

# VOTE 1

## Office of the Premier

Operational budget	R 739 402 685
Remuneration of the Premier	R 1 888 315
Total amount to be appropriated	R 741 291 000
Responsible Executive Authority	The Premier, Mr E. S. Mchunu
Administering department	Office of the Premier
Accounting officer	Director-General: Office of the Premier

### 1. Overview

#### Vision

The vision of the Office of the Premier (OTP) is: *To be the centre of governance, providing leadership in creating a better life for all.*

#### Mission statement

The mission of the department is to support the Premier in carrying out his constitutional and statutory duties. The department fulfils this mission primarily by:

- Mobilising, co-ordinating and integrating the efforts of the provincial government and administration to eradicate various forms of human deprivation in the province.
- Playing a leadership role in mobilising and leveraging public and private sector resources to realise sustainable economic growth with capacity to generate decent jobs and eradicate poverty and inequality.
- Spearheading the efforts of provincial government and all stakeholders aimed at ensuring peace, safety and security for all in the province.
- Professionally executing departmental mandates.
- Co-ordinating and facilitating macro-provincial and other transversal issues and programmes.
- Promoting co-operative and good governance, including the fight against fraud and corruption.
- Providing the highest quality policy management, planning, and monitoring and evaluation services.
- Creating policies relating to regulations, information and legislation.
- Supporting the Executive Branch of the provincial government in initiating and executing provincial laws and policies.

#### Strategic objectives

The *strategic policy direction* of OTP is directly linked to national government's 12 outcomes and also informs the department's strategic objectives, as listed below:

- Integrate, co-ordinate and facilitate transversal policies, programmes, strategies, plans and systems of the province.
- Lead in macro planning and policy management to achieve the electoral mandate.
- Monitoring and evaluation of provincial government's programmes.

- Provide strategic leadership and direction for provincial government.
- Oversee the development and implementation of legislation.
- Promote inter and intra-governmental relations and good governance.

Based on the mission and mandates, the department identified the following strategic objectives:

- To realise the existence of functional public policy and strategic planning management systems and processes for the provincial government.
- To achieve co-ordinated provincial policies, strategies and programmes.
- To ensure the existence of governance conditions conducive to respect for human rights, promotion of science and technology, and conservation and management of cultural heritage resources.
- To realise enhanced government communication and governance, human resources development, state law advisory services and service delivery in and by the provincial administration.
- To have in place co-ordinated and aligned policies and plans of the three spheres of government and foreign governments and agencies.
- To achieve effectively monitored and evaluated government policies and programmes.
- To have effective policy and regulatory oversight over the gambling, gaming and betting industry, ensuring that all revenue due to the provincial government is duly received.

### **Core functions**

In order to ensure alignment with national and provincial priorities and address the weaknesses identified in service delivery, the roles of the OTP have been defined as follows:

- To support the Premier as the head of the provincial government and the Executive Council and its sub-structures, and ensure constitutional and legal compliance.
- To co-ordinate provincial policy and planning processes.
- To provide provincial leadership and inter-departmental co-ordination.
- To promote co-operative and good governance.
- To provide transversal support services for human resource management, communications, information technology, legal and macro policy advisory services.
- To promote a culture of human rights consciousness and gender sensitivity across the province.

### **Legislative mandate**

The OTP has a pivotal position in the KZN provincial government. The department's key legislative mandates are derived mainly from the following legislation:

- The Constitution of the Republic of South Africa, 1996
- Public Service Act, 1994, as amended
- Public Finance Management Act, 1999, as amended and Treasury Regulations
- Preferential Procurement Policy Framework Act, 2000
- KwaZulu-Natal Provincial Supply Chain Management Policy Framework, 2006
- KwaZulu-Natal Youth Commission Act, 2005
- KwaZulu-Natal Gaming and Betting Act, 2010
- KwaZulu-Natal Gaming and Betting Tax Act, 2010
- KwaZulu-Natal Heritage Act, 1997

- Public Service Regulations, 2001
- Labour Relations Act, 1995
- Employment Equity Act, 1998
- Basic Conditions of Employment Act, 1997
- Promotion of Access to Information Act, 2000
- Electronic Communications and Transactions Act, 2002
- State Information Technology Agency Act, 1999
- Promotion of Administrative Justice Act, 2000
- Promotion of Equality and Prevention of Unfair Discrimination Act, 2000
- Skills Development Act, 1998

## **2. Review of the 2013/14 financial year**

Section 2 provides a review of 2013/14, outlining the main achievements and progress made by the department during the year, as well as giving a brief discussion on challenges and new developments.

### ***Youth Ambassadors programme***

The Youth Ambassadors programme aims to develop youth who are unemployed, and empower them to be agents of change among the youth in their communities. This is achieved by encouraging the youth to stay away from social ills and creating activities that will keep young people off the streets. The youth ambassadors continued to populate a database of all the youth in their respective areas of operation, as well as establishing and maintaining youth clubs for in- and out-of-school youth. This database allowed the provincial government to understand the extent of the needs of the youth. They also encourage the youth to create job opportunities. The number of youth ambassadors was reduced from 3 024 in 2012/13 to 1 966 to match the budget.

### ***Provincial Planning Commission (PPC)***

The functions of the PPC are similar to those of the National Planning Commission, and are to advise and make recommendations to the Premier and the Provincial Executive on a long-term strategic development perspective and vision of the province. The aim is to ensure coherence in policy development and planning across the provincial government, and strengthen performance monitoring and evaluation to enable assessment of the pace required to deliver on the desired outcomes.

A refined version of the PGDP and the second implementation report was presented to and approved at the August 2013 Cabinet *Lekgotla*. Substantial progress was made with the strengthening of the institutional framework to drive the implementation of the PGDP with the establishment of 18 Action Work Groups reporting to the four Cabinet Clusters on a monthly basis. Support was also rendered to the eThekweni Metro and all 10 district municipalities in the drafting of their District Growth and Development Plans, although progress with drafting has been slow in some districts.

### ***Provincial Information Communication Technology (PICT)***

The Provincial Nerve Centre currently provides a complete and comprehensive view of service delivery performance and effectiveness of public sector services. Since its inception, the Nerve Centre has generated a number of critical dashboards for assessing the Medium Term Strategic Framework (MTSF), 12 national outcomes' provincial performance, as well as the PGDP target performance. The Provincial AIDS Council's indicators were monitored and district leadership was supported to have realistic and attainable targets monitoring HIV and AIDS, TB and associated poverty indicators. Inequality and unemployment per district was also assessed. The Heads of Departments' performance assessment tool was developed and is being assessed by the Department of Performance Monitoring and Evaluation.

Front line service delivery site visits were conducted to monitor government facilities. All provincial sector departments participated in the Management Performance Assessment Tool (MPAT). Improvement plans were done on a continual basis.

### ***International relations***

The OTP was involved in strengthening international relations by promoting KZN as a preferred destination for trade, investment and tourism with the intention of portraying the province as the gateway to Africa and the world. Extensive liaison was carried out in collaboration with provincial departments, national departments, the diplomatic corps and global stakeholders to promote KZN in the international arena. Some key noteworthy activities in 2013/14 include:

- Engagements with various members of the diplomatic corps throughout the year.
- During the BRICS Summit in Durban, Dube TradePort Corporation (DTPC) and the India-based conglomerate, The Action Group, jointly signed a MOU for the development of a mega industrial integrated township on a 240 hectare site adjacent to the existing Dube TradePort which will cost approximately R12 billion. This project will form part of the future aerotropolis (airport city) surrounding Durban's King Shaka International Airport.
- Hosting the 2013 AFCON also contributed to enhancing the province's status on the world map.
- Various inward and outbound visitations were convened. These included the following:
  - Hosting the Special Envoy of HE President Xi Jinping, the President of China.
  - Hosting the Governor of South Sudan and his delegation.
  - Hosting a technical delegation from Brandenburg, Germany.
  - Hosting the Governor of Kinshasa and his delegation.
  - Hosting the Governor of Benguela and his delegation.
  - Outbound expeditions to areas abroad included: Benin, Atlanta, Washington DC, Hamburg, Maputo, Russia, Turkey, Democratic Republic of Congo (DRC) and Poland.

### ***Protection of human rights***

A campaign was undertaken to protect and generate respect for human rights by facilitating Gender, Disability, Children and Senior Citizens (GDCSC) rights awareness education campaigns, co-ordinating human rights issues and ensuring compliance with constitutional mandates. The OTP worked closely with district and local municipalities, municipal wards and civil society structures, etc., that deal with human rights and gender equality, including programmes on food security, greening of the environment, active ageing, behavioural change and inter-generational dialogues. Most war-rooms had capacitated focal persons to attend to issues of human rights violations, and food security projects assisted a number of families. Human rights programmes ensured that beneficiaries became active citizens when it came to environmental issues, active ageing, etc. These programmes also aimed at achieving one of government's main goals, namely social cohesion.

### ***Public service transformation***

During the year, 3 512 public servants were capacitated on generic, transversal, leadership and management development training programmes at the Provincial Public Service Training Academy (hereafter referred to as the Training Academy). The Department of Education (DOE) claimed back the Training Academy building during 2012/13, and OTP has now found a suitable site in Westville to construct the new Training Academy, and scoping, planning and building will begin in 2014/15.

The training of public servants in seven provincial departments on the Adult Education and Training Programme continued. The first draft of the Leadership and Management Development Strategy was completed and the research findings and draft strategy were presented to COHOD. The second Women in Management Seminar was held. The Public Service Artisan Development programme, whereby tradesman aides will be trained and certified as artisans, commenced. A total of 512 tradesman aides were recruited.

A total of 997 interns were placed in 14 departments. The training of mentors to mentor and coach the interns is ongoing and provided by the Training Academy.

The National Skills Fund (NSF) Project, which implements learnerships, apprenticeships and skill programmes for the training of unemployed youth, has commenced. In this regard, 675 youth were

recruited and are either undergoing classroom or workplace training. The 99 learners that were enrolled in the Building and Civil Construction Learnership NQF Level 3 completed theoretical training and started workplace training. A total of 80 apprentices commenced training in eight different trades. An additional 610 learners were enrolled and have started training in 14 different municipalities. The Rural Youth Skills Development Programmes is in the process of training 25 artisans, 20 interns and 37 learners on learnership programme in public finance, human resource management, public management and Information Technology.

The Training Academy hosted various events, including the second Provincial Public Service Career Exhibition. A total of 7 470 in- and out-of-school youth attended the workshops and exhibitions. The Community Care-Givers (CCGs) Awards Ceremony was also held, during which certificates were awarded by the MEC for Health to 1 928 CCGs who had successfully completed the Integrated CCG Orientation programme.

#### ***Identity of the province and heritage***

OTP continued its efforts to co-ordinate the transformation and management of the heritage resources in the province. These are some of the notable achievements in this regard:

- Ten heritage events were organised in order to profile previously marginalised heritage sites such as the unveiling of the tombstone on the grave of King Shaka's Prime Minister, Ngomane Mdletshe.
- The roll-over from 2011/12 with regard to the commemoration of the arrival of the Indian indentured labourers in South Africa will be spent during 2013/14. An agreement was reached between all stakeholders regarding the site where monuments should be erected, and the monuments will be erected before year-end.
- With regard to the Heroes Acre and Isandlwana Museum projects, the architectural designs are in place and the department is lobbying for funding from the national Lottery and the National Department of Arts and Culture for both these projects.

