)									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Public corporations									
Subsidies on products and production (pc)									
Other transfers to public corporations									
Private enterprises									

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Subsidies on products and production									
Other transfers to private enterprises									
Non-profit institutions	3 948	11 221	12 873				20 267		
Households									
Social benefits									
Other transfers to households									
<b>Payments for capital assets</b>									
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment									
Transport equipment									
Other machinery and equipment									
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>									
Thefts and losses									
<b>Total economic classification</b>	<b>3 948</b>	<b>11 221</b>	<b>12 873</b>				<b>20 267</b>		

TABLE 6.28: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: CONDITIONAL GRANT: EPWP INTEGRATED GRANT: SOCIAL WELFARE SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>							<b>2 000</b>		
Compensation of employees									
Salaries and wages									
Social contributions									
Goods and services							2 000		
Administrative fees									
Advertising									
Operating leases									
Property payments							2 000		
Transport provided: Departmental activity									
Travel and subsistence									
Venues and facilities									
Rental and hiring									
Interest and rent on land									
Interest									
Rent on land									
<b>Transfers and subsidies</b>									
Provinces and municipalities									
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities									
Municipal bank accounts									
Municipal agencies and funds									
Departmental agencies and accounts									
Social security funds									
Departmental agencies (non-business entities)									

## Vote 6 - Social Development • EPRE - 2014/15

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate 2013/14	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Public corporations									
Other transfers to public corporations									
Private enterprises									
Other transfers to private enterprises									
Non-profit institutions									
Households									
Social benefits									
Other transfers to households									
<b>Payments for capital assets</b>									
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment									
Transport equipment									
Other machinery and equipment									
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>									
Thefts and losses									
<b>Total economic classification</b>							<b>2 000</b>		



# VOTE 7

## DEPARTMENT OF COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

To be appropriated by vote in 2014/15	R 340 598 000
Responsible MEC	MEC for Co-operative Governance and Traditional Affairs
Administering Department	Department of Co-operative Governance and Traditional Affairs
Accounting Officer	Head of Department : Co-operative Governance and Traditional Affairs

### 1. OVERVIEW

#### Vision

To achieve sustainable, viable local government, traditional councils and communities in Gauteng.

#### Mission

To coordinate the effective functioning of local government, promote integrated development planning and deepen participatory democracy in order to accelerate services delivery.

#### Strategic goals

The department will be geared towards achieving the following five strategic objectives:

- Promote and facilitate viable and sustainable local governance;
- Promote integrated development planning through efficient land use management, provincial coordination of disaster management and improved access to basic services;
- Promote and facilitate viable and sustainable traditional institutions;
- Build an inclusive economic environment conducive to the creation of decent work; and
- Manage human resources meant to develop and capacitate the department in achieving the core functions.

#### Core functions and responsibilities

The mandate of the department is to provide support and monitor municipalities and tribal authorities through the following functions:

- Monitor the development and performance of municipalities and traditional authorities;
- Support local authorities where there are capacity constraints;
- Promote capacity development in a systematic manner to ensure that municipalities are continuously able to manage their own affairs;
- Advise, comment on and approve Integrated Development Plans (IDP's);
- Provide key support services to municipalities in implementing the Municipal Finance Management Act (MFMA) supporting Community Development Workers (CDW's); and
- Intervene where local authorities consistently fail to adequately perform their designated functions and mandates.

#### Main services

The department intends to continue supporting and monitoring municipalities in the province by strengthening good governance and accountability. This will be achieved through implementation of the oversight model. It entails the Municipal Public Accounts Committees (MPAC) contributing to assessments. The department continues to monitor the effectiveness and impact of MPAC in carrying out its oversight and accountability functions. The department has to assess and highlight the progress and challenges of the past 15 years of local government in the province. Furthermore, it must take into account lessons learned from the intervention of the Project Consolidate and the deployment of engineers by the South African Institute of Engineers (SAICE) and accountants by the South African Institute of Chartered Accountants (SAICA). The key focus in the 2014/15 financial year



will be the strengthening of ward-based planning and public participation through the involvement and training of ward committees in an effort to improve their functionality as well as the creation of the Provincial Disaster Management Centre.

The department will continue to ensure that Traditional Leadership receives administrative support through appropriate systems and structures, including the impending legislation that will define heads of KHOISAN communities as traditional leaders. The department continues to define the relationship between local municipal structures, traditional leadership structures and communities in the province, which was fully achieved in 2013/14 financial year. Another focus area is monitoring progress towards achieving targets such as the implementation of waste water management systems, implementation of a provincial sanitation strategy and water demand management strategies.

Local government support will be given priority during the 2014/15 financial year in order to provide capacity in municipalities and maintain partnerships with other stakeholders in providing scarce skills to improve service delivery and capacity, given the picture outlined by the auditor general on the state of performance of municipalities. Revenue management, municipal debts and the integration of IDP's will be some of the key services that the department will undertake in the coming financial year.

## **Outcomes**

### **Differentiated approach to municipal financing, planning and support**

The allocation to this output is aimed at providing the necessary capacity to support municipalities in areas identified as critical in achieving Operation Clean Audit in 2014 as targeted by the province. To achieve this, the department is to embark on the process of supporting municipalities in areas of asset management, financial management, revenue enhancement, project and contract management and skills development within scarce skills areas. The department allocated R5 million in the 2014/15 financial year in order to make this target a reality. This will also assist municipalities to be self-sufficient and independently achieve their designated mandates and functions.

### **Improving access to basic services**

The funds allocated to this output cater for municipalities continuously providing free basic services, such as free electricity and water, to indigent communities. The department has allocated a substantial amount of funding to improve access to basic services. However the department is facing more challenges as a result of migration to Gauteng municipalities.

### **Deepen democracy through a refined ward committee model**

The budget for this output relates to the provision of training for ward committees and the strengthening of public participation and ward committee structures and functions. The department planned to train 172 ward councillors and 1 720 ward committee members in ward-based planning. The objective is to empower ward committees to play an active role in the municipal planning cycle at ward level and budgetary processes in line with legislative requirements. The targeted municipalities are Mogale, Randfontein, Westonaria, Emfuleni, Lesedi and Midvaal. The department planned to undertake ward committee sector development in seven municipalities to identify and strengthen sectors at ward level for the committees to partake in sector department programmes and influence the functioning of ward committees and to promote accountability.

### **External activities and events relevant to budget decisions**

The department will support the Gauteng Planning Commission in the conceptualisation and development of the Provincial Disaster Management Centre, which is a legislative requirement, and Operation Clean Audit, as stipulated by the Office of the Auditor-General recently in the audit outcomes of municipalities for the 2011/2012 financial year. In addition, the expected promulgation of the National Bill of Traditional Leadership, which will allow Khoisan leaders to be traditional leaders, will be an added impact to the budget increase. The increase in this budget is also as a result of HIV/AIDS programmes in municipalities being resuscitated and expanded by the Department.

### **Acts, rules and regulations – (Legislative Mandates)**

- Intergovernmental Relations Framework Act (Act No. 13 of 2005);
- Local Government: Municipal Property Rate Act (Act No. 6 of 2004);
- National Environmental Management Act (Act No. 107 of 1998), as amended by Act No. 8 of 2004;
- Broad Based Black Economic Empowerment Act (Act No. 53 of 2003);
- Municipal Finance Management Act (Act No. 56 of 2003);
- Local Government: Municipal Systems Act (Act NO. 32 of 2000);

- Public Finance Management Act (Act No. 1 of 1999);
- Local Government: Demarcation Act (Act No. 27 of 1998);
- Local Government: Municipal Structure Act (Act No. 117 of 1998);
- Extension of Security of Tenure Act (Act No. 62 of 1997);
- Land Administration Act (Act No. 2 of 1995);
- Reconstruction and Development Programme Fund Act (Act No. 7 of 1994);
- Expropriation Act (1951), as repealed by Act No. 63 of 1975;
- State Land Disposal Act (Act No. 48 of 1961); and
- Deeds Registries Act (Act No. 47 of 1937).

#### **Provincial Legislation**

- Gauteng Traditional Leadership Act no. of 2010;
- Gauteng Types of Municipality Act no. 03 of 2000; and
- Gauteng City Improvement Act no. 12 of 1997.

#### **Good Governance Legislation**

- Broad-Based Black Economic Empowerment Act (Act No. 53 of 2003);
- Municipal Finance Management Act (Act No. 56 of 2003); and
- Public Finance Management Act (Act No. 1 of 1999).

## **2. REVIEW OF THE CURRENT FINANCIAL YEAR (2013/14)**

### **Outcome 9: A responsive, effective and efficient local government system**

#### **Output 1: Differentiated approach to municipal financing, planning and support**

The department provided hands-on support to municipalities to maintain their infrastructure asset registers in line with the GRAP 17 requirements. For the period under review, three municipalities (Lesedi, Westonaria and Emfuleni Local Municipalities) were provided with training on GRAP 17. Furthermore, the department continued to engage with municipalities on the evaluation and review of the Separation of powers Oversight Model. The engagements were held with a variety of stakeholders, including SALGA-Gauteng and Gauteng Speakers' Forum on the Circular 56 evaluation study. Municipalities are adequately represented in the Gauteng Speakers' Forum. In implementing the internal audit and audit committees shared services in the West Rand Region, an additional two municipalities (Randfontein and Merafong Local Municipalities) in the West Rand Region have formally taken the resolution to implement the Shared Services Model for Audit Committees and Internal Audit Units. The total number of municipalities with the Council resolutions is now four (WRDM, Randfontein, Merafong and Westonaria).

#### **Output 2: Improving access to basic services**

The department targeted 5 000 households to receive basic services (water and sanitation) funded by the Municipal Infrastructure Grant (MIG), in line with Gauteng norms and standards. The provision of sustained water supply to existing houses was made possible by the water reservoir in Emfuleni and bulk infrastructure was provided for existing houses and new ones. The extra capacity of the department has enabled the treatment plant to effectively treat more sewerage from existing houses in Meyerton - Midvaal.

In improving access to basic services, the department will continue to monitor the number of households with access to basic water as per Gauteng norms and standards where 1 500 water and 1 500 sanitation were reached. The department, in conjunction with the Municipal Infrastructure Support Agency (MISA), deployed 8 senior engineers to municipalities in order to provide technical support. All 7 local and 3 metro municipalities have Water and Energy Sector Plans that are currently being reviewed. A total of 1 016 solar geysers have been installed across the following community beneficiaries Lehae, Devland, Alexandra Far Eastbank, Vlakfontein, Tshepisoong, Leratong Village, Matholesville, Lufhereng, Pimville and Pennyville.

Through the department's Energy Plans, it has ensured that a total of 6 134 households in Ekurhuleni, City of Johannesburg (COJ), Tshwane and West Rand have access to basic services. An analysis was conducted of 2 municipal sector plans (Water and Sanitation and Energy/ Electricity) to develop the provincial infrastructure master plan where all 7 local and 3 metro municipalities have Water and Energy Sector Plans, which are currently being reviewed. Municipalities completed the design for mechanical and electrical works to provide technical support and monitor the implementation of the Sedibeng Regional Sanitation Scheme and the Flip Human WWTW. In line with the Gauteng Energy Strategy the department has completed a Status Quo and Analysis Report on current electricity losses and mitigation initiatives.



### **Output 3: Deepen democracy through a refined ward committee model**

The process of ensuring that 457 ward committees are in place and are well capacitated is in progress, therefore the target of capacitating ward committees in 7 municipalities, namely, Mogale, Merafong, Randfontein, Westonaria, Emfuleni, Midvaal and Lesedi, will be achieved. The provincial guidelines on the norms and standards to enhance public participation in municipalities were developed. Six municipalities were supported to implement the current Public Participation Framework (PPF). The department's Stakeholder Engagement Strategy was developed and implemented. The CDW programme played a role in supporting the implementation of the strategy by, firstly, assisting with intergovernmental coordination between the 3 spheres of government, secondly working with ward committees and finally by driving advocacy initiatives.

### **Output 4: Administrative and financial capability**

The City of Tshwane was provided with hands-on support based on the revenue issues emanating from the merger between Metsweding region municipalities and the City of Tshwane, as raised by the AG in terms of Operation Clean Audit (OPCA). In this regard the department implemented the Revenue Computer Assisted Audit Techniques (CAATS) project in the municipality to identify and resolve anomalies in the municipal finance systems as they relate to the revenue information.

The department has been financially supporting Randfontein Municipality and Westonaria Municipality based on their qualified audit opinion in the 2012/13 financial year. The hands on support project in Randfontein Local Municipality focused on addressing issues raised by the Auditor General, in the Audit Reports and Management Letters. Support provided to Randfontein Local Municipality has enabled it to correct the back-log in creditors and debtors reconciliations that were not performed in a timely manner. Revenue and Debt Management support was implemented in Gauteng Municipalities. The support comprised of implementing the Government Debtors Strategy and the Debtors Book Strategy. Once fully implemented, the support will enhance the municipal cash flow through revenue enhancement. Total support provided in the financial year totals R6.6 million.

### **Output 5: Single window of coordination**

The City of Tshwane, City of Johannesburg, Ekurhuleni Municipality and Mogale City have established IGR units and the IGR Framework is fully implemented. In monitoring the implementation of decisions of the IGR practitioners' forum, MEC fora and PCF, MEC/MMC IGR Forum, practitioners' forum and Technical MECMMC Forum were held and Resolutions were prepared, implemented and monitored in implementing the Provincial IGR Framework. The practitioner's seminar was held covering the following topics: the IGR Programme of Action, decisions from PCF and Extended EXCO Lekgotla, and Municipal and Sector Departments reporting on the implementation of the IGR Framework.

The department continued to support and enhance the capacity of traditional leadership and local governance institutions in the City of Tshwane (Amandebele Ba Lebelo and Amandebele Nzunza Sokhulumu traditional councils). In training of traditional council members, the department of Traditional Affairs (DTA) and Local Government Sector Education Training Authority (LGSETA) facilitated a national skills audit of traditional leaders and its councillors. A framework was developed for the partnership forum on the cultural practice of initiation in the province with a clear term of reference and implementation plan for the Evaluation of the National Policy Framework and municipal by-laws, identification of best practice from provinces. Stakeholders included the Departments of Health, Education, and Community Safety, as well as Sedibeng District Municipality, Ekurhuleni, COT, COJ, and Congress of Traditional Leaders of South Africa (CONTRALESA).

## **Outcome 12: Efficient, effective and development oriented public service and empowered, fair and inclusive citizenship.**

### **Output 1: Human Resource management and development**

Through its coherent support to the core functions, the department has completed Phase 1 of the de-merger process and has commenced with the repositioning phase which will assist in the finalisation of an organisational structure and service delivery model.

## **3. OUTLOOK FOR THE COMING FINANCIAL YEAR (2014/15)**

### **Outcome 9: A responsive, effective and efficient local government system**

#### **Output 1: Differentiated approach to municipal financing, planning and support**

The department will continue to improve institutional and administrative systems to municipalities. It planned to



provide accredited training to 500 municipal officials in technical skills, infrastructure and governance to ensure that they are efficient and effective. A total of 2 municipalities will be monitored and supported to improve the PMS (Organisational and Individual). The department planned to convene 4 intergovernmental engagements to align plans and budgets with the IDP through the Gauteng IDP Technical Steering Committee. A total number of 60 participants will receive IDP education and training, based on nominations received from sector departments and municipalities. In addition 12 municipalities will participate in the IDP analysis and receiving MEC comments.

#### **Output 2: Improving access to basic services**

The department planned to target 6 500 households in receiving access to basic water and sanitation and 23 000 households receiving access to refuse removal. The department will provide support for the utilisation of MIG to ensure the implementation of capital projects which are in line with the approved IDPs. The department, in conjunction with Municipal Infrastructure Support Agency (MISA), plans to deploy 80 SAICE engineers to provide technical support to municipalities. The on-going technical support and monitoring will also continue to be provided by the department for the implementation of the Sedibeng Regional Sanitation Scheme and the Flip Human Waste-Water Treatment Works (WWTW) within municipalities to improve access to basic services.

In line with the Gauteng Energy Strategy the department will monitor 23 000 Solar Water Heaters (SWHs) installed in 3 metros. The department will continue to support and monitor the implementation of one Retrofitting Programme in 12 buildings and one Waste to Energy Project. In reducing energy losses and increasing the financial viability of municipalities, the department will develop a provincial Electricity Loss Management Strategy during the 2014/15 financial year.

#### **Output 3: Deepen democracy through a refined ward committees model**

The process of ensuring that 457 ward committees are in place will continue in the 2014/15 financial year, thereby updating skills audits and training for ward committees in 7 municipalities namely, Mogale, Merafong, Randfontein, Westonaria, Emfuleni, Midvaal and Lesedi. The impacts of these will be assessed thereafter. During the 2014/15 financial year the department will develop strategies to support 10 municipalities by reviewing and analysing municipal public participation policies in line with the public participation norms and standards as entrenched in the Public Participation Framework.

The department will conduct round table election stakeholder engagements towards the upcoming election process. A number of campaigns will continue throughout. The CDW programme will continue to play a role in supporting the implementation of the strategy by assisting with intergovernmental coordination between the 3 spheres of government, working with ward committees and driving advocacy initiatives, thereby improving accessibility to public services and information.

#### **Output 4: Administrative and financial capability**

The department will continue to provide hands-on support to targeted municipalities to improve their audit outcomes in order to achieve Operation Clean Audit objectives. To achieve this objective, Municipalities will be supported to maintain their infrastructure asset registers in line with the GRAP 17 requirements to address AG issues as per the AG report and management letter and to enhance reporting on Performance Information/Pre-determined objectives. The following projects will be implemented in the financial year 2014/15 to achieve this objective: the Municipal Viability Study, the development of a framework and plan, Implementation of Municipal Viability plans, Data Cleansing Project, Development of cost effective Tariff and funding model Project and Revenue Analytics Project.

#### **Output 5: Single Window of coordination**

The department will ensure that 12 IGR structures across Gauteng are fully aligned and functional. The department will continue to support and enhance the capacity of traditional leadership and local governance institutions in the City of Tshwane (Amandebele Ba Lebelo and Amandebele Nzunza Sokhulumu traditional councils). The department seeks to strengthen reporting on the Planning, Monitoring, Evaluation and Reporting Framework to ensure that there is standardised, uniform reporting across all municipalities, thereby improving the monitoring, evaluation and reporting process.



## Outcome 12: Efficient, effective and development-oriented public service and empowered, fair and inclusive citizenship

### Output 1: Human Resource management and development

The department has completed Phase 1 of the de-merger process and has commenced with the repositioning phase as the finalisation of an organisational structure is critical to effectively plan ahead to systematically support the core functions of the Department.

## 4. REPRIORITISATION

The Department of Co-operative Governance and Traditional Affairs has decided to reprioritise funds within economic classification. The departments supporting the GPC in conceptualising the establishment of a new Provincial Disaster Management Centre in order to comply with the relevant legislation and keep Gauteng safe during floods and other emergencies.

## 5. PROCUREMENT

- In the forthcoming financial year, the department intends to re-establish the Provincial Disaster Management Centre;
- Implementation of the public participation strategy for identifying functionality gaps for local municipalities;
- Support municipalities to develop and adopt the current Public Participation Framework;
- Training and development of Ward committees for all municipalities;
- The department further intends to strengthen MPAC oversight within Mogale City and the West Rand District Municipality;
- Support municipalities in developing and implementing a customized Municipal Recruitment, PMS and Retention Strategy;
- Support municipalities to adhere to norms and standards of revised PPF and;
- Implementation of the Government debt strategy in all municipalities.

## 6. RECEIPTS AND FINANCING

### 6.1 Summary of receipts

TABLE 7.1: SUMMARY OF RECEIPTS:CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Equitable share	212 274	327 200	257 840	312 560	312 703	312 703	338 598	359 972	379 838
Conditional grants: EPWP							2 000		
<b>Total receipts</b>	<b>212 274</b>	<b>327 200</b>	<b>257 840</b>	<b>312 560</b>	<b>312 703</b>	<b>312 703</b>	<b>340 598</b>	<b>359 972</b>	<b>379 838</b>

The table above shows the departmental receipts which comprised of equitable share and conditional grants. The equitable share is mainly utilised to finance and carry out the mandate and operational activities of the Department. The allocation for the department increased from R313 million in the 2013/14 Financial Year to R341 million in 2014/15 financial year and a further increase to R380 million over the Medium-Term Expenditure Framework (MTEF).

## 6.2 Departmental receipts

Table 7.2: DEPARTMENTAL RECEIPTS: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Tax receipts</b>									
Casino taxes									
Horse racing taxes									
Liquor licenses									
Motor vehicle licenses									
Sales of goods and services other than capital assets	138	127	360	130	130	130	140	141	148
<b>Transfers received</b>									
Fines, penalties and forfeits									
Interest, dividends and rent on land	78	18	25	25	25	25	25	26	27
Sales of capital assets									
Transactions in financial assets and liabilities	23	468	56	300	300	300	300	314	331
<b>Total departmental receipts</b>	<b>239</b>	<b>613</b>	<b>441</b>	<b>455</b>	<b>455</b>	<b>455</b>	<b>465</b>	<b>481</b>	<b>506</b>

Departmental receipts increased from R239 000 in the 2010/11 financial year to R441 000 in the 2012/13 Financial Year. This was due to the merger with Department of Human Settlement. The revenue collection slightly increased from R441 000 to R455 000 by 3 percent in 2013/14 financial year. Over the MTEF period, the revenue remains relatively stable with increases from R465 000 in 2014/15 to R506 000 in 2016/17.

The main sources of revenue are parking fees from staff members, third party transactions such as commissions, interest from staff debts and servitudes from Eskom. Collection in terms of revenue (receipts) is not easy to determine as COGTA is not generating revenue continuously and steadily. As a result revenue varies from month to month due to its nature of service. The estimate of revenue for the department is based on history and previous year's collections. Revenue is also sourced from interest accumulated on staff debts and supplier debts. This income varies from month to month depending on the capital amount still due to the department.

On sales of goods and services other than capital assets, parking fees and commissions from third parties are the main source of income on this item. This income remains stable with a slight increase as the volume of the parking has been constant with slight increases every year as a result of new appointments and the allocation of parking bays and an increase on the parking fees as per Treasury circular.

## 7. PAYMENT SUMMARY

### 7.1 Key assumptions

The assumptions that underpin the departmental MTEF 2014 budget are summarised underneath. The department has a 6.4 percent wage increase for 2014 and 5.4 percent over the MTEF. Goods and Services are based on a 5.4 percent increase as per projected Consumer Price Inflation (CPI). The following elements have been taken into consideration when determining personnel and other economic classification for the 2014 MTEF:

- Number of staff, vacancies and possible changes over the MTEF;
- Basic salary costs, including improvement on conditions of service adjustment from 1<sup>st</sup> April each year;
- Salary increases of officials with OSD's;
- Provision for filling of vacant posts caused by the de-merger of the two departments;
- Allocation of CDW's for each ward as a result of other CDW's resign and passing on;
- The establishment of the new Provincial Disaster Management Centre;
- Provision of HIV/AIDS programme with funding to municipalities;
- Provision of continuous deployment of engineers and chartered accountants to targeted municipalities; and
- Continuous provision of meeting the 2014 operation clean audit initiatives.

## 7.2 Programme summary

TABLE 7.3: SUMMARY OF PAYMENTS AND ESTIMATES: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

Outcome				Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
1. Administration	92 223	58 158	37 207	120 317	119 460	119 460	126 113	136 882	146 420
2. Local Governance	107 921	184 323	142 700	156 976	158 954	158 954	173 278	182 399	189 540
3. Development and Planning	28 605	28 785	25 097	28 848	27 870	27 870	34 088	33 518	35 699
4. Traditional Institute Development	3 130	3 147	3 766	6 419	6 419	6 419	7 119	7 173	8 178
<b>Total payments and estimates</b>	<b>231 879</b>	<b>274 413</b>	<b>208 770</b>	<b>312 560</b>	<b>312 703</b>	<b>312 703</b>	<b>340 598</b>	<b>359 972</b>	<b>379 838</b>

## 7.3 Summary of economic classification

TABLE 7.4: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

TABLE 7.4: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION, CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS									
R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>217 273</b>	<b>249 414</b>	<b>206 942</b>	<b>303 758</b>	<b>304 901</b>	<b>304 860</b>	<b>330 498</b>	<b>352 377</b>	<b>371 036</b>
Compensation of employees	183 843	207 695	182 711	235 345	235 488	235 488	252 131	266 481	281 296
Goods and services	33 430	41 719	24 231	68 413	69 413	69 372	78 367	85 896	89 739
Interest and rent on land									
<b>Transfers and subsidies</b>	<b>7 469</b>	<b>23 888</b>	<b>369</b>	<b>4 425</b>	<b>3 425</b>	<b>3 448</b>	<b>5 100</b>	<b>3 530</b>	<b>3 180</b>
Provinces and municipalities	3 228	20 000					2 000		
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households	4 241	3 888	369	4 425	3 425	3 448	3 100	3 530	3 180
<b>Payments for capital assets</b>	<b>7 062</b>	<b>1 002</b>	<b>1 257</b>	<b>4 377</b>	<b>4 377</b>	<b>4 377</b>	<b>5 000</b>	<b>4 065</b>	<b>5 621</b>
Buildings and other fixed structures									
Machinery and equipment	7 062	448	830	4 377	4 377	4 377	5 000	4 065	5 621
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets		554	427						
<b>Payments for financial assets</b>	<b>75</b>	<b>109</b>	<b>202</b>			<b>18</b>			
<b>Total economic classification</b>	<b>231 879</b>	<b>274 413</b>	<b>208 770</b>	<b>312 560</b>	<b>312 703</b>	<b>312 703</b>	<b>340 598</b>	<b>359 972</b>	<b>379 838</b>

The table above includes reprioritisation of the budget at programme and economic classification level over the 2014/15 MTEF. During 2010/11 expenditure amounted to R231 million and increased sharply by R2.6 million or 18.6 percent to R274 million in the 2011/12 financial year. However, expenditure for 2012/13 Financial Year decrease by R66 million to R208 million. This represents a decrease in expenditure by 24 per cent, mainly because of the split between the two departments. The budget for the department significantly increased by R104 million or 50 per cent to R313 million in the 2013/14 financial year. The substantial increase was mainly because of the split as the department strengthens its mandate, to fulfil the recruitment drive and fund the increases in personnel expenditure in filling the critical positions.

The department budget for the period under review reflects steady growth; the budget grows from R313 million to R341 million in 2014/15 and slightly increases to R380 million in the 2016/17 financial year. The increase is for the envisaged conceptualisation of a new Provincial Disaster Management Centres and the demand to address the audit outcomes of the municipalities during the operation clean audit in 2014. The increase is also attributed to the demand of filling positions for CDW's in each ward as a result of deaths and resignations that happened over time in the programme and the need to refurbish the building that will accommodate the department as result of the split of the two departments.



Programme 1: For Administration, expenditure reflects a steady decline from R92 million in 2010/11 to R37 million in 2012/13 mainly because of the merger with the Human Settlement Department. A significant increase is noted in 2013/14 and amounts to R120 million. The substantial increase in 2013/14 relates to the demerger and greater mandate of the department. The increase in the adjustment budget relates to additional funding of R143 000. Over the MTEF the budget increases to R126 million in 2014/15 and R146 million in 2016/17. The increase is mainly due to the refurbishment of the building that will accommodate the department and the ICT infrastructure equipment that will assist with the delivery of operations of the department. The funds cater for the filling of vacant positions that are critical as result of the de-merger of the two departments.

Programme 2: Local Governance has the largest share of the budget allocated mainly to ensure the continuation of the Operation Clean Audit Programme and to address audit outcome matters raised by the Auditor-General on the status of municipalities in their performance. Furthermore, the budget will ensure that the Community Development Workers Programme continues to allocate each worker to each ward to alleviate the burden placed on ward councillors and to direct communities to the department where services are required. This programme received the most sizeable allocation in the department of R108 million in 2010/11, increasing to R184 million in 2011/12 before decreasing to R143 million in 2012/13. The programme budget grows from R159 million in the 2013/14 financial year to R190 million over the MTEF for hands-on support to municipalities.

Programme 3: Growth in Development and Planning fluctuates from R29 million in 2010/11 to R25 million in 2012/13. It increases to R29 million in 2013/14 before growing by 10 per cent to R34 million in 2014/15. This will ensure that PMDC is established, geysers are installed for communities in targeted municipalities. The allocation decreases to R33.5 million in 2015/16 before increasing to R35 million respectively in 2016/17.

In Programme 4: Traditional Institutional Development, the budget grows slightly over the MTEF mainly to strengthen the support and enhance the capacity of traditional leadership and local governance institutions in the City of Tshwane (Amandebele Ba Lebelo and Amandebele Nzunza Sokhulumu traditional councils). In addition, funds will cater for the training of traditional council members. The Department of Traditional Affairs (DTA) and LGSETA facilitated a national skills audit of traditional leaders and its councillors.

The total budget for compensation of employees increased slightly from R235 million in 2013/14 to R252 million in 2014/15 and a further increase of R281 million over the MTEF. This increase is mainly related to the filling of vacant critical positions. The increase also caters for ICS, wage salary agreements and the filling of CDWs in each ward as result of deaths and resignations of CDWs, regrading of clerks positions.

The budget for goods and services grows significantly from R33 million in 2010/11 to R68 million in 2013/14. Over the MTEF it increases to R78 million in 2014/15 and to R90 million in 2016/17. The increase is informed by the conceptualisation and implementation of Provincial Disaster Management Centres with its infrastructure equipment including the refurbishment of the building that will accommodate the department and the ICT software licences and servers in the building. This increase will also assist the department to roll out strategies of OPCA to deal with issues relating to audit outcomes outlined by the Auditor-General recently. This will assist the municipalities to turn around their finances, strategies and audit outcomes.

Total expenditure for machinery and equipment increased marginally over the MTEF from the 2013/14 financial year which represents a 14 per-cent increase. This increase is mainly for the refurbishment of the building and the procurement of equipment as part of the tools of trade to carry out their functions. The slight increase over the outer years of the MTEF is due to the continuation of providing maintenance to the building and providing tools of trade to the new appointees.

## **7.4 Infrastructure payments**

### **7.4.1 Departmental infrastructure payments**

N/A

### **7.4.2 Departmental Public-Private-Partnership (PPP) projects**

N/A

## **7.5 Transfers**

### **7.5.1 Transfers to public entities**

N/A





**7. 5.2 Transfers to other entities**

N/A

**7. 5.3 Transfers to local government****TABLE 7.5: SUMMARY OF DEPARTMENTAL TRANSFERS TO LOCAL GOVERNMENT BY CATEGORY**

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Category A	3 510	20 000							
Category B									
Category C									
Unallocated									
<b>Total departmental transfers to local government</b>	<b>3 510</b>	<b>20 000</b>							

Previously the department transferred funds to municipalities for HIV/AIDS and water demand programmes. These functions currently rest with the Department of Health and Water Affairs respectively. The transfer in 2011/12 was allocated to Tshwane municipality as once off costs for the operational requirements that needed to be concluded for integrating the Metsweding District Municipality.

**8. PROGRAMME DESCRIPTION****PROGRAMME 1: ADMINISTRATION****Programme description**

The main goal of this programme is to strengthen and align the Department's organisational capacity and capability to deliver on its mandate. It enables the Department's business Units to perform efficiently by providing corporate support (HR, financial management, supply chain management, ICT, risk management and facilities management). The programme ensures effective and efficient leadership, management and administrative support to the core business of the department through the refinement of the organisational strategy and structure in compliance with appropriate legislation and practice. The programme outputs are a reflection of the government's outcome 12 which seeks to achieve an efficient, effective and developmental oriented public service and an empowered, fair and inclusive citizenry.

**Programme objectives**

- To ensure that Human Resource Management is a strategic partner to all units in the department;
- To provide effective legal services to the department;
- To provide efficient and effective facilities management to the department;
- To provide efficient and effective and stable ICT infrastructure and support to the department;
- To ensure prudent financial management, efficient and effective supply chain management and systems to ensure that financial planning and budgeting are aligned to the department strategic plan;
- Maintenance of effective, efficient and transparent risk management, financial systems and controls in order to safeguard departmental assets; and
- To ensure good governance and improved productivity through the promotion of discipline, transparency, independence, accountability, fairness and social responsibility with departmental operations.

**TABLE 7.6: SUMMARY OF PAYMENTS AND ESTIMATES: ADMINISTRATION**

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1. Office of the MEC	18 197	6 630	1 236	2 638	2 638	3 470	2 960	3 098	3 096
2. Corporate Services	74 026	51 528	35 971	117 679	116 822	115 990	123 153	133 784	143 324
<b>Total payments and estimates</b>	<b>92 223</b>	<b>58 158</b>	<b>37 207</b>	<b>120 317</b>	<b>119 460</b>	<b>119 460</b>	<b>126 113</b>	<b>136 882</b>	<b>146 420</b>

TABLE 7.7: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>82 634</b>	<b>53 172</b>	<b>35 394</b>	<b>111 515</b>	<b>111 658</b>	<b>111 640</b>	<b>118 013</b>	<b>130 006</b>	<b>137 934</b>
Compensation of employees	58 303	34 763	25 799	82 903	83 046	83 046	86 089	97 455	103 964
Goods and services	24 331	18 409	9 595	28 612	28 612	28 594	31 924	32 551	33 970
Interest and rent on land									
<b>Transfers and subsidies</b>	<b>7 444</b>	<b>3 875</b>	<b>354</b>	<b>4 425</b>	<b>3 425</b>	<b>3 425</b>	<b>3 100</b>	<b>3 530</b>	<b>3 180</b>
Provinces and municipalities	3 228								
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households	4 216	3 875	354	4 425	3 425	3 425	3 100	3 530	3 180
<b>Payments for capital assets</b>	<b>2 070</b>	<b>1 002</b>	<b>1 257</b>	<b>4 377</b>	<b>4 377</b>	<b>4 377</b>	<b>5 000</b>	<b>3 346</b>	<b>5 305</b>
Buildings and other fixed structures									
Machinery and equipment	2 070	448	830	4 377	4 377	4 377	5 000	3 346	5 305
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets		554	427						
<b>Payments for financial assets</b>	<b>75</b>	<b>109</b>	<b>202</b>			<b>18</b>			
<b>Total economic classification</b>	<b>92 223</b>	<b>58 158</b>	<b>37 207</b>	<b>120 317</b>	<b>119 460</b>	<b>119 460</b>	<b>126 113</b>	<b>136 882</b>	<b>146 420</b>

As indicated in the table above, the expenditure and the budget against Programme 1 reflect a fluctuating trend for the seven years under review. However, the programme recorded a declining trend in expenditure from R92 million, R58 million, R37 million between 2010 and 2012/13 respectively. The reduction expenditure is mainly attributed to the merger, because Human Settlement absorbed most of the administrative and operation activities that from part of this programme. The programme's budget increased significantly by R83 million in 2013/14 after the department de-merged to become the Department of Cooperative Governance and Traditional Affairs.

The programme budget in the 2013/14 financial year amounts to R120 million and in 2014/15 grows to R126 million and R146 million over the MTEF. The increase represents a 8 percent growth in the outer year. The growth in the budget caters for the refurbishing of the building to be occupied in the next financial year and the ICT infrastructure to be installed in the building. Furthermore, the budget will provide for the continuation of the maintenance of the building. The additional funds relate to the Clerks post, ICS and the filling of vacant positions identified by the department as critical for the assistance to deliver services by the core functions of the department after the de-merger.

The reduction in expenditure under sub-programme Office of the MEC from R18 million in 2010/11 to R6 million in 2011/12 was due to cost-cutting on items such as administrative fees, communication cost and advertising. The huge reduction in 2012/13 was due to the merger and sharing of the MEC with Human Settlement. The budget slightly increases from R2.6 million in 2013/14 to R2.9 million in 2014/15 and a further increase to R3.1 million over the MTEF. The budget growth is mainly to run the functions and the activities of the executive office.

The sub-programme Corporate Services expenditure declined rapidly from R74 million to R35 million from 2010/11 to 2012/13 financial year respectively. The budget increased by 4.5 percent from R117 million to R123 million between 2013/14 and 2014/15. The budget further increases to R133 million in 2015/16 and R143 million over the MTEF. The growth in the budget is mainly due to the refurbishment of the building, ICT infrastructure, communication, software licences and marketing for the MEC's events.

The programme's expenditure on compensation of employees increases from R83 million in the 2013/14 financial year to R86 million in the 2014/15 financial year and slightly increases to R97 million and R103 million for 2015/16 and 2016/17 respectively. This slight increase is mainly to fill vacant positions which are critical to increase the capacity of support services that are part of the recruitment drive of the department as a result of the de-merger.



## Vote 7 - Cooperative Governance and Traditional Affairs • EPRE - 2014/15

Additional funding is allocated for the migration of personnel that were affected during the 2013/14 adjustment as a continuation. This growth represents an increase of 0.7 percent year on year from the 2013/14 to the 2016/17 financial year.

The budget for goods and services increases from R29 million in the 2013/14 financial year to R32 million in 2014/15 which represent an increase of 10 percent. It increases slightly to R33 million and R34 million for 2015/16 and 2016/17 respectively. The increase caters for the envisaged procurement of ICT infrastructure, software licences, refurbishment of the new building and marketing for the MEC outreach programmes to the municipalities.

Expenditure on household declined significantly between 2010/11 and 2012/14 financial year mainly because of the merger during the 2011/12 financial year. However, in 2013/14 the household item recovers slightly, mainly because the department refocused its mandate after the demerger process was finalised. The allocation of household remains constant over the MTEF to settle claims related to beneficiaries such as former development board members.

The budget for machinery and equipment increases marginally as compared to the previous years as a result of the refurbishment of the building that will accommodate the department due to the de-merger. This will also include the supply of tools of trade which relates to the provision of capital assets.

### PROGRAMME 2: LOCAL GOVERNANCE

#### Programme description

The Local Governance Programme seeks to strengthen the developmental state by enhancing participatory governance and institutional stability as well as the capacity and capability of Local authorities to achieve its constitutional mandate. The goal of the programme is to promote and facilitate viable local governance.

#### Programme objectives

- To provide support to municipalities in the development of sound policy, undertake research, coordinate transformation and strengthen intergovernmental relations and good governance for improved service delivery;
- To support and monitor municipalities in developing and implementing systems and processes towards becoming financially viable;
- To deepen participatory democracy through responsive structures, processes and systems;
- To provide differentiated support to municipalities to help them create efficient and effective institutional and administrative systems; and
- To improve municipal monitoring, reporting and evaluation to inform support interventions in order to enhance municipal performance.

TABLE 7.8: SUMMARY OF PAYMENTS AND ESTIMATES: LOCAL GOVERNANCE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1. Municipal Administration	2 672	4 093	2 993	4 390	7 798	10 260	8 423	11 483	12 360
2. Municipal Finance	9 925	27 026	15 619	7 328	10 696	10 696	10 749	10 894	12 409
3. Public Participation	78 574	109 400	113 479	118 234	119 334	116 872	132 990	131 876	137 627
4. Capacity Development	16 750	43 804	10 609	16 239	11 806	11 806	10 796	17 109	14 115
5. Municipal Performance Monitoring, Reporting and Evaluation				10 785	9 320	9 320	10 320	11 037	13 029
<b>Total payments and estimates</b>	<b>107 921</b>	<b>184 323</b>	<b>142 700</b>	<b>156 976</b>	<b>158 954</b>	<b>158 954</b>	<b>173 278</b>	<b>182 399</b>	<b>189 540</b>

Municipal Performance Monitoring, Reporting and Evaluation programme was performed under Capacity development sub-programme previously.

TABLE 7.9: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: LOCAL GOVERNANCE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>103 881</b>	<b>164 310</b>	<b>142 685</b>	<b>156 976</b>	<b>158 954</b>	<b>158 931</b>	<b>172 278</b>	<b>181 921</b>	<b>189 224</b>
Compensation of employees	98 647	147 115	130 592	128 247	129 225	129 225	139 937	141 880	148 653
Goods and services	5 234	17 195	12 093	28 729	29 729	29 706	32 341	40 041	40 570
Interest and rent on land									
<b>Transfers and subsidies</b>		<b>20 013</b>	<b>15</b>			<b>23</b>	<b>1 000</b>		
Provinces and municipalities		20 000					1 000		
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households		13	15			23			
<b>Payments for capital assets</b>	<b>4 040</b>						<b>478</b>	<b>316</b>	
Buildings and other fixed structures									
Machinery and equipment	4 040						478	316	
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>									
<b>Total economic classification</b>	<b>107 921</b>	<b>184 323</b>	<b>142 700</b>	<b>156 976</b>	<b>158 954</b>	<b>158 954</b>	<b>173 278</b>	<b>182 399</b>	<b>189 540</b>

The programme expenditure increased from R107 million to R143 million between the 2010/11 and 2012/13 financial years which represents an average increase of 33 percent. The increase was due to the increased support to the municipalities and the deployment of Community Development Workers for each ward. The budget further increases by R17 million from R156 million in the 2013/14 financial year to R173 million in the 2014/15 financial year, representing an 11 per cent increase. There is a further increase to R182 million and R190 million for 2015/16 and 2016/17 respectively. This increase in budget is to continuously support municipalities in relation to OPCA, the training of ward committees and councillors, the deployment of CDW's to each ward, the conducting of research studies, conducting intergovernmental relations and filling of vacant positions where necessary.

The budget on sub-programme Municipal Administration is mainly to provide research studies and to deal with powers and functions on intergovernmental relations. The budget increases from R4 million in the 2013/14 financial year to R8 million in the 2014/15 financial year which represents an increase of 91 per cent. The allocation further increases to R11 million in the 2015/16 financial year and R12 million in the final year of the MTEF period. These increases are as a result of the promulgation of gazettes for the holding of elections at municipalities, conducting of research studies on powers and functions and the development of the oversight and accountability model.

The main allocation for sub-programme Municipal Finance increased significantly from R7 million in 2013/14 and increases to R11 million in the 2014/15 financial year, which represents an increase of 57 percent. The sub-programme remains constant on R11 million in the 2015/16 financial year and R12 million in the last year of the MTEF period. The budget caters for initiatives that include interventions on asset management, resolutions on Auditor-General issues, tariff modelling, data cleansing, GRAP 17 training, undertaking research on policies, guidelines and legislation necessary for the enhancement of revenue and improved debtor management, and the implementation of smart metering projects within municipalities.

Sub-programme Public participation the allocation on this sub-programme grows from R118 million in the 2013/14 financial year to R132 million in 2014/15, which represents an increase of 12 per cent. A further increase to R138 million over the MTEF period to provide training on ward and community based planning for 172 ward councillors and 1720 ward committees in targeted 7 local municipalities, namely Lesedi LM, Midvaal, Emfuleni, Mogale City, Randfontein, Westonaria and Merafong. The training is aimed at improving the level of engagement of ward committees for planning processes and fostering civic responsibility in planning and development. Another module will focus on conflict management to empower ward committees to facilitate good

community relations amongst ward stakeholders and mitigate conflicts of interest within community groups over development issues.

The sector development programme will assist in profiling sector representation within ward committees and enabling representation to come from formidable civic organisation. All municipalities have their own sector representation criteria within their ward committees, which are varied and create tensions in knowing legitimate structures for municipalities to engage with on service delivery issues. The sector development and support programme will generate vibrant community engagements with municipalities on issues of their interest and promote a greater level of accountability from government and communities themselves. The ability of government to respond to actual needs is enhanced by the work of CDWs in wards and these vacancies have had a negative impact on targeted responses by various government sector departments.

The Capacity Development sub-programme expenditure decreased from R17 million in the 2010/11 financial to R16 million in the 2013/14 financial year because the support to municipalities is continuing by deploying engineers from SAICE and chartered accountants from SAICA. The allocation for this sub-programme slightly decreased from R16 million in the 2013/14 financial year to R10 million in the 2014/15 financial year with a R4 million increase to R17 million in 2015/16 before decreasing to R14 million in 2016/17. The fluctuation is mainly due to the number of engineers and accountants that will be deployed to municipalities in the coming financial years. Although in the previous years progress was made on the deployment of engineers and chartered accountants there is still a lot to be done to achieve the desired outcomes. The sub-program will continue to develop and implement a customised municipal recruitment and retention strategy amongst the remaining municipalities, including the Human Resource Development Framework.

In relation to compensation of employees expenditure has been fluctuating over the years. The expenditure has a significant decreased from R130 million in 2012/13 to R128 million in the 2013/14 financial year. A further increase is noted from R128 million in 2013/14 to R140 million in 2014/15 which represents a 9 percent increase. The allocation for compensation of employees over the MTEF further increased to R149 million. These increases relate to filling of positions in all sub-programmes within the programme particularly CDWs to be deployed to each ward in all municipalities as a result of deaths and resignations and comply with the EXCO resolution and other directorates as a result of the de-merger. These increases also relate to the anticipated wage agreements.

Allocation on goods and services increased substantially from R29 million in the 2013/14 financial year to R32 million in the 2014/15 financial year which represents a 10 percent increase. A further increase is noted from R32 million in 2014/15 to R40 million for 2015/16 and 2016/17 respectively. These increases relate to meeting the OPCA initiatives, and they cater for municipal capacity building programmes and ward and councillor training. This will also include research studies to be conducted and the continuous customised municipal recruitment and retention strategy and human resource development framework. Critical and scarce skills training including the deployment of technical expertise in targeted municipalities are still provided for.

The allocation for machinery and equipment for this sub-programme is basically meant for the provision of the tools of trade for existing staff members and future appointees.

## SERVICE DELIVERY MEASURES

### PROGRAMME 2: LOCAL GOVERNANCE

Performance measures	Estimated Annual Targets		
	2014/15	2015/16	2016/17
Implementation of IGR Framework	12 municipalities	12 municipalities	12 municipalities
Number of municipalities supported to reduce incidences of unethical conduct	12	12	13
Number of MPAC trained	50	Nothing Planned	Nothing Planned
Number of seminars held on topical local government issues	2	2	2
Number of topical local government policy issues reviewed and commented on	1	1	1
Sub-programme: Municipal Finance			
Number of municipalities provided with Hands-on Support to maintain their infrastructure asset registers in line with the GRAP 17 requirements	2	2	3
Number of Municipalities provided with Hands on Support in the area of GRAP Standard compliance	5	5	Nothing Planned
Number of Municipalities provided with Hands-on-Support in the areas of Revenue Enhancement and Debtor Management	2 Metros and 4 local municipalities	Monitor the implementation of the Revenue and Debt Management Model	Monitor the implementation of the Revenue and Debt Management Model

Performance measures	Estimated Annual Targets		
	2014/15	2015/16	2016/17
Sub-programme: Public Participation			
Number of advocacy initiatives undertaken to support participatory democracy	20	12	12
Number of municipalities supported to develop and adopt the current Public Participation Framework (PPF)	5	4	10
Number of Community Education Programme Implemented		Nothing Planned	Nothing Planned
Number of municipalities on the communication strategy		Nothing Planned	Nothing planned
Number of functional ward committees in Gauteng		457(90%)	508 (100%)
Sub-programme: Capacity Development			
Number of Municipalities supported in developing and implementing a customized Municipal Recruitment and Retention Strategy	3	4	4
Number of municipalities supported to customize and adopt the standardized Human Resource Framework, Strategy and Guidelines	5	5	Business Process Re-engineering for newly merged Westonaria and Randfontein
Number of targeted municipalities monitored and supported to improve the Performance Management System	2	2	2
Number of officials trained in critical and scarce skills	500	500	500
Number of municipalities supported to spend MIG	7	7	7
Sub-programme: Municipal performance monitoring, reporting and evaluation			
Number of reports compiled on municipal budget process, and assessment of AFS, APR and municipal performance in terms of the Municipal Finance Management Act (MFMA)	12	12	12
Number of reports on the analysis of municipal annual budgets	12	12	12
Number of quarterly monitoring reports on the implementation of the Municipal Systems Improvement Grant (MSG) Division of Revenue Act (DoRA)	Quarterly report are produced	Quarterly report are produced	Quarterly report are produced
Number of reports compiled on the implementation of Remuneration of Public Office Bearers Act (POBA)	13	13	13
Number of monitoring reports on municipal levies, government debt and councillors in arrears in terms of Municipal Systems Act (MSA)	4 Q reports on: -municipal levies, -government debt -Councillors in arrears.	4 Q reports on: -municipal levies, -government debt -Councillors in arrears.	4 Q reports on: - municipal levies, - government debt and - Councillors in arrears.

### PROGRAMME 3: DEVELOPMENT AND PLANNING

#### Programme description

This programme seeks to coordinate, facilitate and promote integrated development and planning in municipalities to ensure that a variety of services is delivered in an integrated and sustainable manner. It facilitates and coordinates processes towards ensuring that the municipal IDPs are credible, implementable, and aligned to national and provincial outcomes, plans and strategies. It also ensures that there is strategic management of provincial land for economic and social purposes. Coordination and support is provided for the implementation of the National Disaster Management Act and framework to ensure the effective management of disasters at national, provincial and local level within this programme. In addition, this programme ensures the accelerated delivery of municipal basic services and infrastructure delivery to meet national targets.

#### Programme objectives

- To effectively and efficiently manage provincial land for user departments;
- To facilitate, monitor and support infrastructure development within municipalities for the improvement of access to basic services;
- To coordinate and support the implementation of disaster management (including fire and rescue services) legislation and other related frameworks for the effective management of disasters at national, provincial and local levels; and
- To exercise oversight and provide strategic support to municipalities with regard to the development, review and implementation of credible IDPs that promote integrated planning.

TABLE 7.10: SUMMARY OF PAYMENTS AND ESTIMATES: DEVELOPMENT AND PLANNING

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1. Land Use Management	4 352	4 781	4 639	5 307	5 287	5 287	5 332	5 946	6 261
2. IDP Coordination	6 925	8 463	9 494	3 839	3 470	3 470	4 844	5 130	5 632
3. Disaster Management	8 698	12 033	9 137	16 234	15 807	15 807	19 394	18 034	19 088
4. Municipal Infrastructure	8 630	3 508	1 827	3 468	3 306	3 306	4 518	4 408	4 720
<b>Total payments and estimates</b>	<b>28 605</b>	<b>28 785</b>	<b>25 097</b>	<b>28 848</b>	<b>27 870</b>	<b>27 870</b>	<b>34 088</b>	<b>33 518</b>	<b>35 700</b>

## Vote 7 - Cooperative Governance and Traditional Affairs • EPRE - 2014/15

**TABLE 7.11: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: DEVELOPMENT AND PLANNING**

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>27 628</b>	<b>28 785</b>	<b>25 097</b>	<b>28 848</b>	<b>27 870</b>	<b>27 870</b>	<b>33 088</b>	<b>33 277</b>	<b>35 701</b>
Compensation of employees	24 497	23 028	23 040	19 927	18 949	18 949	21 251	22 273	23 544
Goods and services	3 131	5 757	2 057	8 921	8 921	8 921	11 837	11 004	12 156
Interest and rent on land									
<b>Transfers and subsidies</b>	<b>25</b>						<b>1 000</b>		
Provinces and municipalities							1 000		
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households	25								
Payments for capital assets	952							241	
Buildings and other fixed structures									
Machinery and equipment	952							241	
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>									
<b>Total economic classification</b>	<b>28 605</b>	<b>28 785</b>	<b>25 097</b>	<b>28 848</b>	<b>27 870</b>	<b>27 870</b>	<b>34 088</b>	<b>33 518</b>	<b>35 700</b>

The spending for the programme remained constant at R28 million for 2010/11 and 2011/12 financial years, while recording a slight decline to R25 million in 2012/13. The allocation for this programme Development and Planning has a marginal increase from R29 million in the 2013/14 to R34 million in the 2014/15 financial year. The increase is mainly for the conceptualisation of the new Provincial Disaster Management Centre and its infrastructure equipment, IDP coordination within municipalities and installation of geysers to communities on targeted municipalities. However, the programme decreased to R33 million in the 2015/16 financial year before it increases to R36 million in 2016/17. The uneven trend is because of the once-off additional funding of R1 million as part of the EPWP conditional grant for increasing the Community Development Worker programme. The increase on sub-programme Land Management from 2013/14 to 2014/15 and the MTEF is mainly due to the on-going transfer of properties to the relevant beneficiaries and the vesting of properties to the state, which takes longer than expected since only the minister of Land Affairs can authorise vesting. This increase is also due to the disposal of redundant properties on the land asset register and the application of title deeds, which is on-going.

The sub-programme Integrated Development Planning allocation has a slight increase from R3 million in the 2013/14 financial year to R4 million in the 2014/15 financial year and constantly remains the same over the MTEF. The allocation is due to the IDP's education and training, the roll out of the IDPs framework, inter-governmental IDP engagements and municipal analysis, and the MEC commenting process to be conducted by the department in various municipalities within the Province. The additional funding request on this sub-programme is aimed at ensuring the successful implementation of the inter-governmental planning roadmap that has been introduced so as to facilitate alignment of IDPs to the NDP and Gauteng 2055 vision.

The sub-programme Disaster Management allocation increased from R16 million in the 2013/14 financial year to R19 million in the 2014/15 financial year in order to gradually establish the new Provincial Disaster Management Centre. The minimal increase over the MTEF is attributed to the fact that the department is not intending to lease a building for the centre but to acquire a state building to accommodate all the requirements of the Act in terms of the centre. The increase will be part of the implementation of the new PDMC and the coordination of its structures so that a link with municipalities will be easily accessible.

The sub-programme Municipal Infrastructure has increased from R3.4 million in the 2013/14 financial year to R4.7 million for the outer year of the MTEF. This increase is attributed to the need for increased interventions in water conservation and water demand management which will be implemented at 5 municipalities, namely Randfontein, Emfuleni, Merafong, Westonaria and Midvaal with a budget of R1 million to be set aside for the project. The department will continue the review of the sector plans, which is the legislative requirement of the Water Act and the Municipal System Act, and to inform the Gauteng Integrated Infrastructure Master Plan initiated by the GPC. There is a further R1 million allocated to this sub-programme as part of the conditional grant that will assist the department to supplement job creation activities on certain projects in municipalities. The increase in the sub-programme is further motivated by the development of the electricity loss management strategy and the database of alternative/efficient energy projects in the province in pursuit of monitoring the use of alternative and efficient energy in the province.

Compensation of employees increased slightly by 5 per cent from R20 million in the 2013/14 financial year to R21 million in the 2014/15 financial year as a result of expected filling of critical positions within the Unit. Over the MTEF the increases are meant to supplement the costs of living as result of wage agreement.

The slight increase on goods and services from R9 million in the 2013/14 financial year to R12 million in the 2014/15 financial year represents 3 percent over the MTEF. The growth is due to gradual establishment of the new PDMC, the connection of free basic services to registered indigent communities, and the vesting and transfer of properties to beneficiaries. This is also due to the reviewing and integration of municipal IDPs and the implementation of Water Conservation and Water Demand Management at 5 targeted municipalities. It also provides for the continuous deployment of engineers to municipalities for technical support. The installation of geysers has become a cost-driver for this sub-programme.

The programme had no significant expenditure on machinery and equipment in the previous years. However the R241 000 allocated to machinery and equipment in 2015/16 provides for the tools of trade for newly appointed employees and other staff members who will be appointed from other components within the sub-programme.

## SERVICE DELIVERY MEASURES

### PROGRAMME 3: DEVELOPMENT AND PLANNING

Performance measures	Estimated Annual Targets		
	2013/14	2014/15	2015/16
<b>Sup-programme: Land Used Management</b>			
Number of properties acquired	22	22	Nothing Planned
Number of properties disposed to National Government and the public	National – 10 Public - 10	National – 10 Public - 10	Nothing Planned
Number of properties inspected and cases dealt with for safeguarding of GPG vacant land	700 inspections and 5 cases	800 inspections and 5 cases	Nothing Planned
Number of properties recommended for vesting with GPG	2000	2000	Nothing Planned
Number of servitudes granted to owned land	30	30	Nothing Planned
<b>Sup-programme: Municipal Infrastructure</b>			
Number of households with access to basic electricity supply	40 000 HH	50 000 HH	50 000 HH
Number of households reached with basic services funded by MIG	Water – 1 500 HH	Water -1 500 HH	Water -1 500 HH
	Sanitation – 1 500 HH	Sanitation – 1 500 HH	Sanitation – 1 500 HH
Number of households with access to basic refuse removal services	23 000 HH	23 000 HH	23 000 HH
<b>Sup-programme: Disaster Management</b>			
Fully functional Provincial Disaster Management coordinating structures.	Provincial Disaster Management coordinating structures functional.	Provincial Disaster Management coordinating structures functional.	Provincial Disaster Management coordinating structures functional.
Number of quarterly reports on Disaster Risk Reduction and Management Strategies for events completed.	4 Quarterly monitoring reports completed on the Disaster Risk Reduction and Management Strategies	4 Quarterly monitoring reports completed on the Disaster Risk Reduction and Management Strategies	4 Quarterly monitoring reports completed on the Disaster Risk Reduction and Management Strategies
Number of preparedness exercises and risk reduction strategies completed for Gautrain Rapid Rail Link.	Continued monitoring and coordination of risk reduction strategies for the Gautrain Rapid Rail link.	Continued monitoring and coordination of risk reduction strategies for the Gautrain Rapid Rail link.	Continued monitoring and coordination of risk reduction strategies for the Gautrain Rapid Rail link.
Number of disaster management awareness campaigns conducted	4 awareness campaigns of Disaster Management conducted.	4 awareness campaigns of Disaster Management conducted.	4 awareness campaigns of Disaster Management conducted.
Fully functional Provincial Fire & Rescue Services coordinating structures	Provincial Fire & Rescue Services coordinating structures functional.	Provincial Fire & Rescue Services coordinating structures functional.	Provincial Fire & Rescue Services coordinating structures functional.

## Vote 7 - Cooperative Governance and Traditional Affairs • EPRE - 2014/15

Performance measures	Estimated Annual Targets		
	2013/14	2014/15	2015/16
<b>Sup-programme: IDP Coordination</b>			
Number of municipalities with approved IDP's	12	12	Nothing Planned
Number of intergovernmental IDP engagements held through the Gauteng IDP Technical Steering Committee to ensure alignment and coordination to: Linking IDP's to outcomes reflect provincial capital projects and budgets in IDPs	4	4	Nothing Planned
Number of identified municipalities implementing the revised IDP framework	12	12	12
Number of municipalities assisted with IDP education	12	12	12
Number of municipalities participating in the IDP analysis and receiving MEC comments	12	12	12

## PROGRAMME 4: TRADITIONAL INSTITUTIONAL DEVELOPMENT

### Programme description

This programme seeks to promote and facilitate viable and sustainable traditional institutions and to support and enhance the capacity of traditional authorities. The key performance areas in this programme are: Traditional Institutional Administration, Traditional Resource Administration, Rural Development Facilitation and Traditional Land Administration.

### Programme objectives

To support and enhance the capacity of traditional leadership (TL) and local government institutions, including intergovernmental relations.

TABLE 7.12: SUMMARY OF PAYMENTS AND ESTIMATES: TRADITIONAL INSTITUTIONAL DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1. Traditional Institution Administration	1 531	1 723	1 596	3 676	3 676	6 042	4 466	4 086	4 831
2. Traditional Resource Administration	841	919	1 481	1 604	1 604	152	1 601	1 687	1 776
3. Rural Development Facilitation	498	209	300	247	247	71	404	688	791
4. Traditional Land Administration	260	296	389	892	892	154	648	712	780
<b>Total payments and estimates</b>	<b>3 130</b>	<b>3 147</b>	<b>3 766</b>	<b>6 419</b>	<b>6 419</b>	<b>6 419</b>	<b>7 119</b>	<b>7 173</b>	<b>8 178</b>

TABLE 7.13: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: TRADITIONAL INSTITUTIONAL DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>3 130</b>	<b>3 147</b>	<b>3 766</b>	<b>6 419</b>	<b>6 419</b>	<b>6 419</b>	<b>7 119</b>	<b>7 173</b>	<b>8 178</b>
Compensation of employees	2 396	2 789	3 280	4 268	4 268	4 268	4 854	4 873	5 134
Goods and services	734	358	486	2 151	2 151	2 151	2 265	2 300	3 044
Interest and rent on land									
<b>Transfers and subsidies</b>									
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households									
<b>Payments for capital assets</b>									
Buildings and other fixed structures									
Machinery and equipment									
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
Payments for financial assets									
<b>Total economic classification</b>	<b>3 130</b>	<b>3 147</b>	<b>3 766</b>	<b>6 419</b>	<b>6 419</b>	<b>6 419</b>	<b>7 119</b>	<b>7 173</b>	<b>8 178</b>



The budget has increased by 11 percent from R6.4 million in 2013/14 to R7.1 million in the 2014/15 financial year and a further increase of R8.1 million for the outer year of the MTEF. This increase is attributed to the expected national traditional bill still to be passed by parliament which recognises Khoisan leaders as traditional leaders. Moreover, the increase is for statutory payments to tribal authorities by the department to assist these authorities to function effectively and meet their mandate to the communities and enable the department to finance the Kings' commemorations. The allocated budget will also meet the obligations and needs of the tribal authorities.

The sub-programme Traditional Institutional Administration has a substantial increase in allocation from R3.6 million in the 2013/14 financial year to R4.4 million in 2014/15 and a further increase of R4.8 million for the final year of the MTEF. This increase is attributed to the increase on expenses by the traditional leadership, including remuneration of traditional leaders, an envisaged procurement of new vehicles for the chiefs during the coming financial year and filling of vacancies that are critical within the directorate in the Department.

The allocation to the sub-programme Traditional Resource Administration shows a relative increase over the MTEF period because there are not many disputes and claims between the subjects of the chiefs, since there is an appointment of the new chief that was disposed of by the previous government against the will of the communities.

The sub-programme Rural Development Facilitation has a substantial increase from the previous years as a result of the maintenance that is carried out on the aging vehicles of the chiefs and the subsequent procurement of new vehicles for them. The increase in allocation over the MTEF will mainly be to maintain the said vehicles in respect of the running costs and service maintenance.

The expenditure and allocation on the sub-programme Traditional Land Administration is mainly related to capacity building programmes for traditional leadership and the development of women within the tribal communities. The funding will be utilised to continuously integrate the traditional leaders into the mainstream of the municipal councils. The expenditure on this sub-programme has decreased slightly as a result of other women being already capacitated on certain categories.

Compensation of employees increased from R4.2 million in the 2013/14 financial year to R4.8 million which amounts to a 14 percent increase in the 2014/15 financial year and a further 6 per cent increase over the MTEF. This is due to an increase in remuneration for traditional chiefs and their staff members, including the increase in departmental staff members as a result of wage agreements.

Expenditure on goods and services has increased by a mere 42 percent from R2.1 million in 2013/14 to R3 million over the MTEF period. The increase is attributed to envisaged procurement of vehicles for the chiefs, the granting, transfer and the financing of commemorations of traditional leaders as well as the operational activities of the Department.

## **SERVICE DELIVERY MEASURES**

### **PROGRAMME 4: TRADITIONAL INSTITUTIONAL DEVELOPMENT**

Performance measures	Estimated Annual Targets		
	2013/14	2014/15	2015/16
Number of traditional councils (TC) transformed	2 Traditional councils	2 Traditional councils	2 Traditional councils
Number of traditional councils complying to legislative prescripts	2	2	2
Number of Local House of Traditional Leadership established and complying to legislative prescripts	1	1	1
Number of Traditional council trained	20	20	20
Number of events organised to support traditional communities and their institutions	1	2	2



## 9. OTHER PROGRAMME INFORMATION

### 9.1 Personnel numbers and costs

TABLE 7.14: PERSONNEL NUMBERS AND COSTS1: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

Personnel numbers	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	As at 31 March 2017
1. Administration	116	115	115	114	114	114	114
2. Local Governance	752	752	598	598	598	598	598
3. Development Planning	61	61	61	61	61	61	61
4. Traditional Institutional Management	8	8	8	10	10	10	10
<b>Total departmental personnel numbers</b>	<b>937</b>	<b>936</b>	<b>782</b>	<b>783</b>	<b>783</b>	<b>783</b>	<b>783</b>
Total provincial personnel cost (R thousand)	183 843	207 695	182 710	235 488	252 131	266 481	281 297
Unit cost (R thousand)	196	222	301	233	322	340	359

TABLE 7.15: SUMMARY OF DEPARTMENTAL PERSONNEL NUMBERS AND COSTS

	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Total for department</b>									
Personnel numbers (head count)	937	936	782	783	783	783	783	783	783
Personnel cost (R thousands)	183 842	207 695	182 710	235 345	235 488	23 5488	251 131	266 481	281 296
<b>Human resources component</b>									
Personnel numbers (head count)	14	15	16	17	17	17	17	17	17
Personnel cost (R thousands)	5 600	5 700	5 800	5 838	5 838	5 838	5 840	5 842	5 850
Head count as % of total for department	1%	2%	2%	2%	2%	2%	2%	2%	2%
Personnel cost as % of total for department	3%	3%	3%	2%	2%	2%	2%	2%	2%
<b>Finance component</b>									
Personnel numbers (head count)	18	20	20	21	21	21	21	21	21
Personnel cost (R thousands)	7 000	7 200	7 400	7 727	7 727	7 727	7 730	7 780	7 790
Head count as % of total for department	2%	2%	3%	3%	3%	3%	3%	3%	3%
Personnel cost as % of total for department	4%	3%	4%	3%	3%	3%	3%	3%	3%
<b>Full time workers</b>									
Personnel numbers (head count)	937	936	782	783	783	783	783	783	783
Personnel cost (R thousands)	183 842	207 695	182 710	235 345	235 488	23 5488	251 131	266 481	281 296
Head count as % of total for department	100%	100%	100%	100%	100%	100%	100%	100%	100%
Personnel cost as % of total for department	100%	100%	100%	100%	100%	100%	100%	100%	100%
<b>Part-time workers</b>									
Personnel numbers (head count)									
Personnel cost (R thousands)									
Head count as % of total for department									
Personnel cost as % of total for department									
<b>Contract workers</b>									
Personnel numbers (head count)									
Personnel cost (R thousands)									
Head count as % of total for department									
Personnel cost as % of total for department									

The department is in the process of finalising its service delivery model and organisational structure as a matter of the de-merger nearing its total completion. The critical vacant positions are to be filled in the next quarter to ensure that all core functions and support functions are delivered appropriately. The personnel numbers of the department might increase since the placement of staff is not completely finalised. The difference between the current establishment and PERSAL is due to the fact that the department is still paying compensation to employees of the Department of Human Settlement. The figures might change as the PERSAL cleanup is currently under way.

TABLE 7.16: PAYMENTS ON TRAINING: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>1. Administration</b>	<b>336</b>	<b>482</b>	<b>67</b>	<b>1 683</b>	<b>1 683</b>	<b>1 683</b>	<b>6 461</b>	<b>5 502</b>	<b>6 501</b>
Subsistence and travel	168	241	67						
Payments on tuition	168	241		1 683	1 683	1 683	6 461	5 502	6 501
Other									
<b>2. Local Governance</b>	<b>593</b>	<b>1 077</b>	<b>4 467</b>	<b>1 000</b>	<b>1 000</b>	<b>1 000</b>	<b>1 100</b>	<b>1 100</b>	<b>1 080</b>
Subsistence and travel									
Payments on tuition	500	1 077	67	1 000	1 000	1 000	1 100	1 100	1 080
Other	93		4 400						
<b>3. Development Planning</b>	<b>110</b>		<b>4 400</b>	<b>2 400</b>	<b>2 400</b>	<b>2 400</b>	<b>3 160</b>	<b>2 660</b>	<b>2 660</b>
Subsistence and travel	93								
Payments on tuition	17		4 400	2 400	2 400	2 400	3 160	2 660	2 660
Other									
<b>4. Traditional Institutional Management</b>	<b>17</b>		<b>40</b>	<b>600</b>	<b>600</b>	<b>600</b>	<b>780</b>	<b>1 380</b>	<b>1 080</b>
Subsistence and travel									
Payments on tuition	17		40	600	600	600	780	1 380	1 080
Other									
<b>Total payments on training</b>	<b>1 056</b>	<b>1 559</b>	<b>8 974</b>	<b>5 683</b>	<b>5 683</b>	<b>5 683</b>	<b>11 501</b>	<b>10 642</b>	<b>11 321</b>

TABLE 7.17: INFORMATION ON TRAINING: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Number of staff	837	799	782			783			
Number of personnel trained	42	235	282	120	120	120	120	120	120
of which									
Male	18	94	94	40	40	40	40	40	40
Female	24	141	188	80	80	80	80	80	80
Number of training opportunities	5	16	47	68	68	68	68	68	68
of which									
Tertiary		24	24	50	50	50	50	50	50
Workshops		12	12	16	16	16	16	16	16
Seminars		2	2	2	2	2	2	2	2
Other	16	2	9						
Number of bursaries offered	24	9	24	50	50	50	50	50	50
Number of interns appointed		28	33	10	10	10	10	10	10
Number of learnerships appointed			5						
Number of days spent on training		19	19	100	100	100	100	100	100

The allocation of training for the department is mostly related to bursaries for employees in order to improve capacity within all departmental programmes so that the constitutional mandate can be achieved. The training offered through bursaries relates to computer training, financial management, project management and other trainings that are related to functions of the department and offered by various institutions. The table shows the gender breakdown and types of training. The budget for training is centralised in program one under HR for better coordination and management.

# ANNEXURES TO THE ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE

TABLE 7.18: SPECIFICATION OF RECEIPTS: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Tax receipts</b>									
Casino taxes									
Horse racing taxes									
Liquor licenses									
Motor vehicle licenses									
<b>Sales of goods and services other than capital assets</b>	<b>138</b>	<b>127</b>	<b>360</b>	<b>130</b>	<b>130</b>	<b>130</b>	<b>140</b>	<b>141</b>	<b>148</b>
Sale of goods and services produced by department (excluding capital assets)	138	127	360	130	130	130	140	141	148
Sales by market establishments	138	127	360	130	130	130	140	141	148
Administrative fees									
Other sales									
Sales of scrap, waste, arms and other used current goods (excluding capital assets)									
<b>Transfers received from:</b>									
Other governmental units									
Higher education institutions									
Foreign governments									
International organisations									
Public corporations and private enterprises									
Households and non-profit institutions									
<b>Fines, penalties and forfeits</b>									
<b>Interest, dividends and rent on land</b>	<b>78</b>	<b>18</b>	<b>25</b>	<b>25</b>	<b>25</b>	<b>25</b>	<b>25</b>	<b>26</b>	<b>27</b>
Interest	78	18	25	25	25	25	25	26	27
Dividends									
Rent on land									
<b>Sales of capital assets</b>									
Land and sub-soil assets									
Other capital assets									
<b>Transactions in financial assets and liabilities</b>	<b>23</b>	<b>468</b>	<b>56</b>	<b>300</b>	<b>300</b>	<b>300</b>	<b>300</b>	<b>314</b>	<b>331</b>
<b>Total departmental receipts</b>	<b>239</b>	<b>613</b>	<b>441</b>	<b>455</b>	<b>455</b>	<b>455</b>	<b>465</b>	<b>481</b>	<b>506</b>

# Vote 7 - Cooperative Governance and Traditional Affairs • EPRE - 2014/15

**TABLE 7.19: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION**

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>82 634</b>	<b>53 172</b>	<b>35 394</b>	<b>111 515</b>	<b>111 658</b>	<b>111 640</b>	<b>118 013</b>	<b>130 006</b>	<b>137 934</b>
Compensation of employees	58 303	34 763	25 799	82 903	83 046	83 046	86 089	97 455	103 965
Salaries and wages	51 264	30 289	22 441	72 126	72 251	72 250	75 279	85 257	90 888
Social contributions	7 039	4 474	3 358	10 777	10 795	10 796	10 810	12 198	13 077
Goods and services	24 331	18 409	9 595	28 612	28 612	28 594	31 924	32 551	33 969
Administrative fees	17	10	10	860	150	123	196	217	218
Advertising	100	139	396	510	600	770	1 078	550	600
Assets less than the capitalisation threshold	322	282	163	930	257	261	466	67	169
Audit cost: External	968	869	31	2 700	1 055	1 037	3 246	3 500	4 258
Bursaries: Employees	15	26	25	820	820	1 101	864	864	866
Catering: Departmental activities	382	337	237	208	394	642	611	781	934
Communication (G&S)	2 665	4 061	2 470	5 420	5 351	3 596	3 800	3 036	3 197
Computer services	22	178	51	2 855	3 255	3 011	2 870	5 000	5 140
Consultants and professional services: Business and advisory services	1 607	1 594	1 390	132	649	1 908	1 166	391	422
Consultants and professional services: Infrastructure and planning									
Consultants and professional services: Laboratory services									
Consultants and professional services: Scientific and technological services									
Consultants and professional services: Legal costs	3		1	285	285	285	500	317	333
Contractors	30	1 316	329			5	2 364	2 500	531
Agency and support / outsourced services	3 269	380	2	500	852	547	419	431	454
Entertainment			36	15	40	120	407	262	453
Fleet services (including government motor transport)	1			1 557	1 600	1 686	1 640	2 063	3 134
Housing	381	12							
Inventory: Clothing material and accessories									
Inventory: Farming supplies									
Inventory: Food and food supplies	6	2							
Inventory: Fuel, oil and gas			1						
Inventory: Learner and teacher support material									
Inventory: Materials and supplies	1	1							
Inventory: Medical supplies									
Inventory: Medicine									
Medsas inventory interface									
Inventory: Other supplies		4							
Consumable supplies	209	181	194	1 383	1 607	2 282	1 657	1 687	1 938
Consumable: Stationery, printing and office supplies	1 247	1 216	782	2 495	3 203	3 003	1 390	2 168	2 555
Operating leases	2 987	661	564	2 600	2 600	2 400	2 200	2 450	2 541
Property payments	6 190	2 201	427	1 600	483	358	662	830	959
Transport provided: Departmental activity	2 159	28							
Travel and subsistence	1 461	3 905	1 775	1 768	1 963	1 779	2 133	1 964	1 768
Training and development	195	241	242	1 030	1 283	1 350	2 034	2 050	2 098

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Operating payments	1	94	121	881	418	579	534	693	730
Venues and facilities	93	675	344	63	1 747	1 751	1 687	730	674
Rental and hiring									
Interest and rent on land									
Interest									
Rent on land									
<b>Transfers and subsidies</b>	<b>7 444</b>	<b>3 875</b>	<b>354</b>	<b>4 425</b>	<b>3 425</b>	<b>3 425</b>	<b>3 100</b>	<b>3 530</b>	<b>3 180</b>
Provinces and municipalities	3 228								
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities	3 228								
Municipal bank accounts									
Municipal agencies and funds	3 228								
Departmental agencies and accounts									
Social security funds									
Departmental agencies (non-business entities)									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Public corporations									
Subsidies on products and production (pc)									
Other transfers to public corporations									
Private enterprises									
Subsidies on products and production (pe)									
Other transfers to private enterprises									
Non-profit institutions									
Households	4 216	3 875	354	4 425	3 425	3 425	3 100	3 530	3 180
Social benefits	4 216	3 875	354	4 425	3 425	3 425	3 100	3 530	3 180
Other transfers to households									
<b>Payments for capital assets</b>	<b>2 070</b>	<b>1 002</b>	<b>1 257</b>	<b>4 377</b>	<b>4 377</b>	<b>4 377</b>	<b>5 000</b>	<b>3 346</b>	<b>5 305</b>
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	2 070	448	830	4 377	4 377	4 377	5 000	3 346	5 305
Transport equipment									
Other machinery and equipment	2 070	448	830	4 377	4 377	4 377	5 000	3 346	5 305
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets		554	427						

## Vote 7 - Cooperative Governance and Traditional Affairs • EPRE - 2014/15

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Payments for financial assets</b>	<b>75</b>	<b>109</b>	<b>202</b>						
Thefts and losses	75	109	202						
<b>Total economic classification</b>	<b>92 223</b>	<b>58 158</b>	<b>37 207</b>	<b>120 317</b>	<b>119 460</b>	<b>119 442</b>	<b>126 113</b>	<b>136 882</b>	<b>146 419</b>

TABLE 7.20: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: LOCAL GOVERNANCE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2015/16
<b>Current payments</b>	<b>103 881</b>	<b>164 310</b>	<b>142 685</b>	<b>156 976</b>	<b>158 954</b>	<b>158 931</b>	<b>172 278</b>	<b>181 921</b>	<b>189 224</b>
Compensation of employees	98 647	147 115	130 592	128 247	129 225	129 225	139 937	141 880	148 653
Salaries and wages	80 752	124 872	114 508	111 576	112 427	112 425	121 433	122 995	128 865
Social contributions	17 895	22 243	16 084	16 671	16 798	16 800	18 504	18 885	19 789
Goods and services	5 234	17 195	12 093	28 729	29 729	29 706	32 341	40 041	40 570
Administrative fees		14	12	70	113	305	85	50	54
Advertising		53	93	180	900	749	785	791	867
Assets less than the capitalisation threshold	5			185	166	72	174	134	1 089
Audit cost: External	347		935						
Bursaries: Employees								65	75
Catering: Departmental activities	193		8	98	165	173	383	652	658
Communication (G&S)	3 837	4 526	3 856	3 355	3 500	3 473	3 953	4 355	4 358
Computer services					240	240			
Consultants and professional services: Business and advisory services		8 014		2 028	4 398	4 072	3 649	3 551	3 214
Agency and support / outsourced services	154	2 111	3 003	12 396	11 561	11 331	10 156	18 202	16 404
Entertainment				10	10	61	295	298	300
Fleet services (including government motor transport)				120	120	85			
Housing									
Inventory: Materials and supplies		138							
Inventory: Medical supplies									
Inventory: Medicine									
Medsas inventory interface									
Inventory: Other supplies									
Consumable supplies		79		237	227	229	25	29	63
Consumable: Stationery, printing and office supplies	27	100	32	591	381	505	606	640	687
Operating leases									
Property payments									
Transport provided: Departmental activity									
Travel and subsistence	188	591	1 018	1 821	2 738	2 704	2 851	2 944	3 518
Training and development	312	1 077	2 500	5 480	3 197	3 217	5 829	5 265	6 306
Operating payments			73	237	127	118	37	114	137
Venues and facilities	171	492	563	1 921	1 886	2 372	3 513	2 951	2 841
Rental and hiring									
Interest and rent on land									
Interest									
Rent on land									

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2015/16
<b>Transfers and subsidies</b>		<b>20 013</b>	<b>15</b>			<b>23</b>	<b>1 000</b>		
Provinces and municipalities		20 000					1 000		
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities		20 000					1 000		
Municipal bank accounts		20 000					1 000		
Municipal agencies and funds									
Non-profit institutions									
Households		13	15			23			
Social benefits						23			
Other transfers to households		13	15						
<b>Payments for capital assets</b>	<b>4 040</b>						<b>478</b>	<b>316</b>	
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	4 040						478	316	
Transport equipment									
Other machinery and equipment	4 040						478	316	
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>									
<b>Total economic classification</b>	<b>107 921</b>	<b>184 323</b>	<b>142 700</b>	<b>156 976</b>	<b>158 954</b>	<b>158 954</b>	<b>173 278</b>	<b>182 399</b>	<b>189 540</b>

TABLE 7. 21: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: DEVELOPMENT AND PLANNING

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2015/16
<b>Current payments</b>	<b>27 628</b>	<b>28 785</b>	<b>25 097</b>	<b>28 848</b>	<b>27 870</b>	<b>27 870</b>	<b>33 088</b>	<b>33 277</b>	<b>35 701</b>
Compensation of employees	24 497	23 028	23 040	19 927	18 949	18 949	21 251	22 273	23 544
Salaries and wages	22 575	20 140	20 086	17 325	16 474	16 474	18 476	19 430	20 470
Social contributions	1 922	2 888	2 954	2 602	2 475	2 475	2 775	2 843	3 075
Goods and services	3 131	5 757	2 057	8 921	8 921	8 921	11 837	11 004	12 156
Administrative fees			2	25	25	35	81	88	97
Advertising	259		200	370	360	1 209	1 200	1 456	1 664
Assets less than the capitalisation threshold				210	150	173	29	19	22
Audit cost: External									
Bursaries: Employees									
Catering: Departmental activities	19	265	235	295	425	360	480	884	935
Communication (G&S)	11						26		
Computer services	412	197	90	246	646	596	714	600	966
Consultants and professional services: Business and advisory services	(322)			1 752	1 260	1 024	2 002	222	234
Consultants and professional services: Legal costs	2		8	200	200	200	211	222	234
Contractors				400		81	422	386	376



## Vote 7 - Cooperative Governance and Traditional Affairs • EPRE - 2014/15

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2015/16
Agency and support / outsourced services				1 300	895	1 315	2 097	2 931	2 727
Entertainment							10	20	20
Inventory: Other supplies									
Consumable supplies				1 041	954	1 041	859	903	951
Consumable: Stationery, printing and office supplies	3	20	345	403	303	145	454	478	501
Operating leases	2 413	4 996	151	550	550	400			
Property payments	30	22	1	415	415	155	237	261	226
Transport provided: Departmental activity									
Travel and subsistence	137	190	658	874	874	841	884	1 039	1 231
Training and development	93		148	605	405	466	1 544	877	1 206
Operating payments			63		960		65	73	78
Venues and facilities	74	67	156	235	499	880	522	545	688
Rental and hiring									
Interest and rent on land									
Interest									
Rent on land									
<b>Transfers and subsidies</b>	<b>25</b>						<b>1 000</b>		
Provinces and municipalities							1 000		
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities							1 000		
Municipal bank accounts							1 000		
Municipal agencies and funds									
Other transfers to private enterprises									
Non-profit institutions									
Households	25								
Social benefits	25								
Other transfers to households									
<b>Payments for capital assets</b>	<b>952</b>						<b>241</b>		
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	952							241	
Transport equipment									
Other machinery and equipment	952							241	
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>									
<b>Total economic classification</b>	<b>28 605</b>	<b>28 785</b>	<b>25 097</b>	<b>28 848</b>	<b>27 870</b>	<b>27 870</b>	<b>34 088</b>	<b>33 518</b>	<b>35 700</b>

TABLE 7.22: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: PROGRAMME 4: TRADITIONAL INSTITUTIONAL DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2015/16
<b>Current payments</b>	<b>3 130</b>	<b>3 147</b>	<b>3 766</b>	<b>6 419</b>	<b>6 419</b>	<b>6 419</b>	<b>7 119</b>	<b>7 173</b>	<b>8 177</b>
Compensation of employees	2 396	2 789	3 280	4 268	4 268	4 268	4 854	4 873	5 132
Salaries and wages	2 085	2 379	2 825	3 684	3 684	3 713	4 166	4 157	4 350
Social contributions	311	410	455	584	584	555	688	716	782
Goods and services	734	358	486	2 151	2 151	2 151	2 265	2 300	3 045
Administrative fees	3				20	31	40	40	40
Advertising	93			100	100	38			
Assets less than the capitalisation threshold	4			200	200	44	20	30	40
Audit cost: External									
Bursaries: Employees									
Catering: Departmental activities	7	15		50	50	200	150	150	150
Communication (G&S)									
Computer services									
Consultants and professional services: Business and advisory services		47							
Contractors									
Agency and support / outsourced services	548			800	800	988	1 104	744	1 299
Entertainment									
Inventory: Other supplies									
Consumable supplies				25		3	1	1	1
Consumable: Stationery, printing and office supplies	17	38	82	126	101	32	100	365	380
Operating leases									
Property payments									
Transport provided: Departmental activity									
Travel and subsistence	19	38	22	210	240	200	400	470	535
Training and development	43			80	80	135	200	200	200
Operating payments		20	13	40	40	28			
Venues and facilities		200	369	520	520	452	250	300	400
Rental and hiring									
Interest and rent on land									
Interest									
Rent on land									
<b>Transfers and subsidies</b>									
Provinces and municipalities									
Provinces									
Non-profit institutions									
Households									
Social benefits									
Other transfers to households									
<b>Payments for capital assets</b>									
Software and other intangible assets									
<b>Payments for financial assets</b>									
<b>Total economic classification</b>	<b>3 130</b>	<b>3 147</b>	<b>3 766</b>	<b>6 419</b>	<b>6 419</b>	<b>6 419</b>	<b>7 119</b>	<b>7 173</b>	<b>8 177</b>



**Vote 7 - Cooperative Governance and Traditional Affairs • EPRE - 2014/15**



# VOTE 8

## DEPARTMENT OF HUMAN SETTLEMENTS

To be appropriated by vote in 2014/15	R 4 968 101 000
Responsible MEC	MEC for Human Settlements
Administering Department	Department of Human Settlements
Accounting Officer	Head of Department of Human Settlements

### 1. OVERVIEW

#### Vision

We are an accountable department, which builds integrated, sustainable communities that enjoy good quality of life through promoting participatory governance.

#### Mission

We lead the provision of human settlements and coordinate the effective functioning of local government to promote sustained development in communities.

#### Values

We have adopted a set of values that are informed by the Batho Pele (People First) principles of the South African Public Service and as an organisation; our specific focus is on the following:

- Respect;
- Integrity;
- Responsibility;
- Accountability; and
- Fairness.

#### Strategic Objectives

Build cohesive and sustainable communities by ensuring that innovative services and infrastructure are provided to create sustainable human settlements

- Provide and develop integrated infrastructure for the creation of cohesive communities;
- To acquire, manage and develop, suitable and well located land (including state-owned land and other properties) for the creation of sustainable human settlements; and
- To provide and facilitate the development of innovative and quality housing solutions.

#### Build an inclusive economic environment which is conducive to the creation of decent work

- Develop and implement a strategy on creating decent work in the housing and local government sector that would contribute at least 60,000 sustainable jobs by 2015; and
- Develop and implement a structured engagement programme with local government, organised communities and other stakeholders, to support the creation of an inclusive economic environment which is conducive to the creation of decent work.

#### Strengthen and align the Department's organisational capacity and capability to deliver on its mandate

- Implement a Human Resource Development Strategy;
- Develop the departmental service delivery business model;
- Create a consultative and participative environment for customers and stakeholders; and
- Finalise the integration of the two branches to deliver effectively against the department mandate.

### Core functions and responsibilities

Based on our revised core mandate and on the broader mandate derived from the Constitution, ultimately the primary role of the Gauteng Provincial Department of Human Settlement is to promote and facilitate the provision of adequate housing in its province. In this regard, some of the core functions of our department include the following:

- Revising Gauteng Provincial housing policies that will strengthen local government service delivery, to provide houses for all in order to build sustainable communities;
- Developing and implementing programmes and projects that give effect to the GPG housing policies as reflected in its short, medium and long term plans; and
- Managing the housing delivery process and transforming informal settlements, especially in priority townships, into sustainable and vibrant communities; and providing key service in respect of subsidies and rental housing.

### Main services

The department delivers quality housing to the Gauteng province through the Human Settlement grant from National Department of Human Settlements and develops integrated infrastructure for the creation of cohesive communities. It is responsible for managing provincial housing assets through the property management programme and the redistribution or transfer of properties to beneficiaries.

### Outcomes

The presidency has identified 14 outcomes in the Medium Term Strategic Framework (MTSF) to address the main strategic priorities for government. The estimates provide the framework from which to align the budget of the Gauteng Department of Human Settlements. The Department has formulated outcomes that are aligned to the key outputs of the Outcome 8: Sustainable human settlements and improved quality of household life and its outputs, which are:

- Accelerated Delivery of Housing Opportunities;
- More Efficient Land Utilization; and
- Improved Property Market.

To ensure the alignment of the budget to government's prescribed outcomes, the department has developed performance indicators that are informed by the National and Provincial priorities.

### Accelerated delivery of housing opportunities

The budget allocated for this output/outcome focuses on human settlement programmes of action, of building cohesive and sustainable communities by ensuring that services and infrastructure are provided to create sustainable human settlements. The allocated budget for this outcome is also to promote the effective and efficient delivery of national and provincial programmes. In 2014/15 financial year, a substantial portion (R3.726 billion) of the 2014/15 funding is allocated to new infrastructure representing new housing units and stands. While R604.8 million, R92.2 million, R7 million has been allocated to the upgrading of the hostels, rectification of the housing stock and for the maintenance of the existing infrastructure namely hostels and other Human Settlements assets. In Summary a total of 10 407 stands will be serviced and 24 187 housing units will be constructed and delivered by the five regions in 2014/15 financial year.

### More efficient land utilisation

The budget related to this outcome is through programme 2. The allocated budget is meant to acquire properties for development for the provision of human settlements and to assist in addressing the location of future settlements on well-located land which are closer to economic opportunities mostly as a result of in-migration to the Province from other areas. The budget allocation for the 2014/15 financial year also relates to vesting of properties within record time to the provincial government and other relevant entities or institutions.

### External activities and events relevant to budget decisions

The growing numbers to the Province from other provinces within the country and neighbouring countries have a serious impact and put significant pressure on the delivery of houses and other services to the communities in Gauteng. Statistics South Africa estimated the population growth in Gauteng to be 0.5 per cent and is expected to remain relatively at the same rate for the foreseeable future. Statistics South Africa further highlights that a percentage of economically unemployed South Africans stood at 23 per cent, whereas pointing out that the average salary for South Africans was R8 380 during the same period. The above statistics support the fact that the province is experiencing a high level of unemployment due to in-migration, whilst there is a need to increase funding for the increase in the number of poor people who cannot afford to buy houses. The slowdown in economic conditions and the reduction in government spending pose challenges in terms of the number of

units of houses the department can deliver during the financial year.

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

- Intergovernmental Relations Framework Act (Act No. 13 of 2005);
- National Environmental Management Act (Act No. 107 of 1998, as amended by Act No. 8 of 2004);
- Broad Based Black Economic Empowerment Act (Act No. 53 of 2003);
- Municipal Finance Management Act (Act No. 56 of 2003);
- Construction Industry Development Board Act (Act no. 38 of 2000);
- Extension of Security of Tenure Act (Act No. 62 of 1997);
- Land Administration Act (Act No. 2 of 1995);
- Reconstruction and Development Programme Fund Act (Act No. 7 of 1994);
- National Building Regulations and Building Standards Act (Act No. 103 of 1977);
- State Land Disposal Act (Act No. 48 of 1961) ;and
- Deeds Registries Act ( Act No. 47 of 1937).

#### **Legislative and other mandates**

The core mandate of the Department is to ensure the provision of housing and the effective functioning of local government across the province in order to build sustainable communities and facilitate shared and equitable social and economic growth and development.

#### **Policy mandate**

The department is guided by the following policies and strategies:

- Provincial Growth and Development Strategy (PGDS);
- Breaking New Ground (BNG) Strategy;
- Global City Region (GCR) Strategy;
- National Housing Policy; and
- National Housing Code.

## **2. REVIEW OF THE CURRENT FINANCIAL YEAR (2013/14)**

### **Outcome 8: Sustainable Human Settlements and improved quality of household life**

#### **Output 1: Accelerated delivery of housing opportunities**

The number of new housing units completed in the province across all housing programmes being utilised by the department at the end of the third quarter is 17 738 against the annual target of 27 994. The Department has serviced a total 3 481 stands against the annual target of 5 539 households to be connected to basic services as part of the Informal Settlements Upgrading Programme. Furthermore the department created a total of 11 538 jobs in the housing sector by the end of the third quarter.

#### **Output 2: More efficient land utilisation**

The department has acquired, managed and developed 11 land parcels to date, against the annual target of 15 parcels in the following areas:

- Golden Gardens Remainder of Portion 8 of the farm Rietkuil 554 IQ;
- Portion 205 of the Farm Nooitgedacht (13,93 Ha);
- Portion 2 of Erf 188 Meyerton Farms;
- Kokosi Extension 7 -Portion 6 of the farm Leeuspruit (99,81ha);
- Remainder of Portion 7 Leeuspruit (60 Ha);
- Zandspruit - Remainder of Portion 67 (7,66 Ha);
- Zandspruit- Remainder of Portion 42 (17,99 Ha);
- Princess Plot - Holding 114 (1,07 ha);
- Princess Plot Holding 92 (1,07 ha);
- Zandfontein - Portion 37 and 38 of the Farm Zandfontein 317 JR; and
- Diepsloot North - Portion 119 of the Farm Driefontein 682 IR (Diepsloot).

#### **Output 3: Improved Property Market**

For the period under review, the department has transferred 1 729 residential properties to beneficiaries through the Enhanced Extended Discount Benefit Programme. A total of 5 commercial properties have been disposed and a total number of 5 disputes between landlords and tenants have been resolved for approval. The department has devolved a total of 20 housing properties to various stakeholders.

### 3. OUTLOOK FOR THE COMING FINANCIAL YEAR (2014/15)

#### Outcome 8: Sustainable human settlements and improved quality of household life

##### Output 1: Accelerated delivery of housing opportunities

The department will provide differentiated quality housing solutions through the implementation of the various national housing programmes, by utilising the Human Settlements Development Conditional Grant, and by the eradication of informal settlements. During the 2014/15 financial year, the department plans to service 10 407 stands and to build 24 187 houses and complete 1 333 community residential units.

The department aims to make available housing opportunities in line with approved empowerment policies and to allocate 30 984 houses. In terms of the Gender, Youth and People with Disabilities (GEYODI) allocation policy, the distribution of the houses will be as follows:

- Women-headed households: 50 per cent (15 188);
- Child-headed households: 10 per cent (3 038);
- Indigent people: 40 per cent (12 150); and
- People with disabilities: 2 per cent (608).

##### Output 2: More efficient land utilisation

The department plans to acquire 15 well-located land parcels for the development of affordable housing, social and rental housing initiatives, and addressing the gap in the housing market. These pockets of land range between 3-9 hectares in extent and are located within well-established residential areas across the province.

##### Output 3: Improved property market

The Finance-Linked Individual Subsidy Programme (FLISP) was revised in order to cater for individuals who earn up to R15 000 a month (R3 500 -R15 000 income bracket) – a significant increase from the previous R10 000 target). As part of improving the property market, the department will set aside 15 land parcels for the implementation of FLISP.

##### Output 4: Access to basic services

The achievement of universal access to basic services is also an important national output that the department supports, although it is the primary responsibility of the Department of Cooperative Governance and Traditional Affairs (COGTA). In its supportive role, the Department is planning to deliver 10 407 serviced stands for informal settlements. Services in this regard include access to basic water, basic sanitation and electricity.

#### Challenges

The challenges that are being experienced by the Department can be summarised as follows:

- Continuous increase in housing demand (housing backlog);
- Distressed infrastructure as a result of rapid urbanisation and in migration;
- Increase in the number of informal settlements across the province, which places a huge financial burden on the province and the municipalities, particularly when providing basic services;
- Growth in the gap market demand in line with the revised threshold;
- Difficulties in the acquisition of suitable and well-located land for human settlements development as a result of exorbitant prices by private owners; and
- Lack of relevant in-house professional expertise.

#### Mitigating Measures

The following are some of the mitigating measures that require implementation to address the challenges presented in the preceding section:

- Maximising the utilisation of resources through improved coordination with municipalities (exploitation of efficiency gains) to address housing backlogs, coupled with effective monitoring and evaluation thereof by GDHS;
- Strengthening existing partnerships with municipalities, other government departments, the private sector, commercial banks, and other government agencies for improved institutional support towards the development of sustainable human settlements, and in the process giving attention to the gap market and rental accommodation; and
- Develop a five year land acquisition plan with annual targets jointly with municipalities; Undertake regular audit and analysis of provincial state-owned and privately-owned land.

## 4. REPRIORITISATION

The department continues to review its operations to identify cost savings and eliminate identified inefficiencies. These savings will invariably lead to reprioritisation. The department continues to explore cheaper alternative building technologies.

## 5. PROCUREMENT

The budget of R3.9 million for advertising and the process of procurement is in line with the supply chain framework and the procurement is as per request from various units within the department. There is an open tender process for requests above R1million and quotations are requested for less than R500 000. The audit costs are budgeted at R 6 million and the signing of the contract with the Auditor General takes place towards the end of the financial year. For bursaries for employees the department budget R1 million and issued application forms in September of every calendar year. The budget for consultants or professional business and advisory services amounts to R 8.6 million which will be put on open tender when the services are required.

The agency and support or outsourced services are put on open tender as and when required. The estimated procurement budget for operating lease is R 4 million, however there is no tender process since it is an ongoing activity as per lease agreement.

## 6. RECEIPTS AND FINANCING

### 6.1. Summary of receipts

TABLE 8.1: SUMMARY OF RECEIPTS: DEPARTMENT OF HUMAN SETTLEMENTS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Equitable share	651 673	456 532	472 105	508 099	508 099	508 099	548 460	582 210	614 287
Conditional grants	3 771 831	3 804 647	4 003 776	4 108 399	4 108 399	4 108 399	4 419 641	5 065 766	5 631 437
Human Settlements Grant	3 771 831	3 804 647	4 003 776	4 108 399	4 108 399	4 108 399	4 417 641	5 065 766	5 631 437
EPWP							2 000		
<b>Total receipts</b>	<b>4 423 504</b>	<b>4 261 179</b>	<b>4 475 881</b>	<b>4 616 498</b>	<b>4 616 498</b>	<b>4 616 498</b>	<b>4 968 101</b>	<b>5 647 976</b>	<b>6 245 724</b>

The department's receipts include the conditional grant from the National Department of Human Settlements and equitable share received from the Gauteng Provincial Treasury. The grant allocation is for the implementation of national and provincial housing programmes and the equitable share is primarily for carrying out the operational activities of the Department.

Total receipts for the 2010/11 financial year amounted to R4.4 billion, decreased to R4.2 billion in 2011/12 and recovered to R4.4 billion during the 2012/13 financial year. The total budget in the 2013/14 financial year is R4.6 billion and increases slightly to R4.9 billion in the 2014/15 financial year. The increase emanates due to the allocation received for the EPWP grant of R2million, the fact that the quantum subsidies for the delivery of houses which have increased as well as the accreditation process which is placed on hold at the moment. The provincial allocations and conditional grants allocated to the Department during the 2014/15 Medium Term Expenditure Framework (MTEF) period provides for continuation of the Alexandra Urban Renewal Project, Inner City Renewal.



## 6.2. Departmental receipts collection

TABLE 8.2: DEPARTMENTAL RECEIPTS: HUMAN SETTLEMENTS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Tax receipts									
Casino taxes									
Horse racing taxes									
Liquor licences									
Motor vehicle licences									
Sales of goods and services other than capital assets	234	595	1 825	347	347	347	376	393	414
Transfers received									
Fines, penalties and forfeits									
Interest, dividends and rent on land	132	10		309			329	344	362
Sales of capital assets									
Transactions in financial assets and liabilities	838	18 856	10 876	3 313	3 313	3 313	3 530	3 692	3 888
<b>Total departmental receipts</b>	<b>1 204</b>	<b>19 461</b>	<b>12 701</b>	<b>3 969</b>	<b>3 660</b>	<b>3 660</b>	<b>4 235</b>	<b>4 429</b>	<b>4 664</b>

The department generates most of its revenue from parking fees, sales of tender documents and collection of rental from the departmental properties. The department's revenue remains relatively stable over the MTEF period and increases slightly due to cash collected from hostel dwellers as a result of the success in the collection methods implemented by the department. During the 2010/11 financial year, the department's receipts amounted to R1.2 million, collected revenue during the 2011/12 and 2012/13 financial years increased to R19.4 million and R12.7 million respectively.

The significant increase in revenue collected was due to recovery of an over payment to suppliers. In the 2013/14 financial year receipts are projected to decrease to R3.6 million when compared to the previous year collection of R12.7 million. The main sources of income for the department in the 2013/14 financial year comprises of sales of goods and services other than capital assets, interest, dividends and rent on land and transactions in financial assets and liabilities. The department anticipates that an increase in revenue due to the increase in parking fees, tenders and commission earned on third Party payments. The receipts are projected to slightly recover and remain stable at R4.2 million in 2014/15 to R4.6 million over the MTEF period.

## 6.3 Donor Funding

N/A

# 7. PAYMENT SUMMARY

## 7.1 Key assumptions

- The Department has budgeted for a 6.4 percent wage increase for the 2014 MTEF and assumptions are based on the projected Consumer Price Inflation (CPI);
- The following elements have been taken into account when determining personnel and other economic classifications for the new MTEF;
- Number of staff and possible changes over the MTEF;
- Basic salary cost including Improvement of Conditions of Service adjustments from 1<sup>st</sup> April each year;
- Increased take-up of benefits such as medical aid and home owners' allowance based on bargaining council agreements;
- Inflation related items such as goods and services based on headline CPI projections;
- Provision for the eradication of informal settlements through-out the province; and
- Provision for upgrading of infrastructure services.

## 7.2 Programme summary

TABLE 8.3: SUMMARY OF PAYMENTS AND ESTIMATES: HUMAN SETTLEMENTS

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1. Administration	249 889	247 525	220 968	205 929	208 722	208 872	226 164	287 665	311 015
2. Housing, Needs, Research and Planning	9 497	8 694	10 821	14 422	14 522	14 612	15 788	16 558	17 436
3. Housing Development	3 943 050	3 844 953	4 103 039	4 317 871	4 318 121	4 315 126	4 639 859	5 251 477	5 820 106
4. Housing Assets Property Management	98 007	85 024	86 769	78 276	78 276	78 862	86 290	92 276	97 167
<b>Total payments and estimates</b>	<b>4 300 443</b>	<b>4 186 196</b>	<b>4 421 597</b>	<b>4 616 498</b>	<b>4 619 641</b>	<b>4 617 472</b>	<b>4 968 101</b>	<b>5 647 976</b>	<b>6 245 724</b>

## 7.3 Summary per economic classification

TABLE 8.4: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HUMAN SETTLEMENTS

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>376 691</b>	<b>340 952</b>	<b>362 337</b>	<b>427 166</b>	<b>427 309</b>	<b>427 332</b>	<b>458 729</b>	<b>488 130</b>	<b>521 883</b>
Compensation of employees	245 651	247 082	298 769	320 437	320 580	320 581	348 460	372 402	393 149
Goods and services	131 040	93 870	63 568	106 729	106 729	106 751	110 269	115 728	128 734
Interest and rent on land									
<b>Transfers and subsidies to</b>	<b>3 918 154</b>	<b>3 831 990</b>	<b>4 047 556</b>	<b>4 178 382</b>	<b>4 181 382</b>	<b>4 178 966</b>	<b>4 497 820</b>	<b>5 147 762</b>	<b>5 711 005</b>
Provinces and municipalities	282								
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households	3 917 872	3 831 990	4 047 556	4 178 382	4 181 382	4 178 966	4 497 820	5 147 762	5 711 005
<b>Payments for capital assets</b>	<b>5 598</b>	<b>13 039</b>	<b>10 460</b>	<b>10 950</b>	<b>10 950</b>	<b>11 174</b>	<b>11 552</b>	<b>12 084</b>	<b>12 835</b>
Buildings and other fixed structures			5 359						
Machinery and equipment	5 598	9 096	5 101	10 950	10 950	10 950	11 552	12 084	12 835
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets		3 943				224			
<b>Payments for financial assets</b>		<b>215</b>	<b>1 244</b>						
<b>Total economic classification:</b>	<b>4 300 443</b>	<b>4 186 196</b>	<b>4 421 597</b>	<b>4 616 498</b>	<b>4 619 641</b>	<b>4 617 472</b>	<b>4 968 101</b>	<b>5 647 976</b>	<b>6 245 724</b>

The table above shows that departmental expenditure increased from R4.3 billion in the 2010/11 financial year to R4.4 billion in the 2012/13 financial year. The decline in 2011/12 was mainly as a result of the decrease in the equitable share receipts that resulted from the top-slicing on all provincial departments. In the 2013/14 financial year the budget for the department amounted to R4.6 billion and grows to R6.2 billion over the MTEF. The largest share of the budget is allocated to the Human Settlements Programme, which aims to establish sustainable human settlements where all citizens have access to housing and other social amenities.

In Programme 1: Administration expenditure reflects a steady decline from R249 million in 2010/11 to R220 million in 2012/13 mainly because of the reduction in goods and service allocation. The budget decreased slightly in 2013/14 to R206 million and increased to R209 million during the adjustment budget. The increase in the adjustment budget relates to additional funding of R143 000 for the migration of personnel from GDF and an amount of R3 million allocated as part of the Expanded Public Works Programme conditional grant for job creation. Over the MTEF, the budget grows from R226 million in 2014/15 to R288 million in 2015/15 and to R311 million in the outer year. The additional funding over the MTEF caters for the re-grading of clerks, the improvement of conditions of employment, and the filling of vacant positions that are critical following the de-merger of the former Department of Local Government and Housing.

Programme 2: Housing Needs, Planning and Research expenditure decreased from R9.5 million in the 2010/11 financial year to R8.7 million in 2011/12 before increasing to R10.8 million in 2012/13. However, the programme budget increased from R14 million in the 2013/14 financial year to R17 million in the outer year of the MTEF. The budget will ensure alignment of housing plans with Integrated Development Plans (IDPs), conduct research into the demand for housing and facilitate, undertake housing delivery planning. The programme provides a regulatory framework for housing delivery, the development of policy guidelines and provides provincial inputs on housing legislation.

The largest share of the budget is allocated to Programme 3: Housing Development Programme, which aims to establish sustainable human settlements where all citizens have access to housing and other social amenities. The programme expenditure grew from R3.9 billion in the 2010/11 financial year to R4.1 billion in 2012/13. Through the Mixed Housing programme the department delivered 17 182 housing units in 2013/14 financial year. The budget increases to R4.3 billion in 2013/14 to R4.6 billion in 2014/15 financial year. For the period under review, the budget grows to R5.8 billion in 2016/17 to ensure the accelerated delivery of housing opportunities.

In Programme 4: Housing Assets Property Management, expenditure amounts to R98 million in 2010/11 and decreases to R86.8 million in 2012/13 and further decreasing to R78.3 million in the 2013/14 main appropriation. Over the MTEF the budget recovers to R86.3 million in 2014/15 before reaching R97.2 million in 2016/17. This allocation is used mainly to coordinate, manage and oversee the maintenance of departmental immovable assets in the form of flats, hostels, and vacant stands, and to encourage and support the provision of necessary tools and personnel for the performance of maintenance work at these Departmental Immovable Assets

Expenditure on compensation of employees increased from R246 million in 2010/11 to R299 million in 2012/13.. In the 2013/14 financial year, the budget for personnel amounted R320 million, and during the adjustment budget an additional amount of R143 000 was allocated for the migration of employees from GDF to the departments. The personnel budget grows from R349 million in 2014/15 financial year to R393 million in 2016/17. The increase includes the additional funding for the re-grading of clerks and Improvement of Conditions of Services. The increased allocation is mainly attributable to the yearly general increment as agreed upon by the Bargaining Council as well as the filling of critical vacant posts in the Department. The total expenditure for goods and services declined considerably from R131 million in the 2010/11 financial year, to R63 million in the 2012/13 financial year. In 2013/14 the allocation for goods and services increased to R107 million mainly to address the budget pressure that department is experiencing because of increased cost of operations. The budget increases to R129 million for the outer year of the MTEF period.

Transfers and subsidies increased from R3.9 billion in 2010/11 to R4.1 billion in 2012/13. The growth in transfers and subsidies is driven by the growth in Human Settlement Conditional grant to build cohesive and sustainable communities by ensuring that services and infrastructure are provided to create sustainable human settlement. For the 2013/14 financial year the total allocation for transfers and subsidies amounted to R4.2 billion and it increases to R4.5 billion in 2014/15. The significant increase of R319 million in the 2014/15 financial year is for the accelerated delivery in housing projects and the eradication of informal settlement in the province. The allocation increases to R5.7 billion for 2016/17.

Expenditure for machinery and equipment fluctuates, increasing from R6 million in the 2010/11 financial year to R9 million in 2011/12 and declining to R5 million in 2012/13. Thereafter, in 2013/14 the budget increases to R11 million and remains relatively constant at R13 million in the outer year of the MTEF. The budget is mainly for the procurement of equipment as part of the tools of trade for personnel to carry out their functions.

#### **7.4 Infrastructure payments**

Please refer to the Estimates of Capital Expenditure for the details on Infrastructure Payments.

##### **7.4.1 Departmental infrastructure payments:**

For information on infrastructure payments refer to Estimates of Capital Expenditure (ECE)

##### **7.4.2 Departmental Public-Private-Partnership (PPP) projects**

N/A

## 7.5 Transfers

### 7.5.1 Transfers to public entities

N/A

### 7.5.2 Transfers to other entities

N/A

### 7.5.3 Transfers to local government

N/A

## 8. PROGRAMME DESCRIPTION

### PROGRAMME 1: ADMINISTRATION

#### Programme description

The main goal of this programme is to strengthen and align the department's organisational capacity and capability to deliver on its mandate. It enables the department's business units to perform efficiently by providing corporate support (human resources, financial management, supply chain, ICT and facilities support). The programme ensures effective leadership, management and administrative support to the core business divisions through continuous refinement of organisational strategy and structure in compliance with appropriate legislation and practice. The programme outputs are as a reflection of governments' Outcome 12, which seeks to achieve "An efficient, effective and developmental oriented public service and an empowered, fair and inclusive citizenship".

#### Programme objectives

- To ensure that the supply chain processes for the department are conducted in a manner that is fair, transparent, equitable, competitive and cost effective; and that the management and operation of the function is efficient, effective, and adds value to the strategic objectives of the Department;
- To ensure that Human Resource Management is a strategic partner to all units in the Department;
- To provide effective legal services to the department;
- To provide efficient and effective facilities management to the department;
- To provide effective, efficient and stable ICT infrastructure and support to the department;
- To ensure prudent financial management, efficient and effective procurement systems, and to ensure that financial planning and budgeting is aligned with the Department's strategic plan;
- To provide for the functioning of the Office of the MEC and legislative support services;
- To ensure maintenance of effective, efficient and transparent risk management, financial systems and controls in order to safeguard departmental assets; and
- To ensure good corporate governance and improved productivity through the promotion of discipline, transparency, independence, accountability, fairness and social responsibility within departmental operations.

TABLE 8.6: SUMMARY OF PAYMENTS AND ESTIMATES: PROGRAMME 1: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1. Office of the MEC									
2. Corporate Services	249 889	247 525	220 968	205 929	208 722	208 872	226 164	287 665	311 015
<b>Total payments and estimates</b>	<b>249 889</b>	<b>247 525</b>	<b>220 968</b>	<b>205 929</b>	<b>208 722</b>	<b>208 872</b>	<b>226 164</b>	<b>287 665</b>	<b>311 015</b>

Office of the MEC, the programme the expenditure and budget appears under department of Cooperative Governance and Traditional Affairs

## Vote 8 - Human Settlements • EPRE - 2014/15

TABLE 8.7: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>240 359</b>	<b>230 850</b>	<b>212 452</b>	<b>194 856</b>	<b>197 649</b>	<b>197 575</b>	<b>214 357</b>	<b>275 281</b>	<b>297 864</b>
Compensation of employees	131 890	151 337	153 626	122 764	122 907	122 907	138 173	196 664	208 097
Goods and services	108 469	79 513	58 826	72 092	74 742	74 668	76 184	78 617	89 767
Interest and rent on land									
<b>Transfers and subsidies to</b>	<b>3 932</b>	<b>14 864</b>	<b>2 171</b>	<b>123</b>	<b>123</b>	<b>123</b>	<b>255</b>	<b>300</b>	<b>316</b>
Provinces and municipalities	282								
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households	3 650	14 864	2 171	123	123	123	255	300	316
<b>Payments for capital assets</b>	<b>5 598</b>	<b>1 596</b>	<b>5 101</b>	<b>10 950</b>	<b>10 950</b>	<b>11 174</b>	<b>11 552</b>	<b>12 084</b>	<b>12 835</b>
Buildings and other fixed structures									
Machinery and equipment	5 598	1 596	5 100	10 950	10 950	10 950	11 552	12 084	12 835
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets						224			
<b>Payments for financial assets</b>		<b>215</b>	<b>1 244</b>						
<b>Total economic classification</b>	<b>249 889</b>	<b>247 525</b>	<b>220 968</b>	<b>205 929</b>	<b>208 722</b>	<b>208 872</b>	<b>226 164</b>	<b>287 665</b>	<b>311 015</b>

The table above indicates that the programme's expenditure shows a declining trend from R249.9 million in 2010/11 to R221 million decreases in 2012/13 financial year. During the 2013/14 financial year the budget amounted to R205.9 million which is a further decrease of R15 million, or 6 per cent, when compared to the previous financial year. However, year on year the budget increased from R205.9 million in the 2013/14 to R226 million in the 2014/15 financial year.

As such, the budget grows from R226 million in 2014/15 financial year to R311 million for the outer year of the MTEF. The allocated funding will ensure that the department strengthen governance, combat fraud and corruption, and enhance security and risk management, by conducting internal audits and facilitating external audits, while ensuring the implementation of and compliance to Minimum Information Security Standards and other security legislation. Improved service delivery is achieved through the provision of cost effective and efficient Information and Communication Technology (ICT) solutions and services, facilities, logistics and records management support services, aligned to the organisation's core objectives.

The Sub-programme 1: Office of the MEC has no expenditure or budget for period under review because the function has moved to Cooperative Governance and Traditional Affairs (COGTA). However, the sub-program still ensures the provision of administrative and political support through the development and implementation of key systems and strategies, and submission of reports and plans against stipulated timeframes within the financial year for both Human settlement and COGTA.

The programme's expenditure on compensation of employees increases from R132 million in 2010/11 to R153 million in 2012/13 before decreasing to R123 million in the 2013/14 financial year. It increases to R138 million in the 2014/15 financial year and increases significantly to R197 million and R208 million for 2015/16 and 2016/17 respectively. The increase is mainly to fill vacant positions, to increase the capacity within the department support services, which is part of the recruitment drive of the Department. Additional funding is allocated for the migration of personnel that was affected during the 2013/14 adjustment budget.

Goods and services expenditure has declined significantly from R108 million to R58 million between the 2010/11 and 2012/13 financial year. The decrease was part of the cost cutting measures by the department where budget allocation for goods and service were reduced. However, the budget in goods and services increases from R72 million in the 2013/14 financial year to R76 million in 2014/15. Thereafter, the budget slightly increases to R79 million and R90 million for 2015/16 and 2016/17 respectively. The budget increases will cater for software licences and refurbishment.

## PROGRAMME 2: HOUSING NEEDS, RESEARCH AND PLANNING

### Programme description

This Programme aims to facilitate and undertake housing delivery planning, identify housing needs, provide a regulatory framework for housing delivery, the development of policy guidelines, provide provincial inputs on housing legislation and many amendments associated with these, develop provincial multi-year housing delivery plans, ensure alignment of housing plans with IDPs, and conduct research into the demand for housing.

This programme promotes effective and efficient delivery of Provincial and Local governments' housing programmes. It also concentrates on the integrated redevelopment of urban communities at scale and cultivating sustainable local economies. Attached to this programme are other transversal functions that include quality assurance, research and development, and input to policy development, planning and housing support.

### Programme objectives

- Develop and implement departmental policies and initiate research to achieve the strategic objectives;
- To facilitate the realignment and compliance with the regulatory environment for sustainable human settlements;
- Develop the Annual Performance Plans and the 5 year Strategic Plan;
- Implement, revise and review the Department's Programme of Action (PoA); and
- Provide support to various Directorates in the Department on the development of Performance Indicators for both the APP and PoA.

TABLE 8.8: SUMMARY OF PAYMENTS AND ESTIMATES: PROGRAMME 2: HOUSING NEEDS, RESEARCH AND PLANNING

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1. Administration	2 921	3 107	3 631	3 964	3 964	3 968	4 375	4 575	4 817
2. Policy	3 451	3 194	3 650	4 097	4 097	4 102	3 847	4 224	4 448
3. Planning	2 598	2 376	3 540	3 099	3 199	3 280	3 928	3 954	4 164
4. Research	527	17		3 262	3 262	3 262	3 638	3 805	4 007
<b>Total payments and estimates</b>	<b>9 497</b>	<b>8 694</b>	<b>10 821</b>	<b>14 422</b>	<b>14 522</b>	<b>14 612</b>	<b>15 788</b>	<b>16 558</b>	<b>17 436</b>

TABLE 8.9: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HOUSING RESEARCH AND PLANNING

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>8 970</b>	<b>8 694</b>	<b>10 821</b>	<b>11 160</b>	<b>11 260</b>	<b>11 350</b>	<b>12 150</b>	<b>12 753</b>	<b>13 429</b>
Compensation of employees	8 120	8 681	10 759	11 016	11 016	11 016	11 720	12 260	12 910
Goods and services	850	13	62	144	244	334	430	493	519
Interest and rent on land									
<b>Transfers and subsidies to</b>	<b>527</b>			<b>3 262</b>	<b>3 262</b>	<b>3 262</b>	<b>3 638</b>	<b>3 805</b>	<b>4 007</b>
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households	527			3 262	3 262	3 262	3 638	3 805	4 007
<b>Payments for capital assets</b>									
Buildings and other fixed structures									
Machinery and equipment									
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>									
<b>Total economic classification</b>	<b>9 497</b>	<b>8 694</b>	<b>10 821</b>	<b>14 422</b>	<b>14 522</b>	<b>14 612</b>	<b>15 788</b>	<b>16 558</b>	<b>17 436</b>

Expenditure for this programme increased from R9 million to R11 million between the 2010/11 and 2012/13 financial year. The increase was to ensure that the Inclusionary Housing Incentives chapter was completed for insertion into Bill. In the 2011/12 financial year the Bill was initiated and submitted for pre-certification. Thereafter the Draft Bill was completed and submitted for pre-certification in the 2012/13 financial year. The budget further increases by R2 million from R14 million in the 2013/14 financial year to R16 million in the 2014/15 financial year, which represent 7 per cent. Further increases are R16 million and R17 million in 2015/16 and 2016/17 respectively. The budget is mainly to develop and implement departmental policies, initiate research to achieve the strategic objectives and to facilitate the realignment and compliance with the regulatory environment for sustainable human settlements.

The budget on sub-programme: Policy is mainly to ensure that the Inclusionary Housing Bill is approved and promulgated as an Act with the Implementation Plan approved for implementation by the end of 2014/15 financial year. The budget declines from R4 million in the 2013/14 financial year to R3.8 million in the 2014/15 financial year. However the allocation recovers to R4.2 million in the 2015/16 financial year and remains constant at R4.4 million in the final year of the MTEF period. The increased budget caters for the development and approval of the Gauteng Rental Housing Strategy.

The Sub-programme: Research had no budget allocation in the 2012/13 financial year and in 2013/14 a total of R3.3 million was allocated to the subprogram to conduct research and develop innovative methods to address housing needs throughout the financial year. The funding is increased to R3.6 million in the 2014/15 financial year and to R3.8 million and R4 million over the MTEF. The growth in the budget will fund four research projects to be conducted annually which include: FLISP target market affordability & financial Institutions lending pattern; Human Settlements Satisfaction Survey; Informal Settlements Upgrading Programme; and Understanding Demand and Backlog in the Gauteng Province. During the 2014/15 financial year the sub-programme aims to conduct the following research projects: Settlement patterns; Economic Value of the low cost housing in the property market; and Human Settlements Customer Satisfaction Survey. In the outer years the planned research projects are: Human Settlements Customer Satisfaction survey; Gauteng Rental Housing Strategy; the cost of housing vs subsidy quantum; and Perception of beneficiaries on different housing typologies.

Sub-programme: Planning the allocation on this sub-programme grows from R3 million in the 2013/14 financial year to R3.9 million in 2014/15. There is a further increase to R4.4 million over the MTEF period. The budget is mainly to facilitate the development and alignment of the departmental planning frameworks, inter alia: Annual Performance Plans, Multi-year Housing Development Plan, Medium Term Budget Policy Statements, and Programmes of Action, as per the national and provincial mandates annually.

## SERVICE DELIVERY MEASURES

### PROGRAMME 2: HOUSING, NEEDS, RESEARCH AND PLANNING

Performance measures	Estimated Annual Targets		
	2014/15	2015/16	2016/17
<b>Sub Programme: Policy</b>			
Number of Act passed and /or policy guidelines approved	3	3	3
<b>Sub Programme: Planning</b>			
Number of municipalities capacitated and supported with regard to human settlement(housing) development planning	12	12	12
<b>Sub Programme: Research</b>			
Number of research projects approved	2	2	2
Number off research papers completed	2	2	2

### PROGRAMME 3: HOUSING DEVELOPMENT

#### Programme description

The main aim of the Housing Development Implementation Programme is to promote effective and efficient delivery of National and Provincial Housing Programmes, and it focuses on the integrated redevelopment of urban communities at scale to cultivate sustainable local economies.

#### Programme objectives

- To provide and develop integrated infrastructure for the creation of cohesive communities;
- To promote home ownership ;



- Substantially reducing levels of unemployment;
- Creating a healthy and clean living environment;
- Providing engineering services at an affordable and sustainable level;
- Reducing levels of crime and violence;
- Upgrading existing housing environments and creating additional affordable housing opportunities;
- Alleviating poverty;
- Creating sustainable livelihoods;
- Creating a caring and responsive government;
- Reducing unemployment;
- Creating a better life for all; and
- Implementation of integrated- high impact- time bound- targeted interventions.

TABLE 8.10: SUMMARY OF PAYMENTS AND ESTIMATES: HOUSING DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1. Administration	113 381	105 336	144 423	221 150	218 400	218 399	232 222	200 096	210 590
2. Financial Interventions	118 369	332 858	344 887	298 924	298 924	298 930	572 059	662 842	697 973
3. Incremental Interventions	3 300 422	2 687 693	2 815 026	3 106 260	3 109 260	3 106 260	3 271 974	3 814 971	4 241 237
4. Social and Rental Intervention	352 463	607 081	518 942	624 768	624 768	624 768	503 444	529 219	623 607
5. Rural Intervention	58 415	111 985	279 761	66 769	66 769	66 769	60 160	44 349	46 699
<b>Total payments and estimates</b>	<b>3 943 050</b>	<b>3 844 953</b>	<b>4 103 039</b>	<b>4 317 871</b>	<b>4 318 121</b>	<b>4 315 126</b>	<b>4 639 859</b>	<b>5 251 477</b>	<b>5 820 106</b>

TABLE 8.11: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: PROGRAMME 3: HOUSING DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>113 381</b>	<b>101 393</b>	<b>139 064</b>	<b>221 150</b>	<b>218 400</b>	<b>218 406</b>	<b>232 222</b>	<b>200 096</b>	<b>210 590</b>
Compensation of employees	91 660	87 059	134 384	186 657	186 657	186 657	198 567	163 478	172 142
Goods and services	21 721	14 334	4 680	34 493	31 743	31 749	33 655	36 618	38 448
Interest and rent on land									
<b>Transfers and subsidies to</b>	<b>3 829 669</b>	<b>3 739 617</b>	<b>3 958 616</b>	<b>4 096 721</b>	<b>4 099 721</b>	<b>4 096 721</b>	<b>4 407 637</b>	<b>5 051 381</b>	<b>5 609 516</b>
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households	3 829 669	3 739 617	3 958 616	4 096 721	4 099 721	4 096 721	4 407 637	5 051 381	5 609 516
<b>Payments for capital assets</b>		<b>3 943</b>	<b>5 359</b>			<b>(1)</b>			
Buildings and other fixed structures			5 359						
Machinery and equipment						(1)			
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets		3 943							
<b>Payments for financial assets</b>									
<b>Total economic classification</b>	<b>3 943 050</b>	<b>3 844 953</b>	<b>4 103 039</b>	<b>4 317 871</b>	<b>4 318 121</b>	<b>4 315 126</b>	<b>4 639 859</b>	<b>5 251 477</b>	<b>5 820 106</b>

The programme expenditure increased from R3.9 billion to R4.1 billion for the 2010/11 and 2012/13 financial years respectively. This shows year- on-year budget growth of 4 per cent. In the 2013/14 financial year the programme budget amounted to R4.3 billion and increases to R4.6 billion in the 2014/15 financial year. The programme allocation continues to grow from R4.6 billion to R5.3 billion and R5.8 billion in 2015/16 and 2016/17 respectively. The programme estimates to ensure that the department continues to deliver in its key priority programmes, which are Mixed Housing Development, Eradication of informal settlement, Alternative Tenure, Urban Renewal Programme and Priority Township Programme (PTP).



The Sub-programme: Administration expenditure relates to Alexandra Renewal Project, Inner City, and the Renewal Master Plan for Winterveldt and the 20PTP.

The Sub-programme: Financial Intervention recorded significant growth in expenditure from R118 million in 2010/11 to R345 million in the 2012/13 financial year. The increase in the budget was to intensify programmes that facilitate immediate access of housing goods and services, creating an enabling environment and providing implementation support. A total of 17 houses were built for individuals with non-credit-linked subsidies, whereas, a total 707 houses were built for individuals with credit-linked subsidies by the end of the 2012/13 financial year. During the 2013/14 financial year the budget declines to R299 million, mainly because the Department had planned to transfer most of the funds to municipalities that have been accredited. However 60 houses were built for relocation assistance. In 2014/15 financial year the programme budget grew significantly when compared to the previous financial year. The large budget increase of R274 million is mainly attributed to the houses targeted to be built for the Finance Linked Individual Subsidy Programme. The programme budget further increases to R663 million and R698 million in 2015/16 and 2016/17 respectively. The estimated budget growth will cater for the 2 292 houses targeted to be built for the Finance Linked Individual Subsidy Programme.

In Sub-programme: Incremental Intervention expenditure shows a decline from R3.3 billion in 2010/11 to R2.8 billion in 2012/13. The decrease was mainly attributed to the reduction of goods and services expenditure. The sub-programme budget increases from R3.1 billion in the 2013/14 financial year to R3.3 billion in 2014/15. The budget will provide servicing of 1 193 stands and building of 2 175 houses for Project-linked subsidies. Furthermore, the programme plans to service a total of 2 376 stands and build 200 houses/units for the Integrated Residential Development Programme. Through this programme the department plans to complete 18 748 houses/units for Informal Settlements Upgrading over the MTEF. The programme budget estimates show the budget for 2015/16 and 2016/17 as R3.8 billion and R4.2 billion respectively. The estimated budget growth provides for the planned target of 55 782 new housing units to be completed in the province across all housing programmes being utilised by the province in 2015/16 and 2016/17 financial years.

Sub-programme: Social and Rental intervention spending grew significantly from R352 million to R607 million between the 2010/11 and 2011/12 financial years. The trend continues as the budget grows from R518 million to R624 million in 2012/13 to 2013/14 financial years respectively. The growth in expenditure for the programme was driven by the growing demand for housing, resulting from the significant growth in-migration to the province. The 2014/15 budget of R503 million shows a decline of R121 million. However, the estimated budget recovers at R529 million in 2015/16 and R624 million in the 2016/17 financial year. The total budget in the budget will provide for the 280 units to be built for Institutional subsidies and 3 634 Community Residential Units (CRU) to be converted/up-graded over the MTEF period. In addition, the sub-programme plans to construct 647 units for CRUs and service 900 stands for rural housing.

Expenditure on compensation of employees increased from R92 million in 2010/11 to R134 million in 2012/13. This is as a result of organisational restructuring because of the de-merger of the two departments and of the wage agreement resolutions from the bargaining council. The decline in compensation of employees over the MTEF from R199 million in 2014/15 to R172 million in 2016/17 is attributed to the Department reducing its personnel budget after costing the approved organisational structure.

The declining trend of goods and services expenditure from R21.7 million in 2010/11 to R4.6 million in 2012/13 is due to reclassification of earmarked funds relating to the 20PTP for township upgrading, and to the number of precinct plans that were developed and approved. However, the budget increases to R34.5 million for 2013/14, declining to R34 million in the 2014/15 financial year. Thereafter the estimated budget grows from R37 million in the 2015/16 financial year to R38 million for the outer year of the MTEF period.

Transfers and subsidies increased from R3.8 billion in 2010/11 to R4 billion in 2012/13 financial year. Further increases were recorded in 2013/14 at R4.1 billion mainly to provide for payments to contractors and service providers involved with housing such as the Alexandra Renewal Project and the Housing Development Project. For the period under review, transfers and subsidies grow from R4.4 billion to R5.1 billion and 5.6 billion for the respective years of the MTEF. The transfers and subsidies indicate growth over the MTEF, mainly driven by growth in the Integrated Human Settlement Conditional Grant.

## SERVICE DELIVERY MEASURES

### PROGRAMME 3: HOUSING DEVELOPMENT

Performance measures	Estimated Annual Targets		
	2014/15	2015/16	2016/17
<b>Sub-programme: Financial Interventions</b>			
Number of houses built for individual credit-linked subsidies	26	26	26
Number of land parcels acquired for human settlement development	20	20	20
<b>Sub-Programme: Incremental Interventions</b>			
Number of stands serviced for project-linked subsidies	4 744	4 744	4 744
Number of Houses/units completed for project-linked Subsidies	6 544	6 544	6 544
Number of stands serviced for Integrated Residential Development Programme: Phase1: Planning and Services	12 528	12 528	12 528
Number of houses/units completed for Integrated Residential Development Programme: Planning and Services	7 850	7 850	7 850
<b>Sub-Programme: Social and Rental Housing</b>			
Number of Rental units built for social housing: Operational support	1 200	1 200	1 200
Number of rental units built for social housing: Capital grants for rental housing	1 025	1 025	1 025
Number of Crus converted/upgraded	850	850	850

### PROGRAMME 4: HOUSING ASSETS AND PROPERTY MANAGEMENT

#### Programme description

The purpose of the programme is to promote home ownership to the historically disadvantaged communities, and to strategically coordinate, manage and oversee the maintenance of departmental immovable assets in the form of flats, hostels and vacant stands, and to encourage and support the provision of necessary tools and personnel for the performance of maintenance work at these departmental immovable assets. Furthermore, it is to motivate, guide and manage the provision of tenure for occupants of the immovable assets and promote home ownership through sectionalisation of flats. Lastly, it is to dispose of the department's commercial properties.

#### Programme objectives

- To capacitate social housing institutions so as to accelerate housing delivery;
- To facilitate the stabilisation of the sectional title environment;
- To provide housing assistance to departmental staff;
- To promote home ownership;
- To deliver housing units in targeted presidential projects; and
- To facilitate affordable rental accommodation (including upgrade of backyard rentals and non-transferable stock).

TABLE 8.12: SUMMARY OF PAYMENTS AND ESTIMATES: HOUSING ASSETS AND PROPERTY MANAGEMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1. Administration	13 981	7 515							
2. Sales and Transfer of Housing Properties	43 357	36 695	44 876	33 576	33 576	39 247	36 590	39 576	41 674
3. Devolution of Housing Properties	60			1 156	1 156	1 157	1 656	2 156	2 270
4. Housing Properties Maintenance	40 609	40 814	41 893	43 544	43 544	38 458	48 044	50 544	53 223
<b>Total payments and estimates</b>	<b>98 007</b>	<b>85 024</b>	<b>86 769</b>	<b>78 276</b>	<b>78 276</b>	<b>78 862</b>	<b>86 290</b>	<b>92 276</b>	<b>97 167</b>

## Vote 8 - Human Settlements • EPRE - 2014/15

**TABLE 8.13: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION:HOUSING ASSETS MANAGEMENT PROPERTY MANAGEMENT**

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>13 981</b>	<b>15</b>							
Compensation of employees	13 981	5							
Goods and services		10							
Interest and rent on land									
<b>Transfers and subsidies to</b>	<b>84 026</b>	<b>77 509</b>	<b>86 769</b>	<b>78 276</b>	<b>78 276</b>	<b>78 862</b>	<b>86 290</b>	<b>92 276</b>	<b>97 167</b>
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households	84 026	77 509	86 769	78 276	78 276	78 862	86 290	92 276	97 167
<b>Payments for capital assets</b>	<b>7 500</b>								
Buildings and other fixed structures									
Machinery and equipment		7 500							
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>									
<b>Total economic classification</b>	<b>98 007</b>	<b>85 024</b>	<b>86 769</b>	<b>78 276</b>	<b>78 276</b>	<b>78 862</b>	<b>86 290</b>	<b>92 276</b>	<b>97 167</b>

This programme mainly deals with the Extended Discount Benefit Scheme and transfer of housing properties to beneficiaries. The Housing Assets and Property Management programme budget decreases from R98 million in the 2010/11 financial year, to R86.8 million in 2012/13. The allocation for the programme increased from R78 million during 2013/14, to R86 million in 2014/15 to R97 million in 2016/17, in order to transfer more properties to beneficiaries and to devolve rental stock to municipalities.

For this programme the costs of compensation of employees and goods and services are carried by programmes 1 and 3 hence there is no allocation for Administration for the previous financial year throughout the outer years.

## SERVICE DELIVERY MEASURES

### PROGRAMME 4: HOUSING ASSETS MANAGEMENT PROPERTY MANAGEMENT

Performance measures	Estimated Annual Targets		
	2014/15	2015/16	2016/17
<b>Sub Programme: Sale and Transfer of housing Properties</b>			
Number of residential properties transferred to beneficiaries through the Enhanced Extended Discount Benefit Scheme (EEDBS)	8 000	8 000	8 000
Number of Commercial properties disposed	1 800	Project complete	Project complete
Number of disputes between landlords and tenants resolved by the Rental Tribunal	1 800	1 900	1 900
<b>Sub Programme: Devolution of Housing Properties</b>			
Number of rental units devolved to municipalities in terms of Section 15 of the Housing Act, 1997	2 500	2 500	2 500
<b>Sub Programme: Housing Property Maintenance</b>			
Number of flats maintained	11	Project Complete	Project Complete
Number of Hostels maintained	6	6	6
Number of vacant stands maintained	200	200	Project completed

## 9. OTHER PROGRAMME INFORMATION

### 9.1 Personnel numbers and costs

TABLE 9.15: PERSONNEL NUMBERS AND COSTS: HUMAN SETTLEMENTS

Personnel numbers	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	As at 31 March 2017
1. Administration	498	498	498	498	498	498	498
2. Housing Needs Research And Planning	44	44	44	295	295	295	295
3. Housing Development	466	466	466	466	466	466	466
4. Housing Assets Management Property Management	152	152	152	152	152	152	152
<b>Total departmental personnel numbers</b>	<b>1 160</b>	<b>1 160</b>	<b>1,160</b>	<b>1 411</b>	<b>1 411</b>	<b>1 411</b>	<b>1 411</b>
Total provincial personnel cost (R thousand)	245 651	247 082	320 580	298 631	348 460	372 402	393 149
Unit cost (R thousand)	212	213	276	212	247	264	279

TABLE 9.16: SUMMARY OF DEPARTMENTAL PERSONNEL NUMBERS AND COSTS: HUMAN SETTLEMENTS

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13		2013/14		2014/15	2015/16	2016/17
<b>Total for department</b>									
Personnel numbers (head count)	1 160	1 160	1 160	1 411	1 411	1 411	1 411	1 411	1 411
Personnel cost (R thousands)	245 651	247 082	298 769	320 437	320 580	320 580	348 460	372 402	393 149
<b>Human resources component</b>									
Personnel numbers (head count)	58	62	62	62	62	62	62	62	62
Personnel cost (R thousands)	17 411	17 411	17 411	17 411	17 411	17 411	17 411	17 411	17 411
Head count as % of total for department	5.00%	5.34%	5.34%	4.39%	4.39%	4.39%	4.39%	4.39%	4.39%
Personnel cost as % of total for department	7.09%	7.05%	5.83%	5.43%	5.43%	5.43%	5.00%	4.68%	4.43%
<b>Finance component</b>									
Personnel numbers (head count)	82	82	82	82	82	82	82	82	82
Personnel cost (R thousands)	24 214	24 214	24 214	24 214	24 214	24 214	24 214	24 214	24 214
Head count as % of total for department	7.07%	7.07%	7.07%	5.81%	5.81%	5.81%	5.81%	5.81%	5.81%
Personnel cost as % of total for department	9.86%	9.80%	8.10%	7.56%	7.55%	7.55%	6.95%	6.50%	6.16%
<b>Full time workers</b>									
Personnel numbers (head count)	1 160	1 160	1 160	1 411	1 411	1 411	1 411	1 411	1 411
Personnel cost (R thousands)	245 651	245 651	245 651	245 651	245 651	245 651	245 651	245 651	245 651
Head count as % of total for department	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Personnel cost as % of total for department	100.00%	99.42%	82.22%	76.66%	76.63%	76.63%	70.50%	65.96%	62.48%
<b>Part-time workers</b>									
Personnel numbers (head count)									
Personnel cost (R thousands)									
Head count as % of total for department									
Personnel cost as % of total for department									
<b>Contract workers</b>									
Personnel numbers (head count)	72	44	44	36	36	36	36	36	36
Personnel cost (R thousands)	20 710	20 710	20 710	20 710	20 710	20 710	20 710	20 710	20 710
Head count as % of total for department	6.21%	3.79%	3.79%	2.55%	2.55%	2.55%	2.55%	2.55%	2.55%
Personnel cost as % of total for department	8.43%	8.38%	6.93%	6.46%	6.46%	6.46%	5.94%	5.56%	5.27%

## Vote 8 - Human Settlements • EPRE - 2014/15

For the period under review the table above indicates personnel numbers and personnel cost estimates relating to the Human Settlement. The department reviewed its organisational structure in finalising the de-merger of the former Department of Local Government and Housing. This was done to ensure that the Department has adequate human resources to drive the implementation of its various programmes. The departmental structure has been reviewed to ensure filling of posts in accordance with the availability of funds. The number of contract workers declines substantially from the 2010/11 financial year, with contract workers being absorbed as permanent staff members.

### 9.2 Training

TABLE 8.17: PAYMENTS ON TRAINING: HUMAN SETTLEMENTS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>1. Administration</b>	394	1 307	2 062	7 120	7 120	7 120	6 410	9 050	9 050
Subsistence and travel									
Payments on tuition	394	1 307	2 062	7 120	7 120	7 120	6 410	9 050	9 050
Other									
<b>2. Housing Needs Research And Planning</b>									
Subsistence and travel									
Payments on tuition									
Other									
<b>3. Housing Development</b>									
Subsistence and travel									
Payments on tuition									
Other									
<b>4. Housing Assets Management Property Management</b>									
Subsistence and travel									
Other									
<b>Total payments on training</b>	<b>394</b>	<b>1 307</b>	<b>2 062</b>	<b>7 120</b>	<b>7 120</b>	<b>7 120</b>	<b>6 410</b>	<b>9 050</b>	<b>9 050</b>

The Training Development Unit is established under Programme 1: Administration which serves as a support Programme to the department. All the training activities are centralised to Programme1 for the entire Department.

TABLE 8.18: INFORMATION ON TRAINING: HUMAN SETTLEMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Number of staff	1 160	1 160	1 160	1 411	1 411	1 411	1 411	1 411	1 411
Number of personnel trained	47	265	226	200	200	200	300	400	500
<i>of which</i>									
Male	21	106	74	90	90	90	140	160	240
Female	26	159	152	110	110	110	160	240	260
Number of training opportunities	24	54	8	20	20	20	20	30	30
<i>of which</i>									
Tertiary	6	27		10	10	10	10	15	15
Workshops		13	8	7	7	7	7	10	10
Seminars		3		3	3	3	3	5	5
Other	18	11							
Number of bursaries offered	27	21	111	73	73	73	100	125	150
Number of interns appointed		32	25	29	29	29	30	30	30
Number of learnerships appointed				29	29	29	30	30	30
Number of days spent on training	17	21		80	80	80	80	100	120

The table above gives the number of staff participating in the training programmes provided by the department in order to improve efficiency and service delivery. It shows a gender breakdown in relation to various types of training as well as details of the number of bursaries, and training developments. The training offered relates to computer training, secretarial courses, project management and financial management. The high training cost relates to bursaries to various institutions for different courses.

A total number of 117 employees were trained and developed through skills programmes coordinated by the department in the following programmes: Ms Excel and PowerPoint; project management; and more. The department conducted in-house training where 634 employees were trained on the performance management and Development system.

### 9.3 Reconciliation of structural changes

There is no structural change, the Department of Human Settlements and COGTA are being headed by the same MEC; however the MEC is placed and paid officially under COGTA.

# ANNEXURES TO ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE

TABLE 8.19: SPECIFICATION OF RECEIPTS: HUMAN SETTLEMENTS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Tax receipts</b>									
Casino taxes									
Horse racing taxes									
Liquor licences									
Motor vehicle licences									
<b>Sales of goods and services other than capital assets</b>	<b>234</b>	<b>595</b>	<b>1 825</b>	<b>347</b>	<b>347</b>	<b>347</b>	<b>376</b>	<b>393</b>	<b>414</b>
Sale of goods and services produced by department (excluding capital assets)	<b>234</b>	<b>595</b>	<b>1 825</b>	<b>347</b>	<b>347</b>	<b>347</b>	<b>376</b>	<b>393</b>	<b>414</b>
Sales by market establishments	234	595	1 825	347	347	347	376	393	414
Administrative fees									
Other sales									
Of which									
List Item									
List Item									
List Item									
List Item									
Sales of scrap, waste, arms and other used current goods (excluding capital assets)									
<b>Transfers received from:</b>									
Other governmental units									
Higher education institutions									
Foreign governments									
International organisations									
Public corporations and private enterprises									
Households and non-profit institutions									
<b>Fines, penalties and forfeits</b>									
<b>Interest, dividends and rent on land</b>	<b>132</b>	<b>10</b>		<b>309</b>			<b>329</b>	<b>344</b>	<b>362</b>
Interest	132	10		309			329	344	362
Dividends									
Rent on land									
<b>Sales of capital assets</b>									
Land and sub-soil assets									
Other capital assets									
<b>Transactions in financial assets and liabilities</b>	<b>838</b>	<b>18 856</b>	<b>10 876</b>	<b>3 313</b>	<b>3 313</b>	<b>3 313</b>	<b>3 530</b>	<b>3 692</b>	<b>3 888</b>
<b>Total departmental receipts</b>	<b>1 204</b>	<b>19 461</b>	<b>12 701</b>	<b>3 969</b>	<b>3 660</b>	<b>3 660</b>	<b>4 235</b>	<b>4 429</b>	<b>4 664</b>

TABLE 8.20: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>240 359</b>	<b>230 850</b>	<b>212 452</b>	<b>194 856</b>	<b>197 649</b>	<b>197 575</b>	<b>214 357</b>	<b>275 281</b>	<b>297 864</b>
Compensation of employees	131 890	151 337	153 626	122 764	122 907	122 907	138 173	196 664	208 097
Salaries and wages	115 529	131 654	133 380	96 245	96 388	104 226	109 075	160 815	170 098
Social contributions	16 361	19 683	20 246	26 519	26 519	18 681	29 098	35 849	37 999
Goods and services	108 469	79 513	58 826	72 092	74 742	74 668	76 184	78 617	89 767
Administrative fees	37	47	60	950	950	950	50	1 055	1 111
Advertising	448	384	2 430	3 000	4 110	4 110	3 500	3 100	3 264
Assets less than the capitalisation threshold	1 570	1 306	1 004	500	510	1 042	1 100	550	579
Audit cost: External	4 731	4 244	193	6 240	6 240	6 240	6 500	7 000	7 871
Bursaries: Employees	73	129	157	800	800	800	850	850	895
Catering: Departmental activities	76	767	1 298	500	1 282	1 441	550	550	579



# Vote 8 - Human Settlements • EPRE - 2014/15

R thousand	Outcome			Main appropriation	Adjusted 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Communication (G&S)	12 968	19 829	15 173	14 000	14 060	14 060	20 000	14 487	17 255
Computer services	107	867	2 932	5 200	5 200	5 200	1 000	5 700	6 002
Consultants and professional services:									
Business and advisory services	7 844	7 780	8 535	8 099	8 099	4 644	8 456	2 000	2 106
Consultants and professional services:									
Infrastructure and planning									
Consultants and professional services:									
Laboratory services									
Consultants and professional services:									
Scientific and technological services									
Consultants and professional services: Legal costs	14	1	8	1 000	1 000	1 000	200	5 313	5 595
Contractors		6 324	2 020		1	2 350	50	3 350	3 528
Agency and support / outsourced services	15 942	1 854	9	25	245	245	120	25	26
Entertainment	1		42						
Fleet services (including government motor transport)	5			9 170	10 620	13 087	11 020	2 000	3 589
Housing	1 863								
Inventory: Clothing material and accessories				100	100	2			
Inventory: Farming supplies									
Inventory: Food and food supplies	28	11		30	35	215	150	30	32
Inventory: Fuel, oil and gas			10	15	15	15	15	15	16
Inventory: Learner and teacher support material									
Inventory: Materials and supplies	2	4	1						
Inventory: Medical supplies									
Inventory: Medicine									
Medsas inventory interface									
Inventory: Other supplies			1 193						
Consumable supplies	1 019	837		3 265	2 865	2 259	1 192	350	369
Consumable: Stationery, printing and office supplies	5 293	5 914	4 598	4 442	4 444	3 999	1 000	4 640	5 386
Operating leases	14 586	3 228	3 461	4 100	4 100	4 100	3 500	3 900	4 607
Property payments	30 221	10 747	2 625	2 950	2 950	3 012	700	800	842
Transport provided: Departmental activity	10 540	137							
Travel and subsistence	253	13 200	10 279	1 006	1 446	1 728	12 451	12 502	14 665
Training and development	321	1 178	1 487	4 500	3 000	1 283	2 380	8 200	9 135
Operating payments	6	460	743	600	600	600	600	600	632
Venues and facilities	521	265	568	1 600	2 070	2 286	800	1 600	1 685
Rental and hiring									
Interest and rent on land									
Interest									
Rent on land									
<b>Transfers and subsidies</b>	<b>3 932</b>	<b>14 864</b>	<b>2 171</b>	<b>123</b>	<b>123</b>	<b>123</b>	<b>255</b>	<b>300</b>	<b>316</b>
Provinces and municipalities	282								
Provinces	282								
Provincial Revenue Funds									
Provincial agencies and funds	282								
Municipalities									
Municipal bank accounts									
Municipal agencies and funds									
Departmental agencies and accounts									
Social security funds									

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Departmental agencies (non-business entities)									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Public corporations									
Subsidies on products and production									
Other transfers to public corporations									
Private enterprises									
Subsidies on products and production									
Other transfers to private enterprises									
Non-profit institutions									
Households	3 650	14 864	2 171	123	123	123	255	300	316
Social benefits	3 650	28	2 171	123	123	123	255	300	316
Other transfers to households		14 836							
<b>Payments for capital assets</b>	<b>5 598</b>	<b>1 596</b>	<b>5 101</b>	<b>10 950</b>	<b>10 950</b>	<b>11 174</b>	<b>11 552</b>	<b>12 084</b>	<b>12 835</b>
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	5 598	1 596	5 101	10 950	10 950	10 950	11 552	12 084	12 835
Transport equipment									
Other machinery and equipment	5 598	1 596	5 101	10 950	10 950	10 950	11 552	12 084	12 835
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets						224			
<b>Payments for financial assets</b>		<b>215</b>	<b>1 244</b>						
Thefts and losses		215	1 244						
<b>Total economic classification</b>	<b>249 889</b>	<b>247 525</b>	<b>220 968</b>	<b>205 929</b>	<b>208 722</b>	<b>208 872</b>	<b>226 164</b>	<b>287 665</b>	<b>311 015</b>

TABLE 8.21: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HOUSING NEEDS, RESEARCH AND PLANNING

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2015/16
<b>Current payments</b>	<b>8 970</b>	<b>8 694</b>	<b>10 821</b>	<b>11 160</b>	<b>11 260</b>	<b>11 350</b>	<b>12 150</b>	<b>12 753</b>	<b>13 429</b>
Compensation of employees	8 120	8 681	10 759	11 016	11 016	11 016	11 720	12 260	12 910
Salaries and wages	7 001	7 586	8 902	9 695	9 695	9 005	10 314	10 789	11 361
Social contributions	1 119	1 095	1 857	1 321	1 321	2 011	1 406	1 471	1 549
Goods and services	850	13	62	144	244	334	430	493	519
Administrative fees	7						7	7	7
Advertising							7	7	7
Assets less than the capitalisation threshold	3					4	4	4	4
Audit cost: External									
Bursaries: Employees									
Catering: Departmental activities	29	4		10	10	10	39	41	43
Communication (G&S)									
Computer services									
Consultants and professional services: Business and advisory services	408			35	35	35			

# Vote 8 - Human Settlements • EPRE - 2014/15

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2015/16
Consultants and professional services: Infrastructure and planning									
Consultants and professional services: Laboratory services									
Consultants and professional services: Scientific and technological services									
Consultants and professional services: Legal costs									
Contractors									
Agency and support / outsourced services									
Entertainment						21			
Fleet services (including government motor transport)									
Housing									
Inventory: Clothing material and accessories						8			
Inventory: Farming supplies									
Inventory: Food and food supplies									
Inventory: Fuel, oil and gas									
Inventory: Learner and teacher support material									
Inventory: Materials and supplies									
Inventory: Medical supplies									
Inventory: Medicine									
Medsas inventory interface									
Inventory: Other supplies									
Consumable supplies				8	8	35	8	8	8
Consumable: Stationery, printing and office supplies	97			71	71	36	75	78	82
Operating leases						60			
Property payments									
Transport provided: Departmental activity									
Travel and subsistence	165	9	15			5			
Training and development				20	20	20	89	93	98
Operating payments			23				201	255	269
Venues and facilities			24		100	100			
Rental and hiring	141								
Interest and rent on land									
Interest									
Rent on land									
<b>Transfers and subsidies</b>	<b>527</b>			<b>3 262</b>	<b>3 262</b>	<b>3 262</b>	<b>3 638</b>	<b>3 805</b>	<b>4 007</b>
Provinces and municipalities									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities									
Municipal bank accounts									
Municipal agencies and funds									
Departmental agencies and accounts									
Social security funds									
Departmental agencies (non-business entities)									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Public corporations									
Subsidies on products and production									

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2015/16
Other transfers to public corporations									
Private enterprises									
Subsidies on products and production									
Other transfers to private enterprises									
Non-profit institutions									
Households	527			3 262	3 262	3 262	3 638	3 805	4 007
Social benefits									
Other transfers to households	527			3 262	3 262	3 262	3 638	3 805	4 007
<b>Payments for capital assets</b>									
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment									
Transport equipment									
Other machinery and equipment									
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>									
Thefts and losses									
<b>Total economic classification</b>	<b>9 497</b>	<b>8 694</b>	<b>10 821</b>	<b>14 422</b>	<b>14 522</b>	<b>14 612</b>	<b>15 788</b>	<b>16 558</b>	<b>17 436</b>

TABLE 8.22 PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HOUSING DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2015/16
<b>Current payments</b>	<b>113 381</b>	<b>101 393</b>	<b>139 064</b>	<b>221 150</b>	<b>218 400</b>	<b>218 406</b>	<b>232 222</b>	<b>200 096</b>	<b>210 590</b>
Compensation of employees	91 660	87 059	134 384	186 657	186 657	186 657	198 567	163 478	172 142
Salaries and wages	79 792	73 847	110 184	135 387	135 387	148 687	146 149	143 062	150 644
Social contributions	11 868	13 212	24 200	51 270	51 270	37 970	52 418	20 416	21 498
Goods and services	21 721	14 334	4 680	34 493	31 743	31 749	33 655	36 618	38 448
Administrative fees	21			100	80	80	100	100	105
Advertising		729	52	700	700	700	800	1 001	1 054
Assets less than the capitalisation threshold	10		15	415	415	415	425	432	455
Audit cost: External									
Bursaries: Employees									
Catering: Departmental activities	192	6	45	150	150	150	150	150	158
Communication (G&S)	16			500	500	500	500	500	527
Computer services									
Consultants and professional services: Business and advisory services		5 636		6 050	2 588	2 588	4 050	6 050	6 371
Consultants and professional services: Infrastructure and planning									
Consultants and professional services: Laboratory services									
Consultants and professional services: Scientific and technological services									
Consultants and professional services: Legal costs									
Contractors				200	200	200	300	400	421

# Vote 8 - Human Settlements • EPRE - 2014/15

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2015/16
Agency and support / outsourced services			491	20 000	20 000	20 000	20 000	20 000	20 949
Entertainment									
Fleet services (including government motor transport)									
Housing									
Inventory: Clothing material and accessories						20			
Inventory: Farming supplies									
Inventory: Food and food supplies									
Inventory: Fuel, oil and gas									
Inventory: Learner and teacher support material									
Inventory: Materials and supplies									
Inventory: Medical supplies									
Inventory: Medicine									
Medsas inventory interface									
Inventory: Other supplies			16						
Consumable supplies	2			20	20	530	30	35	37
Consumable: Stationery, printing and office supplies	567	91	262	800	800	271	900	950	1 000
Operating leases	20 877	7 118	404	2 491	2 491	2 491	2 800	3 000	3 159
Property payments			1						
Transport provided: Departmental activity									
Travel and subsistence	36	754	3 156	1 067	3 529	3 534	1 500	1 700	1 790
Training and development			3	1 800			1 800	1 800	1 895
Operating payments			88	200	200	200	300	500	527
Venues and facilities			147		70	70			
Rental and hiring									
Interest and rent on land									
Interest									
Rent on land									
<b>Transfers and subsidies</b>	<b>3 829 669</b>	<b>3 739 617</b>	<b>3 958 616</b>	<b>4 096 721</b>	<b>4 099 721</b>	<b>4 096 721</b>	<b>4 407 637</b>	<b>5 051 381</b>	<b>5 609 516</b>
Provinces and municipalities									
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities									
Municipal bank accounts									
Municipal agencies and funds									
Departmental agencies and accounts									
Social security funds									
Departmental agencies (non-business entities)									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Public corporations									
Subsidies on products and production									
Other transfers to public corporations									
Private enterprises									
Subsidies on products and production									
Other transfers to private enterprises									
Non-profit institutions									

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2015/16
Households	3 829 669	3 739 617	3 958 616	4 096 721	4 099 721	4 096 721	4 407 637	5 051 381	5 609 516
Social benefits									
Other transfers to households	3 829 669	3 739 617	3 958 616	4 096 721	4 099 721	4 096 721	4 407 637	5 051 381	5 609 516
<b>Payments for capital assets</b>		<b>3 943</b>	<b>5 359</b>			<b>(1)</b>			
Buildings and other fixed structures			5 359						
Buildings									
Other fixed structures			5 359						
Machinery and equipment						(1)			
Transport equipment									
Other machinery and equipment						(1)			
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets		3 943							
<b>Payments for financial assets</b>									
Thefts and losses									
<b>Total economic classification</b>	<b>3 943 050</b>	<b>3 844 953</b>	<b>4 103 039</b>	<b>4 317 871</b>	<b>4 318 121</b>	<b>4 315 126</b>	<b>4 639 859</b>	<b>5 251 477</b>	<b>5 820 106</b>

TABLE 8.23: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HOUSING ASSETS MANAGEMENT PROPERTY MANAGEMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2015/16
<b>Current payments</b>	<b>13 981</b>	<b>15</b>							
Compensation of employees	13 981	5							
Salaries and wages	12 325	5							
Social contributions	1 656								
Goods and services		10							
Administrative fees									
Advertising									
Inventory: Other supplies									
Consumable supplies									
Consumable: Stationery, printing and office supplies									
Operating leases									
Property payments									
Transport provided: Departmental activity									
Travel and subsistence		10							
Training and development									
Operating payments									
Venues and facilities									
Rental and hiring									
Interest and rent on land									
Interest									
Rent on land									
<b>Transfers and subsidies</b>	<b>84 026</b>	<b>77 509</b>	<b>86 769</b>	<b>78 276</b>	<b>78 276</b>	<b>78 862</b>	<b>86 290</b>	<b>92 276</b>	<b>97 167</b>
Provinces and municipalities									
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities									
Municipal bank accounts									
Municipal agencies and funds									
Departmental agencies and accounts									
Social security funds									

## Vote 8 - Human Settlements • EPRE - 2014/15

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2015/16
Departmental agencies (non-business entities)									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Public corporations									
Subsidies on products and production									
Other transfers to public corporations									
Private enterprises									
Subsidies on products and production									
Other transfers to private enterprises									
Non-profit institutions									
Households	84 026	77 509	86 769	78 276	78 276	78 862	86 290	92 276	97 167
Social benefits									
Other transfers to households	84 026	77 509	86 769	78 276	78 276	78 862	86 290	92 276	97 167
<b>Payments for capital assets</b>		<b>7 500</b>							
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment		7 500							
Transport equipment									
Other machinery and equipment		7 500							
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>									
Thefts and losses									
<b>Total economic classification</b>	<b>98 007</b>	<b>85 024</b>	<b>86 769</b>	<b>78 276</b>	<b>78 276</b>	<b>78 862</b>	<b>86 290</b>	<b>92 276</b>	<b>97 167</b>

# VOTE 9

## DEPARTMENT OF ROADS AND TRANSPORT

To be appropriated by vote in 2014/15	R 6 152 859 000
Responsible MEC	MEC for Roads and Transport
Administering Department	Department of Roads and Transport
Accounting Officer	Head of Department

### 1. OVERVIEW

The Gauteng Department of Roads and Transport (GDRT) is the main contributor to the provincial outcome of providing an environmentally sustainable road infrastructure and integrated transport system that is reliable, accessible, safe and affordable and that has a broad range of socio-economic effects. These include the benefits flowing from increased accessibility, employment creation, increased efficiency and social inclusion of all citizens of the province.

#### Vision

An integrated and efficient transport system in Gauteng that promotes sustainable economic growth, skills development and job creation, fosters quality of life, socially includes all communities and preserves the environment.

#### Mission

To provide an environmentally sustainable road infrastructure and integrated transport system and services that are reliable, accessible, safe, and affordable, and which promote socio-economic development in Gauteng

#### Strategic Goals

- Development of a modern integrated transport system that provides high quality, accessible, efficient, safe, affordable and environmentally sound transport services;
- Contribution to the overall achievement of economic growth by investing in the development of road infrastructure systems, thereby improving Gauteng to be a competitive city region;
- Building the technical capacity of the department to ensure good governance;
- Provision of sustainable transport infrastructure that will improve the quality of life by minimising environmental hazards effectively – National Land Transport Strategic Framework;
- To ensure the availability of overall management and administrative support functions;
- To provide a balanced and equitable road network;
- To plan, regulate and facilitate the provision of public and freight transport services; and
- To ensure the efficient management and implementation of the Gautrain.

#### Core functions and responsibilities

- To contribute to the achievement of departmental outcomes;
- To develop and maintain a sustainable road infrastructure that contributes to increased economic growth and enhanced quality of life in Gauteng;
- To develop a policy framework in support of a modern, integrated and intelligent transport system;
- To contribute to the regulation of transport-related carbon emissions;
- Through green transport, to contribute to environmental protection;
- To provide public transport infrastructure to promote integration and inter-modality of public transport;
- To regulate public transport operations through the issuing of operating licenses and permits;
- To regulate public transport operations through the registration of associations;
- To issue valid drivers' licenses; and
- To issue valid vehicle licenses.



**Main services**

Main services	Actual customers	Potential customers	Standard of service
Manage, coordinate and integrate the overall planning of transport in metropolitan areas	DRT, District and Metropolitan Municipalities, PRASA and Transnet	Commuters and Public	PLTF
Implementation of freight plan for Gauteng	Transport Authorities, Municipalities, GDARD, Blue IQ, and Transnet	Freight industry, and all road users	According to the Gauteng Freight implementation strategy
Construction and upgrading of the provincial road networks and township roads under the ZOPTH programme	General public, other departments and municipalities	General public, other departments and municipalities	GDRT's standards and code procedures
Issue abnormal vehicles and loads permits	100 applications per average	Determined by the economy	2 work days per permit

**Outcomes**

The functions of the department relate to delivery of outputs that support the following Government Outcomes as per the new National Outcomes planned for 2014-2019 Medium Term Strategic Framework (MTSF) planning process: An efficient, competitive and responsive economic infrastructure network, vibrant, equitable, sustainable rural communities contributing to food security for all and an efficient, effective and development-oriented public service.

The DRT has initiated the development of outcome statements in relation to the relevant government outcomes. It has consulted with lead and support departments pivotal to the realisation of the decent work outcome, including consultations focused on the content, costing and budgeting for key projects that support the outcome statements.

The department plays a key role in the implementation of an efficient, competitive and responsive economic infrastructure network. This is achieved through the provision of transport infrastructure, transport regulation services, and transport planning services. The department contributes to the Provincial Rural Development Strategy through the construction of the rural roads infrastructure.

The administrative functions of the department contribute to public service through an efficient and development-oriented public service outcome. As it is a new focus within government, the outcomes planning and budgeting process has required extra effort within limited timeframes, and departments have had to focus on developing plans for their own lead roles, while spending time on their supporting roles, aligned with the lead roles of other departments. Ensuring proper alignment has therefore posed a challenge. This has led to ensuring a greater reliance on and strengthening of intergovernmental relations among the spheres of Government. The province will continue to confront this challenge during further implementation of outcomes planning and budgeting.

External activities and events relevant to budget decisions

The implementation of the e-tolls in Gauteng has really placed a burden on the alternative routes that fall within the department's portfolio in the province. These routes will definitely be highly congested and therefore create pressure in terms of the resources required to sufficiently maintain alternative routes. This strongly needs to be considered in the 2014 MTEF and the resources must be in line with the required outputs and outcomes.

**Acts, rules and regulations**

Schedules 4 and 5 of the Constitution of South Africa empower provinces with concurrent competencies with national government, and with exclusive legislative competencies in specific functional areas such as public transport, provincial roads and public works.

**Key legislation and policies that impact on the mandate of the GDRT include:**

- Gauteng Transport Framework Revision Bill, 2008;
- Government Immoveable Assets Management Bill, 2006;
- Gautrain Agency Management Act, 2006;
- Gauteng Planning and Development Act, 2003;
- Gauteng Transport Framework Revision Act, 2002;
- Planning Professions Act, 2002;
- Gauteng Public Passenger Road Transport Act, 2001;
- Gauteng Transport Infrastructure Act, 2001;
- National Spatial Development Perspective;
- Architectural Profession Act, 2000;
- Built Environment Professions Act, 2000;
- Construction Industry Development Board Act, 2000;

- Engineering Profession Act, 2000;
- Landscape Architectural Profession Act, 2000;
- National Land Transport Transition Act, 2000;
- Project and Construction Management Act, 2000;
- Property Valuers' Profession Act, 2000;
- Road Traffic Management Corporation Act, 1999;
- National Environmental Management Act, 1998;
- National Road Traffic Act, 1996;
- Occupational Health and Safety Act, 1993 (and particularly the associated construction regulations);
- Road Traffic Act, 1989; and
- Standards Act, 1982 (and particularly the associated National Building Regulations).

## **2. REVIEW OF THE CURRENT FINANCIAL YEAR (2013/14)**

The projects that the department is implementing are aligned to the national and provincial outcomes as follows:

### **Outcome 4: Decent employment through inclusive economic growth**

The overall mandate of the department is linked to this outcome, through plans to provide affordable new transport infrastructure, and upgrade current infrastructure and systems. The focus will be on promoting accessibility to major economic hubs and creating jobs for citizens in the province. The department will contribute to this outcome through the construction and maintenance of the provincial road network.

#### **Design**

The feedback on the design projects that were planned for the financial year is as follows:

- K154 phase 2: East – West corridor providing access and mobility in the area of Eikenhoff as part of the Gauteng highlands project that has already been initiated (also part of maize belt). The project has been delayed due to wetlands that will be affected by the project. The Department of Agriculture and Rural Development has requested that the department submit mitigating factors in order to issue the record of decision. The detailed design will only be completed in 2015/16.
- K77: North - South corridor providing access and mobility in the area of Eikenhoff as part of the Gauteng highlands project that has already been initiated (also part of maize belt). Due to the realignment of the route the completion of the design has been delayed and will only be completed during 2015/16.
- K69: North - South corridor providing access and mobility in the area of Lynwood and Mamelodi. The detailed design will only be completed in September 2014 due to the delay on the geotechnical investigations which will only be completed in April 2014.
- K60: East – West corridor providing access and mobility in the area of Rivonia and Midrand, which also links to Tembisa. The detailed designs were completed during the financial year and the project is ready for construction.
- The K11 between Randfontein Road/Golden Highway and P1-1 (Old Vereeniging road) forms a West/East link between the Westrand and the Maize Belt. The design has been delayed due to Eskom Power lines that were erected within the accepted route. An alternative route must be identified in order to re-align the route, and this entails a possible route determination. The project will be completed in 2015/16 financial year.

#### **Rehabilitation Designs completed in 2013/14 financial year**

- P3-6 Rehabilitation: Detailed design of the dual carriageway between Gauteng and North West border and D671- detailed designs completed, ready for construction.
- P88-1: Heavy rehabilitation between the intersection with road P73-1 and the intersection with P3-6 - P186-1 - rehabilitation of the N12 between N1 and K15 - detailed designs completed, ready for construction.
- D1511 and D51 - rehabilitation of access roads to Tembisa - detailed designs completed, ready for construction.
- P39-1 and P79-1 (reconstruction of road between Diepsloot and Laudium) – detailed designs completed, ready for construction.
- P70-1 (Witkoppen Road) rehabilitation (between Mega Watt Park and Sunninghill Hospital) (P701) - detailed designs completed, ready for construction.

Upgrading of roads in rural areas - Designs completed in 2013/14

- Nooitgedacht (D1814) (Cullinun/Rayton) – to be completed end March 2014.
- Rust de Winter (D1944) - to be completed end March 2014.
- Winterveld (D621 and D620) - to be completed end March 2014.
- Magaliesburg (D1243) - to be completed end March 2014.

Consulting Engineers appointed in 2013/14 for the following projects:

- The designs for K46 (William Nicol Ave) (Phase 2) between PWV5 (Erling road) and Diepsloot/N14 has started and will be completed during the financial year 2014/15 to upgrade the road into a dual carriageway. The provision for cyclists, pedestrians and public transport facilities also forms part of the design.
- K97 between N4 and P1-3 Old Warmbaths road: The designs will be completed in the 2014/15 financial year.
- K54 Tsamaya Road to K22 Mamelodi: Consulting engineers appointed and the designs will be completed in 2014/15.

Research: Heavy Vehicle Simulator (HVS)

Bitumen is a key product that is used in the construction of roads and is becoming very scarce and expensive. Therefore, the department is researching alternative materials for the construction of roads. Research to identify alternative road building material is being conducted by the Heavy Vehicle Simulator (HVS). Ultra-thin material has been tested and successfully implemented on township roads. Roller compacted concrete (RCC) and Ultra-thin concrete pavements (UTRCP) materials are currently being tested on an in-service road D1814 in Rayton by the HVS, for implementation on provincial roads. Planning for the testing of the RCC and UTRCP is likely to take place from 2013 to 2015 to holistically conclude the structural evaluation of the two technologies. The aim is to evaluate and identify the limits of their applicability for alternative road construction materials. When tests are completed, adequate information will assist designers with designing pavements of RCC and UTRCP on provincial roads beyond 2015. From the years 2015 to 2016 the finalisation of the specifications (documented performance requirements and standards) for the two technologies will be completed for inclusion in the tender documents. This information will provide guidance to bidding contractors on the anticipated performance standards.

**Construction**

In the 2013/14 financial year the construction programme was allocated with a total budget of R532 million, all for upgrades and additions. The current status of the major projects that were planned within this budget is as follows:

- P4-1 (Nederveen Rd (R103) from Leondale Forsdick Rd (R554) to Barry Marias Rd (R21)), which will provide an alternative link between Johannesburg and Heidelberg – The project commenced on 19 June 2013 and will be completed in February 2015. The contractor is currently busy with layer works. A total of 110 job opportunities have been created to date for local community members, and the challenge is the timeous relocation of Telkom services.
- R82 (Old Vereeniging road phase 1 - Old Vereeniging Road between Eikenhoff and De Deur) – This project was completed and the MEC opened it on 27<sup>th</sup> August 2013.
- R82 Phase 2 – The site establishment is complete and the layer works are in progress. A total of 79 job opportunities have been created for local community members and of those, 24 were women, 55 were male, 71 were youth as well as 1 person with a disability. A total of 10 Small, Medium and Micro Enterprises (SMMEs) also had an opportunity to be sub-contractors on the project. The main challenges are Telkom and Eskom services that need to be relocated.
- K14 (P2-5) - This project is implemented in partnership with the Dinokeng Project and Petra Diamonds. The project commenced in February 2013 and the original completion was expected in October 2013, however the completion date was revised to April 2014 due to relocation of Eskom Power lines.
- A total of 95 job opportunities were created for local community members and of those, 34 were women, 61 were male, 26 were youths and 2 people had disabilities. Seven SMMEs also had an opportunity to be sub-contractors on the projects. The layerworks are complete, surfacing has begun, and the remaining section will be completed in April 2014.
- K154 - The commencement date was 24 August 2012 and completion was expected in February 2013. It was however faced with challenges. The Contractor experienced delays due to heavy rains, there were cash flow challenges, and additional works for a 2 month period, all resulted in the delay of completion. The actual completion date for the project was therefore September 2013. Penalties were implemented for late completion for days that were not approved. A total of 22 jobs were created, 16 training opportunities were created and 5 SMMEs were afforded opportunities to work on the project.
- P39/1 (Laudium to Diepsloot) - The project involves the reconstruction and rehabilitation of Road P39/1, including sections of M26, R511 and R114. The objective is to improve the geometric standard and safety of

the road and to provide employment and skills development opportunities. The project commenced in July 2013 and will be completed in July 2015. The layer works are ongoing, and bypasses have been completed to accommodate traffic. A total of 43 jobs and 25 training opportunities were created. The project is faced with a challenge of Telkom relocation of services.

- **Tarlton (D1726)** - The project involves the construction of approximately 7.9 km of a rural, two lane, single carriageway road, which links the R24 to Randfontein. The project commenced in June 2013 and will be completed in June 2014. Layerworks are in progress and there are no challenges to date.
- **Upgrade of K46 (William Nicol Drive)** - This project is being implemented in partnership with Steyn City Properties (SCP) and is currently under construction. It is anticipated to be completed in April 2014. The following section of the road to Diepsloot (phase 2) will be designed during 2014/15 and implementation will follow after the completion of phase 1.
- All the retention funds have been settled as planned.

### **Maintenance**

The maintenance for 2013/2014 has focussed on the following key projects:

#### Rural roads Upgrades

The first phase of the upgrading of rural roads in Nooitgedacht and Rust de Winter, as well as roads D620/621 in Winterveld, has been completed using the Ultra-thin road surfacing Technology. The first phase of road D763 in Magaliesburg has also been completed.

#### Re-gravelling of Gravel roads:

The re-gravelling works have been completed on the following gravel roads:

- D94 in Vereeniging;
- D1255 in Benoni;
- D99 Krugersdorp;
- D25 in Bronkhorstspuit; and
- D420 in Pretoria.

#### Coal Haulage Roads Repairs works:

The rehabilitation of paved road under the Eskom Coal haulage route repair works programme has been begun and works are in progress. The project for the rehabilitation of road P122 from Tembisa to Pretoria has been completed.

#### • **N14**

This road from the R500 turnoff to Carletonville, ending at the Gauteng border with the North West Province, had been closed since 2008 due to sinkholes that had formed. Rehabilitation of the sinkholes and the road upgrade began in January 2012 and was completed on 20th July 2013. The road was upgraded to a Class 3 rural carriageway, thus improving on the travel time of road users and a great relief to the farming community in the area as the road falls under the Maize Triangle. About 98 local community members benefited through jobs created and 22 BBBEE companies were subcontracted to some sections of the work over the 18 months of the duration of the project.

#### • **Road D1511 rehabilitation**

This project is at tendering stage and consists of rehabilitating the two-lane single roadway section along part of it, as well as a dual carriageway to other areas of the road. Tender evaluations are in progress, and it is anticipated that a service provider will be appointed by the end of the 2013/14 financial year.

#### • **P6/I (R25) road rehabilitation Phase 1 (8km)**

The road is a provincial road linking Gauteng and Mpumalanga and forms part of the coal haulage routes between the two provinces. The project entailed the rehabilitation of an 8km section and was successfully completed on 16th April 2013. The contract participation goals comprised sub-contracting 40 percent of the works to BBBEE enterprises and engaging local labour. About 50 local community members benefited through job creation and training.

#### Outsourced Routine Road Maintenance Programme/Contractor Development

The S'hamba Sonke Road Routine Maintenance Programme is successfully being implemented. The 10 consultants and 25 Contractors have been appointed for the RISFSA Class 1, 2 and 3 roads; and the 5 Consultants have been appointed for Road Infrastructure Strategic Framework for South Africa (RISFSA) class 5 and 6 roads. Appointments for the Vuk'uphile Learner Contractors are currently being finalised. The RISFSA Class 4 roads are being maintained departmentally.

#### Departmental Routine Road Maintenance Programme

The departmental maintenance teams depend on a total of approximately 650 internal staff to deliver routine road maintenance, emergency response, and standby for emergencies, on a total of 2900km of the Provincial network. This programme has been a feature within the department for the last few financial years and is still ongoing.

#### **Public Transport Integration and Special Projects**

The Directorate continues to deploy intermodal facilities and non-motorised transport infrastructure in the quest to contribute to public transport transformation as prescribed in the Gauteng Transport Implementation Plan (GTIP5) and the 25 Year Integrated Transport Master Plan (ITMP25). These advocate an integrated approach to planning and development of the public transport system. The projects are being deployed in partnership with the Passenger Rail Agency of South Africa (PRASA) and municipalities, with the intermodal facilities developed in the main at railway station precincts. Non-motorised transport infrastructure (walkways and cycle lanes) is being developed along provincial and municipal public transport routes, retro-fitting on existing tarred roads. The projects are aimed at enhancing mobility and accessibility of public transport and are aligned with PRASA's Commuter Rail Corridor Modernisation Project and provincial wide Non-Motorised Transport (NMT) mainstreaming, which includes the Shovakalula bicycle distribution project.

#### Roodepoort

Construction for this project commenced in the last financial year and the bulk of the work was taken to practical completion as a joint effort between the department and the City of Johannesburg (COJ). A total of 30 job opportunities have been created to date.

#### Vereeniging Station

This is a multi-year project and the scope has been split into 2 phases. Phase 1 involves the upgrading of the existing Taxido Junction, whilst Phase 2 entails the expansion of the intermodal facility to the Northern side. Phase 1 construction works is underway and the bulk earthworks have been completed. The project is earmarked for completion by the end of the 2014/15 financial year and is expected to create a total of 35 job opportunities.

#### NON-MOTORISED TRANSPORT (NMT) PROGRAMME

The projects in Winterveldt and Bophelong are underway. These have seen the creation of 180 jobs opportunities in total.

#### Shovakalula

The distribution of 2000 bicycles has been completed as follows:

- 1000 bicycles for 19 schools in West Rand;
- 800 bicycles in 5 schools within the City of Johannesburg; and
- 200 bicycles within other municipalities.

Further mainstreaming of NMT has necessitated an enhanced programme that now includes a bike-sharing element, targeting inter-campus students. The project is to be piloted at Universities of Wits, Johannesburg and Pretoria.

#### **Transport Operating License Administrative Bodies (TOLABs)**

##### Refurbishment of the Germiston TOLAB:

The key milestones achieved to date on the project:

- The tender was advertised on 24<sup>th</sup> May 2013 and the evaluation of the tender was completed on 28<sup>th</sup> June 2013;
- Site handed over on the 3rd September 2013 and the site establishment was completed;
- Excavations for foundation as well as brickwork and backfilling have been completed, whilst electrical works are partially completed; and
- Installation of finishes and security systems are currently underway.

There were challenges encountered on this project, however it is currently ahead of schedule.

#### Construction of the Tshwane TOLAB

The projected cost of the project is R 116 million, which is much higher than what was anticipated. The key milestones achieved to date on the project are as follows:

- The Project Execution Plan (PEP) was signed by both the Heads of DRT and DID on 7 August 2013;
- The tender for the contract was advertised on 22 November 2013 and it subsequently closed on 13 December 2013; and
- The evaluation of the tender was conducted on 18 December 2013. However the department has since raised concerns regarding the process followed. The implementation of the project has been halted until all concerns are addressed.

#### **Driver's License Testing Centres (DLTCs)**

The DLTCs were allocated a budget of R4.2 million in the beginning of the year, which was increased to R23.3 million during the Adjustment budget in November 2013. The deliverables so far are as follows:

##### **Construction of new DLTCs**

#### Kagiso

The detailed designs have been completed and the tender documentation drafted and the Memorandum of Understanding (MOU) with the municipality has been finalised.

#### Mamelodi

The detailed designs have been completed. However, they are being modified so that they can be superimposed on the new site. This is as a result of a land swap. The construction will be shifted to 2015/16 financial year due to this adjustment of the designs.

##### **Upgrade of existing DLTCs**

#### Temba

The construction of layer works for the testing track at Temba DLTC has been completed and an advert was issued for the construction of the top layer (paving bricks). The tender closed on 27 January 2014. A tender for the upgrade of the buildings was also issued, and it will close on 21 February 2014. There was no original allocation for this project, and the adjusted budget was R8.6 million. The construction phase was shifted to the 2014/15 financial year due to insufficient funds. The department utilised in-house capacity for the construction of the test tracks, to optimise the resources allocated during the Adjustments budget.

#### Mabopane

The construction of layer works for Mabopane is still in progress. Tender for top surface (paving) closed on 27 January 2014. There was no original allocation for this project, and the adjusted amount was R6.2 million. The construction phase was shifted to the 2014/15 financial year due to insufficient funds. The department utilised in-house capacity for the construction of the test tracks, to optimise resources.

#### **Planning**

#### Route Determination

In the review of the Strategic Road Network, amendments to the planning for approximately 50 routes were identified, including supporting roads for freight hubs. The department has prioritised the commencement of 4 Route Determinations in the 2013/2014 financial year. The letters of appointment were signed on 13 December 2013. A second batch of route determinations were advertised via a Tender Notice, dated 31 January 2014.

#### Gauteng Household Travel Survey (GHHTS)

The household travel survey examines the provincial travel patterns in the specific provincial regions. The information obtained from the household travel survey is a critical component in the planning of the province's transportation infrastructure, and is valuable in optimising existing transportation operations. In a bid to utilise the R5.2 million that was allocated, the department finalised the MoU, which was signed on 25 November 2013 with the service provider.



Gauteng Transport Commission

The authority and function of the Gauteng Transport Commission (GTC) is on a consensual basis underpinned by the provisions contained in Section 30 of the Intergovernmental Relations Framework Act (No.13, 2005). The agreed functions of the commission include: integrated rail planning; Intelligent Transport Systems (such as e-Ticketing/Integrated Fare Management, passenger transport information and traffic management); Integrated Bus Rapid Transport Systems (BRT); sustainable transport options (NMT); travel demand management; and partnerships on matters relating to public transport. This Commission was established and launched during the October Transport Month. The MoU between the Province and the local authorities was signed at the inaugural sitting of the Governing Body on 26 November 2013. At a Strategic workshop held on 24 January 2014, the Governing Body of the GTC discussed and prioritised projects from the MoU.

**Gautrain**

The focus of the Gautrain Management Agency (GMA) over this financial year is to continue to work to the following performance milestones:

- Stabilising the system through audits and operational meetings with the concessionaire;
- Conducting investigations on the feasibility of operating additional train services in peak periods on weekdays between Centurion and Sandton, to meet any further demand and increase utilisation; This is further exacerbated by the implementation of the e-tolls in Gauteng, and the congestion on the train needs to be managed;
- Finalising the new train timetable. A revised timetable is available in draft format, and there will be regular updates to improve customer satisfaction;
- The GMA will pursue the required permits to complete the feeder development and have requested additional capital for the required buses;
- Pretoria and Centurion Station parking are currently 100% occupied on weekdays. Approval to obtain additional land has been requested from the MEC. Strategic discussions to work on a joint long term plan will continue with key stakeholders such as PRASA; and
- The tender process and detailed feasibility studies for the projects that will assist with identifying and investigating possible future extensions to the system will be completed.

**3. OUTLOOK FOR THE COMING FINANCIAL YEAR (2014/15)****Outcome 4: Decent employment through inclusive economic growth**

The overall mandate of the department is linked to this outcome through plans to provide affordable new transport infrastructure and upgrade current infrastructure and systems. There will also be a focus on promoting accessibility to major economic hubs and creating jobs for citizens in the province. The department will contribute to this outcome through the construction and maintenance of the provincial road network.

**Design**

The list of design projects that will be implemented during the next MTEF period so construction can proceed are listed below:

- Detailed design of K154 phase 2: East – West corridor providing access and mobility in the area of Eikenhoff, as part of the Gauteng highlands project that has already been initiated (also part of maize belt);
- Detailed design of K77: North - South corridor providing access and mobility in the area of Eikenhoff, as part of the Gauteng highlands project that has already been initiated (also part of maize belt);
- Detailed design of K69: North - South corridor providing access and mobility in the area of Lynwood and Mamelodi;
- Detailed design of K97 from N4 to P1-3 (old Warmbath road): Supports the Pyramid Freight Hub (North/South direction);
- Detailed design of K54 Tsamaya Ave to P154-1(K22), (SPTN) from K22 to K69: Forms an important link between the R21, N4 to Mamelodi in the North of Tshwane. The section from N4 in Mamelodi to K14 (Cullinan road) must be upgraded due to residential developments on the Eastern side of Tshwane, to replace the current gravel road; and
- Detailed design for K46 (William Nicol Ave) (Phase 2) between PWV5 (Erling road) and Diepsloot/N14: Will be completed during the financial year 2014/15 to upgrade the road into a dual carriageway. The provision for cyclists, pedestrians and public transport facilities also forms part of the design.

**Construction**

The construction programme has been allocated a total budget of R359 million. These funds will be used for the implementation of the following projects:

- R82 phase 3 - Construction of R82 Phase 3 between road D1073 (Walkerville) and K164 (De Deur). The major objective of this project will be to provide an alternative link between Johannesburg and Vereeniging, including access to existing and future developments around Walkerville, Eikenhoff and De Deur. It also forms part of the Maize Belt. The total scope involves the dualising of 11.3km of an existing single carriageway;
- K46 phase 2 (PWV 5 to Diepsloot/N14: Doubling of road) - The dualisation of an existing 7.2km single carriageway between PWV5 and Diepsloot. The road will provide a link between Diepsloot and Johannesburg and also act as access for existing and future developments along its corridor;
- K69 (Upgrading and doubling of Hans Strijdom (Solomon Mahlangu) from the N4 to Mamelodi to K54) - The doubling of 5km of an existing single carriageway with the aim of increasing capacity, safety and accessibility for existing and future developments along the K69 corridor. The route forms part of the Strategic Public Transport Network;
- Construction of Road K60 between Maxwell drive, Megawatt Park and P66-1 (K71) (Section 2) - Improving the link between Tembisa, Kempton Park, and the Western suburbs beyond Fourways. The route also forms part of a Strategic Public Transport Network. The total scope of this project is 1.1km of dual carriageway.
- Road P88/1 between Roads P73/1 and P3/6 (29.24km) - To rehabilitate Road P88/1 by in situ recycling the existing base and sub-base, stabilisation with cement, constructing a new base and constructing asphalt surfacing and repairing the drainage along the road between Road P79/1 and Road P3/6, a distance of 29.24 km of single carriageway;
- Cedar Road (D1027) - Widening and realignment of Cedar Road (D1027) north and Cedar Road (D1027) east in order to provide improved accessibility between Runnymede Road and Witkoppen Road;
- P39/1 Laudium and Diepsloot - Rehabilitation of approximately 2.83 km of the road, from Iscor bridge (4.77 km) to K71 (7.60 km);
- Road P3/6 between Gauteng/North West Border and P186 (40.22km) - Rehabilitating the road by in situ recycling the existing base and sub-base, stabilisation with cement, constructing a new base and constructing an asphalt surfacing and repairing the drainage along the road between Road P186/1 and the Gauteng/North West border over a distance of 40.22 km;
- Rehabilitation of Road D1511 between Dale Roads and D51 (approximately 8,96km) - Rehabilitating the road by in situ recycling short sections, patching, crack sealing, constructing an asphalt overlay and repairing the drainage along the road between Dale Road and Road D51, a distance of 8.35 km of single carriageway and 0,62 km of dual carriageway road; and
- Rehabilitation of Road P186/1 between roads P3/6 and N1 (9.54km) - Providing a dual carriageway road linking Gauteng and North West Province.

### **Maintenance**

The unit will embark on the following major maintenance projects:

- R25 (26km) Phase 2 Kempton Park to Bronkhorstspriet;
- P39/1(15km) (Erasmia to Krugersdorp);
- D1027 (Cedar Rd);
- Witkoppen Road (between Mega Watt Park and Sunninghill Hospital);
- P158/2 (N14) Light Rehabilitation Phase 2;
- Rehabilitation of Road P3/6;
- Rehabilitation of Road P39/1 (R55) between Laudium and Atteridgeville;
- Outsourced Routine Road Maintenance of RIFSA roads classes 1 to 6;
- Road P186/1 between roads P 3/6 and N1;
- Road P 88/1 between roads P 73/1 and P 3/6;
- Implementation of Term Contracts for Road Marking and Diluted Emulsion;
- New Plant Purchase – for construction fleet; and
- Supply of equipment for the maintenance of provincial roads.

### **Planning**

#### **Gauteng Transport Modelling Centre (GTMC)**

The department has initiated a process of establishing a Transport Modelling Centre, a tool that meets a growing set of sophisticated (functional and system) requirements needed for real world transportation systems modelling. This tool will enable the department to address the challenges of today, the needs of tomorrow, and provide guidance on where, when and what is required to improve mobility of goods and people. The MoU was signed with the service provider in 2011 already and it will be implemented in the following financial years. The total budget requirement for implementing the Transport Modelling Centre is R6.330 million.



#### Gauteng Transport Commission

The department will coordinate and facilitate the NMT provincial master plan. The Commission will prioritise a coordinated approach to Bus Rapid Transport (BRT) and e-ticketing for improved commuter access.

#### **Gautrain**

The focus of the GMA over this financial year will be to continue working toward the following performance milestones:

- Stabilising the system through audits;
- Conducting investigations on the feasibility of operating additional train services in peak periods on weekdays between Centurion and Sandton, to meet further demand, and increase utilisation;
- Finalising the new train timetable. A revised timetable is available in draft format, and there will be regular updates to improve customer satisfaction;
- Pursuing the required permits to complete the feeder development - additional capital for the required buses has been requested;
- Pretoria and Centurion Station parking is currently 100% occupied on weekdays. Approval to obtain additional land has been requested from the MEC. Strategic discussions to work on a joint long term plan will continue with key stakeholders such as PRASA; and
- The tender process and detailed feasibility studies for the projects that will assist with identifying and investigating possible future extensions to the system, will be completed.

#### **Public Transport Integration and Special Projects**

The following are the project deliverables for the 2014/15 financial year:

#### Germiston

The dynamics of the station precinct is such that all the different components are interlinked in a way that they cannot be developed independent of each other. The design concept that was approved by the Ekurhuleni Metropolitan Municipality (EMM) towards the end of the last financial year constitutes a 2-storey building that would be located on both PRASA and EMM land. The detailed designs are underway and targeted for finalisation in the first quarter, before going out on construction tender.

#### Piensaarspoort

The detailed designs are being finalised so that the project can go out on construction tender by the second quarter of the 2014/15 financial year.

#### Krugersdorp

Planning design work is underway and on course for completion by the end of the 2013/14 financial year. Given the time limitations, the planning and design work will only be completed in the new financial year, and accordingly, the budget has been adjusted downwards, moving R1.5 million to Shovakalula Programme.

#### Leratong Regional Intermodal Facility:

Site establishment has been achieved for construction targeted for completion in the 2015/16 financial year.

#### Kempton Park

The detailed designs have been finalised, and the project is targeted to go out on tender in the first quarter of the 2014/15 financial year.

#### Naledi

In the spirit of integrated planning, City of Johannesburg and PRASA have committed to taking care of the planning and design work for the precinct, including the intermodal facility and NMT mainstreaming. This arrangement then led us to relinquish R2.5 million that had been earmarked for planning. Further discussions will dictate as to the implementation of the project and the required resources.

#### NON MOTORISED TRANSPORT (NMT) Programme

This programme involves fitting of walkways and bicycle lanes on existing and new roads. The following is expected for the 2014/15:

- The completion of the projects in Winterveldt and Bophelong; and
- The commencement of the projects in Vosloorus and Kaalfontein.

#### Shovakalula

The distribution of bicycles will continue during the financial year.

## **TOLABS**

### Construction of the Tshwane TOLAB

During the procurement phase of this project, the DRT raised concerns regarding the process followed by the department of Infrastructure Development (DID) when awarding the tender. It is envisaged that these concerns will be addressed expediently to avoid any delays to the project. A professional team appointed by the DID for the project has completed all designs and plans for the new TOLAB building. The project is expected to be concluded within a period of 18 months.

### Refurbishment of the Germiston TOLAB

The refurbishment of the TOLAB building is 85 per cent complete, with only security systems, installation of finishes and landscaping outstanding. It is envisaged that the project will be completed at the end of April 2014.

## **Drivers Licence Testing Stations (DLTCs)**

### Construction of a new DLTC - Kagiso

In the 2014/15 financial year a new DLTC centre will be established in Mogale City Municipality. The centre aims to bring services closer to previously marginalised townships, boosting the economy, and creating jobs opportunities for the people of Kagiso and surrounding areas within Mogale City Municipality.

## **Refurbishment of existing Registering Authority/ DLTC's**

### Temba

The centre is situated in Tshwane and is currently operational. In the 2014/15 financial year the testing track will be upgraded to increase capacity for the increased number of driver license tests conducted per day. Testing tracks will be upgraded to 11 400m<sup>2</sup>. Currently the track consists of 4 starting points for code 8, and 4 starting points for code 10. Both codes will be upgraded to 8 starting points respectively. The building will also be upgraded, so as to have a more customer-oriented look and feel.

### Mabopane

Situated in Tshwane, the centre is currently operational. In the 2014/15 financial year the testing track will be expanded to 6 000m<sup>2</sup>, and upgraded to 8 starting points for codes 8 and 10, in a bid to increase the testing capacity. Currently the track consist of 4 starting points for codes 8 and 10. The building will also be upgraded, to ensure efficient and effective service operations and movement of people. This will eliminate clustering of people in one area.

## **Outcome 8: An efficient, effective and development-orientated public service and empowered, fair and inclusive citizenship**

In order to build the capacity for good governance and effective service delivery, the department offers bursaries to external candidates in a range of disciplines, including transport engineering and economics. The department also allocates funds for training and development of employees.

## **4. REPRIORITISATION**

The department managed to reprioritise the allocated budget over the MTEF, mainly within the infrastructure projects and the discretionary allocations. The manner in which the budget is allocated will allow the department to support earmarked allocations and to focus on the implementation of the GTIP5 and the ITMP25, which are the main focus plans for the department for the MTEF and beyond.

## **5. PROCUREMENT**

The procurement unit within the department will be actively driving the procurement processes that will ensure the successful implementation of all major projects as outlined above. These projects will form part of the departmental procurement plan. The procurement of the department will be driven primarily by the construction of road and intermodal networks; the maintenance of the road networks; and refurbishment of the TOLABS, DLTCs as well as the construction of a new DLTC in Kagiso.

The process of procurement for the key functions within the department is outlined in the table below:

- Advertising, quotations are issues as per RSL01 requested and will be delivered within 10 days of approved

- purchase order
- Catering, quotations are issues as per RSL01 requested and will be delivered within 10 days of approved purchase order
- Communications, it's the combination of quotations and open orders as per RSL01 and will be delivered within 10 days of approved order
- Computer services, it's the combination of quotations and open orders as per RSL01 and will be delivered within 10 days of
- Consultants, contractors, fleet services and inventory materials and supplies are as per open tenders process as delivery will take place as per project plans
- Inventory other supplies and inventory stationery and printing is in a process of the combination of quotations and open tenders and the delivery of those items will be within 10 days of approved purchase order or per project plan
- Travel and subsistence, training and development are in a quotation process and as per RSL01 request and project plans and the delivery will take place within 10 days of approved purchase order
- Buildings and other fixed structures as well as machinery and equipment are on open tenders/transversals/national contracts which are as per project plans and the delivery will take place within 10 days of the purchase order or project plans

## 6. RECEIPTS AND FINANCING

### 6.1 Summary of receipts

TABLE 9.1: SUMMARY OF RECEIPTS: ROADS AND TRANSPORT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Equitable share	514 997	4 201 690	3 111 925	3 614 094	3 611 094	3 614 094	3 814 962	4 253 233	4 670 172
Conditional grants	5 673 394	2 149 988	2 624 761	2 147 392	2 150 392	2 147 392	2 337 897	2 392 873	2 518 690
Gautrain Rapid Rail Link Grant	3 714 788	5 300							
Public Transport Operations Grant	1 496 442	1 577 612	1 000 168	1 714 344	1 714 344	1 714 344	1 819 854	1 902 701	2 002 538
Provincial Roads Maintenance Grant	462 164	567 076	1 624 593	433 048	433 048	433 048	514 903	490 172	516 152
Expanded Public Works Programme Infrastructure Grant					3 000	3 000	3 140		
<b>Total receipts</b>	<b>6 188 391</b>	<b>6 351 678</b>	<b>5 736 686</b>	<b>5 761 486</b>	<b>5 761 486</b>	<b>5 761 486</b>	<b>6 152 859</b>	<b>6 646 106</b>	<b>7 188 862</b>

The department's revenue sources are the equitable share and conditional grants. The conditional grants allocated to the department are the Public Transport Operations grant, for subsidising public transport providers within the province; and the Provincial Roads Maintenance Grant (PRMG), which is utilised for routine maintenance of the provincial road network.

The spending within the department decreased between the 2010/11 and the 2012/13 financial years mainly as a result of the Gautrain grant that was allocated for the completion of the construction phase of the project in the 2011/12 financial year.

During 2013/14 the budget of the department's main appropriation was adjusted upwards, mainly as a result of an increase in the earmarked allocation for Gautrain, for the payment of the patronage guarantee. It also included the rollover for the PRMG, to allow the department to pay for projects that were already committed. There were other adjustments made to the equitable share of the department, and budget shifts between the different programmes of the department.

The allocation therefore fluctuates from R6.2 billion in 2010/11 down to R5.7 billion in 2012/13 to a further decrease of R5.8 billion in 2013/14. Over the MTEF the allocation recovers to R6.2 billion in 2014/15 and R7.2 billion in 2016/17.

The equitable share has been experiencing the most pressure over the last few financial years, but has been increased in the next MTEF period, and includes funding for:

- The North-West Star subsidies that were not fully allocated in past financial years;
- The operational costs of the DLTCs that are the highest revenue collector for the province;
- The Gautrain allocation that includes the patronage guarantee payment as part of the original allocation;

and

- The operational expenditure that has been increased to a level where the department can focus on the maintenance of the regional offices that have not been attended to over the last few financial years.

This allocated budget for the MTEF will therefore allow the department to speedily implement some of the operational tasks that could not be focused on in the past.

## 6.2 Departmental receipts collection

TABLE 9.2: DEPARTMENTAL RECEIPTS: ROADS AND TRANSPORT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Tax receipts</b>	<b>1 705 814</b>	<b>2 227 725</b>	<b>2 401 619</b>	<b>2 542 908</b>	<b>2 542 908</b>	<b>2 592 459</b>	<b>2 743 798</b>	<b>2 952 326</b>	<b>3 108 799</b>
Casino taxes									
Horse racing taxes									
Liquor licences									
Motor vehicle licences	1 705 814	2 227 725	2 401 619	2 542 908	2 542 908	2 592 459	2 743 798	2 952 326	3 108 799
Sales of goods and services other than capital assets	3 849	51 421	53 711	58 564	58 564	58 575	63 191	67 993	71 597
Transfers received									
Fines, penalties and forfeits									
Interest, dividends and rent on land	4 410	596	133	670	400	403	723	778	819
Sales of capital assets			10 162		7 000	6 892			
Transactions in financial assets and liabilities	8 823	4 134	1 226	4 484	1 684	1 692	4 838	5 206	5 482
<b>Total departmental receipts</b>	<b>1 722 896</b>	<b>2 283 876</b>	<b>2 466 851</b>	<b>2 606 626</b>	<b>2 610 556</b>	<b>2 660 021</b>	<b>2 812 550</b>	<b>3 026 303</b>	<b>3 186 697</b>

The department is the main contributor towards own revenue generated within the province. This revenue is generated through tax receipts, which are mainly made up of motor vehicle registration and licensing fees. The increase in tariffs and the increase in the number of vehicles have resulted in a steady increase in revenue being collected by the department since the 2011/12 financial year. An additional amount is allocated for the operational budget of the DLTCs and will allow the department to make operational investments in the centres that will increase the collection further. In addition, construction of a new DLTC at Kagiso in 2014/15 and Mamelodi in 2015/16 will further increase collection, while extending access to services where these are needed. The majority of the department's revenue is derived from Motor Vehicle Licences collected in terms of the National Road Traffic Act (NRTA) 93 of 1996. This revenue consists of abnormal loads, permits of operators, motor vehicle registration both personal and special registration, and the sale of personalised and specific number plates. The expenditure and budget is increased from R1.7 billion in 2010/11 to R2.3 billion in 2011/12 and to R2.5 billion in 2012/13. Revenue in this category is expected to grow over the MTEF as a result of further increases in tariffs. The anticipated increase is from R2.8 billion in 2014/2015 to R3.2 billion in the 2016/2017 financial year.

The second contributor is sales of goods and services other than capital assets, which consist of sales of tender documents, fees for recovery of debts, services rendered for advertisements, boarding services for staff and services rendered for garnishee orders. The increase in expenditure ranges from R3.8 million in 2010/11 to R51.4 million in 2011/12 and a steady increase of R53.7 million in 2012/13 which translates to 5 per cent increase. The expenditure is expected to grow from R63.2 million in 2014/15 to R68 million in 2015/16 and to R71.6 million in 2016/17. This is mainly due to the anticipated increase in the sale of the tender documents and an increase in the recovery of debt.

The department also collects revenue from transactions in financial assets and liabilities, which is made of recoveries of staff debts. The fluctuations over the seven year period can be attributed to the difficulty in budgeting for this item due to its uncertain nature. The expenditure is decreased from R8.8 million in 2010/11 to R4.1 million in 2011/12, due to an under collection of staff debts. The decrease continues in 2012/13 to R1.2 million, before increasing to R4.4 million in 2013/14. Over MTEF the expenditure is anticipated to grow from R4.8 million in 2014/15 to R5.2 million in 2015/16, and to R5.4 million in 2016/17.

## 7. PAYMENT SUMMARY

### 7.1 Key assumptions

Guidelines for the compensation budget for the 2014 MTEF were based on the latest wage agreement within the public sector, and are earmarked by the Provincial Treasury. It takes into account the CPIX inflation rate over that period.

The following have been taken into account when determining personnel budgets for the new MTEF:

- Numbers of staff and possible changes over the MTEF;
- Basic salary costs including ICS adjustments;
- Salary increases for people with scarce skills;
- Grades and levels of staff;
- Increased take up of benefits such as medical aid and homeowners allowances;
- Contract employees;
- Overtime pay;
- Merit bonuses;
- Pension fund contributions, thirteenth cheque and overtime, all linked to the basic salary cost (increases at the same rate);
- Medical aid contributions which normally increase more rapidly than inflation;
- Homeowners allowance which changes with the interest rate; and
- Skills development.

### 7.2 Programme summary

TABLE 9.3: SUMMARY OF PAYMENTS AND ESTIMATES: ROADS AND TRANSPORT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1. Administration	172 639	175 629	180 069	209 233	236 453	235 249	289 457	328 255	345 714
2. Transport Infrastructure	1 381 800	1 151 530	1 797 355	1 625 624	1 853 958	1 848 812	2 099 296	2 231 262	2 355 663
3. Transport Operations	1 454 141	2 014 775	1 808 238	1 929 072	1 916 532	1 946 551	2 134 067	2 255 762	2 394 189
4. Transport Regulations	244 279	223 168	180 533	204 092	239 601	234 667	318 291	269 376	261 207
5. Gautrain	3 714 788	2 219 545	1 598 711	801 943	1 424 943	1 424 943	1 311 748	1 561 451	1 832 089
<b>Total payments and estimates:</b>	<b>6 967 647</b>	<b>5 784 647</b>	<b>5 564 906</b>	<b>4 769 964</b>	<b>5 671 487</b>	<b>5 690 222</b>	<b>6 152 859</b>	<b>6 646 106</b>	<b>7 188 862</b>

The table above indicates the expenditure outcomes and budget allocations as categorised by the programmes within the department. The audited outcome indicates high amounts, mainly as a result of the Gautrain construction costs, which were a feature until the 2010/11 financial year, with the final payments being made in early 2011/12.

The spending within the department decreased between the 2010/11 and the 2012/13 financial year from R7 billion to R5.6 billion, mainly as a result of the Gautrain programme having completed the construction phase for the project during that period. Furthermore, the other programmes also experienced low expenditure, mainly as a result of the operational budget that was not fully allocated during this period.

During 2013/14 the budget of the department was adjusted upwards from R4.8 billion to R5.7 billion, mainly as a result of the increased budget for Gautrain of R623 million, for the payment of the patronage guarantee. There was also the rollover of R22 million for the PRMG, that is allocated within the Transport Infrastructure programme.

Over the MTEF, the allocation increases from R6.2 billion in 2014/15 to R7.2 billion in 2016/17. The MTEF allocation will fund the implementation of the ITMP25, which is the main focus of implementation for the department. This will be done as follows:

- Maintenance of the provincial road network and the construction of some of the major roads within the province. This will assist in the provision of alternative routes to the tolled roads;
- Construction of intermodal facilities;
- Other ITMP25 specific projects;
- Provincial investment in freight, NMT and rail;

- Upgrading, rehabilitation, and construction of DLTCs and TOLABS; and
- The Gautrain - for maintenance and capacitation of the current system.

### 7.3 Summary of economic classification

TABLE 9.4: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ROADS AND TRANSPORT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>1 833 087</b>	<b>1 613 207</b>	<b>1 339 796</b>	<b>1 123 285</b>	<b>1 484 792</b>	<b>1 476 068</b>	<b>1 611 251</b>	<b>1 585 988</b>	<b>1 703 718</b>
Compensation of employees	370 159	433 527	437 039	540 237	540 560	498 805	640 092	693 032	731 401
Goods and services	1 446 875	1 170 086	897 125	577 809	938 855	975 346	970 659	892 456	971 817
Interest and rent on land	16 053	9 594	5 632	5 239	5 377	1 917	500	500	500
<b>Transfers and subsidies to</b>	<b>5 087 711</b>	<b>4 126 433</b>	<b>3 291 759</b>	<b>2 569 406</b>	<b>3 197 059</b>	<b>3 227 112</b>	<b>3 245 082</b>	<b>3 615 455</b>	<b>3 993 550</b>
Provinces and municipalities		1 127	5 344	1 400	1 400	1 396	1 800	2 200	1 200
Departmental agencies and accounts	3 714 778	2 219 545	1 598 711	801 943	1 424 943	1 424 943	1 311 748	1 561 451	1 832 089
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises	1 363 564	1 901 728	1 685 711	1 764 344	1 765 344	1 795 344	1 927 854	2 047 701	2 155 368
Non-profit institutions									
Households	9 369	4 033	1 993	1 719	5 372	5 429	3 680	4 103	4 893
<b>Payments for capital assets</b>	<b>41 473</b>	<b>42 462</b>	<b>932 399</b>	<b>1 077 273</b>	<b>989 636</b>	<b>986 957</b>	<b>1 296 526</b>	<b>1 444 663</b>	<b>1 491 595</b>
Buildings and other fixed structures			918 806	1 057 118	981 038	973 976	1 232 094	1 397 613	1 370 194
Machinery and equipment	3 043	19 849	9 032	20 155	8 598	12 981	64 432	47 050	121 400
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets	37 091	18 053							
Software and other intangible assets	1 339	4 560	4 561						
<b>Payments for financial assets</b>	<b>5 376</b>	<b>2 545</b>	<b>952</b>			<b>85</b>			
<b>Total economic classification</b>	<b>6 967 647</b>	<b>5 784 647</b>	<b>5 564 906</b>	<b>4 769 964</b>	<b>5 671 487</b>	<b>5 690 222</b>	<b>6 152 859</b>	<b>6 646 106</b>	<b>7 188 862</b>

The total compensation of employees has increased steadily from R370 million in 2010/11 to R437 million in 2012/13. For 2013/14 the personnel expenditure amounted to R540.2 million. Over the MTEF, the allocation for compensation increases from R640 million in 2014/15 to R693 million in 2015/16 and to R731 million in 2016/17, primarily due to funding departmental capacity as per the newly-approved organisational structure. This structure will however be implemented in phases up to the allocated budget for each financial year.