#### ***Operation Sukuma Sakhe (OSS)***

The roll-out of the Integrated CCGs Foundation Course in uThungulu and Ugu Districts was undertaken. CCGs have been certified, and PEPFAR have agreed to fund capacitation in the balance of the districts. With regard to the war-room implementation plan, out of 700 war-rooms that have been established, 500 are deemed fully functional, whereas the other 200 are partially functional. The programme has made significant achievements such as interventions on issuing of IDs, building homes for destitute families, linking beneficiaries to their social wages such as grants, food parcels and medical assistance, etc.

#### ***KwaZulu-Natal Gaming and Betting Board (KZNGBB)***

The KZNGBB redefined its strategic objectives after the appointment of the Board. One area which continued to receive increased focus was the transformation of the gaming industry. The entity was also in continuous engagements with stakeholders to amend the tax rates for the industry, and is in the annual process of reviewing the fees applicable as per the KwaZulu-Natal Gaming and Betting Tax Act.

#### ***Amafa aKwaZulu-Natali (Amafa)***

During 2013/14, the Premier appointed the new Amafa Council in terms of the KZN Heritage Act. Amafa delivered in terms of its compliance mandate by assessing and issuing permits in respect of alterations, repairs and maintenance to historically significant sites. The entity conducted school outreach programmes to create awareness among children on the significance and value of cultural heritage resources. The entity was also involved in restoring rock art that was damaged through vandalism and graffiti, while a programme is underway to train rock art monitors, whose function it is to accompany visitors to, and ensure appropriate behaviour, for the protection of the 21 rock art sites which are open to the public.

### **3. Outlook for the 2014/15 financial year**

Section 3 looks at the key focus areas of 2014/15, outlining what the department is hoping to achieve during the year, as well as briefly looking at challenges and proposed new developments. In 2014/15 and over the medium-term, the OTP will focus on the following priorities:

***Youth Ambassadors programme***

The department will continue with the roll-out of the Youth Ambassadors programme, which includes household surveys and programmes against social ills faced by the youth. The youth ambassadors will also assist in the mass implementation of other government programmes, such as awareness campaigns on HIV and AIDS, healthy lifestyle promotion, and the One Home, One Garden and Back to School campaigns. The number of youth ambassadors will remain at 1 966 over the 2014/15 MTEF, to remain within budget.

***Provincial Planning Commission (PPC)***

Key focus areas of the PPC will still be on the implementation of the PGDP. The PPC will continue to support the relevant line function departments in pursuing key interventions, such as the formalisation of rural settlements, the establishment of community service centres, the completion of the provincial Human Resource Development Strategy, renewable energy opportunities, to name a few. The PPC will give specific attention to matters related to funding for social services, education and skills development, water services, rural development co-ordination, monitoring and evaluation, as well as policy co-ordination.

***Provincial Information Communication Technology (PICT)***

The Provincial Performance Management system is fully functional and will be decentralised to allow departments the direct export of data at district level. District information hubs will be established to allow for service delivery information to be managed, analysed and acted upon timeously. Continuous training on data management is being done to ensure good quality data is produced. HIV and AIDS local data will be used to create district dashboards to identify variances, as well as pockets of excellence in service delivery.

The OTP will reinforce the maintenance and development of an automated Monitoring and Evaluation System, to improve levels of accountability, efficiency and quality of reporting on the implementation of all government programmes. This will be guided by the PGDS. Furthermore, the OTP will strengthen the implementation of MPAT, development and monitoring of improvement action plans across all departments.

***International relations***

For 2014/15, bi-lateral relations with KZN's partners both in the developing and developed world will continue to be utilised by the province to identify opportunities for political co-operation, climate change initiatives, as well as promoting KZN's socio-economic development. KZN will focus on the strengthening of economic diplomacy for the promotion of its trade, investment and tourism potential.

The main focus of KZN's bilateral diplomacy will be to maintain and enhance sound bi-lateral political relations, promote trade and investment, intensify co-operation and capacity building in various fields, implement infrastructure development and promote peace and development.

The years ahead will therefore see the international strategy oriented towards not only ensuring KZN's domestic success but also internationally, as a geopolitical and economic player at the global level.

***Identity of the province and heritage***

The department will, among other things, seek to strengthen the District Heritage Forum structures in the province and continue with its phased approach in terms of their establishment. A pilot project, consisting of three district heritage forums, (uThungulu, Umzinyathi and Uthukela District Forums) are already in place. The department will also continue with the identification, profiling and preservation of critical tangible and living heritage resources.

***Protection of human rights***

The OTP will continue to drive a campaign to protect and generate respect for human rights, by facilitating an education campaign, co-ordinating human rights issues and ensuring compliance with constitutional mandates, and the process of forming partnerships with municipalities in this regard will continue. Gender forums, as well as forums relating to rights of persons with disabilities, will be established at district and local municipalities and wards to *isigodi* (village) level. Women empowerment projects will be co-ordinated and critical stakeholders will be capacitated on gender mainstreaming.

The Active Ageing campaign will be promoted throughout KZN and inter-generational programmes will be held. Human rights capacity building among local leadership and communities will be enhanced. The Human Rights Education campaign will be driven among community structures.

***Public service transformation***

It is envisaged that a professional team will be appointed and the planning and design process completed with regard to the new venue for the Training Academy. The construction of the new building in Westville is anticipated to commence in the third quarter of 2014/15. The Training Academy will focus on ensuring that provincial departments comply with human resource and skills development legislation and prescripts. One of the key priorities will be to train 7 000 public servants on generic transversal courses, as well as leadership and management courses. The Training Academy will continue with the roll-out of mandatory programmes, namely PAJA, PAIA and the Compulsory Induction Programme (CIP).

While continuing to support departments with the normal Adult Education and Training Programme, the AET unit will expand its role in ensuring continuous development through short skills programmes in financial literacy, computer literacy and trade. The training of tradesman aides to become artisans will be expanded to include more departments.

Work will continue on all the learnership, internship and apprenticeship programmes/projects targeting youth not in employment, education and training. Existing projects will be managed and new projects implemented based on funding from SETAs and the NSF.

In 2013, Cabinet pronounced the centralisation of the bursaries budget under OTP. This process commenced with the transfer of funds in 2013/14 from various departments to OTP. The centralisation will assist the province in regulating the Provincial Bursary programme and will ensure that the public and private sector are fed with adequate, relevant and critical skills.

***Operation Sukuma Sakhe (OSS)***

The 2014/15 priorities and focus will include capacity building for war-room stakeholders by strengthening field worker teams and committees and improving war-room functionality, since only 500 out of 700 are deemed to be fully functional. With regard to the selection of war-rooms to be resourced, focus will be on war-rooms that are in the most deprived wards as per the 2011 Census, to allow the department to address extreme poverty and the burden of disease at household and community level.

Plans are underway to establish and maintain strategic partnerships for spatial distribution and integration of government services, which includes marketing, communication, strategic programmes in food security, women and youth empowerment and healthy lifestyle programmes with all departments.

***KwaZulu-Natal Gaming and Betting Board (KZNGBB)***

The entity will pursue its mandate by ensuring that all gambling authorised under the Act is conducted in a manner which promotes the integrity of the gambling industry and does not cause harm to the public. In addition, the KZNGBB will ensure that gaming promotes tourism, employment, economic and social development.

The KZNGBB will continue operations, such as to invite, consider and process new applications and/or renewals for any gaming or betting licence, to amend, specify, substitute or rescind any casino licence conditions, as well as to undertake investigations or inspections into gambling operations in KZN. The entity envisages streamlining processes of the amalgamated entity and finalising and implementing new gaming and betting regulations, while continuing its efforts to eradicate illegal gambling and transform the KZN horse racing and betting industry. The entity will proceed with the implementation of current initiatives, as well as new gaming initiatives, such as the roll-out of additional licences for Limited Payout Machines, as it strives to grow the industry in a responsible and socially acceptable manner.

***Amafa aKwaZulu-Natali (Amafa)***

The focus areas include, among others, further improvements and maintenance to various heritage sites, implementation of water storage projects at Rorke's Drift and Spioenkop, repairs to rock art sites and construction of community memorials and markers. Amafa will continue its outreach programme to

schools and communities, while also implementing new projects to commemorate significant historic struggles and the 1860 (Indian indentured labourers) settlers. New survey work, such as the Emakhosini-Ophathe Heritage Park survey and survey of Sisonke District, will be undertaken to expand the provincial historical knowledge base. Once-off additional funding has been allocated to Amafa in 2014/15 for the entity's application to attain World Heritage status for the Emakhosini Valley.

## 4. Receipts and financing

### 4.1 Summary of receipts and financing

Table 1.1 gives the sources of funding of Vote 1 over the seven-year period 2010/11 to 2016/17. The table also compares actual and budgeted receipts against actual and budgeted payments. The department receives a provincial allocation in the form of an equitable share.

**Table 1.1 : Summary of receipts and financing**

R thousand	Audited 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	419 284	471 105	607 600	603 434	652 052	652 052	689 363	718 826	756 894
Conditional grants	-	-	-	-	-	-	-	-	-
<b>Total receipts</b>	<b>419 284</b>	<b>471 105</b>	<b>607 600</b>	<b>603 434</b>	<b>652 052</b>	<b>652 052</b>	<b>689 363</b>	<b>718 826</b>	<b>756 894</b>
<b>Total payments</b>	<b>423 807</b>	<b>485 600</b>	<b>675 821</b>	<b>620 854</b>	<b>762 405</b>	<b>762 405</b>	<b>741 291</b>	<b>723 826</b>	<b>756 894</b>
Surplus/(Deficit) before financing	(4 523)	(14 495)	(68 221)	(17 420)	(110 353)	(110 353)	(51 928)	(5 000)	-
Financing									
of which									
Provincial roll-overs	5 326	8 000	267	4 865	13 876	13 876	-	-	-
Provincial cash resources	26 751	12 000	79 672	12 555	96 477	96 477	51 928	5 000	-
<b>Surplus/(Deficit) before financing</b>	<b>27 554</b>	<b>5 505</b>	<b>11 718</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

In 2010/11, an amount of R5.326 million was rolled over from 2009/10, comprising R3.283 million for base camp lobbying and hosting fees with regard to the 2010 Soccer World Cup and R2.043 million in respect of the War on Poverty programme. The department's budget allocation was increased by a net amount of R26.751 million, as follows:

- R10 million for the commemoration of 150 years of the arrival of Indian indentured labourers.
- R20 million for the roll-out of the Youth Ambassadors programme.
- This increase was offset by a reduction of R3.249 million in respect of the in-year take-up of Policy on Incapacity Leave and Ill Health Retirement (PILIR) related cases. These funds were surrendered to the Provincial Revenue Fund, as there was no demand for them.

The department under-spent its budget by R27.554 million in 2010/11, as a result of savings because of the moratorium on the filling of non-critical vacant posts, as well as cost-cutting. The amount of R10 million for the Indian indentured labourers was also not fully utilised.

In 2011/12, the department's allocation increased by R20 million due to the following adjustments:

- A roll-over of R8 million in respect of the 150-year commemoration of the arrival of the Indian indentured labourers, as mentioned above.
- Additional funding of R12 million for the provincial partnership agreement with the *Lungisisa Indlela* Village (LIV) Orphanage, a non-profit institution that was established to assist with building a holistic village to house and empower orphaned and vulnerable children.

The 2011/12 budget was under-spent by R5.505 million, largely due to delays in the finalisation of the site for monuments relating to the commemoration of the arrival of Indian indentured labourers.