The department's goods and services expenditure decreased between the periods 2010/11 and 2011/12 from R1.4 billion to R1.2 billion. The expenditure continued to decrease to R897 million in 2012/13. This is reciprocated by an increase in 2012/13 of the capital payments, which was as a result of the Standard Chart of Accounts (SCOA) changes that re-allocated the infrastructure items to capital payments in that year. It continues to decrease to R579 million in 2013/14, and increases to R971 million in 2014/15. In 2015/16 the allocation amounts to R892 million and increases to R971.8 million in 2016/17. The increases are attributable to the maintenance infrastructure projects and the increased allocation for the operational budget of the department.

The total transfers and subsidies item consists mainly of the allocation for the Gautrain project and the Public Transport Operations Grant (PTOG). These are conditional grants that are allocated directly from the National Treasury. The expenditure decreased between 2010/11 and 2011/12 from R5.1 billion to R4.1 billion and decreased to R3.3 billion in 2012/13. The allocation increases from R2.6 billion in 2013/14 to R3.2 billion in 2014/15 and continues to grow to R3.9 billion in 2016/17.

The item for payment for capital assets, particularly the buildings and other fixed structures item was not a feature within the department in relation to the 2010/11 and 2011/12 financial years mainly as a result of the manner in which the SCOA was structured in those years. The payments for capital projects were not made against this item. Post the changes made to the SCOA in 2012/13, the department was therefore only allowed to capture the budget and expenditure for the capital projects within this term, hence the increase in that year of the expenditure. The adjustments made during the adjustments budget in 2013/14 were mainly as a result of the allocations shifted to the maintenance programme (goods and services) within the department, in order to ensure that all the maintenance

related payments were made within that year. The total budget for payment for capital assets increases over the MTEF from R1.3 billion to R1.5 billion, as compared to the audited outcomes. This is because of the re-allocation of the capital projects budget in line with the SCOA. The total budget for projects increases over the MTEF.

#### 7.4 Infrastructure payments

Please refer to the Estimates of Capital Expenditure for details on Infrastructure payment

##### 7.4.1 Departmental infrastructure payments

For information of on infrastructure payments refer to Estimates of Capital Expenditure (ECE)

#### 7.5 Departmental Public-Private Partnership (PPP) projects

N/A

#### 7.5 Transfers

N/A

##### 7.5.1 Transfers to public entities

N/A

##### 7.5.2 Transfers to other entities

N/A

##### 7.5.3 Transfers to Local government

N/A

## 8. PROGRAMME DESCRIPTION

### PROGRAMME 1: ADMINISTRATION

#### Programme description

To provide the department with overall management and administrative, strategic, financial and corporate support services. This is in order to ensure that it delivers on its mandate in an integrated, efficient, effective and sustainable manner.

#### Programme objectives

- To render advisory, Parliamentary, secretarial, administrative and office support service to the MEC;
- To provide overall management of and support to the department; and
- To manage personnel, procurement, finance, administration and related support services.

TABLE 9.5: SUMMARY OF PAYMENTS AND ESTIMATES: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1. Office of the MEC	7 372	6 035	6 935	12 303	9 803	9 803	11 647	15 383	16 485
2. Management of the Department	24 860	22 877	24 987	22 798	14 980	14 978	23 626	24 883	27 124
3. Corporate Support	138 301	142 735	148 147	165 611	204 589	206 417	248 816	282 317	296 160
4. Departmental Strategy	2 106	3 982		8 521	7 081	4 051	5 368	5 672	5 945
<b>Total payments and estimates</b>	<b>172 639</b>	<b>175 629</b>	<b>180 069</b>	<b>209 233</b>	<b>236 453</b>	<b>235 249</b>	<b>289 457</b>	<b>328 255</b>	<b>345 714</b>

TABLE 9.6: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>166 349</b>	<b>168 491</b>	<b>176 073</b>	<b>200 480</b>	<b>228 522</b>	<b>226 379</b>	<b>282 557</b>	<b>321 605</b>	<b>339 114</b>
Compensation of employees	91 504	104 922	106 782	107 660	139 283	128 754	130 440	151 522	161 192
Goods and services	74 845	63 444	69 026	91 199	87 560	97 567	151 987	169 953	177 792
Interest and rent on land		125	265	1 621	1 679	58	130	130	130
<b>Transfers and subsidies to</b>	<b>48</b>	<b>1 865</b>	<b>262</b>		<b>2 735</b>	<b>2 718</b>	<b>500</b>	<b>500</b>	<b>500</b>



R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Provinces and municipalities			75						
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households	48	1 865	187		2 735	2 718	500	500	500
<b>Payments for capital assets</b>	<b>866</b>	<b>3 543</b>	<b>3 510</b>	<b>8 753</b>	<b>5 196</b>	<b>6 151</b>	<b>6 400</b>	<b>6 150</b>	<b>6 100</b>
Buildings and other fixed structures									
Machinery and equipment	866	3 533	3 254	8 753	5 196	6 151	6 400	6 150	6 100
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets		10	256						
<b>Payments for financial assets</b>	<b>5 376</b>	<b>1 730</b>	<b>224</b>			<b>1</b>			
<b>Total economic classification</b>	<b>172 639</b>	<b>175 629</b>	<b>180 069</b>	<b>209 233</b>	<b>236 453</b>	<b>235 249</b>	<b>289 457</b>	<b>328 255</b>	<b>345 714</b>

The allocation for this programme amounted to R173 million, and R180 million in the financial years 2010/11 and 2012/13 respectively. The increase in the operational budget allocation of the department is from R209.2 million in 2013/14 to R289 million in 2014/15 and to R346 million in 2016/17. The increase is due to the increased discretionary allocation that will allow the department to focus on the maintenance of the head and regional offices and allow the programme to support the ever-increasing infrastructure and other priorities.

Compensation increased steadily from R91 million in 2010/11 to R107 million in 2012/13 before increasing to R130.4 million in 2014/15 and to R161.2 million in the last year of the MTEF. These increases are to cater for the improvements in the conditions of services, re-grading of clerks, and is primarily due to funding departmental capacity in line with the approved organisational structure.

The programme's goods and services expenditure decreased from R74.9 million in 2010/11 to R69 million for 2012/13. For 2013/14 the allocation increases to R91.2 million. This allocation however increases over the MTEF in line with the increase in the department's operational budget. The increase under this item is from R152 million in 2014/15 to R170 million in 2015/16, with a slight increase to R177.8 million in 2016/17, which translates to 6 per cent increase.

Payments to capital assets increased steadily from R866 000 in 2010/11 to R3.5 million in 2012/13. In 2013/14 it increases significantly to R8.8 million and decreases to R6.2 million during the adjustment budget, to correct re-classification of expenditure. Over the MTEF the allocation is decreasing steadily from R6.4 million in 2014/15 to R6.1 million in 2016/17 in order to purchase equipment. This is in line with the additional capacity as per the approved organisational structure

## PROGRAMME 2: TRANSPORT INFRASTRUCTURE

### Programme description

To promote accessibility, and the safe, affordable movement of people, goods and services through the delivery and maintenance of transport infrastructure that is sustainable, integrated and environmentally sensitive, and which supports and facilitates social empowerment and economic growth.

### Programme objectives

- Provide planning for all modes of transport, including the movement of goods and passengers, to integrate transport and spatial planning;
- Provide for planning and co-ordination towards the formulation of provincial transport policies and statutory plans;
- Plan integrated modal transport facilities and systems for all modes of transport, including non-motorised transport;
- Promote and improve safety on transport infrastructure;



## Vote 9 - Roads and Transport • EPRE - 2014/15

- Facilitate the provision of road safety audits on all roads and transport infrastructure, to ensure safe traffic and people movement;
- Provide data collection services and research, to provide management information systems for the provincial road network;
- Provide design of road and transport infrastructure, including all necessary support functions, such as environmental impact assessments, traffic impact assessments, surveys, expropriations, material investigations and testing;
- Develop new roads and re-construct, upgrade and rehabilitate road and transport infrastructure; and
- Effectively maintain road and transport infrastructure.

**TABLE 9.7: SUMMARY OF PAYMENTS AND ESTIMATES: TRANSPORT INFRASTRUCTURE**

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1. Infrastructure Planning	213 418	18 793	45 342	56 262	62 049	62 049	70 349	82 460	91 424
2. Infrastructure Design	56 482	110 927	107 586	145 570	148 432	123 700	237 241	234 206	239 842
3. Construction	470 199	277 481	293 395	601 963	479 568	479 568	438 878	659 730	804 942
4. Maintenance	641 586	744 231	1 304 175	769 697	1 097 303	1 119 793	1 309 526	1 213 005	1 175 031
5. Programme Support Infrastructure	115	98	46 857	52 132	66 606	63 702	43 302	41 861	44 424
<b>Total payments and estimates</b>	<b>1 381 800</b>	<b>1 151 530</b>	<b>1 797 355</b>	<b>1 625 624</b>	<b>1 853 958</b>	<b>1 848 812</b>	<b>2 099 296</b>	<b>2 231 262</b>	<b>2 355 663</b>

**TABLE 9.8: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: TRANSPORT INFRASTRUCTURE**

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>1 334 744</b>	<b>1 117 146</b>	<b>949 364</b>	<b>692 033</b>	<b>1 002 001</b>	<b>996 574</b>	<b>1 056 539</b>	<b>975 071</b>	<b>1 060 088</b>
Compensation of employees	179 559	238 493	222 246	266 699	235 399	225 013	317 305	335 672	353 463
Goods and services	1 155 185	869 476	721 881	423 241	764 509	769 768	739 164	639 319	706 530
Interest and rent on land		9 177	5 237	2 093	2 093	1 793	70	80	95
<b>Transfers and subsidies to</b>	<b>8 946</b>	<b>3 265</b>	<b>8 166</b>	<b>3 119</b>	<b>4 912</b>	<b>4 931</b>	<b>4 822</b>	<b>5 623</b>	<b>5 401</b>
Provinces and municipalities		1 126	5 257	1 400	1 400	1 396	1 800	2 200	1 200
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises		174	1 690		1 000	1 000			
Non-profit institutions									
Households	8 946	1 965	1 219	1 719	2 512	2 535	3 022	3 423	4 201
<b>Payments for capital assets</b>	<b>38 110</b>	<b>30 471</b>	<b>839 220</b>	<b>930 472</b>	<b>847 045</b>	<b>847 234</b>	<b>1 037 935</b>	<b>1 250 568</b>	<b>1 290 174</b>
Buildings and other fixed structures		202	836 565	923 015	844 688	844 009	982 803	1 212 918	1 178 273
Machinery and equipment	1 019	12 216	2 210	7 457	2 357	3 225	55 132	37 650	111 900
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets	37 091	18 053							
Software and other intangible assets			445						
<b>Payments for financial assets</b>		<b>648</b>	<b>605</b>			<b>73</b>			
<b>Total economic classification</b>	<b>1 381 800</b>	<b>1 151 530</b>	<b>1 797 355</b>	<b>1 625 624</b>	<b>1 853 958</b>	<b>1 848 812</b>	<b>2 099 296</b>	<b>2 231 262</b>	<b>2 355 663</b>

The allocation for this programme includes the Provincial Roads Maintenance Grant (PRMG) and provincial earmarked infrastructure allocations for the reconstruction and upgrading of existing roads, construction of new roads, surfacing of gravel roads. These two allocations form the core of this programme and of the department. Expenditure amounted to R1.4 billion, R1.2 billion and R1.8 billion in the years 2010/11 to 2012/13. The allocations for the sub-programmes are in line with the deliverables of each of them and therefore only include the budget for the projects implemented within each, and the compensation of employees. The Programme Support Infrastructure sub-programme includes the operational budget that supports all the other sub-programmes. It has decreased from the 2013/14 financial year to the MTEF period in line with the required budget per year.

Over the MTEF, the department's infrastructure allocation increases from R1.7 billion in 2013/14 to R2.1 billion in 2014/15 and 2.4 billion in 2016/17. This includes both the earmarked and PRMG, and is in line with the

GTIP5 and the ITMP25.

Compensation of employees increased steadily from R180 million in 2010/11 to R222 million in 2012/13. The allocation continues to increase from R267 million in 2013/14 to R317 million in 2014/15. This is in order for the department to continue with the recruitment and retention of qualified and registered professional engineers, and staff in other related fields, to assist with the management and delivery of infrastructure projects. For the outer year of the MTEF the allocation amounts to R353 million.

Goods and services decreased from R1.2 billion in 2010/11 to R722 million in 2012/13 due to the changes to SCOA reclassification, which impacted on the total budget for goods and services. The MTEF allocation decreases from R739 million in 2014/15 to R639 in 2015/16 mainly because the Maintenance programme has projects both within Goods and Services (Maintenance and repairs) as well as Capital payments (Rehab, fleet purchases, etc.). In 2015/16 the goods and services is lower because the majority of the allocation in that year is for capital payments projects. The allocation increases to R707 million in 2016/17.

Payments for capital assets increased steadily from R38 million in 2010/11 to R839 million in 2012/13 and a further R930 million in 2013/14. This translates to a 10 per cent increase. The allocation continues to increase from R1 billion in 2014/15 to R1.3 billion in 2016/17, mainly to continue with the construction and maintenance of the roads.

## SERVICE DELIVERY MEASURES

### PROGRAMME 2: TRANSPORT INFRASTRUCTURE:

Performance measures	Estimated Annual Targets		
	2014/15	2015/16	2016/17
Percentage of tenders awarded within 90 days	100	100	100
Number of employees in designated categories that have undergone compulsory training programs	650	700	750
Number of interns and learners trained	55	60	70
Number of designs completed	18	18	19
Number of KM of roads upgraded	26.1 km	28.46 km	31.1 km
Number of KM of roads rehabilitated	156.76 km	143.84 km	75 km
Number of KM resealed	140.25km	415.13 km	50 km
Number of KM of roads re-gravelled	100	100	100

### PROGRAMME 3: TRANSPORT OPERATIONS

#### Programme description

To plan, regulate and facilitate the provision of integrated land transport services through co-ordination and co-operation with national planning authorities, CBOs, NGOs and the private sector, in order to enhance the mobility of all communities, particularly those currently without, or with limited, access.

#### Programme objectives

- Management of integrated land transport contracts to provide mobility to commuters; and
- Manage, co-ordinate and facilitate transport safety and compliance in all modes, with related legislation, regulations and policies, through pro-active and reactive tactics and strategies.

TABLE 9.9: SUMMARY OF PAYMENTS AND ESTIMATES: TRANSPORT OPERATIONS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1. Programme Support Operations	2 017	2 042	3 140	14 457	13 107	13 107	19 012	20 031	20 717
2. Public Transport Services	1 452 124	2 012 733	1 805 098	1 914 615	1 903 425	1 933 444	2 115 055	2 235 731	2 373 472
<b>Total payments and estimates</b>	<b>1 454 141</b>	<b>2 014 775</b>	<b>1 808 238</b>	<b>1 929 072</b>	<b>1 916 532</b>	<b>1 946 551</b>	<b>2 134 067</b>	<b>2 255 762</b>	<b>2 394 189</b>

TABLE 9.10: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: TRANSPORT OPERATIONS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>90 552</b>	<b>112 858</b>	<b>59 480</b>	<b>66 724</b>	<b>66 574</b>	<b>66 139</b>	<b>79 963</b>	<b>84 929</b>	<b>88 610</b>
Compensation of employees	16 505	17 032	18 383	36 568	36 568	36 568	42 213	45 689	48 110
Goods and services	57 994	95 761	41 097	29 721	29 571	29 571	37 750	39 240	40 500
Interest and rent on land	16 053	65		435	435				
<b>Transfers and subsidies to</b>	<b>1 363 564</b>	<b>1 901 510</b>	<b>1 684 068</b>	<b>1 764 344</b>	<b>1 764 354</b>	<b>1 794 370</b>	<b>1 927 954</b>	<b>2 047 821</b>	<b>2 155 498</b>
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises	1 363 564	1 901 393	1 684 021	1 764 344	1 764 344	1 794 344	1 927 854	2 047 701	2 155 368
Non-profit institutions									
Households		117	47		10	26	100	120	130
<b>Payments for capital assets</b>	<b>25</b>	<b>397</b>	<b>64 690</b>	<b>98 004</b>	<b>85 604</b>	<b>86 039</b>	<b>126 150</b>	<b>123 012</b>	<b>150 081</b>
Buildings and other fixed structures			64 591	96 580	85 580	85 580	125 450	122 262	149 281
Machinery and equipment	25	397	99	1 424	24	459	700	750	800
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>		<b>10</b>				<b>3</b>			
<b>Total economic classification</b>	<b>1 454 141</b>	<b>2 014 775</b>	<b>1 808 238</b>	<b>1 929 072</b>	<b>1 916 532</b>	<b>1 946 551</b>	<b>2 134 067</b>	<b>2 255 762</b>	<b>2 394 189</b>

The Public Transport services sub-programme includes the allocations for the Public Transport Operations Grant (PTOG), the Demarcation subsidy for North-West Star, the infrastructure projects, the bus monitoring services and the salaries of the employees responsible for all these programmes. The sub-programme Public Transport services budget and expenditure has included the inflationary increases as per the National and Provincial Treasury's allocation strategy on the subsidies and the Improvements on the Conditions of Service (ICS) increases on the salaries. The Programme Support Operations sub-programme includes the allocations only for the operational requirements of the entire programme. The high allocation in 2013/14 in comparison to the audited expenditure was as a result of the additional resources that the department received during the adjustments budget for the operational requirements, which were spread throughout programme 2 for the maintenance and construction of the roads, programme 4 for the operational of the DLTC's and TOLABS in the department. The allocation increases from R1.5 billion in 2010/11 to R1.8 billion in 2012/13 and to a further R1.9 billion in 2013/14. Over the MTEF it increases from R2.1 billion in 2014/15 to R2.4 billion in 2016/17.

Compensation of employees has been growing steadily at ICS rates from R17 million in 2010/11 to R18 million in 2012/13. The allocation continues to increase to R37 million in 2013/14 and the continued growth is observed throughout MTEF at an average of 9.3 per cent over MTEF from R42 million in 2014/15 to R48 million in 2016/17. The increases are attributable to the approved organisational structure that the department will be implementing over the MTEF.

Goods and services items include the budget for monitoring public transport services providers, which is to ensure that the services offered, are in line with contractual agreements. In the MTEF is included the projects specific to this programme, as per the ITMP25. This item decreased from R58 million in 2010/11 to R41 million in 2012/13, due to SCOA changes on capital infrastructure projects. The allocation increases over MTEF as a result of the implementation of the ITMP25. A further decrease to R30 million is noted in 2013/14, before increasing to R38 million in 2014/15, and R41 million in 2016/17.

Transfers and subsidies continues to grow steadily from R1.4 billion in 2010/11 to R1.8 billion in 2013/14. The allocation continues to grow from R1.9 billion in 2014/15 to R2.1 billion in 2016/17 mainly for the payment of bus subsidies and North West Star contracts.

Payments for capital assets, the bulk of which are infrastructure projects related to the Intermodal Public Transport Facilities (IPTNs) which are the construction of loading bays, holding areas, drop off, wash bays for buses and taxis, roof canopies and shelters and ablution facilities as well as the Non-Motorized Transport (NMT) which

are bicycle parking racks, construction of layer works, paving, drainage crossing and signage, increases from R25 000 in 2010/11 to R65 million in 2012/13. A further increase to R98 million is noted for 2013/14, before increasing to R126 million in 2014/15 and continuing to increase at an average of 16 per cent over MTEF. The increase can also be observed from R126 million in 2014/15 to R150 million in 2016/17. The increases are to allow the unit to implement more NMT projects in line with the ITMP25.

## SERVICE DELIVERY MEASURES

### PROGRAMME 3: TRANSPORT OPERATIONS

Performance measures	Estimated Annual Targets		
	2014/15	2015/16	2016/17
Number of buses subsidised	2 582	2 582	2 582
Number of kilometres operated per vehicle	58 241	58 241	58 241
Number of vehicles kilometres subsidised	100 956 480	100 956 480	100 956 480
Number of subsidised passengers	83 511 488	83 511 488	83 511 488
Number of unsubsidised passengers	17 306 326	17 306 326	17 306 326
Number of trips subsidised	1 733 424	1 733 424	1 733 424

### PROGRAMME 4: TRANSPORT REGULATION

#### Programme description

To ensure the provision of a safe environment through the regulation of traffic on public infrastructure, law enforcement, implementation of road safety education and awareness programmes, and registration and licensing of vehicles and drivers.

#### Programme objectives

- To monitor and control registration and licensing of all motor vehicles and to render services regarding the administration of applications in terms of the National Road Traffic Act (Act 93 of 1996);
- Implementation of laws and regulations relating to vehicle registration and licensing, vehicle fitness testing and driver fitness testing; and
- Management, approval and control of registration of transport operators and the issuing of all licenses and permits required in terms of legislation.

TABLE 9.11: SUMMARY OF PAYMENTS AND ESTIMATES: TRANSPORT REGULATIONS

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1. Transport Administration and Licensing	201 053	179 598	127 433	107 946	139 643	168 955	219 739	172 391	172 068
2. Operator License and Permits	43 226	43 570	53 100	96 146	99 958	65 712	98 552	96 985	89 139
<b>Total payments and estimates</b>	<b>244 279</b>	<b>223 168</b>	<b>180 533</b>	<b>204 092</b>	<b>239 601</b>	<b>234 667</b>	<b>318 291</b>	<b>269 376</b>	<b>261 207</b>

TABLE 9.12: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: TRANSPORT REGULATIONS

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>241 432</b>	<b>214 706</b>	<b>154 879</b>	<b>164 048</b>	<b>187 695</b>	<b>186 976</b>	<b>192 192</b>	<b>204 383</b>	<b>215 905</b>
Compensation of employees	82 591	73 080	89 628	129 310	129 310	108 470	150 134	160 149	168 636
Goods and services	158 841	141 353	65 121	33 648	57 215	78 440	41 758	43 944	46 994
Interest and rent on land		273	130	1 090	1 170	66	300	290	275
<b>Transfers and subsidies to</b>	<b>375</b>	<b>248</b>	<b>552</b>		<b>115</b>	<b>150</b>	<b>58</b>	<b>60</b>	<b>62</b>
Provinces and municipalities		1	12						
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households	375	247	540		115	150	58	60	62

## Vote 9 - Roads and Transport • EPRE - 2014/15

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Payments for capital assets</b>	<b>2 472</b>	<b>8 057</b>	<b>24 979</b>	<b>40 044</b>	<b>51 791</b>	<b>47 533</b>	<b>126 041</b>	<b>64 933</b>	<b>45 240</b>
Buildings and other fixed structures			17 650	37 523	50 770	44 387	123 841	62 433	42 640
Machinery and equipment	1 133	3 507	3 469	2 521	1 021	3 146	2 200	2 500	2 600
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets	1 339	4 550	3 860						
<b>Payments for financial assets</b>		<b>157</b>	<b>123</b>			<b>8</b>			
<b>Total economic classification</b>	<b>244 279</b>	<b>223 168</b>	<b>180 533</b>	<b>204 092</b>	<b>239 601</b>	<b>234 667</b>	<b>318 291</b>	<b>269 376</b>	<b>261 207</b>

The Transport Administration and Licensing sub-programme includes the budget for the infrastructure projects on the Driver License Testing Centres (DLTCs). The Operator License and Permits includes the TOLABs, together with the allocations for the Public Transport Regulatory Entity (PRE) and the licensing and registration projects. The audited outcome within this programme decreased from R244 million in the 2010/11 financial year to R181 million in 2012/13. The allocation increased to R204 million in 2013/14. Between 2013/14 and 2014/15, the allocation is expected to increase to R318 million, mainly because of the additional funding for the operational costs and infrastructure projects for the DLTC's. The allocation decreases to R269 million in 2015/16, and to R261 million in 2016/17. The budget is set to decrease over the MTEF, as a result of the decrease in the infrastructure allocation. The Regional TOLABs will be completed by 2016/17.

For the MTEF period, the programme includes an earmarked allocation for the operational costs of the DLTCs of around R20 million annually. This will assist in providing operational support to the centres that are collecting around R2.5 billion annually in revenue for the province.

The compensation of employee's expenditure decreased from R82.6 million in 2010/11 to R73.1 million in 2011/12, with an increase to R89.6 million in 2012/13. The expenditure under this item continues to increase to R129.3 million in 2013/14 and to R150.1 million in 2014/15, then to R168.6 million in the outer year of the MTEF in order to cater for improvements in the conditions of service.

The capital payments have continued to grow steadily since the infrastructure budget and expenditure were allocated there, in the 2012/13 financial year, following the SCOA changes. The allocation in 2013/14 was increased mainly for the DLTCs that were only allocated with R4.3 million at the start of the year. An additional R20 million was allocated, to assist the unit in implementing the construction and upgrading of the identified Temba and Mabopane DLTCs in the province. This trend continues into the MTEF, as a result of the additional Kagiso DLTCs that will be implemented. The allocation for this line item increases significantly over the seven year horizon from R2.5 million in 2010/11 to R25 million in 2012/13. It increases to R40 million in 2013/14, before increasing to R126 million in 2014/15. It then decreases to R65 million in 2015/16 and further to R45 million in 2016/17 as a result of completion of capital works prioritised for the previous financial years.

## SERVICE DELIVERY MEASURES

### PROGRAMME 4: TRANSPORT REGULATIONS

Performance measures	Estimated Annual Targets		
	2014/15	2015/16	2016/17
Registering Authority established	3 DLTCs Established (Kagiso, Mamelodi, Sebokeng)	0	2 Construction of DLTCs
Number of licenses compliance inspections executed	120	120	120
Number of valid operating licenses issued to Public Transport Operators	8 000	9 500	9 500
Number of permits converted	5 500	6 500	6 500
Number of TOLABs established	2 TOLABs Refurbished (Germiston, Tshwane)	0	0

## PROGRAMME 5: GAUTRAIN RAPID RAIL LINK

### Programme description

To plan, design and construct the Rapid Rail Link and ensure efficient management and implementation of the Gautrain.

Management of the concession agreement will remain one of the most important functions of the Gautrain Management Agency. The agreement was concluded between the province, through the department of Roads and Transport, and the concessionaire, with regard to the design, construction and operation of the railway line for the Gautrain Rapid Rail Project.

The agreement was concluded in terms of Treasury Regulation 16 as a Public-Private Partnership (PPP) on the basis that the concessionaire will perform the institutional function of the province for the design, construction and operation of the railway line, acquiring the use of the land on which the railway line is established, and the use of the railway line itself when constructed.

### Programme objectives

The strategic objectives of the GMA are to manage, co-ordinate and oversee the Gautrain Rapid Rail Link Project in terms of the concession agreement.

In order for the GMA to manage, co-ordinate and oversee the Gautrain Project, it must discharge the following main functions:

- Manage the concession agreement;
- Manage the project's finances, financial securities, insurance, socio-economic development (SED) objectives, assets and the maintenance thereof;
- Liaise with and exchange information with the three spheres of government, interested and affected parties, institutions and professional bodies in South Africa and other countries;
- Enhance integration with the province's public transport system;
- Monitor government policies and legislation;
- Perform duties assigned by the Railway Safety Regulator;
- Protect the rail reserve and provincial transport infrastructure involved in the project in terms of the Gauteng Transport Infrastructure Act (GTIA); and
- Establish and operate information and management systems.

TABLE 9.13: SUMMARY OF PAYMENTS AND ESTIMATES: GAUTRAIN

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1. Gautrain Rapid Link	3 714 788	2 219 545	1 598 711	801 943	1 424 943	1 424 943	1 311 748	1 561 451	1 832 089
<b>Total payments and estimates</b>	<b>3 714 788</b>	<b>2 219 545</b>	<b>1 598 711</b>	<b>801 943</b>	<b>1 424 943</b>	<b>1 424 943</b>	<b>1 311 748</b>	<b>1 561 451</b>	<b>1 832 089</b>

TABLE 9.14: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: GAUTRAIN

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>10</b>								
Compensation of employees									
Goods and services	10								
Interest and rent on land									
<b>Transfers and subsidies to</b>	<b>3 714 778</b>	<b>2 219 545</b>	<b>1 598 711</b>	<b>801 943</b>	<b>1 424 943</b>	<b>1 424 943</b>	<b>1 311 748</b>	<b>1 561 451</b>	<b>1 832 089</b>
Provinces and municipalities									
Departmental agencies and accounts	3 714 778	2 219 545	1 598 711	801 943	1 424 943	1 424 943	1 311 748	1 561 451	1 832 089
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households									
<b>Payments for capital assets</b>									

## Vote 9 - Roads and Transport • EPRE - 2014/15

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Buildings and other fixed structures									
Machinery and equipment									
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>									
<b>Total economic classification</b>	<b>3 714 788</b>	<b>2 219 545</b>	<b>1 598 711</b>	<b>801 943</b>	<b>1 424 943</b>	<b>1 424 943</b>	<b>1 311 748</b>	<b>1 561 451</b>	<b>1 832 089</b>

Total payments for the programme decreased from R3.7 billion in 2010/11 to R1.6 billion in 2012/13. This is because the construction phase of the Gautrain was finalised in 2010/11. During the 2012/13 financial year, the allocation was reduced to R802 million. This budget was increased to R1.4 billion during the adjustment budget to allow Gautrain to make payments to the concessionaire as result of the ridership guarantee. The same occurred in 2013/14, with a low allocation at the beginning of the financial year that was increased during the Adjustments budget to R1.4 billion in order to enable Gautrain to settle the ridership guarantee.

The total allocation for Gautrain increased from R1.3 billion in 2014/15 to R 1.6 billion in 2015/16 and to R1.8 billion for the outer year of the MTEF, which is mainly for the operational phase of the project as well as the annual ridership guarantee payments.

## 9. OTHER PROGRAMME INFORMATION

### 9.1 Personnel numbers and costs

TABLE 9.15: PERSONNEL NUMBERS AND COSTS: ROADS AND TRANSPORT

Personnel numbers	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	As at 31 March 2017
1. Administration	298	252	243	390	390	390	390
2. Transport Infrastructure	1 171	1 065	1 032	1 125	1 125	1 125	1 125
3. Transport Operations	57	55	52	157	157	157	157
4. Transport Regulation	319	325	336	505	505	505	505
5. Gautrain							
<b>Total departmental personnel numbers</b>	<b>1 845</b>	<b>1 697</b>	<b>1 663</b>	<b>2 177</b>	<b>2 177</b>	<b>2 177</b>	<b>2 177</b>
Total provincial personnel cost (R thousand)	370 159	433 527	540 560	437 039	640 092	693 032	731 401
Unit cost (R thousand)	201	255	325	201	294	318	336

The department has had the same organisational structure, implemented on the system, for a number of years. This has been in a restructuring process since the reconfiguration process of 2010, and was subsequently approved by the DPSA in November 2012.

As part of the reconfiguration, there was a moratorium on the filling of any posts within the department until the structure was approved and finalised. Therefore the personnel numbers since 2010 have been decreasing because it only displays the staff that in the employ of the department as at the end of the year. The decreasing numbers is mainly due to the personnel that left the department; from 1845 in 2010 to 1663 in 2012/13.

The department started filling the posts in line with the approved structure in 2013/14, hence the increase to 1 700 in that year. The numbers that are projected over the MTEF for personnel are as per the full establishment of the approved organisational structure.

TABLE 9.16: SUMMARY OF DEPARTMENTAL PERSONNEL NUMBERS AND COSTS: ROADS AND TRANSPORT

	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Total for department</b>									
Personnel numbers (head count)	1 845	1 697	1 663	2 177	2 177	2 177	2 177	2 177	2 177
Personnel cost (R thousands)	370 159	370 159	370 159	498 805	640 092	693 032	640 092	693 032	731 401
<b>Human resources component</b>									
Personnel numbers (head count)	55	80	100	77	125	125	125	125	125
Personnel cost (R thousands)	10 000	11 000	11 000	16 000	15 000	15 000	15 000	15 000	15 000
Head count as % of total for department	3%	5%	6%	4%	6%	6%	6%	6%	6%
Personnel cost as % of total for department	3%	3%	3%	3%	2%	2%	2%	2%	2%
<b>Finance component</b>									
Personnel numbers (head count)	90	100	100	110	110	110	129	129	129
Personnel cost (R thousands)	19 500	21 500	21 500	22 000	22 000	22 000	23 000	23 000	23 000
Head count as % of total for department	5%	6%	6%	5%	5%	5%	6%	6%	6%
Personnel cost as % of total for department	5%	6%	6%	4%	4%	3%	4%	3%	3%
<b>Full time workers</b>									
Personnel numbers (head count)	1 845	1 697	1 663	2 177	2 177	2 177	2 177	2 177	2 177
Personnel cost (R thousands)	370 169	433 527	437 039	498 805	640 092	693 032	640 092	693 032	731 401
Head count as % of total for department	100%	100%	100%	100%	100%	100%	100%	100%	100%
Personnel cost as % of total for department	100%	100%	100%	100%	100%	100%	100%	100%	100%
<b>Part-time workers</b>									
Personnel numbers (head count)									
Personnel cost (R thousands)									
Head count as % of total for department									
Personnel cost as % of total for department									
<b>Contract workers</b>									
Personnel numbers (head count)									
Personnel cost (R thousands)									
Head count as % of total for department									
Personnel cost as % of total for department									

## 9.2 Training

TABLE 9.17: PAYMENTS ON TRAINING: ROADS AND TRANSPORT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>1. Administration</b>	<b>5 922</b>	<b>6 331</b>	<b>6 388</b>	<b>168</b>	<b>168</b>	<b>168</b>	<b>3 210</b>	<b>2 470</b>	<b>2 700</b>
of which									
Subsistence and travel	116	118	175	68	68	68	500	300	420
Payments on tuition	5 806	6 213	6 213	100	100	100	2 710	2 170	2 280
Other									
<b>2. Transport Infrastructure</b>	<b>1 755</b>	<b>1 788</b>	<b>1 788</b>	<b>152</b>	<b>152</b>	<b>152</b>	<b>2 420</b>	<b>3 240</b>	<b>3 520</b>
of which									
Subsistence and travel	1 755	1 788	1 788	52	52	52	300	500	560
Payments on tuition				100	100	100	2 120	2 740	2 960
Other									



## Vote 9 - Roads and Transport • EPRE - 2014/15

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>3. Transport Operations</b>	<b>525</b>	<b>536</b>	<b>537</b>	<b>124</b>	<b>124</b>	<b>124</b>	<b>720</b>	<b>910</b>	<b>1 000</b>
of which									
Subsistence and travel	12	13	14	24	24	24	100	120	140
Payments on tuition	513	523	523	100	100	100	620	790	860
Other									
<b>4. Transport Regulation</b>				<b>120</b>	<b>120</b>	<b>120</b>	<b>1 250</b>	<b>1 520</b>	<b>1 640</b>
of which									
Subsistence and travel				20	20	20	250	220	240
Payments on tuition				100	100	100	1 000	1 300	1 400
Other									
<b>5. Gautrain</b>									
of which									
Subsistence and travel									
Payments on tuition									
Other									
<b>Total payments on training</b>	<b>8 202</b>	<b>8 655</b>	<b>8 713</b>	<b>564</b>	<b>564</b>	<b>564</b>	<b>7 600</b>	<b>8 140</b>	<b>8 860</b>

TABLE 9.18: INFORMATION ON TRAINING: ROADS AND TRANSPORT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Number of staff	1 845	1 697	1 663	1 700	2 814	2 177	2 177	2 177	2 177
Number of personnel trained	736	739	739	739	739	739	1 800	2 000	2 400
Male	633	636	636	636	636	636	900	1 000	1 200
Female	103	103	103	103	103	103	900	1 000	1 200
Number of training opportunities	50	50	50	50	50	50	60	65	70
Tertiary	50	50	50	50	50	50	60	65	70
Workshops									
Seminars									
Other									
Number of bursaries offered	53	53	11	53	53	53	60	60	65
Number of interns appointed	75	72	72	75	72	72	10	20	20
Number of learnerships appointed	101	148	148	101	148	148	10	20	20
Number of days spent on training									

The department has allocated approximately 1.2 per cent of the compensation of personnel's budget for training of which mostly it focus on both males and females and the training will also continue to sponsor studies for young people who are studying towards civil engineering in order to alleviate the shortage within the profession and within the department.

The employees attended training that could be organised centrally with the National Treasury, the Gauteng City Region Academy (GCRA) and the Public Administration Leadership and Management Academy (PALAMA). The department has allocated R7.6 million in 2014/15 and R8.1 million in 2015/16 and the trend continued to R8.8 million in 2016/17 exclusively for training, since the resources have been made available. This training will be job-specific and will allow the staff to develop within the different roles that they play in the department.

# **ANNEXURES TO ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE**

## Vote 9 - Roads and Transport • EPRE - 2014/15

TABLE 9.19: SPECIFICATION OF RECEIPTS: ROADS AND TRANSPORT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Tax receipts</b>	<b>1 705 814</b>	<b>2 227 725</b>	<b>2 401 619</b>	<b>2 542 908</b>	<b>2 542 908</b>	<b>2 592 459</b>	<b>2 743 798</b>	<b>2 952 326</b>	<b>3 108 799</b>
Casino taxes									
Horse racing taxes									
Liquor licences									
Motor vehicle licences	1 705 814	2 227 725	2 401 619	2 542 908	2 542 908	2 592 459	2 743 798	2 952 326	3 108 799
<b>Sales of goods and services other than capital assets</b>	<b>3 849</b>	<b>51 421</b>	<b>53 711</b>	<b>58 564</b>	<b>58 564</b>	<b>58 575</b>	<b>63 191</b>	<b>67 993</b>	<b>71 597</b>
Sale of goods and services produced by department (excluding capital assets)	3 849	51 421	53 711	58 564	58 564	58 575	63 191	67 993	71 597
Sales by market establishments	3 849	51 421	53 711	58 564	58 564	58 575	63 191	67 993	71 597
Administrative fees									
Other sales									
Sales of scrap, waste, arms and other used current goods (excluding capital assets)									
<b>Transfers received from:</b>									
Other governmental units									
Universities and technikons									
Foreign governments									
International organisations									
Public corporations and private enterprises									
Households and non-profit institutions									
<b>Fines, penalties and forfeits</b>									
<b>Interest, dividends and rent on land</b>	<b>4 410</b>	<b>596</b>	<b>133</b>	<b>670</b>	<b>400</b>	<b>403</b>	<b>723</b>	<b>778</b>	<b>819</b>
Interest	4 410	596	133	670	400	403	723	778	819
Dividends									
Rent on land									
<b>Sales of capital assets</b>			<b>10 162</b>		<b>7 000</b>	<b>6 892</b>			
Land and sub-soil assets									
Other capital assets			10 162		7 000	6 892			
<b>Transactions in financial assets and liabilities</b>	<b>8 823</b>	<b>4 134</b>	<b>1 226</b>	<b>4 484</b>	<b>1 684</b>	<b>1 692</b>	<b>4 838</b>	<b>5 206</b>	<b>5 482</b>
<b>Total departmental receipts</b>	<b>1 722 896</b>	<b>2 283 876</b>	<b>2 466 851</b>	<b>2 606 626</b>	<b>2 610 556</b>	<b>2 660 021</b>	<b>2 812 550</b>	<b>3 026 303</b>	<b>3 186 697</b>

TABLE 9.20: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>166 349</b>	<b>168 491</b>	<b>176 073</b>	<b>200 480</b>	<b>228 522</b>	<b>226 379</b>	<b>282 557</b>	<b>321 605</b>	<b>339 114</b>
Compensation of employees	91 504	104 922	106 782	107 660	139 283	128 754	130 440	151 522	161 192
Salaries and wages	81 737	94 431	94 796	71 977	105 000	96 916	87 673	100 448	117 177
Social contributions	9 767	10 491	11 986	35 683	34 283	31 838	42 767	51 074	44 015
Goods and services	74 845	63 444	69 026	91 199	87 560	97 567	151 987	169 953	177 792
Administrative fees	77	375	431		380	481	500	492	484
Advertising	9 029	9 336	3 603	4 452	7 110	8 223	5 620	6 335	7 042
Assets less than the capitalisation threshold	206	1 261	32	2 020	1 243	1 243	840	1 450	1 561
Audit cost: External	8 862	4 670	3 762	6 000	5 497	5 497	6 000	6 000	6 000
Bursaries: Employees	1 223	444	780	2 000	1 000	1 000	1 700	1 900	2 000
Catering: Departmental activities	179	613	534	1 600	1 754	1 031	2 927	3 106	3 385

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Communication (G&S)	11 516	8 770	18 347	18 720	17 379	15 632	21 100	23 400	25 600
Computer services	6 265	2 611	5 765	7 000	5 922	6 016	8 450	9 600	10 400
Consultants and professional services: Business and advisory services	(433)	5 167	2 616	5 000	7 395	3 654	9 130	10 050	10 900
Consultants and professional services: Infrastructure and planning	9 941	219	5						
Consultants and professional services: Laboratory services									
Consultants and professional services: Scientific and technological services		2 786	1 775						
Consultants and professional services: Legal costs	3 608	120	477	9 700	2 120	3 221	1 600	2 000	2 500
Contractors	472	11 240	454		1 706	101	6 670	7 300	8 150
Agency and support / outsourced services	12 449		2 027			185			
Entertainment	30								
Fleet services (including government motor transport)			3		4 306	9 219	6 698	7 403	7 312
Housing			55						
Inventory: Clothing material and accessories		20							
Inventory: Farming supplies						1			
Inventory: Food and food supplies	63	62	260	50	102	52	150	180	200
Inventory: Fuel, oil and gas									
Inventory: Learner and teacher support material	8								
Inventory: Materials and supplies		3	115			2	1 450	1 700	2 150
Inventory: Medical supplies									
Inventory: Medicine			38						
Meddas inventory interface			83						
Inventory: Other supplies						17	6 959	7 696	6 577
Consumable supplies	306	8	5	20	96	1 483			
Consumable: Stationery, printing and office supplies	1 981	1 363	2 742	5 797	5 099	5 763	6 474	6 880	7 481
Operating leases	2 405	(89)	1 308		1 000	4 414	10 000	10 000	10 000
Property payments	792	608	16 165	18 240	15 740	20 103	39 529	45 001	45 000
Transport provided: Departmental activity		84	82		110	110	80	90	100
Travel and subsistence	3 678	6 696	2 926	3 400	4 044	4 375	4 440	6 470	7 550
Training and development	2 102	1 581	675	2 200	3 057	2 057	6 450	7 000	7 500
Operating payments		4 745	2 921	2 500	65				
Venues and facilities	86	751	1 040	2 500	2 435	3 687	5 220	5 900	5 900
Rental and hiring									
Interest and rent on land		125	265	1 621	1 679	58	130	130	130
Interest		125	265	1 621	1 679	58	130	130	130
Rent on land									
<b>Transfers and subsidies</b>	<b>48</b>	<b>1 865</b>	<b>262</b>	<b>2 735</b>	<b>2 718</b>		<b>500</b>	<b>500</b>	<b>500</b>
Provinces and municipalities			75						
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities			75						
Municipal bank accounts									
Municipal agencies and funds			75						
Departmental agencies and accounts									
Social security funds									

## Vote 9 - Roads and Transport • EPRE - 2014/15

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Departmental agencies (non-business entities)									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Public corporations									
Other transfers to public corporations									
Private enterprises									
Other transfers to private enterprises									
Non-profit institutions									
Households	48	1 865	187		2 735	2 718	500	500	500
Social benefits	48	1 865	124			2 718			
Other transfers to households			63		2 735		500	500	500
<b>Payments for capital assets</b>	<b>866</b>	<b>3 543</b>	<b>3 510</b>	<b>8 753</b>	<b>5 196</b>	<b>6 151</b>	<b>6 400</b>	<b>6 150</b>	<b>6 100</b>
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	866	3 533	3 254	8 753	5 196	6 151	6 400	6 150	6 100
Transport equipment									
Other machinery and equipment	866	3 533	3 254	8 753	5 196	6 151	6 400	6 150	6 100
Land and sub-soil assets									
Software and other intangible assets		10	256						
<b>Payments for financial assets</b>	<b>5 376</b>	<b>1 730</b>	<b>224</b>			<b>1</b>			
Thefts and losses	5 376	1 730	224			1			
<b>Total economic classification</b>	<b>172 639</b>	<b>175 629</b>	<b>180 069</b>	<b>209 233</b>	<b>236 453</b>	<b>235 249</b>	<b>289 457</b>	<b>328 255</b>	<b>345 714</b>

TABLE 9.21: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: TRANSPORT INFRASTRUCTURE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2015/16
<b>Current payments</b>	<b>1 334 744</b>	<b>1 117 146</b>	<b>949 364</b>	<b>692 033</b>	<b>1 002 001</b>	<b>996 574</b>	<b>1 056 539</b>	<b>975 071</b>	<b>1 060 089</b>
Compensation of employees	179 559	238 493	222 246	266 699	235 399	225 013	317 305	335 672	353 463
Salaries and wages	157 234	194 568	190 819	203 654	178 354	173 638	239 404	254 839	268 345
Social contributions	22 325	43 925	31 427	63 045	57 045	51 375	77 901	80 833	85 118
Goods and services	1 155 185	869 476	721 881	423 241	764 509	769 768	739 164	639 319	706 531
Administrative fees	616	235	99	203	332	397	188	194	200
Advertising	15 249	1 606	733	1 253	4 803	4 875	4 190	4 700	4 850
Assets less than the capitalisation threshold	120	(374)	174	700	840	1 200			
Audit cost: External	2								
Bursaries: Employees									
Catering: Departmental activities	131	116	12		46	55	193	204	215
Communication (G&S)	2 750	2 825	1 928	5 080	3 300	3 417			
Computer services	984	87	2 063	250	300	333			
Consultants and professional services: Business and advisory services	1 485	994	1 996	500	500	500	2 800	3 300	3 800
Consultants and professional services: Infrastructure and planning	253 981	103 030	29 991	31 646	35 121	30 163	60 215	65 230	80 684
Consultants and professional services: Laboratory services					30	79			

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2015/16
Consultants and professional services: Scientific and technological services			48						
Consultants and professional services: Legal costs	3 337	3 747	9 110	3 000	4 048	5 581	5 100	6 000	6 500
Contractors	829 797	639 475	600 008	282 520	612 209	578 085	574 608	473 133	443 472
Agency and support / outsourced services	3 329	3 485	58						
Entertainment	3								
Fleet services (including government motor transport)	637	54 565	22 944	28 000	29 900	30 132	20 316	23 117	20 518
Housing									
Inventory: Clothing material and accessories						1 446			
Inventory: Farming supplies									
Inventory: Food and food supplies	18	52	6		5	1			
Inventory: Fuel, oil and gas	5 508	2 997	249	5 000	1 015	1 724			
Inventory: Learner and teacher support material									
Inventory: Materials and supplies	9 770	17 150	19 027	21 329	19 042	66 590	55 250	46 200	128 550
Inventory: Medical supplies			4		30				
Inventory: Medicine									
Medsas inventory interface									
Inventory: Other supplies									
Consumable supplies	2 700	2 822	8 131	13 200	13 427	108			
Consumable: Stationery, printing and office supplies	921	6 267	1 116	1 800	1 671	1 124	1 005	1 056	1 117
Operating leases	10 534	7 912	3 346						
Property payments	667	7 392	6 553	25 760	25 760	25 245	5 000	5 000	5 000
Transport provided: Departmental activity	3 653	(75)	2 768						
Travel and subsistence	242	11 404	7 539	2 580	11 280	17 907	10 184	11 070	11 410
Training and development	3 618	900	292	320	640	797			
Operating payments	4 757	2 354	3 681			1			
Venues and facilities	376	510	5	100	210	8	115	115	215
Rental and hiring									
Interest and rent on land		9 177	5 237	2 093	2 093	1 793	70	80	95
Interest		9 177	5 237	2 093	2 093	1 793	70	80	95
Rent on land									
<b>Transfers and subsidies</b>	<b>8 946</b>	<b>3 265</b>	<b>8 166</b>	<b>3 119</b>	<b>4 912</b>	<b>4 931</b>	<b>4 822</b>	<b>5 623</b>	<b>5 401</b>
Provinces and municipalities		1 126	5 257	1 400	1 400	1 396	1 800	2 200	1 200
Provinces			5 239	1 400	1 400	1 396			
Provincial Revenue Funds									
Provincial agencies and funds			5 239	1 400	1 400	1 396			
Municipalities		1 126	18				1 800	2 200	1 200
Municipal bank accounts		1 126	18				1 800	2 200	1 200
Municipal agencies and funds									
Departmental agencies and accounts									
Social security funds									
Departmental agencies (non-business entities)									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises		174	1 690		1 000	1 000			
Public corporations			845		1 000	1 000			
Other transfers to public corporations			845		1 000	1 000			
Private enterprises		174	845						

## Vote 9 - Roads and Transport • EPRE - 2014/15

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2015/16
Subsidies on products and production (pe)									
Other transfers to private enterprises		174	845						
Non-profit institutions									
Households	8 946	1 965	1 219	1 719	2 512	2 535	3 022	3 423	4 201
Social benefits	85	1 804	1 536	1 719	2 512	2 198			
Other transfers to households	8 861	161	(317)			337	3 022	3 423	4 201
<b>Payments for capital assets</b>	<b>38 110</b>	<b>30 471</b>	<b>839 220</b>	<b>930 472</b>	<b>847 045</b>	<b>847 234</b>	<b>1 037 935</b>	<b>1 250 568</b>	<b>1 290 174</b>
Buildings and other fixed structures		202	836 565	923 015	844 688	844 009	982 803	1 212 918	1 178 273
Buildings									
Other fixed structures		202	836 565	923 015	844 688	844 009	982 803	1 212 918	1 178 273
Machinery and equipment	1 019	12 216	2 210	7 457	2 357	3 225	55 132	37 650	111 900
Transport equipment							53 332	35 800	110 000
Other machinery and equipment	1 019	12 216	2 210	7 457	2 357	3 225	1 800	1 850	1 900
Land and sub-soil assets	37 091	18 053							
Software and other intangible assets			445						
<b>Payments for financial assets</b>		<b>648</b>	<b>605</b>			<b>73</b>			
Thefts and losses		648	605			73			
<b>Total economic classification</b>	<b>1 381 800</b>	<b>1 151 530</b>	<b>1 797 355</b>	<b>1 625 624</b>	<b>1 853 958</b>	<b>1 848 812</b>	<b>2 099 296</b>	<b>2 231 262</b>	<b>2 355 663</b>

TABLE 9.22: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: TRANSPORT OPERATIONS

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2015/16
<b>Current payments</b>	<b>90 552</b>	<b>112 858</b>	<b>59 480</b>	<b>66 724</b>	<b>66 574</b>	<b>66 139</b>	<b>79 963</b>	<b>84 929</b>	<b>88 610</b>
Compensation of employees	16 505	17 032	18 383	36 568	36 568	36 568	42 213	45 689	48 110
Salaries and wages	14 513	15 330	18 089	28 101	28 101	27 426	34 203	36 136	38 051
Social contributions	1 992	1 702	294	8 467	8 467	9 142	8 010	9 553	10 059
Goods and services	57 994	95 761	41 097	29 721	29 571	29 571	37 750	39 240	40 500
Administrative fees	7								
Advertising	877	98	48	364	64	114	400	450	500
Assets less than the capitalisation threshold		7	6	260	60	60			
Audit cost: External									
Bursaries: Employees									
Catering: Departmental activities	533					1	30	40	50
Communication (G&S)	601	140	15	400	(200)	10			
Computer services		18							
Consultants and professional services: Business and advisory services	44 923	27 833	14 028	23 214	23 464	23 202	32 000	33 000	34 000
Consultants and professional services: Infrastructure and planning	7 253	64 358							
Consultants and professional services: Laboratory services									
Consultants and professional services: Scientific and technological services									
Consultants and professional services: Legal costs	911	82	25 993	3 200	2 010	2 010	2 120	2 500	2 500
Contractors		1 690							
Agency and support / outsourced services									
Entertainment	191								

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2015/16
Fleet services (including government motor transport)					1 800	1 900	1 000	920	1 000
Housing									
Inventory: Clothing material and accessories									
Inventory: Farming supplies									
Inventory: Food and food supplies	4	1	1	10	10	10			
Inventory: Fuel, oil and gas									
Inventory: Learner and teacher support material									
Inventory: Materials and supplies			1			1			
Inventory: Medical supplies									
Inventory: Medicine									
Medsas inventory interface									
Inventory: Other supplies						473			
Consumable supplies		5		23	23				
Consumable: Stationery, printing and office supplies	993	24	83	750	450		350	400	450
Operating leases	320	368							
Property payments									
Transport provided: Departmental activity	242	222							
Travel and subsistence	1 127	896	662	1 200	1 490	1 390	1 750	1 800	1 850
Training and development		11	260	300	100	100			
Operating payments		8							
Venues and facilities	12				300	300	100	130	150
Rental and hiring									
Interest and rent on land	16 053	65		435	435				
Interest	16 053	65		435	435				
Rent on land									
<b>Transfers and subsidies</b>	<b>1 363 564</b>	<b>1 901 510</b>	<b>1 684 068</b>	<b>1 764 344</b>	<b>1 764 354</b>	<b>1 794 370</b>	<b>1 927 954</b>	<b>2 047 821</b>	<b>2 155 498</b>
Provinces and municipalities									
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities									
Municipal bank accounts									
Municipal agencies and funds									
Departmental agencies and accounts									
Social security funds									
Departmental agencies (non-business entities)									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises	1 363 564	1 901 393	1 684 021	1 764 344	1 764 344	1 794 344	1 927 854	2 047 701	2 155 368
Public corporations									
Other transfers to public corporations									
Private enterprises	1 363 564	1 901 393	1 684 021	1 764 344	1 764 344	1 794 344	1 927 854	2 047 701	2 155 368
Subsidies on products and production (pe)									
Other transfers to private enterprises	1 363 564	1 901 393	1 684 021	1 764 344	1 764 344	1 794 344	1 927 854	2 047 701	2 155 368
Non-profit institutions									
Households		117	47		10	26	100	120	130
Social benefits			47				100	120	130
Other transfers to households		117			10	26			



## Vote 9 - Roads and Transport • EPRE - 2014/15

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2015/16
<b>Payments for capital assets</b>	<b>25</b>	<b>397</b>	<b>64 690</b>	<b>98 004</b>	<b>85 604</b>	<b>86 039</b>	<b>126 150</b>	<b>123 012</b>	<b>150 081</b>
Buildings and other fixed structures			64 591	96 580	85 580	85 580	125 450	122 262	149 281
Buildings									
Other fixed structures			64 591	96 580	85 580	85 580	125 450	122 262	149 281
Machinery and equipment	25	397	99	1 424	24	459	700	750	800
Transport equipment									
Other machinery and equipment	25	397	99	1 424	24	459	700	750	800
Software and other intangible assets									
<b>Payments for financial assets</b>		<b>10</b>				<b>3</b>			
Thefts and losses		10				3			
<b>Total economic classification</b>	<b>1 454 141</b>	<b>2 014 775</b>	<b>1 808 238</b>	<b>1 929 072</b>	<b>1 916 532</b>	<b>1 946 551</b>	<b>2 134 067</b>	<b>2 255 762</b>	<b>2 394 189</b>

TABLE 9.23: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: TRANSPORT REGULATIONS

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2015/16
<b>Current payments</b>	<b>241 432</b>	<b>214 706</b>	<b>154 879</b>	<b>164 048</b>	<b>187 695</b>	<b>186 976</b>	<b>192 192</b>	<b>204 383</b>	<b>215 905</b>
Compensation of employees	82 591	73 080	89 628	129 310	129 310	108 470	150 134	160 149	168 636
Salaries and wages	72 317	65 291	81 839	96 687	96 687	78 986	114 289	123 390	129 929
Social contributions	10 274	7 789	7 789	32 623	32 623	29 484	35 845	36 759	38 707
Goods and services	158 841	141 353	65 121	33 648	57 215	78 440	41 758	43 944	46 994
Administrative fees	287				30	11	12	14	16
Advertising	410	17	572	728	2 528	1 331	2 200	2 300	2 400
Assets less than the capitalisation threshold	421	843	295	1 176	646	1 124			
Audit cost: External									
Bursaries: Employees									
Catering: Departmental activities	9	97	89	60	110	101	550	500	450
Communication (G&S)	1 846	1 584	830	3 300	4 000	2 132	1 100	1 100	1 100
Computer services	3 224	47	281	500	500	4 455	400	400	400
Consultants and professional services: Business and advisory services		99 091	24 040	22 884	25 434	22 093	4 800	4 800	5 800
Consultants and professional services: Infrastructure and planning		2 644	162			69			
Consultants and professional services: Laboratory services									
Consultants and professional services: Scientific and technological services			397						
Consultants and professional services: Legal costs	1 394	2 607	436	500	1 800	1 214	770	1 500	1 500
Contractors	46 424	1 287	306		600	1 369	1 500	1 500	1 918
Agency and support / outsourced services	74 986	1 182	1		240	198	1 000	1 000	1 000
Entertainment			155						
Fleet services (including government motor transport)		591			3 600	4 894	4 636	4 280	4 600
Housing			5						
Inventory: Clothing material and accessories									
Inventory: Farming supplies									
Inventory: Food and food supplies		3	23		177	5			

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2015/16
Inventory: Fuel, oil and gas									
Inventory: Learner and teacher support material									
Inventory: Materials and supplies	2	3		100	120	250			
Inventory: Medical supplies									
Inventory: Medicine									
Medsas inventory interface									
Inventory: Other supplies									
Consumable supplies	274	1			30	45			
Consumable: Stationery, printing and office supplies	9 034	3 789	11 551	2 200	9 200	13 659	9 200	9 900	10 600
Operating leases	8 774	10 978	11 733		2 000	3 202	10 000	10 900	11 300
Property payments		7 269	8 663	500	4 300	20 527	4 000	4 100	4 200
Transport provided: Departmental activity	5 607								
Travel and subsistence		3 079	747	1 000	1 200	1 101	1 390	1 400	1 410
Training and development	4 812	20	465	200	200	185			
Operating payments	1 337	6 197	4 355	500	500	475			
Venues and facilities		24	15				200	250	300
Rental and hiring									
Interest and rent on land		273	130	1 090	1 170	66	300	290	275
Interest		273	130	1 090	1 090	66	300	290	275
Rent on land					80				
<b>Transfers and subsidies</b>	<b>375</b>	<b>248</b>	<b>552</b>		<b>115</b>	<b>150</b>	<b>58</b>	<b>60</b>	<b>62</b>
Provinces and municipalities		1	12						
Provinces		1	12						
Provincial Revenue Funds			12						
Provincial agencies and funds		1							
Municipalities									
Municipal bank accounts									
Municipal agencies and funds									
Departmental agencies and accounts									
Social security funds									
Departmental agencies (non-business entities)									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Public corporations									
Other transfers to public corporations									
Private enterprises									
Other transfers to private enterprises									
Non-profit institutions									
Households	375	247	540		115	150	58	60	62
Social benefits	119		120						
Other transfers to households	256	247	420		115	150	58	60	62
<b>Payments for capital assets</b>	<b>2 472</b>	<b>8 057</b>	<b>24 979</b>	<b>40 044</b>	<b>51 791</b>	<b>47 533</b>	<b>126 041</b>	<b>64 933</b>	<b>45 240</b>
Buildings and other fixed structures			17 650	37 523	50 770	44 387	123 841	62 433	42 640
Buildings									
Other fixed structures			17 650	37 523	50 770	44 387	123 841	62 433	42 640
Machinery and equipment	1 133	3 507	3 469	2 521	1 021	3 146	2 200	2 500	2 600
Transport equipment									
Other machinery and equipment	1 133	3 507	3 469	2 521	1 021	3 146	2 200	2 500	2 600

## Vote 9 - Roads and Transport • EPRE - 2014/15

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2015/16
Software and other intangible assets	1 339	4 550	3 860						
<b>Payments for financial assets</b>		<b>157</b>	<b>123</b>			<b>8</b>			
Thefts and losses		157	123			8			
<b>Total economic classification</b>	<b>244 279</b>	<b>223 168</b>	<b>180 533</b>	<b>204 092</b>	<b>239 601</b>	<b>234 667</b>	<b>318 291</b>	<b>269 376</b>	<b>261 207</b>

TABLE 9.24: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: GAUTRAIN

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2015/16
<b>Current payments</b>	<b>10</b>								
Compensation of employees									
Salaries and wages									
Social contributions									
Goods and services	10								
Administrative fees									
Consultants and professional services: Legal costs	10								
Contractors									
Agency and support / outsourced services									
Entertainment									
Venues and facilities									
Rental and hiring									
Interest and rent on land									
Interest									
Rent on land									
<b>Transfers and subsidies</b>	<b>3 714 778</b>	<b>2 219 545</b>	<b>1 598 711</b>	<b>801 943</b>	<b>1 424 943</b>	<b>1 424 943</b>	<b>1 311 748</b>	<b>1 561 451</b>	<b>1 832 089</b>
Provinces and municipalities									
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities									
Municipal bank accounts									
Municipal agencies and funds									
Departmental agencies and accounts	3 714 778	2 219 545	1 598 711	801 943	1 424 943	1 424 943	1 311 748	1 561 451	1 832 089
Social security funds									
Departmental agencies (non-business entities)	3 714 778	2 219 545	1 598 711	801 943	1 424 943	1 424 943	1 311 748	1 561 451	1 832 089
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Public corporations									
Subsidies on products and production (pc)									
Other transfers to public corporations									
Private enterprises									
Subsidies on products and production (pe)									
Other transfers to private enterprises									
Non-profit institutions									
Households									
Social benefits									
Other transfers to households									

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2015/16
<b>Payments for capital assets</b>									
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment									
Transport equipment									
Other machinery and equipment									
Software and other intangible assets									
<b>Payments for financial assets</b>									
Thefts and losses									
<b>Total economic classification</b>	<b>3 714 788</b>	<b>2 219 545</b>	<b>1 598 711</b>	<b>801 943</b>	<b>1 424 943</b>	<b>1 424 943</b>	<b>1 311 748</b>	<b>1 561 451</b>	<b>1 832 089</b>



## Vote 9 - Roads and Transport • EPRE - 2014/15



# VOTE 10

## DEPARTMENT OF COMMUNITY SAFETY

To be appropriated by Vote in 2014/15	R 573 510 000
Responsible Executing Authority	MEC for Community Safety
Administering Department	Department of Community Safety
Accounting Officer	Head of Department

### 1. OVERVIEW

#### Vision

To ensure that Gauteng is a safe and secure province

#### Mission

In its pursuit of the vision stated above, the Department of Community Safety will strive to improve the safety of all communities in the province through:

- The monitoring of police conduct;
- Overseeing the effectiveness and efficiency of the province's law enforcement agencies, including receiving reports on these agencies of law enforcement;
- The effective implementation and promotion of appropriate social crime prevention initiatives;
- The provision of excellent traffic policing services;
- The coordination of efforts aimed at the improving the effectiveness and integration of the criminal justice system in the province;
- Educating, empowering and mobilising communities on issues of public safety and coordinating community safety initiatives;
- Improving and strengthening relations between communities and law enforcement agencies; and
- Facilitating the process of determining policing needs and priorities by the Executive Council.

#### Strategic Goals

The department exercises its powers and performs its duties and functions in pursuit of the following strategic goals:

- To conduct accurate, reliable and relevant qualitative and quantitative research;
- To monitor and evaluate police performance;
- To facilitate the improvement of police conduct;
- To accept, temporarily house and support victims;
- To provide volunteer-based victim support services at police station level throughout the province;
- To monitor the performance and functionality of community police relations;
- To promote youth and school safety;
- To prevent violence against women and children;
- To increase awareness through outreach programmes, internal communication, marketing and media exposure;
- To reduce road fatalities in Gauteng;
- To convert Boekenhoutkloof Traffic College into a Centre of excellence;
- To provide traffic training; and
- To increase road user compliance with the rules of the road.

### Core functions and responsibilities

The core functions and responsibilities of the department are summarised as follows:

- To monitor police conduct;
- To oversee the effectiveness and efficiency of the province's law enforcement agencies (primarily the South African Police Service (SAPS) and the three metropolitan police departments of Ekurhuleni, Johannesburg and Tshwane), including receiving reports on these police services;
- To promote good relations between the police and communities;
- To assess the effectiveness of visible policing;
- To liaise with the Minister of Police with respect to crime and policing in the province;
- To record and investigate public complaints alleging police inefficiency;
- To mobilise all communities in the fight against crime; and
- To promote road safety, in collaboration with other law enforcement agencies, for improved reductions in road accidents and resultant fatalities.

### Main services

The main services rendered by the department are informed by the Constitutional and legislative mandates of the department which are referred to above. These are tabulated as follows:

Main services	Brief analysis of the demands	Expected changes in the services
Monitoring of police conduct	In a democracy, the populace will always demand that their police service should be effective against crime and that they should police them professionally. Where members of the police service violate the people's rights, which are enshrined in the Constitution, such violations must be reported to the department for investigation or referral to relevant institutions like the Independent Police Investigative Directorate (IPID).	The newly-enacted IPID Act, 2011 places an obligation on the department to, <i>inter alia</i> , monitor police compliance with the Domestic Violence Act, 1998.
Overseeing the effectiveness and efficiency of the province's law enforcement agencies	Section 206 (3) of the Constitution entitles the department to render this service. It is imperative that the quality of policing be improved. The department does this primarily through the police oversight function.	The promulgation of the new Civilian Secretariat for Police Service Act, 2011 expanded the mandate of the Department.
Promotion of good relations between the police and the community	In a democratic society such as ours, it is accepted that the police are the people and the people the police. No police service can thus be effective unless it enjoys community support.	No major changes are expected.
Assessment of the effectiveness of visible policing	It is generally accepted that police visibility is a formidable deterrent to crime. Section 206 (3) (d) of the Constitution entitles the department to perform this function. The implementation of the sector policing strategies and plans by police management requires vigorous monitoring, evaluation and reporting.	Given the need to cover all police stations each year to obtain a fuller provincial picture, changes to the current organisation structure are envisaged.
Liaison with the Minister of Police	This is a political responsibility carried out by the Member of the Executive Council through the Ministerial Executive Committee established in terms of Section 27 of the Civilian Secretariat for Police Service Act, 2011.	No major changes are expected.
Community mobilisation against crime	The crime challenge affects all communities in the province without regard to affluence. It is thus important for the department, led by the political head, to mobilise communities against the scourge in a bid to encourage them to take charge of the safety and security interests, within the legal parameters.	No major changes are expected.
Promotion of road safety for reductions in road accidents and fatalities	The high number of road accidents and resultant fatalities is unacceptable. Road crashes kill about 1.3 million people globally each year, which translates into 3500 people per day. 90 per cent of deaths and serious injuries related to road accidents occur in low to middle income countries, such as South Africa, costing their collective economies an estimated R1 085 trillion each year.	No major changes are expected.

### Outcomes

The department performs its functions in pursuit of Outcome 3, namely "All people in South Africa are and feel safe". The plans for this Outcome were developed and costed, which then informed the department's annual performance plan and budget. The department has also entered into partnerships with provincial departments, the SAPS and other stakeholders to intensify its efforts to promote safety and peace.

The approved Intergovernmental Programme of Action (POA) gave effect to the priority outcomes adopted by the provincial government and identified seven outputs that the department must deliver. These outputs are listed hereunder, all of which primarily contribute towards the realisation of Outcome 3.

- Reduction in priority (TRIO) crimes;
- Reduction in crimes against women and children;
- Social crime prevention;
- Crime perception management;
- Effectiveness and integration of the criminal justice system;
- Reduction in corruption; and
- Reduction in road fatalities.

**External activities and events relevant to budget decisions**

The main external activities and events relevant to budget decisions are provided hereunder:

- The facilitation of the full implementation of the Civilian Secretariat for Police Service Act, 2011 (Act no. 2 of 2011) and the Independent Police Investigative Directorate Act, 2011 (Act no. 1 of 2011);
- The demands of the Road Traffic Management Corporation (RTMC), especially in relation to the implementation of the Administrative adjudication of Road Traffic Offences Act, 1998 (Act No. 46 of 1998) and the draft National Road Traffic Law Enforcement Code (NRTLEC);
- The continuous prevention of violence against women and children (VAWAC);
- The enhancement of the scope and implementation of the Close Circuit Television (CCTV) camera project in conjunction with GDF in order to improve policing;
- The improvement of forensic capacity in Gauteng;
- The roll-out of Patroller Programme;
- The improvement of social crime prevention interventions in the province;
- The strengthening of public relations with regards to crowd management; and
- The training of law enforcement agencies (LEA) in crowd management in the light of the recent spate of service delivery protests.

**Acts, rules and regulations**

- Independent Police Investigative Directorate Act, 2011 (Act No. 1 of 2011);
- Civilian Secretariat for Police Service Act, 2011 (Act No. 2 of 2011);
- Intergovernmental Relations Framework Act, 2005 (Act No. 13 of 2005);
- Gauteng Transport Framework Revision Act, 2002 (Act No. 8 of 2002);
- Gauteng Public Passenger Road Transport Act, 2001 (Act No. 7 of 2001);
- National Land Transport Transition Act, 2000 (Act No. 22 of 2000);
- South African Police Service Amendment Act, 1998 (Act No. 83 of 1998);
- White Paper on Safety and Security, 1998;
- Gauteng White Paper on Transport Policy, 1997;
- National Crime Prevention Strategy, 1996;
- White Paper on National Transport Policy, 1996;
- National Road Traffic Act, 1996 (Act No. 93 of 1996); and
- South African Police Service Act, 1995 (Act No. 68 of 1995).

**2. REVIEW OF THE CURRENT FINANCIAL YEAR (2013/14)**

The 2013/14 financial year marks the conclusion of the 2009/2014 political term of office. As the department approaches the end of the term, it is imperative to review the achievements recorded over the years as this will enable the department to better consolidate the safety and security gains that were achieved on behalf of Gauteng citizens. Progress made by the Department on the 2013/14 planned outputs are provided hereunder:

**Outcome 1: "All people in South Africa are and feel safe".****Output 1: Reduction in priority crimes****Monitoring and Evaluation**

In order to reduce priority crimes, the department continued to monitor and evaluate the performance of the South African Police Service (SAPS) at both station and cluster levels. Furthermore, the department evaluated the quality of criminal investigations relating to the TRIO crimes and monitored the coordination and collaboration between the Criminal Justice System (CJS) components at local level. The department monitored the implementation of the Domestic Violence Act by SAPS and assessed the effectiveness of visible policing. The department has taken on the additional functions listed in the Civilian Secretariat for Police Service Act 2011 by monitoring SAPS compliance with the Domestic Violence Act and examining recommendations made by the Independent Police Investigative Directorate (IPID) to the SAPS.

The department continued to monitor the implementation of the Co-Created Policing Strategy and the Detective 10 Point Plan. These strategies have made a significant impact on the reduction of priority crimes. The department continued to perform docket analysis on cases closed as undetected and withdrawn to determine if the Detective Services are operating at an optimal level. Docket audits also allowed for the identification of counteractive interventions. The findings of the docket audits conducted received the attention of SAPS Province. In addition, the



department analysed sector policing, co-operation between SAPS and the National Prosecuting Authority (NPA) and complaints about poor service delivery by the SAPS.

Quarterly reviews were held with the law enforcement agencies. Staff in the department has been on a Civilian Oversight course to enhance their ability to conduct oversight over the law enforcement agencies in the province.

### **Policy and Research**

The department conducted strategic research that impacts on the criminal justice system and social crime prevention in the province and will conduct impact assessment studies. The research work covered the establishment of the Civilian Secretariat for Police Service Act 2011.

### **Output 2: Reduction in crimes against women and children**

The department coordinated the VAWAC Prevention and the Gender Based Violence Prevention Forum with stakeholders in order to conclude the VAWAC Prevention Strategy and its implementation plan for endorsement. This Forum included, amongst others, engagement sessions with liquor traders on safety and responsible trading but emphasis was placed on VAWAC. Community awareness campaigns were also conducted to address alcohol abuse. Substance abuse, especially amongst the youth of the province, has reached an ultimate high and the department has risen to this challenge in conjunction with other GPG departments.

The VAWAC Prevention Strategy is an overarching document that coordinates and brings together all VAWAC related policies and strategies in the province geared towards ensuring the protection of women, children, the elderly and people with disabilities. The following find expression in the VAWAC Prevention Strategy:

- The provincial implementation plan for the management of sexual and domestic violence;
- The provincial sexual offences, child protection and family violence strategy;
- The provincial policing strategy (PPRS) for the investigation of rapes; and
- The provincial victim empowerment program.

### **Output 3: Social crime prevention**

"Men as Safety Promoters" (MASP) groups continued to be established through the recruitment of volunteers who were trained. Emphasis was placed on community awareness about safety, targeting women, the elderly and people with disabilities. The department also initiated a programme to address substance (Nyaope) abuse amongst youth in the different areas within the province. As a result, young people who volunteer to undergo rehabilitation at youth camps, which have duration of 8 weeks, were assisted. The programme has been well received by the community in Hammanskraal, as part of the pilot project, with more young people coming forward requesting assistance with their addiction.

### **Promotion of Youth Safety**

The department created 8 cooperatives of young persons involved in the Youth Crime Prevention Desk across Gauteng, focusing on the catering, environmental health, construction and the automotive industries. A new media project including the Tembisa and Katlehong clusters is underway to document the work done within the communities by the Youth Crime Prevention Desk as well as other programmes implemented in partnership Deutsche Gesellschaft Fur Internationale Zusammenarbeit (GIZ). Research was conducted on the status quo of the Youth Crime Prevention Desk in partnership with GIZ. The department will prioritise the appointment of Youth Crime Prevention Desk officers as trainee traffic officers at the Boekenhoutkloof Traffic Training College and the appointment of the Youth Crime Prevention Desk as peace Officers.

### **Promotion of School Safety and Prevention of Substance Abuse**

A substance abuse awareness campaign, the Anti Nyaope Campaign, was launched in Eersterus on the 29<sup>th</sup> June 2013. Furthermore, two youth camps were hosted for young men (24- 28 June 2013) and women (18- 24 August 2013) with a total of 160 participants, and youth addicted to drugs were motivated to stay clean. Youth Camp participants (former addicts) are now youth desk members and motivational speakers to motivate other young persons addicted to drugs. The department runs an After Care Programme which focuses on skills development for young people who participated in the camps and young addicts in need of rehabilitation and who were referred to the Gauteng Department of Social Development. The department strengthened its partnerships with the Gauteng Department of Education (GDE) and the SAPS, enabling more law enforcement operations in schools, searches and prison programmes.

### **Prevention of Violence against Women and Children**

The department launched 5 Regional Women Safety Desks and nominated leaders. Stipends were provided to the Provincial MASP Leadership and tools of trade included four laptops and cell phones. The "16 Days of

Activism” campaign and all the other activities on the provincial calendar were facilitated by the Department. The social crime prevention programme, namely the Women Safety Desk, Men as Safety Promoters and Youth Crime Prevention Desks were rolled out to the 503 wards of Gauteng. The department will continue coordinating the Youth Camps for youth addicted to drugs and rolling out of the Aftercare Programme for their development.

#### **Output 4: Crime Perception Management**

The department strengthened community awareness through corporate exhibitions at various malls and petrol ports in and around the province, and marketing channels were expanded to both electronic and static advertising. Social media is another platform or channel which was utilised to profile and market the services department and ensure that there is improved community mobilisation in the fight against crime. Outreach programmes were extended to the public transport modes as the majority of our communities commute using public transport, especially taxi ranks and railways. The other focus area included rural communities in the province in line with the Rural Safety Strategy which was implemented through various sectors to expand community mobilisation.

Pillar 4 of the Gauteng Safety Strategy was fully implemented through the “Take Charge Campaign” which requires all sectors to actively work towards getting communities on board in the fight against crime. These sectors include SAPS, divisions within the department and Community Police Forums (CPF).

#### **Community Police Relations**

The department has a constitutional responsibility to promote good relations between the police and communities. During the 2013/14 financial year, the department continued to assist and support the Gauteng Provincial Community Police Board and cluster boards. With regard to Community Police Forums (CPFs) the department continued to ensure that Sector Crime Forums are established and that democratic representation exists. In this way the department supports sector policing, it ensures that people are mobilised at grassroots’ level and that the services of the SAPS reaches people at street level. This has increased the confidence of communities in the SAPS and maximised community participation and involvement.

The department continued to assess, induct and support CPFs in the province. In addition, the department helped CPFs to develop programmes of action so that their work is focussed on the crime problems facing an area and that they are able to mobilise communities to actively participate in crime fighting initiatives.

Patrollers continued to be deployed at schools, Regional Traffic Offices, Ikhaya Lethemba, Metrorail and Transnet sites. Additional requests have been received for the services of our patrollers. The department will further mobilise local business fora to deal with the challenges of crime facing small businesses such as taverns, shebeens, spaza shops and hawkers. The inclusion of foreign nationals in these structures will serve as early warning systems for that particular sector. This is in an effort to ensure that there is better communication with the SAPS and CPFs.

#### **Output 5: Effectiveness and integration of the criminal justice system**

Since the establishment of the Criminal Justice Co-ordinating Committee (CJCC) in 2012, which involves the NPA, the SAPS, the Independent Police Investigative Directorate (IPID) and the State Security Agency (SSA), three sub-committees were established to deal with the prevention of TRIO crimes, domestic violence and VAWAC. The Provincial Joint Operational Intelligence Structure (PROVJOINT) is still the operational component of the Criminal Justice Co-ordinating Committee.

A cabinet memorandum on improving the forensic science capacity in the province was adopted by the Executive Council. In partnership with the University of Cape Town a course on forensic social workers is provided to students. However, there are other initiatives that are done in conjunction with other educational institutions to improve the forensic science capacity in Gauteng. Furthermore, 50 investigating officers from the province will continue to attend a course on Forensic Examiners offered by the University of the Western Cape to enhance their capacity to investigate commercial crime.

#### **Output 6: Reduction in corruption**

The department continued with progressively preventing and combating fraud and corruption through enforcement, prevention and public education. In collaboration with other structures as well as communities, an Anti-Corruption Strategy has been developed. The Drivers’ Licence Testing Centres (DLTCs) and the Vehicle Testing Stations (VTSs) could not escape the attention of the department in its endeavours to ensure the unwavering implementation of the Sectoral, Integrity and GPG Anti-Corruption Strategies, which form an intrinsic part of the battle against fraud and corruption. The department is in the process of establishing an Anti-Corruption hotline and other whistle blowing programme.

**Output 7: Reduction in road fatalities**

In terms of the projections for the current financial year, the traffic fatality statistics were estimated at about 60 per cent of pedestrians, followed by 30 per cent moving violations and 10 per cent un-roadworthy vehicles. The process of gathering statistics relating to fatalities from police stations across the province has since provided information reflecting a marginal decrease as per the Road Traffic Management Corporation (RTMC).

In order to address the above-mentioned problem, the department implemented the following key interventions:

- The implementation of the Road Safety Strategy;
- The development of a pedestrian-specific strategy to reduce the high number of pedestrian fatalities through high impact, direct and specific interventions, which are currently underway;
- The implementation of zero-tolerance on offenders and motorists who are in violation of traffic laws and by-laws, which include, amongst others, reckless and negligent driving, drunken driving and excessive speeding by moving violations blitzes; and
- The conducting of a high-impact operation for public transport and freight.

**3. OUTLOOK FOR THE COMING FINANCIAL YEAR (2014/15)****Outcome 1: “All people in South Africa are and feel safe”.****Output 1: Reduction in priority crimes****Monitoring and Evaluation**

The department will intensify its efforts to oversee the law enforcement agencies as part of its constitutional mandate. Therefore, the department will continue to carry out its work as prescribed by the Constitution of the Republic of South Africa and the Civilian Secretariat for Police Service Act. In addition, the Co-Created Policing Strategy and Detective 10 Point Plan will be monitored. The oversight model has been deemed non-negotiable by the Acting Provincial Commissioner and the MEC for Community Safety. The department will intensify its efforts to conduct docket audits as a method to understand the generators of crime and thereby design interventions that will address these issues. By the 2014/15 financial year, 6 000 thousand dockets would have been audited and significant inroads will be made into the performance of the detectives. This is due to the intense scrutiny of the Detective Services and the interventions undertaken by SAPS Province to address the deficiencies in Detective Services. Work will continue on monitoring the implementation of the Domestic Violence Act by SAPS. In addition, the investigation of poor police service delivery will continue and the capacity of SAPS to investigate such complaints will also be monitored. Furthermore, the department will monitor the implementation of IPID recommendations and receive reports thereto. The department will refine the oversight model to reflect the objectives of the National Development Plan (NDP) and the Gauteng Vision 2055. The department will also be monitoring the implementation of the NDP by the SAPS whilst ensuring that it meets the objective of building safer communities.

**Policy and Research**

The department will reposition the Policy and Research unit and expand the scope and capacity of work in order to undertake research and information analysis on social crime prevention. The focus will be mainly on impact assessments, niche area research, special projects and determining the type of police service suitable for the province.

**Output 2: Reduction in crimes against women and children**

In partnership with the Gauteng Department of Social Development, the department will continue to implement the Social Crime Prevention Strategy. In addition, the implementation plan for the management of victims of sexual assault and domestic violence will be rolled out. The department will continue to implement and monitor the implementation of the VAWAC Strategy. Awareness sessions relating to vulnerable groups will continue to be a focus for the department. The annual campaign, “16 Days Activism Against Abuse of Women and Children” will be conducted with an objective of a short and long term strategy of empowering these vulnerable groups within our communities. Ikhaya Lethemba, the one-stop centre that provides care services to victims, will be capacitated to deal with matters relating to women and children abuse and more psychologists and social workers will be deployed within the centre. A roll-out strategy has been developed to establish more community-based safe houses (Green doors) throughout the province.

In addition, the department will conduct docket analysis on sexual violence offences cases and provide feedback to the family violence, child protection and sexual offences clusters on the findings. The Criminal Justice value

chain will be improved in relation to sexual offences cases by identifying the services and training needs of FCS members.

### **Output 3: Social crime prevention**

The department has strengthened and will continue to intensify the Substance Abuse Prevention Programme to assist and encourage more young people to access and benefit from government services. A programme is currently underway to conduct quarterly substance abuse camps throughout the province.

The following programmes form an integral part of the social crime prevention strategy:

- Youth Safety Desk Programme;
- Prevention of Substance Abuse Programme;
- Community Partnerships on Drug Abuse Programme;
- Promotion of School Safety Programme; and
- Youth in Conflict with the Law Programme.

### **Community Police Relations**

Communities in Gauteng have over the past years developed and implemented community safety initiatives as part of their contribution to the fight against crime. In most of the suburban areas, communities have started to introduce additional security measures in their homes and are increasingly utilising armed responses and the patrol services of private security companies.

In poorer communities, employing these services is not affordable, and as a result, communities are opting for more affordable approaches which are volunteer-based community initiatives. These initiatives vary from formalised structures such as Community Police Forums (CPFs) to informal efforts by small groups from residents such as neighborhood watches, street committees and Community Patrol Groups.

Experience has shown that the impetus behind active involvement of community volunteers in these structures, relate to a need to contribute in the fight against crime in their localities and possible employment prospects. The department has since committed itself to sustaining these community safety initiatives through, amongst other things, ensuring that community patrollers are assisted with training programmes to effectively discharge their roles and responsibilities, as force multipliers.

Patrollers will continue to be deployed at schools, Metrorail and Transnet sites, rural sites and Green doors in an attempt to ensure job creation initiatives persist. The department will continue to support and enhance the Provincial Board, Cluster Boards and CPFs as well as provide the guidance necessary for their proper functioning, as the law dictates. These are legislated structures required by law to maintain and strengthen good relations between the police and the community in the fight against crime and lawlessness.

### **Output 4: Crime perception management**

Public engagements will continue through Izimbizo's, outreach programmes and marketing activities. The primary focus during these Izimbizo's is on the creation of awareness around provincial and departmental programmes and services as well as on the profiling of safety-related issues. The media strategy has remained an area of strategic focus as the department endeavoured to mobilise communities and internal employees to encourage a sustainable safety ambassadorship. The department will introduce feedback mechanisms to communities after the Izimbizo's. The Department is also embarking on a public relations exercise to enhance and market Ikhaya Lethemba, the Boekenhoutkloof Traffic Training College and the new Civilian Secretariat dispensation. The department aims to improve awareness campaigns on services rendered by the law enforcement agencies within the province.

### **Output 5: Effectiveness and integration of the criminal justice system (CJS)**

The Criminal Justice Co-ordinating Committee will continue to provide strategic direction to the Provincial Joint Operational Intelligence Structure (PROVJOINT) which is the operational arm. This will assist in ensuring the effectiveness and integration of the criminal justice system. Joint collaboration of activities between all the criminal justice system structures is important to ensure the effectiveness of the system.

### **Output 6: Reduction in corruption**

It is envisaged that the department will continue to ensure a dedicated focus on the implementation of the Anti-Corruption strategies as adopted by the provincial government as it battles against fraud and corruption relating to the province's law enforcement agencies. The Fraud and Anti-Corruption unit in the department is fully functional and one of their main responsibilities is to conduct training in the department in order to create

awareness. The primary focus will remain on the Driver and Learners Testing Centres (DLTC) and Vehicle Testing Stations (VTSs) across the province. The findings emanating from compliance audits will be implemented.

#### Output 7: Reduction in road fatalities

According to the road fatality statistics, about 60 per cent of fatalities are pedestrians, followed by 30 per cent moving violations and 10 per cent un-roadworthy motor vehicles. The implementation of strategies to reduce road fatalities will continue to be monitored throughout Gauteng. These include the Road Safety Strategy and the Pedestrian-Specific Strategy which is aimed at reducing the high number of pedestrian fatalities killed through high impact. In addition, the department will implement zero-tolerance on motor vehicles violating traffic laws and conduct high impact operations for public transport and freight.

### 4. REPRIORITISATION

The department will continue to implement sound fiscal discipline by regularly monitoring expenditure trends and re-directing resources towards essential services. The budget was reprioritised over the 2014 medium term to make optimal use of the available resources and assist the department to deliver on its mandate which includes inter alia the implementation of IPID Act and the Domestic Violence Act (DVA) and the continuation of programmes and projects that contribute to service delivery.

The department will fully implement and capacitate the Civilian Secretariat and as a result there is an increase in the personnel budget due to the establishment of the research and strategic planning units within the office of the Civilian Secretariat. In addition, there is an equivalent increase in the budget allocated to goods and services to provide equipment, furniture and motor vehicles for the additional staff. The implementation of the field worker model was prioritised to ensure more effective monitoring and oversight over policing. The objectives of the field worker model are to, amongst others, monitor police conduct, oversee the effectiveness and efficiency of the province's LEA, assess the effectiveness of visible policing, conduct policing research and provide information on safety and security matters. Funds were also reprioritised for the coordination of more social crime prevention initiatives in the province, particularly centring on the prevention of VAWAC. Other priorities for which funds have been made available include the empowerment of victims across the province through the provision of counselling services rendered at Ikhaya Lethemba., e. g. medico-legal services.

The department engaged the GDF for the incorporation of the CCTV project within the broader Gauteng Broad Band implementation Strategy. Plans are to utilise the Boekenhoutkloof Traffic Training College as a centre of excellence and as such include training of the SAPS on crowd management in order to address the increased challenges around service delivery protests. The public relations strategy will be intensified to improve good relations between the SAPS and communities.

### 5. PROCUREMENT

The department will continue to work towards improving its supply chain management practices by ensuring that value for money is achieved and that suitable service providers are selected. Major procurement to be undertaken in the 2014/15 financial year includes inter alia catering for Ikhaya Le-Themba and the Boekenhoutkloof Traffic Training College as well as protective clothing and equipment for the patrollers. Furthermore, security measures at both the Vereeniging Regional Office and the Boekenhoutkloof Traffic Training College will be enhanced. In addition, major procurement to be undertaken also includes the maintenance of CCTV cameras and the provision of mobile police stations.

### 6. RECEIPTS AND FINANCING

#### 6.1 Summary of receipts

TABLE 10.1: SUMMARY OF RECEIPTS: COMMUNITY SAFETY

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Equitable share	374 397	423 747	436 798	496 937	496 937	496 937	573 510	606 807	639 954
<b>Total receipts</b>	<b>374 397</b>	<b>423 747</b>	<b>436 798</b>	<b>496 937</b>	<b>496 937</b>	<b>496 937</b>	<b>573 510</b>	<b>606 807</b>	<b>639 954</b>

The department is mainly funded through equitable share, as reflected in the table above. In the 2013/14 financial year an amount of R645 000 was allocated for the social sector EPWP incentive conditional grant to drive job creation through the Patroller Programme.

For the fiscal period 2014/15, the equitable share amounts to R573.5 million, signifying an increase of 15 per cent or R76.6 million when compared with the 2013/14 adjusted budget. The substantial increase of R76.6 million in 2014/15 is primarily attributable to additional funds granted to the department for Improvement in Condition of Service (ICS), the re-grading of clerical positions and the implementation of the Civilian Secretariat Act. The increase will assist the department in terms of delivering on its mandate, which includes inter alia the establishment of the Civilian Secretariat in terms of the Act, the prevention of VAWAC and the reduction in TRIO crimes. The budget for the maintenance of CCTV cameras has been earmarked in order to ensure that these cameras are fully functional and effective at all times so as to act as a deterrent to potential perpetrators. Over the 2014 medium term, the departmental budget continues to grow by an annual average rate of 6 per cent totalling R606.8 million in 2015/16 and R639.9 in 2016/17. The outer two years includes the carry-through effect of additional funding allocated to the department in the 2014/15 financial year and inflationary related adjustments.

## 6.2 Departmental receipts

TABLE 10. 2: DEPARTMENTAL RECEIPTS: COMMUNITY SAFETY

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Tax receipts									
Casino taxes									
Horse racing taxes									
Liquor licences									
Motor vehicle licences									
Sales of goods and services other than capital assets	3 251	5 451	6 431	3 787	3 787	3 266	4 014	4 250	4 475
Transfers received									
Fines, penalties and forfeits	8 400	7 017	11 635	9 270	9 270	9 394	9 826	10 405	10 956
Interest, dividends and rent on land	30	37	4			1			
Sales of capital assets									
Transactions in financial assets and liabilities	167	1 276	2 542	385	385	252	408	432	455
<b>Total departmental receipts</b>	<b>11 848</b>	<b>13 781</b>	<b>20 612</b>	<b>13 442</b>	<b>13 442</b>	<b>12 913</b>	<b>14 248</b>	<b>15 087</b>	<b>15 886</b>

The department generates revenue from two sources, firstly through the Boekenhoutkloof Traffic Training College as income is received from trainees for course fees, accommodation and meals offered, and secondly through the collection of traffic fines. The line item transactions in financial assets represent refunds of prior year's payments. The department is working on the implementation of the following proposed revenue streams.

- Traffic escort of abnormal loads;
- Escort of sporting events;
- Road closure during film shooting;
- Traffic Accident reports;
- Accreditation of the college to issue PRDP's;
- Storage fee for impounded vehicles;
- Use of weighbridge at the college; and
- Finger print services.

Revenue from the Boekenhoutkloof Traffic Training College is expected to increase by R227 000 from 2013/14 to 2014/15 financial year, which translate to 6 per cent growth. The increase is attributable to the new proposed revenue streams that will be implemented during the 2014/15 fiscal period as well as annual price escalations. Revenue from traffic fines is projected to grow by R556 000, translating to 6 per cent growth. The increase is attributable to the tight implementation of traffic regulations against traffic offenders.



### 6.3 Donor funding

N/A

## 7. PAYMENT SUMMARY

### 7.1 Key assumptions

The following key assumptions were taken into account in formulating the 2014 MTEF estimates:

- The annual updating of policing needs and priorities for the province;
- The monitoring of the Police Service Strategy to reduce crime and improve the detective services;
- The continuation of the Patroller Programme and Community Police Forums;
- The implementation of the Gauteng Rural Safety Plan;
- The auditing, maintenance and expansion of CCTV;
- Monitoring the implementation of the strategy to prevent and manage sexual assault;
- The implementation of the Provincial Social Crime Prevention Strategy, School Safety Programme and Sectoral, Integrity and the GPG Anti-Corruption Strategies.
- The establishment of the Civilian Secretariat Act;
- The implementation of the Domestic Violence Act;
- The construction of mobile police stations in the province; and
- The implementation of the Information Performance System.

The personnel budget was adjusted in line with inflation over the 2014 medium term with, 6.4 per cent for 2014/15, 5.4 per cent for 2015/16 and 5.3 per cent for the 2016/17 financial year. The personnel budget also takes into account ICS, the re-grading of clerical posts and other personnel related costs.

### 7.2 Programme summary

TABLE 10.3: SUMMARY OF PAYMENTS AND ESTIMATES: COMMUNITY SAFETY

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
1. Administration	49 733	53 810	56 784	77 112	77 112	76 335	79 541	83 179	88 246
2. Civilian Oversight	15 163	13 060	16 448	28 322	22 674	21 474	54 135	58 224	61 219
3. Crime Prevention and Community Police Relations	67 442	83 118	79 739	106 040	111 688	115 900	125 094	132 509	139 533
4. Traffic Management	249 962	251 481	261 691	285 463	285 463	297 694	314 740	332 895	350 956
<b>Total payments and estimates</b>	<b>382 300</b>	<b>401 469</b>	<b>414 662</b>	<b>496 937</b>	<b>496 937</b>	<b>511 403</b>	<b>573 510</b>	<b>606 807</b>	<b>639 954</b>

### 7.3 Summary of economic classification

TABLE 10.4: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: COMMUNITY SAFETY

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
<b>Current payments</b>	<b>346 971</b>	<b>378 262</b>	<b>378 274</b>	<b>480 508</b>	<b>480 068</b>	<b>492 720</b>	<b>563 344</b>	<b>581 497</b>	<b>608 040</b>
Compensation of employees	221 168	236 077	252 299	330 415	330 415	326 388	394 272	410 194	428 494
Goods and services	118 756	127 332	125 956	150 093	149 653	166 332	169 072	171 303	179 545
Interest and rent on land	7 047	14 853	19						
<b>Transfers and subsidies to</b>	<b>2 230</b>	<b>1 907</b>	<b>455</b>	<b>1 900</b>	<b>1 900</b>	<b>1 648</b>	<b>738</b>	<b>777</b>	
Provinces and municipalities						279			
Departmental agencies and accounts						4			
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises	562	761		1 250	1 250	624			
Non-profit institutions	2								
Households	1 666	1 146	455	650	650	741		738	777
<b>Payments for capital assets</b>	<b>32 999</b>	<b>21 063</b>	<b>35 828</b>	<b>14 529</b>	<b>14 969</b>	<b>17 032</b>	<b>10 166</b>	<b>24 572</b>	<b>31 137</b>
Buildings and other fixed structures		16			250				

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Machinery and equipment	32 937	21 047	35 828	14 529	14 719	17 031	10 166	24 572	31 137
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets	62					1			
<b>Payments for financial assets</b>	<b>100</b>	<b>237</b>	<b>105</b>			<b>3</b>			
<b>Total economic classification:</b>	<b>382 300</b>	<b>401 469</b>	<b>414 662</b>	<b>496 937</b>	<b>496 937</b>	<b>511 403</b>	<b>573 510</b>	<b>606 807</b>	<b>639 954</b>

The audited actual spending for the three year period 2010/11 to 2012/13 increased by R33.1 million from R381.5 million for 2010/11 to a total of R414.6 million for the 2012/13 financial year. Expenditure on personnel for the period 2010/11 to 2012/13 increased by 14 per cent, which is an average of 7 per cent per annum, while goods and services increased by 6 per cent due to, amongst other factors, price inflation in relation to the cost of goods and services and capital assets. The sub-programme Traffic Management contributed the largest share to the total expenditure for the department due to traffic law enforcement.

The audited actual expenditure on goods and services has grown from R118.7 million in 2010/11 to R125.9 million in 2012/13 and is largely due to inflation and spending pressures such as the need to utilise external venues and facilities as the department hosted numerous awareness campaigns. Under payments for capital assets the expenditure grew from R32.9 million in 2010/11 to R35.8 million in the 2012/13 financial year, as a result of the acquisition of fleet for traffic law enforcement.

For the 2014/15 financial year, the total budget of the department is R573.5 million which is an increase of 15 per cent or R76.6 million, when compared with the main appropriation of R496.9 million in the 2013/14 financial year. The budget grows significantly from R496.9 million for 2013/14 to R573.5 million for 2014/15 because the department received additional funding for the re-grading of clerical positions in line with the DPSA circular, ICS and the implementation of the Civilian Secretariat Act. These additional allocations were carried through over the 2014 medium term with the baselines at R606.8 million in 2015/16 and R639.9 million in the 2016/17 financial year.

The allocation for compensation of employees increased by R67.9 million or 19 per cent from R330.4 million for 2013/14 to R394.3 million for the 2014/15 financial year. The increase is informed by an additional allocation of R40 million earmarked for the establishment of the Civilian Secretariat and a total of R4.6 million for ICS and the re-grading of clerical positions.

The goods and services budget increased by R2.8 million from R166.3 million in 2013/14 to R169.1 million in 2014/15. The increase is informed by, amongst others, the implementation of the Civilian Secretariat Act. The utilisation of venues and facilities is one of the cost drivers of the department due to hosting of public awareness campaigns. Provision is thus made for campaigns such as 16 days of Activism Against Woman and Child Abuse, Woman and Youth Month, Know-Your-Neighbour, Neighbourhood Watch, Take Charge Campaign and the Campaign Against Drug Abuse.

The budget under payments for capital assets amounts to R10.2 million in the 2014/15 financial year, which actually declines when compared with R14.7 million in 2013/14. This is the result of the cancellation of vehicle leases which were costly. Alternatively, the Department has started procuring its own fleet in an attempt to ease spending pressures. The R10.2 million under machinery and equipment in 2014/15 will be utilised to procure fleet for traffic law enforcement and thereby enhancing service delivery relating to Output 5: Reduction in Road Fatalities. The department is planning a gradual reduction in expenditure on fleet services by reducing leases with G-Fleet and purchasing its own vehicles. Fleet is essential in the effective delivery on the mandate of the department; hence the budget under machinery and equipment increases to R21.4 million in 2015/16 and R27.8 million in 2016/17. The department is planning to enhance the fieldwork model to ensure effective monitoring and oversight over policing, which has also caused the increase in the budget for machinery and equipment.

#### 7.4. Infrastructure payments

N/A



**7.4.1 Departmental infrastructure payments**

N/A

**7.4.2 Departmental Public-Private-Partnership (PPP) projects**

N/A

**7.5 Transfers**

N/A

**7.5.1 Transfers to public entities**

N/A

**7.5.2 Transfers to other entities**

N/A

**7.5.3 Transfers to local government**

N/A

**8. PROGRAMME DESCRIPTION****PROGRAMME 1: ADMINISTRATION****Programme description**

The aim of the Administration Programme is to provide strategic direction and support to the organisation through corporate support which includes human capital resources, financial management, supply chain management, risk management, legal services and strategic planning as well as monitoring and evaluation.

The Administration Programme is responsible for the provision of strategic administrative support to the entirety of the department. It is this programme that primarily supports both the Office of the MEC and the HOD to enable them to better exercise their powers and perform their duties and functions in keeping with the constitutional and legislative mandate of the department.

**Programme objectives**

The programme performs its functions in pursuit of the following objectives:

- To provide a range of strategic, organisational, transformational and business improvement processes to the department;
- To provide effective and efficient inter-governmental relations management support to the department;
- To provide integrated risk management support to the department;
- To effectively and efficiently manage expenditure;
- To report timeously and accurately on the department finances;
- To implement effective and efficient demand management, acquisition, provisioning and asset management systems and processes;
- To recruit develop and retain appropriate and sufficiently skilled staff;
- To provide safety and security record keeping and facility management for the department;
- To provide a cost effective integrated Information Technology (IT) management service to the department;
- To provide general legal advisory and litigation services as well as specific policy related services to the department; and
- To provide security services.

**TABLE 10.5: SUMMARY OF PAYMENTS AND ESTIMATES: ADMINISTRATION**

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1. Office of the MEC	4 614	6 199	7 048	5 861	5 861	6 403	6 926	7 464	7 875
2. Office of the HOD	4 873	6 356	7 641	6 139	6 139	10 941	6 863	7 158	8 110
3. Financial Management	12 947	12 887	13 872	14 219	14 219	17 335	15 300	15 941	16 810
4. Corporate Services	25 397	24 917	24 862	45 916	45 916	36 237	46 281	48 137	50 704
5. Legal	1 902	2 763	2 686	3 640	3 640	4 265	2 701	2 883	3 051
6. Security		688	675	1 337	1 337	1 154	1 470	1 596	1 697
<b>Total payments and estimates</b>	<b>49 733</b>	<b>53 810</b>	<b>56 784</b>	<b>77 112</b>	<b>77 112</b>	<b>76 335</b>	<b>79 541</b>	<b>83 179</b>	<b>88 246</b>

TABLE 10.6: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>48 583</b>	<b>51 013</b>	<b>54 586</b>	<b>74 657</b>	<b>74 657</b>	<b>73 435</b>	<b>77 704</b>	<b>81 258</b>	<b>84 623</b>
Compensation of employees	30 611	32 721	36 663	52 246	52 246	49 002	55 062	57 682	60 300
Goods and services	17 972	18 292	17 904	22 411	22 411	24 433	22 642	23 576	24 324
Interest and rent on land			19						
<b>Transfers and subsidies to</b>						<b>169</b>			
Provinces and municipalities						88			
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households						81			
<b>Payments for capital assets</b>	<b>1 051</b>	<b>2 751</b>	<b>2 180</b>	<b>2 455</b>	<b>2 455</b>	<b>2 731</b>	<b>1 837</b>	<b>1 921</b>	<b>3 623</b>
Buildings and other fixed structures		16							
Machinery and equipment	989	2 735	2 180	2 455	2 455	2 731	1 837	1 921	3 623
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets	62								
<b>Payments for financial assets</b>	<b>99</b>	<b>46</b>	<b>18</b>						
<b>Total economic classification</b>	<b>49 733</b>	<b>53 810</b>	<b>56 784</b>	<b>77 112</b>	<b>77 112</b>	<b>76 335</b>	<b>79 541</b>	<b>83 179</b>	<b>88 246</b>

The expenditure trend for the period 2010/11 to 2012/13 shows that actual spending increased by R7.8 million or 16 per cent from R48.9 million to R56.8 million in 2012/13. For the period 2010/11 to 2012/13, expenditure on personnel increased by 23 per cent, which is an average of 5.3 per cent per annum. In turn, expenditure on goods and services decline slightly from R18.3 million in 2011/12 to R17.9 million in 2012/13 due to the implementation of cost saving strategies. Payments on capital assets grew significantly in 2011/12 as a result of upgrading information technology systems as well as increasing the fleet size for the Fraud and Corruption Unit. In 2012/13 the expenditure on capital assets declined slightly by R555 000 due to a reduction of leases for vehicles.

In the 2014/15 financial year, funds appropriated from the equitable share to this programme amounts to R79.5 million, escalating by R2.4 million when compared with the 2013/14 main budget of R77.1 million. The increase is to enable the programme to continue rendering the required administrative support to the entire department.

The allocation for compensation of employees has increased by R2.8 million from the 2013/14 main budget to R52.2 million in the 2014/15 financial year. In the outer years of the 2014 MTEF period the compensation of employees budget increased by R5.2 million as a result of inflationary increases, ICS, the re-grading of clerical positions and the filling of vacant positions in the Risk Management Unit.

From 2013/14 to 2014/15 the goods and services budget increased slightly by R231 000 due to cost saving measures but provision is still made for the procurement of minor assets and other tools of trade for the new staff members. In the outer years of the 2014 medium term the goods and services budget increased marginally, growing by R934 000 and R748 000 in 2015/16 and 2016/17 respectively.

Payment for capital assets amounts to R1.8 million for the financial year 2014/15 and grows to R1.9 million in 2015/16, as provision was made for the acquisition of equipment, furniture and motor vehicles for the Fraud and Anti-corruption Unit and other tools of trade for new staff members.

## PROGRAMME 2: CIVILIAN OVERSIGHT

### Programme description

The department has a constitutional responsibility in terms of Section 206(3) (c) of the Constitution to promote good relations between the police and the community. Through CPF's, the department reviewed its approach

## Vote 10 - Community Safety • EPRE- 2014/15

by ensuring direct involvement in the establishment of sector-crime forums to ensure that democratic processes are followed.

Section 206(3) (a) to (b) of the Constitution, mandates the department to:

(a) "Monitor police conduct"

(b) "To oversee the effectiveness and efficiency of the police service, including receiving reports on the police service. The programme continues to contribute towards improved police performance by overseeing the effectiveness and efficiency of the province's law enforcement agencies, which includes receiving reports on these agencies of law enforcement. The programme is also responsible for the determination of policing needs and priorities for the province."

Research into a variety of policing matters is conducted through this programme to make a positive contribution to the decision-making processes of the department. In summary, the programme takes responsibility for the performance of the functions of a Provincial Civilian Secretariat for Police, which is established in keeping with the dictates of Section 16 of the Civilian Secretariat for Police Service Act, 2011 (Act No. 2 of 2011).

### Programme objectives

The programme performs its functions in pursuit of the following objectives:

- To conduct accurate, reliable and relevant qualitative and quantitative research;
- To monitor and evaluate police performance; and
- To facilitate the improvement of police conduct.

TABLE 10.7: SUMMARY OF PAYMENTS AND ESTIMATES: CIVILIAN OVERSIGHT

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
1. Policy and Research	3 571	3 123	5 569	7 340	7 340	7 062	7 905	8 063	8 499
2. Monitoring and Evaluation	10 612	8 841	9 735	19 754	14 106	13 087	44 004	47 841	50 277
3. Management	980	1 096	1 144	1 228	1 228	1 325	2 226	2 320	2 443
<b>Total payments and estimates</b>	<b>15 163</b>	<b>13 060</b>	<b>16 448</b>	<b>28 322</b>	<b>22 674</b>	<b>21 474</b>	<b>54 135</b>	<b>58 224</b>	<b>61 219</b>

TABLE 10.8: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: CIVILIAN OVERSIGHT

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
<b>Current payments</b>	<b>15 162</b>	<b>11 840</b>	<b>15 985</b>	<b>28 322</b>	<b>22 674</b>	<b>21 474</b>	<b>52 230</b>	<b>49 360</b>	<b>48 171</b>
Compensation of employees	10 861	11 276	11 792	15 692	15 692	14 497	20 293	18 597	19 437
Goods and services	4 301	( 273)	4 193	12 630	6 982	6 977	31 937	30 763	28 734
Interest and rent on land		837							
<b>Transfers and subsidies</b>									
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households									
<b>Payments for capital assets</b>		<b>1 213</b>	<b>463</b>				<b>1 905</b>	<b>8 864</b>	<b>13 048</b>
Buildings and other fixed structures									
Machinery and equipment		1 213	463				1 905	8 864	13 048
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>	<b>1</b>	<b>7</b>							
<b>Total economic classification</b>	<b>15 163</b>	<b>13 060</b>	<b>16 448</b>	<b>28 322</b>	<b>22 674</b>	<b>21 474</b>	<b>54 135</b>	<b>58 224</b>	<b>61 219</b>

The audited actual spending increased from R15.2 million in 2010/11 to R16.4 million in the 2012/13 financial year, which is an overall increase of R1.3 million or 8.5 per cent over the three year period. Expenditure on compensation of employees increased by 8.6 per cent from R10.8 million in 2010/11 to R11.8 million in the 2012/13 financial year as a result appointments and increases in salaries and wages for existing staff. Spending on goods and services remained relatively constant over the three year period 2010/11 to 2012/13 due to the improvement of cost saving strategies.

The Civilian Secretariat, being an oversight body, has to be fully implemented via this programme and as a result a significant increase in the programme budget is observed over the 2014 medium term. For the 2014/15 financial year, an increase of R32.6 million in the programme budget is observed from 2013/14 main appropriation of R28.3 million to R54.1 million in 2014/15. The increase is attributable to an additional R20 million that was allocated to this programme and which is earmarked for the establishment of the Civilian Secretariat structure. In addition, funds were earmarked under compensation of employees for ICS, inflationary increases and the re-grading of clerical posts. Amongst other deliverables, the programme will conduct more station monitoring and the target was increased from 40 to 141 police stations. Furthermore, the target for the number of dockets to be audited increased to 6000 per annum.

The budget for the sub-programme Policy and Research increases from R7.3 million in 2013/14 to R7.9 million in 2014/15 due to the implementation of the Civilian Secretariat Act. In terms of the Act, the policy and research function will become a dedicated focus area as more emphasis will be placed on policing matters, which requires research, additional research work and the completion of impact assessments.

The sub-programme Monitoring and Evaluation increases significantly from R14.1 million in 2013/14 to R44 million in 2014/15 as the implementation of the Civilian Secretariat Act will require the monitoring and evaluation of the SAPS budget, amongst other new activities. In this regard, various staff members have already attended courses in order to prepare them for this new function, which has also empowered field workers to become professionals in their field. In terms of the Domestic Violence Act (DVA), the Monitoring and Evaluation sub-programme plans to expand compliance monitoring to include the total number of police stations in the province. In order to enable the staff to investigate the various categories of complaints, training on the IPID was provided to them.

The allocation for compensation of employees increased by R5.8 million from R14.5 million in 2013/14 to R20.3 million for the 2014/15 financial year. The growth in the personnel budget over the 2014 medium term is informed by inflationary increases and ICS.

The goods and services budget for 2014/15 increased by R24.9 million, which is informed by the estimated inflation rate as well as provision for communication, fleet services and travel expenditure for the new employees to be appointed for Provincial Civilian Secretariat.

The budget allocated towards payments for capital assets is R1.9 million for the 2014/15 financial year and grows significantly to R8.9 million in 2015/16 and R13 million in the outer year of the 2014 medium term. The increase is as a result of provision made for the acquisition of equipment, furniture and motor vehicles for the Fraud and Anti-corruption Unit. In line with the implementation of the Civilian Secretariat Act, the department is planning to enhance the fieldwork model to ensure effective monitoring and oversight over policing.

## SERVICE DELIVERY MEASURES

### PROGRAMME 2: CIVILIAN OVERSIGHT

Performance measures	Estimated annual targets		
Annual Output	2014/15	2015/16	2016/17
<b>Reduction in priority crimes and Effectiveness and integration of the criminal justice system</b>			
Number of police stations monitored and evaluated in line with existing policing strategies, policies and instructions (G-COPS, Detective 10 Point Plan, Sector Policing)	141	141	141
Annual report on the implementation of National Monitoring Tool (NMT) recommendations	1	1	1
Police budget monitored and reported on	4	4	4
Number of docket audits conducted on closed cases	6 000	6 000	6 000
Compliance of Metropolitan Police Departments' with Regulations for Municipal Police Services, 1999 assessed through quarterly review sessions	4	4	4
SAPS' implementation of recommendations made by IPID, monitored	1	1	1
Public complaints alleging police inefficiency managed in line with the "complaints policy" and quarterly reports produced	4	4	4

Performance measures	Estimated annual targets		
Annual Output	2014/15	2015/16	2016/17
Reduction in priority crimes and Effectiveness and integration of the criminal justice system			
Complaints management within SAPS monitored and quarterly reports produced	4	4	4
Sub-programme: Policy and Research			
Number of research reports	4	4	5

### PROGRAMME 3: CRIME PREVENTION AND COMMUNITY POLICE RELATIONS

#### Programme description

The aim of the programme is primarily to promote the safety of all communities in the province through the provision of education and awareness programmes relevant to crime prevention. It is also the responsibility of the programme to coordinate social crime prevention initiatives in the province, particularly focussing on the prevention of violence against women and children. In addition, the programme aims to enhance the empowerment of victims across the province through the provision of a package of services such as counselling and medico-legal services at Ikhaya Lethemba, which is the province's flagship project in the battle against domestic violence and crimes against the most vulnerable members of our society. Furthermore, the programme aims to give effect to the constitutional mandate of the department on the promotion of good relations between the police and the community. Communities are also mobilised through this programme, especially against the abuse of drugs and other dependence-producing substances by young people.

#### Programme objectives

The programme performs its functions in pursuit of the following objectives:

- To accept, temporarily house and support victims;
- To provide volunteer based victim support services at police station level throughout the province;
- To monitor the performance and functionality of community police relations;
- To promote youth safety;
- To promote school safety;
- To prevent violence against women and children; and
- To increase awareness through outreach programmes, internal communication, marketing and media exposure.

TABLE 10.8: SUMMARY OF PAYMENTS AND ESTIMATES BY PROGRAMME: CRIME PREVENTION AND COMMUNITY POLICE RELATIONS

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
1. Social Crime Prevention	17 448	16 226	22 088	32 332	32 332	33 038	49 802	51 851	54 525
2. Community Police Relations	28 954	41 693	32 791	37 556	43 204	40 926	36 557	39 232	41 335
3. Promotion of Safety	8 454	10 276	10 288	14 806	14 806	19 011	16 061	17 672	18 633
4. Public Awareness and Information	10 666	13 792	12 385	17 483	17 483	18 498	18 440	19 286	20 334
5. Management	1 920	1 131	2 187	3 863	3 863	4 427	4 234	4 468	4 705
<b>Total payments and estimates</b>	<b>67 442</b>	<b>83 118</b>	<b>79 739</b>	<b>106 040</b>	<b>111 688</b>	<b>115 900</b>	<b>125 094</b>	<b>132 509</b>	<b>139 533</b>

TABLE 10.9: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: CRIME PREVENTION AND COMMUNITY POLICE RELATIONS

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
<b>Current payments</b>	<b>66 693</b>	<b>81 894</b>	<b>76 874</b>	<b>104 550</b>	<b>109 758</b>	<b>113 307</b>	<b>119 445</b>	<b>124 645</b>	<b>131 303</b>
Compensation of employees	22 367	22 414	23 552	49 919	49 919	48 024	68 794	70 903	74 074
Goods and services	44 326	59 204	53 322	54 631	59 839	65 283	50 651	53 742	57 230
Interest and rent on land		276							
<b>Transfers and subsidies</b>	<b>564</b>	<b>870</b>	<b>29</b>	<b>1 250</b>	<b>1 250</b>	<b>652</b>			
Provinces and municipalities						13			
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises	562	761		1 250	1 250	624			
Non-profit institutions	2								

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Households		109	29			15			
<b>Payments for capital assets</b>	<b>185</b>	<b>235</b>	<b>2 810</b>	<b>240</b>	<b>680</b>	<b>1 941</b>	<b>5 649</b>	<b>7 864</b>	<b>8 229</b>
Buildings and other fixed structures					250				
Machinery and equipment	185	235	2 810	240	430	1 941	5 649	7 864	8 229
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>		<b>119</b>	<b>26</b>						
<b>Total economic classification</b>	<b>67 442</b>	<b>83 118</b>	<b>79 739</b>	<b>106 040</b>	<b>111 688</b>	<b>115 900</b>	<b>125 094</b>	<b>132 509</b>	<b>139 533</b>

The overall increase in the audited actual spending for the period 2010/11 to 2012/13 is R12.3 million or 18 per cent from R67.4 million in 2010/11 to R79.7 million in 2012/13. The expenditure on compensation of employees increased marginally from R22.4 million in 2011/12 to R23.5 million in 2012/13 due to annual salary adjustments and pay progression. The expenditure on goods and services declined from R60 million in 2011/12 to R53.3 million in 2012/13 due to cost saving strategies.

For the 2014/15 financial year the total funds appropriated to this programme amount to R125.1 million, which reflects an increase of 12 per cent or R13.4 million when compared with the adjusted appropriation of R111.7 million. The increase is informed by an additional allocation of R20 million earmarked for the implementation of the Civilian Secretariat Act. In addition, funds were earmarked for ICS and the re-grading of clerical posts.

The allocation for compensation of employees increased by R20.8 million from R48 million in 2013/14 to R68.8 million for the 2014/15 financial year. The increase is informed by the inflation projections, ICS and the implementation of the Civilian Secretariat Act. The department aims to improve awareness campaigns and social crime prevention to give effect to the Civilian Secretariat Act by focusing on the promotion of good relations between the police and the community.

The goods and services budget decreased by R5.2 million from R55.8 million in the 2013/14 main appropriation to R50.7 million in the 2014/15 financial year due to cost saving measures that caused a reduction in departmental catering and payments to external contractors. The department is working on developing in-house capacity to deliver catering and reduce the utilisation of external consultants and contractors. The goods and services budget grows to R53.7 million in 2015/16 and R57.2 million in 2016/17 and provision was made for campaigns and projects such as VAWAC, MASP, Ikhaya Lethemba, green doors, School Safety and Youth Safety. There will also be a marked increase in the number of learners participating in correctional service programme and the number of schools capacitated.

Payment for capital assets is R5.6 million for the 2014/15 financial year reflecting a significant increase of R5.4 million when compared with the budget of R240 000 in the 2013/14 financial year. This increase is caused by provision made for the procurement of equipment, furniture and motor vehicles for the new employees. It is essential to provide the new staff, established in relation to the structure for the Civilian Secretariat, with the essential tools of trade. The department is planning to enhance the fieldwork model to ensure effective monitoring and oversight over policing, which also contributes to the increase in the budget for machinery and equipment. The machinery and equipment budget continues to grow to R7.9 million in 2015/16 and R8.2 million in 2016/17 because the additional capital assets will be acquired in a phased-in approach.

## SERVICE DELIVERY MEASURES

### PROGRAMME 3: CRIME PREVENTION AND COMMUNITY POLICE RELATIONS

Sub-sub-programme: Social Crime Prevention Performance measures	Estimated annual targets		
Annual Output	2014/15	2015/16	2016/17
<b>Reduction in Crimes against women and children</b>			
98% of psycho-social services requested, provided within the requisite timeframes	12	12	12
Number of women placed in skills development	120	120	120

Sub-sub-programme: Social Crime Prevention Performance measures	Estimated annual targets		
	2014/15	2015/16	2016/17
<b>Annual Output</b>			
<b>Reduction in Crimes against women and children</b>			
Number of victim empowerment centres compliant with minimum norms and standards	137	137	137
Number of community based safe houses (green doors) established according to minimum norms and standards	18	18	18
Number of domestic violence and sexual assault related dockets analysed	1 000	1 000	1 000
Number of Family Violence Child Protection and Sexual Offences Units (FCS) clusters supported	22	22	22
Number of forensic social workers trained and deployed at identified areas	20	60	120
<b>Sub-sub programme: Community Police Relations</b> <b>Performance measures</b>			
Number of functional CPFs	141	141	141
Number of functional boards	23	23	23
Number of community policing forums members trained on different skills programmes	550	550	550
Patrollers trained in different skills programme	3 000	3 000	3 000
Number of community sectors mobilised	22	22	22
Number of different community sectors forums mobilised	141	141	141
<b>Sub-sub programme: Promotion of Safety</b>			
Monitor performance and functionality of youth desks	137	137	137
Number of learners participating in correctional service programme	12 000	15 000	15 000
Number of schools capacitated	400	500	500
Number of alcohol, substance abuse and school searches conducted	400	500	500
Number of liquor enforcement operations conducted	300	600	600
Number of alcohol substance abuse programmes designed and implemented at universities/technikons/Further Education and Training (FET)	6	6	6
Number of people reached through alcohol and substance abuse awareness campaigns	2 000	2 000	2 000
Number of men as safety promoters groups monitored and supported	352	481	481
Number of men reached through Men As Safety Promoters (MASP)	8 800	12 000	12 000
Number of people reached through Gender Based Violence Prevention (GBVP) interventions	150	200	200
Number of women reached through women safety information sessions	620	640	640
Number of elderly people reached through information sessions	860	880	880
Number of people with disabilities reached through information sessions	320	340	340
Number of Community Safety Forums assessed	5	5	5
Number of social crime prevention programmes implemented	5	5	5

## PROGRAMME 4: TRAFFIC MANAGEMENT

### Programme description

The main aim of the programme is to promote road safety and to contribute towards the reduction of the number of road crashes and resultant fatalities. The programme also takes responsibility for the enhancement of road-user knowledge, skills and attitude as well as road traffic incident management. It is also the responsibility of the programme to provide training to traffic officers from other law enforcement agencies in the province, inclusive of the provision of basic traffic training to newly-appointed traffic learners. The Administrative Adjudication of Road Traffic Offences Act, 1998 (Act No. 46 of 1998) is implemented and/or administered by the Department through this programme and in conjunction with the Road Traffic Management Corporation (RTMC).

### Programme objectives

The programme performs its functions in pursuit of the following objectives:

- To reduce road fatalities in Gauteng;
- To convert Boekenhoutkloof Traffic College into a Centre of excellence;
- To provide traffic training; and
- To increase road user compliance to the rules of the road.

TABLE 10.10: SUMMARY OF PAYMENTS AND ESTIMATES BY PROGRAMME: TRAFFIC MANAGEMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1. Gds Alloc Intelligent Transport System	4 708	3 605	403	5 216	5 216	4 521	7 911	8 640	9 152
2. Management	940	933	1 615	2 374	2 374	1 649	2 507	2 623	2 762
3. Public Transport Inspection	28 709	28 531	36 601	33 845	33 845	34 391	36 044	37 945	40 010
4. Road Safety Education	11 658	10 652	12 327	14 183	14 183	14 302	32 636	34 412	36 290
5. Road Safety Project	43 626	44 478	26 702	30 687	30 787	29 038	21 355	15 351	16 218



R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
6. Special Services	14 259	17 374	20 450	30 757	30 657	26 780	22 688	24 137	25 470
7. Traffic Law Enforcement	124 706	127 337	144 716	142 935	142 935	160 770	161 141	176 869	186 337
8. Training Traffic College	21 356	18 571	18 877	25 466	25 466	26 243	30 458	32 918	34 716
<b>Total payments and estimates</b>	<b>249 962</b>	<b>251 481</b>	<b>261 691</b>	<b>285 463</b>	<b>285 463</b>	<b>297 694</b>	<b>314 740</b>	<b>332 895</b>	<b>350 956</b>

TABLE 10.11: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: TRAFFIC MANAGEMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>216 533</b>	<b>233 515</b>	<b>230 829</b>	<b>272 979</b>	<b>272 979</b>	<b>284 504</b>	<b>313 965</b>	<b>326 234</b>	<b>343 942</b>
Compensation of employees	157 329	169 666	180 292	212 558	212 558	214 865	250 123	263 012	274 684
Goods and services	52 157	50 109	50 537	60 421	60 421	69 639	63 842	63 222	69 258
Interest and rent on land	7 047	13 740							
<b>Transfers and subsidies to</b>	<b>1 666</b>	<b>1 037</b>	<b>426</b>	<b>650</b>	<b>650</b>	<b>827</b>	<b>738</b>	<b>777</b>	
Provinces and municipalities						178			
Departmental agencies and accounts						4			
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households	1 666	1 037	426	650	650	645		738	777
<b>Payments for capital assets</b>	<b>31 763</b>	<b>16 864</b>	<b>30 375</b>	<b>11 834</b>	<b>11 834</b>	<b>12 360</b>	<b>775</b>	<b>5 923</b>	<b>6 237</b>
Buildings and other fixed structures									
Machinery and equipment	31 763	16 864	30 375	11 834	11 834	12 359	775	5 923	6 237
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets						1			
<b>Payments for financial assets</b>		65	61			3			
<b>Total economic classification</b>	<b>249 962</b>	<b>251 481</b>	<b>261 691</b>	<b>285 463</b>	<b>285 463</b>	<b>297 694</b>	<b>314 740</b>	<b>332 895</b>	<b>350 956</b>

The audited actual spending for the period 2010/11 to 2012/13 increased from R249.9 million to R261.7 million by a total amount of R11.7 million, depicting an overall growth rate of 4.7 per cent. Compensation of employees increased from 2010/11 to 2012/13 by an overall growth of 15 per cent as a result of capacitating the unit to ensure improved law enforcement. The expenditure on goods and services remained relatively constant in 2011/12 and 2012/13 at approximately R50 million per annum due to the continued implementation of cost saving measures. Payments for capitals assets increased in 2012/13 to R30.3 million depicting an increase of 80 per cent as a result of the acquisition of fleet services which is a cost-driver in the programme due to traffic law enforcement.

For the 2014/15 financial year, R314.7 million is appropriated to Programme 4 which is an increase of R29.2 million or 10 per cent when compared with the 2013/14 main budget. The increase will assist the programme to expand its interventions in relation to Output 5: Reduction in road fatalities. These interventions include the continuous implementation of the Road Safety Strategy, the development of a pedestrian-specific strategy, the implementation of zero-tolerance on traffic offenders and conducting a high-impact operation for public transport and freight.

The budget allocated to compensation of employees increased by R35.5 million or 16.5per cent from R212.6 million in 2013/14 main appropriation to R250.1 million in the 2014/15 financial year. The increase is informed by the expected inflationary growth, ICS and the re-grading of clerical posts.

The goods and services budget decreased by R6.7 million from the 2013/14 main appropriation of R60.4 million to R63.8 million in 2014/15 to fund, amongst other priorities, cost-drivers such as travel and subsistence.

Payment for capital assets is budgeted at R775 000 for the 2014/15 financial year as the department will procure equipment, furniture, motor vehicles and other tools of trade.



**SERVICE DELIVERY MEASURES****PROGRAMME 4: TRAFFIC MANAGEMENT**

Sub-sub programme: Traffic Law Enforcement Sub-sub programme: Transport Inspectorate Sub-sub programme: Special Services <b>Annual Output</b> <b>Reduction in road fatalities</b>	Estimated annual targets		
	2014/15	2015/16	2016/17
Percentage reduction in the number of road accidents fatalities	10%	10%	10%
Number of road traffic hazardous locations inspected	12	12	12
Number of moving violations operations conducted	3 810 speed operations conducted	4000 speed operations conducted	4 290 speed operations conducted
	798 Drunken Driving Road side Checkpoints Conducted	838 Drunken Driving Road side Checkpoints Conducted	878 Drunken Driving Road side Checkpoints Conducted
	2901 Reckless and Negligent driving operation conducted	3056 Reckless and Negligent driving operation conducted	3211 Reckless and Negligent driving Road side Checkpoints Conducted
Number of pedestrian operations conducted on identified hazardous locations	370 Pedestrian Operations Conducted	389 Pedestrian Operations Conducted	408 Pedestrian Road side Checkpoints Conducted
Crime prevention measures/intervention/operations supported	582 Crime Prevention Operations conducted	611 Crime Prevention measures/ Intervention /Operations supported 560 Special operations	640 Crime Prevention operations
Inspectorate/Compliance	24 Audits	24 Audits	24 Audits
	144 Inspections	144 Inspections	144 Inspections
Public Transport	12 Freight Operations	12 Freight Operations	12 Freight Operations
	36 Learner Transport Operations	36 Learner Transport Operations	36 Learner Transport Operations
	36 VTS	36 VTS	36 VTS
	36 Driver and Vehicle Fitness Operations	36 Driver and Vehicle Fitness Operations	36 Driver and Vehicle Fitness Operations
Number of examiners of drivers licences trained	109	80	100
Number of examiners of drivers licences courses presented	4	4	4
Number of examiners of vehicles trained	100	120	120
Number of examiners of vehicles courses presented	4	4	4
Number of basic traffic officers trained	100	120	120
Number of basic traffic officers courses presented	1	1	1
Turnaround strategy implemented and reported on	4	4	4

**9. OTHER PROGRAMME INFORMATION****9.1 PERSONNEL NUMBERS AND COSTS****TABLE 10.12: PERSONNEL NUMBERS AND COSTS: COMMUNITY SAFETY**

Personnel numbers	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	As at 31 March 2017
1. Administration	117	142	142	208	236	236	236
2. Civilian Oversight	29	34	34	38	44	44	44
3. Crime Prevention and Community Police Relations	87	85	85	254	255	255	255
4. Traffic Management	696	677	677	1 128	959	959	959
Direct charge against the National Revenue Fund							
<b>Total departmental personnel numbers</b>	<b>929</b>	<b>938</b>	<b>938</b>	<b>1 628</b>	<b>1 494</b>	<b>1 494</b>	<b>1 494</b>
Total provincial personnel cost (R thousand)	221 168	236 077	252 299	326 388	394 272	410 194	428 494
Unit cost (R thousand)	238	252	352	155	264	275	287

The table above depicts the breakdown of the total personnel head count against the corresponding compensation of employees' expenditure and estimated personnel costs over the 2014 medium term. The total head count reduces from 1 628 to 1 494 as a result of the termination of contracts. In relation to the Civilian Secretariat Act, the department will make appointments to fully establish the Civilian Secretariat function which involves a great deal of monitoring and evaluation, thus requiring additional capacity. However, after the establishment of the Civilian Secretariat the head count is expected to remain stagnant over the 2014 medium term at 1 494.

TABLE 10.13: SUMMARY OF DEPARTMENTAL PERSONNEL NUMBERS AND COST: COMMUNITY SAFETY

	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Total for department</b>									
Personnel numbers (head count)	929	938	938	1 628	1 628	1 628	1 494	1 494	1 494
Personnel cost (R thousands)	221 168	236 077	252 299	330 415	330 415	326 388	394 272	410 194	428 494
<b>Human resources component</b>									
Personnel numbers (head count)	14	19	16	17	17	17	19	19	19
Personnel cost (R thousands)	8 336	5 843	5 064	8 325	8 325	8 325	7 240	7 595	7 921
Head count as % of total for department	2%	2%	2%	1%	1%	1%	1%	1%	1%
Personnel cost as % of total for department	4%	2%	2%	3%	2%	2%	2%	2%	2%
<b>Finance component</b>									
Personnel numbers (head count)	24	25	30	34	34	34	43	43	43
Personnel cost (R thousands)	9 900	9 773	9 985	12 870	12 870	12 870	14 284	15 073	22 175
Head count as % of total for department	2.6%	2.7%	3.2%	2.1%	2.1%	2.1%	2.9%	2.9%	2.9%
Personnel cost as % of total for department	4.5%	4.1%	4.0%	3.9%	3.9%	3.9%	3.6%	3.7%	5.2%
<b>Full time workers</b>									
Personnel numbers (head count)	929	938	938	1 628	1 628	1 628	1 494	1 494	1 494
Personnel cost (R thousands)	221 168	236 077	252 299	330 415	330 415	326 388	394 272	410 194	428 494
Head count as % of total for department	100%	100%	100%	100%	100%	100%	100%	100%	100%
Personnel cost as % of total for department	100%	100%	100%	100%	100%	100%	100%	100%	100%
<b>Part-time workers</b>									
Personnel numbers (head count)									
Personnel cost (R thousands)									
Head count as % of total for department									
Personnel cost as % of total for department									
<b>Contract workers</b>									
Personnel numbers (head count)	67	67	67	629	629	629	303	303	303
Personnel cost (R thousands)	15 951	16 863	18 021	126 104	126 104	126 104	79 963	83 192	86 903
Head count as % of total for department	7.2%	7.1%	7.1%	38.6%	38.6%	38.6%	20.3%	20.3%	20.3%
Personnel cost as % of total for department	7.2%	7.1%	7.1%	38.2%	38.2%	38.6%	20.3%	20.3%	20.3%

The table above presents a further breakdown of personnel numbers and costs for Human Resources and Finance components and for full-time part-time and contract workers. It provides information on the number of persons (head count) and the costs associated with the Human Resources and Finance Divisions as well as for full-time part-time and contract workers within a provincial department as at financial year end over a seven year horizon. The head count for contract workers declines from 629 in 2013/14 to 303 in 2014/15 with an equivalent reduction in the personnel budget due to the planned termination of contracts. The department will appoint an additional 9 employees in the finance component to capacity the Risk Management Unit in the department. Furthermore the department will make appointments to establish the Civilian Secretariat function.

## 9.2 Training

TABLE 10.14 : PAYMENTS ON TRAINING: COMMUNITY SAFETY

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>1. Administration</b>	<b>373</b>	<b>2 015</b>	<b>1 207</b>	<b>1 180</b>	<b>1 180</b>	<b>1 098</b>	<b>1 132</b>	<b>1 186</b>	<b>1 799</b>
Subsistence and travel									
Payments on tuition	373	2 015	1 207	1 180	1 180	1 098	1 132	1 186	1 799
Other									
<b>2. Civilian Oversight</b>		<b>(1 089)</b>	<b>34</b>	<b>217</b>	<b>217</b>	<b>226</b>	<b>168</b>	<b>175</b>	<b>184</b>
Subsistence and travel									
Payments on tuition		(1 089)	34	217	217	226	168	175	184
Other									
<b>3. Crime Prevention and Community Police Relations</b>	<b>4 788</b>	<b>4,139</b>	<b>2 037</b>	<b>672</b>	<b>672</b>	<b>2 088</b>	<b>2 634</b>	<b>2 768</b>	<b>2 906</b>
Subsistence and travel									
Payments on tuition	4 788	4 139	2 037	672	672	2 088	2 634	2 768	2 906
Other									
<b>4. Traffic Management</b>	<b>231</b>	<b>23 575</b>	<b>802</b>	<b>170</b>	<b>170</b>	<b>365</b>	<b>160</b>	<b>170</b>	<b>179</b>
Subsistence and travel									
Payments on tuition	231	23 575	802	170	170	365	160	170	179
Other									
<b>Total payments on training</b>	<b>5 392</b>	<b>28 640</b>	<b>4 080</b>	<b>2 239</b>	<b>2 239</b>	<b>3 777</b>	<b>4 841</b>	<b>6 552</b>	<b>5 616</b>

The amount reflected in the above table is the budget for payment of tuition fees across all programmes.

Training will be focussed on the implementation of the Civilian Secretariat Act, as well as other areas to ensure that capacity constraints are addressed.

TABLE 10.15: INFORMATION ON TRAINING: COMMUNITY SAFETY

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Number of staff	929	938	938	1 628	1 628	1 628	1 494	1 494	1 494
Number of personnel trained	843	520	604	628	628	628	650	700	700
of which									
Male	451	275	289	329	329	329	300	325	350
Female	392	245	315	299	299	299	350	375	350
Number of training opportunities	24	27	20	20	20	21	20	25	27
of which									
Tertiary	5	5	5	5	5	6	5	5	7
Workshops	14	16	15	15	15	15	15	20	20
Seminars									
Other	5	6							
Number of bursaries offered	122	112	87	90	90	90	100	110	130
Number of interns appointed	36	10	31	31	31	31	40	40	40
Number of learnerships appointed									
Number of days spent on training	690	782	949	850	850	850	900	900	900

The department develops an annual Workplace Skills Plan which is informed by the performance plans of the staff members. This is due to a high demand for skilled employees in the department and to ensure that there is continuity in developing employees on the latest trends.

The training offered in the department varies between skills development programmes, short courses and workshops, all of which is aimed at addressing the skills needs. Furthermore the training is extended to unemployed graduates in a form of the Internship Programme. Of the total 1 494 estimated head count in 2014/15, an amount of 650 will be provided with training in order to address capacity constraints.

**9.3 RECONCILIATION OF STRUCTURAL CHANGES**

N/A

**10. CROSS CUTTING ISSUES****CROSS-CUTTING ISSUES: COMMUNITY SAFETY**

Cross Cutting Issue	Programme and sub programme	Indicator/ Measure	Output	Outcome		MTEF BUDGET			
						2013/14	2014/15	2015/16	2016/17
<b>Women</b>	Social Crime Prevention	Number of women placed in skills development	Victims of crime (Women) empowerment		120	29 279	30 158	31 756	
	Promotion of safety	Number of women reached through women safety information sessions			620	4 234	4 468	4 705	
<b>Youth</b>	Promotion of safety	Number of learners participating in correctional service programme	Targeted youth intervention		9 000	4 234	4 468	4 705	
		Number of alcohol substance abuse and school searches conducted			400				
		Number of alcohol substance abuse programmes designed and implemented at universities/technikons/Further Education and Training (FET)			6				
<b>People with Disabilities</b>		Number of people with disabilities reached through information sessions			300	15 957	17 468	18 393	

# ANNEXURES TO ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE

TABLE 10.16: SPECIFICATION OF RECEIPTS: COMMUNITY SAFETY

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Tax receipts</b>									
Casino taxes									
Horse racing taxes									
Liquor licences									
Motor vehicle licences									
<b>Sales of goods and services other than capital assets</b>	<b>3 251</b>	<b>5 451</b>	<b>6 431</b>	<b>3 787</b>	<b>3 787</b>	<b>3 266</b>	<b>4 014</b>	<b>4 250</b>	<b>4 475</b>
Sale of goods and services produced by department (excluding capital assets)	<b>3 251</b>	<b>5 451</b>	<b>6 431</b>	<b>3 787</b>	<b>3 787</b>	<b>3 266</b>	<b>4 014</b>	<b>4 250</b>	<b>4 475</b>
Sales by market establishments	1 173	2 290	1 496	1 410	1 410	1 118	1 267	1 225	1 290
Administrative fees						13			
Other sales	2 078	3 161	4 935	2 377	2 377	2 135	2 747	3 025	3 185
Sales of scrap waste arms and other used current goods (excluding capital assets)									
<b>Transfers received from:</b>	<b>8 400</b>	<b>7 017</b>	<b>11 635</b>	<b>9 270</b>	<b>9 270</b>	<b>9 394</b>	<b>9 826</b>	<b>10 405</b>	<b>10 956</b>
Other governmental units									
Universities and technicians									
Foreign governments									
International organisations									
Public corporations and private enterprises									
Households and non-profit institutions	8 400	7 017	11 635	9 270	9 270	9 394	9 826	10 405	10 956
<b>Fines penalties and forfeits</b>									
<b>Interest dividends and rent on land</b>	<b>30</b>	<b>37</b>	<b>4</b>			<b>1</b>			
Interest	30	37	4			1			
Dividends									
Rent on land									
<b>Sales of capital assets</b>									
Land and sub-soil assets									
Other capital assets									
<b>Transactions in financial assets and liabilities</b>	<b>167</b>	<b>1 276</b>	<b>2 542</b>	<b>385</b>	<b>385</b>	<b>252</b>	<b>408</b>	<b>432</b>	<b>455</b>
<b>Total departmental receipts</b>	<b>11 848</b>	<b>13 781</b>	<b>20 612</b>	<b>13 442</b>	<b>13 442</b>	<b>12 913</b>	<b>14 248</b>	<b>15 087</b>	<b>15 887</b>

TABLE 10.17: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>48 583</b>	<b>51 013</b>	<b>54 586</b>	<b>74 657</b>	<b>74 657</b>	<b>73 435</b>	<b>77 704</b>	<b>81 258</b>	<b>84 623</b>
Compensation of employees	30 611	32 721	36 663	52 246	52 246	49 002	55 062	57 682	60 300
Salaries and wages	29 724	32 566	36 663	47 569	47 569	49 002	50 110	52 501	54 844
Social contributions	887	155		4 677	4 677		4 952	5 181	5 456
Goods and services	17 972	18 292	17 904	22 411	22 411	24 433	22 642	23 576	24 324
Administrative fees		54	63	72	67	98	76	79	73
Advertising	776	369	439	295	295	454	401	421	443
Assets less than the capitalisation threshold	40	124	106			463	3 891	4 594	1 543
Audit cost: External	2 015	2 239	2 644	1 401	1 401	3 202	3 763	3 495	3 116
Bursaries: Employees	758	807	646	893	893	984	937	980	1 032
Catering: Departmental activities	180	165	69	52	57	258	55	59	85
Communication (G&S)	2 642	2 132	2 562	3 387	3 387	3 449	3 438	3 607	3 648
Computer services	9	2 902	972	2 138	2 138	1 983	2 295	2 146	2 260
Consultants and professional services: Business and advisory services	321	1 372	661	1 221	1 221	1 062	1 198	1 581	4 708

# Vote 10 - Community Safety • EPRE- 2014/15

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Consultants and professional services: Infrastructure and planning									
Consultants and professional services: Laboratory services									
Consultants and professional services: Scientific and technological services									
Consultants and professional services: Legal costs	734	1 224	1 274	2 423	2 423	2 222	415	128	135
Contractors	(137)	358	367	808	808	578	1 256	1 313	1 383
Agency and support / outsourced services		265	504	62	62	141	66	69	73
Entertainment	4								
Fleet services (including government motor transport)		3	58	3 521	3 521	1 329			
Housing									
Inventory: Clothing material and accessories									
Inventory: Farming supplies									
Inventory: Food and food supplies	27	3	7	300	300	302	15	329	68
Inventory: Fuel oil and gas	1		21			9			
Inventory: Learner and teacher support material									
Inventory: Materials and supplies	37	75	26	101	101	36	106	111	117
Inventory: Medical supplies				100	100	30	105	110	116
Inventory: Medicine									
Medsas inventory interface									
Inventory: Other supplies									
Consumable supplies	1	8	160	539	539	359	472	494	270
Consumable: Stationery printing and office supplies	744	646	1 005	662	662	1 002	13	272	14
Operating leases	587	584	496	800	800	662	839	878	925
Property payments	2 950		86	238	238	269			
Transport provided: Departmental activity		61							
Travel and subsistence	4 651		1 907	768	768	2 287	668	586	317
Training and development	373	2 015	578	1 180	1 180	936	1 132	1 186	1 799
Operating payments	(29)	786	2 506	221	221	76	532	22	23
Venues and facilities	1 288	1 574	747	1 229	1 229	2 182	969	1 116	2 175
Rental and hiring		526				60			
Interest and rent on land			19						
Interest			19						
Rent on land									
<b>Transfers and subsidies</b>						<b>169</b>			
Provinces and municipalities						88			
Provinces						88			
Provincial Revenue Funds									
Provincial agencies and funds						88			
Municipalities									
Non-profit institutions									
Households						81			
Social benefits						81			
Other transfers to households									
<b>Payments for capital assets</b>	<b>1 051</b>	<b>2 751</b>	<b>2 180</b>	<b>2 455</b>	<b>2 455</b>	<b>2 731</b>	<b>1 837</b>	<b>1 921</b>	<b>3 623</b>
Buildings and other fixed structures		16							
Buildings									
Other fixed structures		16							
Machinery and equipment	989	2 735	2 180	2 455	2 455	2 731	1 837	1 921	3 623
Transport equipment			891						
Other machinery and equipment	989	2 735	1 289	2 455	2 455	2 731	1 837	1 921	3 623

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Software and other intangible assets	62								
<b>Payments for financial assets</b>	<b>99</b>	<b>46</b>	<b>18</b>						
Thefts and losses	99	46	18						
<b>Total economic classification</b>	<b>49 733</b>	<b>53 810</b>	<b>56 784</b>	<b>77 112</b>	<b>77 112</b>	<b>76 335</b>	<b>79 541</b>	<b>83 179</b>	<b>88 246</b>

TABLE 10.18: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: CIVILIAN OVERSIGHT

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2015/16
<b>Current payments</b>	<b>15 162</b>	<b>11 840</b>	<b>15 985</b>	<b>28 322</b>	<b>22 674</b>	<b>21 474</b>	<b>52 230</b>	<b>49 360</b>	<b>48 171</b>
Compensation of employees	10 861	11 276	11 792	15 692	15 692	14 497	20 293	18 597	19 437
Salaries and wages	9 475	11 276	11 792	14 072	14 072	14 497	18 579	16 803	17 547
Social contributions	1 386			1 620	1 620		1 714	1 794	1 889
Goods and services	4 301	(273)	4 193	12 630	6 982	6 977	31 937	30 763	28 734
Administrative fees									
Advertising						100			
Assets less than the capitalisation threshold			1			2			
Audit cost: External									
Bursaries: Employees									
Catering: Departmental activities	47	19		8	8	7	9	10	30
Communication (G&S)	358	165	176	456	456	368	4 776	3 777	4 420
Computer services	14								
Consultants and professional services: Business and advisory services		354	826	2 688	2 688	1 664	764	2 893	2 838
Consultants and professional services: Infrastructure and planning									
Consultants and professional services: Laboratory services									
Consultants and professional services: Scientific and technological services									
Consultants and professional services: Legal costs									
Contractors	432		1 749			1 359	1 800		
Agency and support / outsourced services	543	56	140						
Entertainment									
Fleet services (including government motor transport)				3 690	2 829	2 615	8 141	6 843	5 423
Housing									
Inventory: Clothing material and accessories									
Inventory: Farming supplies									
Inventory: Food and food supplies									
Inventory: Fuel oil and gas							800		
Inventory: Learner and teacher support material									
Inventory: Materials and supplies									
Inventory: Medical supplies									
Inventory: Medicine									
Medsas inventory interface									
Inventory: Other supplies									



# Vote 10 - Community Safety • EPRE- 2014/15

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2015/16
Consumable supplies									
Consumable: Stationery printing and office supplies	26	212	59	302	302	197	363	281	296
Operating leases			522						
Property payments									
Transport provided: Departmental activity									
Travel and subsistence	2 851		534	1 565	322	494	14 892	13 227	11 798
Training and development		(1 089)	12	377	377	147	168	175	184
Operating payments	30		66	3 544			224	3 557	3 746
Venues and facilities		10	108			24			
Rental and hiring									
Interest and rent on land		837							
Interest		837							
Rent on land									
<b>Transfers and subsidies</b>									
Provinces and municipalities									
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities									
Public corporations and private enterprises									
Non-profit institutions									
Households									
Social benefits									
Other transfers to households									
<b>Payments for capital assets</b>									
	1 213	463					1 905	8 864	13 048
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	1 213	463					1 905	8 864	13 048
Transport equipment							1 878	8 810	12 991
Other machinery and equipment	1 213	463					27	54	57
<b>Payments for financial assets</b>									
	1	7							
Thefts and losses	1	7							
<b>Total economic classification</b>	<b>15 163</b>	<b>13 060</b>	<b>16 448</b>	<b>28 322</b>	<b>22 674</b>	<b>21 474</b>	<b>54 135</b>	<b>58 224</b>	<b>61 219</b>

TABLE 10.19: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: CRIME PREVENTION AND COMMUNITY POLICE RELATIONS

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2015/16
<b>Current payments</b>	<b>66 693</b>	<b>81 894</b>	<b>76 874</b>	<b>104 550</b>	<b>109 758</b>	<b>113 307</b>	<b>119 445</b>	<b>124 645</b>	<b>131 303</b>
Compensation of employees	22 367	22 414	23 552	49 919	49 919	48 024	68 794	70 903	74 074
Salaries and wages	19 319	22 414	23 552	46 602	46 602	48 024	65 284	67 230	70 206
Social contributions	3 048			3 317	3 317		3 510	3 673	3 868
Goods and services	44 326	59 204	53 322	54 631	59 839	65 283	50 651	53 742	57 230
Administrative fees		2 345	399			561			
Advertising	4 846	5 596	5 042	6 633	6 793	7 327	1 590	3 755	3 954
Assets less than the capitalisation threshold	7	243	52	72	395	875	73	80	84
Audit cost: External						7			
Bursaries: Employees									
Catering: Departmental activities	4 161	5 828	4 921	1 754	5 804	7 109	2 262	1 636	1 834
Communication (G&S)	6 316	1 126	1 201	2 754	1 105	1 119	3 308	3 213	3 408
Computer services							42	44	46
Consultants and professional services: Business and advisory services	308	462		8 523	8 123	780	916	2 650	2 788
Consultants and professional services: Infrastructure and planning									
Consultants and professional services: Laboratory services									
Consultants and professional services: Scientific and technological services									
Consultants and professional services: Legal costs				2 000		1 197			
Contractors	2 372	22 747	6 399	4 034	3 894	7 773	2 549	2 590	2 727
Agency and support / outsourced services	6 462	1 768	7 372	10 031	7 318	11 359	4 351	7 166	7 710
Entertainment	1								
Fleet services (including government motor transport)				3 474	6 414	3 178			
Housing									
Inventory: Clothing material and accessories				3 375	3 375	1 922	250	262	275
Inventory: Farming supplies						17			
Inventory: Food and food supplies	1	17	69		20	643			
Inventory: Fuel oil and gas			2		100	51	2 000	2 098	2 201
Inventory: Learner and teacher support material						1	1 115	1 170	1 227
Inventory: Materials and supplies	76	206	653	5	1 749	1 475	5	5	5
Inventory: Medical supplies	8		87	48	48	81	50	53	56
Inventory: Medicine									
Medsas inventory interface									
Inventory: Other supplies	78								
Consumable supplies	2 596	1 571	2 795	270	5 277	735	1 496	4 363	4 760
Consumable: Stationery printing and office supplies	1 047	354	716	2 618	2 587	1 121	1 913	3 283	3 457
Operating leases	168	132	738			123	4 000	4 196	4 402
Property payments	3 052		851	641	641	2 635	2 675	2 280	2 394
Transport provided: Departmental activity	45	1 970	45						
Travel and subsistence	5 872		5 826	4 621	2 344	4 618	11 645	9 689	10 425
Training and development	4 790	4 139	2 159	672	472	2 176	2 634	2 768	2 906
Operating payments		1 716	8 971	187	77	475	3 855		
Venues and facilities	2 120	5 738	5 024	2 919	3 303	7 751	3 922	2 442	2 571
Rental and hiring		3 246				174			
Interest and rent on land		276							
Interest		276							

# Vote 10 - Community Safety • EPRE- 2014/15

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2015/16
Rent on land									
<b>Transfers and subsidies</b>	<b>564</b>	<b>870</b>	<b>29</b>	<b>1 250</b>	<b>1 250</b>	<b>652</b>			
Provinces and municipalities						13			
Provinces						13			
Provincial Revenue Funds									
Provincial agencies and funds						13			
Municipalities									
Public corporations and private enterprises	562	761		1 250	1 250	624			
Public corporations	562	761		1 250	1 250	624			
Subsidies on products and production (pc)									
Other transfers to public corporations	562	761		1 250	1 250	624			
Private enterprises									
Subsidies on products and production (pe)									
Other transfers to private enterprises									
Non-profit institutions	2								
Households		109	29			15			
Social benefits		109	29			15			
Other transfers to households									
<b>Payments for capital assets</b>	<b>185</b>	<b>235</b>	<b>2 810</b>	<b>240</b>	<b>680</b>	<b>1 941</b>	<b>5 649</b>	<b>7 864</b>	<b>8 229</b>
Buildings and other fixed structures					250				
Buildings									
Other fixed structures					250				
Machinery and equipment	185	235	2 810	240	430	1 941	5 649	7 864	8 229
Transport equipment		235	2 264				2 138	5 656	5 904
Other machinery and equipment	185		546	240	430	1 941	3 511	2 208	2 325
<b>Payments for financial assets</b>		<b>119</b>	<b>26</b>						
Thefts and losses		119	26						
<b>Total economic classification</b>	<b>67 442</b>	<b>83 118</b>	<b>79 739</b>	<b>106 040</b>	<b>111 688</b>	<b>115 900</b>	<b>125 094</b>	<b>132 509</b>	<b>139 533</b>

TABLE 10.20: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: TRAFFIC MANAGEMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2015/16
<b>Current payments</b>	<b>216 533</b>	<b>233 515</b>	<b>230 829</b>	<b>272 979</b>	<b>272 979</b>	<b>284 504</b>	<b>313 965</b>	<b>326 234</b>	<b>343 942</b>
Compensation of employees	157 329	169 666	180 292	212 558	212 558	214 865	250 123	263 012	274 684
Salaries and wages	144 874	169 666	180 292	174 806	174 806	214 865	210 145	221 185	230 640
Social contributions	12 455			37 752	37 752		39 978	41 827	44 044
Goods and services	52 157	50 109	50 537	60 421	60 421	69 639	63 842	63 222	69 258
Administrative fees	5	68	41			640			5
Advertising	161	533	458	1 274	1 274	1 757	1 347	1 423	1 498

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2015/16
Assets less than the capitalisation threshold	9	1	395	100	229	439			
Audit cost: External									
Bursaries: Employees			2						
Catering: Departmental activities	2 462	2 349	37	24	24	201	25	25	26
Communication (G&S)	1 220	1 025	1 340	2 888	2 438	2 153	3 003	2 653	2 951
Computer services	3 186	2 840	400	3 050	3 050	3 289	6 042	3 347	3 524
Consultants and professional services: Business and advisory services	661								
Consultants and professional services: Infrastructure and planning									
Consultants and professional services: Laboratory services									
Consultants and professional services: Scientific and technological services									
Consultants and professional services: Legal costs									
Contractors	2 946	1 050	1 142	1 335	1 335	1 238	8 880	2 614	2 953
Agency and support / outsourced services	203		2 471	3 257	3 257	2 118	3 468	3 695	3 891
Entertainment									
Fleet services (including government motor transport)	7	( 2)	274	24 640	25 332	23 010	2	1 176	2 578
Housing									
Inventory: Clothing material and accessories				2 796	2 316	2 089			
Inventory: Farming supplies									
Inventory: Food and food supplies	5	4	6						
Inventory: Fuel oil and gas	7	8	216	47	47	335	50	53	56
Inventory: Learner and teacher support material	180								
Inventory: Materials and supplies	171	97	378	29	29	431	31	33	35
Inventory: Medical supplies			56	5	5	19	6	6	6
Inventory: Medicine									
Medsas inventory interface									
Inventory: Other supplies		8							
Consumable supplies	1 574	352	2 849	896	896	3 540	3 225	6 683	7 037
Consumable: Stationery printing and office supplies	151	613	396	1 392	921	974	1 475	1 411	2 145
Operating leases	13 180	13 434	24 718	9 368	9 368	15 718	14 827	15 279	16 089
Property payments	1 317		2 186	4 836	4 644	6 273	2 668	2 679	2 821
Transport provided: Departmental activity		3 218							
Travel and subsistence	23 825		9 557	4 218	4 510	4 999	18 531	14 960	16 077
Training and development	232	23 575	546	170	170	365	160	170	179
Operating payments	1	26	2 594		480			6 906	7 272
Venues and facilities	266	828	475	96	96	51	102	109	115
Rental and hiring	388	82							
Interest and rent on land	7 047	13 740							
Interest		8 736							
Rent on land	7 047	5 004							
<b>Transfers and subsidies</b>	<b>1 666</b>	<b>1 037</b>	<b>426</b>	<b>650</b>	<b>650</b>	<b>827</b>	<b>738</b>	<b>777</b>	
Provinces and municipalities						178			
Provinces						178			
Provincial Revenue Funds									
Provincial agencies and funds						178			
Municipalities									
Municipal bank accounts									
Municipal agencies and funds									

# Vote 10 - Community Safety • EPRE- 2014/15

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2015/16
Departmental agencies and accounts						4			
Social security funds									
Departmental agencies (non-business entities)						4			
Non-profit institutions									
Households	1 666	1 037	426	650	650	645		738	777
Social benefits	1 666	1 037	426	650	650	645		738	777
Other transfers to households									
<b>Payments for capital assets</b>	<b>31 763</b>	<b>16 864</b>	<b>30 375</b>	<b>11 834</b>	<b>11 834</b>	<b>12 360</b>	<b>775</b>	<b>5 923</b>	<b>6 237</b>
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	31 763	16 864	30 375	11 834	11 834	12 359	775	5 923	6 237
Transport equipment	31 685	13 255	30 049	9 795	9 795	9 794			
Other machinery and equipment	78	3 609	326	2 039	2 039	2 565	775	5 923	6 237
<b>Payments for financial assets</b>		<b>65</b>	<b>61</b>			<b>3</b>			
<b>Total economic classification</b>	<b>249 962</b>	<b>251 481</b>	<b>261 691</b>	<b>285 463</b>	<b>285 463</b>	<b>297 694</b>	<b>314 740</b>	<b>332 895</b>	<b>350 956</b>

# VOTE 11

## DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

To be appropriated by vote in 2014/15	R602 825 000
Responsible MEC	MEC for Agriculture and Rural Development
Administering Department	Department of Agriculture and Rural Development
Accounting Officer	Head of Department

### 1. OVERVIEW

#### Vision

Vibrant, equitable, sustainable communities, food security for all and protected and enhanced environmental assets and natural resources.

#### Mission

Unlocking the full potential of environment, agriculture and rural development to enhance the economic, ecological and social wealth of all the people of the Gauteng through:

- Improved access to affordable, diverse and nutritious food;
- Accelerated sustainable agrarian reform;
- Champions of animal health and welfare in a cost-sharing/recovery model;
- Improved rural services and infrastructure to support sustainable livelihoods with respect to agriculture environment, education, health, transport, and other forms of infrastructure and services;
- Rural job creation linked to skills development and promoting economic livelihoods;
- Sustainable management of natural resources by promoting conservation, better management of waste reduce greenhouse emissions; and
- Efficient and effective governance, quality service delivery and access for an empowered, active and responsible citizenship.

#### Strategic Goals

The strategic goals of the department, which are derived from the provincial outcomes, are as follows:

- Vibrant, equitable and sustainable rural communities and food security for all;
- Protected and enhanced environmental assets and natural resources; and
- An efficient, effective and development oriented public service and empowered, fair and inclusive citizenship.

#### Core functions and responsibilities

The Gauteng Department of Agriculture and Rural Development's (GDARD's) mandate is derived from Sections 24 and 27 and Schedules 4 and 5 of the Constitution of the Republic of South Africa, 1996, with regard to ensuring an environment that supports human well-being, conservation of the environment, provision of sufficient food and water, animal disease control, management of abattoirs and provision of veterinary services in the province.

#### Main services

- Establishment of individual homestead or backyard gardens to serve mainly the resource-poor communities in Gauteng. The target group includes the elderly, the unemployed, woman, youth, and people with disabilities and HIV/AIDS affected/infected households;
- Issuing of nature conservation permits (live game) – livestock trade, hunters and the general public - and all other permits excluding live game;
- Issuing of environmental authorisations in terms of the National Environmental Management Act, (Act 107 of 1998) (NEMA) – Developers; and
- Issuing of veterinary certificates (Export) – Exporters (and agents) of animal and animal products.

## Outcomes

The Agriculture and Rural Development Programme contributes significantly to the realisation of Outcome 5a, "Vibrant, equitable and sustainable rural communities and food security for all". The department identified five key outputs as its strategic objectives in line with Outcome 5a. These outputs are sustainable agrarian reform with thriving small and large farming sectors, improved access to affordable safe and diverse food, improved rural services in order to support sustainable livelihoods, improved employment opportunities and economic livelihoods and an enabling institutional environment for sustainable and inclusive growth.

The Environmental Affairs Programme contributes to the realisation of Outcome 5b, "Protected and enhanced environmental assets and natural resources". The department identified five key outputs as its strategic objectives namely, Enhanced quality and quantity of water resources, Reduced greenhouse gas emissions, Climate change and improved air/atmospheric quality, Sustainable environmental management and Protected biodiversity.

The Administration Programme is aligned with the realisation of Outcome 8, "An efficient, effective and development oriented public service and empowered, fair and inclusive citizenship". Resources are directed towards the provision of support services, leadership and management. These outputs were identified as efficient and effective governance, human resource management and development, the management of business processes, systems, decision rights and accountability and promotion to active and responsible citizenship.

## External activities and events relevant to budget decisions

The growing demand for agricultural services, following the world-wide economic downturn, puts pressure on capacity within the agricultural sector. Limited availability and accessibility of financial resources by smallholder farmers further exacerbate the above-mentioned pressures. This is critical as the prices of agricultural inputs such as fuel, electricity, labour, fertilizers and seeds have significantly increased, leading to a potential decline in farm incomes. There is a need for a structured and focused intervention to support farmers in order to ensure the long-term sustainability and transformation of the sector. The empowerment of farmers through agricultural programmes e.g. the Comprehensive Agricultural Support Programme (CASP), the Micro Agricultural Financial Institutions of South Africa (MAFISA) and Letsema/Ilima will ensure that the agricultural sector will continue to fulfil its mandate in ensuring food security and creating jobs. Agro-processing development is linked to the New Growth Path priorities, which aim to strengthen the foundation for accelerated economic growth while ensuring that the benefits of the growth translates to reduced unemployment, inequality and poverty. The increased demand for household food security, due to the socio-economic impact of in-migration into the province, has necessitated an intensification of the roll-out of household and community food gardens.

While Gauteng may not be rural by conventional standards, it has relatively rural and semi-urban areas that require attention. It is estimated that four percent of the province is classified rural, thus deserving rural development interventions. Rural development is every department and every person's responsibility. GDARD plays a coordination role and coordinates rural development interventions in the province. The department has facilitated the signing of the Rural Social Compact Plan, which is a pact by stakeholders such as organised labour, organised agriculture and government to work together to improve the livelihoods of people and communities in the rural areas.

The department carries out additional environmental compliance and monitoring functions due to the transfer of the air quality licensing function to the province and the promulgation of the Waste Act (Act No 59 of 2008).

## Acts, rules and regulations

### Provincial Legislation

The department's responsibilities are carried out in terms of the following major national laws:

- The NEMA Environmental Impact Assessment Regulations, 2010 and its Listing Notices;
- National Environmental Management: Waste Act, 2008 (Act 59 of 2008);
- National Environment Management: Protected Areas Act (Act 10 of 2004);
- National Environmental Management: Air Quality Act, 2004 (Act 39 of 2004);
- Broad Based Black Economic Empowerment Act, 2003 (Act 53 of 2003);
- National Environment Management: Biodiversity Act (Act 57 of 2003);
- National Disaster Management Act 2002 (Act 57 of 2002);
- Promotion of Access to Information Act, 2000 (Act 2 of 2000);
- Promotion of Administrative Justice Act, 2000 (Act 3 of 2000);
- Promotion of Equality and Elimination of Unfair Discrimination Act, 2000 (Act 4 of 2000);
- Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000);



- Meat Safety Act, 2000 (Act 20 of 2000);
- Public Finance Management Act, 1999;
- World Heritage Convention Act, 1999 (Act 49 of 1999);
- Skills Development Act, 1998;
- National Water Act, 1998 (Act 36 of 1998);
- National Veld and Forest Fire Act (Act 101 of 1998);
- Employment Equity Act, 1998 (Act 5 of 1998);
- National Environment Management Act, 1998 (Act 107 of 1998), as amended;
- Basic Conditions of Employment Act, 1997 (Act 75 of 1997);
- Labour Relations Act, 1995 (Act 66 of 1995);
- Public Service Act, 1994 (Proclamation 103 of 1994) as amended;
- Abattoir Hygiene Act, 1992 (Act 121 of 1992);
- Animal Diseases Act, 1992 (Act 35 of 1992);
- Environment Conservation Act, 1989 (Act 73 of 1989), as amended;
- Conservation of Agricultural Resources Act, 1983 (Act 43 of 1983);
- Protection of Information Act, 1982 (Act 84 of 1982);
- Hazardous Substances Act, 1973 (Act 15 of 1973); and
- Atmospheric Pollution Prevention Act, 1965 (Act 45 of 1965).

The department's responsibilities are further carried out in terms of the following provincial laws and subordinate legislation:

- Noise Control Regulations, 1999; and
- Nature Conservation Ordinance, 1983 (Ordinance 12 of 1983).

### **Good Governance Legislation**

In addition to the legislation, the mandate of the department derives from the following policies and strategies:

- The Gauteng Growth and Development Strategy;
- The Gauteng Spatial Development Perspective;
- The Gauteng Spatial Development Framework;
- The Gauteng Strategy for Sustainable Development;
- The Gauteng Agricultural Strategy;
- The Gauteng Agricultural Potential Atlas;
- Environmental specific policies including:
  - Environmental Implementation Plan;
  - National Biodiversity Strategy and Action Plan;
  - National Waste Management Strategy; and
  - South African Air Quality Information System.
- Ridges Policy Guideline for Gauteng, September 2001 (as amended);
- Information layers and Buffer Zones for Industries, Sewage treatment, Landfill sites and Mine dumps Guideline, June 2002;
- Red Data Species Policy;
- Gauteng Communication Network Strategy, March 2002 (as amended);
- Other environmental instruments (Environmental Management Frameworks (EMFs) and Strategic Environmental Assessment (SEAs);
- National Biodiversity Framework;
- Convention on International Trade of Endangered species;
- National Protected area expansion strategy;
- South Africa's Economic Transformation: A Strategy for Broad-Based Black Economic Empowerment;
- South Africa's National policy Framework for Women's Empowerment and Gender Equality;
- The Codes of Good Practice on Broad-Based Black Economic Empowerment;
- Gauteng Provincial Government Broad-Based Black Economic Empowerment Strategy; and
- National Strategic Plan (NSP) on HIV/AIDS.

### **Revisions to legislative and other mandates**

The Gauteng Nature Conservation Bill will be promulgated to replace the current Gauteng Nature Conservation Ordinances of 1983. This will improve the alignment of provincial conservation laws with the Constitution of the Republic of South Africa, 1996, and National Environmental Legislation such as the National Environmental Management Biodiversity Act 2004, (Act 10 of 2004).





## 2. REVIEW OF THE CURRENT FINANCIAL YEAR (2013/14)

### Outcome 7: Vibrant, equitable and sustainable rural communities and food security for all

#### Output 1: Sustainable agrarian reform with thriving small and large farming sectors

The Extension and Advisory Services and the Farmer Settlement and Development units embarked on the implementation of programmes and projects that are aimed at ensuring that all levels of farmers are capacitated to be self-standing and productive. These programmes included, amongst others, agricultural extension and advisory services, farmer to farmer extension programmes, land reform and CASP. The Farmer Settlement and Support sub-components have contributed significantly to the implementation of such programmes and the set deliverables for the current financial year.

The purpose is towards realisation of the Branch Agriculture's vision and to ensure a united and prosperous agricultural sector. In Westonaria-Zuurbekom, most of the work on tunnels has been done and irrigation systems have been installed in some tunnels. Farmers are excited about the infrastructure provided and the type of irrigation system saying it will enhance greater plant population inside the tunnels.

Twenty-eight smallholder farmers and cooperatives were supported with on- and off-farm infrastructure through CASP. CASP focusses on smaller farmer based projects linked to available budget and it covers a wider spectrum of farmers. This was mainly with the primary focus of enhancing production on various agricultural enterprises that farmers are embarking on. The farmers and cooperatives supported with on-off farm infrastructure through CASP are located in Emfuleni Local Municipality, Vleikraal, Ward 17, Midvaal Local Municipality, Meyerton, Ward 22, Randfontein Local Municipality, Vleikop, Ward 45, City of Tshwane Region 7, Bronkhorstspuit, Ward 16, and Lesedi Local Municipality, Jameson Park, Ward 12.

Poultry service providers rectified the mistakes that were observed during site visits and have improved the height and the roofing of the structure in Zuurbekom.

The construction of 50 sow piggery units is still on-going in Kaalbasfontein and nearing completion.

Profiling and video filming of the Agri Business Woman of the Year took place and has been concluded. The event for prize giving took place during August 2013. Female farmers who have entered the competition are from all over the province.

Frost damage was prevalent. Most vegetable farmers in Zuurbekom were affected by frost and most of their crops were damaged. Some of the farmers have already planted winter crops. The department assisted by providing proper extension advice so that the choice of which crops to plant were those that are frost-resistant and so that farmers cover the crops with shade netting.

The department organised the African Farmers' Expo from the 15th to the 17th August 2013 with the objectives of uniting farmers and production input suppliers and introducing the farmers to various new technologies. Two additional agricultural expos were organised in collaboration with Tshwabac for the Tshwane Spring Show as well as the undercover farming agricultural Expo in collaboration with NuFarmer Magazine developers.

In terms of ensuring access to markets for smallholder farmers, cooperatives have managed to secure government contracts for the supply of vegetables and eggs to public institutions over five years. Twenty-three projects were assisted to secure vegetable contracts from the Gauteng Provincial Government for a period of three years and five poultry projects are supplying eggs to government institutions for a period of two years. Through partnerships, comprehensive value chain analysis reports of different enterprises have been made available to smallholder farmers to assist them in identifying potential areas of market access and areas for growth, as part of agricultural development in the province.

Most farmers who have been assisted with on-farm infrastructure are evenly distributed throughout the province. For the infrastructure provided to be in full use, farmers require support with production inputs so that the farms can be in full production. The department has planned to support them with production inputs on a yearly basis to ultimately cover all farmers who have been provided with infrastructure. The capacity element i.e. the ratio of extension officers to farmers has been greatly improved with the appointment of contract workers who are currently in the process of being appointed permanently. The current ratio is 1:32 Extension Officer to farmers, which is ideal for proper and meaningful contact with farmers. In terms of Farmer Support and Development,



most farmers are concentrated in the more affluent communities, leaving the vast majority of the farmers extremely under serviced.

The on- and off-farm infrastructure established over the last five years by the GDARD is in need of operational capacity to ensure the full use of the infrastructure. The increasing cost of production inputs for agricultural enterprises directly affects the sustainability of the agricultural projects. Demand by communities for agricultural support is greater than the Province's present capacity. The budget for conditional grants lead to very efficient use of funds but unfortunately only limited funding is available, whilst most infrastructure for agricultural structures are underutilised.

In 2013/14 the Department of Agriculture, Forestry and Fisheries (DAFF) initiated new conditions for implementation of the conditional grants, the focus will now be on increasing food production (mainly maize production and other grain crops) as well as the promotion of activities along the value chain. This will certainly have a negative impact on implementation and maintenance of high priority projects such as the agro processing, piggery and hydroponic structures as very limited work will be done with regards to on- and off- infrastructure development. The Gauteng Province receives the second lowest grant allocation and it is suggested that striving to improve delivery should be prioritised over seeking lowest common denominator solutions. There is a strong demand by emerging producers and land reform beneficiaries for farmer support and development services. This will impact negatively on the viability of farming enterprises and projects with underutilised infrastructure causing production losses and low profit margins.

### **Output 2: Improved access to affordable, safe and diverse food**

Community food gardens were developed in the majority of the 50 poorest wards to alleviate food insecurity and promote the utilisation of open spaces within residential areas. Excess produce from community food gardens were sold to generate income for poor households. Delivery in terms of the Siyazondla programme is on track for 2013/14 to improve access to food by individual households.

- Maintenance of 193 food production units was conducted;
- Twenty-three new community based food production units have been developed;
- One thousand three hundred and eighty two new individual homestead food gardens were developed; and
- Twelve new school gardens were developed.

### **Output 3: To improve rural services in order to support sustainable livelihoods**

The provision of services to rural communities is a joint effort of the Gauteng Provincial Government (GPG), municipalities and other stakeholders. GDARD continued to coordinate and oversee the rural development function through building partnerships with GPG departments and key stakeholders. As such, the following is being achieved: All GPG departments such as the department of Roads and Transport (DRT) are currently surfacing and re-gravelling roads in rural areas. The Gauteng Department of Education (GDE), through the department of Infrastructure Development (DID), is building a boarding facility in Magaliesburg. The department of Community Safety (DCS) employed 374 patrollers. The department of Local Government and Housing (DLGH) is constructing houses in West Rand Region, KwaZenzele, Devon and Ithemba Lethu. The DID is renovating schools and completing the Multi-Purpose Centre in Kwa-Sokhulumu. The department of Sports, Arts, Culture and Recreation (SACR) introduced mass participation programmes in rural communities as well as the Ba Le Ya Rona Programme, while the department of Economic Development (DED) finalized the investigation of coal deposits in Devon and a skins and hides factory Business Plan.

The Council of Stakeholders in Devon, Hekpoort, Kwa-Sokhulumu and Bantu-Bonke/Mamello were supported through training in Conflict Management that took place in September 2013. The Conflict Management training took place as follows: Bantu Bonke 2, 3 and 5 Sep; Devon 13, 18 and 19 Sep; Hekpoort 10, 11 and 12 Sep; and Kwa Sokhulumu 25, 26 and 27 September 2013.

### **Output 4: To ensure improved employment opportunities and economic livelihoods**

Two Agri-parks at Soshanguve and Rooiwal have been completed while the Agri-parks in Tarlton and Wattville are in progress and will be completed before the end of 2013/14. These projects are implemented in partnership with the following municipalities: City of Tshwane, Ekurhuleni and Mogale City Local Municipality. The shade tunnel infrastructure in the Onverwacht flower project was extended to include more plastic tunnel infrastructure and essential oils cultivation through additional partnerships. Twenty-five jobs were sustained at Onverwacht. Agro-processing was executed in partnership with the Rand Water Foundation and the National Development Agency. A citrus packing line in the Winterveldt area was expanded, egg-grading machines were installed and a milling plant and abattoir have been completed in Tshwane and Sedibeng. Challenges in sourcing service



providers who meet the minimum requirements of the Construction and Infrastructure Development Board (CIDB) were experienced.

The Maize Triangle Programme has been running in the Gauteng province from 2009. The key programme deliverables of the Maize Triangle Programme are the provision of production inputs to smallholder farmers, on-and-off-farm infrastructure and mechanisation support. One of the pillars of the programme is to establish markets for maize farmers, including international markets. Zivuseni Agricultural Cooperative, comprised of 35 local small producers, exported 72 tons of maize whilst Siyibane Farming Project exported 164.14 tons to Lesotho in partnership with the World Food Programme, which is an internationally recognised agency of United Nations (UN). More farmers are expected to export maize and dry beans after the harvest for the current planting season.

The maize production support was rolled out to farmers in Emfuleni, West Rand and the City of Tshwane. To date, through the Maize Triangle Programme, 276 farmers have been supplied with production inputs (maize seeds and fertilizers), training and capacity building

Thirty one maize producing farms have been settled within Maize Triangle through the Land Reform Programme (DRDLR) and supported with infrastructure such as boreholes, storage facilities, fencing, irrigation systems, farm implements and production stock.

The agro-processing programme has also assisted farmers within the Maize Triangle with packaging facilities, grain silos and abattoirs. Thirty two agro-processing projects were supported with infrastructure such as citrus/vegetable pack houses, grading machines and packaging machines. This is in line with the Maize Triangle strategy of intervening along the value chain and related industries like animal production. The Maize Triangle Revitalization project has so far created 668 jobs during the planting and harvest seasons and the farmers are assisted with various interventions such as on-and off-farm infrastructure, mechanisation and production inputs.

An additional 15 hydroponic tunnels were established in the Onverwacht flower project by the Vergenoeg Mine based near Cullinan as part of their Corporate Social Responsibility program. The department is continuing with the target for delivering on Agri-parks as multi-year projects.

#### **Output 5: Enabling an institutional environment for sustainable and inclusive growth**

The department continued to strengthen and support the council of stakeholders in the various rural nodes to strengthen local people participation and ownership of the development process and destiny themselves.

#### **Outcome 10: Protected and enhanced environmental assets and natural resources**

##### **Output1: Enhanced quality and quantity of water resources**

Training was provided to 159 farmers on water saving technology for the financial year of 2013/14.

The deliverables include the protection of wetlands and assessment of river systems. Four additional wetlands were identified and management plans were developed for their protection. These plans will be integrated into municipal spatial plans to ensure that provincial and local government work together. Monitoring and surveying of the Olifants Catchment, Crocodile West Marico Catchment and the upper Vaal Catchment are ongoing. The Crocodile West Marico river system will be assessed during the fourth quarter to determine ecosystem health. These activities contribute to sustainable management and utilisation of aquatic ecosystems (such as rivers) and the mainstreaming of water resource protection into decision-making processes.

##### **Output 2: Reduced greenhouse gas emissions, climate change and improved air/atmospheric quality**

The department finalized the climate change response strategy in partnership with other stakeholders including GPG departments and municipalities. The department continued to build local government capacity to manage air quality.

Two Basa nje ngo Magogo (BNM) projects were held on 20 August (Devon) and 22 August 2013 (Atteridgeville). The purpose of the BNM projects is to raise awareness on cleaner methods of making fire through the use of coal, consequently reducing air pollution (indoors and outdoors).



### **Output 3: Sustainable environmental management**

Number of Land Care projects implemented (CBNRM): The Sustainable Resource Management component, Land Care community based natural resource management (CBNRM) projects, focusing on the rehabilitation of land affected by degradation and to be implemented in 2013/14, will include 11 CBNRM projects. This will result in 710 beneficiaries adopting sustainable production technologies and practices (CBNRM and Land Care Schools). Six Junior Land Care school programmes will be conducted in priority townships in 2013/14. Six Junior Land Care Camps will be held for 360 Grade 6 learners from Gauteng's poorest schools.

Number of farmland hectares improved through conservation measures: 30 km of contour banks and waterways have been surveyed on privately owned farms, which will protect 800 ha of farmland.

Sustainable Resource Management best practice outputs in 2013/14 include: 2500 trees and shrubs have been distributed as part of the Gauteng Greening and Arbour Programme; 4 Sustainable Resource Management best practice events, MTK awards and materials targeted at priority stakeholders will have been achieved in 2013/14.

Number of green jobs created (EPWP/Land Care: - 55% women, 40% youth and 2% PWDs): 350 work opportunities will be created through the Sustainable Resource Management (SRM) Environment and Culture Sector of the Expanded Public Works Programme (EPWP) initiatives (removal of alien vegetation, burning of firebreaks, clean-up of rivers, rehabilitation of wetlands, and, as of recently, construction of fencing - outside of protected areas) and the Land Care CBNRM programme. Approximately 1 000 person days of training takes place per year for EPWP beneficiaries.

Targets to be reached through the EPWP projects include:

- Kilometres of firebreaks burned: 100 km of firebreaks will have been burned in Rust de Winter.
- Waste removal from the Klipspruit/Klein Jukskei and Diepsloot Rivers will amount to 889 tonnes
- The amount of solid waste in these rivers has resulted in the exceeding of waste removal targets in these EPWP projects.
- Hectares of land cleared of invasive alien species (EPWP projects): Degraded ecosystems will have been rehabilitated by the removal of 1 200 hectares in 2013/14.
- Grazing camps in KwaSokhulumi, which are protecting the local wetland, will have been fenced off with 14 km of fencing in 2012/13.

### **Output 4: Protected biodiversity**

Six Provincial Nature Reserves were managed as part of the department's Protected Area Management Portfolio. As part of the People and Parks concept, specifically the CBNRM Programme in the Provincial Protected Areas, 30 families benefitted from harvesting thatch grass from the nature reserves. A biodiversity spatial planning tool was published in order to contribute to improved land use planning and protection of biodiversity. Implementation of regulatory functions (e.g. regulation of zoos, game farms, etc.) continued via monitoring, biodiversity inspections and the issuing of permits and licences. Environmental capacity building activities were conducted with environmental stakeholders (e.g. schools and youth groups) and the department actively participated in the Presidential special Eldorado Park project.

## **3. OUTLOOK FOR THE COMING FINANCIAL YEAR (2014/15)**

### **Outcome 7: Vibrant, equitable and sustainable rural communities and food security for all**

#### **Output 1: Sustainable agrarian reform with thriving small and large farming sectors**

In response to making Gauteng's rural communities vibrant, equitable and sustainable, support to large-scale commercial and small-scale farmers will continue through various interventions. The department directly interacts with farmers through its extension advisory officers who provide them with hands-on support and advice. Emerging farmers will still receive accredited and/or non-accredited training which is part of capacity building interventions.

The department will continue to host 3 agricultural expos as an avenue to foster enhanced interactions between the farmers and the agricultural inputs and equipment services providers in the province. Agriculture-related research will continue to improve agricultural sector productivity with the commissioning of 12 additional research projects.



### **Output 2: Improved access to affordable, safe and diverse food**

The department, through its Food Security sub-programme, has developed the 20 year food security plan to ensure long term food security in the province. The main focus area will be the implementation of the plan in collaboration with other related sector partners. The department will further strengthen the food security intervention strategies in ensuring food security in the province.

Rising food prices are a threat to food security. A direct relationship exists between the two. The Republic of South Africa, through the DAFF, has put its resources into the planting of maize and dry beans in order to secure food for the entire nation. Farmers will be supported for improved production.

To mitigate market vagaries impacting on food security, the department is implementing the Siyazondla programme in which households, schools and community establishments are supported with production inputs and implements to grow their own food; hence, the slogan "One household, one food garden, one fruit tree". Many community institutions, individuals and school establishments are heeding the call and the demand on the department for support surpasses internal capacity. The department will continue with the auditing and inspection of abattoirs so that the supply of safe, healthy and wholesome meat to the consumer is safeguarded. The department will continue to undertake feasibility studies for the purposes of contributing to the planning of viable agricultural projects.

### **Output 3: To improve rural services in order to improve livelihoods**

Provision of services to rural communities is jointly executed by GPG departments, municipalities and other stakeholders. GDARD will continue to coordinate and oversee rural development through partnerships with GPG departments. The DRT plans to surface and re-gravel roads in Onverwacht, Magaliesburg, Winterveldt, Hammanskraal, Bantu Bonke, Devon, and Nooitgedacht. The GDE will build another Boarding Facility in Fochville to improve access to education, particularly for girl child in rural areas. The DCS will continue to develop rural safety plans and to deploy rural safety patrollers in the rural areas and the department of Local Government and Housing (DLGH) will construct additional houses in West Rand Region and Mamello in the Midvaal in Sedibeng Region. The SACR will roll out a mass participation programme in rural communities and the Ba le ya rona programme; and the DED plans to seek an investor to mine the coal deposits in Devon.

### **Output 4: To ensure improved employment opportunities and economic livelihoods**

Enterprise development interventions by the department have brought emerging farmers into equity scheme programmes that have yielded benefits. Maize is the staple food of many households in the province. The GPG prioritised maize production through the Maize Triangle flagship project. Maize farmers are assisted with various interventions such as on- and off-farm infrastructure, mechanisation and production inputs. The department aims to assist smallholder farmers with mechanisation through ploughing of 2 500 ha of grain crop fields of maize farmers.

Maize production inputs for 2 000 ha will be procured during the 2014/15 financial year. The mechanisation plan is currently being rolled out, involving 92 tractors and implements, in partnership with agricultural cooperatives and Municipalities. The department, in collaboration with the Rand Water Foundation, plans to establish 4 milling plants in Emfuleni, West Rand and City of Johannesburg. Agro-processing projects, through the establishment of milling plants and abattoirs, will continue to receive attention, noting that it has the potential to increase farm net income, create jobs and reduce unemployment. Comparative and competitive analysis of Gauteng Province, particularly the agricultural sector, dictates that value adding initiatives should be a priority in order to maximise the potential of the sector, thus increasing the contribution of agriculture to the Provincial Gross Domestic Product. Partnerships with the private sector need to be intensified and broadened to solicit support towards assisting smallholder farmers to penetrate the formal/first agricultural economy.

As part of job creation and skills development, the department will continue to facilitate the participation of 1 928 young people in the National Rural Youth Services Corps (NARYSEC) programme.

Integral to the Gauteng Employment, Growth and Development Strategy (GEGDS) is the implementation of the Gauteng Biotechnology Strategy. In 2014/15 the department will, through the capacity building pillar of the strategy, support 75 learners with bursaries and internship opportunities to ensure that the pipeline of specialists and expertise to support the biotechnology sector is maintained. In the same manner, the department will host the annual Biotechnology Fundi Awards in an effort to ensure that excellence in the sector is maintained and recognised.





### **Output 5: Enabling institutional environment for sustainable and inclusive growth**

The department will continue to strengthen and support the council of stakeholders in various rural nodes in order to strengthen local people participation and ownership of development processes and development outcomes.

### **Outcome 10: Protected and enhanced environmental assets and natural resources**

#### **Output 1: Enhanced quality and quantity of water resources**

The deliverables include the protection of wetlands and assessment of river systems. Two additional priority wetlands will be identified and management plans will be developed for their protection. These plans will be integrated into municipal spatial plans to ensure that provincial and local government work together. One river system will be assessed in order to determine its ecosystem health and identify mechanisms for intervention, if required. These activities will contribute to sustainable ecological management and utilisation of aquatic ecosystems (such as rivers); and the mainstreaming of water resource protection into decision-making processes. It should be noted that effective management of water resources contribute to reducing effects from climate change.

#### **Output 2: Reduced greenhouse gas emissions, climate change and improved air/atmospheric quality**

To respond to the threat of climate change the greenhouse gases inventory will be finalized and trees will be planted. Capacity building for municipalities on air quality matters will be undertaken to ensure effective implementation of the licensing function by municipalities. The department will implement the climate change response strategy in partnership with other stakeholders.

#### **Output 3: Sustainable environmental management**

The department will continue with implementation of Land Care CBNRM projects. In this regard, twelve projects involving 682 beneficiaries will be implemented. As the department is implementing the Environment and Culture Sector of the EPWP, 460 work opportunities and 230 full time equivalents (FTE's) will be created. To improve waste management and support waste minimisation, the department will identify and support three additional buy-back centers in the townships with equipment. This initiative is to facilitate job creation and income generation, community involvement and effective management of waste within the townships. Furthermore, the department will continue with the implementation of the Clean and Green campaign which includes the Bontle ke Botho (BKB) campaign. The BKB campaign is a programme that seeks to promote environmental awareness in communities for the aims of water conservation, waste management, energy efficiency and sustainable agriculture. The BKB programme is carried out in collaboration with municipalities.

To address the environmental impacts of mining in the province, the department will continue its participation in the Intergovernmental Task Team charged with the responsibility of implementing solutions to Acid Mine Drainage (AMD). GDARD will implement a pilot project on passive treatment of diffuse pollution from mining areas and collaborate with stakeholders to implement an awareness programme in the affected communities.

#### **Output 4: Protected biodiversity**

The department will continue with the management of six Provincial Nature Reserves as part of the departments Protected Area Management portfolio. As part of the People and Parks concept, the department will facilitate 30 families benefiting from the harvesting of thatch grass from the nature reserves. An additional biodiversity spatial planning tool will be published in order to contribute to improved land use planning and biodiversity protection. Regulatory services (e.g. regulation of zoos, game farms, etc.) will continue via monitoring, biodiversity inspections and the issuing of permits and licences. Environmental capacity building activities will be conducted with environmental stakeholders (e.g. schools and youth groups). Ecological research will continue in order to provide sound ecological decision support to internal Departmental line functions and external clients. It should be noted that effective management of Biodiversity resources contribute to climate change mitigation and adaptation.

## **4. REPRIORITISATION**

The budget bids from internal business units were analysed and funds was allocated according to departmental priorities. The personnel budget was reprioritised within the programmes in order to fill critical vacant posts and fund key projects such as an agro-processing pack house, the Maize Triangle Project and production input in relation to the Bantu Bonke agricultural project thus stimulating job creation. Funds were also allocated to



the Clean and Green Campaign and the Bontle Ke Botho Programme which contributes to job creation and economic development. Savings identified under non-core spending items were allocated to core projects.

## 5. PROCUREMENT

The Terms of Reference for 2014/15 projects has been finalised in the 3<sup>rd</sup> Quarter of the current financial year. This will assist in ensuring that the department commences with the procurement process earlier thus ensuring timeous implementation of Departmental plans and projects.

Bid Evaluation Committees (BEC) have been timeously appointed so as to ensure that there are no delays in the evaluation of tenders. Training of BEC members will also be rolled out thus ensuring compliance with all procurement prescripts. The departmental Acquisition Council (DAC) meets on a weekly basis in order to reduce the time it takes for approving tenders.

## 6. RECEIPTS AND FINANCING

### 6.1 Summary of receipts

TABLE 11.1: SUMMARY OF RECEIPTS: AGRICULTURE AND RURAL DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Equitable share	387 670	446 809	430 072	473 990	473 990	473 990	514 681	546 214	576 242
Conditional grants	56 002	69 849	87 587	79 581	80 187	80 187	88 144	89 755	113 441
<i>Agricultural Disaster Management Grant</i>		1 745							
<i>Comprehensive Agricultural Support Programme Grant</i>	42 187	44 060	60 474	55 880	55 880	55 880	60 816	60 720	72 890
<i>Ililima/Letsema Projects Grant</i>	10 000	20 000	17 221	17 538	17 538	17 538	20 126	24 234	35 515
<i>Land Care Programme Grant: Poverty Relief and Infrastructure Development</i>	3 815	4 044	5 961	6 163	6 163	6 163	4 748	4 801	5 036
<i>Expanded Public Works Programme Incentive Grant for Provinces</i>			3 931		606	606	2 454		
<b>Total receipts</b>	<b>443 672</b>	<b>516 658</b>	<b>517 659</b>	<b>553 571</b>	<b>554 177</b>	<b>554 177</b>	<b>602 825</b>	<b>635 969</b>	<b>689 683</b>

The department is financed through equitable share and conditional grants. A portion of the equitable share is earmarked for agro-processing and farmer support (extension services). The CASP grant supports and promotes agricultural development by targeting subsistence, emerging and commercial farmers, funding projects such as land and agrarian reform, food security and agricultural cooperatives. The Land Care Programme conditional grant funds poverty relief and infrastructure development to sustain natural resources create job opportunities and improve food security. The Ililima/Letsema Projects grant promotes universal access to agricultural support services.

The Integrated EPWP conditional grant decreased by 84 per cent during the 2013-2014 financial year from R3,9 million to R606 thousand, this decrease can be contributed to change in policy priority by National department. EPWP conditional grant allocation increased by 304 per cent in the 2014-2015 financial year from R606 000 to R2.4 million to expand job creation efforts in specific focus areas where labor intensive delivery methods can be maximized.

Conditional Grant appropriation for 2010/11 to 2012-2013 increased by 24 per and 25 per cent respectively, because of the high demand for food security in the province. During the 2013/14 there were 8 per cent decrease in the 2013/14 financial year allocation of conditional grants is because of the reduction of the EPWP conditional grant allocation. The conditional grant allocated for 2014/15 increase again with 9 per cent from R80 million to R88 million increases in comprehensive Agriculture Support programme grant and Ililima/Letsema Project grant as well as allocation of EPWP conditional grant. The outer year, the conditional grant increase by 1.8 per cent and 20.8 per cent respectively, again the difference in percentages can be contributed to the fact that the department did not get confirmation of their EPWP conditional grant allocation for 2015/16 and 2016/17.

Appropriation for 2010/11 to 2012/13 amounted to R443.7 million; R516.7million and R518.9 million respectively. The 2014/15 total appropriation amounts to R602.8 million, a growth of 8.9 per cent when compared with the 2013/14 adjusted appropriation of R554.2 million. Over the 2014/15 MTEF the department received additional funding of R38.5 million under equitable share. This caters for improvement in conditions of service, the migration of personnel from the Gauteng Department of Finance and farmer support (permanent appointment of extension officers).

In the outer years of the 2014 MTEF, the total budget grows by an annual average rate of 7.7 per cent to R636 million in 2015/16 and R689.7 million in the 2016/17 financial year. The CASP grant grows by 14.5 per cent from R55 million in 2013/14 to R60.8 million in 2014/15 and R8.9 million to repair agricultural infrastructure damaged by floods. The department will strengthen its processes and capacity to roll out priority projects funded by conditional grants which includes strengthening the food security intervention strategies in ensuring food security in the province by planting more maize and dry beans, implementing the Siyazondla programme in which households, schools and community establishments are supported with production inputs and implements to grow their own food, assisting Maize farmers with various interventions such as on- and off-farm infrastructure, mechanization and production inputs.

In 2014/15, the department receives R2.4 million as part of the EPWP Integrated Grant to create jobs and increase the duration of existing jobs in conservation and land care. The projects include: Bomothong Conservation Agriculture Projects (Gaabomotho Conservation Agriculture Project in Krugersdorp; and Mothong in Mamelodi, Tshwane); Merafong alien vegetation removal EPWP Project; and Doornrandjie wetland EPWP rehabilitation project.

## 6.2 Departmental receipts collection

TABLE 11.2: DEPARTMENTAL RECEIPTS: AGRICULTURE AND RURAL DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Tax receipts									
Casino taxes									
Horse racing taxes									
Liquor licenses									
Motor vehicle licenses									
Sales of goods and services other than capital assets	701	587	671	1 350	850	965	1 421	1 488	1 567
Transfers received									
Fines, penalties and forfeits									
Interest, dividends and rent on land	31	70	80	40	40	40	42	44	46
Sales of capital assets									
Transactions in financial assets and liabilities	536	401	1 355		500	235			
<b>Total departmental receipts</b>	<b>1 268</b>	<b>1 058</b>	<b>2 106</b>	<b>1 390</b>	<b>1 390</b>	<b>1 240</b>	<b>1 463</b>	<b>1 532</b>	<b>1 613</b>

The revenue collected amounted to R1.2 million; R1 million; and R2.1 million for the 2010/11 to 2012/13 financial years. The reason for the 99 per cent increase in revenue collected from the 2011/12 financial year was a one off Debt recovery, debt for one company was recovered during 2012/13. This once off debt recovery from a company also explains the decrease in revenue collection from 2012/13. During the 2013/14 financial year, the department expects to receive R1.3 million in revenue. Total departmental own revenue is projected to grow at an annual average of 5 per cent from R1.4 million in 2014/15 to R1.6 million in the 2016/17 financial year. Departmental own receipts are generated from the collection of parking fees, fees charged for access cards issued to employees and interest earned on debts.

The contribution of interest, dividends and rent on land to total revenue is limited and is projected to remain relatively constant over the 2014 medium term. This revenue is associated with interest generated on positive bank account balances.



## 7. PAYMENT SUMMARY

### 7.1 Key assumptions

The department considered the following factors when compiling the 2014 MTEF budget:

- Basic salary costs including improvement in conditions of service adjustments from 1 April and 1 January each year;
- Pension fund contributions, thirteenth cheque and overtime, all linked to the basic salary cost. These increase at the same rate;
- Medical aid contributions, which normally increase more rapidly than inflation;
- Homeowners allowance, which changes in line with interest rates and;
- Skills development levies.

### 7.2 Programme summary

Factors influencing the successful implementation of this budget will include:

- The department's ability to predict and manage risks inherent to the agriculture environment such as droughts floods and major animal disease outbreaks;
- Availability of additional capacity to support rural development and food security;
- Strength of links with district municipalities and other local municipalities in terms of the IDP process;
- Orientation towards food security, AIDS, gender issues and youth in agriculture; and
- Effective partnerships with NGOs and CBOs.

TABLE 11.3: SUMMARY OF PAYMENTS AND ESTIMATES: AGRICULTURE AND RURAL DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1. Administration	145 812	161 016	143 517	152 754	152 649	152 649	157 914	163 584	170 661
2. Agriculture and Rural Development	164 701	190 089	243 637	255 933	256 459	258 057	283 037	300 412	339 670
3. Environmental Affairs	102 294	127 019	128 734	144 884	145 069	150 314	161 874	171 973	179 353
<b>Total payments and estimates</b>	<b>412 807</b>	<b>478 124</b>	<b>515 888</b>	<b>553 571</b>	<b>554 177</b>	<b>561 020</b>	<b>602 825</b>	<b>635 969</b>	<b>689 683</b>

### 7.3 Summary of economic classification

TABLE 11.4: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: AGRICULTURE AND RURAL DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>379 273</b>	<b>443 875</b>	<b>460 343</b>	<b>509 813</b>	<b>505 924</b>	<b>508 365</b>	<b>536 870</b>	<b>574 247</b>	<b>627 303</b>
Compensation of employees	229 400	254 125	267 441	303 223	303 632	303 085	326 875	354 462	374 136
Goods and services	149 866	189 641	192 888	206 590	202 292	205 280	209 995	219 785	253 166
Interest and rent on land	7	109	14						
<b>Transfers and subsidies to</b>	<b>15 948</b>	<b>15 140</b>	<b>30 806</b>	<b>36 435</b>	<b>39 610</b>	<b>39 500</b>	<b>38 476</b>	<b>38 473</b>	<b>40 512</b>
Provinces and municipalities	5 050	2 144	6 185	5 400	6 825	6 825	8 694	8 694	9 155
Departmental agencies and accounts	3 068	5 822	4 343	6 756	7 605	7 305	3 886	6 372	6 709
Higher education institutions	2 668	3 270	3 797	2 423	2 423	2 506	2 402	3 188	3 357
Foreign governments and international organisations									
Public corporations and private enterprises	4 737	3 800	16 422	21 656	22 432	22 432	23 283	19 623	20 663
Non-profit institutions									
Households	425	104	59	200	325	432	211	596	628
<b>Payments for capital assets</b>	<b>17 574</b>	<b>18 344</b>	<b>23 984</b>	<b>7 323</b>	<b>8 643</b>	<b>7 709</b>	<b>27 479</b>	<b>23 249</b>	<b>21 869</b>
Buildings and other fixed structures	2 910	7 792	8 600	4 656	5 906	4 743	16 300	15 776	14 000
Machinery and equipment	14 664	9 906	14 791	2 667	2 737	2 966	11 179	7 473	7 869
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets		646	593						
<b>Payments for financial assets</b>	<b>12</b>	<b>765</b>	<b>755</b>			<b>5 446</b>			
<b>Total economic classification</b>	<b>412 807</b>	<b>478 124</b>	<b>515 888</b>	<b>553 571</b>	<b>554 177</b>	<b>561 020</b>	<b>602 825</b>	<b>635 969</b>	<b>689 683</b>



The expenditure from 2010/11 to 2012/13 was restated in line with the function shift. During the adjustment budget 2012/13 the procurement function was decentralized in the province which meant that staff migrated from the Gauteng Department of Finance to the DARD. The department in 2012-2013 decentralized most of its overhead cost which was provided for in programme 1 to the other two programmes in the department. The main reason for doing this is to ensure that Administration programme 1 allocation is not inflated by the other programmes overhead cost.

The allocation increased from R412.8 million in 2010/11 to R515.9 million in 2012/13. The budget increased by 8.9 per cent from R553.6 million in the 2013/14 main budget to R602.8 million in 2014/15 to fund, amongst others priorities, the permanent appointment of extension officers thus promoting farmer support and to accommodate inflation related increases to compensation of employees. The Agriculture and Rural Development Programme receives the largest share of the budget (47 per cent) in order to assist farmers with mechanisation inputs and to establish Agri-parks. All the conditional grants were allocated to this programme to provide farmers with infrastructure, production inputs and flood relief. The conditional grant funds also ensure the clearing of alien vegetation on agricultural land and fund the provision of extension services to farmers. The Environmental Affairs Programme receives the second largest share in order to conduct biodiversity programmes on nature reserves, review and approve EIAs, implement waste management and for the cleaning and greening of the province thus improving the sustainable use of the environment.

The total appropriation escalates again by an average rate of 8 per cent totalling R635.9 million in 2015/16 and R689.7 million in the 2016/17 financial year.

The goods and services budget increases from R149.9 million in 2010/11 to R189.6 million in 2011/12. It further increased from R192.9 million in 2012/13 to R206.6 million in the 2013/14 financial year, a rise of 7.1 per cent. The goods and services budget increased by 2 per cent from R206 million in 2013/14 to R209 million in 2014/15 as a result of agricultural support services to farmers and to ensure adherence to regulatory requirements. Goods and services grows over the two outer years of the 2014 MTEF by R219.8 million and R253.2 million for 2015/16 and 2016/17 respectively.

In the 2014/15 financial year, the department will implement infrastructure projects at the nature reserves. R16.3 million was thus allocated to building and fixed structures. These infrastructure projects will cost R15.7 million in 2015/16 and R14 million in the 2016/17 financial year. Transfers to higher education institutions remain constant at R2.4 million in 2014/15 and increase to R3.3 million in the 2016/17 financial year as more funds were allocated to priority research projects and the implementation of the biotechnology strategy

Under departmental agencies and accounts, an amount of R602 000 will be transferred to the Agricultural Research Council (ARC) for research projects and R 1.3 million to South African National Biodiversity Institution (SANBI) for wetlands rehabilitation in Kwa-Sokhulumu in the 2014/15 financial year.

Transfers to households relate to injury on duty payments. The allocation fluctuates R425 000 in 2010/11 to R104 000 in 2011/12 and decreases even further to R59 000 in 2012/13 before increasing to R200 000 in the 2013/14 main appropriation. Over the MTEF the allocation increases to R211 000 in the 2014/15 financial year and increases to R628 000 in the outer year of the 2014 MTEF.

In the 2014/15 financial year an amount of R23.2 million will be transferred to the Rand Water Foundation under public corporations and private enterprises. The transfer to the Rand Water Foundation will fund the removal of alien vegetation at Mogale City and Zuurbeekom small holdings, the construction of an agro-processing pack house, support to the Maize Triangle Project and the provision of production inputs for the Bantu Bonke Agricultural project. The allocation to the Rand Water Foundation under public corporations and private enterprises decreases over the medium term to R20 million in 2016/17.

The allocation for machinery and equipment fluctuates significantly from R14.6 million in 2010/11 to R9.9 million in 2011/12 before increasing to R14.8 million in 2012/13. It decrease again in 2013/14 from R14,8 million to R2,7 million because of change in policy priorities. The Minister of Agriculture announced that departments need to change their business plans to ensure that the grant received from National Department must be broken down according to 70 per cent for production input and 30 per cent for mechanisation. The allocation for 2014/15 of R11.2 million will fund mechanisation inputs is low because of the change in policy priorities as explained. The department will also be replacing old and dilapidated assets and equipment.

**7.4 Infrastructure payments**

Please refer to the Estimates of Capital Expenditure for the details on Infrastructure Payments.

**7.4.1. Departmental infrastructure payments**

For information on infrastructure payments refer to Estimates of Capital Expenditure (ECE).

**7.4.2 Departmental public-private-partnership (PPP) projects**

N/A

**7.5 Transfers****7.5.1 Transfers to public entities**

N/A

**7.5.2 Transfers to other entities**

N/A

**7.5.3 Transfers to local government**

TABLE 11.5: SUMMARY OF DEPARTMENTAL TRANSFERS TO LOCAL GOVERNMENT BY CATEGORY

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Category A	1 300	500	3 000	2 600	4 025	4 025	4 497	4 497	4 736
Category B	2 600	1 644	3 185	2 800	2 800	2 800	2 709	2 709	2 853
Category C	1 150						1 488	1 488	1 566
Unallocated									
<b>Total departmental transfers to local government</b>	<b>5 050</b>	<b>2 144</b>	<b>6 185</b>	<b>5 400</b>	<b>6 825</b>	<b>6 825</b>	<b>8 694</b>	<b>8 694</b>	<b>9 155</b>

Transfers have fluctuated from R5 million in 2010/11 to R2.1 million in 2011/12 and back up to R6.2 million in 2012/13 before going down to R5.4 million in the 2013/14 main appropriation. The main reason for the fluctuation in transfers can be contributed to change in policy priority by National Department concerning the EPWP conditional grant allocation, a large amount of this grant is transfer to municipalities to expand job creation efforts in specific focus areas where labour intensive delivery methods can be maximized. In the 2014/15 financial year the budget for transfers to local government totals R8.7 million, this amount remains constant in 2015/16 and increases to R9.1 million in 2016/17.

Under Category A transfers, R4.4 million will be transferred to the City of Johannesburg for the implementation of the Klipspruit and Diepsloot River clean up. The outputs in relation to the river clean up includes the creation of temporary jobs, removal of waste, reeds and grass from the river, skills development and pollution awareness campaigns. In 2014/15, under Category B a total of R2.7 million will be transferred to Emfuleni, Lesedi and Merafong for the implementation of alien vegetation eradication projects. The alien vegetation removal projects will also contribute to job creation and skills development. These projects will continue over the 2014 medium term with the budget growing by an average rate of 3.5 per cent in the outer years of the 2014 MTEF period. Category C a total of R1.4 million will be transferred to Sedibeng and West rand for the maintenance of mechanization inputs.