The department's budget allocation was increased by R79.672 million in 2012/13 (reflected against provincial cash resources), for various purposes including essential rehabilitation and refurbishments at the Premier's Parkside Residence, stipends in respect of the Youth Ambassadors programme, capital



requirements of the Integrity Management unit, the Zimele Developing Community Self-Reliance project (thereafter referred to as Zimele), hosting of the AFCON, LIV Orphanage, etc.

There was also a roll-over of R267 000 in respect of office furniture and equipment that was ordered during 2011/12, but could not be delivered before financial year-end. The above-mentioned additional funds were largely once-off, and this accounts for the substantial reduction from 2012/13 to 2013/14.

In 2012/13, the department under-spent its budget by R11.718 million, mainly due to the following:

- Under-expenditure of R3.310 million in respect of Zimele.
- Under-expenditure of R2.500 million in respect of establishment costs of the Rural Development Co-ordination unit.
- Under-expenditure of R5.701 million in respect of the refurbishment of the Premier's Parkside residence.

In the 2013/14 Main Appropriation, additional funds of R12.555 million were allocated for Zimele (R7.555 million), as well as for the African Renaissance project (R5 million). There was a roll-over of R4.865 million in respect of the commemoration of 150 years of the arrival of Indian indentured labourers in KZN (reflected against provincial roll-overs).

The budget was increased by R116.634 million in the 2013/14 Adjusted Appropriation, as follows:

- R31.603 million as a result of the decision by Cabinet to centralise parts of the communications budget under OTP, with carry-through over the MTEF.
- R6.015 million for the centralisation of some external bursaries (i.e. departments like Health and Education are excluded from this process). This is attributed to a Cabinet decision to centralise external bursaries under OTP, with carry-through over the MTEF.
- R14.234 million for the RTI Commission.
- R5 million for the OSS Diakonia Council of Churches.
- R2 million for spending on OSS initiatives, as identified by the Premier.
- R3.520 million for the launch and roll-out of the Inkululeko Development Programme as part of the OSS initiatives.
- R10 million for the Africa Expansion Summit that will be hosted in KZN during March 2014.
- R31.112 million for the running and staffing costs of the Integrity Management unit. Of this, R5.700 million was suspended from the department and allocated back to it in 2014/15.
- R1.900 million for commemorating the St Helena prisoners of war to celebrate the link between the people of KZN and St Helena, as part of our heritage.
- R4.450 million for a new IT system for the KZNGBB.
- R1.500 million for Amafa for the procurement of once-off capital requirements associated with the entity's turnaround strategy.
- R15.906 million in relation to Madiba's provincial memorial service.
- In line with Cabinet resolutions, the department was allocated funds from the Strategic Cabinet Initiatives Fund held under Vote 6: Provincial Treasury for the following:
  - R5 million for the National Choral Music Awards ceremony.
  - R5 million for the Crown Gospel Awards.
  - R500 000 for the BUNDUMIX Festival.
  - R500 000 for the 4<sup>th</sup> Annual uThungulu Last Dance Music Festival.

The department receives the following additional funding in 2014/15:

- R33.169 million for the capacitation of the Integrity Management unit. In addition, R5.700 million was suspended from 2013/14, as mentioned.
- An additional R5 million for the OSS Diakonia Council of Churches.
- R5 million was allocated for security strengthening during the upcoming 2014 general elections.
- Amafa was allocated an additional R3.059 million to apply for World Heritage status for the Emakhosini Valley.
- There was a suspension of funds from provincial departments for the centralisation of parts of the communications budget and the external bursaries budget under OTP with carry-through costs over the MTEF.

This additional funding was largely once-off, which accounts for the drop from 2014/15 to 2015/16.

## 4.2 Departmental receipts

Table 1.2 reflects details of departmental receipts per main category over the seven-year period: 2010/11 to 2016/17. Details of the department's revenue are reflected in *Annexure – Vote 1: Office of the Premier* and are discussed briefly below. The OTP collects revenue mainly from *Casino* and *Horse racing taxes*.

**Table 1.2 : Summary of departmental receipts collection**

R thousand	Audited 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	351 440	405 857	447 730	453 682	453 682	473 628	572 705	648 227	732 728
Casino taxes	305 583	337 435	383 056	385 479	385 479	404 531	490 803	556 890	630 869
Horse racing taxes	45 857	68 422	64 674	68 203	68 203	69 097	81 902	91 337	101 859
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	223	68	74	72	72	103	148	219	227
Transfers received	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	6	-	5	-	-	4	1	1	1
Sale of capital assets	-	688	180	-	-	-	300	270	135
Transactions in financial assets and liabilities	943	49	564	-	-	121	30	35	40
<b>Total</b>	<b>352 612</b>	<b>406 662</b>	<b>448 553</b>	<b>453 754</b>	<b>453 754</b>	<b>473 856</b>	<b>573 184</b>	<b>648 752</b>	<b>733 131</b>

*Tax receipts* consists of *Casino taxes* and *Horse racing taxes*. *Casino taxes* include LPMs, and *Horse racing taxes* includes sports betting taxes. These revenue items are collected in accordance with the KZN Gaming and Betting Tax Act, 2010.

*Casino taxes* shows increased revenue collection from 2010/11 to 2016/17 and this can be attributed to the increased focus on enforcement and surveillance of the operations of casinos, as well as the enactment of the KZN Gaming and Betting Tax Act. *Casino taxes* accelerated from 2012/13 onward following the increase in tax rates effective from November 2012. The anticipated revenue increases from the 2013/14 Revised Estimate to 2016/17 relate to the anticipated faster growth in the gaming industry. The continued effort of the KZNGBB to deal with illegal gambling operators has continued to yield positive results with respect to collections against this category.

*Horse racing taxes* are collected in respect of horse racing and sports betting taxes, in terms of the KZN Gaming and Betting Tax Act, 2010. The increase in revenue collection from 2010/11 onward is mainly due to the following initiatives, which stimulated demand:

- Consolidation of the national tote, resulting in larger pools and increasing the loyalty of local punters.
- Improved programming and scheduling of racing events.
- Inclusion of sports betting.
- Increased betting on overseas racing.
- Increased exporting of racing products.

*Horse racing taxes* increases significantly from 2010/11 onward due to the merger of the horse racing regulator into the KZNGBB, which resulted in an increase in tax calculated from gross gaming revenue. In 2012/13, revenue decreased slightly due to constrained global economic circumstances. The estimated revenue increase from the 2013/14 Revised Estimate to 2016/17 results from anticipated faster growth in the sports betting industry and increased tax rates introduced in November 2012. The anticipated revenue increases substantially over the MTEF.

The low revenue collected against *Sale of goods and services other than capital assets* in 2011/12 relates to the fact that this category included bookmakers' licences, commission, publications and rentals received. However, only commission revenue was collected, as the other categories no longer exist since the amalgamation of the bookmakers and the Gambling Board into KZNGBB. The increase in revenue from the 2013/14 Revised Estimate onward results from the introduction of parking fees, as well as fees for tender documents, which were not charged in previous years.

*Interest, dividends and rent on land* relates to interest on staff debts. It is difficult to project revenue from this category accurately due to its uncertain nature.

*Sale of capital assets* consist of revenue from the sale of redundant assets, such as land, motor vehicles and equipment. The revenue collected in 2011/12 and 2012/13 relates to the sale of redundant assets. The department is very conservative in terms of budgeting over the MTEF. This is due to the difficulty of anticipating revenue from this category as it depends on the age of the department's assets, as well as price attained at the auction.

The amounts reflected against *Transactions in financial assets and liabilities* relate to recoveries of staff debts from previous financial years. The high collection reflected in 2010/11 was due to recoveries in respect of staff telephone accounts and other staff debts recovered from previous financial years. The 2012/13 revenue represents funds returned from training workshops conducted during 2012/13. In terms of inter-departmental agreements, the amount agreed upon per delegate for training was higher than the actual expenditure incurred. The amount in the 2013/14 Revised Estimate relates to the recovery of staff debts. The revenue grows slightly over the MTEF.

### 4.3 Donor funding and agency receipts

Tables 1.3 and 1.4 below reflect the details of donor funding and agency receipts for the period 2010/11 to 2016/17.

**Table 1.3 : Details of donor funding and agency receipts**

R thousand	Audited 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>Donor funding</b>	<b>19 841</b>	<b>9 066</b>	<b>24 079</b>	<b>26 829</b>	<b>26 829</b>	<b>34 553</b>	<b>20 492</b>	<b>18 492</b>	<b>9 500</b>
National Skills Fund	19 766	8 991	16 079	16 079	16 079	23 803	9 500	9 500	9 500
MERSETA - Apprenticeships	-	-	8 000	10 750	10 750	10 750	10 992	8 992	-
PSETA	75	75	-	-	-	-	-	-	-
<b>Agency receipt</b>	<b>10 034</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Department of Labour - Literacy Programme	10 034	-	-	-	-	-	-	-	-
<b>Total</b>	<b>29 875</b>	<b>9 066</b>	<b>24 079</b>	<b>26 829</b>	<b>26 829</b>	<b>34 553</b>	<b>20 492</b>	<b>18 492</b>	<b>9 500</b>

**Table 1.4 : Details of payments and estimates of donor funding and agency receipts**

R thousand	Audited 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>Donor funding</b>	<b>19 841</b>	<b>9 066</b>	<b>24 079</b>	<b>26 829</b>	<b>26 829</b>	<b>34 553</b>	<b>20 492</b>	<b>18 492</b>	<b>9 500</b>
National Skills Fund	19 766	8 991	16 079	16 079	16 079	23 803	9 500	9 500	9 500
MERSETA - Apprenticeships	-	-	8 000	10 750	10 750	10 750	10 992	8 992	-
PSETA	75	75	-	-	-	-	-	-	-
<b>Agency receipt</b>	<b>10 034</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Department of Labour - Literacy Programme	10 034	-	-	-	-	-	-	-	-
<b>Total</b>	<b>29 875</b>	<b>9 066</b>	<b>24 079</b>	<b>26 829</b>	<b>26 829</b>	<b>34 553</b>	<b>20 492</b>	<b>18 492</b>	<b>9 500</b>

The OTP, through the Training Academy, submitted a provincial funding proposal to NSF in 2010/11. An amount of R97.149 million was allocated from 2010/11 to 2016/17 to fund the following learning programmes:

- Learnerships in the construction sector.
- Automotive apprenticeships.
- Manufacturing and engineering apprenticeships and learnerships.
- National Youth Service (NYS) skills programmes implemented by the DOPW.

The project has commenced and, of the 720 learners targeted, 675 have been recruited to date. Learners are at various stages of institutional and workplace training.

The department will be receiving R38.734 million from 2012/13 to 2015/16 from the MERSETA for an Artisan Development Project that targets the training of 200 artisans in occupations in the manufacturing and engineering sector, and R8 million for the KZN Short Skills Training project in 2012/13 and 2013/14.

In addition, the department received donor funding of R150 000 in 2010/11 and 2011/12 from PSETA for the development of a policy on accreditation.

The department received agency receipts over the period 2009/10 (not visible in the table) and 2010/11, from the Department of Labour, for the roll-out of a literacy programme targeting illiterate adults in KZN. The funding was utilised for the AET/*Masifundisane* Literacy Programme consisting of learnerships, apprenticeships, skills programme, project management fees and contingency fees. The *Masifundisane* Literacy Programme, in terms of the project plan, was completed in 2010/11. A total of 45 000 adult learners were trained in communication and numeracy in the eThekweni Metro and Zululand District Municipality. A total of 597 unemployed youth were trained in construction skills programmes, manufacturing and engineering apprenticeships and professional driver learnerships.