**8. PROGRAMME DESCRIPTION****PROGRAMME 1: Administration****Programme description**

To provide leadership, management, efficient and effective financial management, human resource management and development, facilities management services, professional legal services and enforcement services, communication and awareness as well as knowledge and project management services to the department in response to Outcome 8 (An efficient, effective and development oriented public service and empowered, fair and inclusive citizenship); through the following strategic objectives, in line with the 5 Year Strategic Plan of the department.

**Programme objectives**

- Service delivery quality and access;
- Human resource management and development;
- Efficient and effective governance;
- Business process, systems, decision rights and accountability; and
- Promotion of active and responsible citizenship.

**TABLE 11.6: SUMMARY OF PAYMENTS AND ESTIMATES: PROGRAMME 1: ADMINISTRATION**

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1. Corporate Services	103 430	106 416	87 847	87 943	87 416	87 416	91 288	94 661	97 800
2. Financial Management	12 060	17 391	20 766	23 531	23 953	23 953	23 301	23 933	25 364
3. Office of the MEC	5 128	4 213	6 176	6 969	6 969	6 969	7 032	7 332	7 721
4. Senior Management	25 194	32 996	28 728	34 311	34 311	34 311	36 293	37 658	39 776
<b>Total payments and estimates</b>	<b>145 812</b>	<b>161 016</b>	<b>143 517</b>	<b>152 754</b>	<b>152 649</b>	<b>152 649</b>	<b>157 914</b>	<b>163 584</b>	<b>170 661</b>

**TABLE 11.7: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION**

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>134 224</b>	<b>151 138</b>	<b>135 907</b>	<b>151 124</b>	<b>150 345</b>	<b>150 233</b>	<b>152 370</b>	<b>159 099</b>	<b>165 939</b>
Compensation of employees	71 953	74 392	81 509	90 444	90 566	90 566	96 197	102 237	108 063
Goods and services	62 264	76 637	54 384	60 680	59 779	59 667	56 173	56 862	57 876
Interest and rent on land	7	109	14						
<b>Transfers and subsidies to</b>	<b>425</b>	<b>104</b>	<b>59</b>	<b>200</b>	<b>874</b>	<b>981</b>	<b>1 195</b>	<b>1 662</b>	<b>1 750</b>
Provinces and municipalities									
Departmental agencies and accounts					549	549	984	1 066	1 122
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households	425	104	59	200	325	432	211	596	628
<b>Payments for capital assets</b>	<b>11 151</b>	<b>9 009</b>	<b>6 796</b>	<b>1 430</b>	<b>1 430</b>	<b>1 430</b>	<b>4 349</b>	<b>2 823</b>	<b>2 973</b>
Buildings and other fixed structures									
Machinery and equipment	11 151	8 363	6 203	1 430	1 430	1 430	4 349	2 823	2 973
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets		646	593						
<b>Payments for financial assets</b>	<b>12</b>	<b>765</b>	<b>755</b>			<b>5</b>			
<b>Total economic classification</b>	<b>145 812</b>	<b>161 016</b>	<b>143 517</b>	<b>152 754</b>	<b>152 649</b>	<b>152 649</b>	<b>157 914</b>	<b>163 584</b>	<b>170 661</b>

Expenditure was restated from the 2010/11 financial year to 2012/13 as a result of the decentralisation of the procurement function in the Province which resulted in the migration of staff from the Gauteng Department of Finance to the department of Agriculture and Rural Development. Expenditure for this programme fluctuates from R145.8 million in 2010/11 to R161 million in 2011/12 dropping to R143.5 million before increasing to R152.8 million in 2013/14 main appropriation.

The Administration budget increased by 3.4 per cent to R157.9 million in 2014/15 when compared with the adjusted budget of R152.6 million to accommodate cost of living increases to compensation of employees. The increase is lower than then the approved increases approved by Treasury relating to cost of living and annual increase of good and services; this can also be contributed to reprioritization done in this programme. The sub-programme that influences expenditure is Corporate Services, which provides enabling services to the department. The programme budget increases over the 2014 MTEF period from R157.9 million in 2014/15 to R163.6 million in 2015/16 and R170.7 million in the 2016/17 financial year.

## Vote 11 - Agriculture and Rural Development • EPRE - 2014/15

The compensation of employees' budget increased from R72 million in 2010/11 to R81.5 million in 2012/13. During the 2013/14 main appropriation the allocation to compensation increases to R90.4 million and R96.2 million during 2014/15 to R108.1 million in the 2016/17 financial year due to cost of living adjustments to personnel.

Under departmental agencies and accounts, an amount of R984 000 will be transferred to Sector Education and Training Authority (SETA) for skills levy in the 2014/15 financial year. This amount increases to R1.1 million in the outer year of the 2014 MTEF.

The goods and services budget declined substantially from R76.6 million in 2011/12 to R54.4 million in the 2012/13 financial year. This is due to the decentralisation of the budget in relation to property payments, lease payments and overheads (telephone, cell phone and photocopier charges) to the relevant programmes. The budget for goods and services declined from R60.6 million in 2013/14 to R56 million in the 2014/15 financial year. Payments for capital assets decline from R6.2million in 2012/13 to R1.4 million in the 2013/14 due to the once-off acquisition of machinery and equipment and the improvement of information technology facilities in the 2012/13 financial year. This however increases again in 2014/15 from R4.3 million and decline again to R2.9 million in the 2016/17 financial year due to the planned replacement of old furniture.

The Transfer to departmental agencies and account was only allocated in the 2013/14 allocations because of new DPSA directive which relate to skills development initiatives in responding to the internal capacity development for employees in the department undergo of identifying the training needs through the performance management process; and thereby incorporate all these gaps into a workplace skills plan that is submitted to the public service sector education and training (PSETA) for endorsement.

## PROGRAMME 2: AGRICULTURE AND RURAL DEVELOPMENT

### Programme description

The programme aims to optimise the contribution of sustainable agriculture to the equitable development of all communities in the province, by enhancing food security, income, employment and the quality of life; and to control and manage health risks of animal origin by ensuring healthy livestock production and the availability and affordability of healthy high quality food and animal products, thus stimulating economic growth and contributing to poverty alleviation and international trade.

### Programme objectives

- Sustainable Agriculture Reform with a Thriving Small and Large Farming Sector;
- Improved access to affordable and diverse food;
- Improved rural services to support livelihoods;
- Improved employment opportunities and economic livelihoods; and
- Establish institutional arrangements to support rural development.

TABLE 11.8: SUMMARY OF PAYMENTS AND ESTIMATES: PROGRAMME 2: AGRICULTURE AND RURAL DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1.Agricultural Economics Services	10 135	20 359	22 323	23 944	23 944	29 108	26 580	27 750	29 221
2.Farmer Support & Development	64 870	78 823	116 272	114 470	114 470	105 147	122 863	135 778	166 064
3.Research & Technology Development Services	29 696	24 693	25 475	22 855	22 855	26 388	28 131	29 581	31 149
4.Rural Development Coordination		2 880	3 449	6 939	6 939	7 563	7 504	7 808	8 222
5.Sustainable Resource Management	20 896	20 963	29 217	30 775	31 381	31 381	36 629	35 525	37 408
6.Veterinary Services	39 104	42 371	46 901	56 950	56 870	58 470	61 330	63 970	67 606
<b>Total payments and estimates</b>	<b>164 701</b>	<b>190 089</b>	<b>243 637</b>	<b>255 933</b>	<b>256 459</b>	<b>258 057</b>	<b>283 037</b>	<b>300 412</b>	<b>339 670</b>

TABLE 11.9: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: AGRICULTURE AND RURAL DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>147 665</b>	<b>173 510</b>	<b>204 302</b>	<b>218 461</b>	<b>217 911</b>	<b>218 093</b>	<b>238 926</b>	<b>258 951</b>	<b>296 011</b>
Compensation of employees	71 499	78 858	90 640	104 743	104 480	104 482	113 238	125 060	133 131
Goods and services	76 166	94 652	113 662	113 718	113 431	113 611	125 688	133 891	162 880
Interest and rent on land									
<b>Transfers and subsidies to</b>	<b>13 523</b>	<b>15 036</b>	<b>30 747</b>	<b>36 235</b>	<b>37 311</b>	<b>37 094</b>	<b>37 281</b>	<b>36 811</b>	<b>38 762</b>
Provinces and municipalities	3 050	2 144	6 185	5 400	5 400	5 400	8 694	8 694	9 155
Departmental agencies and accounts	3 068	5 822	4 343	6 756	7 056	6 756	2 902	5 306	5 587
Higher education institutions	2 668	3 270	3 797	2 423	2 423	2 506	2 402	3 188	3 357
Foreign governments and international organisations									
Public corporations and private enterprises	4 737	3 800	16 422	21 656	22 432	22 432	23 283	19 623	20 663
Non-profit institutions									
Households									
<b>Payments for capital assets</b>	<b>3 513</b>	<b>1 543</b>	<b>8 588</b>	<b>1 237</b>	<b>1 237</b>	<b>1 270</b>	<b>6 830</b>	<b>4 650</b>	<b>4 896</b>
Buildings and other fixed structures									
Machinery and equipment	3 513	1 543	8 588	1 237	1 237	1 270	6 830	4 650	4 896
Heritage Assets									
Specialized military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>						<b>1 600</b>			
<b>Total economic classification</b>	<b>164 701</b>	<b>190 089</b>	<b>243 637</b>	<b>255 933</b>	<b>256 459</b>	<b>258 057</b>	<b>283 037</b>	<b>300 412</b>	<b>339 670</b>

Total expenditure under this programme increased from R164 million during 2010/11 to R243 million in the 2012/13 financial year due to an increase in funding for projects in relation to agriculture, agro-processing, veterinary services and rural development. Over the 2014 medium term, the total budget increases from R283 million to R339.7 million in the 2016/17 financial year. A substantial portion of the allocated budget is assigned to the Farmer Support and Development sub-programme, which implements the plans associated with the CASP and the Ilima/Letsema conditional grants. Key projects under these two conditional grants are land and agrarian reform, food security, the Gauteng Farmer Settlement Programme (GFSP) and agricultural cooperatives. The budget under Farmer Support and Development grows from R122.9 million in 2014/15 to R166.1 million in 2016/2017 due to additional allocations in support of the permanent appointment of extension officers and projects associated with the Extension Recovery Plan and land reform.

The sub-programme Veterinary Services receives increases from R39.1 million in 2010/11 to R46.9 in 2012/13. In 2013/14 it increases to R57 million in the main appropriation before moving to R61.3 million in the 2014/15 financial year to ensure that whole and healthy foods from animal origin are provided to consumers. The functions include veterinary certification, laboratory diagnostic services and abattoir audit and monitoring. The allocation increases to R67.6 million in 2016/17.

Sustainable Resource Management is largely driven by the implementation of the EPWP and encompasses removing waste from rivers, rehabilitating one wetland per year, burning firebreaks and removing alien vegetation. The implementation of the national Land Care programme is limited to CBNRM projects and Junior Land Care, rather than Land Care support to farmers. Sustainable Resource Management received R20.9 million in 2010/11 to R30.8 million in the 2013/14 financial year. A further increase to R36.6 million, including R 4,7 million from the Land Care and R2.4 million from EPWP incentive Conditional Grant, in the 2014/15 financial year, increasing to R37.4 million in 2016/17.

Research and Technology Development and Support promote agricultural technology and science. This allocation fluctuates from R29.7 million in 2010/11 to R25 million in 2012/13. There was a further decrease in allocation to R22.9 million in 2013/14 financial year. The budget for 2014/15 is R28.1 million which increases to R31.1 million in 2016/17.



## Vote 11 - Agriculture and Rural Development • EPRE - 2014/15

The Agricultural Economics budget increased substantively, from a low base of R10.1 million in 2010/11 to R22.3 million in 2012/13. The allocation reaches a steady growth of R23.9 million in 2013/14 and R26.6 million in 2014/15 to R29.2 million in 2016/17 to fund projects such as agro-processing infrastructure and agricultural cooperatives.

Compensation of employees grows from R71.5 million in 2010/11 to R90.6 million in 2012/13 and a further R104.7 million in 2013/14. Over the MTEF it grows from R113.2 million in 2014/15 to R133.1 million in 2016/17 due to cost of living adjustments, filling of vacancies and permanent appointment of extension officers. Goods and services under this programme increase from R125.7 million in 2014/15 to R162.8 million in 2016/17, since the budget for property payments, lease payments, overheads (telephone, cell phone and photocopier charges etc.) was decentralised from Administration to each specific cost centre or programme.

Transfers to higher education institutions remain constant at R2.4 million in 2013/14 and in the 2014/15 financial year because of reprioritization; this fund is used for research projects and the implementation of the biotechnology strategy. An amount of R638 000 will be transferred to the ARC to fund research projects in 2014/15. Under departmental agencies and accounts, R1.9 million will be transferred to the ARC for implementation of research projects and SANBI for wetlands rehabilitation in Kwa-Sokhulum. The allocation increases to R5.5 million in the 2016/17 financial year.

Transfer to Public cooperation's and private enterprises appropriation for 2010/11, 2011/2012 and 2012/13 amounted to R4.7 million, R3.8 million and R16.4 million respectively. The increased allocation in the 2012/13 is because of the transfer made to Rand Water Foundation to assist with various agriculture projects that were not carried out previously. In the 2014/15 financial year R8.6 million will be transferred to municipalities for continuation of the alien vegetation eradication project. Under public corporations and private enterprises R23.2 million will be transferred to the Rand Water Foundation for the removal of alien vegetation at Bamba Manzi and Zurbekom small holdings, the building of an agro-processing pack house, the Maize Triangle Project and production input in relation to the Bantu Bonke Agricultural project.

The machinery and equipment allocation amounts to R3.5 million in 2010/11 and increases to R8.6 million in 2012/13. The allocation decreases to R1.2 million in the 2013/14 main appropriation, increasing to R6.8 million before decreasing to R4.9 million. This allocation is used to fund mechanization input costs thus contributing to food security and job creation in the province.

### SERVICE DELIVERY MEASURES

#### PROGRAMME 2: AGRICULTURE AND RURAL DEVELOPMENT

Performance measures	Estimated Annual Targets		
	2014/15	2015/16	2016/17
Number of designs with specifications for agricultural engineering solutions provided	40	40	40
Number of clients provided with engineering advice during official visits	40	40	40
Number of awareness campaigns conducted on Land Care	12	12	12
Number of capacity building exercises conducted within approved Land Care projects	6	6	6
Number of farm land hectares improved through conservation measures	800	800	800
Number of beneficiaries adopting sustainable production technologies and practices	682	682	682
	515 WO	370 WO	380 WO
Number of green jobs created through Land Care	276 FTE	185 FTE	190 FTE
Number of recommendations made on subdivision/rezoning change of agricultural land use	20	20	20
Number of early warning advisory reports issued	12	12	12
Number of disaster relief schemes managed	1	1	1
Number of farm assessments completed	80	80	80
Number of farm plans completed	40	40	40
Number of smallholder farmers supported	140	150	150
Number of agricultural demonstrations facilitated	6	6	6
Number of farmers' days held	4	4	4
Number of commodity groups supported	18	18	18
Number of food security status reports compiled	4	4	4
Number of verified food insecure households supported	9 000	9 000	9 000
Number of animal vaccinations against controlled animal diseases	110 000	110 000	110 000

Performance measures	Estimated Annual Targets		
	2014/15	2015/16	2016/17
Number of primary animal health care (PAHC) interactions held	80	80	80
Number of official veterinary movement documents issued	1000	1000	1 000
Number of animals sampled/tested for diseases surveillance purposes	30 000	30 000	30 000
Number of animal inspections for regulatory purposes	1 200	1 200	1 200
Number of veterinary export certificates issued	12 000	12 000	12 000
Number of export establishments registered	120	120	120
Number of abattoirs registered	41	32	41
Number of abattoir inspections conducted	2000	2000	2000
Number of inspections to facilities processing animal products and by-products	360	360	360
Number of specimens tested	35 000	35 000	35 000
Number of tests performed	60 000	60 000	60 000
Number of research projects implemented which address specific production constraints	6	6	6
Number of scientific papers published	5	5	5
Number of presentations made at scientific events	40	40	40
Number of presentations made at technology transfer events	8	8	8
Number of demonstration trials conducted	3	3	3
Number of articles in popular media	8	8	8
Number of information packs developed	3	3	3
Number of agri-businesses supported with agricultural economic services to access markets	25	25	25
Number of clients supported with agricultural economic advice	70	80	80
Number of agricultural economic studies conducted	80	90	90
Number of requests responded to on macroeconomic information	400	400	400
Number of macroeconomic reports developed	5	5	5
Number of learners completing non-accredited short courses	1 400	1 400	1 400

## PROGRAMME 3: ENVIRONMENTAL AFFAIRS

### Programme description

The programme promotes equitable and sustainable use of ecosystems, goods and services and contributes to economic development by managing biodiversity and its components, processes, habitats and functions. The programme also ensures that the province implements the principles of integrated waste management; promotes sustainable development and quality of life by ensuring acceptable ambient air quality and sustainable mining practices; and manages hazardous chemicals and industrial related activities.

### Programme objectives

- Enhanced quality and quantity of water resources;
- Reducing atmospheric pollutants/ carbon emissions and adapting to the impacts of climate change;
- Sustainable environmental management and;
- Protected biodiversity.

TABLE 6.10: SUMMARY OF PAYMENTS AND ESTIMATES: ENVIRONMENTAL AFFAIRS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1.Environmental Policy,Planning And Coordination	10 173	11 285	10 478	15 235	15 868	16 370	15 800	16 555	16 932
2.Environmental Quality Management	27 389	29 106	27 192	32 652	31 764	31 262	36 466	38 011	38 435
3.Compliance And Enforcement	21 531	25 606	28 111	32 979	33 419	35 119	35 215	38 340	40 198
4. Biodiversity Management	43 201	61 022	62 953	64 018	64 018	67 563	74 393	79 067	83 788
<b>Total payments and estimates</b>	<b>102 294</b>	<b>127 019</b>	<b>128 734</b>	<b>144 884</b>	<b>145 069</b>	<b>150 314</b>	<b>161 874</b>	<b>171 973</b>	<b>179 353</b>



## Vote 11 - Agriculture and Rural Development • EPRE - 2014/15

TABLE 11.11: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ENVIRONMENTAL AFFAIRS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>97 384</b>	<b>119 227</b>	<b>120 134</b>	<b>140 228</b>	<b>137 668</b>	<b>140 039</b>	<b>145 574</b>	<b>156 197</b>	<b>165 352</b>
Compensation of employees	85 948	100 875	95 292	108 036	108 586	108 037	117 440	127 165	132 943
Goods and services	11 436	18 352	24 842	32 192	29 082	32 002	28 134	29 032	32 410
Interest and rent on land									
<b>Transfers and subsidies to:</b>	<b>2 000</b>				<b>1 425</b>	<b>1 425</b>			
Provinces and municipalities	2 000				1 425	1 425			
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households									
<b>Payments for capital assets</b>	<b>2 910</b>	<b>7 792</b>	<b>8 600</b>	<b>4 656</b>	<b>5 976</b>	<b>5 009</b>	<b>16 300</b>	<b>15 776</b>	<b>14 000</b>
Buildings and other fixed structures	2 910	7 792	8 600	4 656	5 906	4 743	16 300	15 776	14 000
Machinery and equipment					70	266			
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>						<b>3 841</b>			
<b>Total economic classification</b>	<b>102 294</b>	<b>127 019</b>	<b>128 734</b>	<b>144 884</b>	<b>145 069</b>	<b>150 314</b>	<b>161 874</b>	<b>171 973</b>	<b>179 353</b>

Total expenditure increased from R102.3 million during 2010/11 to R145 million in the 2013/14 financial year. Biodiversity Management influences expenditure, growing from R74.4 million in the 2014/15 financial year to R83.8 million in the 2016/17 financial year. Compliance and Enforcement is also part of this Programme and received R35.2 million in the 2014/15 financial year. The budget over the 2014 MTEF grows steadily from R161.8 million in 2014/15 to R179.3 million in the 2016/17 financial year, funding key priority projects such as the development of a Climate Change Strategy and projects related to the expansion of protected areas, issuing of biodiversity permits and the review of nature conservation ordinances.

This programme supports the efficient use of water and includes various initiatives for farmers and schools. It further envisages the planting of twenty thousand trees in Tembisa as part of the strategy of adapting to and mitigating the impact of climate change. During the 2013/14 financial year the department will also continue with nine Land Care projects in communities that aim to rehabilitate degraded ecosystems. In addition, the department will continue to sensitize communities about recycling by establishing three Buy-back Centers (BBCs) and Work for Waste (WFW) depots at Sedibeng (WFW), Ekurhuleni (BBC), Tshwane (BBC) and West Rand (BBC) while also working on the separation of waste at source in Tembisa. The establishment of a biogas plant in Mogale City is the result of a joint venture between the City of Johannesburg and the private sector while the Clean and Green campaign will be supported by the establishment of parks.

Goods and Services for the 2013/2014 and 2014/2015 decrease because of the transfer payment previously budgeted under goods and services that need to be made to Ekurhuleni for the working on the separation of waste at source in Tembisa. This is part of the department's Clean and Green campaign.

In 2014/15 financial year an amount of R50 000 is for a once-off acquisition of Desktop which will serve as backup server for Compliance and Enforcement information.

The allocation for the buildings and other fixed structure fluctuates from R2.9 million in 2010/11 to R8.6 million in 2012/13 before decreasing to R4.7 million in the 2013/14 main appropriation. The main reason for this fluctuation can be contributed to DID readiness to implement infrastructure projects of a specific financial year. Over the 2014 MTEF period the total capital infrastructure budget related to the Biodiversity Management sub-programme amounts to R16.3 million in 2014/15, R15.8 million in 2015/16 and R14 million in the 2016/17 financial year. In 2014/15, a total of R16.2 million is allocated for existing infrastructure assets such as a booster pump for Northern Water Line, a New Adventure Centre and the Southern Water Line all at the Suikerbosrand Nature Reserve. At the Marievale Nature Reserve a new road will be constructed between the reserve and mine.

At the Roodeplaat Nature Reserve a new swimming pool, an interpretative trail and a new pipe network for the whole reserve from the municipal line will be constructed.

Existing infrastructure assets will be rehabilitated or refurbished at Roodeplaat Nature Reserve, Leeuwnfontein Nature Reserve and Suikerbosrand Nature Reserve. This increase will assist with greater visibility of the nature reserves and contribute to an increase in revenue collection from visitors to the reserves. Maintenance work on existing infrastructure assets continue with R750 000 in 2014/15, increasing to R3.6 million in the outer year of the 2014 MTEF.

## SERVICE DELIVERY MEASURES

### PROGRAMME3: ENVIRONMENTAL AFFAIRS

Performance measures	Estimated Annual Targets		
	2014/15	2015/16	2016/17
Number of legislative tools developed	1	1	1
Number of environmental research projects undertaken	1	1	1
Number of intergovernmental sector tools reviewed	12	12	9
Number of climate change response tools developed	1	1	1
Number of functional environmental information management systems	3	3	3
Number of criminal enforcement actions finalized for non-compliance with environmental legislation	30	30	30
Number of compliance inspections conducted	200	200	200
Number of received S24G applications finalized	30	25	25
Number of administrative enforcement actions taken for non-compliance with environmental legislation	80	80	80
Number of EIA applications finalized within legislated time-frames	200	250	250
Number of air emissions licence applications finalised within legislated time-frames	1	1	1
Number of designated organs of state with approved and implemented AQMPs	5	5	5
Number of waste licence applications finalised within legislated time-frames	12	12	12
Number of job opportunities created through environmental programmes	136	136	136
Number of environmental awareness activities conducted	3	3	3
Number of environmental capacity building activities conducted	39	39	39
<b>Biodiversity Management</b>			
Number of Biodiversity Spatial Plans published	1	1	1
The hectares of land under conservation (both private and public) (Cumulative)	26 109	26 109	26 109
Number of provincial protected areas with approved management plans	6	6	6

## 9. OTHER PROGRAMME INFORMATION

### 9.1. PERSONNEL NUMBERS AND COSTS

TABLE 11.12: PERSONNEL NUMBERS AND COSTS:DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

Personnel numbers	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	As at 31 March 2017
1. Administration	233	233	233	233	233	233	233
2. Agriculture and Rural development	310	310	310	310	355	355	355
3. Environmental affairs	361	361	361	361	361	361	361
<b>Total departmental personnel numbers</b>	<b>904</b>	<b>904</b>	<b>904</b>	<b>904</b>	<b>949</b>	<b>949</b>	<b>949</b>
Total provincial personnel cost (R thousand)	229 400	254 125	267 441	303 085	326 875	354 462	374 136
Unit cost (R thousand)	254	281	296	336	344	374	394

# Vote 11 - Agriculture and Rural Development • EPRE - 2014/15

**TABLE 11.13. SUMMARY OF DEPARTMENTAL PERSONNEL NUMBERS AND COSTS: AGRICULTURE AND RURAL DEVELOPMENT**

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13		2013/14		2014/15	2015/16	2016/17
<b>Total for department</b>									
Personnel numbers (head count)	904	904	904	904	904	904	949	949	949
Personnel cost (R thousands)	229 400	254 125	267 441	303 223	303 632	303 085	326 875	354 462	374 136
<b>Human resources component</b>									
Personnel numbers (head count)	31	31	31	31	31	31	31	31	31
Personnel cost (R thousands)	3 119	3 119	4 661	4 661	4 661	4 661	4 705	4 820	4 820
Head count as % of total for department	3.4%	3.4%	3.4%	3.4%	3.4%	3.4%	3.3%	3.3%	3.3%
Personnel cost as % of total for department	1.4%	1.2%	1.7%	1.5%	0.0%	0.0%	1.4%	1.4%	1.3%
<b>Finance component</b>									
Personnel numbers (head count)	48	48	48	48	48	48	60	60	60
Personnel cost (R thousands)	9 256	11 148	13 105	13 105	13 105	13 105	16 386	16 638	16 638
Head count as % of total for department	5%	5%	5%	5%	5%	5%	6%	6%	6%
Personnel cost as % of total for department	4%	4%	5%	4%	0%	0%	5%	5%	4%
<b>Full time workers</b>									
Personnel numbers (head count)	904	904	904	904	904	904	949	949	949
Personnel cost (R thousands)	229 400	254 125	267 441	303 223	303 632	303 085	326 875	354 462	374 136
Head count as % of total for department	100%	100%	100%	100%	100%	100%	100%	100%	100%
Personnel cost as % of total for department	100%	100%	100%	100%	100%	100%	100%	100%	100%
<b>Part-time workers</b>									
Personnel numbers (head count)									
Personnel cost (R thousands)									
Head count as % of total for department									
Personnel cost as % of total for department									
<b>Contract workers</b>									
Personnel numbers (head count)	31	31	31	31	31	31	80	80	80
Personnel cost (R thousands)	5 708	6 360	6 200	6 200	6 200	6 200	7 100	7 100	7 476
Head count as % of total for department	3.4%	3.4%	3.4%	3.4%	3.4%	3.4%	8.4%	8.4%	8.4%
Personnel cost as % of total for department	2.5%	2.5%	2.3%	2.0%	2.0%	2.0%	2.2%	2.0%	2.0%

The table above indicates the number of personnel using filled post on 31 March 2013, as reflected on the 2012/13 annual report plus the 58 post of extension officers. The numbers in 2014 were escalated by the number of appointments to be finalised before the end of 2013/14. Total personnel expenditure increased from R281 million during 2011/12 to R414 million in the 2015/16 financial year. The significant increase in personnel costs is attributed to the implementation of the Occupation Specific Dispensation, the upgrade of administration clerk, the general annual improvement of conditions of service and the implementation of grade progression of 2013/14. Total personnel expenditure increased from R281 million during 2011/12 to R414 million in the 2015/16 financial year. The significant increase in personnel costs is attributed to the implementation of the Occupation Specific Dispensation, the upgrade of administration clerk, general annual improvement of conditions of service and the implementation of grade progression. The table above indicates the number of personnel using filled post on 31 March 2013 as reflected on the 2012/13 annual report plus the 58 post of extension officers. The numbers 2014 were escalated by the number appointments to be finalized before the end of the current financial year.

## 9.2. Training

TABLE 11.14: PAYMENTS ON TRAINING: AGRICULTURE AND RURAL DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>1. Administration</b>	<b>4 318</b>	<b>4 578</b>	<b>6 519</b>	<b>6 909</b>	<b>6 909</b>	<b>6 909</b>	<b>5 579</b>	<b>5 782</b>	<b>6 094</b>
Subsistence and travel									
Payments on tuition	4 318	4 578	6 519	6 909	6 909	6 909	5 579	5 782	6 094
Other									
<b>2. Agriculture And Rural Development</b>	<b>636</b>	<b>675</b>							
Subsistence and travel									
Payments on tuition	636	675							
Other									
<b>3. Environmental Affairs</b>	<b>804</b>	<b>862</b>							
Subsistence and travel									
Payments on tuition	804	862							
Other									
<b>Total payments on training</b>	<b>5 758</b>	<b>6 115</b>	<b>6 519</b>	<b>6 909</b>	<b>6 909</b>	<b>6 909</b>	<b>5 579</b>	<b>5 782</b>	<b>6 094</b>

Appropriation for 2010/11, 2011/2012 2012/13 amounted to R5.7 million, R6.1million and R6.5 million respectively. The decrease in the training allocation of 19 per cent from 2013/14 to 2014/15 is as a result of the implementation of the DPSA Directive on the Utilisation of Training budget in the Public Service and review of the distribution of the branch allocation.

The budget for training is centralised in Programme 1 under the Sub-programme: Corporate Services for purposes of effective monitoring and reporting. Bursaries offered by the department relate to internal employees and externally to members of the community in relation to scarce skills and continued formal development. In the 2013/14 financial year an amount of R6.9 million was spent on skills development initiatives in responding to the internal capacity development for employees. The department identified the training needs through the performance management process; and incorporated all these gaps into a workplace skills plan that was submitted to the public service sector education and training authority (PSETA) for endorsement. Furthermore, the implementation of the work skills plan is then cascaded into the DPSA Human Resources Development plan which outlines the implementation plan for how these development activities will unfold. In dealing with the scarce skills development, the department is conducting career exhibitions at communities, schools, higher education institutions, amongst others. In addition, financial assistance in the form of bursaries is granted to deserving applicants and workplace exposure/ internships are offered to assist with the workplace readiness of graduates.

The training allocation grows from R5.6 million in the 2014/15 financial year to R6 million in the 2016/17 financial year.

TABLE 11.15: INFORMATION ON TRAINING: AGRICULTURE AND RURAL DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Number of staff	904	904	904	904	904	904	949	949	949
Number of personnel trained	901	901	901	901	901	901	711	711	711
of which									
Male	414	414	414	414	414	414	327	327	327
Female	487	487	487	487	487	487	384	384	384
Number of training opportunities	176	176	176	41	176	176	194	194	194
of which									
Tertiary	150	150	150	15	150	150	169	169	169
Workshops	20	20	20	20	20	20	20	20	20
Seminars	6	6	6	6	6	6	5	5	5
Other									
Number of bursaries offered	28	33	42	42	42	42	38	38	38
Number of interns appointed	99	99	48	48	48	48	40	40	40
Number of learnerships appointed	5	5							
Number of days spent on training	3	3	3	3	3	3	5	5	5

## Vote 11 - Agriculture and Rural Development • EPRE - 2014/15

Development opportunities are facilitated in line with the development plans of individual officials and officials are encouraged to participate in these development opportunities to reduce the competency gaps highlighted. The development interventions will continue as identified through the performance management and development systems.

During the 2013/14 financial year the department made a concerted effort to meet and exceed the provincial target of 5 per cent of the establishment on internship programmes. This target will be maintained and partnerships established to assist with the funding for future programmes.

The department continues to assist officials with further development of knowledge within their respective areas of competence through the implementation of the bursary scheme.

### 10. CROSS CUTTING ISSUES

Cross-Cutting Issue	Indicator/ Measure	Output	Outcome	MTEF BUDGET		
				2014/15	2015/16	2016/17
Women	50% women participating in education and training programmes	50% female representation on all training programmes	Gender mainstreaming, increased knowledge and skills base of individuals	2 798	2938	3085
Youth	90% of annual intake should comprise of youth	Capacitated youth	Enhanced employability of interns and learners	1028	1084	1 143
	60% youth participating in training and bursary programmes	Capacitated youth	Increased knowledge and skills base of individuals	400	463	488
	60% Youth benefitting from capacity building and awareness programmes	Increased capacity for youth development	Increased knowledge on departmental youth friendly programmes	3347	3528	3718
People with Disabilities	2% benefitting from bursaries and training programmes	Increased capacity of PwDs	Increased knowledge and skills base of individuals	112	118	124
Promotion of PwDs owned businesses	5% procurement spend from youth owned businesses	Increased spending on PwDs owned enterprises	Increased access to economic opportunities for PwDs	9 855	10 348	10 865
Promotion of women owned businesses	30% procurement spend from women owned businesses	Increased spending on women owned enterprises	Increased access to economic opportunities	59 133	62 091	65 195
Promotion of black owned businesses	70% procurement from black owned businesses	Increased spending on black owned enterprises	Increased access to economic opportunities for blacks	138	144	151
HIV/AIDS	600 people accessing the HIV/AIDS intervention programmes	Increased awareness on HIV/AIDS prevention, treatment, care and support	Improved health and livelihoods	300	320	350
Women, Youth and PwDs	No of cooperatives supported	Empowered cooperatives	Business plans developed for women cooperatives in various commodity groups Establishment of 20 Cooperatives and women groups	399	418	440
Women, Youth and PwDs	No of WARD/YARD members supported in agriculture production	Mainstreaming of women, youth and PwDs in agriculture sector	Production inputs for women in the broiler industry Ensure access to finance and link second economy women and PwDs farmers with financial institutions Increased participation of PwDs in Agriculture	1 418	1 563	1 641
Women, Youth and PwDs	No of awareness session and workshops conducted	Empowerment of designated groups	Increased knowledge on the agriculture sector	2 625	2 756	2 894
Women, Youth and PwDs	No of women, youth and PwDs supported through CASP	Enhanced designated groups	Women empowerment and agricultural market access through viable farming practices	17 850	18 743	19 680
Women, Youth and PwDs	No of women and PwDs awarded	Enhanced women and PwDs in agriculture	Increased participation of women, youth and PwDs in Agriculture	735	772	811
Women, Youth and PwDs	No of women, youth & PwDs supported through food gardens	Poverty alleviation & enhanced income generation	Business plans developed for women cooperatives in various commodity groups Establishment of 20 Cooperatives and women groups	13 125	13 781	14 470
Women, Youth and PwDs	No of women, youth & PwDs participating in LandCare programmes	Improved livelihoods in designated groups through LandCare programmes	Utilization of natural resources for income generation and sustainable livelihoods targeting women and PwDs including youth	2 520	2 646	2 778

2014/15 - EPRE • **Vote 11 - Agriculture and Rural Development**

Cross-Cutting Issue	Indicator / Measure	Output	Outcome	MTEF BUDGET		
				2014/15	2015/16	2016/17
Women, Youth and PWDs	No of youth participating in EPW programmes	Increased employment opportunities	Empowerment through training and capacity building programmes Job creation targeting women and PWDs including youth Combating of natural resources degradation Formation of partnerships with various stakeholders	11 760	12 348	12 965
Youth and PWDs	90% of annual intake should comprise of youth	Capacitated youth	Enhanced employability of interns and skills base of individuals	5 103	5 358	5 626
Youth and PWDs	90% youth participating in training and bursary programme	Capacitated youth	Increase knowledge base of youth	1 100	1 155	1 213
Youth and PWDs	% spend on women youth businesses	Increased spending on youth owned enterprises	Increased access to economic opportunities for youth	2 321	2 437	2 558
Youth and PWDs	% of youth benefiting from capacity building and awareness programmes	Increased capacity on youth development	Increased knowledge on departmental youth friendly programmes	170	179	188

# ANNEXURES TO ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE

TABLE 11.17 SPECIFICATION OF RECEIPTS: AGRICULTURE AND RURAL DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Tax receipts</b>									
Casino taxes									
Horse racing taxes									
Liquor licenses									
Motor vehicle licenses									
<b>Sales of goods and services other than capital assets</b>	<b>701</b>	<b>587</b>	<b>671</b>	<b>1 350</b>	<b>850</b>	<b>965</b>	<b>1 421</b>	<b>1 488</b>	<b>1 567</b>
Sale of goods and services produced by department (excluding capital assets)	701	587	671	1 350	850	965	1 421	1 488	1 567
Sales by market establishments									
Administrative fees									
Other sales	701	587	671	1 350	850	965	1 421	1 488	1 567
Of which									
List Item	516	396	529	1 149	840	955	1 201	1 258	1 325
List Item	184	190	141	200			220	230	242
List Item	1	1	1	1	10	10			
List Item									
Sales of scrap, waste, arms and other used current goods (excluding capital assets)									
<b>Transfers received from:</b>									
Other governmental units									
Public corporations and private enterprises									
Households and non-profit institutions									
<b>Fines, penalties and forfeits</b>									
<b>Interest, dividends and rent on land</b>	<b>31</b>	<b>70</b>	<b>80</b>	<b>40</b>	<b>40</b>	<b>40</b>	<b>42</b>	<b>44</b>	<b>46</b>
Interest	31	70	80	40	40	40	42	44	46
Dividends									
Rent on land									
<b>Sales of capital assets</b>									
Land and sub-soil assets									
Other capital assets									
<b>Transactions in financial assets and liabilities</b>	<b>536</b>	<b>401</b>	<b>1 355</b>		<b>500</b>	<b>235</b>			
<b>Total departmental receipts</b>	<b>1 268</b>	<b>1 058</b>	<b>2 106</b>	<b>1 390</b>	<b>1 390</b>	<b>1 240</b>	<b>1 463</b>	<b>1 532</b>	<b>1 613</b>

TABLE 11.18: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>134 224</b>	<b>151 138</b>	<b>135 907</b>	<b>151 124</b>	<b>150 345</b>	<b>150 233</b>	<b>152 370</b>	<b>159 099</b>	<b>165 939</b>
Compensation of employees	71 953	74 392	81 509	90 444	90 566	90 566	96 197	102 237	108 063
Salaries and wages	62 343	64 051	70 809	80 513	80 635	80 479	82 300	87 574	92 499
Social contributions	9 610	10 341	10 701	9 931	9 931	10 087	13 897	14 663	15 563
Goods and services	62 264	76 637	54 384	60 680	59 779	59 667	56 173	56 862	57 876
Administrative fees	8	477	247	361	325	450	245	259	273
Advertising	7 441	4 767	5 803	746	946	1 282	1 688	2 119	1 731
Assets less than the capitalisation threshold	215	87	71	5	5	17		16	17
Audit cost: External	3 363	3 120	2 895	3 948	3 948	3 833	3 744	4 030	4 244
Bursaries: Employees	314	242	820	1 150	1 150	1 141	900	1 020	1 074
Catering: Departmental activities	581	896	579	428	928	950	1 100	1 254	1 320
Communication (G&S)	5 079	5 148	2 209	2 995	3 135	3 198	2 545	2 526	2 660
Computer services	5 513	8 616	5 760	5 469	5 469	5 177	7 470	7 614	8 018



# Vote 11 - Agriculture and Rural Development • EPRE - 2014/15

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Consultants and professional services: Business and advisory services	1 252	1 071	815	617	917	1 600	945	1 033	1 088
Consultants and professional services: Infrastructure and planning	22								
Consultants and professional services: Legal costs	2 880	2 923	1 020	1 690	790	768	2 048	1 884	1 984
Contractors	389	1 072	1 389	2 239	2 283	2 144	2 277	1 294	1 363
Agency and support / outsourced services		715	121	500	500	2 398	239	351	370
Entertainment	102	20	106	70	120	185	50		
Fleet services (including government motor transport)	1 452	365	1 974	2 860	2 760	2 720	2 723	2 923	3 078
Housing								21	22
Inventory: Clothing material and accessories				254	254	534	14	14	15
Inventory: Farming supplies						107			
Inventory: Food and food supplies	1		20	233	233	543	9	257	271
Inventory: Fuel, oil and gas	2 177	3 361	3 650	2 700	2 806	3 835	344	461	485
Inventory: Learner and teacher support material		17						36	38
Inventory: Materials and supplies	174	281	64	125	275	308	228	229	241
Inventory: Medical supplies	3								
Inventory: Other supplies					10	10	5		
Consumable supplies	210	256	100	222	257	399	538	518	545
Consumable: Stationery, printing and office supplies	1 709	1 414	1 330	2 386	2 687	2 369	2 176	1 871	1 970
Operating leases	10 462	12 188	4 238	2 066	2 546	4 039	2 490	2 857	2 508
Property payments	14 063	20 327	12 696	15 487	14 187	10 779	12 433	13 964	14 704
Transport provided: Departmental activity	4				( 150)			1 516	1 596
Travel and subsistence	2 214	2 927	3 895	6 776	6 478	5 499	6 482	3 398	2 182
Training and development	1 057	1 475	1 826	3 442	2 973	1 751	2 051	1 907	2 905
Operating payments	1 173	4 040	1 728	2 684	2 328	2 171	1 976	2 283	2 404
Venues and facilities	406	832	1 028	1 227	1 619	1 460	1 453	1 207	771
Rental and hiring									
Interest and rent on land	7	109	14						
Interest	7	109	14						
Rent on land									
<b>Transfers and subsidies</b>	<b>425</b>	<b>104</b>	<b>59</b>	<b>200</b>	<b>874</b>	<b>981</b>	<b>1 195</b>	<b>1 662</b>	<b>1 750</b>
Provinces and municipalities									
Municipalities									
Municipal bank accounts									
Municipal agencies and funds									
Departmental agencies and accounts					549	549	984	1 066	1 122
Social security funds									
Departmental agencies (non-business entities)					549	549	984	1 066	1 122
Non-profit institutions									
Households	425	104	59	200	325	432	211	596	628
Social benefits	425	104	59	200	325	432	211	596	628
Other transfers to households									
<b>Payments for capital assets</b>	<b>11 151</b>	<b>9 009</b>	<b>6 796</b>	<b>1 430</b>	<b>1 430</b>	<b>1 430</b>	<b>4 349</b>	<b>2 823</b>	<b>2 973</b>
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	11 151	8 363	6 203	1 430	1 430	1 430	4 349	2 823	2 973
Transport equipment	7 775		2 643				685	1 151	1 212
Other machinery and equipment	3 376	8 363	3 560	1 430	1 430	1 430	3 664	1 672	1 761
Heritage Assets									

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets		646	593						
<b>Payments for financial assets</b>	<b>12</b>	<b>765</b>	<b>755</b>			<b>5</b>			
Thefts and losses	12	765	755			5			
<b>Total economic classification:</b>	<b>145 812</b>	<b>161 016</b>	<b>143 517</b>	<b>152 754</b>	<b>152 649</b>	<b>152 649</b>	<b>157 914</b>	<b>163 584</b>	<b>170 661</b>

TABLE 11.19: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION- PROGRAMME 2: AGRICULTURE AND RURAL DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/16
<b>Current payments</b>	<b>147 665</b>	<b>173 510</b>	<b>204 302</b>	<b>218 461</b>	<b>217 911</b>	<b>218 093</b>	<b>238 926</b>	<b>258 951</b>	<b>296 011</b>
Compensation of employees	71 499	78 858	90 640	104 743	104 480	104 482	113 238	125 060	133 131
Salaries and wages	61 878	69 408	78 931	90 741	90 478	90 052	101 946	110 082	116 735
Social contributions	9 621	9 450	11 709	14 002	14 002	14 430	11 292	14 978	16 396
Goods and services	76 166	94 652	113 662	113 718	113 431	113 611	125 688	133 891	162 880
Administrative fees		231	37	30	94	416	150	152	160
Advertising	1 118	2 538	1 035	795	475	322	331	423	445
Assets less than the capitalisation threshold	36	31	218	1 076	667	635	1 013	1 036	1 091
Audit cost: External							60	60	63
Bursaries: Employees	80	106		11	11			37	39
Catering: Departmental activities	350	918	1 292	1 624	1 817	1 792	5 396	5 091	5 361
Communication (G&S)	23	987	2 666	1 780	1 886	2 740	2 791	2 883	3 036
Computer services			784						
Consultants and professional services: Business and advisory services		154	255			334			
Consultants and professional services: Infrastructure and planning	37 601	45 166	15 068	4 107	6 592	5 152	7 193	8 612	9 068
Consultants and professional services: Laboratory services			651	1 806	1 806	889	306	370	390
Contractors	5 843	6 900	5 910	5 730	4 973	4 485	3 737	3 961	4 171
Agency and support / outsourced services		25	10		15	193	20		
Entertainment						7	100	1	1
Fleet services (including government motor transport)				146	146	131	40	40	42
Housing									
Inventory: Clothing material and accessories	118	638	1 835	516	464	693	750	750	790
Inventory: Farming supplies	13 143	8 721	49 924	58 767	54 157	49 185	57 033	59 249	84 282
Inventory: Food and food supplies	432	628	58	9	16	464	4	5	5
Inventory: Fuel, oil and gas		40	3	20	20	5	1 183	1 193	1 256
Inventory: Learner and teacher support material						20			
Inventory: Materials and supplies	335	560	380	2 209	2 209	2 923	1 370	1 505	1 585
Inventory: Medical supplies	1 619	314	211	702	682	681	325	385	405
Inventory: Medicine	1 015	2 212	2 328	2 198	2 798	2 078	3 210	4 084	4 300
Medias inventory interface									
Inventory: Other supplies									
Consumable supplies	17	7		232	244	1 443	3 246	3 494	3 679
Consumable: Stationery, printing and office supplies	75	1 829	676	1 183	1 390	1 499	1 100	1 206	1 270
Operating leases	2		6 756	6 028	5 706	6 215	5 167	5 362	5 646
Property payments	233	433	3 535	2 957	2 687	3 024	4 017	4 010	4 223
Transport provided: Departmental activity									

# Vote 11 - Agriculture and Rural Development • EPRE - 2014/15

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2015/16
Travel and subsistence	4 477	9 278	11 752	10 287	11 213	13 703	12 264	13 922	14 660
Training and development	70	1 478	1 220	3 984	4 749	4 617	4 346	3 807	4 009
Operating payments	8 108	7 994	1 685	4 953	2 898	3 030	3 672	4 072	4 288
Venues and facilities	1 471	3 464	5 373	2 568	5 716	6 935	6 864	8 181	8 615
Rental and hiring									
Interest and rent on land									
Interest									
Rent on land									
<b>Transfers and subsidies</b>	<b>13 523</b>	<b>15 036</b>	<b>30 747</b>	<b>36 235</b>	<b>37 311</b>	<b>37 094</b>	<b>37 281</b>	<b>36 811</b>	<b>38 762</b>
Provinces and municipalities	3 050	2 144	6 185	5 400	5 400	5 400	8 694	8 694	9 155
Provinces									
Municipalities	3 050	2 144	6 185	5 400	5 400	5 400	8 694	8 694	9 155
Municipal bank accounts	3 050	2 144	6 185	5 400	5 400	5 400	8 694	8 694	9 155
Municipal agencies and funds									
Departmental agencies and accounts	3 068	5 822	4 343	6 756	7 056	6 756	2 902	5 306	5 587
Social security funds									
Departmental agencies (non-business entities)	3 068	5 822	4 343	6 756	7 056	6 756	2 902	5 306	5 587
Higher education institutions	2 668	3 270	3 797	2 423	2 423	2 506	2 402	3 188	3 357
Foreign governments and international organisations									
Public corporations and private enterprises	4 737	3 800	16 422	21 656	22 432	22 432	23 283	19 623	20 663
Public corporations	4 737	3 800	16 422	21 656	22 432	22 432	23 283	19 623	20 663
Subsidies on products and production (pc)									
Other transfers to public corporations	4 737	3 800	16 422	21 656	22 432	22 432	23 283	19 623	20 663
Private enterprises									
Subsidies on products and production									
Other transfers to private enterprises									
Non-profit institutions									
Households									
Social benefits									
Other transfers to households									
<b>Payments for capital assets</b>	<b>3 513</b>	<b>1 543</b>	<b>8 588</b>	<b>1 237</b>	<b>1 237</b>	<b>1 270</b>	<b>6 830</b>	<b>4 650</b>	<b>4 896</b>
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	3 513	1 543	8 588	1 237	1 237	1 270	6 830	4 650	4 896
Transport equipment									
Other machinery and equipment	3 513	1 543	8 588	1 237	1 237	1 270	6 830	4 650	4 896
Software and other intangible assets									
<b>Payments for financial assets</b>						1 600			
Thefts and losses						1 600			
<b>Total economic classification</b>	<b>164 701</b>	<b>190 089</b>	<b>243 637</b>	<b>255 933</b>	<b>256 459</b>	<b>258 057</b>	<b>283 037</b>	<b>300 412</b>	<b>339 670</b>

TABLE 11.20: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: PROGRAMME 3: ENVIRONMENTAL AFFAIRS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2015/16
<b>Current payments</b>	<b>97 384</b>	<b>119 227</b>	<b>120 134</b>	<b>140 228</b>	<b>137 668</b>	<b>140 039</b>	<b>145 574</b>	<b>156 197</b>	<b>165 352</b>
Compensation of employees	85 948	100 875	95 292	108 036	108 586	108 037	117 440	127 165	132 943
Salaries and wages	74 123	85 708	82 179	89 051	89 601	88 123	102 574	111 978	116 578
Social contributions	11 825	15 167	13 113	18 985	18 985	19 914	14 866	15 187	16 365
Goods and services	11 436	18 352	24 842	32 192	29 082	32 002	28 134	29 032	32 410
Administrative fees		44		45	45	54	45	15	16
Advertising	1 601	541	468	5 927	4 542	651	280	379	399
Assets less than the capitalisation threshold	24	33	262	306	317	486	379	363	382
Audit cost: External	( 3)								
Bursaries: Employees		3							
Catering: Departmental activities	213	106	163	370	379	277	654	456	480
Communication (G&S)		1	1 019	2 017	2 117	1 968	1 886	2 476	1 622
Computer services			1 117						
Consultants and professional services: Business and advisory services	3 533	1 077	320	4 660	4 552	6 432	3 370	2 758	2 404
Consultants and professional services: Infrastructure and planning	29	192	6						
Consultants and professional services: Laboratory services									
Consultants and professional services: Scientific and technological services									
Consultants and professional services: Legal costs	2 792								
Contractors	302	6 448	2 455	3 339	2 089	1 503	750	1 412	4 099
Agency and support / outsourced services		34	12		12	41			
Entertainment							30	30	32
Fleet services (including government motor transport)			741	197	197	63			
Housing									
Inventory: Clothing material and accessories	175	393	621	290	290	340	700	500	527
Inventory: Farming supplies	182	1 924	673	2 173	1 623	2 311	1 935	6 471	6 526
Inventory: Food and food supplies	1	1	1		10	17			
Inventory: Fuel, oil and gas	1	511	155			18	1 259	1 392	1 466
Inventory: Learner and teacher support material									
Inventory: Materials and supplies	87	474	1 184		2	565	900	913	961
Inventory: Medical supplies			42						
Inventory: Medicine	36		55			29	117	122	128
Medsas inventory interface									
Inventory: Other supplies									
Consumable supplies	49	116	1 974	20	48	3 798	4 038	1 373	1 046
Consumable: Stationery, printing and office supplies	41	1 712	78	48	88	372	11	101	106
Operating leases			1 610	1 399	1 399	1 279	1 951	3 160	3 327
Property payments	40	53	4 779	4 409	4 359	4 770	1 129	1 189	2 252
Transport provided: Departmental activity			174						
Travel and subsistence	1 994	4 182	5 922	4 862	4 966	5 551	6 348	4 331	4 961
Training and development		55	22	117	172	172	295	125	132
Operating payments	44	112	499	704	616	602	738	695	732
Venues and facilities	295	340	461	1 309	1 259	668	1 319	771	812
Rental and hiring			29			35			
Interest and rent on land									
Interest									
Rent on land									
<b>Transfers and subsidies</b>	<b>2 000</b>				<b>1 425</b>	<b>1 425</b>			
Provinces and municipalities	2 000								
Provinces									
Provincial Revenue Funds									

# Vote 11 - Agriculture and Rural Development • EPRE - 2014/15

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2015/16
Provincial agencies and funds									
Municipalities	2 000				1 425	1 425			
Municipal bank accounts	2 000				1 425	1 425			
Municipal agencies and funds									
Departmental agencies and accounts									
Higher education institutions									
Public corporations and private enterprises									
Public corporations									
Subsidies on products and production (pc)									
Other transfers to public corporations									
Private enterprises									
Subsidies on products and production									
Other transfers to private enterprises									
Non-profit institutions									
Households									
Social benefits									
Other transfers to households									
<b>Payments for capital assets</b>	<b>2 910</b>	<b>7 792</b>	<b>8 600</b>	<b>4 656</b>	<b>5 976</b>	<b>5 009</b>	<b>16 300</b>	<b>15 776</b>	<b>14 000</b>
Buildings and other fixed structures	2 910	7 792	8 600	4 656	5 906	4 743	16 300	15 776	14 000
Buildings	2 910	7 792	8 600	4 656	5 906	4 743	16 250	15 776	14 000
Other fixed structures							50		
Machinery and equipment					70	266			
Transport equipment									
Other machinery and equipment					70	266			
<b>Payments for financial assets</b>						<b>3 841</b>			
Thefts and losses						3 841			
<b>Total economic classification:</b>	<b>102 294</b>	<b>127 019</b>	<b>128 734</b>	<b>144 884</b>	<b>145 069</b>	<b>150 314</b>	<b>161 874</b>	<b>171 973</b>	<b>179 353</b>

# VOTE 12

## DEPARTMENT OF SPORT, ARTS, CULTURE AND RECREATION

To be appropriated by Vote in 2014/15	R 714 362 000
Responsible MEC	MEC for Sport, Arts, Culture and Recreation
Administering Department	Department of Sport, Arts, Culture and Recreation
Accounting Officer	Head of Department

### 1. OVERVIEW

The mandate of the DSACR is to ensure access, increased participation and transformation of the sports, arts, culture and recreation sectors in a way that creates optimal social and economic benefits for all in the province, and that promotes nation building and social cohesion.

#### Vision

“Gauteng - a home of opportunities for sporting, artistic and cultural excellence that contributes to social cohesion and nation building”

#### Mission

The mission of the Department of Sports, Arts, Culture and Recreation (DSACR) is to work in an integrated, coordinated and pro-active manner and support the socio-economic agenda of Gauteng by:

- Facilitating Talent Identification and Development in partnership with civil society organisations;
- Providing maximum access to Sport, Arts, Cultural Activities and Library Services;
- Facilitating and coordinating Community Participation in all Identified programmes; and
- Identifying, Promoting and Preserving Heritage.

#### Main services

The DSACR is a lead department in relation to Outcome 14 “Nation building and social cohesion”. The DSACR is equally aware of its critical and clearly targeted role in support of the attainment of each of the other outcomes. In reflecting on its contribution to national and provincial outcomes, the department has considered all other critical national and provincial key strategies, frameworks, studies and plans.

#### Key Strategies

Budget planning takes into consideration the critical strategic policy frameworks and various sector plans within the department that are being implemented to deliver services to the communities effectively and efficiently. These departmental policies and strategies are also aligned to other key socio-economic development interventions of Gauteng Provincial Government (GPG such as the Gauteng Economic Growth and Development Strategy (GEGDS), the Social Development Strategy (SDS) and the Global City Region (GCR) concepts.

In addition, a number of other national and provincial frameworks, studies and plans have informed the revision and update of the DSACR strategic plan, including but not limited to:

- The Presidency Discussion Document on “Improving Government Performance: Our Approach”;
- The National Development Plan (NDP);
- Mzansi’s Golden Economy;
- The National Sport and Recreation Plan; and
- Gauteng 2055: A discussion document on the long-term development plan for the Gauteng City Region.

#### Outcomes

- The Administration Programme contributes to the GPG Outcome 12– “An efficient, effective and development oriented public service”;

- The Cultural Affairs Programme contributes to the GPG Outcome 1 – “Quality Basic Education” and GPG Outcome 4 – “Decent work and inclusive economic growth”;
- The Library, Information and Archival Services Programme contributes to the GPG Outcome 14 – “Nation building and Social Cohesion”; and
- The Sport and Recreation Programme contributes to the GPG Outcome 1 – “Quality Basic Education”, GPG Outcome 2 – “A long and healthy life for all South Africans” and GPG Outcome 3 – “All people in South Africa are and feel safe”.

#### External activities and events relevant to budget decisions

Sport, arts and culture, library and information services continue to play a crucial role in promoting social cohesion and nation building within society. Besides being a unifier, the sector has an important role to play in promoting healthy lifestyles and contributing to building safe, secure and sustainable communities. Both sport and cultural tourism impact greatly on the economy of the province and this is clearly evidenced in the staging and hosting of major events and tournaments.

The Gauteng Film Commission was incorporated into the Department during 2011/2012. The overall objective is to support and contribute to the growth of the Gauteng film industry.

#### Acts, rules and regulations

Budget Planning in the Department considered the rules, acts and regulations which are included in the Strategic Plan. Some of the most current acts, rules and regulations are:

- Gauteng Sport Policy and Plan;
- Creative Industries Development Framework;
- Craft Strategic Framework;
- Music Strategy;
- Performing Arts Strategy;
- Visual Arts Strategy;
- Competitive Sport Strategic Framework;
- Integrated Sport Plan;
- Grant-in-Aid Policy Framework for the allocation of funding to sector related organisations and institutions;
- Gauteng Arts in Schools Strategy;
- Gauteng Language Policy Framework; and
- Gauteng Provincial Archives and Records Services Bill, 2013.

## 2. REVIEW OF THE CURRENT FINANCIAL YEAR (2013/14)

### Outcome 1: Quality Basic Education

#### Output 1: School Sport

In partnership with the Gauteng Department of Education (GDE), two Sport Focused Schools, Rosina Sedibane and Queen’s High were provided with technical and financial assistance, as well as sport equipment and attire. Sport and Recreation South Africa (SRSA) conducted verification visits to the two schools to determine if they both meet the minimum requirements set by SRSA for Lead Schools. During the period under review, Rosina Sedibane won the Soccer/Football Metropolitan Cup and the under 17 Nike Manchester United Tournament. The school also represented the country in France, which exposed learners to international soccer.

The department coordinated the regional and provincial Gauteng School Sport Games. Learners participated in the following codes; winter games: Football, Netball, Rugby and Volleyball; spring games: chess, gymnastics, cross-country; and summer games: cricket, table tennis, tennis and basketball. These culminated in the provincial team, Team Gauteng’s participation at the national school championships in Mangaung. Team Gauteng, which includes both learners with Special Education Needs (LSEN) and learners from mainstream schools, won the South African Schools National Championships. The department trained educators technically in sport administration, athletics technical officiating and netball coaching to improve their capacity in delivering the School Sport Programme.

Fifty GDE Lead Schools were supported with equipment and attire in two codes (netball and athletics) to ensure an integrated and sustainable implementation of school sport. The Provincial Farm and Rural School Sport Festival provided an opportunity for learners from these marginalised areas to participate in different sport



codes. The Water Safety Education Programme, Learn to Swim was conducted in four regions covering 114 schools.

### **Output 2: Gauteng and Children's Carnival**

The Gauteng learners were involved in both the Children's and the Gauteng Carnival through participating in the marimba, choreography, choral and carnival costume making programmes. The marimba rehearsals commenced in 10 identified schools in Soweto. A creative and artistic concept workshop was held to develop sketches for carnival costumes. A workshop to train choral conductors and choreographers was held in June 2013. These initiatives developed the skills of these young participants, enabling them to participate in artistic events and encouraging self-discipline amongst them, and thus promoting social cohesion.

The Children's Carnival was held on 7 September 2013 to promote social cohesion and nation building, whilst the Gauteng Carnival, implemented in partnership with local government, took place on the 7th and 8th of December 2013. The events created 5 476 temporary jobs; 74 artists were trained, and two business enterprises that are beneficiaries of the Gauteng Carnival development programme from previous years, were awarded a maintenance project.

Learners from 30 primary schools, 58 secondary schools and 8 LSEN schools participated in the Gauteng Carnival. In preparation for the carnival, these learners participated in the choreography workshops to train them in dance routines, in line with the carnival theme of Africa legacy. These activities provided an opportunity for artistic self-expression through dance and music.

### **Outcome 2: A long and healthy life for all South Africans**

#### **Output 1: Mass Participation Programme (Siyadlala)**

Recreation which is also known as Mass Participation is growing in stature and has proven vital in the task of social crime prevention, safety and healthy living. The department facilitated daily activities as outreach programmes in all the 5 clusters as per Provincial Nodal Rural Areas and Poorest Wards. Four Gauteng Recreational Gymnastrada teams participated at the International Gym for Life tournament in Cape Town from 10 to 14 July 2013. Other activities like Big Walks were hosted in various clusters that motivated communities to further participate at the Gauteng Marathon, held on 8 September 2013. Other indigenous games include the National Active Ageing Games from 21 to 25 October 2013; a Big Walk on 6 October 2013; a Recreational Day on 5 October 2013; and the Provincial Aerobics event on 30 November 2013, all of which were supported during the financial year. The Department conducted a social crime prevention program in 4 of the 5 clusters from 25 November to 13 December 2013 to commemorate the 16 Days of Activism of No Violence against Women and Children.

#### **Output 2: Theatre and Dance Programmes**

In order to enhance creative arts within the province, the Ishashalazi Theatre Festival was held at the Soweto Theatre from 5 to 10 December 2013 with 20 groups. During the course of the year, auditions were held in various regions.

### **Outcome 3: All people in South Africa feel and are safe**

#### **Output 1: Youth Camp**

One Youth Camp drawing young people from the five clusters took place at the Camp Discovery in Hammanskraal. The objective of the camp was to build the capacity of young people in their own character development, leadership, as well as in knowledge and understanding of social cohesion. The campers conducted environmental programmes in Kekana Gardens.

### **Outcome 4: Decent employment through economic growth**

#### **Output 1: Craft**

The department appointed Mining Technology (MINTEK) to start with the glass beads training for ten beneficiaries at the Old Sharpeville Police Station craft hub in Sedibeng. Ten crafters, visual artists and entrepreneurs were supported to participate at the South African Handmade DECOREX. The Department won the award for the best stand in the craft collective category. An additional 15 crafters were supported to participate at the Soweto Festival Expo.





### **Output 2: Music**

The department hosted ten Premier Arts and Culture events to leverage job opportunities that will benefit Gauteng. The 100% Mzansi Hour Radio shows were hosted every Saturday on Y-FM to provide young emerging musicians with an opportunity to be on the Radio Air Playlist and to be exposed to listenership. The department also hosted 8 Puisano Live Music Showcases during the month of December to create jobs for artists and expose them to live music audiences. Two of these showcases coincided with the Youth Day celebrations and the Grahamstown National Arts Festival.

### **Output 3: Filming**

A total of 107 film productions were facilitated by Gauteng Film Commission (GFC) and 3 221 temporary jobs were created to position Gauteng as a preferred film production centre, and location of choice. This was done to enhance competitiveness both locally and internationally.

## **Outcome 8B: An empowered, fair and inclusive citizenship**

### **Output 1: National/Significant Days commemorative events**

In partnership with the National Department of Arts and Culture and Tshwane Metropolitan Municipality, two days of national significance were commemorated at the Union Buildings. These were National Freedom Day and Day of Reconciliation. The Day of Reconciliation celebrated the 100th Anniversary of the Union Building and the President unveiled the 9m tall statue of the former President, Mr Nelson Mandela, to honour the legacy of the founding father of democracy in South Africa.

The Youth Day celebrations were held in Soweto at Mofolo Park in partnership with City of Johannesburg. Mandela Day was held in Eldorado Park, Women's Day celebrations were held in August, and Heritage Day was held at Maropeng. These events contributed towards nation building and social cohesion.

### **Output 2: Heritage sites**

Twenty-five sites were identified and sent to municipalities for verification to determine the appropriate management in the formal process of protection. Research was conducted to provide additional information with regards to sites identified.

### **Output 3: Funding for Municipal library services**

The project to recapitalise municipal libraries to enable the Gauteng citizens to gain access to knowledge and information that will improve their socio-economic situation is in progress. All six libraries in the Venterspost, Boitumelo, Heidelberg, Khutsong, Ratanda and Kagiso are in advanced stages of construction.

The Born to Read programme is aimed at improving family literacy levels and to create awareness about the impact of reading in the lives of children. This initiative was conducted at Vischkuil, Lilian Ngoyi Hospital, and the Khutsong Clinic. The Debate Programme was implemented at Baviaanspoort Prison in partnership with the Department of Correctional Services.

### **Output 4: Social Cohesion**

The department coordinated six social cohesion dialogues that focussed on social issues such as xenophobia, moral and ethical values for the youth and elderly, young women in sports, as well as a poetry session.

## **3. OUTLOOK FOR THE COMING FINANCIAL YEAR (2014/15)**

### **Outcome 1: Quality Basic Education**

#### **Output 1: School Sport**

The department will continue to implement the School Sport Mass Participation Programme in partnership with the Gauteng Department of Education (GDE). This will be done in accordance with the directives from the national government, focussing on under-performing schools. Training programmes for sport assistants and educators will be conducted to improve the standard of school sport, whilst at the same time working to ensure continuity of the programme at schools. Other events will include winter games, Learners with Special Education Needs (LSEN) sports programmes, and summer games. The Learn to Swim Programme will continue to be implemented.



### **Output 2: Gauteng Schools' Carnival**

In partnership with the GDE, the department will be implementing the Gauteng Schools' Carnival. Training will be provided to a number of learners identified from various schools to prepare for, and participate in the carnival.

### **Output 3: Arts in School**

The department, in partnership with GDE and National Department of Arts and Culture, will support the implementation of the Creative Art curriculum with an emphasis on art-focused schools. The department will coordinate and facilitate the implementation of Arts (performing and/or visual) and Cultural programmes in schools. Four Arts and Culture programmes (drama, dance, visual art and music) will be introduced to more schools for learners to participate in.

The department is also focusing on marimba training, the National Symbols Awareness Campaigns on the National Flag, in addition to the Mosaic Art Project on the National Symbols at schools and the 20 Years of Democracy campaign.

### **Outcome 2: A long and healthy life for all South Africans**

#### **Output 1: Mass Participation Programme (Siyadladla)**

The Mass Participation Programme that provides opportunities for community members to embrace a healthy and active lifestyle will be implemented in decentralised hubs located within the province. These programmes will include Indigenous Games, Disability Games, Gymnastrada, Black Ball Pool, and Fun Run/Walk programmes. The Active Ageing Programme will be introduced to more old age homes in the province in support of long and healthy life styles, in partnership with the Departments of Social Development and Health.

#### **Output 2: Theatre and Dance Programmes**

Auditions for theatre and dance will be continued, where talent can be identified with the aim to develop it further. This will also encourage communities to live active and healthy lifestyles.

#### **Output 3: Creative Arts Programme**

This Programme will implement various arts and culture mass participation programmes across the Province, including traditional and contemporary dance; Ishashalazi theatre; poetry; and gospel, indigenous and choral music. Other arts and culture programmes will be implemented during commemorative events on national days.

### **Outcome 3: All people in South Africa feel and are safe**

#### **Output 1: Youth Camps**

Youth camps will be hosted in partnership with other role-players, to provide valuable life skills to youth at risk. The aim of the camps is to contribute towards creating safer and more secure communities.

#### **Output 2: 16 Days of Activism Programme**

The 16 Days of Activism against Women and Child Abuse will be undertaken as part of the social crime prevention efforts to encourage the prevention of women and child abuse. The programme will provide valuable information on what recourse victims of abuse have, and what support they can access.

### **Outcome 4: Decent employment through economic growth**

#### **Output 1: Craft**

The department will explore all opportunities to implement the Craft Strategy so that crafters and their related industries will gain maximum benefit from the programmes offered. These will enable them to create sustainable livelihoods for themselves as well as be of benefit of the province. Access to various platforms in which to display their talents and skills will be facilitated. The Department aims at ensuring access to resources, to improve product quality and production efficiencies. The focus is on facilitating and improving access to the marketplace at platforms such as DECOREX, Design Indaba and South African Handmade.

#### **Output 2: Music**

The department will explore all opportunities to implement the Music Strategy so as to enable musicians and others in related industries to gain maximum benefit from the programmes on offer. These will enable the target audience to create sustainable livelihoods for themselves and to have access various platforms to display their talents and skills for the benefit of the province.



### **Output 3: Filming**

The Gauteng Film Commission will continue to create an enabling environment for all role-players in the sector to ensure that individuals, organisations and companies benefit from filming in Gauteng. It will actively market Gauteng as a niche market for filming. Films supported by GFC include Hear Me Move, which is a first SA dance film that will be released in September 2014. An Afrikaans film, a genre which is becoming more popular in SA, Vrou soek Broer was also supported.

### **Output 4: Financial Aid**

The department will continue to provide funding for municipal libraries, in accordance with the directives from National Department of Arts and Culture. Funding will also be provided to individuals, organisations and companies in the sport, arts and culture sectors whose missions are aligned to the departmental mandates. Continued support for clubs, federations and sport councils through the Grant-in-Aid Programme, will be provided.

### **Output 5: Major events**

The Bidding and Hosting Strategy will be implemented in support of the Gauteng Globally Competitive City Region, making Gauteng the "Home of Champions". The province will continue to host national and international events through strategic partnerships according to approved agreements. Some of the major events to be hosted by the province include the Gauteng Champions Parade Derbies and a number of Cup games.

## **Outcome 14: Nation building and social cohesion**

### **Output 1: National/Significant Days commemorative events**

The department will work closely with strategic partners to continue to host, and/or co-host events to commemorate National/Significant Days, in effort to strengthen nation building in the province. Funding for arts and cultural organisations and individuals will be made available as part of the Grant-in-Aid Programme.

### **Output 2: Heritage resources**

The DSACR will identify, grade, preserve, protect, brand and promote the heritage resources, in partnership with strategic role-players, including national and local government, the South African Heritage Resources Agency (SAHRA) and the Provincial Heritage Resource Agency of Gauteng (PHRA-G). The department will focus on the celebration of 20 Years of Democracy by implementing activities such as Freedom Fridays with Lead SA, to promote nation building and social cohesion.

### **Output 3: Library services**

The department will continue to support municipal library services through funding and the provision of other resources. Training will also be provided to improve library, information and archival services. The province will facilitate the construction of the Provincial Archives Centre and the Archive Board to comply with the constitutional mandate. The DORA grant will be utilised for the building of 8 new libraries.

### **Output 4: Sport development**

The Sport Development Plan for Gauteng will be rolled out with a particular focus on the targeted approach to sports development. Capacity building and training programmes for coaches, technical officials, and administrators will be conducted.

### **Output 5: Creative Industries Programmes**

The department will implement the Creative Industries Strategy, and will work with all three spheres of government as well as private theatres to contribute to the performing arts in communities. The department will continue leveraging opportunities, supporting and coordinating the attraction of major arts and culture events to be staged in Gauteng. This will be done through the hosting of the Summer Biennale, in addition to supporting the arts and culture premier events.

## **4. REPRIORITISATION**

In order to realise the goals and objectives of the department, funds were allocated to priorities taking into account cost saving measures while incorporating inflation. The outcomes-based planning and budgeting approach adopted in the province during the 2009/10 financial year guided the formulation of the 2014 MTEF budget. Funds were reprioritised within the baselines to ensure that the resources are directed to the attainment of service delivery targets over the 2014 medium term. The key outputs prioritised are: the construction of eight new libraries; the Provincial Archive Centre; and the refurbishment of the Bob van Reenen stadium.

## 5. PROCUREMENT

The department has made strides in terms of improving its supply chain management practices, and drafts an annual procurement plan on the basis of the approved business plans from programmes. Contracts are awarded to suitable service providers ensuring that value for money is achieved. The supply chain management unit in the department subscribes to and complies with government's procurement guidelines, policies and regulations. In the business plans and annual performance document the core principles of behaviour which is made up of the Five Pillars of Procurement are adhered to. The department strives to be the best performing unit in the province and staff members are skilled and trained to perform optimally.

The major procurement to be undertaken relates to the building of eight community libraries, building of the Provincial Archive Centre and the refurbishment of Bob van Reenen stadium.

## 6. RECEIPTS AND FINANCING

### 6.1 Summary of receipts

TABLE 12.1: SUMMARY OF RECEIPTS: DEPARTMENT OF SPORT, ARTS, CULTURE AND RECREATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Equitable share	221 894	259 334	306 263	384 220	368 120	368 120	489 259	517 527	374 725
Conditional grants	119 283	130 494	132 375	153 072	153 072	153 072	225 103	261 879	276 595
Community Library Services Grant	51 619	55 297	56 763	63 470	63 470	63 470	125 608	162 693	172 450
Mass Participation and Sport Development Grant	67 664	75 197	74 612	88 269	88 269	88 269	94 915	99 186	104 145
Expanded Public Works Programme Integrated Grant							2 000		
Social Sector Expanded Public Works Programme Incentive Grant for Provinces			1 000	1 333	1 333	1 333	2 580		
<b>Total receipts</b>	<b>341 177</b>	<b>389 828</b>	<b>438 638</b>	<b>537 292</b>	<b>521 192</b>	<b>521 192</b>	<b>714 362</b>	<b>779 406</b>	<b>651 320</b>

The total departmental receipts consist of both equitable share and conditional grants. The departmental equitable share increased from R221.8 million in 2010/11 to R384.2 million in 2013/14, an increase of R162 million. The equitable share funding fluctuates over the 7 year period under review due to the funding of once off projects. The equitable share increases significantly by 27 per cent, from R384.2 million for 2013/14 to R489.2 million for 2014/15 due to earmarked allocations for the building of the Provincial Archive Centre and the upgrading of the Bob van Reneen stadium.

Funding in the form of conditional grants increased by 29 per cent from R119.2 million for 2010/11 to R153 million in the 2013/14 financial year to achieve, amongst others, greater access to information, social cohesion and job creation. In the 2014/15 financial year the allocation for conditional grants increases to R225.1 million from R153 million in 2013/14. This increase is attributed to an increase in the Community Library Services Grant for the building of new libraries and the allocation of the Expanded Public Works Programme Integrated Grant for job creation and the Social Sector Expanded Public Works Programme Incentive Grant for Province. The Mass Participation and Sport Development Grants grow in line with projected inflation and is based on a needs analysis, hence the increase of 8 per cent totalling to R88.2 million in 2013/14 and R94.9 million in the 2014/15 financial year.

## 6.2 Departmental receipts

TABLE 12.2: DEPARTMENTAL RECEIPTS: DEPARTMENT OF SPORT, ARTS, CULTURE AND RECREATION

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
<b>Tax receipts</b>									
Casino taxes									
Horse racing taxes									
Liquor licences									
Motor vehicle licences									
Sales of goods and services other than capital assets	98	91	94	106	140	140	141	145	150
Transfers received			1						
Fines, penalties and forfeits									
Interest, dividends and rent on land	14	31	3	40	10	10	11	12	13
Sales of capital assets		60							
Transactions in financial assets and liabilities	508	113	86	237	56	56	56	60	65
<b>Total departmental receipts</b>	<b>620</b>	<b>295</b>	<b>184</b>	<b>383</b>	<b>206</b>	<b>206</b>	<b>208</b>	<b>217</b>	<b>228</b>

The department's revenue collection largely consists of parking fees for officials, recoveries of expenditure or payments with regards to claims for recovery of goods or services. Other revenue sources include miscellaneous interest from debt recoveries and commission received for collection of insurance premiums. The department reduced its collection from R383 000 in 2013/14 to R208 000 for the 2014/15 financial year due to the slow collection of debt and interest. The revenue collection estimate was adjusted downwards to R206 000 during the 2013/14 adjustment budget process due to the reason mentioned above. The department's activities are not geared towards revenue however revenue is generated from employees through parking, debt and recoveries of previous expenditure.

## 6.3 Donor funding

N/A

## 7. PAYMENT SUMMARY

### 7.1 Key assumptions

The key assumptions underpinning this budget are as follows:

- The reprioritisation process initiated during the 2009/10 financial year which involves aligning the strategic plan of the department with the Programme of Action and the provincial outcomes;
- The budget for personnel over the 2014 medium term was informed by the projected inflation using the 2013/14 revised estimate as the base;
- The personnel budget was adjusted in line with inflation over the 2014 medium term with, 6.4 per cent for 2014/15; 5.4 per cent for 2015/16 and 5.3 per cent for the 2016/17 financial year;
- The construction of the eight libraries and the Bob van Reenan Stadium;
- Provision was made for the housing allowance per person per month for each of the year over the 2014 MTEF; and
- Provision was made for long service awards according to the DPSA regulations.

### 7.2 Programme summary

TABLE 12.3: SUMMARY OF PAYMENTS AND ESTIMATES: DEPARTMENT OF SPORT, ARTS, CULTURE AND RECREATION

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
1. Administration	80 125	95 852	86 844	132 774	121 803	121 803	110 102	112 467	115 908
2. Cultural Affairs	59 846	95 856	86 973	154 690	102 047	96 939	95 493	97 906	107 968
3. Library and Archives Services	63 655	66 333	68 016	89 344	108 596	108 596	291 893	356 641	208 792
4. Sport and Recreation	137 744	151 582	192 192	160 484	188 746	193 854	216 874	212 392	218 652
<b>Total payments and estimates</b>	<b>341 370</b>	<b>409 623</b>	<b>434 025</b>	<b>537 292</b>	<b>521 192</b>	<b>521 192</b>	<b>714 362</b>	<b>779 406</b>	<b>651 320</b>

TABLE 12.4: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: DEPARTMENT OF SPORT, ARTS, CULTURE AND RECREATION

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
<b>Current payments</b>	<b>243 809</b>	<b>277 044</b>	<b>321 786</b>	<b>356 815</b>	<b>347 659</b>	<b>347 081</b>	<b>368 172</b>	<b>392 338</b>	<b>404 127</b>
Compensation of employees	106 122	111 667	109 238	168 403	148 283	148 283	176 109	179 441	189 375
Goods and services	137 669	165 068	212 548	188 412	199 376	198 798	192 063	212 897	214 752
Interest and rent on land	18	309							
<b>Transfers and subsidies</b>	<b>95 685</b>	<b>129 399</b>	<b>81 485</b>	<b>71 102</b>	<b>90 882</b>	<b>90 890</b>	<b>104 689</b>	<b>123 667</b>	<b>140 408</b>
Provinces and municipalities	60 029	79 563	37 287	38 088	37 488	37 488	55 228	72 311	78 801
Departmental agencies and accounts	17 070	18 747	23 453	17 163	21 563	21 563	24 747	25 993	27 397
Higher education institutions	400	900	437						
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions	17 867	28 810	19 648	15 751	31 606	31 606	24 414	25 227	34 067
Households	319	1 379	660	100	225	233	300	136	143
<b>Payments for capital assets</b>	<b>1 243</b>	<b>3 115</b>	<b>30 738</b>	<b>109 375</b>	<b>82 651</b>	<b>83 221</b>	<b>241 501</b>	<b>263 401</b>	<b>106 785</b>
Buildings and other fixed structures	110		22 789	106 100	76 100	76 100	235 000	258 792	101 922
Machinery and equipment	1 076	3 115	7 949	3 275	6 551	7 121	6 501	4 609	4 863
Software and other intangible assets	57								
<b>Payments for financial assets</b>	<b>633</b>	<b>65</b>	<b>16</b>						
<b>Total economic classification:</b>	<b>341 370</b>	<b>409 623</b>	<b>434 025</b>	<b>537 292</b>	<b>521 192</b>	<b>521 192</b>	<b>714 362</b>	<b>779 406</b>	<b>651 320</b>

The department's expenditure grew from R341.3 million to R434 million in 2012/13, an increase of R93 million or 27 per cent. The compensation of employees' expenditure increased by 3 per cent over the 3 year period from the R106.1 million for 2010/11 to R109.2 million for the 2012/13 financial year. The marginal increase in personnel expenditure in 2012/13 is due to the new organisational structure not endorsed by the Department of Public Service and Administration (DPSA) for the aforementioned period. Expenditure on goods and services shows an increase of 54 per cent from R137.6 million in 2010/11 to R212.5 million in 2012/13, an increase of R75 million. This is due to additional allocations for the Sport Academic, OR Tambo Memorial, and Library services.

Transfers to municipalities declined from R79.5 million in 2011/12 to R37.2 million in 2012/13, a decrease of R42 million, due to the once-off allocation for OR Tambo Memorial in 2011 and R19 million which was allocated specifically for library facilities in 2012/13. Payments for capital assets shows an increase from R1.2 million from 2010/11 to R30.7 million in 2012/13, due to the department undertaking infrastructure projects.

The substantial increase in the allocation of the department is attributable to additional funds allocated to the department in the 2014/15 financial year with the budget increasing by 33 per cent from main budget of R537.2 million for 2013/14 to R714.3 million for 2014/15. The increase of 33 per cent is as a result of a once-off allocation of R20 million to the upgrading of the Bob van Reneen stadium in Krugersdorp and an allocation of R132 million to the construction of the Provincial Archive Centre. The department also received an additional allocation for the Expanded Public Works Program (EPWP) Integrated Grant and an increase in the Social Sector EPWP Incentive Grant to drive job creation.

The 2014 Medium Term Expenditure Framework (MTEF) allocation to compensation of employees shows an increase of R8 million, from R168.4 million in the 2013/14 main budget to R176.1 million in 2014/15. This is due to the implementation of the recruitment plan which aims to fill all vacant positions, and ensure that good governance is enhanced and services delivery is improved. The allocation to goods and services shows an increase from R188.4 million for the main budget 2013/14 to R214.7 million, an increase of R26 million over the 2014 medium term.

The 2014 MTEF allocation to transfers and subsidies shows a 45 per cent increase from the main allocation of R38 million in 2013/14 to R55.2 million, as a result of increase in Library Conditional grants for the building of new libraries.

The allocation to payments for capital assets increases from R109.3 million in the 2013/14 main budget to R241.5 million in 2014/15 due to an additional allocation for the building of the Provincial Archive Centre and Bob van Reneen stadium.



### 7.3 Infrastructure payments

#### 7.3.1 Departmental infrastructure payments

For information on infrastructure payments refer to Estimates of Capital Expenditure (ECE)

#### 7.4 Departmental public-private-partnership (PPP) projects

N/A

### 7.5 Transfers

#### 7.5.1 Transfers to public entities

N/A

#### 7.5.2 Transfers to other entities

TABLE 12.5: SUMMARY OF DEPARTMENTAL TRANSFERS TO OTHER ENTITIES

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Gauteng Film Commission	17 070	18 747	23 453	17 163	21 563	21 563	24 747	25 993	27 397
<b>Total departmental transfers to other entities</b>	<b>17 070</b>	<b>18 747</b>	<b>23 453</b>	<b>17 163</b>	<b>21 563</b>	<b>21 563</b>	<b>24 747</b>	<b>25 993</b>	<b>27 397</b>

The objective of the Gauteng Film Commission (GFC) is to create an enabling environment for all role players to ensure that individuals, organisations and companies benefit from the filming industry in the province.

The allocation increase from R21.6 million in the 2013/14 main budget to R24 million in 2014/15 this due to the carry-through effect of the additional funds allocated to the entity in 2013/14 which contributes to film production and job creation. The oversight of the entity has been shifted from Gauteng Department of Economic Development to the Department of Sport, Arts, Culture and Recreation. The amount increased to R27 million in 2016/17, an increase of R3 million for the period 2013/14 to 2016/17.

#### 7.5.3 Transfers to local government

TABLE 12.6: SUMMARY OF DEPARTMENTAL TRANSFERS TO LOCAL GOVERNMENT BY CATEGORY

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Category A	28 140	49 947	14 837	15 688	15 688	15 688	20 179	26 165	27 743
Category B	30 386	28 800	21 950	21 600	21 000	21 000	34 549	45 500	47 600
Category C	1 503	816	500	800	800	800	500	646	800
<b>Total departmental transfers to local government</b>	<b>60 029</b>	<b>79 563</b>	<b>37 287</b>	<b>38 088</b>	<b>37 488</b>	<b>37 488</b>	<b>55 228</b>	<b>72 311</b>	<b>76 143</b>

Expenditure decreased by R43 million in the 2012/13 from R79.5 million in the 2011/12 to R37.2 million. This was due to a once-off transfer for the OR Tambo memorial to Ekurhuleni Metropolitan Municipality and reallocation of some funds for the building of new libraries for Category A.

The expenditure in relation to Category B municipalities decreased by R7 million in the 2012/13 financial year from R28.8 million in 2011/12 to R21.9 million as a result of the reallocation of some funds for building of new libraries by the department. In the 2012/13 financial year expenditure decreased by 12 per cent to R500 000 from R816 000 in the 2011/12 financial year for Category C, the decrease of R316 000 was due to the reallocation of some funds for the procurement of IT equipment by the department for municipalities.

For the 2013/14 financial year the department allocated an amount of R38 million which was adjusted downwards during the 2013 adjustment process to R37.4 million. This was due to the fact that Emfuleni Local Municipality experienced a number of challenges and the department was mandated to procure services and IT equipment on behalf of the municipality.

Over the 2014 medium term, the allocation for Category B grows by an average estimate of 18 per cent per year. This increase is to provide additional support to municipalities in relation to the building of new libraries and libraries still to be built over the MTEF.

The budget allocation for 2014/15 increases by 45 per cent from R38 million in the 2013/14 main budget to R55.2 million for the 2014/15 financial year and R72.3 million and R76.1 million for the two outer years respectively. The significant increase over the 2014 MTEF period is due to support provided to municipalities in relation to new libraries being built over the medium term.

## 8. PROGRAMME DESCRIPTION

### PROGRAMME 1: ADMINISTRATION

#### Programme description

The aim of the Administration programme is to provide political and strategic direction and to support the organisation through financial management, supply chain management, risk management, internal audit services, legal services, human resource services, communications, information technology, office administration, facilities management, policy development, research, and strategic planning support. It also supports the coordination of the provincial commemoration of national days in Gauteng, as well as the development, upgrading, management and refurbishment of sport, recreation, arts, culture and library facilities, in collaboration with local and national government, the private sector and communities.

The programme primarily contributes to DSACR Strategic Goal 7: "To contribute towards the developmental state and good governance". Through this transversal support, the Programme contributes to all SACR strategic goals.

The programme comprises the following sub-programmes: Communications; Events Management and Marketing; Human Resource Management and Development; Office Administration and Facilities Management; Information Technology; Financial Management and Accounting; Supply Chain Management; Internal Audit and Risk Management; and Strategic Planning, Policy and Research.

#### Programme objectives:

- There should be well conceptualised, organised, coordinated and implemented SACR events and programmes;
- The department should be adequately staffed, trained and capacitated, with an enabling environment being created for harmonious working relations;
- A reliable information technology support service for departmental employees and local government community libraries should be created;
- New and existing sport, arts, culture and library related facilities be adequately planned, coordinated, facilitated and maintained;
- A healthy, safe and secure working environment for SACR staff and the provision of adequate auxiliary, transport and records management services are ensured;
- Best practice Financial Management and Financial Accounting systems and practices are implemented; and
- Integrated planning, performance reporting, policy development, research, intergovernmental relations, international relations and Gender, Youth and People with Disabilities (GEYODI) should be supported and promoted.

**TABLE 12.7: SUMMARY OF PAYMENTS AND ESTIMATES: ADMINISTRATION**

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1. Office of the MEC	4 197	6 109	5 876	5 279	5 494	5 494	5 324	5 961	6 277
2. Corporate Services	75 928	89 743	80 968	127 495	116 309	116 309	104 778	106 506	109 631
<b>Total payments and estimates</b>	<b>80 125</b>	<b>95 852</b>	<b>86 844</b>	<b>132 774</b>	<b>121 803</b>	<b>121 803</b>	<b>110 102</b>	<b>112 467</b>	<b>115 908</b>



## Vote 12 - Sport, Arts, Culture and Recreation • EPRE - 2014/15

**TABLE 12.8: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION**

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
<b>Current payments</b>	<b>78 645</b>	<b>93 605</b>	<b>79 557</b>	<b>129 868</b>	<b>117 553</b>	<b>117 545</b>	<b>107 122</b>	<b>110 351</b>	<b>113 678</b>
Compensation of employees	39 586	45 051	50 392	86 125	62 154	62 154	62 239	65 960	69 663
Goods and services	39 041	48 336	29 165	43 743	55 399	55 391	44 883	44 391	44 015
Interest and rent on land	18	218							
<b>Transfers and subsidies</b>	<b>162</b>	<b>13</b>	<b>200</b>	<b>100</b>	<b>151</b>	<b>159</b>	<b>130</b>	<b>136</b>	<b>143</b>
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households	162	13	200	100	151	159	130	136	143
<b>Payments for capital assets</b>	<b>717</b>	<b>2 224</b>	<b>7 085</b>	<b>2 806</b>	<b>4 099</b>	<b>4 099</b>	<b>2 850</b>	<b>1 980</b>	<b>2 087</b>
Buildings and other fixed structures									
Machinery and equipment	660	2 224	7 085	2 806	4 099	4 099	2 850	1 980	2 087
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets	57								
<b>Payments for financial assets</b>	<b>601</b>	<b>10</b>	<b>2</b>						
<b>Total economic classification</b>	<b>80 125</b>	<b>95 852</b>	<b>86 844</b>	<b>132 774</b>	<b>121 803</b>	<b>121 803</b>	<b>110 102</b>	<b>112 467</b>	<b>115 908</b>

The expenditure on compensation of employees increased by an average of 14 per cent from 2010/11 to 2011/12 due to filling of the vacancies in line with the recruitment plan of the department to capacitate the department as new strategies were adopted.

The significant decrease in goods and services of 66 per cent from R48.3 million in 2011/12 to R29.1 million for 2012/13 was mainly due to the movement of funds for commemoration of national days to Programme 2: Cultural Affairs, which provides heritage service and enhances their significance.

Expenditure on machinery and equipment shows an increase from R660 000 in 2010/11 to R7 million in the 2012/13 financial year. This was to support the increasing numbers of staff appointed, and the replacement of old equipment.

The Administration programme is mainly responsible for strategic support and governance structures. Through the implementation of cost cutting measures the programme decreases from R132.7 million for 2013/14 to R110.1 million in 2014/15. This is also due to the department aligning the budget of personnel to where the actual expenditure is incurred under Programme 2 and Programme 4. This is also evident in the significant decrease of 38 per cent compensation of employees from R86.1 million in 2013/14 to R62.2 million in the 2014/15 financial year. Thereafter compensation of employees grows by 6 per cent in the respective outer two years.

Goods and services only grows by 3 per cent from R43.7 million to R44.8 million in 2013/14 and 2014/15 respectively. This is due to the department reprioritising funds to core service delivery programmes.

## PROGRAMME 2: CULTURAL AFFAIRS

### Programme description

The aim of the Cultural Affairs Programme is to identify, develop, support, and promote the arts and preserve, protect and support heritage resources in the province. In so doing, the Programme contributes to the following DSACR strategic goals:

- To enhance the implementation of integrated and sustainable sport, arts, culture and recreation programmes, supporting the development of healthy, safe and secure communities;
- To identify, preserve and develop heritage resources, to promote the commemoration of national days, and to promote national symbols, for the benefit of Gauteng communities;
- To develop and nurture sporting and artistic talent for competitive sport and major arts and culture events;
- To create an enabling environment contributing to sustainable livelihoods for artists, crafters and sports people; and
- To maximise the opportunity to attract the staging of major sport, arts, and culture events in and for the benefit of Gauteng.

The programme consists of the following sub-programmes: Creative Arts, Creative Industries and Heritage (including Language and Geographical Names).

### Programme objectives

The objectives of the programme are:

- Integrated implementation of DSACR Programmes in schools (Schools Arts and Culture Programmes);
- Implementation of Arts and Culture programmes in partnership with the Department of Community Safety (DCS) targeted at social crime prevention;
- To develop, promote and implement integrated arts and culture programmes through the community based hubs to promote healthy lifestyles and contribute towards building cohesive and sustainable communities;
- To create co-operative relations with Sector Education and Training Authorities (SETA), employers, service providers and all government departments involved in skills development initiatives, to increase exposure to career path opportunities in the creative sector in schools and to support arts education and training in schools;
- To support and capacitate organisations, companies, and individuals that produce cultural goods and services by assisting them in accessing financial and other forms of business support, in order to increase their opportunities for marketing and improving linkages with tourism agencies throughout the province;
- To enhance implementation of arts and culture-specific sector strategies;
- To build the Pale Ya Rona Carnival and other targeted events into world class events that will contribute to economic growth and cultural tourism in support of the Growth and Development Strategy of the province, through strategic local, provincial, national and international partnerships;
- To create an enabling environment and invest in the development of the creative workforce, creative clusters and the enterprises that constitute them;
- To develop and promote the products and services of the creative clusters and enterprises;
- To help grow existing events into premier events, and support new events with the potential to attract visitors to the province;
- To promote and organise defined commemorative celebrations in Gauteng aligned to the strategic themes of the province; and
- To identify, promote, and facilitate the development, preservation and enhancement of provincial heritage resources; to promote multilingualism and Indigenous Knowledge Systems; and to support municipalities with implementation of the Geographical Naming System.

TABLE 12.9: SUMMARY OF PAYMENTS AND ESTIMATES: CULTURAL AFFAIRS

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1.Management	3 017	4 090	3 178	5 638	5 638	5 638	5 651	6 232	6 562
2.Arts & Culture	53 265	65 049	67 747	73 084	70 441	65 333	65 062	65 115	73 439
3.Museum Services									
4.Heritage Resource Services	3 453	26 129	15 879	73 116	23 116	23 116	21 909	23 392	24 632
5.Language Services	111	588	169	2 852	2 852	2 852	2 871	3 167	3 335
<b>Total payments and estimates</b>	<b>59 846</b>	<b>95 856</b>	<b>86 973</b>	<b>154 690</b>	<b>102 047</b>	<b>96 939</b>	<b>95 493</b>	<b>97 906</b>	<b>107 968</b>

## Vote 12 - Sport, Arts, Culture and Recreation • EPRE - 2014/15

TABLE 12.10: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: CULTURAL AFFAIRS

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>29 848</b>	<b>39 731</b>	<b>47 174</b>	<b>75 009</b>	<b>65 266</b>	<b>60 158</b>	<b>63 792</b>	<b>64 787</b>	<b>65 698</b>
Compensation of employees	8 726	10 164	10 613	31 055	24 300	19 000	20 241	21 440	22 471
Goods and services	21 122	29 567	36 561	43 954	40 966	41 158	43 551	43 347	43 227
Interest and rent on land									
<b>Transfers and subsidies</b>	<b>29 897</b>	<b>56 067</b>	<b>39 773</b>	<b>29 533</b>	<b>36 633</b>	<b>36 633</b>	<b>31 506</b>	<b>33 009</b>	<b>42 156</b>
Provinces and municipalities		20 000							
Departmental agencies and accounts	17 070	18 747	23 453	17 163	21 563	21 563	24 747	25 993	27 397
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions	12 827	16 026	15 956	12 370	15 070	15 070	6 759	7 016	14 759
Households		1 294	364						
<b>Payments for capital assets</b>	<b>101</b>	<b>54</b>	<b>26</b>	<b>50 148</b>	<b>148</b>	<b>148</b>	<b>195</b>	<b>110</b>	<b>114</b>
Buildings and other fixed structures				50 000					
Machinery and equipment	101	54	26	148	148	148	195	110	114
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>		<b>4</b>							
<b>Total economic classification</b>	<b>59 846</b>	<b>95 856</b>	<b>86 973</b>	<b>154 690</b>	<b>102 047</b>	<b>96 939</b>	<b>95 493</b>	<b>97 906</b>	<b>107 968</b>

The financial period 2010/11 to 2011/12 had a 60 per cent increase in expenditure as a result of the OR Tambo Memorial Monument which was constructed. In the 2012/13 financial year the decrease in the expenditure from R95.8 million to R86.9 million is due to the capital transfer of the OR Tambo project to the Ekurhuleni municipality.

From 2012/13 the expenditure increase from R86.9 million to R154.6 million in 2013/14 is due to a once-off allocation towards the building of the Women's Monument. Compensation of employees increased from R10.6 million in 2012/13 to R31 million in 2013/14 this to provide funds for the filling of vacancies as per the new organisational structure. The increase in goods and services for the 2011/12 of R29.5 million to R36.5 million in 2012/13 is due to the shifting of the allocation for the Commemoration of National Days.

The incorporation of the Gauteng Film Commission to cultural affairs contributes to the increase of the transfers of subsidies of R29.5 million in 2013/14 to 31.5 million in 2014/15. This will ensure that individuals are trained and developed within the Gauteng film industry towards "employability" and participation within the sector.

The decrease in allocation from R154.6 million in 2013/14 to R95.4 million in 2014/15 is as a result of the department suspending the R50 million for the Woman's Monument to the Department of Infrastructure for the construction of the monument. The MTEF allocation of R95.4 million to R107.9 million from 2014/15 to 2016/17 will enhance the implementation of various arts and culture mass participation programmes across the province. These include traditional and contemporary dance; Ishashalazi theatre; poetry; gospel, indigenous and choral music. The allocation will also ensure that other arts and culture programmes be implemented during commemorative events on national days.

**SERVICE DELIVERY MEASURES****PROGRAMME 2: CULTURAL AFFAIRS**

Performance measures	Estimated Annual Targets		
	2014/2015	2015/2016	2016/2017
<b>2.1 ARTS AND CULTURE</b>			
<b>National Performance Measure Indicators</b>			
Number of structures supported: Language (PLC), Heritage (PHRA), Geographic Names (GNC); and Gauteng Arts and Culture Council (GACC)	4	4	4
Number of significant days hosted in the cultural calendar	7	7	7
<b>Provincial Performance Measure Indicators</b>			
Number of bursaries awarded to Visual and Performing Arts students in collaboration with GCRA	36 Visual and Performing Arts bursaries awarded	36 Visual and Performing Arts bursaries awarded	36 Visual and Performing Arts bursaries awarded
Number of Grants-in-Aid awarded to organizations, and/or companies	30 grants awarded	30 grants awarded	30 grants awarded
Provincial Carnival hosted per annum	Gauteng Carnival Hosted	Gauteng Carnival Hosted	Gauteng Carnival Hosted
Sub-sector Strategies (Craft, Music, Visual Arts and Performing Arts) developed and implemented	4 Strategies implemented	4 Strategies implemented	4 strategies implemented
Number of arts and culture premier events supported	10 Arts and Culture premier events supported	10 Arts and Culture premier events supported	10 Arts and Culture premier events supported
Market access initiative supported	1	1	1
<b>2.2 MUSEUM AND HERITAGE</b>			
<b>Provincial Performance Measure Indicators</b>			
Number of national symbols awareness campaigns implemented	6	6	6
Number of geographical names systems advocacy campaigns held	2	2	2
Database of provincial heritage sites compiled and maintained	Database maintained	Database maintained	Database maintained
Number of monuments supported	5	5	5
Provincial Heritage Resource legislation developed, approved and implemented	Heritage legislation regulations developed	Heritage legislation implemented	Heritage legislation implemented
<b>2.3 LANGUAGE SERVICES</b>			
<b>National Performance Measure Indicators</b>			
Number of language coordinating structure supported	1	1	1
<b>Provincial Performance Measure Indicators</b>			
Provincial Language Policy implemented and Legislation promulgation	Provincial Language Policy implemented and Legislation promulgation	Provincial Language Policy and Legislation implemented	Provincial Language Policy and Legislation implemented
<b>2.4 GAUTENG FILM COMMISSION</b>			
<b>Provincial Performance Measures Indicators</b>			
Number of projects implemented aimed at supporting the distribution of local filmed content	8	8	8
Number of productions facilitated by GFC (permits, locations, assistance with facilities, crew, hospitality etc.)	176 productions facilitated by GFC	176 productions facilitated by GFC	176 productions facilitated by GFC
Number of training initiatives supported	6	6	6
Number of individuals trained and developed within the Gauteng film industry towards "employability" and participation within the sector.	300	396	396

**PROGRAMME 3: LIBRARY, INFORMATION AND ARCHIVAL SERVICES****Programme description**

The aim of the Library, Information and Archival Services programme is to provide effective and efficient functioning of library, information and archival services in the province. This aim is supported by the strategic, operational and legislative framework for the effective and efficient functioning of library, information and archival services. The department supports and assists municipal libraries in providing information resources, services to communities and access to information, through information and communication technology, via targeted fund transfers to municipalities. The aim of archival services is to ensure that systems, knowledge and skills are in place for the deposit of documentation and sound records management, to facilitate seamless access to information. In so doing, the programme contributes to DSACR Strategic Goal 6: "To support and inculcate a culture of reading and life-long learning, and preserve and make accessible the archival records of the province."

The programme has no sub-programmes.

**Programme objectives**

The objectives of the programme are:

- To develop the legal and operational framework for community library and information services, and monitor libraries for compliance with library and information services transformation;
- To recapitalise municipal libraries, in order to enable Gauteng citizens to gain access to knowledge and information that will improve their socio-economic situation (division of revenue act grant);

## Vote 12 - Sport, Arts, Culture and Recreation • EPRE - 2014/15

- To facilitate and monitor library accessibility, programmes implemented and people participating in these programmes;
- To empower employees of the department, by providing them access to and assistance with information and knowledge, to increase efficiency in the workplace; and
- To ensure compliance with the national archives act and record services act.