## **5. Payment summary**

This section provides information pertaining to the vote as a whole at an aggregated level, including payments and budgeted estimates by programme and economic classification. Further details are given in Section 6 below, as well as in the *Annexure – Vote 1: Office of the Premier*.

### **5.1 Key assumptions**

The following general assumptions were made by the department in formulating the 2014/15 budget:

- All inflation related increases are based on CPI projections.
- The department was given funds to provide for the carry-through costs of previous wage agreements. The department has provided for an inflationary wage adjustment of 6.4 per cent, 6.4 per cent and 6.3 per cent for each of the three years of the 2014/15 MTEF, respectively, as well as the annual 1.5 per cent pay progression through internal reprioritisation.
- Provision was made for the filling of vacant posts in terms of the revised organisational structure, taking into account the moratorium on the filling of non-critical vacant posts.
- The expanded cost-cutting measures, as reissued by PT in 2013/14, will continue to be adhered to over the 2014/15 MTEF, in conjunction with National Treasury Instruction 01 of 2013/14: Cost-containment measures.

### **5.2 Additional allocations for the 2012/13 to 2014/15 MTEF**

Table 1.5 shows additional funding received by the department over the three MTEF periods: 2012/13, 2013/14 and 2014/15. Note that the table reflects only the provincial additional allocations, and excludes additional allocations in respect of conditional grants.

The purpose of such a table is two-fold. Firstly, it shows the quantum of additional funding allocated to the department in the past and current MTEF periods. Secondly, it indicates the policies and purposes for which the additional funding was allocated.

The carry-through allocations for the 2012/13 and 2013/14 MTEF periods (i.e. for the financial year 2016/17) are based on the incremental percentage used in the 2014/15 MTEF.

**Table 1.5 : Summary of additional provincial allocations for the 2012/13 to 2014/15 MTEF**

R thousand	2012/13	2013/14	2014/15	2015/16	2016/17
<b>2012/13 MTEF period</b>	<b>103 831</b>	<b>86 927</b>	<b>100 109</b>	<b>104 714</b>	<b>109 531</b>
Carry-through of 2011 wage agreement	1 260	1 323	1 389	1 453	1 520
LIV Orphanage	8 000	-	-	-	-
Provincial Public Service Training Academy (refurbish and renovate)	10 000	12 000	15 000	15 690	16 412
Merger of horse racing regulator into KZNGBB	17 571	18 604	19 720	20 627	21 576
Youth ambassadors	15 000	17 000	20 000	20 920	21 882
Youth ambassador training by SANDF	20 000	-	-	-	-
Ntambanana - provision for piped water and proper roads to Luwamba Clinic	20 000	25 000	30 000	31 380	32 823
Operation <i>Sukuma Sakhe</i> - equipping of war-rooms	12 000	13 000	14 000	14 644	15 318
<b>2013/14 MTEF period</b>		<b>9 100</b>	<b>(17 368)</b>	<b>(21 544)</b>	<b>(22 535)</b>
Census data update and 1%, 2% and 3% baseline cuts		(8 320)	(17 368)	(21 544)	(22 535)
Zimele Developing Community Self-Reliance		7 555	-	-	-
Roll-over: 150-year commemoration of Indian indentured labourers		4 865	-	-	-
African Renaissance project		5 000	-	-	-
<b>2014/15 MTEF period</b>			<b>100 853</b>	<b>57 278</b>	<b>55 007</b>
Carry-through of previous wage agreements			1 485	2 868	3 315
Suspension of parts of Integrity Mgt funds from 13/14			5 700	-	-
Re-allocation of funding for Luwamba Wellness Centre in Ntambanana			-	(31 380)	(32 823)
Integrity Management unit			33 169	31 380	32 823
OSS Diakonia Council of Churches			5 000	5 000	-
Amafa - World Heritage status for Emakhosini Valley			3 059	-	-
Elections - Security strengthening			5 000	-	-
Centralisation of communications budget under OTP			35 593	37 144	38 862
Centralisation of external bursaries budget under OTP			11 847	12 266	12 830
<b>Total</b>	<b>103 831</b>	<b>96 027</b>	<b>183 594</b>	<b>140 448</b>	<b>142 003</b>

The OTP received additional funding over the 2012/13 MTEF for the refurbishment and renovations to the Training Academy (this will now be utilised for the construction of the new Training Academy as a site has been identified in Westville), the administrative requirements of the horse racing regulator which was merged into the KZNGBB, the Youth Ambassadors programme and its training by the SANDF, LIV Orphanage, the 2011 wage agreement, funding to provide piped water and proper roads at the Luwamba Clinic in the Ntambanana Municipality, as well as OSS for the equipping of war-rooms throughout the province.

The department received once-off additional funding of R7.555 million in the 2013/14 MTEF for Zimele, which is the carry-through allocation from the 2012/13 Adjustments Estimate, as well as a roll-over of R4.865 million for the 150-year commemoration of Indian indentured labourers, and R5 million for the African Renaissance project which is also a carry-through from the 2012/13 Adjustments Estimate.

Also in the 2013/14 MTEF, National Treasury took a decision to impose 1, 2 and 3 per cent baseline cuts on all spheres of government (i.e. National, Provincial and Local) in order to curb the national deficit as public spending is growing faster than revenue collection. In addition, KZN received reduced equitable share allocations as a result of the reduced proportion in terms of population numbers as reported in the 2011 Census data results. The effect of this on OTP was a substantial reduction in the budget over the entire period.

The department receives additional funding in the 2014/15 MTEF for the following:

- The carry-through costs of previous wage agreements, with carry-through over the MTEF.
- Once-off additional funding for the Integrity Management unit. This includes R33.169 million as well as R5.700 million, with the latter being a suspension of parts of the Integrity Management funds from 2013/14. From 2015/16, OTP has agreed to redirect the funds allocated for the development of the Luwamba Wellness Centre toward the running of the Integrity Management unit. The funds will no longer be needed for the Luwamba Wellness Centre beyond 2014/15 but remain in OTP's baseline.

- R5 million was allocated for security strengthening during the upcoming 2014 general elections.
- R5 million for 2014/15 and 2015/16 for the OSS Diakonia Council of Churches.
- Once-off additional funding of R3.059 million for Amafa with regard to the application for World Heritage status for the Emakhosini Valley.
- Carry-through funding for the centralisation of parts of the communications budget under OTP.
- Carry-through funding for the centralisation of the external bursaries budget under OTP.

### 5.3 Summary by programme and economic classification

Tables 1.6 and 1.7 below summarise payments and estimates by programme and economic classification. The structure of the department consists of three programmes, and is largely in accordance with the uniform programme and budget structure developed for the sector. It is noted, however, that the Heritage sub-programme is included under Vote 1: Office of the Premier in this province, although Heritage forms part of the uniform programme and budget structure for the Sport, Arts and Culture sector.

**Table 1.6 : Summary of payments and estimates by programme: Office of the Premier**

R thousand	Audited 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	101 738	110 761	156 363	156 954	205 886	205 886	205 990	174 225	180 248
2. Institutional Development	95 275	105 504	144 909	145 209	173 972	173 972	194 158	202 332	215 679
3. Policy and Governance	226 794	269 335	374 549	318 691	382 547	382 547	341 143	347 269	360 967
<b>Total</b>	<b>423 807</b>	<b>485 600</b>	<b>675 821</b>	<b>620 854</b>	<b>762 405</b>	<b>762 405</b>	<b>741 291</b>	<b>723 826</b>	<b>756 894</b>

**Table 1.7 : Summary of payments and estimates by economic classification: Office of the Premier**

R thousand	Audited 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>374 345</b>	<b>412 292</b>	<b>539 654</b>	<b>539 712</b>	<b>655 033</b>	<b>655 033</b>	<b>623 229</b>	<b>605 316</b>	<b>632 178</b>
Compensation of employees	112 663	155 307	214 117	207 417	220 417	220 417	243 907	251 963	261 163
Goods and services	261 682	256 985	325 537	332 295	434 616	434 616	379 322	353 353	371 015
Interest and rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies to:</b>	<b>42 035</b>	<b>61 362</b>	<b>105 527</b>	<b>73 319</b>	<b>85 284</b>	<b>85 284</b>	<b>93 272</b>	<b>93 536</b>	<b>98 418</b>
Provinces and municipalities	18	21	15 035	12	12	12	13	14	14
Departmental agencies and accounts	36 688	41 394	62 235	65 026	70 976	70 976	71 289	70 641	74 385
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and int. organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	12 000	8 030	-	-	-	-	-	-
Households	5 329	7 947	20 227	8 281	14 296	14 296	21 970	22 881	24 019
<b>Payments for capital assets</b>	<b>7 365</b>	<b>11 939</b>	<b>30 612</b>	<b>7 823</b>	<b>22 088</b>	<b>22 088</b>	<b>24 790</b>	<b>24 974</b>	<b>26 298</b>
Buildings and other fixed structures	-	-	5	-	5 701	5 701	15 697	16 417	17 288
Machinery and equipment	6 712	3 949	6 279	2 708	7 572	7 572	4 033	4 233	4 457
Heritage assets	323	1 722	10 794	4 865	8 815	8 815	5 000	4 000	4 212
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	7 018	-	-	-	-	-	-
Software and other intangible assets	330	6 268	6 516	250	-	-	60	324	341
<b>Payments for financial assets</b>	<b>62</b>	<b>7</b>	<b>28</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>423 807</b>	<b>485 600</b>	<b>675 821</b>	<b>620 854</b>	<b>762 405</b>	<b>762 405</b>	<b>741 291</b>	<b>723 826</b>	<b>756 894</b>

The substantial increase from 2012/13 is attributed to additional funding received for the LIV Orphanage, refurbishment and renovations of the Training Academy, administrative requirements of the horse racing regulator which was merged into the KZNGBB, the Youth Ambassadors programme and the training of the youth ambassadors by SANDF, the Luwamba Clinic, as well as funding toward equipping war-rooms in relation to OSS. The decrease from 2012/13 to the 2013/14 Main Appropriation relates to the substantial once-off funding given to the department in 2012/13, as well as the baseline cuts effected over the 2013/14 MTEF. The department received additional funding in 2014/15 for the Integrity Management unit, as well as OSS and the centralisation of the external bursaries and parts of the communications

budgets under OTP over the 2014/15 MTEF. This accounts for the substantial increase over the 2014/15 MTEF. However, most of the funding received in 2013/14 and even 2014/15 (Integrity Management unit), is largely once-off, which accounts for the decrease from the 2013/14 Revised Estimate to 2014/15, as well as the dip in 2015/16.

The spending against Programme 1: Administration in 2010/11 was reprioritised to provide for the movement of the Integrity Management unit from Programme 2, as well as the centralisation of administrative expenses such as telephones, cleaning services, maintenance and lease commitments. The significant increase in 2012/13 was largely a result of additional funding for the provision of piped water and proper roads to the Luwamba Clinic in the Ntambanana Municipality. The increase in the 2013/14 Adjusted Appropriation is largely ascribed to the additional funding for the hosting of the AFCON tournament and the RTI Commission. The increase in 2014/15 is as a result of additional funding for the capacitation of the Integrity Management unit and for security strengthening during the upcoming 2014 general elections. As previously mentioned, from 2015/16, OTP has agreed to redirect the funds allocated for the development of the Luwamba Wellness Centre toward the running of the Integrity Management unit. The funds will no longer be needed for the Luwamba Wellness Centre beyond 2014/15 but remain in OTP's baseline.