**TABLE 12.11: SUMMARY OF PAYMENTS AND ESTIMATES: LIBRARY AND ARCHIVES SERVICES**

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1.Management	933	954	947	1 301	1 301	1 301	1 284	1 443	1 519
2.Library Services	62 452	64 727	66 601	86 312	85 564	86 065	156 847	191 318	205 293
3.Archives	270	652	468	1 731	21 731	21 230	133 762	163 880	1 980
<b>Total payments and estimates</b>	<b>63 655</b>	<b>66 333</b>	<b>68 016</b>	<b>89 344</b>	<b>108 596</b>	<b>108 596</b>	<b>291 893</b>	<b>356 641</b>	<b>208 792</b>

**TABLE 12.12: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: LIBRARY AND ARCHIVES SERVICES**

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>5 113</b>	<b>6 649</b>	<b>7 934</b>	<b>10 133</b>	<b>8 327</b>	<b>8 327</b>	<b>20 171</b>	<b>25 210</b>	<b>27 723</b>
Compensation of employees	2 641	2 566	2 826	5 974	4 530	4 530	15 646	12 373	9 901
Goods and services	2 472	4 083	5 108	4 159	3 797	3 797	4 525	12 837	17 822
Interest and rent on land									
<b>Transfers and subsidies</b>	<b>58 542</b>	<b>59 617</b>	<b>37 287</b>	<b>38 088</b>	<b>37 562</b>	<b>37 562</b>	<b>55 398</b>	<b>72 311</b>	<b>78 801</b>
Provinces and municipalities	58 429	59 563	37 287	38 088	37 488	37 488	55 228	72 311	78 801
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households	113	54			74	74	170		
<b>Payments for capital assets</b>		<b>53</b>	<b>22 795</b>	<b>41 123</b>	<b>62 707</b>	<b>62 707</b>	<b>216 324</b>	<b>259 120</b>	<b>102 268</b>
Buildings and other fixed structures			22 789	41 100	61 100	61 100	215 000	258 792	101 922
Machinery and equipment		53	6	23	1 607	1 607	1 324	328	346
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>		<b>14</b>							
<b>Total economic classification</b>	<b>63 655</b>	<b>66 333</b>	<b>68 016</b>	<b>89 344</b>	<b>108 596</b>	<b>108 596</b>	<b>291 893</b>	<b>356 641</b>	<b>208 792</b>

Expenditure increases marginally from R63.6 million in 2010/11 to R66.3 million in the 2011/12 financial year. This is due to the increase in transfers to municipalities, in order to ensure financial support to local government, to capacitate community libraries. In 2012/13 the expenditure increased by 3 per cent from R66.3 million for 2011/12, to R68 million for 2012/13. The increase is mainly due to the allocation of R23 million the building of new libraries. The department's expenditure increased significantly by 31 per cent from R68 million in 2012/13 to R89.3 million in the 2013/14 (main budget) as a result of an additional R20 million that was received for community libraries. The construction of 6 new libraries is to enhance citizen access to knowledge and information that will improve their socio-economic situation.

During the 2013/14 adjustment budget process, buildings and other fixed structures increased from a main allocation of R41.1 million to R61.1 million. This increase was for the planning phase of the construction for the Provincial Archive Centre.

For the 2014 MTEF period the allocation increases by R202 million from the main budget of R89.3 million in 2013/14 to R291.8 million in 2014/15. This increase is attributable to the additional allocation of R132 million for the construction of Provincial Archive Centre. The estimated expenditure increased with an average of 45 per cent due to the significant increases in the Library Recapitalisation Grant from the main allocation of R38 million to R55.2 million in 2014/15 to ensure that library and information services are delivered in communities.

The construction process of the six new libraries in the 2013/14 is enhanced through the department's plan to ensure that the library services are provided to all citizens of the province. This will be done through the building of eight additional libraries in the 2014/15 financial year and attributes to the total allocation of R215 million and R258.7 million for 2014/15 respectively. The decrease to R101.9 million or 155 per cent in the outer year is due to the Provincial Archive Centre allocation being a once off for the first two years of the 2014 MTEF.

## SERVICE DELIVERY MEASURES

### PROGRAMME 3: LIBRARY, INFORMATION AND ARCHIVAL SERVICES

Performance Measures	Estimate Annual Targets		
	2014/2015	2015/2016	2016/2017
<b>3.1. LIBRARY SERVICES</b>			
<b>National Performance Measure Indicators</b>			
Number of monitoring visits done	124	124	84
<b>Provincial Performance Measure Indicators</b>			
Number of new library facilities built	8	2	2
LIS Legislative Framework developed and approved	LIS Legislation promulgated	LIS Legislation implemented	LIS Legislation implemented
Signing of 20 service level agreements for transfer of funds with all compliant municipalities	Sign 20 service level agreements for transfer of funds with compliant municipalities	Sign 21 service level agreements for transfer of funds with compliant municipalities	Conclude 14 service level agreements for transfer of funds with compliant municipalities
Number of reading programmes implemented	3	3	3
<b>3.2. ARCHIVES</b>			
<b>National Performance Measures Indicators</b>			
Number of records management documents received, evaluated and approved	8 records management documents received, evaluated and approved	8 records management documents received, evaluated and approved	8 records management documents received, evaluated and approved
Number of records managers trained	20	20	20
Number of governmental bodies inspected	10	10	10
Number of awareness and promotional projects rolled out in communities	2	2	2
<b>Provincial Performance Measure Indicators</b>			
Archival Legislation Promulgated and implemented	Legislation promulgated	Legislation implemented	Legislation implemented

### PROGRAMME 4: SPORT AND RECREATION

#### Programme description

The aim of the Sport and Recreation programme is to promote sport and recreation and school sport, facilitate talent identification, promote sport development and high performance and to make Gauteng the home of champions. In so doing, the programme contributes towards nation building, social cohesion, economic growth and the creation of job opportunities, as well as promoting sustainable livelihoods for sportsmen and sportswomen. It is also responsible for ensuring the effective and efficient co-ordination of preparations for hosting major events in the Gauteng Province, and other special projects.

The programme contributes to the following SACR Strategic Goals:

- To enhance the implementation of integrated and sustainable sport, arts, culture and recreation programmes; supporting the development of healthy, safe and secure communities;
- To identify, preserve and develop heritage resources, to promote the commemoration of national days and to promote national symbols for the benefit of Gauteng communities;
- To develop and nurture sport and artistic talent for competitive sport and major arts and culture events;
- To create an enabling environment which contributes to sustainable livelihoods for artists, crafters and sports people; and
- To maximise the opportunity to attract major sport, arts, and culture events to be staged in and for the benefit of Gauteng.

The programme consists of the Mass Participation sub-programme, the School Sport sub-programme, the Sport Development and Co-ordination sub-programme and the Competitive Sport sub-programme.

#### Programme objectives

- Integrated implementation of the Department's Schools Sports and Arts Programmes;
- Provide the necessary opportunities for learners to participate in regional, provincial, national and international competitive sport;
- Implement Sports and Recreation programmes in partnership with DCS targeted at social crime prevention
- Enable communities to have reasonable access to integrated sports, arts, culture and library programmes through community-based hub service points across the eleven local municipal areas;

## Vote 12 - Sport, Arts, Culture and Recreation • EPRE - 2014/15

- Create an enabling environment for young sportsmen and women by providing opportunities for talent spotting and the development of talent from the entry level through to high performance or professional level, through strategic partnerships with tertiary institutions, sport federations, international and other stakeholders;
- Support and capacitate organisations, companies and individuals involved in the sport and recreation sector by assisting them to access financial and other forms of business support in order to increase opportunities for themselves; and
- Create an enabling environment for bidding and hosting major sport events in support of sports tourism as an economic driver, through the development and implementation of a Global City Region (GCR) Bidding and Hosting Strategy, Public Viewing Area Framework, Public-Private Partnership Framework and the upgrading of existing, or building of new, high performance infrastructure.

**TABLE 12.13: SUMMARY OF PAYMENTS AND ESTIMATES: SPORT AND RECREATION**

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
1. Management	4 006	3 981	4 994	5 911	5 911	5 911	5 976	6 546	6 893
2. Sport	53 767	74 536	100 388	75 776	78 564	78 564	86 626	70 969	72 901
3. Recreation	52 711	48 717	49 308	39 369	64 843	69 055	82 178	90 570	85 854
4. School Sport	23 064	24 348	37 502	39 428	39 428	40 324	42 093	44 307	53 004
5. 2010 FIFA world cup	4 196								
<b>Total payments and estimates</b>	<b>137 744</b>	<b>151 582</b>	<b>192 192</b>	<b>160 484</b>	<b>188 746</b>	<b>193 854</b>	<b>216 874</b>	<b>212 392</b>	<b>218 652</b>

**TABLE 12.14: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: SPORT AND RECREATION**

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
<b>Current payments</b>	<b>130 203</b>	<b>137 059</b>	<b>187 121</b>	<b>141 805</b>	<b>156 513</b>	<b>161 051</b>	<b>177 087</b>	<b>191 990</b>	<b>197 028</b>
Compensation of employees	55 169	53 886	45 407	45 249	57 299	62 599	77 983	79 668	87 340
Goods and services	75 034	83 082	141 714	96 556	99 214	98 452	99 104	112 322	109 688
Interest and rent on land		91							
<b>Transfers and subsidies to</b>	<b>7 084</b>	<b>13 702</b>	<b>4 225</b>	<b>3 381</b>	<b>16 536</b>	<b>16 536</b>	<b>17 655</b>	<b>18 211</b>	<b>19 308</b>
Provinces and municipalities	1 600								
Departmental agencies and accounts									
Higher education institutions	400	900	437						
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions	5 040	12 784	3 692	3 381	16 536	16 536	17 655	18 211	19 308
Households	44	18	96						
<b>Payments for capital assets</b>	<b>425</b>	<b>784</b>	<b>832</b>	<b>15 298</b>	<b>15 697</b>	<b>16 267</b>	<b>22 132</b>	<b>2 191</b>	<b>2 316</b>
Buildings and other fixed structures	110			15 000	15 000	15 000	20 000		
Machinery and equipment	315	784	832	298	697	1 267	2 132	2 191	2 316
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>	<b>32</b>	<b>37</b>	<b>14</b>						
<b>Total economic classification</b>	<b>137 744</b>	<b>151 582</b>	<b>192 192</b>	<b>160 484</b>	<b>188 746</b>	<b>193 854</b>	<b>216 874</b>	<b>212 392</b>	<b>218 652</b>

The expenditure increased from R137.7 million for 2010/11 to R151.5 million in the 2011/12 financial year. This is mainly attributed to the 154 per cent increase in transfers to non-profit institutions to increase support for the Sports Federations, to implement school sport projects. In 2012/13 the expenditure increased by 26 per cent from R151.5 million for 2011/12 to R192.1 million. This is due to the increase in goods and services for funds that were earmarked specifically for sport events in 2012/13, for example the SA Open Championship.

Compensation of employee's expenditure decreased from R53.8 million for 2011/12 to R45.4 million in 2012/13. This is as a result of the organisational structure not yet being approved by the DPSA. For the 2013/14 financial year the department received R10 million for renovations on the Bob van Reneen stadium and R5 million for upgrading sporting facilities in various townships, hence the significant increase in buildings and other fixed structures items.



Compensation of employees increased by R33 million from R45.2 million main allocations in 2013/14 to R77.9 million in 2014/15, which is due to the alignment of the personnel costs to Programme 4: Sport and Recreation where the budget is allocated. Also as a result of the additional funding for the EPWP grants which main focus is to enhance job creation.

The allocation increased from R160.4 million main budget in 2013/14 to R216.8 million in 2014/15. This is largely due to an additional allocation of R20 million the department received for the upgrading of the Bob van Rensen stadium in Krugersdorp. The increase to R216.8 in 2014/15 is also contributed to by the increase of the Mass Sport and Recreation Participation Grant to ensure growing importance of social crime prevention, safety and living a healthy lifestyle. Another contributing factor is the additional allocation of the Social Sector EPWP Incentive Grant to R2.5 million and an amount of R2 million allocated for the EPWP Integrated Grant for Provinces specific to the 2014/15 financial year.

## SERVICE DELIVERY MEASURES

### PROGRAMME 4: SPORT AND RECREATION

Performance measures	Estimated Annual Targets		
	2014/2015	2015/2016	2016/2017
<b>4.1 SPORTS</b>			
<b>National Performance Measure Indicators</b>			
Number of jobs created	30	30	30
Number of affiliated clubs supported	160	160	180
Number of Sport Academies supported	2	3	5
Number of elite athletes and sport officials supported through the provincial academy system	200	400	400
Number of formal talent identification programmes supported	4 formal talent identification programmes supported	4 formal talent identification programmes supported	4 formal talent identification programmes supported
Number of talented athletes supported within a structured development programme by sport federations	2000 talented athletes supported within a structured development programme	2500 talented athletes supported within a structured development programme	3000 talented athletes supported within a structured development programme
Functional Provincial and local Sports Councils supported	Support the provincial and local sport councils	Support the provincial sport councils	Support the provincial sport councils
Number of affiliated provincial sports federations supported	15	15	15
<b>Provincial Performance Measure Indicators</b>			
Water Safety Programmes implemented	Water Safety Programme implemented in 5 Regions	Water Safety Programme implemented in 5 Regions	Water Safety Programme implemented in 5 Regions
Provincial Sports Village established	Provincial sport village Phase 2 continued	Provincial Sport Village Phase 2 commences	Provincial sport village -Implementation commences
Gauteng Sports Awards held	1	1	1
<b>4.2 RECREATION</b>			
<b>National Performance Measure Indicators</b>			
Number of sustainable active recreation events organised and implemented.	10	10	10
Number of people actively participating in organized active recreation events	1 003 000	1 006 000	1 006 000
<b>Provincial Performance Measure Indicators</b>			
Minister's Outreach Programme facilitated and coordinated	1 Minister's Outreach programme facilitated and coordinated	1 Minister's Outreach programme facilitated and coordinated	1 Minister's Outreach programme facilitated and coordinated
Number of youth camps held	1	1	1
Number of Hubs provided with equipment and attire	27	27	27
<b>4.3 SCHOOL SPORTS</b>			
<b>National Performance Measure Indicators</b>			
Number of educators and sport volunteers trained to deliver school sport programmes	600	600	600
Gauteng School Sport games hosted	Gauteng School Sport games hosted	Gauteng School Sport games hosted	Gauteng School Sport games hosted
Number of GDE schools supported with equipment and attire	100	120	150
<b>Provincial Performance Measure Indicators</b>			
Number of LSEN Programmes supported	2	2	2
Number of sport focussed schools supported	5	5	5
Number of Lead Schools supported in two codes (athletics and netball)	60	60	60



## 9. OTHER PROGRAMME INFORMATION

### 9.1. Personnel numbers and costs

TABLE 12.15: PERSONNEL NUMBERS AND COSTS: DEPARTMENT SPORT, ARTS, CULTURE AND RECREATION

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
1.Administration	234	148	130	158	171	176	176
2.Cultural Affairs	35	32	32	53	84	89	74
3.Library and Archives Services	21	21	9	19	155	49	49
4.Sport and Recreation	422	444	396	466	329	218	223
<b>Total departmental personnel numbers</b>	<b>712</b>	<b>645</b>	<b>567</b>	<b>696</b>	<b>739</b>	<b>532</b>	<b>522</b>
Total provincial personnel cost (R thousand)	106 122	111 667	109 238	148 283	176 109	179 441	189 375
Unit cost (R thousand)	149	173	157	262	238	337	363

\*\* The history figures for the personnel numbers have been restated with the inclusion of contract workers as per SCOA.

TABLE 12.16: SUMMARY OF DEPARTMENTAL PERSONNEL NUMBERS AND COSTS

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Total for department</b>									
Personnel numbers (head count)	712	645	567	696	739	532	739	532	522
Personnel cost (R thousands)	106 122	111 667	109 238	168 403	148 283	148 283	176 109	179 441	189 375
Human resources component									
Personnel numbers (head count)	11	15	20	27	27	27	34	34	34
Personnel cost (R thousands)	4 000	5 000	6 000	7 743	7 743	7 743	9 289	9 847	10 437
Head count as % of total for department	2%	2%	4%	4%	4%	5%	5%	6%	7%
Personnel cost as % of total for department	4%	4%	5%	5%	5%	5%	5%	5%	6%
<b>Finance component</b>									
Personnel numbers (head count)	15	25	25	50	50	50	50	50	50
Personnel cost (R thousands)	3 216	5 360	7 504	10 721	10 721	10 721	11 364	12 046	12 769
Head count as % of total for department	2%	4%	4%	7%	7%	9%	7%	9%	10%
Personnel cost as % of total for department	3%	5%	7%	6%	7%	7%	6%	7%	7%
<b>Full time workers</b>									
Personnel numbers (head count)	712	645	567	696	739	532	739	532	522
Personnel cost (R thousands)	106 122	111 667	109 238	168 403	148 283	148 283	176 109	179 441	189 375
Head count as % of total for department	100%	100%	100%	100%	100%	100%	100%	100%	100%
Personnel cost as % of total for department	100%	100%	100%	100%	100%	100%	100%	100%	100%
Part-time workers									
Personnel numbers (head count)									
Personnel cost (R thousands)									
Head count as % of total for department									
Personnel cost as % of total for department									
<b>Contract workers</b>									
Personnel numbers (head count)	200	200	200	267			290	67	40
Personnel cost (R thousands)	8 550	9 000	9 986	9 492			13 934	7 219	8 145
Head count as % of total for department	28%	31%	35%	38%			39%	13%	8%
Personnel cost as % of total for department	8%	8%	9%	6%			8%	4%	4%

The department shows a steady increase in compensation of employees due to ongoing capacitation of the department to ensure that it caters for the growing mandate of the Gauteng Region. The department plans to fill mostly critical vacancies in 2014/15 and the outer years. The modest increase takes into consideration

the reconfiguration of the department in preparation for its new structure. There is an ongoing clean-up of the department's structure to ensure good governance and compliance to relevant legislation.

The headcount under Programme 1 in general shows an increase in 2014/15 financial year and in the outer years. The increase will be due to reallocation of posts which were captured for payment under incorrect Directorates. The headcount in programme 2/3/ 4 shows changes significantly due to the recent reallocation of duties between all core programs.

The personnel figures show a dramatic decrease in 2015/16 and 2016/17 in terms of the headcount. The decrease is attributed to the reduction in the numbers of contract workers who were being paid from the EPWP grants. The EPWP grants are stipends and therefore large numbers are employed at minimal stipend. The remaining contractors are paid through conditional grants. These are normal contractors who are paid proper wages and salaries from Level 7 up to a Deputy Director Post. It is noted that the contractors are a critical part of the department's delivery model and lack of funding in the outer years will impact service delivery.

The recruitment of administration posts will be kept to a minimum without compromising the quality of support to the department. The department is making a conscious effort to curb administration costs and as such administration personnel numbers will be for critical posts only in line with DPSA's thinking. Recruitment will be aimed at ensuring that the department continues to deliver on its core programs.

## 9.2. Training

TABLE 12.17: PAYMENTS ON TRAINING: DEPARTMENT SPORT, ARTS, CULTURE AND RECREATION

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>1.Administration</b>	<b>607</b>	<b>498</b>	<b>997</b>	<b>1 045</b>	<b>1 045</b>	<b>1 045</b>	<b>1 101</b>	<b>1 101</b>	<b>1 500</b>
Subsistence and travel									
Payments on tuition	607	498	997	1 045	1 045	1 045	1 101	1 101	1 500
<b>2.Cultural Affairs</b>	<b>13</b>	<b>130</b>	<b>230</b>	<b>230</b>	<b>230</b>	<b>243</b>	<b>256</b>	<b>256</b>	<b>280</b>
Subsistence and travel									
Payments on tuition	13	130	230	230	230	243	256	256	280
<b>3.Library and Archives Services</b>	<b>102</b>	<b>62</b>	<b>45</b>	<b>45</b>	<b>45</b>	<b>47</b>	<b>50</b>	<b>50</b>	<b>50</b>
Subsistence and travel									
Payments on tuition	102	62	45	45	45	47	50	50	50
<b>4.Sport and Recreation</b>	<b>50</b>	<b>115</b>	<b>287</b>	<b>287</b>	<b>287</b>	<b>296</b>	<b>312</b>	<b>312</b>	<b>330</b>
Subsistence and travel									
Payments on tuition	50	115	287	287	287	296	312	312	330
<b>Total payments on training</b>	<b>772</b>	<b>805</b>	<b>1 559</b>	<b>1 607</b>	<b>1 607</b>	<b>1 631</b>	<b>1 719</b>	<b>1 719</b>	<b>2 160</b>

Payments for training are classified under one budget line item i.e. payments for tuition due to bursaries awarded to staff members.

Expenditure on training increased substantially from R805 000 for 2011/12 to R1.5 million in 2012/13. This is due to the Workplace Skills Plan that was approved and implemented by the department. The approved plan was submitted to the Public Service Sector Education and Training Authority (PSETA) in June 2012.

The appointment of a large number of interns who were placed in various directorates within the department during the 2012/13 financial year also contributed to this high increase.

The training budget for the 2014/15 financial year increase by 7 per cent from R1.6 million in 2013/14 to R1.7 million in 2014/15.

The aim is to develop the department into a more professional organisation with high standards and objectives. This will be achieved through the development of skills and competencies of employees and management, which in return will result in a high performance culture.

The 2014 MTEF training budget increases by an average of 11 per cent over the three year period, in order to enhance support for staff development. Skills programmes and other short courses have been identified, in response to the business requirements of the organisation, and the Training Needs Assessment which was informed by staff personal development plans. This will be implemented through study assistance and financial support.

## Vote 12 - Sport, Arts, Culture and Recreation • EPRE - 2014/15

TABLE 12.18: INFORMATION ON TRAINING: DEPARTMENT SPORT, ARTS, CULTURE AND RECREATION

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Number of staff	712	645	567	449	449	696	739	532	522
Number of personnel trained	87	310	310	310	310	310	310	310	350
of which									
Male	36	130	130	130	130	130	130	130	150
Female	51	180	180	180	180	180	180	180	200
Number of training opportunities	87	82	82	82	82	82	82	82	78
of which									
Tertiary		45	45	45	45	45	45	45	40
Workshops	87	30	30	30	30	30	30	30	30
Seminars		2	2	2	2	2	2	2	5
Other		5	5	5	5	5	5	5	3
Number of bursaries offered	78	75	75	58	25	25	39	40	40
Number of interns appointed	41	50	50	50	50	50	50	50	55
Number of learnerships appointed		100	100	100	100	100	100	100	30
Number of days spent on training		100	100	100	100	100	100	100	100

The department continues to build capacity and improve the efficiency and effectiveness of staff members by encouraging participation in skills development programmes, management development programmes and bursary opportunities.

In line with the priority of government to build the capacity of the state and to operate as a developmental state, the department continues to provide internship, learnership and bursary opportunities to young people in the province.

It is to be noted that the bursaries awarded in the 2013/14 financial year had reduced considerably compared to the previous financial year due to the number of bursary applicants that met bursary requirements and qualified for approval. However there is an increase in the 2014/15 financial year.

### 9.3 Reconciliation of structural changes

There are no structural changes

## 10. CROSS CUTTING ISSUES

TABLE 12.19: CROSS-CUTTING ISSUES: SPORT, ARTS, CULTURE AND RECREATION

Cross Cutting Issue	Programme and sub-programme	Indicator / Measure	Output	Outcome		MTEF BUDGET			
					2013/14	2014/15	2015/16	2016/17	
Women	PROGRAMME 2: CULTURAL AFFAIRS								
	Arts and Culture	Number of women participating in the Pale Ya Rona Carnival	Increased number of women participating in the Pale Ya Rona Carnival	Job opportunities created	12 644	13 276	14 019	14 804	
	Arts and Culture	Number of women participating in Cultural Programme	Increased number of women participating in Cultural Programme	Promote social cohesion and national building	3 975	4 173	4 406	4 652	
	Arts and Culture	Number of women participating in Puisano Live Jazz Performances	Increased number of women participating in Puisano Live Jazz Performances	Exposure and job opportunities for jazz artists	1 500	1 590	1 679	1 773	
	PROGRAMME 4 : SPORT & RECREATION								
	Sport	Number of women participating in Club Development Programme	Increased number of women participating in Club Development Programme	Academies supported	1 500	1 500	1 584	1 672	
	Sport	Number of women participating in Capacity Building Programme	Increased number of women participating in Capacity Building Programme	Enabling environment created for growth in the Sport Sector	1 000	1 000	1 056	1 115	

Cross Cutting Issue	Programme and sub-programme	Indicator/ Measure	Output	Outcome	MTEF BUDGET			
					2013/14	2014/15	2015/16	2016/17
	Sport	Number of women participating in Learn to Swim Programme	Increased number of women participating in Learn to Swim Programme	Reduced number of women drowning in the province	1 400	1 470	1 552	1 638
	Recreation	Number of women participating in Mass Participation Programme	Increased number of women participating in Mass Participation Programme	Healthy lifestyles, Safe and secure communities created	3 580	3 795	4 007	4 231
	Sport	Number of women participating in Adventure Camps	Decreased number of women at risk with the law	Well integrated families and communities	2 149	2 278	2 405	2 539
	School Sport	Netball Festival hosted	Increased number of women participating in School Sport Programme	Healthy lifestyles, Safe and secure communities created	500	500	528	557
<b>PROGRAMME 2: CULTURAL AFFAIRS</b>								
Youth	Arts & Culture	Number of youth participating in Cultural Programme	Increased number of youth participating in Cultural Programme	Promote social cohesion and national building	3 790	3 979	4 436	4 684
	Arts & Culture	Number of Job opportunities created for youth carnival artists trained in costume production	Increased number of Job opportunities created for youth carnival artists trained in costume production	Job opportunities for carnival artists created	6 000	6 300	6 653	7 025
	Arts & Culture	Number of youth participating in Puisano Live Performances	Increased number of youth participating in Puisano Live Performances	Exposure and job opportunities for jazz artists	1 590	1 669	1 762	1 860
<b>PROGRAMME 4 : SPORT &amp; RECREATION</b>								
	Sport	Number of youth participating in Club Development Programme	Increased number of youth participating in Club Development Programme	Academies supported	17 000	17 850	18 845	19 900
	Sport	Number of youth participating in Learn to Swim Programme	Increased number of youth participating in Learn to Swim Programme	Reduced number of youth drowning in the province	1 400	1 470	1 552	1 557
	Recreation	Number of youth participating in Mass Participation Programme	Increased number of youth in Mass Participation Programme	Healthy lifestyles, safe and secure communities created	5 129	5 385	5 686	6 004
	School Sport	Number of youth participating in Capacity Building	Increased number of youth in Capacity Building	Enabling environment created for growth	5 462	5 735	6 056	6 395
	School Sport	Number of youth participating in Adventure Camps	Decreased number of youth at risk with the law	Well integrated families and communities	3 000	3 150	3 326	3 512
	School Sport	Number of LSEN Schools supported	Increased number of schools targeted	Healthy lifestyles, safe and secure communities created	500	525	554	585
<b>PROGRAMME 2: CULTURAL AFFAIRS</b>								
People with Disabilities	Arts and Culture	Number of people with disabilities participating in Cultural Programme	Increased number of youth participating in Cultural Programme	Promote social cohesion and national building	3 828	4 057	4 284	4 523
	<b>PROGRAMME 4 : SPORT &amp; RECREATION</b>							
	Sport	Number of people with disabilities participating in Learn to Swim Programme	Increased number of people with disabilities participating in Learn to Swim Programme	Reduced number of people with disabilities drowning in the province	1 400	1 470	1 552	1 638
	Recreation	Number of people with disabilities participating in Disability Games	Increased number of people with disabilities participating in Disability Games	Improved healthy lifestyle in communities	500	500	528	557
	Recreation	Number of people with disabilities participating in Mass Participation Programme	Increased number of youth in Mass Participation Programme	Healthy lifestyles, safe and secure communities created	5 129	5 385	5 686	6 004

# ANNEXURES TO THE ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE

TABLE 12.20: SPECIFICATION OF RECEIPTS: DEPARTMENT SPORT, ARTS, CULTURE AND RECREATION

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Tax receipts</b>									
Casino taxes									
Horse racing taxes									
Liquor licences									
Motor vehicle licences									
<b>Sales of goods and services other than capital assets</b>	<b>98</b>	<b>91</b>	<b>94</b>	<b>106</b>	<b>140</b>	<b>140</b>	<b>141</b>	<b>145</b>	<b>150</b>
Sale of goods and services produced by department (excluding capital assets)	<b>98</b>	<b>91</b>	<b>94</b>	<b>106</b>	<b>140</b>	<b>140</b>	<b>141</b>	<b>145</b>	<b>150</b>
Sales by market establishments	57	47	42	64	98	98	98	100	103
Administrative fees	41	44	52	42	42	42	43	45	47
Other sales									
Sales of scrap, waste, arms and other used current goods (excluding capital assets)									
<b>Transfers received from:</b>			<b>1</b>						
Other governmental units									
Public corporations and private enterprises									
Households and non-profit institutions			1						
<b>Fines, penalties and forfeits</b>									
<b>Interest, dividends and rent on land</b>	<b>14</b>	<b>31</b>	<b>3</b>	<b>40</b>	<b>10</b>	<b>10</b>	<b>11</b>	<b>12</b>	<b>13</b>
Interest	14	31	3	40	10	10	11	12	13
Dividends									
Rent on land									
<b>Sales of capital assets</b>		<b>60</b>							
Land and sub-soil assets									
Other capital assets		60							
<b>Transactions in financial assets and liabilities</b>	<b>508</b>	<b>113</b>	<b>86</b>	<b>237</b>	<b>56</b>	<b>56</b>	<b>56</b>	<b>60</b>	<b>65</b>
<b>Total departmental receipts</b>	<b>620</b>	<b>295</b>	<b>184</b>	<b>383</b>	<b>206</b>	<b>206</b>	<b>208</b>	<b>217</b>	<b>228</b>

TABLE 12.21: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>78 645</b>	<b>93 605</b>	<b>79 557</b>	<b>129 868</b>	<b>117 553</b>	<b>117 545</b>	<b>107 122</b>	<b>110 351</b>	<b>113 678</b>
Compensation of employees	39 586	45 051	50 392	86 125	62 154	62 154	62 239	65 960	69 663
Salaries and wages	35 070	40 095	50 392	76 590	55 621	55 363	55 394	56 425	59 997
Social contributions	4 516	4 956		9 535	6 533	6 791	6 845	9 535	9 666
Goods and services	39 041	48 336	29 165	43 743	55 399	55 391	44 883	44 391	44 015
Administrative fees	22	103	41	183	106	106	78	205	236
Advertising	1 972	4 677	1 766	1 477	1 864	1 864	1 119	1 365	1 437
Assets less than the capitalisation threshold	71	70	50	460	13 460	13 460	754	509	536
Audit cost: External	2 583	2 515	2 184	2 640	2 640	2 640	2 350	2 712	2 856
Bursaries: Employees	247	7	290	369	369	369	540	407	429
Catering: Departmental activities	932	1 857	273	342	342	426	1 525	381	401
Communication (G&S)	1 907	2 801	2 739	2 373	2 346	2 365	2 623	2 607	2 745
Computer services	1 291	1 703	1 294	1 690	1 690	1 690	1 280	1 863	1 962
Consultants and professional services: Business and advisory services	621	461	381	3 639	803	803	1 480	3 781	2 659

# Vote 12 - Sport, Arts, Culture and Recreation • EPRE - 2014/15

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Consultants and professional services: Legal costs	5	204	628	3 320	3 320	3 320	1 200	3 705	3 236
Contractors	4 596	5 244	105	3 999	2 714	2 499	1 440	4 384	4 616
Agency and support / outsourced services	9 643	9 891	6 447	7 345	9 638	9 508	7 940	3 516	3 934
Entertainment	7	16		20	20	20	30	26	27
Fleet services (including government motor transport)	5 546	1 360		2 213	2 162	2 162	4 219	4 219	4 443
Housing									
Inventory: Clothing material and accessories									
Inventory: Farming supplies									
Inventory: Food and food supplies			222	348	348	348	367	384	
Inventory: Fuel, oil and gas									
Inventory: Learner and teacher support material		48		2	2	2		2	2
Inventory: Materials and supplies	34	33	286	5	42	50	3	5	5
Inventory: Medical supplies		1		21	21	21	4	23	24
Inventory: Medicine									
Medsos inventory interface									
Inventory: Other supplies						4			
Consumable supplies	141	201	10	4	22	20	518	4	409
Consumable: Stationery, printing and office supplies	1 140	1 946	1 646	2 609	1 596	1 596	2 412	2 677	2 819
Operating leases	1 094	1 308	1 215	1 514	137	137	1 500	1 118	1 177
Property payments	2 489	3 491	2 811	4 138	3 923	3 923	1 500	2 490	3 412
Transport provided: Departmental activity	2 281	3 044	295		200	334	150		
Travel and subsistence	748	1 644	3 094	2 392	3 197	3 584	6 574	3 807	2 988
Training and development	607	498	824	1 065	1 253	1 261	2 728	1 151	1 212
Operating payments	19	31	760	5	1 008	902	685	793	45
Venues and facilities	1 045	5 182	1 804	1 570	2 176	1 977	1 864	2 257	2 405
Rental and hiring									
Interest and rent on land	18	218							
Interest	18	218							
Rent on land									
<b>Transfers and subsidies</b>	<b>162</b>	<b>13</b>	<b>200</b>	<b>100</b>	<b>151</b>	<b>159</b>	<b>130</b>	<b>136</b>	<b>143</b>
Provinces and municipalities									
Municipalities									
Municipal bank accounts									
Municipal agencies and funds									
Departmental agencies and accounts									
Social security funds									
Departmental agencies (non-business entities)									
Households	162	13	200	100	151	159	130	136	143
Social benefits	80	12							
Other transfers to households	82	1	200	100	151	159	130	136	143
<b>Payments for capital assets</b>	<b>717</b>	<b>2 224</b>	<b>7 085</b>	<b>2 806</b>	<b>4 099</b>	<b>4 099</b>	<b>2 850</b>	<b>1 980</b>	<b>2 087</b>
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	660	2 224	7 085	2 806	4 099	4 099	2 850	1 980	2 087
Transport equipment									
Other machinery and equipment	660	2 224	7 085	2 806	4 099	4 099	2 850	1 980	2 087
Software and other intangible assets	57								
<b>Payments for financial assets</b>	<b>601</b>	<b>10</b>	<b>2</b>						
Thefts and losses	601	10	2						
<b>Total economic classification</b>	<b>80 125</b>	<b>95 852</b>	<b>86 844</b>	<b>132 774</b>	<b>121 803</b>	<b>121 803</b>	<b>110 102</b>	<b>112 467</b>	<b>115 908</b>

TABLE 12.22: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: CULTURAL AFFAIRS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2015/16
<b>Current payments</b>	<b>29 848</b>	<b>39 731</b>	<b>47 174</b>	<b>75 009</b>	<b>65 266</b>	<b>60 158</b>	<b>63 792</b>	<b>64 787</b>	<b>65 698</b>
Compensation of employees	8 726	10 164	10 613	31 055	24 300	19 000	20 241	21 440	22 471
Salaries and wages	7 749	9 046	10 613	27 680	22 032	16 830	16 981	16 894	17 712
Social contributions	977	1 118		3 375	2 268	2 170	3 260	4 546	4 759
Goods and services	21 122	29 567	36 561	43 954	40 966	41 158	43 551	43 347	43 227
Administrative fees	112		5			135	10		
Advertising	1 152	2 180	3 878	4 764	4 764	2 976	3 898	5 253	5 532
Assets less than the capitalisation threshold	22	35	2	50	50	22	170	53	55
Audit cost: External									
Bursaries: Employees									
Catering: Departmental activities	479	3 759	2 832	2 759	2 759	3 488	2 105	2 833	2 983
Communication (G&S)	319	372	233	411	411	181	389	437	460
Computer services									
Consultants and professional services: Business and advisory services	418	576	538			686	297		
Consultants and professional services: Legal costs			108	528	528		286	583	614
Contractors	8 571	5 848	8 008	10 407	7 419	11 112	10 391	7 840	7 204
Agency and support / outsourced services	7 487	10 528	13 812	17 976	17 976	14 271	18 249	17 461	17 019
Entertainment									
Fleet services (including government motor transport)	38	167		477	477		105		
Housing									
Inventory: Clothing material and accessories									
Inventory: Farming supplies									
Inventory: Food and food supplies				11	11		12	13	
Inventory: Other supplies									
Consumable supplies	75	1	4				25		14
Consumable: Stationery, printing and office supplies	25	72	33	540	540	11	798	597	629
Operating leases	24		686						
Property payments	23	55	5			66			
Transport provided: Departmental activity	885	1 317	2 845	2 825	2 825	4 131	2 899	3 104	3 268
Travel and subsistence	376	1 058	896	1 457	1 457	1 659	2 010	2 131	2 244
Training and development	13	130	34	243	243	37	203	265	280
Operating payments	108	11	377	59	59	74	233	1 177	1 240
Venues and facilities	995	3 458	2 265	1 447	1 447	2 309	1 471	1 600	1 685
Rental and hiring									
Interest and rent on land									
Interest									
Rent on land									
<b>Transfers and subsidies</b>	<b>29 897</b>	<b>56 067</b>	<b>39 773</b>	<b>29 533</b>	<b>36 633</b>	<b>36 633</b>	<b>31 506</b>	<b>33 009</b>	<b>42 156</b>
Provinces and municipalities		20 000							
Municipalities		20 000							
Municipal bank accounts		20 000							
Municipal agencies and funds									
Departmental agencies and accounts	17 070	18 747	23 453	17 163	21 563	21 563	24 747	25 993	27 397
Social security funds									
Departmental agencies (non-business entities)	17 070	18 747	23 453	17 163	21 563	21 563	24 747	25 993	27 397
Higher education institutions									
Foreign governments and international organisations									



## Vote 12 - Sport, Arts, Culture and Recreation • EPRE - 2014/15

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2015/16
Public corporations and private enterprises									
Public corporations									
Subsidies on products and production (pc)									
Other transfers to public corporations									
Private enterprises									
Subsidies on products and production (pe)									
Other transfers to private enterprises									
Non-profit institutions	12 827	16 026	15 956	12 370	15 070	15 070	6 759	7 016	14 759
Households		1 294	364						
Social benefits		1 294	364						
Other transfers to households									
<b>Payments for capital assets</b>	<b>101</b>	<b>54</b>	<b>26</b>	<b>50 148</b>	<b>148</b>	<b>148</b>	<b>195</b>	<b>110</b>	<b>114</b>
Buildings and other fixed structures				50 000					
Buildings									
Other fixed structures				50 000					
Machinery and equipment	101	54	26	148	148	148	195	110	114
Transport equipment									
Other machinery and equipment	101	54	26	148	148	148	195	110	114
Software and other intangible assets									
<b>Payments for financial assets</b>		<b>4</b>							
Thefts and losses		4							
<b>Total economic classification</b>	<b>59 846</b>	<b>95 856</b>	<b>86 973</b>	<b>154 690</b>	<b>102 047</b>	<b>96 939</b>	<b>95 493</b>	<b>97 906</b>	<b>107 968</b>

TABLE12.23: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: LIBRARY AND ARCHIVES SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2015/16
<b>Current payments</b>	<b>5 113</b>	<b>6 649</b>	<b>7 934</b>	<b>10 133</b>	<b>8 327</b>	<b>8 327</b>	<b>20 171</b>	<b>25 210</b>	<b>27 723</b>
Compensation of employees	2 641	2 566	2 826	5 974	4 530	4 530	15 646	12 373	9 901
Salaries and wages	2 315	2 284	2 826	5 266	3 822	3 821	15 108	11 025	8 660
Social contributions	326	282		708	708	709	538	1 348	1 241
Goods and services	2 472	4 083	5 108	4 159	3 797	3 797	4 525	12 837	17 822
Administrative fees	90	1	133	57	41	63	199	64	67
Advertising	48	354	387	307	394	419	957	396	418
Assets less than the capitalisation threshold		7	142	290	160	183		374	394
Audit cost: External									
Bursaries: Employees									
Catering: Departmental activities	70	70	98	181	236	265	285	198	209
Communication (G&S)	24	31	32	52	30	30	115	57	60
Computer services			50	406	68	68	460	82	86
Consultants and professional services: Business and advisory services	5								
Contractors								7 104	9 701
Agency and support / outsourced services	360	1 771	1 337	1 703	1 448	1 375	460	1 162	1 287
Entertainment									
Fleet services (including government motor transport)	168	51					50		
Inventory: Fuel, oil and gas									
Inventory: Learner and teacher support material	268	211	45	642	252	252		2 046	4 176
Inventory: Materials and supplies									
Inventory: Medical supplies									

## 2014/15 -EPRE • Vote 12 - Sport, Arts, Culture and Recreation

Outcome				Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
R thousand	2010/11	2011/12	2012/13				2014/15	2015/16	2015/16
Inventory: Medicine									
Medsas inventory interface									
Inventory: Other supplies									
Consumable supplies							5	105	111
Consumable: Stationery, printing and office supplies	29	28	40	48	30	30	215	167	176
Operating leases									
Property payments									
Transport provided: Departmental activity		6			15	15	10		
Travel and subsistence	77	147	82	220	110	117	263	247	257
Training and development	102	62	96	47	20	13	228	52	55
Operating payments	1 231	1 262	2 602	201	810	810	1 058	783	825
Venues and facilities		82	64	5	183	157	140		
Rental and hiring									
Interest and rent on land									
Interest									
Rent on land									
Transfers and subsidies	58 542	59 617	37 287	38 088	37 562	37 562	55 398	72 311	78 801
Provinces and municipalities	58 429	59 563	37 287	38 088	37 488	37 488	55 228	72 311	78 801
Municipalities	58 429	59 563	37 287	38 088	37 488	37 488	55 228	72 311	78 801
Municipal bank accounts	58 429	59 563	37 287	38 088	37 488	37 488	55 228	72 311	78 801
Municipal agencies and funds									
Departmental agencies and accounts									
Social security funds									
Departmental agencies (non-business entities)									
Households	113	54			74	74	170		
Social benefits	113	54							
Other transfers to households					74	74	170		
Payments for capital assets	53	22 795	41 123	62 707	62 707	216 324	259 120	102 268	
Buildings and other fixed structures		22 789	41 100	61 100	61 100	215 000	258 792	101 922	
Buildings		22 789							
Other fixed structures			41 100	61 100	61 100	215 000	258 792	101 922	
Machinery and equipment	53	6	23	1 607	1 607	1 324	328	346	
Transport equipment									
Other machinery and equipment	53	6	23	1 607	1 607	1 324	328	346	
Software and other intangible assets									
Payments for financial assets	14								
Thefts and losses	14								
Total economic classification	63 655	66 333	68 016	89 344	108 596	108 596	291 893	356 641	208 792

TABLE 12.24: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: SPORT AND RECREATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2015/16
<b>Current payments</b>	<b>130 203</b>	<b>137 059</b>	<b>187 121</b>	<b>141 805</b>	<b>156 513</b>	<b>161 051</b>	<b>177 087</b>	<b>191 990</b>	<b>197 028</b>
Compensation of employees	55 169	53 886	45 407	45 249	57 299	62 599	77 983	79 668	87 340
Salaries and wages	49 643	47 959	41 480	41 964	51 195	56 808	67 451	69 165	76 822
Social contributions	5 526	5 927	3 927	3 285	6 104	5 791	10 532	10 503	10 518
Goods and services	75 034	83 082	141 714	96 556	99 214	98 452	99 104	112 322	109 688
Administrative fees	347	414	252	280	238	417	196	727	764
Advertising	8 537	10 543	7 654	1 410	3 590	2 917	2 223	2 335	2 791
Assets less than the capitalisation threshold	74	50	191	211	157	12	907	872	918

# Vote 12 - Sport, Arts, Culture and Recreation • EPRE - 2014/15

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2015/16
Audit cost: External							80	84	88
Bursaries: Employees									
Catering: Departmental activities	10 056	2 880	3 329	5 887	5 008	5 911	9 090	10 544	11 606
Communication (G&S)	1 506	1 601	1 577	1 164	1 420	1 283	995	1 179	1 240
Computer services							20	1	1
Consultants and professional services: Business and advisory services	26			5 688			1		
Consultants and professional services: Infrastructure and planning									
Consultants and professional services: Laboratory services									
Consultants and professional services: Scientific and technological services									
Consultants and professional services: Legal costs	418								
Contractors	19 679	15 623	61 867	25 202	31 269	28 834	27 568	24 255	25 821
Agency and support / outsourced services	10 110	15 324	15 599	21 023	15 611	17 113	16 414	15 055	16 923
Entertainment									
Fleet services (including government motor transport)	1 512	224		200	792	923	326	343	361
Housing									
Inventory: Clothing material and accessories						37			
Inventory: Farming supplies									
Inventory: Food and food supplies	1		8	78	39		56		61
Inventory: Fuel, oil and gas				127	43	43			
Inventory: Learner and teacher support material									
Inventory: Materials and supplies	9 918	18 759		17 561	11 630	11 211	12 496	17 638	14 539
Inventory: Medical supplies	74	99					3	3	3
Inventory: Medicine									
Medsas inventory interface									
Inventory: Other supplies									
Consumable supplies	310	24	14 587	100	103	7	52	116	61
Consumable: Stationery, printing and office supplies	213	207	149	684	1 184	143	426	447	470
Operating leases	515	563	431	530	1 030	83	350	367	386
Property payments	664	512	568	660	2 005	630	784	3 123	2 932
Transport provided: Departmental activity	3 196	4 317	4 060	4 678	6 293	7 459	11 135	12 692	12 441
Travel and subsistence	1 454	5 079	2 898	8 845	3 813	3 088	3 497	8 273	3 986
Training and development	50	115	52	296	440	937	640	463	488
Operating payments	65	263	12 208	32	1 508	1 293	100	105	2 176
Venues and facilities	6 309	6 485	16 284	1 900	13 041	16 111	11 744	13 700	11 632
Rental and hiring									
Interest and rent on land		91							
Interest		91							
Rent on land									
<b>Transfers and subsidies</b>	<b>7 084</b>	<b>13 702</b>	<b>4 225</b>	<b>3 381</b>	<b>16 536</b>	<b>16 536</b>	<b>17 655</b>	<b>18 211</b>	<b>19 308</b>
Provinces and municipalities	1 600								
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities	1 600								
Municipal bank accounts	1 600								
Municipal agencies and funds									
Departmental agencies and accounts									
Social security funds									
Departmental agencies (non-business entities)									

2014/15 -EPRE • **Vote 12 - Sport, Arts, Culture and Recreation**

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2015/16
Higher education institutions	400	900	437						
Foreign governments and international organisations									
Public corporations and private enterprises									
Public corporations									
Subsidies on products and production (pc)									
Other transfers to public corporations									
Private enterprises									
Subsidies on products and production (pe)									
Other transfers to private enterprises									
Non-profit institutions	5 040	12 784	3 692	3 381	16 536	16 536	17 655	18 211	19 308
Households	44	18	96						
Social benefits	12	18	96						
Other transfers to households	32								
<b>Payments for capital assets</b>	<b>425</b>	<b>784</b>	<b>832</b>	<b>15 298</b>	<b>15 697</b>	<b>16 267</b>	<b>22 132</b>	<b>2 191</b>	<b>2 316</b>
Buildings and other fixed structures	110			15 000	15 000	15 000	20 000		
Buildings	110					10 000			
Other fixed structures				15 000	15 000	5 000	20 000		
Machinery and equipment	315	784	832	298	697	1 267	2 132	2 191	2 316
Transport equipment							200	210	218
Other machinery and equipment	315	784	832	298	697	1 267	1 932	1 981	2 098
Software and other intangible assets									
<b>Payments for financial assets</b>	<b>32</b>	<b>37</b>	<b>14</b>						
Thefts and losses	32	37	14						
<b>Total economic classification</b>	<b>137 744</b>	<b>151 582</b>	<b>192 192</b>	<b>160 484</b>	<b>188 746</b>	<b>193 854</b>	<b>216 874</b>	<b>212 392</b>	<b>218 652</b>

**TABLE 12.25: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: COMMUNITY LIBRARY SERVICES GRANT (LIBRARY AND ARCHIVE SERVICES)**

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>1 435</b>	<b>2 770</b>	<b>4 754</b>	<b>2 982</b>	<b>1 215</b>	<b>1 215</b>	<b>3 380</b>	<b>13 255</b>	<b>14 050</b>
Compensation of employees			300		400	400	1 000	1 200	1 400
Salaries and wages			261		356	356	890	1 068	1 246
Social contributions			39		44	44	110	132	154
Goods and services	1 435	2 770	4 454	2 982	815	815	2 380	12 055	12 650
Administrative fees	78		40						
Advertising		223	415	752	205	205	600	3 039	3 189
Assets less than the capitalisation threshold			300						
Audit cost: External									
Bursaries: Employees									
Catering: Departmental activities	8	5	105	188	51	51	150	760	797
Communication (G&S)									
Contractors									
Agency and support / outsourced services	200	1 308	1 627	877	240	240	700	3 546	3 721
Entertainment									
Fleet services (including government motor transport)									
Housing									
Inventory: Learner and teacher support material	263	165							
Inventory: Materials and supplies									
Inventory: Other supplies									

# Vote 12 - Sport, Arts, Culture and Recreation • EPRE - 2014/15

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2015/16
Consumable supplies				38	10	10	30	152	159
Consumable: Stationery, printing and office supplies		1							
Operating leases									
Property payments									
Transport provided: Departmental activity		6							
Travel and subsistence		104	75						
Training and development			30	376	103	103	300	1 520	1 595
Operating payments	886	887	1 862	752	205	205	600	3 039	3 189
Venues and facilities		71							
Rental and hiring									
Interest and rent on land									
Interest									
Rent on land									
<b>Transfers and subsidies to</b>	<b>49 603</b>	<b>52 216</b>	<b>30 285</b>	<b>19 388</b>	<b>19 588</b>	<b>19 588</b>	<b>39 228</b>	<b>52 646</b>	<b>56 478</b>
Provincial and local	49 603	52 216	30 285	19 388	19 588	19 588	39 228	52 646	56 478
Provinces <sup>2</sup>									
Municipalities <sup>3</sup>	49 603	52 216	30 285	19 388	19 588	19 588	39 228	52 646	56 478
Municipal bank accounts	49 603	52 216	30 285	19 388	19 588	19 588	39 228	52 646	56 478
Municipal agencies and funds									
Departmental agencies and accounts									
Social security funds									
Provide list of entities receiving transfers <sup>4</sup>									
Public corporations and private enterprises <sup>5</sup>									
Public corporations									
Private enterprises									
Other transfers									
Non-profit institutions									
Households									
Social benefits									
Other transfers to households									
<b>Payments for capital assets</b>		<b>21 723</b>	<b>41 100</b>	<b>42 667</b>	<b>42 667</b>	<b>83 000</b>	<b>96 792</b>	<b>101 922</b>	
Buildings and other fixed structures		21 723	41 100	41 100	41 100	83 000	96 792	101 922	
Buildings and other fixed structures		21 723	41 100	41 100	41 100	83 000	96 792	101 922	
Machinery and equipment				1 567	1 567				
Transport equipment									
Other machinery and equipment				1 567	1 567				
Software and other intangible assets									
<b>Payments for financial assets</b>									
<b>Total economic classification</b>	<b>51 038</b>	<b>54 986</b>	<b>56 762</b>	<b>63 470</b>	<b>63 470</b>	<b>63 470</b>	<b>125 608</b>	<b>162 693</b>	<b>172 450</b>

TABLE 12.26: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: MASS SPORT AND RECREATION PARTICIPATION PROGRAMME CONDITIONAL GRANT (SPORT AND RECREATION)

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>60 534</b>	<b>73 313</b>	<b>74 130</b>	<b>84 681</b>	<b>77 590</b>	<b>77 590</b>	<b>81 364</b>	<b>86 438</b>	<b>90 645</b>
Compensation of employees		1 465	4 436	19 898	10 420	10 420	8 826	5 951	6 249
Salaries and wages		1 342	3 859	19 321	9 843	9 843	7 978	5 182	5 443
Social contributions		123	577	577	577	577	848	769	806
Goods and services	60 534	71 757	69 679	64 783	67 170	67 170	72 538	80 487	84 396
Administrative fees	304	414	201	212	212	212	224	237	237
Advertising	3 785	4 289	3 673	1 245	3 155	3 155	2 482	2 122	1 047

## 2014/15 -EPRE • Vote 12 - Sport, Arts, Culture and Recreation

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2015/16
Assets less than the capitalisation threshold	14	48	175		100	100	167	177	177
Audit cost: External									
Bursaries: Employees									
Catering: Departmental activities	8 831	2 452	3 600	5 639	4 660	4 660	5 915	6 269	6 820
Communication (G&S)	93	1 391	865	928	1 148	1 148	944	1 001	1 001
Computer services									
Consultants and professional services: Business and advisory services	4			1 686					
Consultants and professional services: Infrastructure and planning									
Contractors	5 194	4 089	2 855	7 726	8 909	8 909	4 365	4 628	4 559
Agency and support / outsourced services	7 499	11 821	16 948	17 529	12 121	12 121	15 546	15 294	17 616
Entertainment									
Fleet services (including government motor transport)				200	792	792			
Housing									
Inventory: Food and food supplies		3	54	78	39	39	60	63	63
Inventory: Fuel, oil and gas				127	43	43			
Inventory: Learner and teacher support material									
Inventory: Materials and supplies				14 188	11 520	11 520	16 587	24 392	25 611
Inventory: Medical supplies	17	100	120				134	142	142
Inventory: Military stores									
Inventory: Other consumables	9 903	18 602	15 242	100	100	100	105	110	116
Inventory: Stationery and printing	116	203	447	679	1 111	1 111	575	611	611
Lease payments	294	550	612	530	530	530	280	297	297
Property payments	303	512	110	103	554	554	696	738	738
Transport provided: Departmental activity	2 417	4 143	3 860	4 638	6 198	6 198	6 935	5 231	5 231
Travel and subsistence	569	4 819	3 143	7 317	2 888	2 888	2 765	3 678	3 872
Training and development		104	56	88	88	88	62	66	66
Operating expenditure	15 206	12 816	11 412		494	494	196	206	206
Venues and facilities	5 985	5 401	6 306	1 770	12 508	12 508	14 500	15 225	15 986
Rental and hiring									
Interest and rent on land		91	15						
Interest		91	15						
Rent on land									
<b>Transfers and subsidies to</b>	<b>1 724</b>	<b>400</b>		<b>3 381</b>	<b>10 332</b>	<b>10 332</b>	<b>11 541</b>	<b>12 118</b>	<b>12 870</b>
Provincial and local	1 600								
Provinces <sup>2</sup>									
Provincial Revenue Funds									
Municipalities <sup>3</sup>	1 600								
Municipal bank accounts	1 600								
of which: Regional service council levies									
Municipal agencies and funds									
Departmental agencies and accounts									
Social security funds									
Provide list of entities receiving transfers <sup>4</sup>									
Public corporations and private enterprises <sup>5</sup>									
Public corporations									
Private enterprises									
Subsidies on production									
Other transfers									
Non-profit institutions	93	400		3 381	10 332	10 332	11 541	12 118	12 870

## Vote 12 - Sport, Arts, Culture and Recreation • EPRE - 2014/15

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2015/16
Households	31								
Social benefits	31								
Other transfers to households									
<b>Payments for capital assets</b>	<b>178</b>	<b>771</b>	<b>482</b>	<b>207</b>	<b>347</b>	<b>347</b>	<b>2 010</b>	<b>630</b>	<b>630</b>
Buildings and other fixed structures									
Buildings and other fixed structures									
Other fixed structures									
Machinery and equipment	178	771	482	207	347	347	2 010	630	630
Transport equipment		607	213				275	300	300
Other machinery and equipment	178	164	269	207	347	347	1 735	330	330
Software and other intangible assets									
<b>Payments for financial assets</b>	<b>31</b>								
<b>Total economic classification</b>	<b>62 436</b>	<b>74 515</b>	<b>74 612</b>	<b>88 269</b>	<b>88 269</b>	<b>88 269</b>	<b>94 915</b>	<b>99 186</b>	<b>104 145</b>

**TABLE 12.27: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: EXPANDED PUBLIC WORKS PROGRAMME INCENTIVE GRANT FOR PROVINCES (LIBRARY AND ARCHIVE SERVICES)**

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>							<b>2 000</b>		
Compensation of employees							1 800		
Salaries and wages							1 602		
Social contributions							198		
Goods and services							200		
Administrative fees							50		
Advertising									
Travel and subsistence									
Training and development							150		
Operating expenditure									
Venues and facilities									
Rental and hiring									
Interest and rent on land									
Interest									
Rent on land									
<b>Transfers and subsidies to</b>									
Provincial and local									
Provinces <sup>2</sup>									
Municipal agencies and funds									
Departmental agencies and accounts									
Social security funds									
Provide list of entities receiving transfers <sup>4</sup>									
Public corporations and private enterprises <sup>5</sup>									
Public corporations									
Private enterprises									
Other transfers									
Non-profit institutions									
Households									
Social benefits									
Other transfers to households									
<b>Payments for capital assets</b>									
Buildings and other fixed structures									
Buildings and other fixed structures									
Other fixed structures									
Machinery and equipment									
Transport equipment									

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2015/16
Other machinery and equipment									
Software and other intangible assets									
<b>Payments for financial assets</b>									
<b>Total economic classification</b>							<b>2 000</b>		

TABLE 12.28: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: CONDITIONAL GRANT EPWP INCENTIVE GRANT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>				<b>1 333</b>	<b>1 333</b>	<b>1 333</b>	<b>2 580</b>		
Compensation of employees				1 333	1 067	1 067	2 064		
Salaries and wages				1 333	1 067	1 067	1 837		
Social contributions							227		
Goods and services					266	266	516		
Administrative fees							116		
Advertising					55	55			
Catering: Departmental activities									
Communication (G&S)					50	50			
Inventory: Learner and teacher support material									
Inventory: Materials and supplies					60	60			
Inventory: Medical supplies									
Inventory: Stationery and printing					10	10	150		
Lease payments									
Property payments									
Transport provided: Departmental activity					25	25			
Travel and subsistence									
Training and development					66	66	250		
Rental and hiring									
Interest and rent on land									
Interest									
Rent on land									
<b>Transfers and subsidies to</b>									
Provincial and local									
Provinces <sup>2</sup>									
Municipal agencies and funds									
Departmental agencies and accounts									
Social security funds									
Provide list of entities receiving transfers <sup>4</sup>									
Public corporations and private enterprises <sup>5</sup>									
Public corporations									
Private enterprises									
Other transfers									
Non-profit institutions									
Households									
Social benefits									
Other transfers to households									
<b>Payments for capital assets</b>									
Buildings and other fixed structures									
Buildings and other fixed structures									
Other fixed structures									
Machinery and equipment									
Transport equipment									
Other machinery and equipment									



## Vote 12 - Sport, Arts, Culture and Recreation • EPRE - 2014/15

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2015/16
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>									
<b>Total economic classification</b>				<b>1 333</b>	<b>1 333</b>	<b>1 333</b>	<b>2 580</b>		

TABLE 12.29: TRANSFERS TO LOCAL GOVERNMENT : SPORT, ARTS, CULTURE AND RECREATION

Rand thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Category A</b>	<b>28 140</b>	<b>49 947</b>	<b>14 837</b>	<b>15 688</b>	<b>15 688</b>	<b>15 688</b>	<b>20 179</b>	<b>26 165</b>	<b>27 743</b>
Ekurhuleni Metro	13 520	27 400	2 775	3 700	3 700	3 700	5 100	7 550	8 050
City of Johannesburg	8 400	9 547	6 872	7 888	7 888	7 888	9 490	11 065	11 643
City of Tshwane	6 220	13 000	5 190	4 100	4 100	4 100	5 589	7 550	8 050
<b>Category B</b>	<b>30 386</b>	<b>28 800</b>	<b>21 950</b>	<b>21 600</b>	<b>21 000</b>	<b>21 000</b>	<b>34 549</b>	<b>45 500</b>	<b>47 600</b>
Emfuleni	5 150	7 200	1 730	1 800	800	800	4 640	8 100	8 400
Midvaal	3 400	2 800	3 940	2 600	2 600	2 600	4 080	5 300	5 600
Lesedi	4 320	3 850	2 770	3 650	4 050	4 050	5 004	5 300	5 600
Mogale City	4 300	5 400	4 770	4 125	4 125	4 125	8 280	8 100	8 400
Randfontein	3 400	2 600	2 820	2 700	2 700	2 700	3 650	5 300	5 600
Westonaria	3 316	2 600	2 240	2 700	2 700	2 700	3 564	5 300	5 600
Merapong City	6 500	4 350	3 680	4 025	4 025	4 025	5 331	8 100	8 400
<b>Category C</b>	<b>1 503</b>	<b>816</b>	<b>500</b>	<b>800</b>	<b>800</b>	<b>800</b>	<b>500</b>	<b>646</b>	<b>800</b>
Sedibeng District Municipality	500								
West Rand District Municipality	1 003	816	500	800	800	800	500	646	800
<b>Total transfers to municipalities</b>	<b>60 029</b>	<b>79 563</b>	<b>37 287</b>	<b>38 088</b>	<b>37 488</b>	<b>37 488</b>	<b>55 228</b>	<b>72 311</b>	<b>76 143</b>

# VOTE 13

## DEPARTMENT OF FINANCE

To be appropriated by vote in 2014/15	R1 422 223 000
Responsible MEC	MEC for Finance
Administering Department	Department of Finance
Accounting Officer	Head of Department

### 1. OVERVIEW

#### Vision

The Gauteng Department of Finance (GDF) sets for itself the following vision:

- To be an activist, developmental and interventionist department that maximises service delivery through information and communication technology (ICT) towards the achievement of the inclusive growth.

#### Mission

GDF is a strategic, pro-active and value adding partner that will promote and enhance effective service delivery by:

- Instilling sound corporate governance;
- Ensuring innovation and leading edge technologies and processes;
- Providing enabling solutions for Gauteng Provincial Government (GPG) departments to deliver core services;
- Providing expert skills that GPG can leverage;
- Provide province-wide information technology (IT) capability; and
- Ensuring continuous improvement and operational efficiencies.

#### Strategic goals

The strategic objectives of the GDF are derived from an analysis of the environment, key challenges and strategic issues that the department should address; and are aligned to both national and provincial strategic priorities. They are to:

- Provide a modern, reliable and secure ICT infrastructure that meets the GPG needs;
- Provide advisory and transactional services in Human Capital Management and Strategic Procurement Services;
- Be a preferred employer, attracting and retaining highly skilled and performing individuals;
- Provide strategic and management support services that enable the GDF to achieve its objectives; and
- Promote sound corporate governance in the province through an effective internal control environment.

#### Main services

The main services will be delivered by ensuring the following:

- Providing universal access to broadband (as defined by the national broadband policy) for citizens, business as well as government institutions;
- Building the Network Infrastructure and Information Super-highway to encourage the development of advanced workforce with better ICT skills;
- Enhancing economic productivity through ICT infrastructure development in order to lower the cost of doing business and increase connectivity for companies, especially Small, Medium and Micro Enterprises (SMMEs);
- Improving service delivery by providing high quality ICT services through e-government; and
- Performing an independent evaluation of internal control systems, governance and risk management processes for adequacy and effectiveness; and making recommendations for continuous improvement thereon, in order to provide reasonable assurance that GPG departments' objectives will be met;
- Building capability and improving the quality of service and client experience in the provision of Human Resource Services, through the automation of transactional services to improve efficiency; and
- Providing procurement-related strategic and operational support to the Province; these are executed through

an activist, developmental and interventionist customer-focused and socio- economically responsible manner, using technology as the key enabler in automating, standardising and streamlining procurement processes.

### Acts, rules and regulations

- Treasury Regulations 2005 and Delegations;
- Municipal Finance Management Act, 2004;
- Prevention and Combating of Corrupt Activities Act, 2004;
- Broad-Based Black Economic Empowerment Act, 2003;
- The Tender Board Repeal Act, 2002;
- Municipality Systems Act, 2000;
- Preferential Procurement Policy Framework Act, 2000;
- Promotion of Access to Information Act, 2000 (Act 2 of 2000);
- Promotion of Administrative Justice Act, 2000;
- Public Finance Management Act, 1999;
- Employment Equity Act, 1998;
- Basic Conditions of Employment Act, 1997;
- Intergovernmental Fiscal Relations Act, 1997 (Act 97 of 1997);
- Public Service Laws Amendment Act, 1997;
- Borrowing Powers of Provincial Government Act, 1996 (Act 48 of 1996);
- The Constitution of the Republic of South Africa, 1996;
- The National Archives Act, 1996;
- Development Facilitation Act, 1995;
- Labour Relations Act, 1995;
- Occupational Health and Safety Act, 1995;
- Public Service Act, 1994 Regulations and Delegations;
- Division of Revenue Act; and
- Government Employees Pension Law.

### Outcomes

The GDF contributes primarily to the Government Outcome 12 that relates to ensuring an efficient, effective and development oriented public service. Central to realising this outcome, the GDF has been repositioned towards being an ICT-centred and oriented hub for the GPG and the department's overall budget reflects this basic positioning. The budget for the ICT services largest component of the department's overall allocation over the 2014 Medium Term Expenditure Framework (MTEF).

The Department supports the Government Outcome 2 that relates to ensuring a long and healthy life for all. The department's contribution in this regard is through the provision of employee health and wellness programmes for the province. The GDF also supports the Government Outcome 4 that relates to ensuring decent employment through inclusive economic growth. The GDF has rolled out a jobs walk-in centre in the urban Thusong Centre at Maponya Mall, the purpose of which is to facilitate access to government job opportunities to Gauteng citizenry, with particular focus on the youth. Furthermore the Department facilitates access to government business opportunities through procurement processes. This is done through campaigns that educate emerging entrepreneurs on non-financial aspects of conducting business with government through the tender processes.

## 2. REVIEW OF THE CURRENT FINANCIAL YEAR (2013/14)

### Output 1: Service delivery quality and access

The department successfully completed 44 per cent of the Cloud-based data centre with Active Directory (AD), Structured Query Language (SQL), and 100 per cent antivirus. With regard to migration of email as a service (EaaS), GDF safely migrated 29 964 user mailboxes to the new environment. The department migrated from Share-Point 2007 to a more stable 2010 platform. This increased the functionality and stability of all GPG websites and intranets.

The province has a Fully Managed Data Centre (FMDC), whose purpose is to automate and streamline the task of data protection for GPG, and to reduce the related cost and complexity. There were numerous applications that were implemented to the FMDC during the financial year. These include the active directory (GPG authentication Software); GDF database environment (SQL); GDF file share system; security products such as antivirus,

security patches and security data collector; ICT help desk application; initial Enterprise Resource Planning (ERP) pilot system; SAP quality assurance environment; employee search application; Cellsys that provides SMS functionality; Document Management Centre Interface DMCI and Doc Track functionality for scanning, tracking and processing documents and mandates; and E-recruitment. The department also replicated data from the FMDC to the Disaster Recovery Site to ensure provincial data security.

Improved intrusion protection system (IPS) was implemented as part of the drive to improve information security within the Province. The GDF adopted an ICT Policy Framework and implemented it throughout the GPG departments in compliance with Monitoring and Performance Assessment Tool (MPAT) Assessment Standards and Department of Public Service and Administration (DPSA)'s directives. This enabled a standard governance model for ICT throughout the GPG. SAP Customer Relationship Management (CRM) Information Technology Service Management (ITSM) functionality was implemented at the GDF for the call logging system and currently supports 1 550 computer laboratories in Gauteng public schools.

The operations of the GPG Hotline in the province were further supported in 2013/14 through the implementation of the Business Communications Management (BCMC) module. This module, which is a modern software-based internet protocol (IP) telephony solution, enables contact centre agents to deliver speedy, reliable and consistent customer service through multiple channels by connecting the callers with the right agents and information at the right time.

### **Output 2: HR Management and development**

The GDF and Office of the Premier launched the enhanced e-Recruitment system to simplify application processes for Government vacancies that are advertised by GPG departments. A total of 5497 job applicants accessed job opportunities through the Maponya Mall Thusong Services Centre. The province partnered with institutions of higher learning in order to source scarce skills through the government's internship programme. Such institutions of higher learning include Community and Individual Development Association (CIDA), Vaal Technical College, Tshwane University of Technology (TUT) and University of Johannesburg (UJ); and a total of 24 interns were identified and placed in the ICT environment. The departmental structure was approved in June 2013 and the Department is undergoing a consultation process with business units to determine which posts will be filled and by when.

### **Output 3: Business process, systems, decision rights and accountability**

The department successfully piloted the Purchasing Card in 9 GPG departments, namely: Education; Economic Development; Agriculture and Rural Development; Human Settlements; Cooperative Governance and Traditional Affairs; Sport, Arts, Culture and Recreation; Social Development; Community Safety; Provincial Treasury and Gauteng City Region Academy. There were 500 ad-hoc commodity research studies completed. The GDF uploaded 554 GPG transversal contracts on the Contract Management System within 30 days, which include legacy, national and current contracts. Five transversal term agreements were awarded within 90-days. A total of 716 GPG procurement officials received training regarding transacting on the SAP system and a total of 4035 suppliers were registered on the supplier database.

### **Output 4: Corruption tackled effectively**

The department successfully concluded all scheduled forensic investigations, fraud detection reviews and anti-fraud awareness workshops in all departments. Furthermore, the Case Management System was developed and implemented to address recurring backlogs and to improve turnaround times in resolving matters reported through the National Anti-Corruption Hotline.

### **Output 5: Effective financial management**

During May 2013, the Department dedicated most of its resources in reviewing the 2012/13 annual financial statements of GPG departments and trading entities. This was part of the Department's support provided to improve the quality of annual financial statements prior to their submission to Audit Committees and the Auditor-General for external audits. The department completed all scheduled performance audits and IT risk assessments were conducted for all GPG departments.

### **Output 6: Performance monitoring and evaluation**

GDF continued to work closely with the Gauteng Planning Commission and the Provincial Treasury to harmonise the planning and reporting activities of departments. Quarterly reports were prepared and submitted on time as required by Legislature and Provincial Treasury.

### 3. OUTLOOK FOR THE COMING FINANCIAL YEAR (2014/15)

#### Output 1: Service delivery quality and access

To contribute to the province-wide strategies as well as supporting its strategic plan, the Department has adopted the ICT strategy as the key strategy to drive transformation ICT initiatives in Gauteng. The rollout of the Gauteng Broadband Network (GBN) is central to the implementation of key elements of the GPG ICT Strategy. The Implementation Partner will be tasked to roll out the network infrastructure from 2014 – 2015. To this end, the broadband network infrastructure will be implemented in a phased approach, where the e-Learning network will receive first priority. This will be followed by connecting Government buildings, e-Services to other Departments, and the prioritised townships. The key ICT strategic objectives and initiatives are to:

- Provide innovative, integrated and interoperable systems by introducing a fully managed Data Centre for the province and reduction of server rooms within GPG;
- Migrate business applications to the fully managed data centre; and
- Reduce ICT operational costs by forming strategic partnerships with key service providers.

The department will continue to ensure the stability of Provincial ICT services, which includes:

- Sustaining the stable LAN and WANs;
- Prioritisation of Voice over Internet Protocol (VoIP) as soon as 1Gbps bandwidth is available from the Broadband network;
- Leverage from the fully managed data centre and fibre optic network;
- Integrate the Design and Validation (DAV) Centre to the rest of the GBN and current GPG networks; and
- Establish a Provincial Intelligence Portal to provide strategic assistance to the Executive.

As Broadband networks allow institutions and individuals to communicate, interact, and share knowledge across the globe with less effort, and in less time than would have been possible on older technologies, the Department intends to implement management controls and policies to enable responsible management of hosted and networked services.

#### Output 2: HR Management and development

In a quest to automate the manual human resource processes, the department will roll out the automated PMDS. The performance management and development system will be extended to six GPG departments that are already on SAP: ESS. The Department will invest more time and resources to conclude the approval and issuing of letters of concurrence for the GPG departments that are still busy with the finalisation of their organisational structures. The Maponya Mall Professional Job Centre will continue to create access to the available GPG vacancies of up to 3000 job seekers. The Department will avail GPG vacancies to the communities through the launch of 10 mobile recruitment campaigns. Employee Wellness Programme will issue an annual GPG Employment Health and Wellness Programme (EHWP) trend analysis in an effort to improve employee wellness.

#### Output 3: Business processes, systems, decisions rights and accountability

The GDF will continue to provide transversal and operational support to all GPG departments. It will also offer specialised consulting services, to enhance departmental performance within the Procurement environment. In addition, the Department will provide operational support during emergency and other exceptional circumstances. Specific outputs planned in this regard include managing the processing of requests for proposals on behalf of departments with regard to the establishment of transversal contracts; supporting the provincial departments when they implement the Contract Management Framework issued by the National Treasury in 2010 by facilitating electronic call-offs; processing the payment of supplier invoices within 30 days; automating procurement processes including e-invoicing system, purchase orders and purchasing cards; providing procurement-related training to GPG officials; and providing general management of the supplier databases.

#### Output 4: Corruption tackled effectively

During the coming year the Department will continue to provide forensic services that include the prevention, detection and investigation of fraud and corruption in all GPG departments. This will be achieved through conducting investigations into reported incidents of fraud and corruption; fraud detection reviews; fraud risk assessments; assistance in dispute resolution arising from recommendations made; and heightening awareness through online and interactive fraud and corruption awareness campaigns.

**Output 5: Effective financial management**

In 2014, the department will continue to perform internal audit services, which incorporate risk and compliance, computer and performance audits, throughout the GPG. The department will undergo an external quality assurance assessment to evaluate conformance with the International Standards for the Professional Practices of Internal Auditing as prescribed by the Institute of Internal Auditors. Furthermore GDF intends to continue to upgrade the knowledge and competencies of the internal audit staff through focused training and the update of the Department's audit methodologies.

In assisting the GPG departments to achieve the target of clean audits by 2014, the GDF will continue to monitor progress on the implementation of audit findings across the GPG departments, and on a regular basis will report non-implementation to Heads of Departments and Audit Committees for their intervention. In addition, the GDF has planned to conduct quarterly reviews on interim financial statements, key controls, and performance information within departments. GDF will further enhance cooperation between assurance providers in the GPG departments through the rollout of the Combined Assurance model. The Department is planning to implement the continuous auditing project for the provincial departments, subject to the state of readiness of the required IT infrastructure.

**Output 6: Performance monitoring and evaluation**

The GDF will continue to work closely with the Provincial Treasury and Gauteng Planning Commission to harmonise the planning and reporting activities of departments. GDF will add value to this process by ensuring that there are common platforms to facilitate ease of reporting within GDF.

**4. REPRIORITISATION**

The GDF continues on its fiscal consolidation initiatives, the ultimate of which is to progressively reduce current and future financial obligations. This belt-tightening approach to budget formulation and development was guided by the view that, given the Department's financial position, the GDF could ill afford to encumber itself on new obligations. This entailed providing budget resources to those initiatives and projects that would have maximum impact, at the least possible cost. The tight fiscal conditions both nationally and provincially have compelled the department to prioritise funding for maintenance and upkeep of GPG ICT infrastructure and platform. The belt-tightening that the department has embarked on in the recent past is beginning to bear fruit, as evidenced by the resources that were made available, starting in the 2013/14 financial year onward, towards replacing and refreshing some of the redundant ICT hardware.

The current tight fiscal environment compels the GDF to remain committed to ensuring that the limited resource envelope available to it is employed prudently. The budgeting planning and development process seeks to give expression to this principle commitment and the budget allocation choices are designed to support this approach.

**5. PROCUREMENT**

The strategic review of the Gauteng Online Schools Programme has resulted in its replacement by the envisaged e-Learning Solution. With the beginning of the significant advances in technology, and the inclusion of curricula into the ICT environment, the physical computer laboratory was rendered obsolete. In addition, the globally preferred method of disseminating information and curriculum content was overtaken by computer tablets. These innovations have radically revolutionised the government's approaches to e-Learning, resulting in a review of the objectives to:

- Provide a fit-for-purpose ICT capability to support e-Learning and thinking in all learning areas for all learners and educators;
- Provide all learners with access to quality education;
- Afford learners an opportunity to use ICTs for their everyday learning activities (i.e. netbooks), and educators an opportunity to enhance and support their teaching through the use of ICT tools;
- Provide learner access to curriculum content to support their teaching through the use of ICT;
- Provide a platform for educators and learners to collaborate, provide feedback to each other, and share best practices;
- Use e-Learning channels to equip learners with skills to cope at tertiary and Further Education and Training (FET) levels and thus enhance their market portfolios; and
- Create an enabling environment for educators and their peers to communicate across geographic boundaries.

The conclusion of the consultative process with relevant oversight and governmental entities around the envisaged national broadband policy has enabled the Department to proceed with the procurement process of the Gauteng broadband tender. The corresponding fiscal allocation has been secured in order to operationalise the broadband project in Gauteng, amounting to R260 million and R250 million in 2014/15 and 2015/16, respectively.

Starting in the 2013/14 financial year, provision has been made for capital expenditure procurement, comprising:

- The procurement of the IPS device in order to strengthen the GPG information security; and
- The replacement of redundant switches in the ICT operations environment, a situation that has been identified as a risk by the Auditor General.

## 6. RECEIPTS AND FINANCING

### 6.1 Summary of receipts

TABLE 13.1: SUMMARY OF RECEIPTS: GAUTENG DEPARTMENT OF FINANCE

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Equitable share	1 265 790	1 294 839	1 333 265	985 328	1 298 355	1 298 355	1 422 223	1 404 146	1 131 656
<b>Total receipts</b>	<b>1 265 790</b>	<b>1 294 839</b>	<b>1 333 265</b>	<b>985 328</b>	<b>1 298 355</b>	<b>1 298 355</b>	<b>1 422 223</b>	<b>1 404 146</b>	<b>1 131 656</b>

Departmental receipts consist of an equitable share as a form of transfer from national government. The Department's equitable share decreases from R1.3 billion in 2012/13 to R1.1 billion over the seven-year period under review. The reduction, except for financial years 2014/15 and 2015/16, is a result of the following:

- The reverse-migration of functions and their corresponding budgets to other GPG departments from 2012/13 to 2013/14 financial years; and
- The revised approach to the e-Learning project, which resulted in reduced costs of the project.

The exception to the department's downward trend in fiscal transfers, evident during the 2014/15 and 2015/16 financial years is a result of the provincial earmarked allocation amounting to R260 million and R250 million, respectively, for the operationalizing the Gauteng broadband project.

### 6.2 Departmental receipts collection

TABLE 13.2: DEPARTMENTAL RECEIPTS: GAUTENG DEPARTMENT OF FINANCE

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Tax receipts</b>									
Casino taxes									
Horse racing taxes									
Liquor licenses									
Motor vehicle licenses									
<b>Sales of goods and services other than capital assets</b>	<b>936</b>	<b>1 095</b>	<b>1 313</b>	<b>1 000</b>	<b>875</b>	<b>970</b>	<b>795</b>	<b>799</b>	<b>805</b>
Transfers received									
Fines, penalties and forfeits									
Interest, dividends and rent on land				7	33	16	16	17	18
Sales of capital assets	62								
<b>Transactions in financial assets and liabilities</b>	<b>4 561</b>	<b>1 477</b>	<b>1 042</b>	<b>800</b>	<b>140</b>	<b>62</b>	<b>150</b>	<b>160</b>	<b>170</b>
<b>Total departmental receipts</b>	<b>5 559</b>	<b>2 572</b>	<b>2 355</b>	<b>1 807</b>	<b>1 048</b>	<b>1 048</b>	<b>961</b>	<b>976</b>	<b>993</b>

The main revenue sources for the Department comprise gym and parking fees. Other revenue streams contributing to the department's revenue pool are fees charged on the issue of tender documents and commission earned on third-party payments of insurance premiums on behalf of GDF employees. The Department project to collect R1 million in the 2013/14 financial year. The decrease in the staff complement as a result of the demerger



from GPT had a negative impact on revenue collection. This is evident in the decrease from R2.3 million in the 2012/13 financial year to R961 000 in 2014/15 financial year. The department's projects to collect R976 000 and R993 000 in the 2015/16 and 2016/17 financial years respectively.

## 7. PAYMENT SUMMARY

### 7.1 Key assumptions

The 2014 MTEF budget is informed by the GDF's Strategic Plan, Annual Performance Plan, the provincial outcomes and the GPG programme of action (POA). The key assumptions underpinning the budget are:

- Provision for annual salary adjustments at 4.9 percent average projected CPI plus 1 percent for 2014/15; 4.6 percentage average projected CPI plus 1 percent for 2015/16; 5.3 percent average projected CPI for 2016/17.
- E-Learning project;
- Gauteng Broadband Network;
- GPG ICT infrastructure maintenance and support;
- Compensation of employees projected expenditure;
- GPG hotline;
- Operation clean audit; and
- Professional Job centres.

### 7.2 Programme summary

TABLE 13.3: SUMMARY OF PAYMENTS AND ESTIMATES: GAUTENG DEPARTMENT OF FINANCE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1. Administration	139 577	180 504	196 087	356 470	310 338	310 338	348 447	375 985	424 607
2. Gauteng Audit Services	42 992	43 950	48 672	58 554	58 896	58 888	64 604	68 426	71 538
3. ICT Shared Services	905 074	878 845	896 722	402 141	768 240	768 240	829 958	771 129	437 034
4. Business Process Services	161 721	150 279	150 304	168 163	160 881	161 012	179 214	188 606	198 477
<b>Total payments and estimates</b>	<b>1 249 364</b>	<b>1 253 578</b>	<b>1 291 785</b>	<b>985 328</b>	<b>1 298 355</b>	<b>1 298 478</b>	<b>1 422 223</b>	<b>1 404 146</b>	<b>1 131 656</b>

### 7.3 Summary of economic classification

TABLE 13.4: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: GAUTENG DEPARTMENT OF FINANCE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>1 219 012</b>	<b>1 242 148</b>	<b>1 191 793</b>	<b>985 278</b>	<b>1 273 426</b>	<b>1 273 462</b>	<b>1 397 042</b>	<b>1 400 893</b>	<b>1 129 264</b>
Compensation of employees	345 443	368 358	385 173	513 916	464 640	464 241	557 272	588 899	628 127
Goods and services	873 569	862 457	806 620	471 362	808 786	809 221	839 770	811 994	501 138
Interest and rent on land		11 333							
<b>Transfers and subsidies to</b>	<b>864</b>	<b>474</b>	<b>387</b>	<b>50</b>	<b>2 671</b>	<b>2 807</b>	<b>2 089</b>	<b>2 198</b>	<b>2 301</b>
Provinces and municipalities									
Departmental agencies and accounts					1 542	1 542	1 589	1 673	1 752
Higher education institutions									
Foreign governments and international organisations									



## Vote 13 - Finance • EPRE - 2014/15

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Public corporations and private enterprises									
Non-profit institutions									
Households	864	474	387	50	1 129	1 265	500	525	550
<b>Payments for capital assets</b>	<b>913</b>	<b>10 158</b>	<b>99 060</b>		<b>22 258</b>	<b>22 183</b>	<b>23 092</b>	<b>1 055</b>	<b>90</b>
Buildings and other fixed structures									
Machinery and equipment	838	7 403	16 079		12 836	12 761	1 200	1 055	90
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets	75	2 755	82 981		9 422	9 422	21 892		
<b>Payments for financial assets</b>	<b>28 575</b>	<b>798</b>	<b>545</b>			<b>26</b>			
<b>Total economic classification</b>	<b>1 249 364</b>	<b>1 253 578</b>	<b>1 291 785</b>	<b>985 328</b>	<b>1 298 355</b>	<b>1 298 478</b>	<b>1 422 223</b>	<b>1 404 146</b>	<b>1 131 656</b>

The department's budget shows a declining trend over the seven-year period under review. Between 2010/11 and 2011/12, the budget increases by R4 million in aggregate terms. This is the net effect of the annual adjustment to the compensation of employees; increase in the purchasing of capital assets and expenditure relating to the interest and rent on land. Goods and services reflect a decrease, i.e. R11 million decrease or one per cent decline between 2010/11 and 2011/12. From 2012/13 onward, the annual changes in the aggregate departmental allocation mainly reflect annual cost-of-living adjustments to both the compensation of employees and the increase in the goods and services and payments of capital assets components of the department's overall vote, due to the project end expenditure for the Gauteng on Line project and the purchase of software as part of ICT security.

Over the 2014 MTEF planning period, the department's voted funds reflect an increase in both absolute and relative terms. This is the result of following aspects occurring during this period:

- The special allocation for the e-Learning project, which will, amongst others, cover expenditure outlays on:
  - Devices to be deployed at all Gauteng schools;
  - Connectivity for real-time, online learning;
  - Maintenance and support;
  - Insurance for the devices; and
  - Training and project management.
- The National Government reducing the provincial equitable share baselines by 2 percent and 3 percent in 2014/15 and 2015/16, respectively.
- The operationalisation of the Gauteng broadband project.
- The reverse-migration of HR and procurement functions to other GPG departments as part of Phase 2 migration process.

Compensation has steadily increased for the period under review, reflecting the higher-than-expected salary adjustments, particularly for salary categories of junior management salary categories. Compensation shows a significant increase particularly between 2010/11 and 2011/12 from R345.4 million to R368.3 million; this increase is due to the provision for annual salary adjustments, the recruitment of an additional 98 contact centre agents, provision for the filling of critical vacant posts, and the inclusion under compensation budget provision for both notch progression and annual performance bonuses. After the establishment of the baseline in terms of compensation budget planning, the average increase in compensation over the 2014 MTEF is reflective of the annual cost-of-living adjustments, consistent with projected changes in CPI index.

Goods and services decrease from R873.5 million in 2010/11 financial year to a revised estimate of R809.2 million in 2013/14. A key contributing factor in the real and projected decrease is the substantial reduction in the usage of consultants in the department. The reductions in costs attached to the usage of consultants, during the automation phase, have had a visible impact on the department's spending patterns.

The change in both the absolute and relative allocations over the MTEF are a reflection of growth assumptions and inflation projections, as no new projects or initiatives are planned for the period under review. The maintenance mode under which the Department is operating in is reflective of tight fiscal conditions overall, but also is a reflection of the department's commitment to matching our spending with our resource envelope.

The new approach for the e-Learning project, as outlined above, and the operationalisation of the Gauteng

broadband project, are the main cost drivers for the increase in goods and services from a projected R471.3 million in 2013/14 towards the R839.7 million projected in 2014/15 and 2015/16. Over and above, provision has been made for departmental operational costs, such as utilities, building maintenance and other administrative costs. The bulk of the GDF allocation is dedicated to maintenance and upkeep of the provincial information communication technology infrastructure, in accordance with the Department's primary strategic objective of providing a modern, reliable and secure ICT infrastructure in the GPG.

#### 7.4 Infrastructure payments

N/A

##### 7.4.1 Departmental infrastructure payments

N/A

##### 7.4.2 Departmental Public –Private-Partnership (PPP) projects

N/A

#### 7.5 Transfers

##### 7.5.1 Transfers to public entities

N/A

##### 7.5.2 Transfers to other entities

TABLE 13.5: SUMMARY OF DEPARTMENTAL TRANSFERS TO DEPARTMENTAL AGENCIES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Departmental agencies and accounts					1 542	1 542	1 589	1 673	1 752
<b>Total department agencies and accounts</b>					<b>1 542</b>	<b>1 542</b>	<b>1 589</b>	<b>1 673</b>	<b>1 752</b>

The department is transferring an amount of R1.5 million in 2014/15, R1.6 million in 2015/16 and R1.7 in 2016/17 to the SETA under departmental agencies and accounts as per the DPSA directive to ensure that training and developmental interventions in the public service are needs-based and also respond to government priority skills needs and support government's developmental agenda.

##### 7.5.3 Transfers to local government

N/A

## 8. PROGRAMME DESCRIPTION

### PROGRAMME 1: ADMINISTRATION

#### Programme description

To provide Strategic leadership, administrative support, sound financial management and management support services that enable the GDF to achieve its objectives.

#### Programme objectives

- Provide Forensic Services that includes the Prevention, Detection and Investigation of Fraud and Corruption in all GPG Departments;
- To provide strategic financial planning support, financial management, and quality supply chain management services to the GDF;
- To render an effective and efficient risk management service within GDF;
- Provide strategic support, advice and interventions, to enhance the development and retention of employees; and
- To establish and maintain processes and systems that ensures good quality organisational performance information.

TABLE 13.6: SUMMARY OF PAYMENTS AND ESTIMATES: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1. Office of the HOD	30 361	24 685	2 695	6 910	7 347	7 347	8 236	8 670	9 104
2. Forensic Services	10 229	8 887	10 177	15 758	15 964	15 964	17 156	18 084	19 012
3. Risk Management			1 721	2 822	3 011	3 011	3 237	3 401	3 576
4. Office of the CFO	27 033	31 308	47 032	170 388	110 370	110 371	118 054	129 380	155 611
5. Corporate Services	71 954	115 624	134 462	160 592	173 646	173 645	201 764	216 450	237 304
<b>Total payments and estimates</b>	<b>139 577</b>	<b>180 504</b>	<b>196 087</b>	<b>356 470</b>	<b>310 338</b>	<b>310 338</b>	<b>348 447</b>	<b>375 985</b>	<b>424 607</b>

TABLE 13.7: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>131 356</b>	<b>176 083</b>	<b>187 090</b>	<b>356 420</b>	<b>306 036</b>	<b>306 037</b>	<b>346 158</b>	<b>373 732</b>	<b>422 216</b>
Compensation of employees	66 278	115 500	114 504	169 098	142 427	142 427	185 222	198 262	216 763
Goods and services	65 078	60 583	72 586	187 322	163 609	163 610	160 936	175 470	205 453
Interest and rent on land									
<b>Transfers and subsidies to</b>	<b>300</b>	<b>93</b>	<b>88</b>	<b>50</b>	<b>2 554</b>	<b>2 530</b>	<b>2 089</b>	<b>2 198</b>	<b>2 301</b>
Provinces and municipalities									
Departmental agencies and accounts					1 542	1 542	1 589	1 673	1 752
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households	300	93	88	50	1 012	988	500	525	550
<b>Payments for capital assets</b>	<b>3 543</b>	<b>8 662</b>	<b>8 662</b>	<b>1 748</b>	<b>1 748</b>	<b>1 748</b>	<b>200</b>	<b>55</b>	<b>90</b>
Buildings and other fixed structures									
Machinery and equipment		3 543	8 567		1 326	1 326	200	55	90
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets			95		422	422			
<b>Payments for financial assets</b>	<b>7 921</b>	<b>785</b>	<b>247</b>			<b>23</b>			
<b>Total economic classification</b>	<b>139 577</b>	<b>180 504</b>	<b>196 087</b>	<b>356 470</b>	<b>310 338</b>	<b>310 338</b>	<b>348 447</b>	<b>375 985</b>	<b>424 607</b>

The budget for Administration grows from R139.5 million in 2010/11 to R424.6 million in 2016/17. The main factors contributing to the absolute increase in the Administration programme's share of the vote are the result of the structural change that saw the GPG Hotline and the Documents and Records Management Centre (DMC) being placed under Corporate Services; furthermore, the streamlining and consolidation of shared and common items under Financial Management has also contributed to the overall increase in the Administration programme's relative share of the Department's budget.

The compensation budget shows a substantial increase from 2011/12 onwards due to allocating the provision for annual notch progressions and performance bonuses under the Human Capital Management unit in the Corporate Services programme. Furthermore, the huge increase in the compensation of employees over the MTEF reflects the decision to locate both the GPG Hotline and the Document and Records Management Centre budgets under the Administration programme. On the whole, both the absolute and the relative changes in compensation in the Administration programme are in line with the growth assumptions and inflation projections over the MTEF.

Goods and services increase from R65 million in 2010/11 to a projected R205.4 million in 2016/17, the growth of which reflects:

- The GPG Hotline's estimated operating costs;
- The centralisation of shared items under the office of the CFO; and
- The provisions under the Human Capital Management sub-programme for performance bonuses, overtime,

notch progression, and service-based emoluments, as well as the provision for the department's operating costs, such as utility payments, audit fees, lease payments, property payments, travel and subsistence claims.

Budget for the refresh of the current computer equipment has been provided for under payment of capital assets at R200 000, and R55 000 for the 2014/15 and 2015/16, respectively.

## SERVICE DELIVERY MEASURES

### PROGRAMME 1: ADMINISTRATION

Performance measures	Estimated Annual Targets		
	2014/15	2015/16	2016/17
<b>Forensic Services</b>			
% of committed investigations completed as per letters of engagement with clients	100%	100%	100%
Number of fraud detection reviews conducted	14	14	14
Number of Fraud risk assessments reports issued	14	14	14
Number of GPG Fraud Prevention Plans updated	14	14	14
Number of fraud awareness campaigns conducted	50	50	50

### PROGRAMME 2: GAUTENG AUDIT SERVICES

#### Programme description

To perform an independent evaluation of internal control systems, governance and risk management processes, for adequacy and effectiveness, and make recommendations for continuous improvement thereon, in order to provide reasonable assurance that GPG department's objectives will be met.

#### Programme objectives

- To conduct internal audits throughout the GPG Departments in line with audit committee approved risk based internal audits plans and make improvement recommendations thereon;
- To provide advisory services on governance, risk management and internal control systems in GPG Departments; and
- To perform quality assurance reviews to ensure compliance with International Standards for the Professional Practice of Internal Auditing (Standards) of the Institute of Internal Auditors (IIA).

TABLE 13.8: SUMMARY OF PAYMENTS AND ESTIMATES:: GAUTENG AUDIT SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1. Programme Support	2 969	1 739	2 269	3 636	4 267	4 253	4 134	4 687	4 531
2. Risk & Compliance Audit Service Cluster 12	15 137	16 013	17 398	13 555	14 262	14 268	15 564	16 405	17 246
3. Risk & Compliance Audit Service Cluster 345	10 081	10 941	11 638	20 294	19 491	19 491	21 432	22 587	23 740
4. Performance and Computer Audit	11 425	11 040	13 438	16 099	15 772	15 772	17 884	18 858	19 832
5. Audit Centre of Excellence	3 380	4 217	3 929	4 970	5 104	5 104	5 590	5 889	6 187
<b>Total payments and estimates</b>	<b>42 992</b>	<b>43 950</b>	<b>48 672</b>	<b>58 554</b>	<b>58 896</b>	<b>58 888</b>	<b>64 604</b>	<b>68 426</b>	<b>71 538</b>

TABLE 13.9: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: GAUTENG AUDIT SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>42 990</b>	<b>43 950</b>	<b>48 512</b>	<b>58 554</b>	<b>58 896</b>	<b>58 867</b>	<b>64 604</b>	<b>68 426</b>	<b>71 538</b>
Compensation of employees	39 920	42 921	45 205	56 446	56 174	55 890	62 037	65 393	68 747
Goods and services	3 070	1 029	3 307	2 108	2 722	2 977	2 567	3 033	2 791
Interest and rent on land									
<b>Transfers and subsidies to:</b>	<b>2</b>	<b>117</b>				<b>21</b>			
Provinces and municipalities									

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households	2		117			21			
<b>Payments for capital assets</b>									
Buildings and other fixed structures									
Machinery and equipment									
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>			43						
<b>Total economic classification</b>	<b>42 992</b>	<b>43 950</b>	<b>48 672</b>	<b>58 554</b>	<b>58 896</b>	<b>58 888</b>	<b>64 604</b>	<b>68 426</b>	<b>71 538</b>

The Gauteng Audit Services (GAS) budget increases from R42.9 million in 2010/11 to a revised estimate of R71.5 million in 2016/17. More than 90 percent of the GAS budget lies under compensation of employees. Due to the scarce skills in the audit industry in general, priority has been directed toward ensuring the adequate capacitation of the Programme in order to execute its provincial obligations, primary of which is to contribute towards clean audits in the Province. Whilst the Programme has historically relied on external audit services, the decision to desist from the use of consultants resulted in the shifting of funds away from goods and services into compensation to enable the Programme to be sufficiently capacitated in this regard.

The GAS compensation budget increases from R39.9 million in 2010/11 to R68.7 million in 2016/17. The trend is consistent with the urgent need to fully capacitate the Programme by filling vacant posts. The process toward the filling of vacant posts in the Programme was accelerated in 2012/13, resulting in the decrease in vacancy rate in the programme. Of the total staff establishment of 133 posts, 116 posts were active as of 1 August 2013, with only 17 posts remaining vacant. The programme is actively recruiting in the audit market and adopting various strategies to attract and retain the scarce audit talent.

Goods and services under this programme consist mainly of provisions for specialised audits which may not be resident internally at all or available to a limited extent only, necessitating the augmentation of this gap by the use of consultants to assist with the execution of these specialised audits. The goods and services budget decreases from R3.07 million in 2010/11 to just under R2.8 million in 2016/17. This pattern is in keeping with both the departmental decision to move away from the use of consultants, and give priority to building sufficient capacity within, to execute the Programme's audit functions in the province.

## SERVICE DELIVERY MEASURES

### PROGRAMME 2: GAUTENG AUDIT SERVICES

Performance measures	Estimated Annual Targets		
	2014/15	2015/16	2016/17
Number of planned risk audits completed - Risk and Compliance Clusters 1, 2	91	91	91
Number of planned risk audits completed - Risk and Compliance Clusters 3, 4 and 5	138	138	138
Number of planned computer audits completed	24	24	24
Number of planned performance audits completed	26	26	26
Number of Information Technology (IT) Risk Assessments completed	14	14	14

### PROGRAMME 3: ICT SHARED SERVICES

#### Programme description

The purpose of this programme is to provide strategic leadership and guidance in resource mobilisation, management and operational support that maximises service delivery, through the effective and efficient use of ICT resources in the Gauteng Province.

#### Programme objectives

- Provide a fit-for-purpose ICT capability to support e-Learning and thinking in all learning areas for all learners and educators;
- Afford learners an opportunity to use ICTs for their everyday learning activities (i.e. netbooks);
- Provide a central point for co-ordination of incremental and continuous improvement and Manage e-services;
- Render effective and efficient applications development for GPG departments;
- Provisioning of support for the SAP ERP system for GPG;
- Ensure that information security governance and compliance is maintained across the GPG;
- Manage the ICT infrastructure and operations;
- Support ICT systems of the GPG; and
- Provide a central point for co-ordination of incremental and continuous improvement and Manage e-services.

TABLE 13.10: SUMMARY OF PAYMENTS AND ESTIMATES: ICT SHARED SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1. ICT Programme Support	3 764	1 706	1 544	2 110	1 818	1 818	2 222	2 344	2 467
2. Applications	650 264	630 632	678 185	142 623	492 141	492 142	525 568	459 181	118 603
3. ICT Infrastructure	238 192	237 409	205 281	233 195	256 558	256 557	275 371	281 453	286 380
4. Business Alignment	12 854	9 098	11 712	24 213	17 723	17 723	26 797	28 151	29 584
<b>Total payments and estimates</b>	<b>905 074</b>	<b>878 845</b>	<b>896 722</b>	<b>402 141</b>	<b>768 240</b>	<b>768 240</b>	<b>829 958</b>	<b>771 129</b>	<b>437 034</b>

TABLE 13.11: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ICT SHARED SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>883 568</b>	<b>872 168</b>	<b>806 121</b>	<b>402 141</b>	<b>747 799</b>	<b>747 770</b>	<b>807 066</b>	<b>770 129</b>	<b>437 034</b>
Compensation of employees	98 464	66 771	77 807	123 410	107 439	107 437	133 232	139 147	146 730
Goods and services	785 104	794 068	728 314	278 731	640 360	640 333	673 834	630 982	290 304
Interest and rent on land		11 329							
<b>Transfers and subsidies to:</b>	<b>176</b>	<b>62</b>	<b>89</b>		<b>6</b>	<b>35</b>			
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households	176	62	89		6	35			
<b>Payments for capital assets</b>	<b>913</b>	<b>6 615</b>	<b>90 398</b>		<b>20 435</b>	<b>20 435</b>	<b>22 892</b>	<b>1 000</b>	
Buildings and other fixed structures									
Machinery and equipment	838	3 860	7 512		11 435	11 435	1 000	1 000	
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets	75	2 755	82 886		9 000	9 000	21 892		
<b>Payments for financial assets</b>	<b>20 417</b>		<b>114</b>						
<b>Total economic classification</b>	<b>905 074</b>	<b>878 845</b>	<b>896 722</b>	<b>402 141</b>	<b>768 240</b>	<b>768 240</b>	<b>829 958</b>	<b>771 129</b>	<b>437 034</b>

The ICT Shared Services' budget decreases from R905 million in 2010/11 to R437 million in 2016/17, a 51 per cent decrease over the seven year period under review. The decrease in the aggregate estimated expenditure for the Programme is a result of the revised approach to the e-Learning (former Gauteng on Line) project, which has seen annual expenditure estimates decreasing significantly. Except for the initial procurement costs of the devices that will be deployed in the 2 200 schools in Gauteng, the annual connectivity, maintenance and

support, and insurance costs are a fraction of the previous costs under GoL. The exception to the programme's trend in allocations is evident in the 2014/15 and 2015/16 financial years, during which R260 million and R250 million, respectively, is earmarked for the operationalising Gauteng broadband.

Gauteng Broadband Network project will be implemented from April 2014, the outcome of which is to bridge the digital divide, realise the goals of social inclusion, enhanced service delivery, and economic growth. In order to address these challenges, additional funding is allocated for the implementation of the Gauteng Broadband Network and the e-Learning Solution. These flagship projects are expected to moderate challenges, whilst also improving the delivery of access to broadband for all citizens through connecting government buildings, Priority Township, and Thusong Centres.

Compensation of employees steadily increases over the seven year period under review, starting at R98.4 million in 2010/11 and peaking at an estimated R146.7 million in 2016/17. Factors contributing to this significant increase include the reorganisation of the Gauteng Department of Finance after the demerger with Gauteng Treasury. The reorganisation resulted in:

- The Centre of Innovation sub-unit being transferred to the ICT shared services programme; and
- The creation of a new chief directorate, namely, Business Alignment, which would, amongst others, houses the Centre of Innovation.

Excluding the impact of the reorganisation referred to above, the increase in the programme's compensation budget over the MTEF comprises mainly of provisions for annual salary adjustments. The annual changes in the compensation are consistent with the projected increases over the MTEF period.

The budget for goods and services decreases from R785.1 million in 2010/11 to R290.3 million in 2016/17. Between 2010/11 and 2012/13, more than 90 per cent of the total goods and services budget was allocated to the three main cost drivers under the ICT shared services programme, viz., the Gauteng On-Line (GoL) project, computer services and license support, and maintenance. The budgeted expenditure under ICT shared services programme aims to maintain and support the GPG information technology infrastructure. This pattern is consistent with, and reflective of, the allocative priority within the GDF that is given to critical operational costs. Beyond 2012/13, with the exception of financial years 2014/15 and 2015/16, during which special allocation was made available for the Gauteng broadband, the budget for goods and services comprises mainly of the maintenance of GPG ICT infrastructure and connectivity costs for the e-Learning project.