Programme 2: Institutional Development in 2010/11 shows relatively low expenditure due to significant cost-cutting being effected in 2010/11. The significant increase from 2012/13 is attributed to the additional funding received for the refurbishment and renovations of the Training Academy. The minimal growth from 2012/13 to the 2013/14 Main Appropriation is due to the decision by the department to stop spending on the Training Academy in 2012/13, after it had been taken over by the DOE. There is a substantial increase in the 2013/14 Adjusted Appropriation and over the 2014/15 MTEF as a result of the centralisation of parts of the communications and the external bursaries budgets under OTP.

Programme 3: Policy and Governance received additional funding for the Youth Ambassadors programme in 2010/11. The substantial increase from 2011/12 onward is attributable to additional funding for the operational costs of the Emakhosini Multi-Media Centre, the PPC and the Nerve Centre. The increase was also due to once-off additional funding for the LIV Orphanage. In 2012/13, various projects received additional funding, such as the Youth Ambassadors programme, OSS, African Renaissance, etc. Most additional funds in 2012/13 and 2013/14 were largely once-off such as youth ambassador training by SANDF, roll-over of Indian indentured labourer funds, etc., thus explaining the decrease in 2014/15. The 2014/15 amount includes once-off additional funding allocated to Amafa for its application for World Heritage status for the Emakhosini Valley.

*Compensation of employees* reflects a significant increase from 2011/12 onward as a result of additional funds received for the Youth Ambassadors programme. The decrease from 2012/13 to the 2013/14 Main Appropriation is a result of the decrease in the appointment of youth ambassadors from 3 024 to 1 966, in an effort to match budget, as well as the moratorium on the filling of non-critical vacant posts. The increase in the 2013/14 Adjusted Appropriation caters for staffing costs of the Integrity Management unit. The phasing in of the new organisational structure is anticipated to take place from 2014/15, and hence the steady increase over the MTEF.

*Goods and services* in 2010/11 is high due to additional funds received for the roll-out of the Youth Ambassadors programme. This accounts for the decrease from 2010/11 to 2011/12. The substantial increase in 2012/13 relates to additional funding received for *Amadelakufa* awards, once-off set-up costs of the Integrity Management unit, Zimele, once-off establishment costs of the HRD Council, 2012 Career Exhibition, Choral Music Awards, Presidential *Imbizo*, establishment of the Rural Development Co-ordination component, establishment of the KZN Climate Change Council, OSS projects, African Renaissance, as well as for the Provincial Prayer day. Most additional funds in 2012/13 and 2013/14 were once-off, such as Zimele, African Renaissance, etc., which accounts for the reduction in 2014/15. In 2014/15, the department receives an additional once-off allocation of R5 million for security strengthening in respect the upcoming 2014 general elections, accounting for the reduction from 2014/15 to 2015/16. Also accounting for the reduction from 2014/15 to 2015/16 is the shifting of funds in respect of the Training Academy that were under this category to *Buildings and other fixed structures*.

*Transfers and subsidies* decreased from 2012/13 to 2013/14 and stays at a lower level over the MTEF:

- *Provinces and municipalities* generally caters for the payment of motor vehicle licences. The high expenditure in 2012/13 is due to once-off additional funding for hosting AFCON in KZN, with this being undertaken jointly with the eThekweni Metro. There is steady growth over the 2014/15 MTEF.
- The increase in 2012/13 against *Departmental agencies and accounts*, which caters for transfers to KZNGBB and Amafa, is in respect of additional funding that was allocated as a result of the merger of the horse racing regulator into the KZNGBB, as explained above. In 2014/15, Amafa receives additional funding of R3.059 million for its application for World Heritage status for the Emakhosini Valley, accounting for the decrease in 2015/16.
- With regard to *Non-profit institutions*, amounts of R12 million in 2011/12 and R8 million in 2012/13 were allocated for the LIV Orphanage. This was to assist the orphanage with building a holistic village both to house vulnerable and orphaned children, to empower them to be self-employed and to sustain a reasonable livelihood by learning basic skills. An amount of R30 000 in 2012/13 relates to a donation to Khulani Production Artist Theatre for a graduation ceremony to honour students that completed the Arts and Skills courses.
- *Households* consists of staff exit costs, medical aid contributions for ex-parliamentarians (PARMED), the Provincial Bursary programme, etc. This category reflects fluctuations due to staff exit costs, which are difficult to accurately predict. The increase in 2011/12 and 2012/13 is as a result of savings identified from the funds for PILIR and allocated to the Provincial Bursary programme, as well as the funds received from an inter-departmental account (IDA) in respect of the Provincial Bursary programme from other departments. This category reflects a significant increase over the 2014/15 MTEF attributed to the decision by Cabinet to centralise the external bursaries budget under OTP commencing from the 2013/14 Adjustments Estimate.

No expenditure was incurred against *Buildings and other fixed structures* in 2010/11 and 2011/12, while only R5 000 was spent on renovations to the Premier's Parkside Residence in 2012/13. The department received a roll-over of R5.701 million during the 2013/14 Adjusted Appropriation for the balance of the roof renovations to the Premier's Parkside Residence. The Training Academy building was claimed back by DOE in 2012/13 to assist educators with continuous professional development. The Training Academy still continues to function from its current location, and the department, together with DOPW, have identified a site in Westville to build the new Training Academy. The bulk of the 2014/15 MTEF allocations are therefore set aside for the new Training Academy, of which the construction is anticipated to commence in 2014/15.

*Machinery and equipment* from 2010/11 relates to the purchase of official vehicles and essential office furniture and equipment for new appointments. The decrease in 2012/13 relates to funds reprioritised within *Payments for capital assets* for the Nerve Centre, as indicated below. The low 2014/15 MTEF allocation relates to the completion of Phase 3 of the Nerve Centre, cost-cutting as well as a phased-in approach to the purchasing of machinery and equipment, in an effort to cut back on expenditure.

The 2010/11 and 2011/12 amounts against *Heritage assets* relate to the erection of monuments and plaques, as well as the restoration of Royal graves such as *Inkosi* Dingiswayo and graves of victims of conflict such as that of the Mahhehle and Shobashobane massacres. The 2012/13 amount provides for the building of wax statues and busts to honour former Presidents of the ANC and King Shaka in various sites in KZN. The roll-over of R4.865 million from 2011/12 to 2013/14 for the 150-year commemoration of Indian indentured labourers was allocated to *Heritage assets* in the 2013/14 Adjusted Appropriation for the erection of plaques and monuments. The amounts over the 2014/15 MTEF cater for various tombstones, unveilings and walls of remembrances, as identified by the Premier. The decrease from 2014/15 to 2015/16 relates to reprioritisation that was undertaken to *Households* for internal bursaries.

In 2012/13, an amount of R7.018 million was spent against *Land and subsoil assets* relating to the purchase of land behind the Moses Mabhida Building, procured to provide parking facilities for departmental officials due to new regulations passed by the local municipality that resulted in restricted parking in the Pietermaritzburg Central Business District (CBD).



The costs in respect of the Nerve Centre (SAS Business Intelligence System) account for the significant increase in *Software and other intangible assets* from 2011/12 and 2012/13, as a result of Build 1 and 2 of the system. The amounts over the 2014/15 MTEF cater for Build 3, which is the last stage of the Nerve Centre, as well as other general software upgrades.

#### 5.4 Summary of payments and estimates by district municipal area

Table 1.8 summarises payments and estimates by district municipal area, and reflects the full budget including the department's administration costs due to the fact that its activities are centrally administered from its head office which is situated in uMgungundlovu.

**Table 1.8 : Summary of payments and estimates by district municipal area**

R thousand	Audited Outcome	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16	2016/17
eThekweni	62 679	50 753	62 662	64 837	68 199
Ugu	-	-	-	-	-
uMgungundlovu	593 142	686 652	648 629	658 989	688 695
Uthukela	-	-	-	-	-
Umzinyathi	-	-	-	-	-
Amajuba	-	-	-	-	-
Zululand	-	-	-	-	-
Umkhanyakude	-	-	-	-	-
uThungulu	20 000	25 000	30 000	-	-
Ilembe	-	-	-	-	-
Sisonke	-	-	-	-	-
<b>Total</b>	<b>675 821</b>	<b>762 405</b>	<b>741 291</b>	<b>723 826</b>	<b>756 894</b>

The department's service delivery takes place within the provincial government in the form of co-ordination and/or support activities, which are mostly centralised. Spending occurs mainly within uMgungundlovu, where the bulk of the provincial departments' head offices are located. The additional funds for the strengthening of security during the 2014 general elections have also been allocated to the head office. The department incurred an unforeseeable and unavoidable expenditure in relation to Madiba's provincial memorial service.

The spending in the eThekweni Metro is mainly due to the fact that the Training Academy and the LIV Orphanage are situated in the area, and a transfer of R15 million was transferred to the Metro to host the AFCON tournament, as previously mentioned. The spending from 2012/13 to 2014/15 against the uThungulu district municipal area relates to the provision of piped water and proper roads to the Luwamba Clinic in the Ntambanana area. There is no allocation from 2015/16 as OTP agreed to redirect the funds allocated for the development of the Luwamba Wellness Centre toward the running of the Integrity Management unit. The funds will no longer be needed for the Luwamba Wellness Centre beyond 2014/15 but remain in OTP's baseline.

#### 5.5 Summary of conditional grant payments and estimates – Nil

#### 5.6 Summary of infrastructure payments and estimates

Table 1.9 below summarises the infrastructure payments and estimates relating to the department.

**Table 1.9 : Summary of infrastructure payments and estimates by category**

R thousand	Audited 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>New and replacement assets</b>	-	-	-	-	-	-	15 697	16 417	17 288
<b>Existing infrastructure assets</b>	700	1 905	4 347	13 300	9 001	9 001	1 400	1 464	1 541
Upgrades and additions	-	-	-	-	-	-	-	-	-
Rehabilitation, renovations and refurbishments	-	-	5	-	5 701	5 701	-	-	-
Maintenance and repairs	700	1 905	4 342	13 300	3 300	3 300	1 400	1 464	1 541
<b>Infrastructure transfers</b>	-	-	-	-	-	-	-	-	-
Current	-	-	-	-	-	-	-	-	-
Capital	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>700</b>	<b>1 905</b>	<b>4 347</b>	<b>13 300</b>	<b>9 001</b>	<b>9 001</b>	<b>17 097</b>	<b>17 881</b>	<b>18 829</b>

The amounts reflected under *New and replacement assets* relates to funding for the Training Academy, as mentioned previously. These funds will be utilised for the construction of the new Training Academy in Westville where a site has been identified. DOPW is currently doing a site evaluation.

In 2012/13, *Rehabilitation, renovations and refurbishments* shows minor expenditure of R5 000 related to renovations to the Premier's Parkside Residence. The department received a roll-over of R5.701 million during the 2013/14 Adjusted Appropriation for the balance of the roof renovations to the Premier's Parkside Residence. There are no allocations against this category over the 2014/15 MTEF

*Maintenance and repairs* reflects expenditure and allocations that relates to ongoing provision for infrastructure maintenance. The 2010/11 amount relates to the electrical upgrade, and the maintenance of the air-conditioning system at the Training Academy, office partitioning costs at the Moses Mabhida Building, as well as minor renovations at Parkside. The spending in 2011/12 relates to routine maintenance work done at the Training Academy and administration offices. As mentioned, however, the Training Academy building was transferred back to DOE in 2012/13 to assist educators with continuous professional development. The Training Academy will continue to function from its current location, however, all planned maintenance work at the existing Training Academy were put on hold.

## 5.7 Summary of Public Private Partnerships – Nil

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

The OTP exercises oversight over two public entities, namely the KZNGBB and Amafa. Table 1.10 illustrates transfers made to the public entities over the seven years under review. Financial summaries received from the KZNGBB and Amafa are given in *Annexure – Vote 1: Office of the Premier*.

**Table 1.10 : Summary of departmental transfers to public entities**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Amafa aKwaZulu-Natali	20 332	24 057	26 460	27 595	29 095	29 095	32 013	29 977	31 566
KwaZulu-Natal Gaming and Betting Board	16 356	17 337	35 775	37 431	41 881	41 881	39 276	40 664	42 819
<b>Total</b>	<b>36 688</b>	<b>41 394</b>	<b>62 235</b>	<b>65 026</b>	<b>70 976</b>	<b>70 976</b>	<b>71 289</b>	<b>70 641</b>	<b>74 385</b>

Amafa is responsible for administering heritage conservation on behalf of the provincial government. The entity's main objective is to promote awareness of the significance and value of cultural heritage resources, while ensuring that cultural heritage management is integrated into economic, social and environmental activities in KZN. Additional funding was allocated from 2011/12 for various heritage projects, such as fencing in Emakhosini and heritage markers at Anglo-Zulu sites, as well as the operational costs of the Emakhosini Multi-Media Centre. During the 2013/14 Adjusted Appropriation, a once-off allocation of R1.500 million was allocated for procurement of capital requirements associated with the entity's turn-around strategy. An amount of R3.059 million is allocated in 2014/15 in order for Amafa to apply for World Heritage status in respect of the Emakhosini Valley, to upgrade its research and education facilities, as well as various heritage sites and to also purchase support equipment.

The main objective of the KZNGBB is to ensure that all gambling authorised in terms of the KZN Gaming and Betting Act is conducted in a manner that promotes the integrity of the horse racing, betting and gaming industry. In addition, the Board promotes the province's objective to develop the industry as a vehicle for the promotion of tourism, employment creation and economic development. The increase in 2012/13 can be ascribed to additional funding in respect of the merger of the horse racing regulator into KZNGBB. In the 2013/14 Adjusted Appropriation, there is once-off additional funding of R4.450 million for a new IT system. KZNGBB's 2014/15 MTEF allocations grow steadily.

## 5.9 Transfers to other entities

Table 1.11 below reflects departmental transfers to other entities.

Table 1.11 : Summary of departmental transfers to other entities

R thousand	Sub-programme	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
		2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
LIV Orphanage	3.1 Special Programmes	-	12 000	8 000	-	-	-	-	-	-
Khulani Production Artist Theatre	3.1 Special Programmes	-	-	30	-	-	-	-	-	-
<b>Total</b>		-	<b>12 000</b>	<b>8 030</b>	-	-	-	-	-	-

In 2011/12 and 2012/13, R12 million and R8 million, respectively, were transferred to the LIV Orphanage, as previously explained.

In 2012/13, a donation of R30 000 was made to Khulani Production Artist Theatre for a graduation ceremony to honour students that completed the Arts and Skills courses.

## 5.10 Transfers to local government

Table 1.12 provides a summary of transfers to local government by category. It is noted that, although the payment of motor vehicle licences falls under *Transfers and subsidies to: Provinces and municipalities*, these funds will not be transferred to any municipality, and hence these are excluded from Table 1.12.

Table 1.12 : Summary of departmental transfers to local government by category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Category A	-	-	15 000	-	-	-	-	-	-
Category B	-	-	-	-	-	-	-	-	-
Category C	-	-	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
<b>Total</b>	-	-	<b>15 000</b>	-	-	-	-	-	-

The R15 million in 2012/13 against Category A relates to the transfer to the eThekweni Metro, being the province's contribution to hosting AFCON. These funds were spent on public viewing/fan parks, marketing of the event, volunteers, as well as various city and provincial initiatives.

## 5.11 Transfers and subsidies

Table 1.13 summarises transfers by programme and main category over the seven-year period under review. As reflected in the table, the department made various transfers to entities under each programme.

Table 1.13 : Summary of transfers and subsidies by programme and main category

R thousand	Audited 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>5 148</b>	<b>892</b>	<b>16 227</b>	<b>1 290</b>	<b>1 290</b>	<b>1 290</b>	<b>1 333</b>	<b>1 395</b>	<b>1 468</b>
Provinces and municipalities	18	21	15 035	12	12	12	13	14	14
Motor vehicle licences	18	21	35	12	12	12	13	14	14
AFCON (eThekweni Metro)	-	-	15 000	-	-	-	-	-	-
Households	5 130	871	1 192	1 278	1 278	1 278	1 320	1 381	1 454
Social benefits	5 130	871	1 192	1 278	1 278	1 278	1 320	1 381	1 454
<b>2. Institutional Development</b>	<b>93</b>	<b>7 076</b>	<b>19 029</b>	<b>7 003</b>	<b>13 018</b>	<b>13 018</b>	<b>20 650</b>	<b>21 500</b>	<b>22 565</b>
Households	93	7 076	19 029	7 003	13 018	13 018	20 650	21 500	22 565
Social benefits	93	-	-	3	3	3	3	3	3
Provincial Bursary programme	-	7 076	19 029	7 000	13 015	13 015	20 647	21 497	22 562
<b>3. Policy and Governance</b>	<b>36 794</b>	<b>53 394</b>	<b>70 271</b>	<b>65 026</b>	<b>70 976</b>	<b>70 976</b>	<b>71 289</b>	<b>70 641</b>	<b>74 385</b>
Departmental agencies and accounts	36 688	41 394	62 235	65 026	70 976	70 976	71 289	70 641	74 385
KZNGBB	16 356	17 337	35 775	37 431	41 881	41 881	39 276	40 664	42 819
Amafa	20 332	24 057	26 460	27 595	29 095	29 095	32 013	29 977	31 566
Non-profit institutions	-	12 000	8 030	-	-	-	-	-	-
LIV Orphanage	-	12 000	8 000	-	-	-	-	-	-
Khulani Production Artist Theatre	-	-	30	-	-	-	-	-	-
Households	106	-	6	-	-	-	-	-	-
Social benefits	106	-	6	-	-	-	-	-	-
<b>Total</b>	<b>42 035</b>	<b>61 362</b>	<b>105 527</b>	<b>73 319</b>	<b>85 284</b>	<b>85 284</b>	<b>93 272</b>	<b>93 536</b>	<b>98 418</b>

Programme 1 reflects transfers in respect of motor vehicle licences, under *Provinces and municipalities*, as well as social benefits relating to medical aid contributions for ex-parliamentarians (PARMED), and staff exit costs against *Households*. The R15 million against *AFCON (eThekweni Metro)* in 2012/13 relates to the transfer to eThekweni Metro, being the province's contribution to hosting AFCON.

Programme 2 reflects transfers in respect of social benefits and the Provincial Bursary programme. The bursaries are paid directly to the students who receive a monthly stipend and transport funds. The peak in 2012/13 is a result of savings identified from the funds for PILIR and allocated to the bursary programme, as well as funds received from an inter-departmental account (IDA) in respect of the bursary programme from other departments. It must be noted that, during 2013/14, Cabinet approved the centralisation of the bursaries budget under OTP and this explains the increase from the 2013/14 Adjusted Appropriation onward.

Programme 3 houses the bulk of the transfers' budget:

- *Departmental agencies and accounts* relates to transfers made to KZNGBB and Amafa. From 2012/13 onward, the budget includes additional funding for the merger of the horse racing regulator into the KZNGBB, which is being financed through additional revenue collected by the newly amalgamated entity. The increase in the 2013/14 Adjusted Appropriation is due to the additional funding for the KZNGBB IT system. Amafa also received additional funding for the turnaround strategy once-off capital requirements, as well as funds to apply for World Heritage status for the Emakhosini Valley.
- The amounts against *Non-profit institutions* relate to funding of non-profit organisations and donations to other organisations, such as Khulani Production Artist Theatre and the LIV Orphanage.
- The category *Households* caters for staff exit costs.

## **6. Programme description**

The services rendered by this department are, as per the generic sector structure, categorised under three programmes, the details of which are discussed below.

The amounts for each programme are summarised in terms of economic classification, with details given in *Annexure – Vote 1: Office of the Premier*.

### **6.1 Programme 1: Administration**

The purpose of this programme is to provide administrative support to the Premier, Executive Council and the Director-General in fulfilling their legislative and oversight functions and in promoting good corporate governance.

There are four sub-programmes supporting this programme, namely Premier Support, Executive Council Support, Director-General and Financial Management. The objectives are as follows:

- To provide logistical, administrative and advisory support to the Premier in executing the constitutional mandate and statutory duties.
- To render secretariat support services to the Executive Council, clusters, and key provincial committees.
- To provide operational support to the Director-General in strategically managing the province.
- To provide financial management support and advisory services.

Tables 1.14 and 1.15 below reflect a summary of payments and estimates relating to this programme, by sub-programme and economic classification, for the period 2010/11 to 2016/17.

Table 1.14 : Summary of payments and estimates by sub-programme: Administration

R thousand	Audited 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. Premier Support	21 317	27 416	25 873	30 099	52 598	52 598	29 786	31 074	27 781
2. Executive Council Support	6 943	7 852	8 746	8 432	9 532	9 532	9 618	9 529	11 719
3. Director-General	23 051	18 470	18 491	21 806	19 806	19 806	26 651	23 020	23 398
4. Financial Management	50 427	57 023	103 253	96 617	123 950	123 950	139 935	110 602	117 350
<b>Total</b>	<b>101 738</b>	<b>110 761</b>	<b>156 363</b>	<b>156 954</b>	<b>205 886</b>	<b>205 886</b>	<b>205 990</b>	<b>174 225</b>	<b>180 248</b>

Table 1.15 : Summary of payments and estimates by economic classification: Administration

R thousand	Audited 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>92 926</b>	<b>108 038</b>	<b>137 133</b>	<b>154 078</b>	<b>194 825</b>	<b>194 825</b>	<b>201 468</b>	<b>169 438</b>	<b>175 208</b>
Compensation of employees	43 270	50 837	56 799	62 052	68 172	68 172	78 696	79 016	81 863
Goods and services	49 656	57 201	80 334	92 026	126 653	126 653	122 772	90 422	93 345
Interest and rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies to:</b>	<b>5 148</b>	<b>892</b>	<b>16 227</b>	<b>1 290</b>	<b>1 290</b>	<b>1 290</b>	<b>1 333</b>	<b>1 395</b>	<b>1 468</b>
Provinces and municipalities	18	21	15 035	12	12	12	13	14	14
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and int. organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	5 130	871	1 192	1 278	1 278	1 278	1 320	1 381	1 454
<b>Payments for capital assets</b>	<b>3 656</b>	<b>1 825</b>	<b>3 003</b>	<b>1 586</b>	<b>9 771</b>	<b>9 771</b>	<b>3 189</b>	<b>3 392</b>	<b>3 572</b>
Buildings and other fixed structures	-	-	5	-	5 701	5 701	697	727	766
Machinery and equipment	3 654	1 825	2 985	1 336	4 070	4 070	2 492	2 403	2 530
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	2	-	13	250	-	-	-	262	276
<b>Payments for financial assets</b>	<b>8</b>	<b>6</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>101 738</b>	<b>110 761</b>	<b>156 363</b>	<b>156 954</b>	<b>205 886</b>	<b>205 886</b>	<b>205 990</b>	<b>174 225</b>	<b>180 248</b>

The amount against the sub-programme: Premier Support in 2010/11 can be ascribed to the newly created Security and Protocol Services unit, which was later moved to the Director-General sub-programme. The substantial increase from 2011/12 onward is to cater for the establishment of a unit to manage the Premier's special projects. The increase from the 2013/14 Main to the Adjusted Appropriation can be ascribed to additional funding for the RTI Commission and Zimele, which accounts for the dip in 2014/15.