From the 2013/14 financial year, provision has been made for capital expenditure for the procurement of the IPS device in order to strengthen the GPG information security; and the replacement of redundant switches in the ICT operations environment, a situation that has been identified as a risk by the Auditor General.

## SERVICE DELIVERY MEASURES

### PROGRAMME 3: ICT SHARED SERVICES

Performance measures	Estimated Annual Targets		
	2014/15	2015/16	2016/17
% of server availability (uptime of all managed servers)	98%	98%	98%
% Applications availability	95%	95%	95%
% of WAN availability (uptime of all data lines per SLA) for Bronze Sites 2136hrs per annum per site	98%	98%	98%
% of WAN availability (uptime of all data lines per SLA) for Silver standard Sites 4276hrs per annum per site	98%	98%	98%
% of WAN availability (uptime of all data lines per SLA) for Silver premium Sites 8516hrs per annum per site	98%	98%	98%
% of WAN availability (uptime of all data lines per SLA) for Gold Core 8624hrs per annum	99%	99%	99%
Number of additional GPG departments to be migrated to the Single Domain	1	1	1
Number of SAP modules extended to GPG Departments	1	1	1
Number of source ICT systems to be monitored by the SOC	1	1	1
Number of additional automated business /mobile applications implemented for the GPG	3	3	3
Number of additional collaboration applications to be implemented	2	2	2
Number of e-Learning Schools supported (Connectivity)	2 200	2 200	2 200
Number of government buildings provided with high speed broadband connectivity	480	480	480



Performance measures	Estimated Annual Targets		
	2014/15	2015/16	2016/17
Number of priority townships provided with high speed broadband connectivity	14	14	14
Number of Thusong centres provided with high speed broadband connectivity	21	21	21
Number of economic zones provided with high speed broadband connectivity	1	1	1

## PROGRAMME 4: BUSINESS PROCESS SERVICES

### Programme description

The purpose is to build capability and improve the quality of service and client experience in the provision of Human Resource Services. These are executed through transforming the human resource management environment, and improving efficiency through the automation of transactional services, and providing procurement related strategic and operational support to the Province. These are executed through an activist, developmental and interventionist customer-focused and socio- economically responsible manner, using technology as the key enabler in automating, standardising and streamlining procurement processes.

### Programme objectives

- Establish transversal contracts with tangible benefits for GPG;
- Provide strategic advisory services relating to procurement and Human Capital Management;
- Coordinating the GPG Employee Relations, Health and Wellness Programme;
- Provide HR Information Management Systems (HRIMS);
- Supplier Database Administration and Maintenance (Database to be Broad-Based Black Economic Empowerment (BBBEE) aligned); and
- Quality control and assurance, including product and service quality training (Specialised product training and South African Bureau of Standards (SABS) exposure).

TABLE 13.12: SUMMARY OF PAYMENTS AND ESTIMATES: BUSINESS PROCESS SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1. Human Resources	101 064	85 836	87 605	105 075	103 617	103 659	113 688	119 651	125 613
2. Procurement Services	60 657	64 443	62 699	63 088	57 264	57 353	65 526	68 955	72 865
<b>Total payments and estimates</b>	<b>161 721</b>	<b>150 279</b>	<b>150 304</b>	<b>168 163</b>	<b>160 881</b>	<b>161 012</b>	<b>179 214</b>	<b>188 606</b>	<b>198 477</b>

TABLE 13.13: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: BUSINESS PROCESS SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>161 098</b>	<b>149 947</b>	<b>150 070</b>	<b>168 163</b>	<b>160 695</b>	<b>160 788</b>	<b>179 214</b>	<b>188 606</b>	<b>198 477</b>
Compensation of employees	140 781	143 166	147 657	164 962	158 600	158 487	176 781	186 097	195 887
Goods and services	20 317	6 777	2 413	3 201	2 095	2 301	2 433	2 509	2 590
Interest and rent on land		4							
<b>Transfers and subsidies to:</b>	<b>386</b>	<b>319</b>	<b>93</b>		<b>111</b>	<b>221</b>			
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households	386	319	93		111	221			
<b>Payments for capital assets</b>					<b>75</b>				
Buildings and other fixed structures					75				
Machinery and equipment									
Heritage Assets									
Specialised military assets									
Biological assets									



R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>	<b>237</b>	<b>13</b>	<b>141</b>			<b>3</b>			
<b>Total economic classification</b>	<b>161 721</b>	<b>150 279</b>	<b>150 304</b>	<b>168 163</b>	<b>160 881</b>	<b>161 012</b>	<b>179 214</b>	<b>188 606</b>	<b>198 477</b>

The Business Process Services budget increases from R161.7 million in 2010/11 financial year to R198.4 million in 2016/17 financial year, a 23 per cent increase over the seven year period under review. The main cost driver under this programme is personnel related costs, which account for more than 95 percent of the unit's spending estimates.

Aggregate compensation of employees increases from an outcome of R141 million in 2010/11 to an estimate of R196 million in 2016/17. The compensation of employee's estimates in this programme is a net result of the migration of functions, with their corresponding budgets, to other GPG departments. Both the historical values and the budget estimates over the MTEF have been derived by factoring in the effect of the migration of functions back to affected GPG departments.

Over the 2013 MTEF planning period, the annual changes in the compensation of employees are reflective of annual cost of living adjustments and maintain a consistent pattern over that period. Compensation of employees represents the biggest spending item under the Business Process Services programme. With most of the automation initiatives in prior years having been finalised, compensation of employees accounts for more than 95 per cent of actual and projected expenditure in the programme.

The budget for goods and services decreased from R20.3 million in 2009/10 financial year to just under R2.5 million in 2016/17 financial year. The main cost drivers under goods and services for the Programme are mainly provisions for the advertising in the Government Tender Bulletin, the rotation of vendor's procurement system, and the costs attached to the Maponya Mall recruitment operations. The decline in estimated expenditure on goods and services is a reflection of the completion of the automation of processes, which was the single-largest cost driver under the Programme. Also, the centralisation of shared items under the office of the CFO, contributed to the overall decrease in the provision for goods and services under this Programme over MTEF.

## SERVICE DELIVERY MEASURES

### PROGRAMME 4: BUSINESS PROCESS SERVICES

Performance measures	Estimated Annual Targets		
	2014/15	2015/16	2016/17
Number of GPG departments with SAP ESS to go live on automated PMDS	6	5	3
Number of people accessing Maponya Mall Thusong Service Centre	3 000	3 000	3 000
Number of GPG mobile recruitment campaigns conducted	10	10	10
Annual reports issued on the GPG's EHWP trend analysis	1	1	1
% of organisational structures and post establishment investigations completed as per letters of engagement (LOE)	100%	100%	100%
% reduction of the GPG's recoverable debtors book by 31 March 2015	20%	20%	20%
% of transversal term agreements established within SLA of 90 days from the date a tender is published in the Tender Bulletin to the date of tender award.	98%	100%	100%
% of GPG transversal contracts available and updated in the central repository of awarded contracts within 25 days from the date of receipt of the award letter to the date of loading on the SAP system.	98%	98%	98%
Number of supplier performance evaluation reports completed for all suppliers awarded with GPG contracts	41	50	60
% of invoices processed within 4 working days from receipt of invoices by GDF	98%	98%	98%
Number of GPG Procurement officials trained on SCM processes and the SAP/SRM systems	600	500	500

## 9. OTHER PROGRAMME INFORMATION

### 9.1 Personnel numbers and costs

TABLE 13.14: PERSONNEL NUMBERS AND COSTS: FINANCE

Personnel numbers	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	As at 31 March 2017
1. Administration	393	443	416	529	529	529	529
2. Gauteng Audit Services	120	120	109	135	135	135	135
3. ICT Shared Services	159	158	203	271	271	271	271
4. Business Process Services	454	405	394	542	542	542	542
<b>Total departmental personnel numbers</b>	<b>1 126</b>	<b>1 126</b>	<b>1 122</b>	<b>1 477</b>	<b>1 477</b>	<b>1 477</b>	<b>1 477</b>
Total provincial personnel cost (R thousand)	345 443	368 358	385 173	464 241	557 272	588 899	628 127
Unit cost (R thousand)	307	327	343	314	377	399	425

TABLE 13.15: SUMMARY OF DEPARTMENTAL PERSONNEL NUMBERS AND COSTS: FINANCE

	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Total for department</b>									
Personnel numbers (head count)	1 126	1 126	1 122	1 477	1 477	1 477	1 477	1 477	1 477
Personnel cost (R thousands)	345 443	368 358	385 173	513 916	464 640	464 241	557 272	588 899	628 127
<b>Human resources component</b>									
Personnel numbers (head count)	37	35	35	35	43	43	43	43	43
Personnel cost (R thousands)	13 139	13 831	13 353	13 753	14 342	15 131	14 342	15 131	15 963
Head count as % of total for department	3%	3%	3%	2%	3%	3%	3%	3%	3%
Personnel cost as % of total for department	4%	4%	3%	3%	3%	3%	3%	3%	3%
<b>Finance component</b>									
Personnel numbers (head count)	59	36	36	40	53	53	53	53	53
Personnel cost (R thousands)	14 105	31 308	18 544	19 694	20 479	21 566	20 479	21 566	22 714
Head count as % of total for department	5%	3%	3%	3%	4%	4%	4%	4%	4%
Personnel cost as % of total for department	4%	8%	5%	4%	4%	5%	4%	4%	4%
<b>Full time workers</b>									
Personnel numbers (head count)	1 126	1 126	1 122	1 477	1 477	1 477	1 477	1 477	1 477
Personnel cost (R thousands)	345 443	368 358	385 173	513 916	464 640	464 241	557 272	588 899	628 127
Head count as % of total for department	100%	100%	100%	100%	100%	100%	100%	100%	100%
Personnel cost as % of total for department	100%	100%	100%	100%	100%	100%	100%	100%	100%
<b>Part-time workers</b>									
Personnel numbers (head count)									
Personnel cost (R thousands)									
Head count as % of total for department									
Personnel cost as % of total for department									
<b>Contract workers</b>									
Personnel numbers (head count)									
Personnel cost (R thousands)									
Head count as % of total for department									
Personnel cost as % of total for department									

The changes in personnel costs are consistent with the overall growth assumptions in relation to the compensation of employees. The department migrated the HR and procurement functions to the GPG departments. The increase in the administration from 2011/12 financial year to the 2012/13 programme reflects the housing of the GPG Hotline under this programme.

## 9.2 Training

TABLE 13.16: PAYMENTS ON TRAINING: FINANCE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Administration</b>	<b>390</b>	<b>994</b>	<b>1 899</b>	<b>657</b>	<b>2 571</b>	<b>2 571</b>	<b>2 805</b>	<b>2 939</b>	<b>3 070</b>
Subsistence and travel									
Payments on tuition	390	994	1 899	657	2 571	2 571	2 805	2 939	3 070
<b>Gauteng Audit Services</b>									
Subsistence and travel									
Payments on tuition									
<b>Ict Shared Services</b>	<b>29</b>								
Subsistence and travel									
Payments on tuition	29								
<b>Business Process Services</b>									
Subsistence and travel									
Payments on tuition									
<b>Total payments on training</b>	<b>419</b>	<b>994</b>	<b>1 899</b>	<b>657</b>	<b>2 571</b>	<b>2 571</b>	<b>2 805</b>	<b>2 939</b>	<b>3 070</b>

TABLE 13.17: INFORMATION ON TRAINING: FINANCE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Number of staff	1 126	1 126	1 122	1 438	1 477	1 477	1 477	1 477	1 477
Number of personnel trained	227	320	283	700	820	820	900	900	900
of which									
Male	129	101	108	300	380	380	450	450	450
Female	98	219	175	400	440	440	450	450	450
Number of training opportunities	406	505	486	740	562	562	790	790	790
of which									
Tertiary	132	173	173	200	320	320	250	250	250
Workshops	32	90	90	150	150	150	150	150	150
Seminars	38	38	38	40	40	40	40	40	40
Other	204	204	185	350	52	52	350	350	350
Number of bursaries offered	129	173	171	200	266	266	250	250	250
Number of interns appointed	34	25	40	50	40	40	50	50	50
Number of learnerships appointed	12	14		50	50	50	50	50	50
Number of days spent on training									

The GDF aims to develop a professional organisation with high standards and objectives, develop the skills and competencies of GDF employees and manage, and reward a high performance culture. Striving to be a preferred employer, attracting and retaining highly skilled and performing individuals, GDF will:

- Develop a professional organisation with high standards and objectives; and
- Develop the skills and competencies of GDF employees.

The department will do this through the implementation of skills programmes responsive to the business requirements of the organisation, through study assistance and skills programmes funding as informed by the Training Needs Assessment, and through staff personal development plans.

## 9.4 Reconciliation of structural changes

There are no structural changes

## 10. CROSS CUTTING ISSUES

Cross Cutting Issue	Programme and sub-programme	Indicator/Measure	Target	Output	MTEF BUDGET		
					2014/15	2015/16	2016/17
<b>Women</b>	Employment Equity	Appointment of women in senior management	50%	50% women representation at SMS	50%	50%	50%
	Skills Development and Capacity Building Programmes	50% of beneficiaries of education and training programmes should be women in all levels	50%	50% of beneficiaries of education and training programmes should be women in all levels	50%	50%	50%
	Economic Empowerment	Active participation of women in procurement processes	30%	30% of GPG tenders awarded to women owned businesses	30%	30%	30%
<b>Youth</b>	Skills Development and Capacity Building Programmes	4% of beneficiaries of education and training programmes should be youth (internal Employees)	4% of beneficiaries of education and training programmes should be youth	4% of beneficiaries of education and training programmes should be youth	4%	4%	4%
		<b>External:</b> Graduate programmes i.e. internships/ learnerships	5% of beneficiaries should be youth	5% of youth benefiting from internships/ learnerships	5%	5%	5%
	Economic Empowerment	Promotion of youth owned businesses	10%	10%	10%	10%	10%
<b>PwDs</b>	2% of employees should be PwDs	2% of work force should be PwDs across all levels	2% of work force should be PwDs across all levels	2% of work force should be PwDs across all levels	2%	2%	2%
	PwDs should benefit from bursaries and training programmes	2% of beneficiaries of education and training programmes should be PwDs	2% of beneficiaries of education and training programmes should be PwDs	2% of beneficiaries of education and training programmes should be PwDs	2%	2%	2%
	Promotion of PwDs owned businesses	5% Participation of PwDs in procurement process	5%	5% of tenders awarded to companies owned by PwDs	5%	5%	5%
<b>MV</b>	MV access business opportunities within GPG	2% of MV owned companies participation in procurement processes	2%	2% of procurement budget spent on MV	2%	2%	2%

The Gauteng Provincial Government had a strong emphasis placed on mainstreaming and realising the constitutional rights of women, youth, people with disabilities and Military Veterans (MV). Responding to National mandates, the province has developed its own province-specific policies and strategies on Gender, Youth and Disability in order to contribute to the attainment of equality and promotion of human rights. All Gauteng Provincial Government Departments are expected to mainstream GEYODI (Gender, Youth, people with Disabilities) and (Military Veterans) MV issues so as to improve the lives of targeted or vulnerable groups. GEYODI and MV issues are about Transformation, which is one of the commitments of government made since the advent of Democracy in 1994. The GPG made a conscious decision to prioritise mainstreaming of these programmes across all Departmental programmes as well as reflect budget commitments for GEYODI and MV issues.

In line with the government-wide mandate to ensure mainstreaming of GEYODI, and MV, the Gauteng Department of Finance recognises and supports the fact that there is a need to respond to legislative imperatives on GEYODI and MV issues:

- To evaluate and monitor mainstreaming programmes of social empowerment, social integration, social protection and social investment in respect of gender, youth, people with disabilities and military veterans within the Department of Finance, and external beneficiaries within the community, especially young graduates, for internships and learnerships;
- Ensure that programmes in the Strategic Plan, Annual Performance Plan (APP), and Operational Plans, address the mainstreaming of gender, youth, disability and military veterans in terms of Legislation, Regulations, Policies, Departmental objectives and Government Mandate;
- Ensure that the Department's budget allocations reflect government's commitment to addressing the needs of vulnerable groups (women, youth, military veterans and people with disabilities (PwD); and
- Assist the department's business units to meet the procurement and employment equity targets as set by the province.

GEYODI mainstreaming will therefore be applied on the following priority areas:

- Creating decent work and building a growing, inclusive economy;
- Promoting quality education and skills development;



### **Vote 13 - Finance • EPRE - 2014/15**

- Stimulating rural development and food security;
- Intensifying the fight against crime and corruption;
- Building cohesive and sustainable communities; and
- Strengthening the developmental state and good governance.

The department is committed to ensuring that the injustices of the past in relation to how women and girl children, and people with disabilities were treated are addressed and eradicated. GDF is striving towards the attainment of 50 per cent of women SMS and 2 per cent PwDs in all levels and meeting the BBBEE targets set for women, youth & PwDs entrepreneurs for the MTEF period.

# **ANNEXURES TO ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE**

TABLE 13.18: SPECIFICATION OF RECEIPTS: FINANCE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Tax receipts</b>									
Casino taxes									
Horse racing taxes									
Liquor licences									
Motor vehicle licences									
<b>Sales of goods and services other than capital assets</b>	<b>936</b>	<b>1 095</b>	<b>1 313</b>	<b>1 000</b>	<b>875</b>	<b>970</b>	<b>795</b>	<b>799</b>	<b>805</b>
Sale of goods and services produced by department (excluding capital assets)	<b>936</b>	<b>1 095</b>	<b>1 313</b>	<b>1 000</b>	<b>875</b>	<b>970</b>	<b>795</b>	<b>799</b>	<b>805</b>
Sales by market establishments	936	1 095	1 313	1 000	875	970	795	799	805
Administrative fees									
Other sales									
Of which									
List Item									
List Item									
Sales of scrap, waste, arms and other used current goods (excluding capital assets)									
<b>Transfers received from:</b>									
Other governmental units									
Universities and technikons									
Foreign governments									
International organisations									
Public corporations and private enterprises									
Households and non-profit institutions									
<b>Fines, penalties and forfeits</b>									
<b>Interest, dividends and rent on land</b>				<b>7</b>	<b>33</b>	<b>16</b>	<b>16</b>	<b>17</b>	<b>18</b>
Interest				7	33	16	16	17	18
Dividends									
Rent on land									
<b>Sales of capital assets</b>	<b>62</b>								
Land and sub-soil assets									
Other capital assets	62								
<b>Transactions in financial assets and liabilities</b>	<b>4 561</b>	<b>1 477</b>	<b>1 042</b>	<b>800</b>	<b>140</b>	<b>62</b>	<b>150</b>	<b>160</b>	<b>170</b>
<b>Total departmental receipts</b>	<b>5 559</b>	<b>2 572</b>	<b>2 355</b>	<b>1 807</b>	<b>1 048</b>	<b>1 048</b>	<b>961</b>	<b>976</b>	<b>993</b>

TABLE 13.19: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>131 356</b>	<b>176 083</b>	<b>187 090</b>	<b>356 420</b>	<b>306 036</b>	<b>306 037</b>	<b>346 158</b>	<b>373 732</b>	<b>422 216</b>
Compensation of employees	66 278	115 500	114 504	169 098	142 427	142 427	185 222	198 262	216 763
Salaries and wages	58 523	102 687	90 690	153 993	123 409	127 322	163 364	175 516	193 177
Social contributions	7 755	12 813	23 814	15 105	19 018	15 105	21 858	22 746	23 586
Goods and services	65 078	60 583	72 586	187 322	163 609	163 610	160 936	175 470	205 453
Administrative fees	2 490	261	114	420	302	302	295	313	330
Advertising	4 226	504	534	360	673	672	450	460	470
Assets less than the capitalisation threshold	8	986	880	50	1 279	1 279	25		
Audit cost: External	4 579	5 871	3 639	6 200	6 200	6 200	5 230	5 753	6 328
Bursaries: Employees	892	1 456	1 620	2 175	1 467	1 461	1 750	2 000	2 300
Catering: Departmental activities	169	240	118	185	401	434	430	458	484
Communication (G&S)	3 226	8 360	1 433	1 007	1 337	1 337	1 933	1 932	1 928
Computer services	26	175	15 285		34	34	12	12	13

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Consultants and professional services: Business and advisory services	28 375	2 425	2 366	30	4 366	4 445	250	250	250
Consultants and professional services: Infrastructure and planning									
Consultants and professional services: Laboratory services									
Consultants and professional services: Scientific and technological services									
Consultants and professional services: Legal costs	648	22 826	3 562	3 500	3 448	3 369	3 619	3 785	3 960
Contractors	1 325	385	479	141 245	79 258	78 810	86 516	96 183	120 084
Agency and support / outsourced services	69	39							
Entertainment			2						
Fleet services (including government motor transport)	7	25		4 536	3 720	3 720	2 474	2 639	2 816
Housing									
Inventory: Clothing material and accessories					600	600	50	150	200
Inventory: Farming supplies									
Inventory: Food and food supplies	22	115	60	70	170	170	177	185	192
Inventory: Fuel, oil and gas	9		11	23					
Inventory: Learner and teacher support material									
Inventory: Materials and supplies	23	68	187	404	109	109			
Inventory: Medical supplies	1								
Inventory: Medicine									
Medsas inventory interface									
Inventory: Other supplies									
Consumable supplies	277	17	197	133	162	171	31	52	53
Consumable: Stationery, printing and office supplies	825	1 967	1 725	1 354	1 093	1 180	1 349	1 407	1 469
Operating leases	5 746	5 662	7 230	5 963	7 075	7 075	8 007	8 229	8 088
Property payments	7 267	6 205	25 550	14 159	44 073	44 073	40 127	43 321	47 497
Transport provided: Departmental activity									
Travel and subsistence	4 195	1 608	2 302	1 473	1 473	1 894	1 500	1 750	2 000
Training and development	390	691	1 899	657	2 571	2 571	2 749	2 889	3 020
Operating payments	44	212	1 965	2 076	2 388	2 294	2 121	2 304	2 517
Venues and facilities	239	483	1 428	1 302	1 410	1 410	1 841	1 398	1 455
Rental and hiring		2							
Interest and rent on land									
Interest									
Rent on land									
<b>Transfers and subsidies</b>	<b>300</b>	<b>93</b>	<b>88</b>	<b>50</b>	<b>2 553</b>	<b>2 530</b>	<b>2 089</b>	<b>2 198</b>	<b>2 301</b>
Provinces and municipalities									
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities									
Municipal bank accounts									
Municipal agencies and funds									
Departmental agencies and accounts					1 542	1 542	1 589	1 673	1 752
Social security funds									
Departmental agencies (non-business entities)					1 542	1 542	1 589	1 673	1 752
Higher education institutions									
Foreign governments and international organisations									



# Vote 13 - Finance • EPRE - 2014/15

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Public corporations and private enterprises									
Public corporations									
Subsidies on products and production (pc)									
Other transfers to public corporations									
Private enterprises									
Subsidies on products and production (pe)									
Other transfers to private enterprises									
Non-profit institutions									
Households	300	93	88	50	1 012	988	500	525	550
Social benefits	300	93	88	50	1 012	988	500	525	550
Other transfers to households									
<b>Payments for capital assets</b>	<b>3 543</b>	<b>8 662</b>		<b>1 748</b>	<b>1 748</b>		<b>200</b>	<b>55</b>	<b>90</b>
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	3 543	8 567		1 326	1 326		200	55	90
Transport equipment									
Other machinery and equipment	3 543	8 567		1 326	1 326		200	55	90
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets			95		422	422			
<b>Payments for financial assets</b>	<b>7 921</b>	<b>785</b>	<b>247</b>			<b>23</b>			
Thefts and losses	7 921	785	247			23			
<b>Total economic classification</b>	<b>139 577</b>	<b>180 504</b>	<b>196 087</b>	<b>356 470</b>	<b>310 338</b>	<b>310 338</b>	<b>348 447</b>	<b>375 985</b>	<b>424 607</b>

TABLE 13.20 PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: GAUTENG AUDIT SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>42 990</b>	<b>43 950</b>	<b>48 512</b>	<b>58 554</b>	<b>58 896</b>	<b>58 867</b>	<b>64 604</b>	<b>68 426</b>	<b>71 538</b>
Compensation of employees	39 920	42 921	45 205	56 446	56 174	55 890	62 037	65 393	68 747
Salaries and wages	35 446	38 199	39 949	50 687	49 753	50 131	54 484	57 508	60 529
Social contributions	4 474	4 722	5 256	5 759	6 421	5 759	7 553	7 885	8 218
Goods and services	3 070	1 029	3 307	2 108	2 722	2 977	2 567	3 033	2 791
Administrative fees									
Advertising	58								
Assets less than the capitalisation threshold									
Audit cost: External									
Bursaries: Employees									
Catering: Departmental activities									
Communication (G&S)									
Computer services	719								
Consultants and professional services:									
Business and advisory services	2 092	1 013	3 209	2 000	2 620	2 875	2 462	2 923	2 676
Consultants and professional services:									
Infrastructure and planning									
Consultants and professional services:									
Laboratory services									

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Consultants and professional services:									
Scientific and technological services									
Consultants and professional services: Legal costs									
Contractors									
Agency and support / outsourced services									
Entertainment									
Fleet services (including government motor transport)									
Housing									
Inventory: Clothing material and accessories									
Inventory: Farming supplies									
Inventory: Food and food supplies									
Inventory: Fuel, oil and gas									
Inventory: Learner and teacher support material									
Inventory: Materials and supplies					2	2			
Inventory: Medical supplies									
Inventory: Medicine									
Medsas inventory interface									
Inventory: Other supplies									
Consumable supplies									
Consumable: Stationery, printing and office supplies	44								
Operating leases	1								
Property payments									
Transport provided: Departmental activity									
Travel and subsistence	71	6							
Training and development									
Operating payments	70	10	98	108	100	100	105	110	115
Venues and facilities	15								
Rental and hiring									
Interest and rent on land									
Interest									
Rent on land									
<b>Transfers and subsidies</b>	<b>2</b>	<b>117</b>				<b>21</b>			
Provinces and municipalities									
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities									
Municipal bank accounts									
Municipal agencies and funds									
Departmental agencies and accounts									
Social security funds									
Departmental agencies (non-business entities)									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Public corporations									
Subsidies on products and production (pc)									

Vote 13 - Finance • EPRE - 2014/15

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Other transfers to public corporations									
Private enterprises									
Subsidies on products and production (pe)									
Other transfers to private enterprises									
Non-profit institutions									
Households	2		117			21			
Social benefits	2		117			21			
Other transfers to households									
<b>Payments for capital assets</b>									
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment									
Transport equipment									
Other machinery and equipment									
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>			43						
Thefts and losses			43						
<b>Total economic classification</b>	<b>42 992</b>	<b>43 950</b>	<b>48 672</b>	<b>58 554</b>	<b>58 896</b>	<b>58 888</b>	<b>64 604</b>	<b>68 426</b>	<b>71 538</b>

TABLE 13.21 PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ICT SHARED SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>883 568</b>	<b>872 168</b>	<b>806 121</b>	<b>402 141</b>	<b>747 799</b>	<b>747 770</b>	<b>807 066</b>	<b>770 129</b>	<b>437 034</b>
Compensation of employees	98 464	66 771	77 807	123 410	107 439	107 437	133 232	139 147	146 730
Salaries and wages	87 761	57 178	69 664	109 653	96 910	93 680	119 231	124 525	131 509
Social contributions	10 703	9 593	8 143	13 757	10 529	13 757	14 001	14 622	15 221
Goods and services	785 104	794 068	728 314	278 731	640 360	640 333	673 834	630 982	290 304
Administrative fees	11 464								
Advertising	220	5							
Assets less than the capitalisation threshold	30	513	37				200	100	100
Audit cost: External									
Bursaries: Employees									
Catering: Departmental activities						2			
Communication (G&S)	28 304		2 325	5 000	5 273	5 273	5 532	5 787	6 051
Computer services	99 776	144 827	131 020	161 202	137 485	137 482	196 991	200 744	163 687
Consultants and professional services:									
Business and advisory services	622 183	645 485	581 438	85 320	459 830	459 804	392 270	358 535	53 164
Consultants and professional services:									
Infrastructure and planning									
Consultants and professional services:									
Laboratory services									
Consultants and professional services:									
Scientific and technological services									

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Consultants and professional services: Legal costs									
Contractors	19 081	717	5 511	2 606	11 643	11 643	41 255	26 372	26 202
Agency and support / outsourced services									
Entertainment									
Fleet services (including government motor transport)	12								
Housing									
Inventory: Clothing material and accessories									
Inventory: Farming supplies									
Inventory: Food and food supplies									
Inventory: Fuel, oil and gas									
Inventory: Learner and teacher support material									
Inventory: Materials and supplies									
Inventory: Medical supplies									
Inventory: Medicine									
Medsas inventory interface									
Inventory: Other supplies									
Consumable supplies					6	6			
Consumable: Stationery, printing and office supplies	132	332		21	21	21	308	310	312
Operating leases	1 228	208	7 815	24 500	24 385	24 385	34 212	35 923	37 576
Property payments	307	148			720		2 454	2 577	2 577
Transport provided: Departmental activity									
Travel and subsistence	604	50			779	779	467	490	491
Training and development	29						56	50	50
Operating payments	1 734	1 783	160	82	114	834	89	94	94
Venues and facilities			8		104	104			
Rental and hiring									
Interest and rent on land		11 329							
Interest		11 329							
Rent on land									
<b>Transfers and subsidies</b>	<b>176</b>	<b>62</b>	<b>89</b>	<b>6</b>	<b>35</b>				
Provinces and municipalities									
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities									
Municipal bank accounts									
Municipal agencies and funds									
Departmental agencies and accounts									
Social security funds									
Departmental agencies (non-business entities)									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Public corporations									
Subsidies on products and production (pc)									

Vote 13 - Finance • EPRE - 2014/15

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Other transfers to public corporations									
Private enterprises									
Subsidies on products and production (pe)									
Other transfers to private enterprises									
Non-profit institutions									
Households	176	62	89		6	35			
Social benefits	176	62	89		6	35			
Other transfers to households									
<b>Payments for capital assets</b>	<b>913</b>	<b>6 615</b>	<b>90 398</b>		<b>20 435</b>	<b>20 435</b>	<b>22 892</b>	<b>1 000</b>	
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	838	3 860	7 512		11 435	11 435	1 000	1 000	
Transport equipment									
Other machinery and equipment	838	3 860	7 512		11 435	11 435	1 000	1 000	
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets	75	2 755	82 886		9 000	9 000	21 892		
<b>Payments for financial assets</b>	20 417		114						
Thefts and losses	20 417		114						
<b>Total economic classification</b>	<b>905 074</b>	<b>878 845</b>	<b>896 722</b>	<b>402 141</b>		<b>768 240</b>	<b>829 958</b>	<b>771 129</b>	<b>437 034</b>

TABLE 13.22: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: BUSINESS PROCESS SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>161 098</b>	<b>149 947</b>	<b>150 070</b>	<b>168 163</b>	<b>160 695</b>	<b>160 788</b>	<b>179 214</b>	<b>188 606</b>	<b>198 477</b>
Compensation of employees	140 781	143 166	147 657	164 962	158 600	158 487	176 781	186 097	195 887
Salaries and wages	125 589	133 011	134 581	146 820	136 578	137 123	152 127	160 491	169 330
Social contributions	15 192	10 155	13 076	18 142	22 022	21 364	24 654	25 606	26 557
Goods and services	20 317	6 777	2 413	3 201	2 095	2 301	2 433	2 509	2 590
Administrative fees						130	166	166	166
Advertising	240	76	419	597	265	251	205	213	224
Assets less than the capitalisation threshold		9							
Audit cost: External									
Bursaries: Employees	16								
Catering: Departmental activities	16		2		4	4	4	4	4
Communication (G&S)							42	44	46
Computer services	114	1 245	228	385	166	256	477	477	477
Consultants and professional services:									
Business and advisory services		4 158	1 683	1 609	1 258	1 254	1 165	1 219	1 274
Consultants and professional services:									
Infrastructure and planning									
Consultants and professional services:									
Laboratory services									
Consultants and professional services:									
Scientific and technological services									

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Consultants and professional services: Legal costs									
Contractors	17 513	1 263	64			1			
Agency and support / outsourced services	995								
Entertainment	4								
Fleet services (including government motor transport)									
Housing									
Inventory: Clothing material and accessories									
Inventory: Farming supplies									
Inventory: Food and food supplies									
Inventory: Fuel, oil and gas									
Inventory: Learner and teacher support material									
Inventory: Materials and supplies	4		6		40	42			
Inventory: Medical supplies									
Inventory: Medicine									
Medsas inventory interface									
Inventory: Other supplies									
Consumable supplies									
Consumable: Stationery, printing and office supplies	313								
Operating leases	395	( 1)							
Property payments									
Transport provided: Departmental activity									
Travel and subsistence	460	21	( 1)	239		2			
Training and development		5							
Operating payments	247	1	12	371	337	337	332	342	352
Venues and facilities					25	24	42	44	46
Rental and hiring									
Interest and rent on land		4							
Interest									
Rent on land		4							
<b>Transfers and subsidies</b>	<b>386</b>	<b>319</b>	<b>93</b>		<b>111</b>	<b>221</b>			
Provinces and municipalities									
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities									
Municipal bank accounts									
Municipal agencies and funds									
Departmental agencies and accounts									
Social security funds									
Departmental agencies (non-business entities)									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Public corporations									
Subsidies on products and production (pc)									
Other transfers to public corporations									
Private enterprises									
Subsidies on products and production (pe)									

# Vote 13 - Finance • EPRE - 2014/15

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Other transfers to private enterprises									
Non-profit institutions									
Households	386	319	93		111	221			
Social benefits	386	319	93		111	221			
Other transfers to households									
<b>Payments for capital assets</b>					<b>75</b>				
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment					75				
Transport equipment									
Other machinery and equipment					75				
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>	237	13	141			3			
Thefts and losses	237	13	141			3			
<b>Total economic classification:</b>	<b>161 721</b>	<b>150 279</b>	<b>150 304</b>	<b>168 163</b>	<b>160 881</b>	<b>161 012</b>	<b>179 214</b>	<b>188 606</b>	<b>198 477</b>

# VOTE 14

## GAUTENG PROVINCIAL TREASURY

To be appropriated by vote in 2014/15	R 412 774 000
Responsible MEC	MEC for Finance
Administering Department	Gauteng Provincial Treasury
Accounting Officer	Head of Department

### 1. OVERVIEW

#### Vision

An activist provincial Treasury that is a pioneer in financial management in South Africa

#### Mission

The department is a strategic, pro-active, professional and value-adding Treasury that enables and promotes effective service delivery for the citizens of Gauteng through:

- Sustainable funding that ensures developmentally focused allocation of resources and innovative revenue generation;
- Efficient cash management that ensures the liquidity of the province;
- Effective financial management and reporting that ensures responsible and transparent resource utilisation and expenditure; and
- A well-structured governance framework and protocol that ensures accountability and fiscal discipline.

#### Strategic Goals

The key strategic objectives for the department are:

- To provide proactive strategic, administrative and political leadership to Gauteng Provincial Treasury (GPT), enabling delivery of the mandate;
- To provide financial resource management services and ensure credible reporting for GPG;
- To mobilise alternative funding sources to accelerate service delivery that stimulates inclusive economic growth and revenue generation;
- To ensure sound corporate, financial and legislative governance and provide effective financial management in Gauteng; and
- To ensure sustainable liquidity levels in GPG.

#### Main services

As the custodian of the province's financial resources, GPT contributes towards all 14 outcomes through the realisation of its mission and strategic objectives. Based on our core mandate and broader mandate as derived from the Constitution, the (Public Finance Management Act) PFMA and the MFMA (Municipal Finance Management Act), the Department is prepared to take on the challenge of providing leadership, guidance, stewardship and oversight in working with the provincial departments and municipalities to:

- Increase financial management capacity to achieve operational efficiency and promote accountability in government;
- Provide strategic leadership and technical support in fiscal management and discipline;
- Provide guidance and leadership in the implementation of financial management reforms for both provincial and local government;
- Stimulate inclusive growth by strategically allocating resources to programmes with a potential to accelerate service delivery and create job opportunities for people in the Gauteng Province;
- Mobilise alternative funding sources and resourcing solutions; and
- Provide strategic and operational support to departments and municipalities in the delivery of their mandates.



### External activities and events relevant to budget decisions

A transition from the 2009-2014 term of governance to the 2014-2019 during the 2014/15 financial year is likely to influence the provincial budget decisions, given the expected emerging needs of the new government. The provincial planning and budgeting processes might be required to facilitate a realignment of plans and budgets with the new or revised priorities and commitments of the new government as per the final 2009-2014 MTSF outcomes, especially in 2014/15.

### Act, rules and regulations

- Treasury Regulations 2005 and Delegations;
- Municipal Finance Management Act, 2004;
- Prevention and Combating of Corrupt Activities Act, 2004;
- Broad-Based Black Economic Empowerment Act, 2003;
- The Tender Board Repeal Act, 2002;
- Unemployment Insurance Contributions Act, 4 of 2002;
- Municipal Systems Act, 2000;
- Preferential Procurement Policy Framework Act, 2000;
- Promotion of Access to Information Act, 2000 (Act 2 of 2000);
- Promotion of Administrative Justice Act, 2000;
- Public Finance Management Act, 1999;
- Employment Equity Act, 1998;
- Skills development Act, 1998 (Act 97 of 1998);
- Basic Conditions of Employment Act, 1997; Intergovernmental Fiscal Relations Act, 1997 (Act 97 of 1997);
- Public Service Laws Amendment Act, 1997;
- Borrowing Powers of Provincial Government Act, 1996 (Act 48 of 1996);
- The Constitution of the Republic of South Africa, 1996;
- The National Archives Act, 1996;
- Development Facilitation Act, 1995;
- Labour Relations Act, 1995;
- Occupational Health and Safety Act, 1995;
- Public Service Act, 1994 Regulations and Delegations;
- Division of Revenue Act (DoRA); and
- Government Employees Pension Law

### Outcomes

The Gauteng Provincial Government has adopted all the 14 national priority outcomes and it is behind this backdrop that in the 14/15 financial year, the GPT will be supporting all the adopted outcomes.

The provincial decision for the treasury to support all 14 outcomes requires the department to closely support and monitor service delivery departments to ensure adequate implementation of the advice that the department provides. Spending more time with service delivery departments, will ensure that the GPT has a thorough understanding of the real issues and challenges being experienced by the departments. In this manner, opportunities for partnerships with the departments will be maximized and this will also allow for cross breeding of skills. Not only will this empower the department's internal employees to be prompt, activist and relevant but it will ensure that GPT's interventions are quick and focused.

The focus area over the Medium Term Expenditure Framework (MTEF) period is to provide support in the implementation of financial reforms and the institutionalisation of the PFMA and MFMA in all GPG departments and the delegated municipalities as well as streamlining, structuring procurement processes and reducing costs of procurement to achieve value-for-money in GPG.

GPT will focus on procurement reforms in the province and further undertake an additional role to implement contract management systems in the province in order to enhance skills capacity, increase the transparency of liabilities created by expensive and long term contracts and enforce value for money elements.

Infrastructure delivery remains a key priority and will be marked by the continuation of the implementation of the Infrastructure Delivery Management System (IDMS). Over the 2014/15 financial year, there will be continued emphasis on correlating expenditure to the attainment of outcomes, as well as assessing the impact of the budget on the Gauteng economy and population. This will ensure that GPT plays its role in actualising the delivery of infrastructure to alleviate the myriad problems facing the province.

The department continues to coordinate and drive strategies that will place the province on sound financial footing through institutionalisation of Outcome-Based Budgeting while pursuing the efficient, economic and equitable utilisation of resources in GPG. Continuous monitoring and reporting on governance arrangements within the GPG public entities will take place to ensure oversight structures function optimally. The GPT continues to improve the quality of information that serves as the basis for decision making in the province.

## **2. REVIEW OF THE CURRENT FINANCIAL YEAR (2013/14)**

The 2013/14 financial year was a significant one as it is the end of the 4th term of governance which marks the 20 years of democracy in South Africa. This milestone is a consolidation of all achievements to date and show cases the preparations for the implications of the new term on the provincial resources.

The provincial strategic planning processes during this transition period initiated the development of the 2014-2019 Medium Term Strategic Framework (MTSF) that specifies the government outcomes for the province. The province adopted all 14 National outcomes which require the provincial departments to realign their outcomes plans with the latest MTSF. Gauteng Provincial Treasury has also adopted and contributes in a supportive role towards all 14 Provincial Outcomes as we are responsible for resourcing all the outcomes, supporting all the departments and municipalities and play an oversight role in fiscal discipline and corporate governance in the province.

We however also play the role of a strategic supporting department for Outcome 9 “Responsive, accountable, effective and efficient local government system” supporting department of local government.

In 2009 government set the objective to achieve this audacious Outcome. Treasury’s contribution to this outcome is based on the oversight mandate which it has which includes the improvement of administrative and financial capability in the province and especially within municipalities. In 2013/14, the Provincial Treasury focused on ensuring the existence of a proper interface between the Municipal Finance Indaba and the Premier’s Coordinating Forum to strengthen the system of intergovernmental relations with specific focus on ensuring the departments appreciate the link between planning, budgeting and transferring of funds and resolving debt owed between organs of state. The department also focused on initiatives geared towards achieving Operation Clean Audit 2014 which included providing technical support in the implementation of GRAP standards, strengthening the capacity of municipal internal audit, asset management and audit committees.

Some of the department’s efforts to improve asset management in the province were through the establishment of assets management forums, proper alignment of asset management strategies and Infrastructure Development Plans (IDP). A framework for the Gauteng Municipal Emergency Fund was developed, and support initiatives to municipalities in conjunction with the Department of Local Government and Traditional Affairs and the Department of Housing were explored and other supplementary initiatives were strengthened.

Another Outcome that we support strategically and technically is Outcome 12, which is “An efficient, effective and development oriented public service. One of the strategic objectives for the 2009-2014 term, was to ensure that the departments at the administrative centre of government improve the efficiency and effectiveness of public service which impacts on service delivery to the citizenry. The commitment was to improve financial management in the province and to achieve clean audit in the province. A priority was set to increase the efficiency in government expenditure and reduce incidences of corruption in procurement processes. This also resulted in the introduction of an outcomes based approach in planning and budgeting to ensure proper resourcing the outcomes.

In our oversight role on OPCA in 2012/13, the province made progress by increasing the number of departments and entities with unqualified audits. The GPT was one of the departments that achieved a clean audit outcome, and the Provincial Revenue Fund also achieved a clean audit. Other interventions implemented to align to global best practice were to provide training to the non-executive members of the GPG Audit Committee and to review the Audit Committee Charter which also improved effectiveness.

Treasury provided support to the departments and entities in compiling their annual and interim financial statements. The increased support provided to departments and entities contributed towards the improved audit outcome, and also resulted in none of the departments incurring unauthorised expenditure. The province also compiled the 2012/13 consolidated financial statements and submitted them to the Auditor-General by 30 June 2013. In 2013/14, the province cleared R4.4 billion accumulated unauthorised expenditure from prior financial years.

With regard to improving financial management, the department's intervened in the Department of Health by stabilizing the finances and streamlining supply chain management processes. Achievements include the appointment of an administrator; conducting of pre-payment audits on the top 53 suppliers; reconciliation of infrastructure payments with the Department of Infrastructure Development; review of infrastructure acquisition processes; and the deployment of technical teams to work with hospital staff in SCM for the daily operations for a period of six weeks starting with the Central Hospitals.

In the commitment to improve the management of human resources, the department rolled out the Identification Verification System (IVS) to all provincial departments (except Education) to improve accuracy of the PERSAL database and eliminate ghost employees. The Health Intervention Programme assessed outstanding labour relations disciplinary cases and a backlog of registration of permanent disability cases were dealt with hand. It also reviewed 24 human resource policies and assessed the value-add of the human resource function in the human resource value chain.

To support the government's commitment to reduce incidences of corruption in procurement processes, the provincial treasury facilitated the SCM reforms and reviewed the process of resolving supply chain related complaints to ensure fair procurement practices in the province were established. The increase support to the departments and municipalities the GPT increased its internal capacity through adequately skilled and qualified officials. ; The model on the demand management concept was finalized; various contracts for medical equipment were finalized and technical teams were deployed in central hospitals.

In 2013/14, the province benchmarked with other provincial treasuries regarding corporate governance matters. This led to Treasury enforcing compliance with the guidelines on issuing cheques to minimize cheque issuance, we reviewed the public and trading entities to align their functions with government priorities. Efficiencies in business processes were gained through the automation of the budget upload to BAS and SAP; and asset verification processes were automated to increase accuracy and reduce turnaround time. The financial system processes were re-engineered to improve interface with transversal system. The Health Intervention Programme reviewed and work-shopped the ICT strategy to realign it with the business requirements and the revised health turnaround strategy.

With regard to the priority of increasing the efficiency in government expenditure, the province continually monitored trends, personnel headcount and expenditure to inform the Executive and to improve departments' budgeting and planning processes. The value-for-money and the impact of population were among the key factors that were assessed during the monitoring of conditional grants expenditure. The full implementation of the approved Provincial Infrastructure Delivery Management System (IDMS) in 2013/14 involved the provision of infrastructure delivery departments with the requisite skills to effectively and efficiently implement the funded projects. The department also introduced and implemented reforms relating to the publication of provincial quarterly performance information in the public domain (i.e. GPT's website) to improve transparency. Initiatives to improve collection of revenue include the development of own revenue enhancement strategy and development of own revenue forum charter.

The outcome-based planning and budgeting continued in 2013/14. The GPT's interventions to improve the quality of provincial plans and budget during the financial year included the introduction of one budget database that was used throughout the budget process for budget compilation and budget decision-making; and feedback mechanism in the form of functional groups and Medium-Term Expenditure Committee engagements that reviewed major programmes that were funded during the current term of governance. The department researched topical economic issues, jointly with research and academic institutions. It also produced and tabled provincial budgets and other publications such as PERO, SERO and MTBPS that were also discussed with relevant stakeholders. To promote transparency of the provincial budgets, the GPT published in the Government Gazette the budget allocations to schools and hospitals. The GPT continued to promote a better understanding of the public-private partnerships as a vehicle for job creation and improving service delivery. In addition to focus on Tourism, Energy, Economic Development, Health and Educational sectors, we explored other sectors such as Water, Housing and Transport in order to overcome service delivery and infrastructure challenges.

### 3. OUTLOOK FOR THE COMING FINANCIAL YEAR (2014/15)

The National elections will be held in the 2014/15 financial year and this will also mark the beginning of a new term of governance, which will require focus on the finalisation and implementation of the 2014-2019 MTSF. The GPT will support (through financial resourcing) all the 14 government outcomes whilst being a supporting department to outcomes 9 and 12.

To develop improved administrative and financial capabilities of municipalities, the province will support and

monitor the municipal capacity initiatives. The existing Municipal Finance Hands-on Support Programme will be extended and other supplementary support initiatives will be explored. Such initiatives include revenue enhancement strategies that will optimize revenue billing and collection in municipalities. The province will assess the municipal budgets to improve their credibility and affordability of plans.

The GPT will continue to assess municipalities' compliance with supply chain management policies. The established supply chain management forums and the new reporting tools to be introduced will support the assessment of compliance in municipalities. With regard to unqualified audits, the province will increase support to municipalities that are not making significant progress in implementing strategic support plans regarding enterprise risk management. Municipalities will also be included in the road shows in which the province discusses the fiscal framework with stakeholders; this fiscus position is published in the MTBPS.

The province made progress in 2013/14 with regard to increasing the number of unqualified audits. The GPT will manage its financial affairs in a manner that will ensure we maintain the clean audit outcome. The Treasury will support departments in the compilation of their annual and interim financial statements. To support departments further, the GPT will analyse the departments' appropriation statements and provide feedback to departments to help monitor their annual expenditure. The department will also compile the 2013/14 consolidated financial statements and submit them to the Auditor-General by 30 June 2014. The department also strives to maintain a clean audit opinion on the Provincial Revenue Fund.

To improve financial management in government, the department will build on improvements made by the Health Intervention Programme in the previous financial year. The support provided to Health through the Programme will focus on inventory management; compiling a credible budget; reviewing finance structure in hospitals and enhancing finance systems and processes in hospitals and head office.

The planned further improvements in the management of human resources to increase efficiencies include the automation and rollout of payroll certification to all departments to ensure that departments certify the validity of staff and accuracy of payroll. The Health Intervention Programme will determine employee competency and implement skill psychometric battery to guide decisions in matching people to the suitable positions; develop staffing norms and overall organisational structure; and provide training to improve the basic competence required for the human resource function. There are initiatives that will be implemented to address a shortage of skills in public-private partnerships; these initiatives will support and fund the project management services, capacity, skills and resources in order to accelerate infrastructure delivery.

To support the government's commitment to reduce incidences of corruption in procurement processes, the department will facilitate the implementation and compliance with the supply chain management legislation. The department will introduce new reporting tools and use the established supply chain management forums to continue assessing the compliance in departments. The Health Intervention Programme will define and align the supply chain management organisational and governance structures in health institutions and head office. The department will implement the PERSAL verification system to assist municipalities to detect suppliers who are in the service of the state to eliminate abuse of the procurement system.

Interventions aimed at improving efficiency and effectiveness of public service will be put in place. These include monitoring and reporting on governance arrangements within the public Entities to ensure that oversight structures are appointed appropriately and function optimally. Efficiencies in business processes will be achieved through the rollout of modules such as assets management and inventory management to improve the financial management systems across the GPG departments. The training management system will be automated to reduce the turnaround times on new applications received. With regard to the automation of the cash management system, Treasury will pilot two other phases relating to departments' requisition of funds and funds transfer to departments. The E-Receipting module in SAP will be rolled out to all departments to automate the processing of cash receipts and deposits with an aim of improving operating efficiencies and ensuring proper accounting for revenue received.

With regard to the priority of increasing the efficiency in government expenditure, the department will continue to monitor trends personnel headcount and expenditure to inform the Executive and to improve departments' budgeting and planning processes. The GPT will analyse the conditional grant expenditure and performance information as well as verify evidence of progress through site visits. The implementation of the Provincial Infrastructure Delivery Management System will be monitored to ensure improvement in infrastructure delivery. Transparency of budget information will continue to be ensured through the publication of provincial quarterly performance information in the public domain (i.e. GPT's website). With regard to revenue optimisation, the

GPT will review and approve tariffs; explore and assess viability of identified new revenue sources; and monitor the implementation of the provincial revenue strategy to ensure that departments develop own strategies and policies.

The implementation of outcome-based planning and budgeting will be strengthened by conducting further research relating to a responsive, gender based and activist budget. The GPT will collaborate with the Gauteng Planning Commission in facilitating the development of outcomes plans that incorporate the 2014-2019 MTSF outcomes. The GPT will facilitate any budget-related processes to accommodate the changes emanating from the implementation of the new MTSF outcomes in the province. The province will continue to research topical economic issues, jointly with research and academic institutions. The province will table provincial and adjustment budgets and produce economic publications such as PERO, SERO and MTBPS. As the end users to these research publications the department will engage with municipalities to offer specialist support towards refining their Integrated Development Plans (IDPs) and Local Economic Development (LED) Strategies. To promote transparency of the provincial budgets, the GPT will publish in the Government Gazette the budget allocations to schools and hospitals.

The public-private partnerships are alternative arrangements for funding government programmes. The department will introduce new arrangements for the assurance and approval of major projects to strengthen scrutiny compliance and control; introduce measures that will improve skills, value-for-money, transparency and accountability in long-term contracts; and design, implement and manage a contract management framework.

#### 4. REPRIORITISATION

The GPT reprioritised the budget baselines to identify savings while still funding the existing priorities over the MTEF period. Savings were realised in goods and services line items such as the OPCA project and other non-core items, by cutting the costs of providing services while maintaining the service level. The identified savings are redirected to fund the inflationary adjustment to salaries and to fund cost pressures in the Municipal Finance Hands-on Support Programme, which provides training and consultant services to designated GPG municipalities.

#### 5. PROCUREMENT

The main projects that will be funded and will influence the major procurement over the 2014 MTEF are stated below:

##### Asset Management Strategy for Municipalities

The GPT's mandate is to appoint a Service Provider qualified in Infrastructure Asset Management to produce Asset Management (AM) plans per sector and then aggregate these plans into a consolidated plan at a strategic level (AM Strategy) and in doing so, assist the GPT in supporting the identified Gauteng municipalities.

##### Enterprise Content Management

GPT will appoint a service provider to provide an enterprise content management solution. Enterprise content management is a solution that covers document management, web content management, searches, collaboration, records management, digital asset management (DAM), work-flow management, capturing and scanning. ECM is primarily aimed at managing the life-cycle of information from initial publication or creation all the way through to archival and eventually disposal. ECM aims to make the management of corporate information easier through simplifying storage, security, version control, process routing, and retention.

#### 6. REVENUE AND FINANCING

##### 6.1 Summary of receipts

TABLE 14.1: SUMMARY OF RECEIPTS: GAUTENG PROVINCIAL TREASURY

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Equitable share	208 312	253 369	265 310	320 292	322 423	322 423	412 774	402 323	424 379
Conditional grant	4 734								
<b>Total receipts</b>	<b>213 046</b>	<b>253 369</b>	<b>265 310</b>	<b>320 292</b>	<b>322 423</b>	<b>322 423</b>	<b>412 774</b>	<b>402 323</b>	<b>424 379</b>

The department is funded through equitable share. Funds allocated to the Department during the period under review cater for personnel requirements, printing of GPT publications, provision of support to departments and municipalities, infrastructure capacity building programme, transfers to the Gauteng Funding Agency, Health Intervention Programme, Identification Verification System rollout project and the Operation Clean Audit.

Allocations increase from R413 million over R424 million over the 2014 MTEF in order to fund the Health Intervention Programme in 2014/15; GPT's core programmes of capacity building and business systems in 2015/16 and 2016/17; and personnel requirements based on the organizational structure approved in 2013/14.

## 6.2 Departmental receipts collection

TABLE 14.2: DEPARTMENTAL RECEIPTS: GAUTENG PROVINCIAL TREASURY

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Tax receipts									
Casino taxes									
Horse racing taxes									
Liquor licences									
Motor vehicle licences									
Sales of goods and services other than capital assets			175	205		223	211	222	234
Transfers received									
Fines, penalties and forfeits									
Interest, dividends and rent on land	37 044	164 758	187 570	60 000	180 000	179 795	80 000	88 000	100 000
Sales of capital assets									
<b>Transactions in financial assets and liabilities</b>			<b>66</b>			<b>354</b>			
<b>Total departmental receipts</b>	<b>37 044</b>	<b>164 758</b>	<b>187 811</b>	<b>60 205</b>	<b>180 000</b>	<b>180 372</b>	<b>80 211</b>	<b>88 222</b>	<b>100 234</b>

The revenue source for the department is the interest earned on favorable bank balances. The bank balances, in turn, depend on the province's investment policy and the spending trends of provincial departments.

The economic downturn that started in previous financial years reduced the amounts available for investment, and the provincial departments' increased spending depleted the provincial reserves. This saw the revenue collected at a low point of R37 million in the 2010/11 financial year.

The introduction of improved cash management strategies to improve the liquidity of the province during periods of financial constraints resulted in increases in cash balances from which a higher interest revenue was earned; therefore the interest revenue increased from R37 million in 2010/11 to R165 million in the 2011/12 financial year. The continued implementation of these strategies caused the interest revenue to increase to R187 million in 2012/13. These strategies include ring fencing the infrastructure and conditional grants to ensure efficiency in these monies being spent by departments. This stricter control of cash flows increased the cash resources in the province whilst the provincial departments improved their spending plans.

The department conservatively projected interest revenue at R60 million in 2013/14; however this budget was reached within four months and the department therefore increased the budget to R180 000 during the adjustment budget process, based on the accelerated increase in interest revenue earned.

Given the measures that are put in place to improve provincial departments' spending that could potentially minimise cash balances, the GPT prudently projects the interest revenue to be R80 million in 2014/15 and gradually increasing to R100 million in 2016/17.

## 7. PAYMENT SUMMARY

### 7.1 Key assumptions

The 2014 MTEF budget is informed by the Gauteng Provincial Treasury's Strategic Plan, Annual Performance Plan, the provincial outcomes and the Gauteng Provincial Government's programme of action (POA). Provision for annual salary adjustments are made as follows: 6.5 percent in 2014/15, 5.4 percent in 2015/16, and 5.4 percent in 2016/17. Provision has also been made for notch progression and performance bonuses.



## 7.2 Programme summary

TABLE 14.3: SUMMARY OF PAYMENTS AND ESTIMATES: GAUTENG PROVINCIAL TREASURY

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1. Administration	55 722	47 417	59 768	72 601	75 522	78 728	95 852	100 990	105 564
2. Sustainable Resources Management	78 539	83 893	85 341	102 631	100 309	93 290	141 606	150 785	157 107
3. Financial Governance	35 583	33 748	35 994	89 540	91 862	88 899	117 174	84 252	90 941
4. Provincial Accounting Services	39 584	39 426	43 824	55 520	54 730	53 919	58 142	66 296	70 767
<b>Total payments and estimates</b>	<b>209 428</b>	<b>204 484</b>	<b>224 927</b>	<b>320 292</b>	<b>322 423</b>	<b>314 836</b>	<b>412 774</b>	<b>402 323</b>	<b>424 379</b>

## 7.3 Summary of economic classification

TABLE 14.4: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: GAUTENG PROVINCIAL TREASURY

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>154 467</b>	<b>151 595</b>	<b>173 246</b>	<b>268 986</b>	<b>268 690</b>	<b>262 563</b>	<b>361 863</b>	<b>351 370</b>	<b>370 726</b>
Compensation of employees	126 878	126 663	141 098	188 365	188 241	180 579	244 877	267 075	281 828
Goods and services	27 589	24 867	32 148	80 621	80 449	81 984	116 986	84 295	88 898
Interest and rent on land		65							
<b>Transfers and subsidies to</b>	<b>51 522</b>	<b>50 027</b>	<b>50 108</b>		<b>50 124</b>	<b>50 110</b>	<b>50 000</b>	<b>50 000</b>	<b>52 650</b>
Provinces and municipalities									
Departmental agencies and accounts	51 500	50 000	50 000	50 000	50 000	50 000	50 000	50 000	52 650
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises						2			
Non-profit institutions									
Households	22	27	108		124	108			
<b>Payments for capital assets</b>	<b>44</b>	<b>2 426</b>	<b>1 573</b>	<b>1 306</b>	<b>3 609</b>	<b>2 163</b>	<b>911</b>	<b>953</b>	<b>1 004</b>
Buildings and other fixed structures						1			
Machinery and equipment	44	2 426	1 559	1 306	3 467	2 019	911	953	1 004
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets			14		142	143			
<b>Payments for financial assets</b>	<b>3 395</b>	<b>436</b>							
<b>Total economic classification</b>	<b>209 428</b>	<b>204 484</b>	<b>224 927</b>	<b>320 292</b>	<b>322 423</b>	<b>314 836</b>	<b>412 774</b>	<b>402 323</b>	<b>424 379</b>

Total expenditure reduced from R209 million in 2010/11 to R204 million in 2011/12 and increased to R224 million in 2012/13. The lower revised estimate of R315 million compared to an increase in the projections over MTEF is due to the Department's postponement of the development of planned electronic systems that are meant to streamline the systems development process to improve efficiency and value for money.

The total budget is increased from R322 million in 2013/14 and over the MTEF to R424 million in 2016/17 to fund the costs of increasing the capacity of the department to deliver on its growing mandate and projects such as the intervention at the Department of Health and the operation clean audit initiatives.

Compensation of employees has steadily increased for the period under review, particularly between the financial years 2010/11 and 2012/13 where the budget increased from R127 million to R141 million respectively. This was mainly due to higher-than-expected salary adjustments. The budget continues to grow from R188 million in 2013/14 to R245 million in 2014/15, which corresponds with the Department's plans to fully implement the approved structure. Provision for annual cost of living adjustments, notch progression and annual performance bonuses have been made.

Goods and services increased from R80 million in 2013/14 to R117 million in 2014/15, reflecting the increase the R40 million allocation for the Health Intervention Programme. The department has allocated funds capacity building, of contract management in the province and maintaining the current Municipal Finance Support programme that aims to provide financial management support to municipalities across the province. The department continues to strengthen its initiatives in support of the Operation Clean Audit 2014 outcome.

## 8. PROGRAMME DESCRIPTION

### Programme 1: Administration

#### Programme description

This programme aims to provide effective leadership, management and administrative support to the Member of Executive Authority, Head of Treasury and the Treasury Programmes. This is done in fulfilment of the mission and mandate of the Treasury. The aim is to provide an enabling environment for the implementation of the Department's mandate and promote innovative solutions that result in cutting-edge service delivery strategies that promote service excellence.

#### Programme objectives

- To provide political oversight and administrative support to the executive authority on the implementation of the strategic objectives and outcomes;
- To provide leadership; monitor departmental performance and ensure implementation of the mandate;
- To facilitate, monitor and drive the overall departmental strategy, planning, performance and risk management processes to ensure achievement of GPT's mandate and intended impact on the provincial priorities, as well as to implement and monitor policies and strategies to accelerate the transformation agenda in the organisation;
- To provide strategic and operational financial planning support, financial management and quality supply chain management services to GPT; and
- To ensure an integrated corporate service function that provides strategic and operational support in human resources, law, communications and ICT.

TABLE 14.5: SUMMARY OF PAYMENTS AND ESTIMATES: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1. Office of the MEC	6 013	6 715	6 385	6 665	6 465	7 173	7 386	7 719	8 188
2. Office of the HOD	2 679	2 376	6 607	8 444	8 674	8 237	14 391	15 523	16 565
3. Corporate Services	35 445	24 901	29 891	34 525	39 934	42 541	52 968	55 703	57 358
4. Financial Management	11 585	13 425	16 885	22 967	20 449	20 777	21 107	22 045	23 453
<b>Total payments and estimates</b>	<b>55 722</b>	<b>47 417</b>	<b>59 768</b>	<b>72 601</b>	<b>75 522</b>	<b>78 728</b>	<b>95 852</b>	<b>100 990</b>	<b>105 564</b>

TABLE 14.6: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>52 276</b>	<b>44 633</b>	<b>58 195</b>	<b>71 295</b>	<b>72 271</b>	<b>76 997</b>	<b>94 941</b>	<b>100 037</b>	<b>104 561</b>
Compensation of employees	34 139	26 539	32 629	41 022	40 968	45 485	66 568	70 610	74 370
Goods and services	18 137	18 029	25 566	30 273	31 303	31 512	28 373	29 427	30 191
Interest and rent on land		65							
<b>Transfers and subsidies to</b>	<b>7</b>	<b>22</b>		<b>54</b>	<b>50</b>				
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises		2				2			
Non-profit institutions									
Households	7	20		54	48				
<b>Payments for capital assets</b>	<b>44</b>	<b>2 426</b>	<b>1 573</b>	<b>1 306</b>	<b>3 197</b>	<b>1 681</b>	<b>911</b>	<b>953</b>	<b>1 004</b>



## Vote 14 - Provincial Treasury • EPRE - 2014/15

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Buildings and other fixed structures						1			
Machinery and equipment	44	2 426	1 559	1 306	3 176	1 659	911	953	1 004
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets			14		21	21			
<b>Payments for financial assets</b>	<b>3 395</b>	<b>336</b>							
<b>Total economic classification</b>	<b>55 722</b>	<b>47 417</b>	<b>59 768</b>	<b>72 601</b>	<b>75 522</b>	<b>78 728</b>	<b>95 852</b>	<b>100 990</b>	<b>105 564</b>

The budget for Administration increases from R56 million in 2010/11 to R72 million in the 2013/14 financial year then to R106 million in the 2016/17 financial year. The main reason for increasing the budget is the significant increase in personnel numbers to support a growing departmental structure. The decrease in goods and services is due to decentralisation of items such as training, catering, resettlement costs and venues and facilities.

Compensation of employees decreased from R34 million in the 2010/11 financial year to R33 million in 2012/13. Compensation of employees increases from R 41 million in the 2013/14 financial year to R74 million in the 2016/17 financial year. The increase in compensation of employees is due to the re-establishment of Gauteng Provincial Treasury after the demerger from the Gauteng Department of Finance and the implementation of the approved structure.

The main factors that contribute to increases in compensation of employees are the annual notch progressions, personnel related costs, such as performance bonus and service bonus, as well as implementation of the approved structure and the re -grading of clerk posts.

Over the MTEF, spending levels for the administration programme are expected to stay within the baseline of R96 million, R101 million and R106 million for 2014/15, 2015/16, and 2016/17 respectively. Administration's main cost drivers are utilities, external audits, lease payments, communication and property payments.

Over the MTEF, spending on capital assets is expected to stay within the baseline, averaging R955 000 at R911 000, R953 000 and R1 million for the 2014/15, 2015/16, and 2016/17 financial years respectively. The computer refresh is expected to normalise in the 2014/15 financial year as the department plans to put in place stringent measures to avoid heavy expenditure, as most of the procurement has already been done.

### SERVICE DELIVERY MEASURES

#### PROGRAMME 1: ADMINISTRATION

Performance measures	Estimated Annual Targets		
	2014/15	2015/16	2016/17
<b>Office of the MEC</b>			
Ensure all legislature matters and public queries are responded to within the prescribed timeframes	Respond to all legislature matters according to the legislature timeframes	Respond to all legislature matters according to the legislature timeframes	Respond to all legislature matters according to the legislature timeframes
	Respond to public queries according to the presidential/ GPG Hotline (i.e. within 3 working days)	Respond to public queries according to the presidential/ GPG Hotline (i.e. within 3 working days)	Respond to public queries according to the presidential/ GPG Hotline (i.e. within 3 working days)
<b>Office of the HOD</b>			
Action lists reflecting the updated status of the EMC resolutions	Action lists reflecting the updated status of the EMC resolutions	Action lists reflecting the updated status of the EMC resolutions	Action lists reflecting the updated status of the EMC resolutions
Oversight provided to the Gauteng Department of Health	4 progress reports submitted by the administrator	N/A	N/A
<b>Strategy Management</b>			

Performance measures	Estimated Annual Targets		
	2014/15	2015/16	2016/17
Approved legislative plans and reports according to prescribed timelines.	Approved Strategic Plan for 2014 - 2019 submitted to legislature	Reviewed Strategic Plan submitted to legislature	Reviewed Strategic Plan submitted to legislature
	Annual Performance Plan tabled at the Legislature	Annual Performance Plan tabled at the Legislature	Annual Performance Plan tabled at the Legislature
	Annual Report for 2013/14 tabled at the Legislature	Annual Report for 2014/15 tabled at the Legislature	Annual Report for 2015/16 tabled at the Legislature
	Quarterly performance reports submitted to the MEC	Quarterly performance reports submitted to the MEC	Quarterly performance reports submitted to the MEC
	Quarterly reports on the departmental risk profile submitted to the Audit Management Committee and Risk Management Committee	Quarterly reports on the departmental risk profile submitted to the Audit Management Committee and Risk Management Committee	Quarterly reports on the departmental risk profile submitted to the Audit Management Committee and Risk Management Committee
Unqualified audit report on predetermined objectives	Unqualified audit report on pre-determined objectives for 2013/14 FY	Unqualified audit report on pre-determined objectives for 2014/15 FY	Unqualified audit report on pre-determined objectives for 2015/16 FY
<b>Office of the CFO</b>			
Unqualified audit report on AFS with no material misstatements	Unqualified audit report on AFS with no material misstatements	Unqualified audit report on AFS with no material misstatements	Unqualified audit report on AFS with no material misstatements
<b>Corporate Services</b>			
Number of GEYODI reports submitted to the Office of the Premier according to the agreed timeframes	GEYODI reports submitted to the Office of the Premier according to the agreed timeframes	GEYODI reports submitted to the Office of the Premier according to the agreed timeframes	GEYODI reports submitted to the Office of the Premier according to the agreed timeframes
Number of ICT Service Standards compliance reports submitted	Implement ICT Services Standards	Review and implement the approved ICT Service Standards	Review and implement approved ICT Service Standards
Reduction of vacancy rate	10% vacancy rate	10% vacancy rate	10% vacancy rate

## PROGRAMME 2: SUSTAINABLE RESOURCE MANAGEMENT

### Programme description

The programme aims to optimise resources allocation, utilisation and revenue in order to maximise the social benefit to Gauteng's citizens.

### Programme objectives

#### Fiscal Policy and Economic Analysis

- Maximise current revenue sources and optimise potential new revenue streams;
- Develop and implement a comprehensive provincial revenue strategy;
- Provide advisory services to relevant stakeholders on fiscal policy matters and the medium term fiscal framework;
- Provide provincial socio-economic research and analysis to inform resource allocation and utilisation; and
- Provide advisory services to relevant stakeholders on fiscal policy matters and the medium term fiscal framework, maximise current revenue sources and provide socio-economic research and analysis.

#### Budget Management

- Allocate resources to outputs in an optimal and transparent manner that is aligned with the national and provincial outcomes and that addresses equity, needs and spatial development;
- Manage provincial planning and budgeting processes for the province;
- Implement budget reforms that enhance budgeting processes in the province;
- Promote effective and efficient public service delivery by assisting departments with service delivery;
- Enforce implementation of and compliance with the PFMA; and
- Allocate resources to outputs ensuring alignment with national and provincial outcomes to manage the planning and budgeting processes for GPG.

#### Public Finance

- Provide strategic support to departments and agencies to utilise public resources effectively;
- Conduct sector level policy analysis to maximize efficiency gains and value for money;
- Monitor and evaluate the performance outcomes of spending agencies; and
- Provide strategic support to GPG in order to ensure optimal utilisation of public resources and maximisation of efficiency gains and value for money.

**Public Private Partnerships**

- Facilitate, enhance and complement provincial revenue through private investment in infrastructure and service delivery;
- Evolve as a dynamic and sustainable center of excellence for public private partnerships (PPPs), providing technical, financial and legal assistance to all departments and municipalities in the province;
- Provide assistance through project feasibility, procurement and contract management during a project;
- Improve the infrastructure and service delivery efficiency of the province;
- Drive PPP deal flow by identifying project opportunities that yield value to all stakeholders; and
- Facilitate, enhance and complement provincial revenue through private investment in infrastructure and service delivery.

**TABLE 14.7: SUMMARY OF PAYMENTS AND ESTIMATES: SUSTAINABLE RESOURCE MANAGEMENT**

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1. SRM Programme Support	51 574	51 855	52 867	57 651	54 570	55 401	79 154	82 551	85 269
2. Fiscal Policy and Economic Analysis	5 081	7 925	7 610	9 293	9 554	7 736	10 176	10 489	11 237
3. Budget Management	6 806	10 006	10 959	17 019	17 442	13 241	22 983	25 327	26 860
4. Public Finance	10 799	10 587	10 921	15 579	15 654	13 829	25 828	28 691	29 625
5. Public Private Partnership	4 279	3 520	2 984	3 089	3 089	3 083	3 465	3 727	4 116
<b>Total payments and estimates</b>	<b>78 539</b>	<b>83 893</b>	<b>85 341</b>	<b>102 631</b>	<b>100 309</b>	<b>93 290</b>	<b>141 606</b>	<b>150 785</b>	<b>157 107</b>

**TABLE 14.8: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: SUSTAINABLE RESOURCE MANAGEMENT**

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>28 539</b>	<b>33 793</b>	<b>35 311</b>	<b>52 631</b>	<b>50 289</b>	<b>43 258</b>	<b>91 606</b>	<b>100 785</b>	<b>104 457</b>
Compensation of employees	26 756	30 305	32 594	44 959	44 939	37 912	62 263	68 077	71 864
Goods and services	1 783	3 488	2 717	7 672	5 350	5 346	29 343	32 708	32 593
Interest and rent on land									
<b>Transfers and subsidies to</b>	<b>50 000</b>	<b>50 000</b>	<b>50 030</b>	<b>50 000</b>	<b>50 020</b>	<b>50 032</b>	<b>50 000</b>	<b>50 000</b>	<b>52 650</b>
Provinces and municipalities									
Departmental agencies and accounts	50 000	50 000	50 000	50 000	50 000	50 000	50 000	50 000	52 650
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households			30		20	32			
<b>Payments for capital assets</b>									
Buildings and other fixed structures									
Machinery and equipment									
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>			<b>100</b>						
<b>Total economic classification</b>	<b>78 539</b>	<b>83 893</b>	<b>85 341</b>	<b>102 631</b>	<b>100 309</b>	<b>93 290</b>	<b>141 606</b>	<b>150 785</b>	<b>157 107</b>

The budget for the Sustainable Resource Management increases from R79 million in the 2010/11 financial year to R85 million in the 2012/2013 financial year. The budget increases from R 100 million in the 2013/14 financial year to R157 million in 2016/17 financial year. The main factors contributing to an increase in the budget are the allocation of additional funding for compensation of employees, the capacity building project and systems development project and the inclusion of previously centralised items from Administration.

Compensation of employees increases from R27 million in the 2010/11 financial year to R33 million in the 2012/13 financial year. The budget increases from R45 million in the 2013/14 financial year to R72 million in the 2016/17 financial year. The increases in compensation of employees is due to the filling of critical positions as per the approved departmental structure and the wage settlements that have been above inflation over the period, as well as notch progressions.

Goods and services increased from R2 million in the 2010/11 financial year to R3 million in the 2012/2013 financial year. There is an increase of R28 million from R5 million in the 2013/14 financial year to R33 million in the 2016/17 financial year. The main cost drivers are capacity building projects, system development projects as well as the printing of provincial publications such as PERO, SERO, MTBPS, and EPRE.

Transfers to the Gauteng Project Office amount to R50 million and R53 million over MTEF. The budget forms part of the Programme Support allocation.

## SERVICE DELIVERY MEASURES

### PROGRAMME 2: SUSTAINABLE RESOURCE MANAGEMENT

Performance measures	Estimated Annual Targets		
	2014/15	2015/16	2016/17
<b>Fiscal Policy and Economic Analysis</b>			
Number of own revenue analysis reports prepared and submitted	4 quarterly submissions for Legislature	4 quarterly submissions for Legislature	4 quarterly submissions for Legislature
	8 monthly submissions to departments	8 monthly submissions to departments	8 monthly submissions to departments
	4 quarterly submissions to GPG departments	4 quarterly submissions to GPG departments	4 quarterly submissions to GPG departments
Number of own revenue forums conducted	6	6	6
Number of tariff submissions reviewed and approved	4	5	6
Produce MTEC own revenue input reports in line with Provincial Treasury timeframes	Produce MTEC own revenue input reports in line with Provincial Treasury timeframes	Produce MTEC own revenue input reports in line with Provincial Treasury timeframes	Produce MTEC own revenue input reports in line with Provincial Treasury timeframes
Tabling of SERO, PERO and MTBPS at Legislature according to the prescribed timeframes	SERO in March 2015	SERO in March 2016	SERO in March 2017
	PERO in November 2014	PERO in November 2015	PERO in November 2016
	MTBPS in November 2014	MTBPS in November 2015	MTBPS in November 2016
Number of policies developed and reviewed	2 draft policies	N/A	N/A
	2 policy reviews	4	4
Number of economic research conducted	1 impact study completed	1 impact study completed	1 impact study completed
	2 Economic Bulletins published	2 Economic Bulletins published	2 Economic Bulletins published
	47 weekly newsletters published	47 weekly newsletters published	47 weekly newsletters published
<b>Public Private Partnerships</b>			
Monitoring and providing regulatory advice and support on PPP Projects in terms of Treasury Regulation 16.	Compliance to legislative requirements for PPP Projects in terms of monitoring and providing regulatory advice and support on PPP Projects	Compliance to legislative requirements for PPP Projects in terms of monitoring and providing regulatory advice and support on PPP Projects	Compliance to legislative requirements for PPP Projects in terms of monitoring and providing regulatory advice and support on PPP Projects
Inception, development and planning of contract management system for the Province	Inception, development and planning of contract management system for the Province	Inception, development and planning of contract management system for the Province	Inception, development and planning of contract management system for the Province
<b>Budget Management</b>			
Table the provincial MTEF and adjustment budgets at the Legislature within the prescribed timeframes	Table 1 MTEF budget within 14 days after the National Budget day	Table 1 MTEF budget within 14 days after the National Budget day	Table 1 MTEF budget within 14 days after the National Budget day
	Table 1 Adjustment budget within 30 days after the National Adjustment budget day	Table 1 Adjustment budget within 30 days after the National Adjustment budget day	Table 1 Adjustment budget within 30 days after the National Adjustment budget day
Number of legislated provincial reports produced according to the National Treasury (NT) timeframes	IYM reports submitted to NT by 22nd day of each month	IYM reports submitted to NT by 22nd day of each month	IYM reports submitted to NT by 22nd day of each month
	4 QPRs submitted according to the NT timeframes	4 QPRs submitted according to the NT timeframes	4 QPRs submitted according to NT timeframes
<b>Public Finance</b>			
Number of consolidated 'State of GPG Finances' report submitted to the Office of the MEC (for EXCO) according to the agreed timeframes	4	4	4
Prepare and submit an analysis of conditional grants business plans to the HOD:GPT in the Division of Revenue Act (DoRA) prescripts	1	1	1
Number of site visit reports submitted to the HOD:GPT to monitor implementation of projects funded by conditional grants and provincial equitable share	4	4	4
Evaluation report on performance of conditional grants prepared and submitted to National Treasury according to the DoRA prescripts	1	1	1

Performance measures	Estimated Annual Targets		
	2014/15	2015/16	2016/17
Submit Finance Lekgotla, MTEC and PBC reports according to the Provincial budget timelines	Submit Finance Lekgotla report, MTEC and PBC reports according to the Provincial budget timelines	Prepare and submit Finance Lekgotla report, MTEC and PBC reports according to the Provincial budget timelines	Prepare and submit Finance Lekgotla report, MTEC and PBC reports according to the Provincial budget timelines
Number of IRM reports submitted to National Treasury by 22 <sup>nd</sup> day after the end of the quarter	24	24	24
Table the Provincial Infrastructure MTEF and adjustment budgets according Provincial budget timeline	Table MTEF and adjustment infrastructure budgets according to the Provincial budget timeframes	Table MTEF and adjustment infrastructure budgets according to the Provincial budget timeframes	Table MTEF and adjustment infrastructure budgets according to the Provincial budget timeframes

## PROGRAMME 3 : FINANCIAL GOVERNANCE

### Programme description

To implement best practices that will ensure sound corporate, financial management and legislative governance in the province and provide support to all GPG departments, entities and municipalities.

### Programme objectives

- To ensure the implementation of the enterprise risk management strategy in GPG;
- To be a credible partner in financial management practices and systems at local government and to ensure compliance with the MFMA;
- To ensure compliance with all financial norms and standards and to standardise implementation and compliance of supply chain management frameworks and legislation in GPG; and
- To provide proactive institutional support to financial system users in GPG.

TABLE 14.9: SUMMARY OF PAYMENTS AND ESTIMATES: FINANCIAL GOVERNANCE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1. FG Programme Support	517	857	1 746	31 955	31 955	32 278	43 349	3 464	3 688
2. Risk Management	11 494	8 429	7 587	12 481	12 481	9 936	13 847	14 787	15 810
3. Norms and Standards	2 642	3 505	3 300	12 312	12 312	7 648	19 243	20 699	21 581
4. Local Government Financial Services	16 885	16 532	17 958	24 991	26 901	29 956	32 412	35 902	38 045
5. Financial Business Systems	4 045	4 425	5 403	7 801	8 213	9 081	8 323	9 400	11 818
<b>Total payments and estimates</b>	<b>35 583</b>	<b>33 748</b>	<b>35 994</b>	<b>89 540</b>	<b>91 862</b>	<b>88 899</b>	<b>117 174</b>	<b>84 252</b>	<b>90 941</b>

TABLE 14.10: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: FINANCIAL GOVERNANCE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>34 068</b>	<b>33 743</b>	<b>35 928</b>	<b>89 540</b>	<b>91 420</b>	<b>88 472</b>	<b>117 174</b>	<b>84 252</b>	<b>90 941</b>
Compensation of employees	28 352	30 950	33 843	51 871	51 841	47 574	61 802	66 158	69 108
Goods and services	5 716	2 793	2 085	37 669	39 579	40 898	55 372	18 094	21 833
Interest and rent on land									
<b>Transfers and subsidies to</b>	<b>1 515</b>	<b>5</b>	<b>66</b>		<b>30</b>	<b>14</b>			
Provinces and municipalities									
Departmental agencies and accounts	1 500								
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households	15	5	66		30	14			
<b>Payments for capital assets</b>					<b>412</b>	<b>413</b>			
Buildings and other fixed structures									
Machinery and equipment					291	291			
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets					121	122			
<b>Payments for financial assets</b>									
<b>Total economic classification</b>	<b>35 583</b>	<b>33 748</b>	<b>35 994</b>	<b>89 540</b>	<b>91 862</b>	<b>88 899</b>	<b>117 174</b>	<b>84 252</b>	<b>90 941</b>

The budget for Financial Governance has increased from R34 million in the 2011/12 financial year to R36 million in the 2012/13 financial year. There is a further increase to R90 million in the 2013/14 financial year due to allocation of funds for the Health Intervention Programme initiated to stabilise the operational and financial management in the Department of Health. The allocation of funds for the Health Interventions continue to 2014/15; hence a decrease in budget from R117 million in the 2014/15 financial year to R91 million in the 2016/17 financial year.

Compensation of employees increases from R28.3 million in the 2010/11 financial year to R33.8 million in the 2012/13 financial year. This is due to filling of critical positions are per approved departmental structure, the wages settlements that have been above inflation over the period, as well as notch progressions. The compensation of employee baseline has increased over the MTEF compared to the previous financial year due to the reprioritisation from SRM.

Goods and services decrease from R5.7 million in the 2010/11 financial year to R2 million 2012/13 financial year. Furthermore goods and services increase from R38 million in 2013/14 to R55 million in 2014/15. The increase is due to a once-off allocation for the Health Intervention Programme for the 2014/15 financial year. Furthermore, the programme will fund various municipal training programmes, various forums conducted and the costs from the previous centralised items for Administration. Major cost drivers over MTEF for this programme are consultants, business advisories and training and development. An Administrator was appointed in the 2013/14 financial year to lead this project.

## SERVICE DELIVERY MEASURE

### PROGRAMME 3: FINANCIAL GOVERNANCE

Performance measures	Estimated Annual Targets		
	2014/15	2015/16	2016/17
<b>Enterprise Risk Management</b>			
Number of ERM process reviews conducted in Municipalities	36	36	36
Number of ERM process reviews conducted in GPG Departments	56	56	56
Number of strategic risk assessment workshops conducted in GPG Departments	14	14	14
Number of Audit Committee Meetings conducted	55	55	55
<b>Local Government Financial Services</b>			
Number of municipal compliance MFMA reports prepared to the National Treasury and the MEC: Finance as per the agreed timelines	4	4	4
Number of bi-annual municipal budget assessment reports submitted to NT and MEC: Finance	2	2	2
Number of consolidated municipal budget statement gazetted and submitted to Provincial Legislature 45 days after the end of the quarter.	4	4	4
Number of consolidated municipal budget statement published on Provincial Treasury website within 30 days after end of quarter	4	4	4
Number of Provincial Gazettes on transfer to municipalities tabled in the legislature with provincial main budget	1	1	1
Number of Provincial Gazettes on transfer to municipalities tabled in the legislature with provincial adjustment budget	1	1	1
Number of Municipal Finance Indaba reports submitted to Cabinet and Premier Co-ordination Forum	3	3	3
Number of reports produced on annual financial statements review	1	1	1
<b>Governance and Compliance</b>			
Number of PFMA compliance reports submitted to the Accounting Officer: GPT	4	4	4
Number of quarterly Financial Misconduct Reports submitted	4	4	4
Number of quarterly Irregular, Fruitless and Wasteful Expenditure Report submitted	4	4	4
Number of annual governance arrangement report submitted	1	1	1
<b>Supply Chain Management</b>			
Approved GPG SCM Model Policy	1	1	1
Approved SCM frameworks			
for GPG Departments and Municipalities	2	2	2
Number of SCM compliance reports submitted to the Accounting Officer: GPT for GPG Departments and Municipalities	8	8	8
Number of SCM Forums coordinated for GPG Departments and Municipalities	8	8	8

## Vote 14 - Provincial Treasury • EPRE - 2014/15

Performance measures	Estimated Annual Targets		
	2014/15	2015/16	2016/17
Number of SCM trainings sessions provided	4	4	4
Approved GPG SCM Model Policy	1	1	1
<b>Financial Business Systems</b>			
Number of trained GPG users on transversal systems	250	350	450
Number of consolidated reports reflecting incorrect combinations between segments of the SCOA	4	4	4
Number of SAP modules implemented in 3 GPG departments	3	3	3

## PROGRAMME 4 : PROVINCIAL ACCOUNTING SERVICES

### Programme description

To provide strategic leadership, guidance and support to all GPG departments in terms of financial management, thus ensuring that there is transparent and effective financial management and reporting in the provincial departments and entities.

### Programme objectives

- To ensure credible reporting in the provincial departments and entities; and
- To ensure effective management of liquidity in Gauteng Provincial Government.

TABLE 14.11: SUMMARY OF PAYMENTS AND ESTIMATES: PROVINCIAL ACCOUNTING SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1. PAS Programme Support	1 438	1 792	2 303	5 530	2 783	2 316	4 046	4 348	4 818
2. Financial Assets and Liabilities	14 793	15 656	15 416	19 236	18 446	20 941	20 820	21 154	22 514
3. Accounting Services	15 388	13 552	15 513	19 615	21 092	18 448	21 352	28 143	29 874
4. Accounts Receivables			225						
5. Statutory Deduction Management	7 965	8 426	10 367	11 139	12 409	12 214	11 924	12 651	13 561
<b>Total payments and estimates</b>	<b>39 584</b>	<b>39 426</b>	<b>43 824</b>	<b>55 520</b>	<b>54 730</b>	<b>53 919</b>	<b>58 142</b>	<b>66 296</b>	<b>70 767</b>

TABLE 14.12: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: PROVINCIAL ACCOUNTING SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>39 584</b>	<b>39 426</b>	<b>43 812</b>	<b>55 520</b>	<b>54 710</b>	<b>53 836</b>	<b>58 142</b>	<b>66 296</b>	<b>70 767</b>
Compensation of employees	37 631	38 869	42 032	50 513	50 493	49 608	54 244	62 230	66 485
Goods and services	1 953	557	1 780	5 007	4 217	4 228	3 898	4 066	4 281
Interest and rent on land									
<b>Transfers and subsidies to</b>			<b>12</b>		<b>20</b>	<b>14</b>			
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households			12		20	14			
<b>Payments for capital assets</b>						<b>69</b>			
Buildings and other fixed structures									
Machinery and equipment						69			
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>									
<b>Total economic classification</b>	<b>39 584</b>	<b>39 426</b>	<b>43 824</b>	<b>55 520</b>	<b>54 730</b>	<b>53 919</b>	<b>58 142</b>	<b>66 296</b>	<b>70 767</b>

The programme expenditure increased from R40 million in the 2010/11 financial year to R44 million in the 2012/13 financial year. The programme shows a further increase of R12 million over the MTEF period from R58 million in 2014/15 to R71 million in the 2016/17 financial year. The largest portion of the programme budget is allocated to compensation of employees.

The compensation of employees reported expenditure of R37.6 million in 2010/11 and R42 million in the 2012/13 financial year. The Compensation of employees' budget is expected to increase from R54.2 million in 2014/15 to R66.4 million in the 2016/17 financial year. The increased allocation for compensation of employees is to cover both annual cost of living adjustments and implementation of the approved structure.

The Goods and services budget baseline decreases from R5 million in 2013/14 to R4 million in 2014/15. The decrease is the result of a reprioritisation of the budget baselines to scale-up the current departmental priorities such as the Health Intervention Programme and the Municipal Support project in Programme 3: Financial Governance. Most of this programme's activities are personnel based, hence the increase in personnel budget over the MTEF.

## SERVICE DELIVERY MEASURE

### PROGRAMME 4: PROVINCIAL ACCOUNTING SERVICES

Performance measures	Estimated Annual Targets		
	2014/15	2015/16	2016/17
<b>Financial Assets and Liabilities: Cash Management</b>			
Cash outflow not exceeding funds available for the province	Cash outflow not exceeding provincial revenue streams	Cash outflow not exceeding provincial revenue streams	Cash outflow not exceeding provincial revenue streams
<b>Financial Assets and Liabilities: Provincial Revenue Fund Management</b>			
Financially unqualified audit with no other matters for PRF	Financially unqualified audit with no other matters for PRF	Financially unqualified audit with no other matters for PRF	Financially unqualified audit with no other matters for PRF
<b>Accounting Services: General Accounting</b>			
Analysis reports on the appropriation statement submitted to GPG departments 5 working days after period month-end closure	Analysis reports on the appropriation statement submitted to GPG departments 5 working days after period month-end closure	Analysis reports on the appropriation statement submitted to GPG departments 5 working days after period month-end closure	Analysis reports on the appropriation statement submitted to GPG departments 5 working days after period month-end closure
<b>Accounting Services: Financial Accounting</b>			
Consolidated GPG financial statements in line with the prescribed timeframe	Consolidate Financial Statements for the 2013/14 FY and submit by 30 June 2014 to the Auditor General	Consolidate Financial Statements for the 2014/15 FY and submit by 30 June 2015 to the Auditor General	Consolidate Financial Statements for the 2015/16 FY and submit by 30 June 2016 to the Auditor General
Review reports submitted on the interim financial statements for GPG departments 14 working days after receipt	Review reports submitted on the interim financial statements for GPG departments 14 working days after receipt	Review reports submitted on the interim financial statements for GPG departments 14 working days after receipt	Review reports submitted on the interim financial statements for GPG departments 14 working days after receipt
Review reports submitted on the interim financial statements for GPG entities 14 working days after receipt	Review reports submitted on the interim financial statements for GPG entities 14 working days after receipt	Review reports submitted on the interim financial statements for GPG entities 14 working days after receipt	Review reports submitted on the interim financial statements for GPG entities 14 working days after receipt
Review reports submitted on the annual financial statements for GPG departments 12 working days after receipt	Review reports submitted on the annual financial statements for GPG departments 12 working days after receipt	Review reports submitted on the annual financial statements for GPG departments 12 working days after receipt	Review reports submitted on the annual financial statements for GPG departments 12 working days after receipt
Review reports submitted on the annual financial statements for GPG entities 12 working days after receipt	Review reports submitted on the annual financial statements for GPG entities 12 working days after receipt	Review reports submitted on the annual financial statements for GPG entities 12 working days after receipt	Review reports submitted on the annual financial statements for GPG entities 12 working days after receipt



## 9. OTHER PROGRAMME INFORMATION

### 9.1 Personnel numbers and cost

TABLE 14.13 : PERSONNEL NUMBERS AND COSTS : GAUTENG PROVINCIAL TREASURY

Personnel numbers	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	As at 31 March 2017
Administration	119	148	175	187	187	200	199
Sustainable Resources Management	121	89	72	72	74	80	87
Financial Governance	21	126	101	101	107	114	125
Provincial Accounting Services	46	175	107	107	128	130	141
Direct charge against the National Revenue Fund							
<b>Total departmental personnel numbers</b>	<b>307</b>	<b>538</b>	<b>455</b>	<b>496</b>	<b>496</b>	<b>524</b>	<b>552</b>
Total provincial personnel cost (R thousand)	126 878	126 663	141 098	180 579	244 877	267 075	281 828
Unit cost (R thousand)	413	235	310	364	494	510	511

The total departmental personnel costs increase from the current 2013/14 financial year over the MTEF period due to the new structure that will be implemented by the department. Included in this growth is the anticipated increase in inflation. This significant growth in personnel ensures that the department continues to provide oversight and technical support to GPG departments.

Treasury has added additional capacity to its structure in the areas of:

- Contract Management;
- Monitoring and Evaluation;
- Public Finance-Infrastructure Support; and
- Supply Chain Management.

This will contribute to the gradual growth of the personnel head count and compensation of employees.

TABLE 14.14: SUMMARY OF DEPARTMENTAL PERSONNEL NUMBERS AND COSTS: GAUTENG PROVINCIAL TREASURY

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13		2013/14		2014/15	2015/16	2016/17
<b>Total for department</b>									
Personnel numbers (head count)	307	538	406	544	496	496	496	524	552
Personnel cost (R thousands)	126 878	126 663	141 098	188 365	188 241	180 579	244 877	267 075	281 828
<b>Human resources component</b>									
Personnel numbers (head count)	54	55	18	26	26	26	26	26	26
Personnel cost (R thousands)	49 274	29 974	5 437	11 286	11 286	11 286	11 478	12 298	12 350
Head count as % of total for department	18%	10%	4%	5%	5%	5%	5%	5%	4%
Personnel cost as % of total for department	39%	24%	4%	6%	6%	6%	5%	5%	5%
<b>Finance component</b>									
Personnel numbers (head count)	70	68	23	36	36	36	36	36	36
Personnel cost (R thousands)	6 045	6 726	7 406	11 467	11 467	11 467	12 877	13 843	14 576
Head count as % of total for department	23%	13%	6%	13%	13%	13%	13%	13%	13%
Personnel cost as % of total for department	5%	5%	5%	16%	16%	16%	19%	19%	19%
<b>Full time workers</b>									
Personnel numbers (head count)	307	538	406	544	496	496	496	524	522
Personnel cost (R thousands)	126 878	126 663	141 098	188 365	188 241	180 579	244 877	267 075	281 828
Head count as % of total for department	100%	100%	100%	100%	100%	100%	100%	100%	95%
Personnel cost as % of total for department	100%	100%	100%	100%	100%	100%	100%	100%	100%

	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Contract workers</b>									
Personnel numbers (head count)		26	26	45	45	45	45	45	45
Personnel cost (R thousands)		1 670	1 758	1 850	1 850	1 850	1 952	2 059	2 150
Head count as % of total for department		5%	6%	8%	9%	9%			
Personnel cost as % of total for department		1%	1%	1%	1%	1%	0%	0%	0%

The human resource component of Treasury maintains a consistent pattern throughout the period under review, in both personnel numbers and cost. The increases in cost over the period are mainly a reflection of projected compensation adjustments in keeping with the cost of living. The increases in cost over the MTEF for part-time/contract workers are mainly a reflection of projected compensation adjustments in keeping with the cost of living.

## 9.2 Training

TABLE 14.15: PAYMENTS ON TRAINING: GAUTENG PROVINCIAL TREASURY

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>1. Administration</b>	<b>163</b>	<b>2 003</b>	<b>2 146</b>	<b>782</b>	<b>782</b>	<b>782</b>	<b>532</b>	<b>560</b>	<b>590</b>
Subsistence and travel		1 481	1 481						
Payments on tuition	163	522	665	782	782	782	532	560	590
Other									
<b>2. Sustainable Resources Management</b>		<b>574</b>	<b>684</b>	<b>426</b>	<b>426</b>	<b>426</b>	<b>306</b>	<b>323</b>	<b>341</b>
Subsistence and travel		574	574						
Payments on tuition			110	426	426	426	306	323	341
Other									
<b>3. Financial Governance</b>	<b>24</b>	<b>273</b>	<b>273</b>	<b>375</b>	<b>375</b>	<b>375</b>	<b>440</b>	<b>464</b>	<b>488</b>
Subsistence and travel		229	229						
Payments on tuition	24	44	44	375	375	375	440	464	488
Other									
<b>4. Provincial Accounting Services</b>		<b>410</b>	<b>410</b>	<b>412</b>	<b>412</b>	<b>412</b>	<b>560</b>	<b>590</b>	<b>621</b>
Subsistence and travel		344	344						
Payments on tuition		66	66	412	412	412	560	590	621
Other									
<b>Total payments on training</b>	<b>187</b>	<b>3 260</b>	<b>3 513</b>	<b>1 995</b>	<b>1 995</b>	<b>1 995</b>	<b>1 838</b>	<b>1 937</b>	<b>2 040</b>

TABLE 14.16: INFORMATION ON TRAINING : GAUTENG PROVINCIAL TREASURY

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Number of staff	307	538	406	455	455	524	496	524	552
Number of personnel trained	36	239	271	303	303	303	350	450	500
of which									
Male	14	106	115	133	133	133	140	160	180
Female	22	133	156	170	170	170	210	290	320
Number of training opportunities	227	290	271	333	333	333	490	600	710
of which									
Tertiary	78	192	98	150	150	150	250	300	350
Workshops	149	98	173	153	153	153	200	250	300
Seminars				30	30	30	40	50	60
Other									
Number of bursaries offered	78	192	98	150	150	150	150	200	200
Number of interns appointed	11	21	46	26	26	26	30	30	35
Number of learnerships appointed	12	13	40	18	18	18	18	20	25
Number of days spent on training									

The above tables reflect the Department's commitments on the training and development of employees. The focus remains on the development of females. The department intends to continue implementing focussed leadership development programmes aimed at women.

The department has allocated approximately 2.51 per cent of the personnel compensation budget for training. Funds will be utilised for bursaries, learnerships, internships and training and development interventions. The Human Resources Development (HRD) strategy and implementation plan was approved by the HOD on the 18 April 2013 as one of the integrated systems and processes for workforce development.

From the table above, it can be seen that the Department has the required skills needed on various levels to achieve its strategic mandate. The Department has developed policies to manage HR related activities. Departmental policies are aligned to national and provincial frameworks. The fact that the department has allocated approximately 2.51 per cent of the personnel compensation budget to the training and development budget will enable the Department to implement planned interventions. Upon final integration of systems and policies, a comprehensive communication strategy would be required to ensure that all managers and employees understand their specific roles and responsibilities, and levels of compliance are increased.

Training interventions will focus on improving the generic and functional skills of employees, which include seminars and workshops. All training interventions will be in line with the approved Workplace Skills Plan, as well as the individual Personal Development Plans (PDPs) that form part of the performance management and development system.

As a result of the GPT being newly established, some systems and processes have not been fully integrated. The focus for the 2013/14 financial year is to integrate these in order to complete, support and sustain workforce development. The GT (pre-merger) had approved policies, mentorship, career and succession, and talent management in place to provide guidance for all stakeholders. However, although these frameworks were in place, they were not sufficiently implemented.

Some of the skills within the Department have been classified as scarce and critical skills, such as accounting, economics and econometrics, auditing, investment and financial systems, financial management and risk management. In order to attract potential employees to these areas, the Department has provided bursaries to employees. Bursary applications will be offered in line with the estimated allocation and availability of funds. It will be aimed at reducing the skills gap, specifically in management development and core skills areas.

The Department has further implemented internships to attract qualified students and provide much needed experience and exposure within the relevant fields. Further to that, internships will also focus on practical exposure to enable full-time students to qualify. Forty-seven interns were placed in the 2012/13 financial year. Of these, 18 internships were converted to a 3-year SAIPA Learnership programme in Professional Accounting.