The sub-programme: Executive Council Support shows a decrease from 2012/13 to the 2013/14 Main Appropriation largely due to the reprioritisation of funds from this sub-programme to Programme 3 to cater for OSS spending pressures. The significant increase from the 2013/14 Main Appropriation to the Adjusted Appropriation can be ascribed to the higher than anticipated wage agreements. Accounting for the decrease from 2014/15 to 2015/16, is the reprioritisation of funds Financial Management in 2014/15 to this sub-programme, for minor upgrades of the Cabinet office.

The Director-General sub-programme fluctuates from 2010/11 onward mainly as a result of the reprioritisation to different sub-programmes to cater for various spending pressures from time to time. The 2010/11 expenditure relates to funds rolled over from 2009/10 relating to the War on Poverty programme, accounting for the decrease from 2010/11 to 2011/12. The decrease in 2011/12 is also as a result of cost-cutting. In 2014/15, this sub-programme receives additional funding of R5 million for strengthening of security during the upcoming 2014 general elections. There is consistent growth over the 2014/15 MTEF.

The substantial increase from 2011/12 onward against Financial Management is to cater for the newly created Integrity Management unit, in line with the organisational structure of the department. The increase in 2012/13 is due to additional funding of R15 million, being the province's contribution to hosting the AFCON tournament. The significant increase from 2012/13 is a result of additional funding for the provision of piped water and proper roads to the Luwamba Clinic in the Ntambanana Municipality,

which ends in 2014/15, but is then redirected, within the same sub-programme, to funding the operational costs of the Integrity Management unit. The substantial increase in the 2013/14 Adjusted Appropriation and 2014/15 is due to additional funding for the running and staffing costs of the Integrity Management unit until funds from the Luwamba Clinic could be directed to fund these operational costs. This accounts for the decrease from 2014/15 to 2015/16.

The increase against *Compensation of employees* from 2011/12 is a result of the filling of critical vacant posts. It is envisaged that further key positions in terms of the new proposed structure, will be filled from 2013/14 and over the 2014/15 MTEF. The increase in the 2013/14 Adjusted Appropriation can be ascribed to the reprioritisation from Programmes 2 and 3 to cater for spending pressures such as the higher than anticipated 2013 wage agreement.

The amount reflected against *Goods and services* in 2010/11 was a result of the centralisation of administrative costs such as cellular and telephone accounts, stationery, etc. The significant increase from 2011/12 is due to additional funding for the Luwamba Wellness Centre, and the Integrity Management unit, as well as the creation of the Premier's Special Projects unit, which houses projects/initiatives such as the RTI Commission, HIV and AIDS support, etc. This category reflects steady growth over the 2014/15 MTEF due to additional funding for the Luwamba Wellness Centre and for Integrity Management unit, as well as for strengthening security during the 2014 general elections (once-off).

*Transfers and subsidies to: Provinces and municipalities* relates to motor vehicle licences, as well as funds transferred to the eThekweni Metro in 2012/13, being the province's contribution toward hosting AFCON.

*Transfers and subsidies to: Households* caters for staff exit costs, as well as provision for medical aid contributions for ex-parliamentarians (PARMED). The 2014/15 MTEF grows steadily.

The amount against *Buildings and other fixed structures* in the 2013/14 Adjusted Appropriation and Revised Estimate is attributed to the roll-over of funds from 2012/13 in respect of urgent repairs and maintenance to the Premier's Parkside residence, such as roof leaks. The amounts over the MTEF mainly cater for the roof renovations in respect of the Premier's Parkside residence.

The amount in 2010/11 against *Machinery and equipment* can be ascribed to provision for additional vehicles. The 2011/12 amount relates to furniture and equipment purchased for the additional staff transferred to the Premier Support sub-programme in respect of the Security and Protocol Services unit, which was later moved to the Director-General sub-programme. The increase in 2012/13 is a result of the purchase of official vehicles. Accounting for the decrease from 2014/15 to 2015/16, is the reprioritisation of funds Financial Management in 2014/15 to this sub-programme, for minor hardware upgrades of the Cabinet office.

The amounts reflected in 2013/14 and over the 2014/15 MTEF against *Software and other intangible assets* mainly relate to the purchase and licences of software for the Nerve Centre and other related systems. It is noted that this category was reduced in the 2013/14 Adjusted Appropriation and Revised Estimate, as well as in 2014/15. This can be ascribed to the reprioritisation to *Machinery and equipment* to cater for the purchase of official vehicles.

*Payments for financial assets* mainly relate to the write-off of debts.

### **Service delivery measures – Programme 1: Administration**

Table 1.16 illustrates service delivery measures pertaining to Programme 1.

The service delivery outputs were revised in terms of the re-alignment and re-focus to the PGDP. Note that only a few main measures are reflected below, and the full set of measures is detailed in the department's APP.

Table 1.16 : Service delivery measures - Programme 1: Administration

Outputs	Performance indicators	Estimated performance		Medium-term targets	
		2013/14	2014/15	2015/16	2016/17
<b>1. Premier Support</b>					
1.1 To provide administrative and operational support services to the Premier in the implementation of the Premier's priority projects weekly, monthly and quarterly	Acceptable, supportive and effective administrative support services to the Premier in executing his constitutional mandate weekly, monthly and quarterly	Provision of administrative and operational support services to the Premier in the implementation of the Premier's priority projects weekly, monthly and quarterly	Provision of administrative and operational support services to the Premier in the implementation of the Premier's priority projects weekly, monthly and quarterly	Provision of administrative and operational support services to the Premier in the implementation of the Premier's priority projects weekly, monthly and quarterly	Provision of administrative and operational support services to the Premier in the implementation of the Premier's priority projects weekly, monthly and quarterly
<b>2. Executive Council Support</b>					
2.1 To provide effective and co-ordinated secretariat support services to the Executive Council, Technical and Cabinet Clusters weekly, quarterly and monthly	Acceptable, satisfactory and supportive secretariat services to the Executive Council, Technical and Cabinet Clusters	Provision of effective and co-ordinated secretariat support services to the Executive Council, Technical and Cabinet Clusters weekly, quarterly and monthly	Provision of effective and co-ordinated secretariat support services to the Executive Council, Technical and Cabinet Clusters weekly, quarterly and monthly	Provision of effective and co-ordinated secretariat support services to Executive Council, Technical and Cabinet Clusters weekly, quarterly and monthly	Provision of effective and co-ordinated secretariat support services to the Exec Council, Technical and Cabinet Clusters weekly, quarterly and monthly
<b>3. Director-General Support</b>					
3.1 To provide all administrative support services to the Director-General (D-G), EXCO and MANCO weekly, monthly and quarterly	Acceptable and efficient administrative support services provided to the D-G, EXCO and MANCO weekly, monthly and quarterly	New	Provision of all administrative support services to the D-G, EXCO and MANCO weekly, monthly and quarterly	Provision of all administrative support services to the D-G, EXCO and MANCO weekly, monthly and quarterly	Provision of all administrative support services to the D-G, EXCO and MANCO weekly, monthly and quarterly
<b>4. Integrity Management</b>					
4.1 To manage anti-fraud and anti-corruption case management system on fraud in the province and report monthly and quarterly	No. of monthly and quarterly reports on the management anti-fraud and anti-corruption case management system	Ensure all provincial departments and all public entities comply with the KZN anti-fraud and anti-corruption strategy by March 2014	To manage the implementation of the KZN anti-fraud and anti-corruption strategy using a case management system	To manage the implementation of the KZN anti-fraud and anti-corruption strategy using a case management system	Full implementation of case management system
4.2 To implement the Fraud Prevention Plan for OTP daily, weekly and monthly	No. of reports on the implementation of OTP Fraud Prevention Plan and Risk Management	To prevent, detect and investigate fraud on a daily basis in the OTP	To prevent, detect and investigate fraud on a daily basis in the OTP	To prevent, detect and investigate fraud on a daily basis in the OTP	To prevent, detect and investigate fraud on a daily basis in the OTP
4.3 To compile and report on citizens' complaints on poor service delivery monthly and weekly	No. of reports on poor service delivery complaints	All the submitted complaints cases on poor service delivery and corruption recorded and reported by 31 March 2014	Implementing citizens' complaints monitoring system	Fully functional service delivery complaints system	Maintenance of service delivery complaints system
4.4 To co-ordinate all activities and 4 meetings of provincial Ombudsman Forum quarterly	No. of co-ordinated meetings of the provincial Ombudsman Persons Forum	Monthly, quarterly and annual reports must be completed by 31 March 2014	12 reports of provincial Ombudsperson submitted	12 reports of provincial Ombudsperson submitted	12 reports of provincial Ombudsperson submitted

## 6.2 Programme 2: Institutional Development

The purpose of this programme is to improve service delivery through institutional capacity building and transformation management in the province, and the objectives are:

- Providing transversal legal advisory and support services.
- Providing transversal human resource management and systems.
- Co-ordinating the holistic development of public servants as well as the citizenry of KZN in general.
- Providing strategic information communication technology, science and technology management, leadership and support.
- Providing strategic communication leadership and support.

There are four sub-programmes supporting Programme 2, namely Strategic Human Resources, Information Communication Technology, Legal Services and Communication Services. Tables 1.17 and 1.18 below summarise payments and estimates relating to this programme, by sub-programme and economic classification, for the period 2010/11 to 2016/17.

**Table 1.17 : Summary of payments and estimates by sub-programme: Institutional Development**

R thousand	Audited 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. Strategic Human Resources	51 811	59 308	94 065	90 881	86 539	86 539	102 035	106 139	113 796
2. Information Communication Technology (ICT)	21 016	20 393	18 778	25 729	25 491	25 491	25 366	26 092	29 581
3. Legal Services	8 512	8 594	8 892	11 456	11 746	11 746	12 156	12 714	13 388
4. Communication Services	13 936	17 209	23 174	17 143	50 196	50 196	54 601	57 387	58 914
<b>Total</b>	<b>95 275</b>	<b>105 504</b>	<b>144 909</b>	<b>145 209</b>	<b>173 972</b>	<b>173 972</b>	<b>194 158</b>	<b>202 332</b>	<b>215 679</b>

**Table 1.18 : Summary of payments and estimates by economic classification: Institutional Development**

R thousand	Audited 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>92 629</b>	<b>97 524</b>	<b>115 870</b>	<b>136 874</b>	<b>158 134</b>	<b>158 134</b>	<b>157 258</b>	<b>163 855</b>	<b>175 237</b>
Compensation of employees	43 171	48 156	55 791	60 644	61 644	61 644	65 230	68 092	72 543
Goods and services	49 458	49 368	60 079	76 230	96 490	96 490	92 028	95 763	102 694
Interest and rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies to:</b>	<b>93</b>	<b>7 076</b>	<b>19 029</b>	<b>7 003</b>	<b>13 018</b>	<b>13 018</b>	<b>20 650</b>	<b>21 500</b>	<b>22 565</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	93	7 076	19 029	7 003	13 018	13 018	20 650	21 500	22 565
<b>Payments for capital assets</b>	<b>2 533</b>	<b>903</b>	<b>10 005</b>	<b>1 332</b>	<b>2 820</b>	<b>2 820</b>	<b>16 250</b>	<b>16 977</b>	<b>17 877</b>
Buildings and other fixed structures	-	-	-	-	-	-	15 000	15 690	16 522
Machinery and equipment	2 205	903	2 981	1 332	2 820	2 820	1 250	1 287	1 355
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	7 018	-	-	-	-	-	-
Software and other intangible assets	328	-	6	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>20</b>	<b>1</b>	<b>5</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>95 275</b>	<b>105 504</b>	<b>144 909</b>	<b>145 209</b>	<b>173 972</b>	<b>173 972</b>	<b>194 158</b>	<b>202 332</b>	<b>215 679</b>

The expenditure against Strategic Human Resources in 2010/11 included the movement of the Service Delivery unit to Programme 3, as well as the in-year take-up of PILIR related funds, whereby the funds that were not utilised in 2010/11 were surrendered to the Provincial Revenue Fund. The increase from 2011/12 relates to the entire allocation being received for PILIR (although a portion of it was redirected to the Provincial Bursary programme) and funding was allocated from other programmes, for the filling of various vacant posts. The substantial increase from 2012/13 is attributed to additional funding for the refurbishment and renovations to the Training Academy, which will now be utilised to fund the construction of the new Training Academy in Westville. As previously mentioned, in 2013/14, Cabinet approved the centralisation of the bursaries budget under OTP. Although the department further received a once-off amount of R7.555 million in the 2013/14 Main Appropriation for Zimele, these funds were later shifted to Programme 1 against the Premier Support sub-programme. Also accounting for the decrease in this sub-programme from the 2013/14 Main to Adjusted Appropriation, was the virement of funds to *Compensation of employees* in Programmes 2 and 3 for the higher than anticipated 2013 wage agreements.