### 9.3 Reconciliation of structural changes

N/A

## 10. CROSS-CUTTING ISSUES

Cross-cutting issues: Gauteng Provincial Treasury								
Cross-cutting issues	Programme and sub-programme	Indicator/Indicators	Output	Outcome	MTEF Budget			
					2012/13	2013/14	2014/15	2015/16
<b>Women</b>	Economic Empowerment	Active participation of women in procurement processes	30%	30% of GPT tenders awarded to women owned businesses	30% of the procurement budget on selected commodities	30% of the procurement budget on selected commodities	30% of the procurement budget on selected commodities	30% of the procurement budget on selected commodities
<b>Youth</b>	Economic Empowerment	Promotion of youth owned businesses	10% of the procurement budget	10% of GPT tenders awarded to youth owned businesses	10% of the procurement budget on selected commodities	10% of the procurement budget on selected commodities	10% of the procurement budget on selected commodities	10% of the procurement budget on selected commodities
<b>People with Disabilities</b>	Promotion of PwDs owned businesses	5% Participation of PwDs in procurement process	5%	5% of tenders awarded to companies owned by PwDs	5% of the procurement budget on selected commodities	5% of the procurement budget on selected commodities	5% of the procurement budget on selected commodities	5% of the procurement budget on selected commodities
<b>BBBEE</b>	Economic Empowerment	Upliftment of BBBEE Level 4 and above		Improved spend on BBBEE Level 4 and above companies		50%	50%	50%

# **ANNEXURE TO ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE**

## Vote 14 - Provincial Treasury • EPRE - 2014/15

TABLE 14.16: SPECIFICATION OF RECEIPTS : GAUTENG PROVINCIAL TREASURY

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Tax receipts</b>									
Casino taxes									
Horse racing taxes									
Liquor licences									
Motor vehicle licences									
<b>Sales of goods and services other than capital assets</b>			175	205	223		211	222	234
Sale of goods and services produced by department (excluding capital assets)			175	205	223		211	222	234
Sales by market establishments			175	205	223		211	222	234
Administrative fees									
Other sales									
Of which									
List Item			175						
List Item									
List Item									
List Item									
Sales of scrap, waste, arms and other used current goods (excluding capital assets)									
<b>Transfers received from:</b>									
Other governmental units									
Universities and technikons									
Foreign governments									
International organisations									
Public corporations and private enterprises									
Households and non-profit institutions									
<b>Fines, penalties and forfeits</b>									
<b>Interest, dividends and rent on land</b>	37 044	164 758	187 570	60 000	180 000	179 795	80 000	88 000	100 000
Interest	37 044	164 758	187 570	60 000	180 000	179 795	80 000	88 000	100 000
Dividends									
Rent on land									
<b>Sales of capital assets</b>									
Land and sub-soil assets									
Other capital assets									
<b>Transactions in financial assets and liabilities</b>			66			354			
<b>Total departmental receipts</b>	<b>37 044</b>	<b>164 758</b>	<b>187 811</b>	<b>60 205</b>	<b>180 000</b>	<b>180 372</b>	<b>80 211</b>	<b>88 222</b>	<b>100 234</b>

TABLE 14.17 :PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>52 276</b>	<b>44 633</b>	<b>58 195</b>	<b>71 295</b>	<b>72 271</b>	<b>76 997</b>	<b>94 941</b>	<b>100 037</b>	<b>104 561</b>
Compensation of employees	34 139	26 539	32 629	41 022	40 968	45 485	66 568	70 610	74 370
Salaries and wages	30 232	23 111	32 629	36 039	35 898	36 388	56 050	58 088	60 681
Social contributions	3 907	3 428		4 983	5 070	9 097	10 518	12 522	13 690
Goods and services	18 137	18 029	25 566	30 273	31 303	31 512	28 373	29 427	30 191
Administrative fees	1 074	111	105	258	229	186	271	284	299
Advertising	1 807	210	2	527	285	916	1 155	1 257	1 374
Assets less than the capitalisation threshold	1	422	1 013	300	229	218	303	270	232
Audit cost: External	1 963	2 516	2 260	2 106	1 806	1 637	2 209	2 311	2 433

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Bursaries: Employees	637	624	759	937	437	437	1 318	1 550	1 535
Catering: Departmental activities	68	114	630	637	837	1 130	461	437	460
Communication (G&S)	1 353	3 556	1 489	2 610	2 411	2 411	3 351	3 169	3 339
Computer services	9		5	1 925	1 885	1 750	2 103	2 297	2 419
Consultants and professional services: Business and advisory services	1 888	999	613	906	991	1 062	964	1 026	1 204
Consultants and professional services: Legal costs	99	955	7	2 191	250		792	926	27
Contractors	565	177	248	2 228	7 270	5 944	2 952	3 108	3 341
Agency and support / outsourced services	29	18	32			178			
Entertainment	59	145	27	30	30	10	32	35	37
Fleet services (including government motor transport)	3	13	30	7	41	704	25	10	11
Inventory: Food and food supplies	10	53	94	80	94	26			
Inventory: Fuel, oil and gas	4	7	59	87	90	73			
Inventory: Materials and supplies	11	29	15	53	57	219			
Inventory: Other supplies									
Consumable supplies	127	8	146	350	198	83	571	603	636
Consumable: Stationery, printing and office supplies	346	842	844	1 196	1 347	1 010	1 374	1 310	1 379
Operating leases	2 463	2 419	582	922	1 586	1 445	970	1 014	1 068
Property payments	3 236	3 011	9 978	2 259	1 448	2 871	2 580	2 501	2 760
Transport provided: Departmental activity									
Travel and subsistence	2 153	1 140	3 576	4 613	4 161	4 011	3 315	3 452	3 641
Training and development	163	298	1 119	1 250	2 262	2 914	532	560	501
Operating payments	22	157	256	1 879	1 374	595	687	728	776
Venues and facilities	47	205	1 677	2 922	1 985	1 682	2 408	2 579	2 720
Rental and hiring									
Interest and rent on land		65							
Interest		65							
Rent on land									
<b>Transfers and subsidies</b>	<b>7</b>	<b>22</b>			<b>54</b>	<b>50</b>			
Provinces and municipalities									
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities									
Foreign governments and international organisations									
Public corporations and private enterprises		2				2			
Public corporations		2				2			
Subsidies on products and production (pc)									
Other transfers to public corporations		2				2			
Private enterprises									
Subsidies on products and production (pe)									
Other transfers to private enterprises									
Non-profit institutions									
Households	7	20			54	48			
Social benefits	7	20			54	48			

# Vote 14 - Provincial Treasury • EPRE - 2014/15

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Other transfers to households									
<b>Payments for capital assets</b>	<b>44</b>	<b>2 426</b>	<b>1 573</b>	<b>1 306</b>	<b>3 197</b>	<b>1 681</b>	<b>911</b>	<b>953</b>	<b>1 004</b>
Buildings and other fixed structures						1			
Buildings						1			
Other fixed structures									
Machinery and equipment	44	2 426	1 559	1 306	3 176	1 659	911	953	1 004
Transport equipment									
Other machinery and equipment	44	2 426	1 559	1 306	3 176	1 659	911	953	1 004
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets			14		21	21			
<b>Payments for financial assets</b>	<b>3 395</b>	<b>336</b>							
Thefts and losses	3 395	336							
<b>Total economic classification:</b>	<b>55 722</b>	<b>47 417</b>	<b>59 768</b>	<b>72 601</b>	<b>75 522</b>	<b>78 728</b>	<b>95 852</b>	<b>100 990</b>	<b>105 564</b>

TABLE 14.18: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION : SUSTAINABLE RESOURCE MANAGEMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2015/16
<b>Current payments</b>	<b>28 539</b>	<b>33 793</b>	<b>35 311</b>	<b>52 631</b>	<b>50 289</b>	<b>43 258</b>	<b>91 606</b>	<b>100 785</b>	<b>104 457</b>
Compensation of employees	26 756	30 305	32 594	44 959	44 939	37 912	62 263	68 077	71 864
Salaries and wages	24 081	26 927	32 594	40 668	40 648	30 329	54 684	60 588	63 693
Social contributions	2 675	3 378		4 291	4 291	7 583	7 579	7 489	8 171
Goods and services	1 783	3 488	2 717	7 672	5 350	5 346	29 343	32 708	32 593
Administrative fees									
Advertising	171	326	596	421	450	450	442	462	486
Audit cost: External						431			
Bursaries: Employees	1								
Catering:									
Departmental activities	30						247	260	274
Communication (G&S)	1								
Computer services							16 018	20 318	19 546
Consultants and professional services:									
Business and advisory services	267	1 626	96	261	315	521	762	807	850
Consultants and professional services:									
Legal costs			49		372	413	7 798	6 502	6 847
Contractors									
Agency and support / outsourced services				5 659	2 181	1 887			
Consumable: Stationery, printing and office supplies	1 042	1 469	570	358	673	583	587	655	690
Operating leases									
Property payments									
Transport provided: Departmental activity									
Travel and subsistence	74	21	281	25	125	83	1 393	1 465	1 543
Training and development			770			268	406	428	451
Operating payments	197	46	173	948	1 234	710	940	987	1 039

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2015/16
Venues and facilities			182				750	824	868
Rental and hiring									
Interest and rent on land									
Interest									
Rent on land									
<b>Transfers and subsidies</b>	<b>50 000</b>	<b>50 000</b>	<b>50 030</b>	<b>50 000</b>	<b>50 020</b>	<b>50 032</b>	<b>50 000</b>	<b>50 000</b>	<b>52 650</b>
Provinces and municipalities									
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities									
Municipal bank accounts									
Municipal agencies and funds									
Departmental agencies and accounts	50 000	50 000	50 000	50 000	50 000	50 000	50 000	50 000	52 650
Social security funds									
Departmental agencies (non-business entities)	50 000	50 000	50 000	50 000	50 000	50 000	50 000	50 000	52 650
Higher education institutions									
Private enterprises									
Subsidies on products									
Other transfers to private enterprises									
Non-profit institutions									
<b>Households</b>			<b>30</b>		<b>20</b>	<b>32</b>			
Social benefits									
Other transfers to households			30		20	32			
<b>Payments for capital assets</b>									
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment									
Transport equipment									
Other machinery and equipment									
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>			<b>100</b>						
Thefts and losses			100						
<b>Total economic classification</b>	<b>78 539</b>	<b>83 893</b>	<b>85 341</b>	<b>102 631</b>	<b>100 309</b>	<b>93 290</b>	<b>141 606</b>	<b>150 785</b>	<b>157 107</b>



# Vote 14 - Provincial Treasury • EPRE - 2014/15

TABLE 14.19: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: PROGRAMME 3: FINANCIAL GOVERNANCE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2015/16
<b>Current payments</b>	<b>34 068</b>	<b>33 743</b>	<b>35 928</b>	<b>89 540</b>	<b>91 420</b>	<b>88 472</b>	<b>117 174</b>	<b>84 252</b>	<b>90 941</b>
Compensation of employees	28 352	30 950	33 843	51 871	51 841	47 574	61 802	66 158	69 108
Salaries and wages	25 137	27 460	33 843	46 993	46 963	38 060	53 608	58 264	60 508
Social contributions	3 215	3 490		4 878	4 878	9 514	8 194	7 894	8 600
Goods and services	5 716	2 793	2 085	37 669	39 579	40 898	55 372	18 094	21 833
Administrative fees									
Advertising		10	73						
Audit cost: External		(1)							
Bursaries: Employees	3								
Catering:									
Departmental activities	8						228	240	253
Communication (G&S)									
Computer services		7	109	115	467	469	408	343	361
Consultants and professional services:									
Business and advisory services	5 055	2 287	651	35 000	36 118	37 516	52 324	15 246	18 834
Contractors	109								
Consumable: Stationery,printing and office supplies	129	136	234	379	365	235	265	279	294
Operating leases									
Property payments									
Transport provided: Departmental activity			12						
Travel and subsistence	209	316	404		166	330	247	440	463
Training and development	24		602	2 175	2 449	2 333	1 380	999	1 052
Operating payments	83	38			14	15	70	73	77
Venues and facilities	96						450	474	499
Rental and hiring									
Interest and rent on land									
Interest									
Rent on land									
<b>Transfers and subsidies</b>	<b>1 515</b>	<b>5</b>	<b>66</b>	<b>30</b>	<b>14</b>				
Provinces and municipalities									
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities									
Municipal bank accounts									
Municipal agencies and funds									
Departmental agencies and accounts	1 500								
Social security funds									
Departmental agencies (non-business entities)	1 500								
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households	15	5	66		30	14			
Social benefits	15	5	66		30	14			
Other transfers to households									

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2015/16
<b>Payments for capital assets</b>					<b>412</b>	<b>413</b>			
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment					291	291			
Transport equipment									
Other machinery and equipment					291	291			
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets					121	122			
<b>Payments for financial assets</b>									
Thefts and losses									
<b>Total economic classification</b>	<b>35 583</b>	<b>33 748</b>	<b>35 994</b>	<b>89 540</b>	<b>91 862</b>	<b>88 899</b>	<b>117 174</b>	<b>84 252</b>	<b>90 941</b>

TABLE 14.20: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: PROVINCIAL ACCOUNTING SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2015/16
<b>Current payments</b>	<b>39 584</b>	<b>39 426</b>	<b>43 812</b>	<b>55 520</b>	<b>54 710</b>	<b>53 836</b>	<b>58 142</b>	<b>66 296</b>	<b>70 767</b>
Compensation of employees	37 631	38 869	42 032	50 513	50 493	49 608	54 244	62 230	66 485
Salaries and wages	32 816	33 660	42 032	45 362	45 342	39 686	46 906	53 987	57 517
Social contributions	4 815	5 209		5 151	5 151	9 922	7 338	8 243	8 968
Goods and services	1 953	557	1 780	5 007	4 217	4 228	3 898	4 066	4 281
Administrative fees									
Advertising	36								
Assets less than the capitalisation threshold									
Audit cost: External	548	516	1 098	1 150	1 150	1 150	1 210	1 262	1 329
Bursaries: Employees	3		6						
Catering:									
Departmental activities	1						30	32	34
Communication (G&S)	2								
Computer services	202		610	240	1 440	1 440	200	200	211
Consultants and professional services:									
Business and advisory services	664		8	3 547	1 400	1 229	839		
Contractors	19								
Inventory: Materials and supplies	2								
Consumable: Stationery, printing and office supplies	60	41		70	70	70	73	76	80
Operating leases	39								
Property payments									
Transport provided: Departmental activity									
Travel and subsistence	314		35		90	58	230	242	255
Training and development					67	237	1 060	1 995	2 101
Operating payments	54		23			44	56	59	62
Venues and facilities	9						200	200	211
Rental and hiring									
Interest and rent on land									
Interest									



**Vote 14 - Provincial Treasury • EPRE - 2014/15**



# VOTE 15

## DEPARTMENT OF INFRASTRUCTURE DEVELOPMENT

To be appropriated by vote in 2014/15	R 1 975 628 000
Responsible MEC	MEC for Infrastructure Development
Administering Department	Department of Infrastructure Development
Accounting Officer	Head of Department

### 1. OVERVIEW

The purpose of the Gauteng Department of Infrastructure Development (DID) is to develop and maintain socio-economic infrastructure that allow all of the province's people to have access to social services.

#### Vision

To be a leading infrastructure provider and facilitator that positions Gauteng as a globally competitive city region with a sustainable and growing economy.

#### Mission

To facilitate service delivery through the development, construction and management of public infrastructure so as to optimise the creation of decent jobs and promote a better life for all.

#### Strategic Goals

- To improve the technical and administrative capacity of the department towards an efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship;
- To expand, maintain and meet the growing demand for public infrastructure, to promote the development of the province and address economic disparities;
- To manage the provincial property portfolio for the optimum benefit of all citizens by maximising access, utilisation and value; and
- To implement and co-ordinate the Expanded Public Works Programme (EPWP) in a manner that enhances skills development and optimises decent employment and entrepreneurship.

#### Core functions and responsibilities

- To ensure the implementation of all infrastructure programmes and projects reflected in the short, medium and long term plans of the Gauteng Provincial Government (GPG);
- To manage the construction of GPG capital expenditure (CAPEX) projects such as schools, hospitals, clinics and recreation centres;
- To manage the provision of maintenance services for all GPG infrastructure;
- To manage the provincial property portfolio;
- To ensure participation and involvement of communities through the implementation of the EPWP within GPG CAPEX projects and other departmental projects; and
- To utilise the construction sector as a catalyst for the development of skills, the creation of jobs and the development of sustainable communities.

**Main services**

Service	Level and quality of service
Delivery of integrated public infrastructure (capital works and maintenance)	<ul style="list-style-type: none"> <li>Strategically integrate infrastructure in Gauteng to ensure effective and efficient planning, construction and maintenance including generic model development.</li> <li>Ensure that service quality includes 100 per cent statutory compliance of all new infrastructure, adherence to planned time, cost and quality indicators, and compliance with minimum statutory maintenance standards.</li> </ul>
Plan and co-ordinate implementation of EPWP by all provincial departments	<ul style="list-style-type: none"> <li>Establish an appropriate centralised coordination and management structure to ensure solid roll out of EPWP projects across the province by municipalities and GPG departments.</li> <li>Up-scale EPWP in all sectors, including application of EPWP principles in all infrastructure projects.</li> <li>Address unemployment by creating work opportunities and skills needed for the formal job market.</li> <li>Facilitate skills development through technical and institutional training.</li> <li>Facilitate job opportunities by targeting vulnerable sectors of society especially women, youth and people with disabilities.</li> </ul>
Provision of accommodation	<ul style="list-style-type: none"> <li>Provide functional, safe, secure office accommodation for the nine GPG line departments.</li> <li>Manage the property portfolio of the province in line with the Government Immovable Asset Management Act (GIAMA) requirements and other departmental focuses.</li> <li>Fully implement market related rentals for all rental properties.</li> </ul>
Provision of accessible infrastructure and buildings to all citizens of the province	<ul style="list-style-type: none"> <li>Promote access to persons with disabilities and ensure compliance with the Occupational Health and Safety Act (OHSA) for all buildings under the control of DID</li> </ul>

**Outcomes**

The process of budgeting requires proper implementation of the department's Annual Performance Plan (APP) which in turn is informed by its Strategic Plan. The Strategic Plan has been developed by the Department's political and administrative heads and the relevant senior managers to examine the departmental strategy, determine if its structure supports its vision, decide whether the existing operation system ensures smooth implementation of the planned activities and estimate if funding is aligned to support the vision of the Department thereby also supporting the plans of the provincial and national governments.

The process therefore required some reprioritisation of projects and activities planned by the department. There has been consultation with the Gauteng Planning Commission and other relevant stakeholders such as municipalities in finalising the strategic planning documents including the current year's APP.

The APP for 2014/15 was therefore fully aligned with the outcomes approach by ensuring that every activity planned for 2014/15 and over the 2015 Medium Term Expenditure Framework (MTEF) was related to the realisation of the provincial outcomes. DID implements infrastructure projects on behalf of client departments and therefore it also contributes to the outcomes of those departments, such as "An improved quality of basic education", "A long and healthy life for all South Africans" and "Vibrant, Equitable and Sustainable Rural Communities with food security for all" which are the primary outcomes of the departments of Education, Health and Social Development, and Agriculture and Rural Development.

**External activities and events relevant to budget decisions**

DID plays a pivotal role in the establishment and provisioning of social infrastructural resources for the province. Developing and maintaining good working relationships with client departments is important to accomplish this. During the planning processes, Provincial Treasury plays a critical oversight management role in the drawing up of infrastructure development plans. Once developed, these plans require agreements to be entered into by client departments and by DID. This sets governing principles and terms of references. The budget process of the department is then informed by the projects agreed upon and endorsed in the signed service level agreements. As part of DID's project implementation role, it also focuses on the provision of building maintenance. In coming years, the provision to fund maintenance of buildings is expected to increase, as many buildings owned by the state require extensive rehabilitation. DID supports initiatives relating to revenue increases, which will assist in managing the Province's budget. Sufficient funding in this regard assists with the well-being not only of state buildings but the residents of Gauteng at large.

Part of DID's responsibility is to facilitate projects relating to EPWP, and to ensure skills development in Gauteng's communities. This relates particularly to skills improvement for artisans. Investment in training programmes ensures the delivery of effective and efficient services to the citizens of the province. The department also conducts skills profiles surveys relating to engineers, architects, project managers and quantity surveyors to ensure adequate numbers of people in professional fields relating to infrastructure.

The newly development Gateway model introduced by the National Department will help to ensure retention of personnel with scarce skills who will see to the implementation of projects planned, and to the fast-tracking of projects across the province.

**Acts, Rules and Regulations**

- Government Immovable Assets Management Act, No. 19 of 2007;
- Rental Housing Amendment Act, 2007;
- Space Planning Norms and Standards Notice, No. 1665 of 2005;
- Local Government: Municipal Property Rates Act, 2004;
- Broad Based Black Economic Empowerment Act, No. 53 of 2003;
- Gauteng Planning and Development Act, 2003;
- Planning Professions Act, 2002;
- Project and Construction Management Act, 2000;
- Property Valuers' Profession Act, 2000;
- Preferential Procurement Policy Act, No. 5 of 2000;
- Framework for Supply Chain Management, 1999;
- Rental Housing Act, 1999;
- Prevention of Illegal Eviction from and Unlawful Occupation of Land Act, 1998;
- Constitution of the Republic of South Africa Act, No. 108 of 1996;
- Gauteng Land Administration Act, No. 11 of 1996;
- Occupational Health and Safety Act, 1993 (and particularly the associated construction regulations);
- Rating of State Property Act, No. 79 of 1984;
- Deeds Registries Act, No. 47 of 1937 and;
- Expanded Public Works Programme Guidelines for implementation of labour intensive construction.

**2. REVIEW OF THE CURRENT FINANCIAL YEAR (2013/14)**

The department is mandated to utilise its GPG CAPEX budget allocation and to implement small, medium and large scale infrastructure projects that utilise sole or joint GPG financial investments. It is also mandated to maximise the social and economic benefits that can be gained from the GPG property portfolio.

**Outcome 1: Quality Basic education**

The key outputs are to ensure high quality of teaching and learning, improved literacy and numeracy at schools, better senior certificate examination performance, as well as early childhood development. To achieve these outputs government will focus on class times, curriculum coverage, learning support material as well as content knowledge tests. It is important to note that a school is required for the provision and facilitation of education and thus the planning, construction and maintenance of schools and education facilities is as important as the curriculum and workbooks.

For the 2013/14 financial year, the department aimed to complete 14 new schools namely; Palm Ridge / Eden Park Secondary School, Slovoville Primary School, Noordwyk Secondary School, Chief Albert Luthuli Primary School, Northriding Secondary School, Lotus Garden Primary School, Mamelodi East Primary School, Naturena Primary School, Steve Bikoville Primary School, Freedom Park Secondary School, Phomolong Primary School, Doornkop Primary School, Soshanguve WW Primary School and Buhle Park Primary School.

The department managed to complete the construction of 7 new schools namely the Chief Albert Luthuli Primary School in Daveyton in City of Ekurhuleni Metropolitan Municipality, Steve Bikoville Primary School, Lotus Garden Secondary School, Soshanguve Primary School, and Palmridge and Northriding High Schools.

As part of the flagship programme, the department also planned to construct the Fochville High School and the Magaliesburg boarding facilities. Thus far the two projects have been implemented timeously as planned and the school is anticipated to be completed by end of March 2014.

The department completed the construction of Grade R classes in support of early childhood development at Legora Primary School, Ramahlale Primary School, Mononong Primary School, Emthunzini Primary School, Bajabulile Primary School, Balebogeng Primary School, Boikgantsho Primary School, LaerskoolKwaggasrand, Ndimba Primary School, LaerskoolMeyerspark, Laerskool Silverton, Lyttleton Primary School, Arcadia Primary School, Laerskool Louis Leipoldt, LaerskoolGarsfontein and Agnes Chidi Primary School, Zamukhanyo Primary School, West Rand Mine Primary School, E.W. Hobbs Primary School, Qhoweng Primary School, Qwelang Primary School, Phahamang Primary School, Zithulele Primary School, Emanzini Primary School, Mosioa Primary School, Atlehang Primary School, Mojala-Thuto Primary School, Maboelleng Primary School, Lefika Primary School, Thuthukani-Tswelopele Primary School, Allanridge Combined, Batokwa Primary School, Emasangweni Primary School, Gideon Rambuwani Primary School, Pretoria Primary School and the Olievenhoutbosch Primary School.

Furthermore, ablution facilities were completed to ensure that learners study in a healthy environment at Mpho Primary School, Tsibongo Middle School, Botsalo Primary School, Ema Primary School, Nkhohli Primary School, Phiri Primary School, Sedibathuto Primary School, Reutlwile Junior Primary School, M.H. Baloyi Primary School, Setumokhibha Primary School, Tlotlomphe Primary School, Ikwezilethemba Primary School, Sun Valley Primary School, Lowe Primary School, Ikageng Primary School and Lekgalong Primary School. Septic tanks were also installed at Bapsfontein Primary School.

The department aimed to complete 29 restorative repairs for the 2013/14 financial year of which the following restorative repairs were completed: Kenilworth Secondary School, W.H. Coetzer Secondary School, Raphela Secondary School, Schaumburg Combined School, Unity Primary School, St Joseph Kulane Primary School, Coronation Learning Centre and Mzimuhle Primary School, Lucas Motshababosi Secondary School, Benoni Junior School, Asser Maloka Secondary School, Waverly Girls High School, Mahlenga Secondary School, Namo Primary School, Vukani Primary School, Mononong Primary School, Tsaroga Phoka Primary School, Ithembelihle Special School and Meetseng Primary School.

### **Outcome 2: A long and healthy life for all South Africans**

In relation to the outcome to have a “long and healthy life for all South Africans” the following can be highlighted. A key objective is to increase the life expectancy of citizens and ensure that all people have access to healthcare. The key outputs in this regard are to reduce the mortality rate, reduce the impact and prevalence of HIV/AIDS and Tuberculosis (TB) and to ensure an effective healthcare system. To achieve these outputs, there is a focus on Antiretroviral (ARV) roll-out, integration of HIV and TB services, a strategy on chronic diseases as well as a driven hospital audit process with the view to improving the physical healthcare infrastructure.

The department implements this outcome through maintenance of health facilities, which relates to the provision of high quality and consistent maintenance services to Client Departments through statutory, condition-based preventative maintenance and the replacement of aged and obsolete electromechanical plant and equipment. To this effect, the department completed the construction of the 300-bed Zola Jabulani Hospital. This hospital is set to create employment opportunities for people staying within the Zola and Jabulani area. These job opportunities will be directly or indirectly linked to the completed hospital. In a bid to ensure effective provisioning of better healthcare services and reduction of the child mortality rate, the department installed additional oxygen and vacuum points in Neo Natal and Maternity wards at Edenvale Hospital. Furthermore, the renovations at Tambo Memorial Hospital Psychiatric Ward and alterations and additions to the Katlehong Old Age Home for the Department of Social Development were completed.

To date, the department has replaced 24 generators in various health Institutions. Added to this is the appointment of service providers who are responsible for providing maintenance on a 3 year term contract. The department is also in the process of replacing 23 boilers operating on coal to dual fuel that is gas and diesel. Over and above this, 61 lifts have been replaced and are operational. Another 30 lifts are currently being installed.

### **Outcome 4: Decent Employment through Inclusive Growth**

The department is contributing to this Outcome through EPWP in which its objective is to implement and coordinate the Expanded Public Works Programmes by creating work opportunities and beneficiary training.

Thirty six thousand one hundred and eighty three work opportunities were created by the province. It should also be noted that these work opportunities are subject to a validation process by the National Department of Public Works. The GPG Departments created 12 296 jobs for women, 29 453 jobs for youth and 41 jobs for people with disabilities. Municipalities contributed through the creation of 17 885 work opportunities for youth, 8 432 for women and 19 for people with disabilities. In addition, the Department also launched the Zivuseni Poverty Alleviation programme. This programme is designed to promote self-reliance through activities that put emphasis on the renewal of community assets. This programme is aimed at creating focused opportunities for marginalised groupings in Gauteng including Women, Youth and Persons with Disabilities. Zivuseni programme will provide work opportunities and skills development for 5 000 beneficiaries.

### **Outcome 6: An Efficient, Competitive and Responsive Economic Infrastructure Network**

The department continues to contribute to this Outcome through management of revenue generated by provincial properties as well as the payment of rates and taxes to municipalities. An amount of R12.5 million was collected in revenue as of the end of quarter 3 of the 2013/14 financial year. The department anticipates to collect R17 million by the end of the current financial year.

Provision of funds earmarked for the devolution of rates and taxes has been insufficient over the past MTEF

period. The demand for payment of rates and taxes by municipalities far exceeds the budget allocated for payment of these claims year on year. Each year the department accrues expenditure which cannot be processed at year end due to budget shortfalls. This results in new funding appropriated for transaction of the new financial year being used for payment of old accounts. By end of the third quarter of the current financial year, expenditure improved from the first half of the year with R267.7 million being expensed at the end of the quarter 3. It is anticipated that the Department will spend the entire budget allocated for rates and taxes and even accrue some outstanding payments to the new financial year by end of March 2014.

### **3. OUTLOOK FOR THE COMING FINANCIAL YEAR (2014/15)**

The department is mandated to utilise its GPG CAPEX and budget allocations and implement small, medium and large scale infrastructure projects that utilise sole or joint GPG financial investments. It is also mandated to maximise the social and economic benefits that can be gained from the GPG property portfolio. These functions are done through its own staff complement but with the client departments' voted funds. It is within the plans of the Department to fully implement the Infrastructure Delivery Management System (IDMS) during the 2014/15 financial year. This process will see to the appointment of technical staff including personnel within Supply Chain Management (SCM) who have the know-how in procurement of resources and services in terms of construction management processes.

#### **Outcome 1: Quality basic education**

The department will continue to contribute to this outcome by implementing the construction of educational facilities. The Department supports the Department of Education through construction of schools etc. The Department is committed to continue to improve the quality of teaching and learning by successfully delivering effective infrastructure on time and quality implementation of Gauteng Department of Education (GDE) projects.

In 2013/14 the department managed to deliver various schools programmes. Among others this included planning and construction of new schools, boarding schools, repairs and restorations and addition of classrooms. The approach included deployment of various technology initiatives whereby some schools incorporated green energy, resulting in full off grid capacity, grid tie systems, planting of trees and rain water harvesting systems for irrigation. In the same period, delivery time for schools was reduced from eighteen months to an average of eight months.

Based on the momentous gains, the department will be sustaining the momentum and completing five schools which are currently under construction, and two boarding facilities which will be completed in 2014/15 financial year. Also the Department is planning and initiating construction of eighteen new schools, schools for learners with special needs, and repairs and restoration of existing school facilities. We are also working on development plans for ensuring compliance of school infrastructure with new norms and standards for Basic Education Infrastructure. These efforts will further enhance learning environments.

#### **Outcome 2: A long and healthy life for all South Africans**

The department will continue with its interventions to stabilise the provision of health infrastructure. The projects that will be rolled out in the Department of Health will include the construction of the Sebokeng Hospital, Boikutsong CHC. There will also be a demolition of an old hospital in Germiston as well as the construction of the new staff residence to serve in the new Natalspruit Hospital.

For the 2014/15 financial year, the department plans to implement 3 office building projects for the Department of Social Development. To prolong the life of health infrastructure and keep equipment functional, the Department will continue with the maintenance of all equipment at various health institutions. The department plans to implement the Inventory Management System in 4 Academic Hospitals and 5 regional offices. The Inventory Management system will be used for the supply of artisans' material for maintenance of all Health facilities in the province. Experience has shown that maintenance artisans are capable of performing all minor maintenance activities in all health institutions but material supply has been the hindrance.

There will also be a roll-out of the e-maintenance in 4 Academic Hospitals and 5 regional offices as well as the implementation of the rates based term contracts maintenance model for all health facilities in the province. These term contracts are anticipated to be allocated 60 per cent to 70 per cent of the maintenance budget. Projects to be implemented will include: lifts, boilers and reticulation, autoclaves, chillers and air-conditioning systems, refrigeration, compressors, generators, UPS systems, access control systems, plumbing, building services, laundry equipment, kitchen equipment and all other mechanical activities: electrical, mechanical or building.



**Outcome 4: Decent employment through the inclusive economic growth**

The department will continue to coordinate the creation of 124 510 work opportunities within the province through sectors. This will include the creation of work opportunities for 68 481 women, 49 803 youth and 2 409 people with disabilities.

**Outcome 7: A responsive, accountable, efficient and effective local government system**

The department will continue with its effort to generate revenue from the provincial properties as well as payments of rates and taxes to municipalities.

**4. REPRIORITISATION**

The department will be reprioritizing R1 million for the commencement of the Green agenda during the 2014/15 financial year. These funds will be allocated within the maintenance budget of the Department. The intent of this green agenda project is to install solar panels within GPG buildings as a method of promoting energy saving. The ultimate goal in this regard is to ensure that the saving of funds, resulting from lesser payments of electricity bills, will be redirected for other infrastructure related projects.

**5. PROCUREMENT**

The department has developed the procurement plans for implementation at the beginning of 2014/15 financial year. These plans are in the process of being endorsed by the HOD prior to submission to the Provincial Treasury. The aim is to ensure that the procurement plans meet the needs of the organisation and also are in line with the budget allocated to the Department. The plans will be completed and signed off by end of April 2014

**6. RECEIPTS AND FINANCING****6.1 Summary of receipts****TABLE 15.1: SUMMARY OF RECEIPTS: INFRASTRUCTURE DEVELOPMENT**

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Equitable share	1 314 038	1 347 606	1 406 841	1 472 513	1 529 081	1 529 081	1 970 117	1 931 880	2 076 361
Conditional grants			1 502		3 000	3 000	5 511		
Expanded Public Works Programme Incentive Grant for Provinces			1 502		3 000	3 000	5 511		
<b>Total receipts</b>	<b>1 314 038</b>	<b>1 347 606</b>	<b>1 411 281</b>	<b>1 472 513</b>	<b>1 532 081</b>	<b>1 532 081</b>	<b>1 975 628</b>	<b>1 931 880</b>	<b>2 076 361</b>

The equitable share transfer to the department will be used for goods and services, compensation of employees, non-employee and employee bursaries, leave gratuities and departmental infrastructure, maintenance, machinery and equipment. The transfer to the department increases by 34 per cent from R1.5 billion in the 2013/14 main appropriation to R2 billion in 2014/15. Over the MTEF the allocation increases by approximately one per cent per annum from R2 billion in 2014/15 to R2.1 billion in the 2016/17 financial year. The department has received as part of its equitable share an amount of R180 million which is intended for the completion of Phase 2 of the Women's Monument project. Plans are already underway to which will see to the appointment of a service provider by end of March 2014. Over and above the provision of funds for the Women's Monument, the department has been allocated with a budget amounting to R 150 million for the recruitment and employment of personnel with technical skills in Engineering and also for SCM personnel in support of the IDMS implementation.

The only conditional grant that the department has is the EPWP Incentive Grant which is used to improve the creation of decent jobs in the province through the National Youth Service (NYS) programme. For the 2014/15 financial year an amount of R5.5 million has been allocated but there is no allocation over the MTEF.

Departmental receipts are made up of commercial and residential rentals, lodging at the Roodeplaat Dam and the sales of tender documents. The process of eviction currently underway will see to a number of illegal occupants and those failing to pay rental in leased properties being evicted. This will ensure that the department places occupants who will commit to paying rentals on time. Due to the fact that this process involved certain legal aspects, the department anticipates an increase in revenue collection towards the end of the 2014/15 financial year and more during the 2015/16 MTEF period.

### 6.3 Departmental receipts collection

TABLE 15.2: DEPARTMENTAL RECEIPTS: INFRASTRUCTURE DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Tax receipts</b>									
Casino taxes									
Horse racing taxes									
Liquor licenses									
Motor vehicle licenses									
Sales of goods and services other than capital assets	12 648	13 400	13 545	16 470	16 470	16 688	18 470	20 440	22 410
Transfers received									
Fines, penalties and forfeits									
Interest, dividends and rent on land	3	30	43			32			
Sales of capital assets									
Transactions in financial assets and liabilities	3 735	2 206	1 467	530	530	607	530	560	590
<b>Total departmental receipts</b>	<b>16 386</b>	<b>15 636</b>	<b>15 055</b>	<b>17 000</b>	<b>17 000</b>	<b>17 327</b>	<b>19 000</b>	<b>21 000</b>	<b>23 000</b>

The total receipts have decreased from R16.4 million in 2010/11 to R15.6 million in 2011/12. In the 2012/13 financial year DID collection was R15.1 million, which was a decrease from the prior year. The Department has been working on eviction where there is illegal occupation of government properties. For the current financial year the Department anticipates collecting R17 million. Over the MTEF the Department anticipates an increase from R19 million in 2014/15 to R23 million in 2016/17, with the hope of the full implementation of the Market Related Rental (MRR)

## 7. PAYMENT SUMMARY

### 7.1 Key assumptions

With regard to the budget over the 2012 MTEF, the Department remains with an understanding that its mandate will not change and therefore the budget, personnel and project figures will increase as projects that are assigned increase. The following elements have been taken into account when determining personnel budgets for the new MTEF:

- Over the MTEF the number of staff and the average increase in personnel costs will be 5 per cent in 2013/14, 6.4 per cent in 2014/15 and 5.4 per cent in 2015/16 and 5.4 per cent in 2016/17. This thereby reflects an average increase of 5.7 per cent over the MTEF;
- All salary related transactions, including Improvement in Conditions of Service (ICS) adjustments on 1 April for all personnel will increase in line with the agreements made by the relevant stakeholders;
- Goods and services will increase by 5 per cent in 2013/14, 5.4 per cent in 2014/15, 5.4 per cent in 2015/16, and 5.3 per cent in 2016/17. This is an average of 5.3 per cent over the MTEF;
- Key projects that will be funded include the establishment of the IDMS; the completion of the Women's Monument; additional funding for EPWP; and
- Over the MTEF, maintenance will be prioritised, given the need for significant rehabilitation of GPG buildings.

### 7.2 Programme summary

TABLE 15.3: SUMMARY OF PAYMENTS AND ESTIMATES: INFRASTRUCTURE DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1. Administration	98 493	140 513	198 309	213 788	211 356	226 874	296 829	278 086	296 351
2. Public Works	934 604	919 400	1 035 397	1 034 912	1 043 912	1 045 503	1 255 746	1 367 284	1 475 428
3. Expanded Public Works Programme	134 098	200 506	174 637	223 813	276 813	257 398	423 053	286 510	304 582
<b>Total payments and estimates</b>	<b>1 167 195</b>	<b>1 260 419</b>	<b>1 408 343</b>	<b>1 472 513</b>	<b>1 532 081</b>	<b>1 529 775</b>	<b>1 975 628</b>	<b>1 931 880</b>	<b>2 076 361</b>

## 7.3 Summary of economic classification

TABLE 15.4: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: INFRASTRUCTURE DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>792 459</b>	<b>907 585</b>	<b>968 915</b>	<b>1 040 671</b>	<b>1 074 239</b>	<b>1 070 493</b>	<b>1 298 654</b>	<b>1 504 332</b>	<b>1 625 805</b>
Compensation of employees	390 911	415 543	448 790	548 189	551 757	592 324	737 869	827 246	912 075
Goods and services	400 773	489 243	519 463	491 632	521 632	476 726	560 135	676 436	713 045
Interest and rent on land	775	2 799	662	850	850	1 443	650	650	685
<b>Transfers and subsidies to</b>	<b>364 795</b>	<b>244 423</b>	<b>317 894</b>	<b>301 370</b>	<b>301 370</b>	<b>301 314</b>	<b>318 913</b>	<b>332 579</b>	<b>350 538</b>
Provinces and municipalities	211 826	242 693	309 511	295 980	295 980	295 980	312 676	327 059	344 720
Departmental agencies and accounts	150 054		129				2	3	3
Higher education institutions									
Foreign governments and international organizations									
Public corporations and private enterprises									
Non-profit institutions									
Households	2 915	1 730	8 254	5 390	5 390	5 334	6 235	5 517	5 815
<b>Payments for capital assets</b>	<b>1 340</b>	<b>21 795</b>	<b>90 558</b>	<b>130 472</b>	<b>156 472</b>	<b>157 908</b>	<b>358 061</b>	<b>94 969</b>	<b>100 018</b>
Buildings and other fixed structures			66 589	81 408	133 408	130 838	338 659	66 969	70 534
Machinery and equipment	1 340	16 564	23 969	16 000	16 000	20 006	19 302	20 000	21 060
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets		5 231		33 064	7 064	7 064	100	8 000	8 424
<b>Payments for financial assets</b>	<b>8 601</b>	<b>86 616</b>	<b>30 976</b>			<b>60</b>			
<b>Total economic classification</b>	<b>1 167 195</b>	<b>1 260 419</b>	<b>1 408 343</b>	<b>1 472 513</b>	<b>1 532 081</b>	<b>1 529 775</b>	<b>1 975 628</b>	<b>1 931 880</b>	<b>2 076 361</b>

The department's expenditure has increased from R1.2 billion in 2010/11 to R1.3 billion in 2011/12. This was due to the increase in allocation relating to rates and taxes and the implementation of capital and current projects. Expenditure increased from R1.3 billion in 2011/12 to R1.4 billion in 2012/13. This came as a result of the rollover of an amount of R28 million that was not spent from the 2011/12 financial year to 2012/13. For the 2012/13 financial year the devolution budget was fully expensed. The departmental expenditure increases by 34 per cent from R1.5 billion in the 2013/14 main appropriation to R2 billion in 2014/15. A sizeable portion of the increase relates to the establishment of the IDMS, which addresses critical skills needed by the department, the finalisation of the Women's Monument, as well as additional funding for EPWP, which is a provincial priority for skilling artisans and stimulating job creation. Over the MTEF the allocation will increase from R2 billion in 2014/15 to R2.1 billion in 2016/17. This translates to an annual average increase of 1 per cent over the MTEF.

Administrative expenditure has fluctuated over the years since inception. This was due to ghost employees detected after the split, and also employees to whom DID paid salaries, who had moved to DRT. Expenditure increased from R98 million in 2010/11 by approximately 42 per cent to R140 million in 2011/12. During the 2012/13 financial year over 150 technical staff were appointed to provide for scarce skills in the department. Administration spent R198 million in 2012/13 financial year. The expenditure increases a further 7.6 per cent from R198 million in 2012/13 to R213.8 million in 2013/14. Over the MTEF the allocation will fluctuate from R297 million in 2014/15 to R278 million in 2015/16 and then increase to R296 million in the 2016/17 financial year.

The department has only three programmes with Public Works as the core function, with approximately 70 per cent of the budget allocated to it. Over the years the expenditure had been decreasing from R934.6 million in 2010/11 to R919 million in the 2011/12 financial year. This decrease has been approximately 4 per cent per financial year which is due to the decrease in payments of rates and taxes to municipalities. The expenditure increases to R1 billion in 2012/13 and remains at that level for 2013/14. Over the MTEF the allocation will increase from R1.2 billion in 2014/15 to R1.5 billion in 2016/17.

The EPWP has improved in performance and spending compared to the prior years. Expenditure increased from R134 million in the 2010/11 financial year to R200 million in 2011/12. Expenditure for the 2012/13 financial year decreased to R175 million due to delays in implementation of the training and NYS programme. In the 2013/14 main appropriation the allocation amounted to R223.8 million and is anticipated to reach R257.4 million by the end of the financial year. Over the MTEF the budget will decrease from R423 million in 2014/15 to R286 million in 2015/16 and increase to R304 million in 2016/17. This is due to the allocation of R180 million for the Women's Monument.

Compensation of employees accounted for R390.9 million in 2010/11 and increased by 14.9 per cent to R448.8 Million in 2012/13. The compensation budget increased significantly by 22 per cent to R548.2 million in 2013/14. This increase was due to the Standard Chart of Accounts (SCOA) changes implemented at the beginning of the 2013/14 financial year. The change resulted in reclassification of the Learnerships item as Compensation rather than Goods and Services. The NYS stipends are allocated under learnerships, hence the significant increase. The 2014/15 allocation has increased by 24 percent to R737.9 million. The allocations then increases by 12 percent to R827.2 million in the 2015/16 financial year and then increases by another 10 percent to R912 million in the 2016/17 financial year. These significant increases are attributed in part to the establishment of the IDMS in the Department. This allocation also includes the Learnerships and interns because there were SCOA changes during the 2013/14 financial year.

Goods and services fluctuate from R400 million in 2010/11 to R519.6 million in 2012/13 and decreasing to R491.6 million in the 2013/14 main appropriation and the amount was adjusted to R521.6 million during the adjustment budget. The goods and services budget increases by 7 per cent to R560.1 million in 2014/15 and a further 20 percent to R676.4 million in 2015/16. This allocation increases 5 percent to R713 million in 2016/17 financial year. This increase is primarily attributed to the increase to EPWP and projects for the Women's Monument.

Transfers to municipalities are primarily for the payment of rates and taxes. This amount fluctuates from R242.6 million in 2011/12; R309.5 million in 2012/13; R296 million in 2013/14 main appropriation; R313 million in 2014/15; before increasing to R344.7 million in 2016/17. In the prior years the department experienced delays in submission of claims by the municipalities. During the 2011/12 financial year a rollover of R28 million was rolled to the 2012/13 financial year hence the increase in expenditure in that year.

Buildings and other fixed structures' allocation starts from a low base of R66.6 million in 2012/13, increasing to R133.4 million in the 2013/14 financial year. This amount increases significantly by 154 per cent to R338.6 million in 2014/15 before decreasing to R66.9 million 2016/17. The increase in buildings and other fixed structures is due to the new construction of the Women's Monument which has been allocated R180 million in the 2014/15 financial year. This item also includes the budget for the rehabilitation of Precinct buildings and the completion of HM Piejie and Senaba stadiums.

Machinery and equipment allocation fluctuates from a very low base of R1.3 million in 2010/11 to R24 million in 2012/13; R16 million in 2013/14 main appropriation before increasing to R19.3 million in 2014/15 and R21 million in 2016/17.

#### **7.4 Infrastructure payments**

Please refer to the Estimates of Capital Expenditure for the details on Infrastructure payments

##### **7.4.1 Departmental infrastructure payments**

For information of infrastructure payments refer to Estimates of Capital Expenditure (ECE)

##### **7.4.2 Departmental public private partnership (PPP) projects**

N/A

## 7.5 Transfers

### 7.5.1 Transfers to public entities

N/A

### 7.5.2 Transfers to other entities

N/A

### 7.5.3 Transfers to local government

TABLE 15.5: SUMMARY OF DEPARTMENTAL TRANSFERS TO LOCAL GOVERNMENT BY CATEGORY

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Category A	187 549	187 220	269 138	250 258	250 258	250 258	255 322	266 832	281 487
Category B	24 271	55 461	40 365	45 722	45 722	45 722	48 191	50 601	53 131
Category C							9 163	9 627	10 103
<b>Total departmental transfers to local government</b>	<b>211 820</b>	<b>242 681</b>	<b>309 503</b>	<b>295 980</b>	<b>295 980</b>	<b>295 980</b>	<b>312 676</b>	<b>327 059</b>	<b>344 720</b>

Devolution of rates and taxes has been a grant since inception of the department. But effective from 1 April 2013 the allocation for devolution has been allocated as part of the Voted Funds. For the past number of years the department has been underspending on the allocation for devolution but this was due late submission of claims by the municipalities. These transfers are made to municipalities for their rates.

The spending has increased from R12 million in the 2010/11 financial years to R243 million in the 2011/12 financial year, and to R309 million in 2012/13. In 2013/14 financial year the allocation was decreased to R296 million. Over the MTEF the allocation will increase to R313 million in 2014/15; to R345 million in 2016/17.

## 8. PROGRAMME DESCRIPTION

### PROGRAMME 1: ADMINISTRATION

#### Programme description

To conduct the overall management and administrative support function for the Office of the Member of the Executive Council (MEC) and the Department.

#### Programme objectives

To render advisory, secretarial, administrative and office support services to the MEC and to render strategic support to the Department in the areas of finance, human resources, procurement, information and communication systems, and policy.

TABLE 15.6: SUMMARY OF PAYMENTS AND ESTIMATES: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1. Office Of The MEC	8 653	9 702	12 419	11 291	11 291	12 691	11 938	13 943	14 681
2. Management Of The Department	20 800	10 533	17 439	10 188	10 188	11 548	11 961	11 907	12 548
3. Corporate Support	69 040	120 278	168 451	192 309	189 877	202 635	272 930	252 236	269 121
<b>Total payments and estimates</b>	<b>98 493</b>	<b>140 513</b>	<b>198 309</b>	<b>213 788</b>	<b>211 356</b>	<b>226 874</b>	<b>296 829</b>	<b>278 086</b>	<b>296 350</b>

TABLE 15.7: SUMMARY OF PROVINCIAL PAYMENTS BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>87 931</b>	<b>129 582</b>	<b>181 980</b>	<b>185 724</b>	<b>188 292</b>	<b>204 450</b>	<b>273 317</b>	<b>256 086</b>	<b>273 180</b>
Compensation of employees	53 002	67 711	84 610	91 330	91 898	115 542	128 829	148 282	159 663
Goods and services	34 874	61 106	97 139	94 094	96 094	88 895	144 188	107 504	113 201
Interest and rent on land	55	765	231	300	300	13	300	300	316
<b>Transfers and subsidies to</b>	<b>1 021</b>	<b>237</b>	<b>6 433</b>	<b>4 000</b>	<b>4 000</b>	<b>3 300</b>	<b>4 330</b>	<b>4 000</b>	<b>4 216</b>
Provinces and municipalities			1						
Departmental agencies and accounts	106		128						
Higher education institutions									
Foreign governments and international organizations									
Public corporations and private enterprises									
Non-profit institutions									
Households	915	237	6 304	4 000	4 000	3 300	4 330	4 000	4 216
<b>Payments for capital assets</b>	<b>941</b>	<b>10 540</b>	<b>9 436</b>	<b>24 064</b>	<b>19 064</b>	<b>19 064</b>	<b>19 182</b>	<b>18 000</b>	<b>18 954</b>
Buildings and other fixed structures									
Machinery and equipment	941	5 309	9 436	16 000	16 000	16 000	19 182	10 000	10 530
Heritage Assets									
Specialized military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets		5 231		8 064	3 064	3 064		8 000	8 424
<b>Payments for financial assets</b>	<b>8 600</b>	<b>154</b>	<b>460</b>			<b>60</b>			
<b>Total economic classification</b>	<b>98 493</b>	<b>140 513</b>	<b>198 309</b>	<b>213 788</b>	<b>211 356</b>	<b>226 874</b>	<b>296 829</b>	<b>278 086</b>	<b>296 350</b>

The expenditure has increased from R98.5 million 2010/11 to R140.5 million in 2011/12. This was due to filling of vacant posts and acquisition of assets such as furniture, desktops and laptops. Expenditure for 2012/13 increased to R198 million. This was due to acquisition of the server and working tools for the 150 technical staff appointed. Over the MTEF the allocation will fluctuate due to the shifting of security management functions to corporate services, but if the structure is approved during the year this function may remain within Property Management. This allocation translates to of R296.8 million for 2014/15; R278.1 million for 2015/16; and R296.4 million in 2016/17.

Compensation of employees increased from R67.7 million in the 2011/12 financial year to R84.6 million in 2012/13. The increase is due to filling of Senior Management Services (SMS) posts within Corporate Services and other junior staff. Over the MTEF the allocation will increase from R129 million in 2014/15 to R159.6 million in 2016/17. This increase includes the additional allocation for IDMS and Improvement of Condition of Service (ICS). The increase in budget allocation from R115 million to R129 million in Programmes for the year 2013/14 to 2014/15 emanates from the provision of funds for IDMS implementation. The posts will be under corporate support as a sub-programme within Administration.

Goods and services have increased from R61.1 million in 2011/12 to R97 million 2012/13. The allocation over the MTEF will decrease from R144 million in 2014/15 to R107 million in 2015/16 and then increase to R113 million in 2016/17. This allocation includes legal fees, audit fees, training and development, travelling and subsistence allowances and bursaries for employees.

Households will be constant over the MTEF at R4 million per financial period. In this amount there is an allocation for leave, gratuities for retired, and allocation for the survivors of the deceased employees. The significant part of this allocation is for bursaries to non-employees which are budgeted at R3 million per financial year. The Department is concentrating on scarce skills like engineering, boiler making and other technical skills.

Machinery and equipment increased by 13 per cent from R5.3 million in 2010/11 to R9 million in 2012/13. This increase was due to the acquisition of infrastructure such as computer equipment and furniture for 150 new appointments. The allocation will fluctuate from R19 million in 2014/15 to R10 million in 2015/16 and

## Vote 15 - Infrastructure Development • EPRE - 2014/15

then R10.5million in 2016/17 over the MTEF period. Increase in allocation is due to the reclassification of the expenditure on mobile phones. Mobile phones are not paid out of Communications anymore but under finance leases, which is classified as a Capital Asset. Also it will cater for new intakes and replacement of the old infrastructure. Software will be acquired for the IIP and movable assets management and the accounting system.

### SERVICE DELIVERY MEASURES

#### PROGRAMME 1: ADMINISTRATION

Performance measures	Estimated Annual targets		
	2014/15	2015/16	2016/17
Revenue collected	R 19 000	R 21 000	R 23 000
Number of vacant critical posts filled	100 vacant critical posts filled	100 vacant critical posts filled	70 vacant critical posts filled
Payment of rates and taxes	R 312 676	R 327 059	R 344 720
Number of employees trained based on skills audit	1 331 employees trained and developed	1 460 employees trained and developed	1 560 employees trained and developed

#### PROGRAMME 2: PUBLIC WORKS

##### Programme description

To provide accommodation outside the CBD precinct area for all provincial departments, manage the provincial property portfolio for the optimum benefit of all concerned, and to construct and maintain buildings and render professional and technical services to departments in respect of buildings and related infrastructure.

##### Programme objectives

To construct new facilities and to upgrade, rehabilitate and maintain existing facilities as identified in consultation with the relevant user departments and to manage the property portfolio of the province in line with GIAMA requirements.

TABLE 15.8: SUMMARY OF PAYMENTS AND ESTIMATES: PUBLIC WORKS

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1. Construction	49 848	51 326	69 428	43 932	43 932	61 064	95 109	66 810	71 915
2. Maintenance	281 519	286 852	327 234	323 515	332 515	332 515	415 308	523 986	583 468
3. Immovable Asset Management	603 237	581 222	638 735	667 465	667 465	651 924	745 329	776 488	820 044
<b>Total payments and estimates</b>	<b>934 604</b>	<b>919 400</b>	<b>1 035 397</b>	<b>1 034 912</b>	<b>1 043 912</b>	<b>1 045 503</b>	<b>1 255 746</b>	<b>1 367 284</b>	<b>1 475 428</b>

TABLE 15.9: SUMMARY OF PROVINCIAL PAYMENTS BY ECONOMIC CLASSIFICATION: PUBLIC WORKS

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>570 479</b>	<b>657 503</b>	<b>668 645</b>	<b>646 318</b>	<b>676 318</b>	<b>675 894</b>	<b>819 804</b>	<b>977 305</b>	<b>1 064 451</b>
Compensation of employees	322 584	333 921	345 030	374 453	374 453	377 674	506 020	565 038	630 334
Goods and services	247 175	321 548	323 366	271 515	301 515	296 790	313 484	411 967	433 801
Interest and rent on land	720	2 034	249	350	350	1 430	300	300	316
<b>Transfers and subsidies to</b>	<b>363 725</b>	<b>244 180</b>	<b>311 426</b>	<b>297 270</b>	<b>297 270</b>	<b>298 001</b>	<b>314 483</b>	<b>328 479</b>	<b>346 217</b>
Provinces and municipalities	211 826	242 693	309 510	295 980	295 980	295 980	312 676	327 059	344 720
Departmental agencies and accounts	149 948		1				2	3	3
Higher education institutions									
Foreign governments and international organizations									
Public corporations and private enterprises									
Non-profit institutions									
Households	1 951	1 487	1 915	1 290	1 290	2 021	1 805	1 417	1 494
<b>Payments for capital assets</b>	<b>399</b>	<b>11 255</b>	<b>55 326</b>	<b>91 324</b>	<b>70 324</b>	<b>71 608</b>	<b>121 459</b>	<b>61 500</b>	<b>64 760</b>
Buildings and other fixed structures			41 091	66 324	66 324	63 754	121 239	51 500	54 230
Machinery and equipment	399	11 255	14 235			3 854	120	10 000	10 530
Heritage Assets									
Specialized military assets									
Biological assets									



R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Land and sub-soil assets									
Software and other intangible assets				25 000	4 000	4 000	100		
<b>Payments for financial assets</b>	<b>1</b>	<b>6 462</b>							
<b>Total economic classification</b>	<b>934 604</b>	<b>919 400</b>	<b>1 035 397</b>	<b>1 034 912</b>	<b>1 043 912</b>	<b>1 045 503</b>	<b>1 255 746</b>	<b>1 367 284</b>	<b>1 475 428</b>

The mandate of DID, through programme 2, is to implement the maintenance and refurbishment of hospital, clinics and schools is undertaken. The programme constitutes approximately 70 to 80 per cent of the department's budget allocation. In the prior years the expenditure for this programme fluctuated from R935 million in 2010/11 financial year and decreased to R919 million. This expenditure increased to R1 billion in 2012/13 financial year a 12 per cent increase from the prior year. Over the MTEF the allocation will increase from R1.2 billion in 2014/15 to R1.5 billion in 2016/17 which is approximately 5 per cent per annum.

Compensation of employees in this programme makes up about 80 per cent of DID's staff complement due to all the technicians and engineers working in the institutions. The expenditure in the prior years has increased from R323 million in 2010/11 financial year to R334 million in 2011/12. This increase accounts for 3 per cent of the total budget allocation. In the 2012/13 financial year expenditure increased to R345 million which was increased of 3 percent from the 2011/12 financial year. During the 2012/13 financial year approximately 160 technical staff and engineers were appointed by the department in response to the needs of skilled staff in the institutions. The allocation increases by 8 per cent to R374.5 million in 2013/14. Over the MTEF compensation allocation will increase from R374 million to R506 million in 2014/15 financial year which is approximately 35 per cent. The compensation will increase to R565 million in 2015/16 and R630 million in 2016/17 financial year. This amount includes additional allocation provided by Treasury to fund the IDMS staff.

Devolution of rates and taxes in 2010/11 financial year the department has spent R212 million and this has increased to R243 million in 2011/12 financial year. The expenditure increase with 99 per cent spending during the 2012/13 financial year which was a great achievement made possible by relationships built with the municipalities. The department was allocated an amount of R310 million, and spent the full amount. This was an improvement when compared to the prior years. This achievement will proceed to the 2013/14 financial year because as at the end of the 3<sup>rd</sup> quarter the department had spent 90 per cent of the budget. An amount of R268 million was spent against a budget of R296 million. Over the MTEF the allocation will increase from R313 million in 2014/15 to R344 million in 2016/17. This increase will be approximately 3 per cent increase per annum over the period.

Goods and service has fluctuated during the prior years from R247 million in 2010/11 and increased to R322 million in 2011/12 and then increased to R323 million in 2012/13 financial year. This fluctuation came as result of disputes between the service provider and the department with regards to the Asset Register management. Some invoices were disputed and this resulted in non-payment. Over the MTEF the allocation will increase from R313 million in 2014/15 to R434 million in 2016/17 financial year. A process is underway with the Treasury to determine what the additional needs are pertaining to goods and services in relation to the IDMS.

During the adjustment budget the Department was allocated an additional R10 million for the Maintenance Turn-around Strategy. These funds will be used for development of the Integrated Infrastructure Plan (IIP) that will be used for the entire province in energy saving and other green projects.

Payment for capital assets starts at a very low base of R399 000 in 2010/11 and increases to R55.3 million in 2012/13. It increases to 91.3 per cent in the 2013/14 main appropriation. Over the MTEF a further increase of 30.8 per cent is noted in 2014/15 before decreasing to R61.5 million and R64.7 million for 2015/16 and 2016/17 respectively.



**SERVICE DELIVERY MEASURES****PROGRAMME 2: PUBLIC WORKS**

Performance measures	Estimated Annual targets		
	2014/15	2015/16	2016/17
<b>Design/Planning</b>			
Number of infrastructure project implementation plans finalised	36	20	20
Number of projects ready for tender (tender documentation completed)	49	36	20
<b>Construction</b>			
Number of projects completed within the agreed time period	178	49	36
Number of projects completed within agreed budget	178	49	36
Number of buildings audited for compliance with the Green Agenda in the province	61 Health buildings audited for compliance	17 Health buildings audited for compliance	18 Health buildings audited for compliance
Number of buildings retrofitted	30 GPG wide green technologies programme retrofitted	100 Health Institutions	100 Health institutions
<b>DID Maintenance</b>			
Number of planned maintenance projects awarded	13	15	16
Number of planned maintenance projects completed within agreed contract period	5	8	9
Number of scheduled maintenance projects completed within budget	7	10	12
Number of Condition assessment conducted on state owned buildings	5	5	55
<b>Immovable Assets</b>			
Number of immovable assets recorded in the Immovable Asset Register in accordance with the mandatory requirements of National Treasury	2 000	2 000	2 000
Number of residential properties leased out	50	60	60
Number of properties leased out (commercial)	15	20	20
Number of lease agreements reviewed – with a view to charging market related rentals	50 new leases signed with tenants – with a market related rental rates	70 new leases signed with tenants – with a market related rental rates	70 new leases signed with tenants – with a market related rental rates

**PROGRAMME 3: EXPANDED PUBLIC WORKS PROGRAMME****Programme description**

Facilitate the implementation of multi-sectoral projects across the province whereby particularly youth, women and people with disabilities are provided with relevant training and productive employment opportunities, so that skills and enterprises are developed and sustained; infrastructure is developed and maintained; and local economies enhanced.

**Programme objectives**

To coordinate and lead EPWP in Gauteng Province by promoting linkages between sectors; addressing unemployment by generating decent and sustainable jobs; monitoring and facilitating evaluation of EPWP projects in Gauteng; facilitating skills development through technical and institutional training; and facilitating job opportunities by targeting the vulnerable sectors of the community especially women, youth and people with disabilities.

**TABLE 15.20: SUMMARY OF PROVINCIAL PAYMENTS BY ECONOMIC CLASSIFICATION: EXPANDED PUBLIC WORKS PROGRAMME**

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1. Programme Support	106 017	64 171	113 991	130 248	132 218	49 401	106 743	170 439	181 243
2. Community Development	28 081	136 335	60 646	93 566	144 596	207 997	316 310	116 071	123 339
<b>Total payments and estimates</b>	<b>134 098</b>	<b>200 506</b>	<b>174 637</b>	<b>223 814</b>	<b>276 814</b>	<b>257 398</b>	<b>423 053</b>	<b>286 510</b>	<b>304 582</b>

TABLE 15.21: SUMMARY OF PROVINCIAL PAYMENTS BY ECONOMIC CLASSIFICATION: EXPANDED PUBLIC WORKS PROGRAMME

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>134 049</b>	<b>120 500</b>	<b>118 290</b>	<b>208 630</b>	<b>209 630</b>	<b>190 149</b>	<b>205 533</b>	<b>270 941</b>	<b>288 172</b>
Compensation of employees	15 325	13 911	19 150	82 407	85 407	99 108	103 020	113 926	122 078
Goods and services	118 724	106 589	98 958	126 023	124 023	91 041	102 463	156 965	166 042
Interest and rent on land			182	200	200		50	50	53
<b>Transfers and subsidies to</b>	<b>49</b>	<b>6</b>	<b>35</b>	<b>100</b>	<b>100</b>	<b>13</b>	<b>100</b>	<b>100</b>	<b>105</b>
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organizations									
Public corporations and private enterprises									
Non-profit institutions									
Households	49	6	35	100	100	13	100	100	105
<b>Payments for capital assets</b>			<b>25 796</b>	<b>15 084</b>	<b>67 084</b>	<b>67 236</b>	<b>217 420</b>	<b>15 469</b>	<b>16 304</b>
Buildings and other fixed structures			25 498	15 084	67 084	67 084	217 420	15 469	16 304
Machinery and equipment			298			152			
Heritage Assets									
Specialized military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>		<b>80 000</b>	<b>30 516</b>						
<b>Total economic classification</b>	<b>134 098</b>	<b>200 506</b>	<b>174 637</b>	<b>223 814</b>	<b>276 814</b>	<b>257 398</b>	<b>423 053</b>	<b>286 510</b>	<b>304 582</b>

The programme had a history of underspending in the prior years. This has translated into a fluctuation in spending from R134 million in 2010/11 financial year to R201 million in 2011/12 financial year, with a decrease to R175 million in 2012/13 financial year. The allocation has increased from R224 million in 2013/14 which translates to an increase of 28 per cent. Over the MTEF the allocation will decrease from R423 million in 2014/15 to R286 million in the 2015/16 financial year, which is due to the allocation of R180 million for the Women's Monument project in 2014/15 financial year only. It will later increase to R304 million in 2016/17 financial year.

The department has entered into a contract with the Independent Development Trust (IDT) where they will manage the NYS programme together with training of the NYS students. During the 2013/14 financial year in the first quarter an amount of R37 million was transferred to IDT for work that was done during that quarter. Over the MTEF the NYS budget allocations will increase by R62.5 million in 2014/15, R65.5million in 2015/16 and by R69 million in 2016/17.

The training budget will increase from R137 million in 2014/15 financial year to R159 million in 2015/16 financial year and increase to R168 million in 2016/17 financial year. Building and other fixed structures is the allocation for the Infrastructure projects that the Department is undertaking like heritage sites and multi-purpose centres. The allocation for building and fixed structure fluctuates from R25.5 million in 2012/13 to R15 million in 2013/14, the trend continues to grow to R217 million in 2014/15 due to the allocation of R180 million for Women's Monument the allocation decreases to R15 million in 2015/16 and increases to R16 million in 2016/17 respectively.

## SERVICE DELIVERY MEASURES

### PROGRAMME 3: EXPANDED PUBLIC WORKS PROGRAMME

Performance measures	Estimated Annual targets		
	2014/15	2015/16	2016/17
*Number of work opportunities created (GPG Departments)	124 510	120 735	137 272
*Number of Work opportunities provided for Women (GPG Departments)	68 481	71 905	75 500
*Number of Work opportunities provided for Youth (GPG Departments)	49 803	52 293	54 908
*Number of Work opportunities provided for People with Disabilities (GPG Departments)	2 409	2 615	2 745

## Vote 15 - Infrastructure Development • EPRE - 2014/15

Performance measures	Estimated Annual targets		
	2014/15	2015/16	2016/17
Number of Work opportunities created through Municipal Projects	81 153	85 211	89 471
*Number of Beneficiary Empowerment Intervention	12	15	16

## 9. OTHER PROGRAMME INFORMATION

### 9.1 Personnel numbers and costs

TABLE 15.22: PERSONNEL NUMBERS AND COSTS: INFRASTRUCTURE DEVELOPMENT

Personnel numbers	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	As at 31 March 2017
1. Administration	1 023	283	262	270	321	324	324
2. Public Works	1 023	1 526	1 849	2 006	2 006	2 006	2 006
3. Expanded Public Works Programme	47	62	68	120	83	87	87
<b>Total provincial personnel numbers</b>	<b>2 093</b>	<b>1 871</b>	<b>2 179</b>	<b>2 396</b>	<b>2 410</b>	<b>2 417</b>	<b>2 417</b>
Total provincial personnel cost (R thousand)	390 911	415 543	448 790	592 324	675 339	761 652	842 939
Unit cost (R thousand)	187	222	206	247	280	315	349

The department overspend on the budget for compensation of employees during the 2012/13 financial year due is to the new appointment of over 150 skilled personnel and SMS in critical positions. The majority of these appointments were the posts filled for technical staffs that are working in the client projects. But over the MTEF the department will continue to fill critical posts with a budget of R23 million for 2014/15 and R24 million in 2015/16. For the IDMS R150 million is allocated for the 2014/15 financial year, R200 million for the 2015/16 financial year, and R250 million in 2016/17 financial year.

TABLE 15.23: SUMMARY OF DEPARTMENTAL PERSONNEL NUMBERS AND COSTS: INFRASTRUCTURE DEVELOPMENT

Outcome				Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17	
Total for province									
Personnel numbers (head count)	2 093	1 871	2 179	2 396	2 396	2 396	2 410	2 417	2 417
Personnel cost (R thousands)	390 911	415 543	448 790	548 189	551 757	592 324	675 339	761 652	842 939
Human resources component									
Personnel numbers (head count)		68	68	68	68	68	68	68	68
Personnel cost (R thousands)		16 622	15 922	13 789	13 789	13 789	13 709	13 669	13 669
Head count as % of total for department									
Personnel cost as % of total for department									
Finance component									
Personnel numbers (head count)		92	90	90	90	90	90	90	90
Personnel cost (R thousands)		23 439	19 466	22 249	22 249	22 249	25 220	28 361	31 388
Head count as % of total for department		4.9%	4.1%	3.8%	3.8%	3.8%	3.7%	3.7%	3.7%
Personnel cost as % of total for department		5.6%	4.3%	4.1%	4.0%	3.8%	3.7%	3.7%	3.7%
Full time workers									
Personnel numbers (head count)	2 093	1 871	2 179	2 396	2 396	2 396	2 410	2 417	2 417
Personnel cost (R thousands)	390 911	415 543	448 790	548 189	551 757	592 324	675 339	761 652	842 939
Head count as % of total for department	100%	100%	100%	100%	100%	100%	100%	100%	100%
Personnel cost as % of total for department	100%	100%	100%	100%	100%	100%	100%	100%	100%
Part-time workers									
Personnel numbers (head count)									
Personnel cost (R thousands)									
Head count as % of total for department									
Personnel cost as % of total for department									
Contract workers									
Personnel numbers (head count)	582	36	100	100	100	100	100	100	100
Personnel cost (R thousands)	105 474	9 172	21 628	24 721	24 721	24 721	28 022	31 512	34 875
Head count as % of total for department	27.8%	1.9%	4.6%	4.2%	4.2%	4.2%	4.1%	4.1%	4.1%

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Personnel cost as % of total for department	26.9%	2.2%	4.8%	4.5%	4.5%	4.2%	4.2%	4.1%	4.1%

## 9.2 Training

TABLE 15.24: PAYMENTS ON TRAINING: INFRASTRUCTURE DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
<b>1. Administration</b>	<b>970</b>	<b>2 396</b>	<b>5 665</b>	<b>2 789</b>	<b>2 350</b>	<b>5 139</b>	<b>5 652</b>	<b>6 782</b>	<b>5 934</b>
of which									
Subsistence and travel	172	1 335							
Payments on tuition	798	1 061	900	900	700	1 600	1 760	2 112	1 848
Other			4 765	1 889	1 650	3 539	3 892	4 670	4 086
<b>2. Public Works</b>	<b>3 054</b>	<b>3 806</b>	<b>5 812</b>	<b>5 600</b>	<b>1 950</b>	<b>7 550</b>	<b>8 305</b>	<b>9 966</b>	<b>8 720</b>
of which									
Subsistence and travel	337	200							
Payments on tuition	2 717	3 606	3 997	2 200	1 800	4 000	4 400	5 280	4 620
Other			1 815	3 400	150	3 550	3 905	4 686	4 100
<b>3. Expanded Public Works Programmes</b>	<b>630</b>	<b>606</b>	<b>184</b>	<b>3 300</b>	<b>2 050</b>	<b>5 350</b>	<b>5 885</b>	<b>7 062</b>	<b>6 173</b>
of which									
Subsistence and travel	151	70							
Payments on tuition	479	536	30	100	50	150	165	198	173
Other			154	3 200	2 000	5 200	5 720	6 864	6 000
<b>Total payments on training</b>	<b>4 654</b>	<b>6 808</b>	<b>11 661</b>	<b>11 689</b>	<b>6 350</b>	<b>18 039</b>	<b>19 842</b>	<b>23 810</b>	<b>20 827</b>

Due to shortages of skills, the Department has decided to invest in issuing bursaries to both non-employees and employees in line with the skills that are required within DID. This has resulted in the increase in expenditure under the Household item on Transfers and subsidies. This item is used to pay the bursary fees for non-employees while the employee's bursary costs form part of the good and services. During the 2013/14 financial year, the department has noticed a change in personnel since all that applied for bursary did get them. This has been received as a form of appreciation for their dedication on their work.

TABLE 15.25: INFORMATION ON TRAINING: INFRASTRUCTURE DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Number of staff	2 093	1 871	2 179	2 396	2 396	2 396	2 410	2 417	2 417
Number of personnel trained	722	983	1 717	1 210			1 310	1 410	1 510
of which									
Male	621	494	951	557			603	649	695
Female	101	489	766	653			707	761	815
Number of training opportunities	883	1 624	1 469	960		960	1 040	1 070	1 200
of which									
Tertiary	50	50	64	50		50	60	70	80
Workshops	833	1 574	1 405	304		304	328	334	374
Seminars				303		303	326	333	373
Other				303		303	326	333	373
Number of bursaries offered	48	113	139	100	50	150	100	150	100
Number of interns appointed	52	64	53	100		100	110	120	130
Number of learnerships appointed		45	56	50	30	80	60	70	80
Number of days spent on training									

The department has planned one hundred new bursaries for the financial year 2014/15. In the 2013/14 financial year an initial issue of 100 bursaries was planned and this might increase to 150 depending on the number of internal staff that will apply for bursaries. Over the MTEF a number of 110 interns and 60 learnerships will be issued in 2014/15, and the numbers will increase by approximately 10 per cent over the next two years.

## Vote 15 - Infrastructure Development • EPRE - 2014/15

The department will ensure that training of its personnel supports its mandate. Training of all technical staff within the department will be focused on the professional registration requirements of the various professional bodies (Engineering Council of South Africa and others). All support services employees will be trained so as to improve the professional image of the Department and improve service delivery. But all training provided will be in line with the work that the personnel are doing in order to ensure that service delivery and performance is improved.

### 9.3 Reconciliation of structural changes

TABLE 15.26: RECONCILIATION OF STRUCTURAL CHANGES: INFRASTRUCTURE DEVELOPMENT

2013/14		2014/15	
Vote/Department	R thousand	Vote/Department	R thousand
<b>Administration</b>	<b>214 933</b>	<b>Administration</b>	<b>296 829</b>
Office of the MEC	13 039	Office of the MEC	11 938
Corporate Services Management	190 924	Corporate Support	272 930
	10 970	Management of the department	11 961
<b>Public Works</b>	<b>1 173 688</b>	<b>Public Works</b>	<b>1 255 746</b>
Construction	42 026	Construction	95 109
Maintenance	380 848	Maintenance	415 308
Property Management	750 814	Immovable Asset Management	745 329
<b>Expanded Public Works Programme</b>	<b>302 042</b>	<b>Expanded Public Works Programme</b>	<b>423 053</b>
Programmes Support	152 166	Programme Support	106 743
Community Development	149 876	Community Development	316 310

## 10. CROSS CUTTING ISSUES

TABLE 15.27: CROSS CUTTING ISSUES

Cross Cutting Issue	Programme and sub-programme	Indicator	Target 2013/14	Output	MTEF BUDGET		
					2014/15	2015/16	2016/17
<b>Women</b>	Employment Equity	Appointment of women in senior management	50%	50% women representation at SMS	50%	50%	50%
	Administration: Human Resource Management	% women beneficiaries of education and training programmes in all levels	50%	50% of beneficiaries of education and training programmes should be women in all levels	50%	50%	50%
	Administration: Supply Chain Management	Percentage of procurement spent on Black Women-Owned companies against the total procurement rand value in line with BBBEE	25%	25% spent on Black Women owned companies against the total procurement rand value	30% spent on Black Women owned companies against the total procurement rand value	35% spent on Black Women owned companies against the total procurement rand value	40% spent on Black Women owned companies against the total procurement rand value
<b>Youth</b>	Administration: Human Resource Management	50% of beneficiaries of education and training programmes should be youth( <b>Internal Employees</b> )	50% of beneficiaries of education and training programmes should be youth	50% of beneficiaries of education and training programmes should be youth	50%	50%	50%
		<b>External:</b> Graduate programmes i.e. internships/learnerships	5% of beneficiaries should be youth	5% of youth benefiting from internships/learnerships	5%	5%	5%
	Administration: Supply Chain Management	Percentage procurement spent on youth owned companies against the total procurement rand value	15% spent on Youth owned companies against the total procurement rand value	15% spent on Youth owned companies against the total procurement rand value	20% spent on Youth owned companies against the total procurement rand value	25% spent on Youth owned companies against the total procurement rand value	30% spent on Youth owned companies against the total procurement rand value
<b>Persons With Disabilities (PwD's)</b>	2% of employees should be PwD's	2% of work force should be PwD's across all levels	2% of work force should be PwD's across all levels	2% of work force should be PwD's across all levels	2%	2%	2%
	PwD's should benefit from bursaries and training programmes	2% of beneficiaries of education and training programmes should be PwD's	2% of beneficiaries of education and training programmes should be PwD's	2% of beneficiaries of education and training programmes should be PwD's	2%	2%	2%
	Administration: Supply Chain Management	Percentage procurement spent on People with Disabilities owned companies against the total procurement rand value	2% spent on PwD's owned companies against the total procurement rand value	2% spent on PwD's owned companies against the total procurement rand value	2% spent on PwD's owned companies against the total procurement rand value	4% spent on PwD's owned companies against the total procurement rand value	5% spent on PwD's owned companies against the total procurement rand value
<b>MVA</b>	Administration: Supply Chain Management	Percentage procurement spent on MVA owned companies against the total procurement rand value	5% spent on MVA owned companies against the total procurement rand value	5% spent on MVA owned companies against the total procurement rand value	2% spent on MVA owned companies against the total procurement rand value	4% spent on MVA owned companies against the total procurement rand value	5% spent on MVA owned companies against the total procurement rand value

# **ANNEXURES TO ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE**

## Vote 15 - Infrastructure Development • EPRE - 2014/15

TABLE 15.28: SPECIFICATION ON RECEIPTS: INFRASTRUCTURE DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
<b>Tax receipts</b>									
Casino taxes									
Horse racing taxes									
Liquor licenses									
Motor vehicle licenses									
<b>Sales of goods and services other than capital assets</b>	<b>12 648</b>	<b>13 400</b>	<b>13 545</b>	<b>16 470</b>	<b>16 470</b>	<b>16 688</b>	<b>18 470</b>	<b>20 440</b>	<b>22 410</b>
Sale of goods and services produced by department (excluding capital assets)	12 648	13 400	13 545	16 470	16 470	16 688	18 470	20 440	22 410
Sales by market establishments	12 648	13 400	13 545	16 470	16 470	16 688	18 470	20 440	22 410
Administrative fees									
Other sales									
Sales of scrap, waste, arms and other used current goods (excluding capital assets)									
<b>Transfers received from:</b>									
Other governmental units									
Higher education institutions									
Foreign governments									
International organizations									
Public corporations and private enterprises									
Households and non-profit institutions									
<b>Fines, penalties and forfeits</b>									
<b>Interest, dividends and rent on land</b>	<b>3</b>	<b>30</b>	<b>43</b>			<b>32</b>			
Interest	3	30	43			32			
Dividends									
Rent on land									
<b>Sales of capital assets</b>									
Land and sub-soil assets									
Other capital assets									
<b>Transactions in financial assets and liabilities</b>	<b>3 735</b>	<b>2 206</b>	<b>1 467</b>	<b>530</b>	<b>530</b>	<b>607</b>	<b>530</b>	<b>560</b>	<b>590</b>
<b>Total departmental receipts</b>	<b>16 386</b>	<b>15 636</b>	<b>15 055</b>	<b>17 000</b>	<b>17 000</b>	<b>17 327</b>	<b>19 000</b>	<b>21 000</b>	<b>23 000</b>

TABLE 15.29: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
<b>Current payments</b>	<b>87 931</b>	<b>129 582</b>	<b>181 980</b>	<b>185 724</b>	<b>188 292</b>	<b>204 450</b>	<b>273 317</b>	<b>256 086</b>	<b>273 180</b>
Compensation of employees	53 002	67 711	84 610	91 330	91 898	115 542	128 829	148 282	159 663
Salaries and wages	47 983	61 104	75 195	82 643	83 098	104 676	113 365	130 323	140 046
Social contributions	5 019	6 607	9 415	8 687	8 800	10 866	15 464	17 959	19 617
Goods and services	34 874	61 106	97 139	94 094	96 094	88 895	144 188	107 504	113 201
Administrative fees	32	103	97	118	118	647	341	129	136
Advertising	1 744	1 069	2 187	1 474	1 996	2 390	7 680	1 625	1 711
Assets less than the capitalization threshold	247	360	505	664	664	664	2 754	733	772
Audit cost: External	4 406	7 540	5 912	6 680	6 680	6 679	7 938	7 364	7 754
Bursaries: Employees	110	132	1 128	236	236	532	2 500	260	274
Catering: Departmental activities	764	909	1 520	1 520	2 420	2 650	1 151	1 675	1 763
Communication (G&S)	3 214	992	1 114	1 868	2 868	6 041	1 963	2 059	2 168
Computer services	2 668	422	3 247	4 376	4 597	3 622	5 960	4 825	5 081

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Consultants and professional services: Business and advisory services	11 255	2 533	3 730	10 595	6 034	8 047	14 922	7 894	8 313
Consultants and professional services: Infrastructure and planning					3 000	3 000			
Consultants and professional services: Laboratory services									
Consultants and professional services: Scientific and technological services									
Consultants and professional services: Legal costs	4 351	9 441	13 885	16 213	19 213	27 020	17 039	17 874	18 822
Contractors	173	3 383				19	6		
Agency and support / outsourced services	177	18 837	7 151	8 558	8 230	3 110	50 037	6 609	6 959
Entertainment	133	152	53	19	19	19		21	22
Fleet services (including government motor transport)			37	93	593	78	4 377	2 102	2 213
Housing									
Inventory: Clothing material and accessories						45			
Inventory: Farming supplies									
Inventory: Food and food supplies	66	43	133	218	218	218	463	239	251
Inventory: Fuel, oil and gas		32	44	53	303	115	56	58	61
Inventory: Learner and teacher support material		1	3	21	51		218	23	24
Inventory: Materials and supplies			1 364	205	205		1	226	238
Inventory: Medical supplies					20				
Inventory: Medicine									
Medsas inventory interface									
Inventory: Other supplies									
Consumable supplies	89	6 779	43	6	76	450	590	7	7
Consumable: Stationery, printing and office supplies	2 731	177	6 928	7 095	7 095	4 392	9 288	7 822	8 237
Operating leases	1 507	2 428	30 479	20 031	20 031	1 930	4 551	29 267	30 818
Property payments	6	46	37						
Transport provided: Departmental activity		325	27	29	29		31	33	35
Travel and subsistence	1 083	3 223	7 892	10 257	5 773	8 701	3 622	7 106	7 483
Training and development	140	1 458	4 085	2 595	2 595	4 243	5 290	4 958	5 221
Operating payments	( 25)	721	4 088	670	670	1 161	310	4 044	4 258
Venues and facilities	3		1 450	500	2 360	3 122	3 100	551	580
Rental and hiring									
Interest and rent on land	55	765	231	300	300	13	300	300	316
Interest	55	765	231	300	300	13	300	300	316
Rent on land									
<b>Transfers and subsidies</b>	<b>1 021</b>	<b>237</b>	<b>6 433</b>	<b>4 000</b>	<b>4 000</b>	<b>3 300</b>	<b>4 330</b>	<b>4 000</b>	<b>4 216</b>
Provinces and municipalities			1						
Provinces			1						
Provincial Revenue Funds									
Provincial agencies and funds			1						
Municipalities									
Municipal bank accounts									
Municipal agencies and funds									
Departmental agencies and accounts	106		128						
Social security funds	106								
Departmental agencies (non-business entities)			128						
Higher education institutions									
Foreign governments and international organizations'									
Public corporations and private enterprises									



## Vote 15 - Infrastructure Development • EPRE - 2014/15

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Public corporations									
Subsidies on products and production (pc)									
Other transfers to public corporations									
Private enterprises									
Subsidies on products and production (pe)									
Other transfers to private enterprises									
Non-profit institutions									
Households	915	237	6 304	4 000	4 000	3 300	4 330	4 000	4 216
Social benefits	915	5	2 369	1 000	1 000	765	1 000	1 000	1 054
Other transfers to households		232	3 935	3 000	3 000	2 535	3 330	3 000	3 162
<b>Payments for capital assets</b>	<b>941</b>	<b>10 540</b>	<b>9 436</b>	<b>24 064</b>	<b>19 064</b>	<b>19 064</b>	<b>19 182</b>	<b>18 000</b>	<b>18 954</b>
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	941	5 309	9 436	16 000	16 000	16 000	19 182	10 000	10 530
Transport equipment		900							
Other machinery and equipment	941	4 409	9 436	16 000	16 000	16 000	19 182	10 000	10 530
Heritage Assets									
Specialized military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets		5 231		8 064	3 064	3 064		8 000	8 424
<b>Payments for financial assets</b>	<b>8 600</b>	<b>154</b>	<b>460</b>			<b>60</b>			
Thefts and losses	8 600	154	460			60			
<b>Total economic classification</b>	<b>98 493</b>	<b>140 513</b>	<b>198 309</b>	<b>213 788</b>	<b>211 356</b>	<b>226 874</b>	<b>296 829</b>	<b>278 086</b>	<b>296 350</b>

TABLE 15.30: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: PUBLIC WORKS INFRASTRUCTURE

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2015/16
<b>Current payments</b>	<b>570 479</b>	<b>657 503</b>	<b>668 645</b>	<b>646 318</b>	<b>676 318</b>	<b>675 894</b>	<b>819 804</b>	<b>977 305</b>	<b>1 064 451</b>
Compensation of employees	322 584	333 921	345 030	374 453	374 453	377 674	506 020	565 038	630 334
Salaries and wages	287 425	296 322	304 592	356 578	356 578	359 501	470 900	516 622	574 976
Social contributions	35 159	37 599	40 438	17 875	17 875	18 173	35 120	48 416	55 358
Goods and services	247 175	321 548	323 366	271 515	301 515	296 790	313 484	411 967	433 801
Administrative fees	176		1	3	2		1	1	1
Advertising	902	2 538	2 422	535	535	1 931	428	591	622
Assets less than the capitalization threshold	148	50	33	5	12 005	10 839	4 940	11 030	11 615
Audit cost: External									
Bursaries: Employees									
Catering: Departmental activities	75	80	36	31	27	31	34	34	36
Communication (G&S)	7 668	4 467	2 689	3 304	3 304	4 377	3 276	3 642	3 835
Computer services	5	1 118	1 129	28	( 972)	88	6 028	3 339	3 516
Consultants and professional services: Business and advisory services	16	493	1 066	896			1 000	28 333	29 835
Consultants and professional services: Infrastructure and planning		9 317							
Consultants and professional services: Laboratory services									

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2015/16
Consultants and professional services: Scientific and technological services									
Consultants and professional services: Legal costs	957	5 366	119	125			125	138	145
Contractors	15 447	62 618	24 608	6 675	6 675	16 371	22 891	30 974	32 616
Agency and support / outsourced services	85 338	6 198	38 781	49 092	74 985	49 726	35 130	90 939	95 759
Entertainment						37			
Fleet services (including government motor transport)						34	6 822		
Housing									
Inventory: Clothing material and accessories				2 081	1 980	925			
Inventory: Farming supplies									
Inventory: Food and food supplies	51	128	40	64	64	64	46	71	75
Inventory: Fuel, oil and gas	65	204	5	6	6	6	1	7	7
Inventory: Learner and teacher support material			8						
Inventory: Materials and supplies		100	1 128	2 506	506	549	14	2 763	2 909
Inventory: Medical supplies									
Inventory: Medicine									
Medsas inventory interface									
Inventory: Other supplies									
Consumable supplies	4 850	17 916	2 851	806	1 106	1 347	2 164	3 182	3 351
Consumable: Stationery, printing and office supplies	891	279	1 861	2 004	1 929	1 748	1 000	2 210	2 327
Operating leases	105 436	139 952	133 701	142 459	142 459	142 459	164 829	157 061	165 385
Property payments	22 536	58 781	82 058	41 787	37 787	42 816	57 000	46 070	48 512
Transport provided: Departmental activity		13	2	2	2	2		2	2
Travel and subsistence	2 447	18 004	30 436	18 070	18 289	23 419	7 745	30 438	32 051
Training and development	7	103							
Operating payments	160	( 6 177)	392	1 036	826	21	10	1 142	1 203
Venues and facilities									
Rental and hiring									
Interest and rent on land	720	2 034	249	350	350	1 430	300	300	316
Interest	720	2 034	249	350	350	1 430	300	300	316
Rent on land									
<b>Transfers and subsidies</b>	<b>363 725</b>	<b>244 180</b>	<b>311 426</b>	<b>297 270</b>	<b>297 270</b>	<b>298 001</b>	<b>314 483</b>	<b>328 479</b>	<b>346 217</b>
Provinces and municipalities	211 826	242 693	309 510	295 980	295 980	295 980	312 676	327 059	344 720
Provinces	6	12	8						
Provincial Revenue Funds									
Provincial agencies and funds	6	12	8						
Municipalities	211 820	242 681	309 502	295 980	295 980	295 980	312 676	327 059	344 720
Municipal bank accounts	211 820	242 681	309 502	295 980	295 980	295 980	312 676	327 059	344 720
Municipal agencies and funds									
Departmental agencies and accounts	149 948		1				2	3	3
Social security funds									
Departmental agencies (non-business entities)	149 948		1				2	3	3
Higher education institutions									
Foreign governments and international organizations									
Public corporations and private enterprises									
Public corporations									
Subsidies on products and production (pc)									
Other transfers to public corporations									
Private enterprises									

## Vote 15 - Infrastructure Development • EPRE - 2014/15

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2015/16
Subsidies on products and production (pe)									
Other transfers to private enterprises									
Non-profit institutions									
Households	1 951	1 487	1 915	1 290	1 290	2 021	1 805	1 417	1 494
Social benefits	1 951	83	1 882	1 290	1 290	2 021	1 805	1 417	1 494
Other transfers to households		1 404	33						
<b>Payments for capital assets</b>	<b>399</b>	<b>11 255</b>	<b>55 326</b>	<b>91 324</b>	<b>70 324</b>	<b>71 608</b>	<b>121 459</b>	<b>61 500</b>	<b>64 760</b>
Buildings and other fixed structures			41 091	66 324	66 324	63 754	121 239	51 500	54 230
Buildings			41 091	66 324	66 324	63 754	121 239	51 500	54 230
Other fixed structures									
Machinery and equipment	399	11 255	14 235			3 854	120	10 000	10 530
Transport equipment								10 000	10 530
Other machinery and equipment	399	11 255	14 235			3 854	120		
Heritage Assets									
specialized military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets				25 000	4 000	4 000	100		
<b>Payments for financial assets</b>	<b>1</b>	<b>6 462</b>							
Thefts and losses	1	6 462							
<b>Total economic classification</b>	<b>934 604</b>	<b>919 400</b>	<b>1 035 397</b>	<b>1 034 912</b>	<b>1 043 912</b>	<b>1 045 503</b>	<b>1 255 746</b>	<b>1 367 284</b>	<b>1 475 428</b>

TABLE 15.31: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: EXPANDED PUBLIC WORKS PROGRAMME

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2015/16
<b>Current payments</b>	<b>134 049</b>	<b>120 500</b>	<b>118 290</b>	<b>208 630</b>	<b>209 630</b>	<b>190 149</b>	<b>205 533</b>	<b>270 941</b>	<b>288 172</b>
Compensation of employees	15 325	13 911	19 150	82 407	85 407	99 108	103 020	113 926	122 078
Salaries and wages	14 584	12 935	17 855	80 376	82 876	94 048	96 732	106 308	113 449
Social contributions	741	976	1 295	2 031	2 531	5 060	6 288	7 617	8 628
Goods and services	118 724	106 589	98 958	126 023	124 023	91 041	102 463	156 965	166 042
Administrative fees		7							
Advertising		155	203	178	178	42	185	196	207
Assets less than the capitalization threshold		9				6 000			
Audit cost: External									
Bursaries: Employees									
Catering: Departmental activities	55	499	161	24	274	333	25	27	28
Communication (G&S)	402	435	145	193	193	698	203	212	224
Computer services									
Consultants and professional services: Business and advisory services	11 115	1 447	2 617	1 064	1 064		4 728	10 212	10 763
Consultants and professional services: Infrastructure and planning						86			
Consultants and professional services: Laboratory services									
Consultants and professional services: Scientific and technological services									
Consultants and professional services: Legal costs	477								
Contractors	15 039	23 457							

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2015/16
Agency and support / outsourced services	87 125	50 737	77 003	122 350	120 350	70 350	94 995	143 878	152 248
Entertainment		313							
Fleet services (including government motor transport)									
Housing									
Inventory: Clothing material and accessories									
Inventory: Farming supplies									
Inventory: Food and food supplies		52	52	32	32	209	33	35	37
Inventory: Fuel, oil and gas									
Inventory: Learner and teacher support material									
Inventory: Materials and supplies			8	25	25	299	27	28	29
Inventory: Medical supplies									
Inventory: Medicine									
Medsas inventory interface									
Inventory: Other supplies									
Consumable supplies	35	563	302	57	57	10 986	60	63	66
Consumable: Stationery, printing and office supplies	30	140	308	336	241	133	353	370	390
Operating leases	89	34			5				
Property payments									
Transport provided: Departmental activity		93							
Travel and subsistence	84	118	1 582	1 034	854	1 883	1 087	1 140	1 202
Training and development		362	144			22			
Operating payments	4 273	28 124	16 337	730	750		767	804	848
Venues and facilities		44	96						
Rental and hiring									
Interest and rent on land			182	200	200		50	50	53
Interest			182	200	200		50	50	53
Rent on land									
<b>Transfers and subsidies</b>	<b>49</b>	<b>6</b>	<b>35</b>	<b>100</b>	<b>100</b>	<b>13</b>	<b>100</b>	<b>100</b>	<b>105</b>
Provinces and municipalities									
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities									
Municipal bank accounts									
Municipal agencies and funds									
Departmental agencies and accounts									
Social security funds									
Departmental agencies (non-business entities)									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Public corporations									
Subsidies on products and production (pc)									

# Vote 15 - Infrastructure Development • EPRE - 2014/15

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2015/16
Other transfers to public corporations									
Private enterprises									
Subsidies on products and production (pe)									
Other transfers to private enterprises									
Non-profit institutions									
Households	49	6	35	100	100	13	100	100	105
Social benefits	49	6	35	100	100	13	100	100	105
Other transfers to households									
<b>Payments for capital assets</b>		<b>25 796</b>		<b>15 084</b>	<b>67 084</b>	<b>67 236</b>	<b>217 420</b>	<b>15 469</b>	<b>16 304</b>
Buildings and other fixed structures		25 498		15 084	67 084	67 084	217 420	15 469	16 304
Buildings		25 498		15 084	67 084	67 084	217 420	15 469	16 304
Other fixed structures									
Machinery and equipment		298				152			
Transport equipment									
Other machinery and equipment		298				152			
Heritage Assets									
specialized military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>		<b>80 000</b>	<b>30 516</b>						
Thefts and losses		80 000	30 516						
<b>Total economic classification</b>	<b>134 098</b>	<b>200 506</b>	<b>174 637</b>	<b>223 814</b>	<b>276 814</b>	<b>257 398</b>	<b>423 053</b>	<b>286 510</b>	<b>304 582</b>



# GLOSSARY

The numeric data in this EPRE has been classified in terms of government finance statistics (GFS).

## 1. Receipts

### 1.1 Tax receipts

Tax receipts are defined as compulsory, unrequited revenue collected by government units. This mainly consists of taxes, for example, casino tax, motor vehicle licenses and gambling, wherein the other party is required by statutory provision to pay taxes in certain circumstances and under certain conditions.

### 1.2 Sales of goods and other capital assets

This category consists of sales by government units, provided that the government has produced the goods or services. This item has the following components:

- Sale by market establishments: this includes instances where government units sell goods or services at market related prices.
- Administrative fees: this consists of revenue collected for sales of regulatory or administrative services. Examples are court and passport fees, drivers' and pilots' license fees, firearm license fees, and radio and television license fees.
- Other sales: this includes revenue from the sale of other goods and services produced or partially produced by a government unit. This includes rental of buildings and machinery, as well as hospital, university, park and museum fees, and seeds and livestock produced by the government.
- Sales of scrap, waste, arms and other used goods other than capital assets: this includes sales of all used goods not considered capital assets, such as used military equipment and scrap material.

### 1.3 Transfers received

This item consists of all unrequited receipts from other parties except fines, penalties, forfeits and compensation for damage. When a department does not pay anything in return for the transfer from the other party (except in connection with fines, penalties, forfeits and compensation for damage), an entry should be made under one of the various transfer categories. Current and capital transfers are included in this item. Examples of current transfers are voluntary donations, transfers from other government bodies, and grants from foreign governments and international organizations.

Examples of capital transfers are cash receipts which a department is required to use toward the acquisition of a capital asset, or transfer of ownership rights of capital assets in favor of the department. Departments are requested to distinguish between the following transfer categories:

- Transfers from other governmental units (but excluding educational institutions);
- Transfers from higher education institutions;
- Transfers from foreign governments;
- Transfers from international organizations;
- Transfers from public corporations and private enterprises; and
- Transfers from households and non-profit institutions.

### 1.4 Fines, penalties and forfeits

This item consists of compulsory payments imposed by a court or quasi-judicial body. Out-of-court settlements are also included in this category.

### 1.5 Interest, dividends and rent on land

This item has three components:

- Interest: This item consists of the revenue associated with ownership of interest-bearing financial instruments, such as bank deposits, loans extended to others, bills and bonds.
- Dividends: This item consists of the revenue associated with ownership of the capital or part of the capital of a productive unit, for example a state-owned enterprise. Dividends come in the form of revenue from shares and distribution of profits to the owner. Gains/losses associated with valuation changes should not be included in this amount reported here.
- Rent on land: This item consists of the revenue due to ownership of land. If it is not possible to distinguish the revenue due to ownership of land from that due to the fixed structures erected thereupon, the whole amount should be recorded under sales of goods and services produced by departments. This item also includes all revenue due to ownership of sub-soil assets and other naturally occurring assets such as virgin forests, game and fisheries that are commercially exploitable.

### 1.6 Sales of capital assets

This item has two components:

- Land and subsoil assets: Land excludes fixed structures erected thereupon. If it is not possible to separate the land from the structures that are erected thereupon, the combined value of the sale should be recorded under buildings or other structures as the case may be. The category, subsoil assets, consists of all assets found subsoil, for example proven reserves of oil, minerals and ores.
- Other capital assets: This item consists of goods that can be used continuously or repeatedly in production for at least one year. Examples are buildings, bridges, roads, machinery, vehicles, software and cultivated assets, such as breeding cattle, dairy cattle, fur- or wool-producing animals as well as trees and shrubs used for production of fruit and nuts.

It deserves notice that sales of goods, such as small tools, worth less than R5 000 are not included under sales of capital assets. These sales should be classified under sales of used goods other than capital assets.

### 1.7 Financial transactions in assets and liabilities

It is necessary to provide for receipts associated with transactions in financial assets and liabilities. This item mainly consists of transactions that reduce a debtor's outstanding account. Examples are payments of loans and advances to public corporations and to employees, as well as the creation of a liability such as stale cheques.

## 2. Payments

### 2.1 Current payments

#### Compensation of employees

Government departments are requested to distinguish between two components:

- Salaries and wages: payable regularly, weekly or monthly or at other intervals; and
- Social contributions: which includes the government's contribution (but not the employees' contribution) to social insurance schemes paid on behalf of employees, example, unemployment insurance funds and pension funds.

#### Goods and services

This item includes payments for all goods and services, except payments for capital assets and items classified as capitalized expenditure. Goods to be included under this category are all goods that cannot be used continuously or repeatedly in production for a year. Examples would be petrol, coal, small tools, etc. Except if they are to be used within a capital project in which case they should be classified as under the relevant asset category under capital payments (as part of capitalized expenditure). Examples of services are hotels, restaurants, transport, communication, banking, insurance, business services and training, as well as rental of buildings, equipment and vehicles, again except if the service is to be used within a capital project, in which case it should be classified as fixed assets (as part of capitalized expenditure). Payments for rent of land is not included in this category unless it is impossible to distinguish between the rent of land and rental of the fixed structures erected thereupon, in which case rent of land is included in goods and services. If it is possible to make this distinction, rent of land and rent of other naturally occurring assets should be recorded under interest and rent of land.

**Interest and rent on land**

This item has two components:

- Interest: this item includes the total value of interest payments associated with debts for example interest on borrowing or overdraft facilities.
- Rent on land: this item includes the total value of payments due to use of land owned by another party, including other government units. If possible, payments associated with the use of land should be distinguished from payments due to use of buildings or other fixed structures which are classified under goods and services.

**2.2 Transfers and subsidies**

This item includes unrequited payments made by a government unit. Stated differently, when a department does not receive anything in return for the transfer to the other party, an entry should be made under one of the various transfer categories. Both current and capital transfers are included in this item; the main reason for including both categories is that in practice it is often difficult to differentiate between these two categories. Examples of current transfers are social security benefits paid to households, fines, penalties, compulsory fees and compensation for injuries or damages. Examples of capital transfers are debt forgiveness (to public and private entities) as well as payments to enterprises (publicly and privately owned) or entities.

Departments are requested to distinguish between the following transfer categories:

- Transfers to provinces and municipalities;
- Transfers to departmental agencies and accounts;
- Transfers to universities;
- Transfers to foreign governments and international organizations;
- Transfers to public corporations and private enterprises;
- Transfers to non-profit institutions; and
- Transfers to households.

All these transfer categories are self-explanatory with the exception of transfers to public corporations and private enterprises. Transfers to public corporations and private enterprises consist of all transfers whose purpose is not to subsidize production. Because virtually all transfers to public corporations and private enterprises are intended to subsidize production, this category will be very small.

Social benefits are included in current transfers to households. These are the transfers made to households to protect them against events that may adversely affect their social welfare, for example payments for medical and maternity care, home care, pensions and unemployment compensation. Transfers to households included under other transfers to households are capital transfers, for example housing transfers.

**2.3 Payments for capital assets**

This category consists of purchases of, on the one hand, capital assets that can be used repeatedly or continuously in the production process for at least one year, and, on the other, land and subsoil assets. Capital assets should be separated into the following categories:

**Buildings and other fixed structures:**

- Buildings: these assets can be used continuously or repeatedly in production for at least one year.
- Other fixed structures: this asset category consists of all fixed structures other than buildings. It includes roads, bridges and dams. These assets can be used continuously or repeatedly in production for at least one year.

**Machinery and equipment:**

- Transport equipment: this asset category includes vehicles, ships, aircraft and any other asset that can be used for transportation of goods or persons. These assets can be used continuously or repeatedly in production for at least one year.
- Other machinery and equipment: this asset category includes machinery, engines, motors, generators and computer hardware. These assets can be used continuously or repeatedly in production for at least one year.

**Heritage Assets**

This asset category includes historical buildings and monuments, archeological sites, conservation areas and nature reserves, as well as works of art.



**Specialised Military Assets:**

This asset category includes weapons, weapon delivery systems, ammunition and exposure equipment, flying suits and parachutes, rigging, ships and marine equipment.

**Biological assets**

Animals and plants that are used repeatedly or continuously for more than one year to produce other goods or services. Examples of animals to be included in this category are dairy cattle, draft animals, fur- or wool-producing animals, breeding stocks, game and animals used for transportation and entertainment. Examples of plants are trees, vines and shrubs cultivated for production of fruits, nuts, sap, resin, bark and leaf products.

**Land and sub-soil assets**

This asset category includes all non-produced, non-financial assets, namely land and sub-soil assets.

**Software and other intangible assets**

This asset category includes computer software, artistic originals and mineral exploration, as well as any other intangible asset that can be used continuously or repeatedly in production for at least one year. Research and development, staff training and market research does not constitute capital assets, and payments on such items should be classified under goods and services.

**Payments for financial assets**

It is necessary to provide for payments associated with certain purchases of financial assets; that is to expense the account. Most purchases of financial assets are not considered payments, but it is sensible to do so when the government lends to public corporations or makes equity investments in them, for policy purposes.

**Capitalised compensation/goods and services**

Payments on capital assets also includes capitalized expenditure, i.e. Expenditure on compensation of employees and goods and services if such payments can be directly associated with a capital project, i.e. A project executed by the department to construct, improve or extend a capital asset. However, payments on maintenance and repair of assets should not be capitalized.

Capitalized expenditure should be classified under the relevant asset category, for example, buildings, other structures, transport equipment or software and other intangible assets as the case may be.