Information Communication Technology (ICT) in 2010/11 reflected an amount which was inclusive of the Nerve Centre budget, which was later moved to Programme 3. The decrease in 2012/13 can be ascribed to the restructuring process which saw the Nerve Centre funds being moved to Programme 3 under the Provincial Policy Management sub-programme. The decrease from the 2013/14 Revised Estimate to 2014/15 can be ascribed to the reprioritisation of funds from this sub-programme to Strategic Human Resources to cater for spending pressures. This sub-programme grows steadily over the MTEF.



The increase against the Legal Services sub-programme from 2011/12 was due to additional funds made available, through reprioritisation from other sub-programmes, to cater for costs relating to the OSD for legal practitioners. The substantial increase in 2013/14 was to cater for the second phase of OSDs for legal practitioners.

The amounts against the Communication Services sub-programme in 2010/11 take into account the movement of the Community Liaison unit to Programme 3 under the Premier's Priority Programme sub-programme, in line with the realignment process that was undertaken. The increase from 2011/12 onward relates to the increased demand for communication publications, such as *Simama*. The substantial increase in 2012/13 was a result of funds received from the IDA from other departments in respect of *Simama*. As previously mentioned, during 2013/14, Cabinet approved the centralisation of parts of the communications budget under OTP, explaining the increase from that year.

The amount against *Compensation of employees* in 2010/11 was due to the movement of the Community Liaison unit to Programme 3, in line with the realignment process that was undertaken, as previously mentioned. Due to lack of records, the department could not adjust the prior year's figures accordingly. The increase from 2011/12 onward relates to the filling of critical vacant posts in line with the moratorium on the filling of non-critical posts. The increase from 2012/13 to the 2013/14 Main Appropriation is due to the substantial additional funding to fully cater for the costs relating to the OSD for legal practitioners, as well as a virement of funds from Strategic Human Resources to cater for the higher than anticipated 2013 wage agreements. There is steady growth over the 2014/15 MTEF.

*Goods and services* reflects a significant increase from 2010/11 to 2013/14, except for a minor decrease in 2011/12, largely because of additional funding received for renovations of the Training Academy, which will now be utilised for the construction of the new Training Academy in Westville. The substantial increase from 2013/14 is attributed to the centralisation of parts of the communications budget under OTP.

The amounts against *Transfers and subsidies to: Households* from 2011/12 cater for the high demand of the Provincial Bursary programme. The substantial increase from the 2013/14 Adjusted Appropriation onward is attributed to the suspension of funds from other departments to the Provincial Bursary programme, which is now centralised under OTP.

Spending against *Buildings and other fixed structures* over the 2014/15 MTEF relates to the refurbishment of the Training Academy. As previously explained, the Training Academy will continue to function from its current location for the time being, while the renovation funds are redirected to the construction of a new Training Academy in Westville. The budget was initially under *Goods and services* in 2012/13, as the department had not decided whether to lease or construct a new building at the time. However it was since moved to this category from 2014/15 onward, as a result of the decision to construct a new Training Academy.

The high spending against *Machinery and equipment* in 2010/11 and 2012/13 can be ascribed to the acquisition of office furniture and equipment in line with the recruitment plan. The high amount in 2010/11 is also a result of the purchase of office furniture and equipment for newly leased office space in the Invesco Centre. The department is planning to spend less on *Machinery and equipment* over the 2014/15 MTEF, due to the phasing in of the purchase of office furniture and equipment, in line with the moratorium on the filling of non-critical vacant posts.

In 2012/13, an amount of R7.018 million was spent against *Land and subsoil assets* to provide for the purchase of land behind the Moses Mabhida Building, procured to provide parking facilities for departmental officials due to new regulations passed by the local municipality that resulted in restricted parking in the Pietermaritzburg CBD.

The spending reflected against *Software and other intangible assets* in 2010/11 relates to the purchase of software for the Nerve Centre. Although the Nerve Centre is housed under Programme 1, in 2010/11 part of the Nerve Centre funding was included under the Information Communication Technology sub-programme for the purchasing of software and other assets.

The department wrote off various losses against *Payments for financial assets* from 2010/11 to 2013/14.

## Service delivery measures – Programme 2: Institutional Development

Table 1.19 illustrates service delivery measures pertaining to Programme 2. The service delivery outputs were revised and streamlined in terms of the re-alignment and re-focus to fall in line with the PGDP. Note that only a few main measures are reflected below, and the full set of measures is detailed in the department's APP.

**Table 1.19 : Service delivery measures - Programme 2: Institutional Development**

Outputs	Performance indicators	Estimated performance		Medium-term targets	
		2013/14	2014/15	2015/16	2016/17
<b>1. Strategic Human Resources</b>					
1.1	To facilitate the transformation of the provincial govt to be a professional, high performing, responsive, non-sexist and representative public service by 2015	No. of HR policies approved/reviewed by COHOD Governance and Administration Cluster and provincial Cabinet	5 HR policies approved/reviewed by COHOD Governance and Administration Cluster and provincial Cabinet	5 HR policies approved/reviewed by COHOD Governance and Administration Cluster and provincial Cabinet	4 HR policies approved/reviewed by COHOD Governance and Administration Cluster and provincial Cabinet
1.2	To facilitate and co-ordinate the activities of the HRD Council	To facilitate and co-ordinate the activities of the HRD Council	Establishment of Council approved and Council launched by 31 March 2013	4 meetings of the Council	4 meetings of the Council
<b>2. Information Communication Technology</b>					
2.1	To provide ICT technical and policy advisory services to the province through the provincial government IT Officers Council (PGITOC)	No. of PGITOC meetings held annually and ICT policies implemented in the province	Revised provincial security policy, provincial e-gov strategy in place Revised and signed provincial SITA business agreement	Co-ordinate 4 PGITOC meetings	Co-ordinate 4 PGITOC meetings
<b>3. Legal Services</b>					
3.1	To oversee and monitor the Provincial Legislative programme from the perspective of the Executive	No. of provincial laws (Bills, Regulations and Proclamations) certified	10 provincial laws (Bills, Regulations and Proclamations) certified for introduction in the Provincial Legislature  1 quarterly report on Provincial Legislative programme to be submitted within 15 days of end of each quarter	10 provincial laws (Bills, Regulations and Proclamations) certified for introduction in the Provincial Legislature  1 quarterly report on Provincial Legislative programme to be submitted within 15 days of end of each quarter	10 provincial laws (Bills, Regulations and Proclamations) certified for introduction in the Provincial Legislature  1 quarterly report on Provincial Legislative programme to be submitted within 15 days of end of each quarter
<b>4. Communication Services</b>					
4.1	To provide co-ordinated government communication services within the province, weekly, monthly and quarterly	Effective and co-ordinated government communication services week	36 Cabinet statements, 11 HoC/PCF meetings, 48 Simama publications, 12 Radio Ukhosi slots	36 Cabinet statements, 11 HoC/PCF meetings, 48 Simama publications, 12 Radio Ukhosi slots	36 Cabinet statements, 11 HoC/PCF meetings, 48 Simama publications, 12 Radio Ukhosi slots

## 6.3 Programme 3: Policy and Governance

The purpose of this programme is to initiate province-wide development and implementation of policies and strategies to achieve a co-ordinated approach toward sustainable provincial growth and development, and the objectives are as follows:

- To capacitate the provincial government and administration on governance and public policy management.
- To manage and co-ordinate strategic projects as mandated by the Premier and the Cabinet.
- To promote and co-ordinate human rights programmes in KZN.
- To promote and co-ordinate the mainstreaming of human rights in public policy and planning processes in the provincial administration.

- To co-ordinate the implementation of gender equality programmes.
- To conserve, manage and promote awareness of the cultural heritage resources of KZN.
- To promote, facilitate and spread the acquisition and application of scientific knowledge in KZN.
- To ensure a regulated gambling, gaming and betting industry.
- To ensure a co-ordinated approach with respect to provincial policy management.
- To co-ordinate and implement a comprehensive response to the socio-economic impact of HIV and AIDS.
- To ensure successful implementation of priority socio-economic programmes and projects in KZN.
- To ensure the effectiveness of policy, planning and programme interventions through evaluation of strategic policy outcomes.
- To design and utilise a functional monitoring and evaluation system for the provincial government and administration and local government.

Five sub-programmes support this programme over the 2014/15 MTEF, namely Special Programmes, Intergovernmental Relations, Provincial Policy Management, Premier's Priority Programmes and Heritage. The funding of the Provincial 2010 Co-ordination ended in 2010/11.

Tables 1.20 and 1.21 below provide a summary of payments and estimates for these six sub-programmes for the period 2010/11 to 2016/17.

**Table 1.20 : Summary of payments and estimates by sub-programme: Policy and Governance**

R thousand	Audited 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. Special Programmes	70 486	76 611	75 584	75 349	80 769	80 769	84 818	85 824	88 131
2. Intergovernmental Relations	4 628	8 444	13 167	6 218	9 198	9 198	10 936	12 445	9 946
3. Provincial Policy Management	27 983	43 834	50 343	57 049	66 559	66 559	57 588	59 548	65 863
4. Premier's Priority Programmes	23 565	86 596	177 924	112 796	155 172	155 172	120 230	124 819	128 968
5. Heritage	52 504	53 850	57 531	67 279	70 849	70 849	67 571	64 633	68 059
6. Provincial 2010 Co-ordination	47 628	-	-	-	-	-	-	-	-
<b>Total</b>	<b>226 794</b>	<b>269 335</b>	<b>374 549</b>	<b>318 691</b>	<b>382 547</b>	<b>382 547</b>	<b>341 143</b>	<b>347 269</b>	<b>360 967</b>

**Table 1.21 : Summary of payments and estimates by economic classification: Policy and Governance**

R thousand	Audited 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>188 790</b>	<b>206 730</b>	<b>286 651</b>	<b>248 760</b>	<b>302 074</b>	<b>302 074</b>	<b>264 503</b>	<b>272 023</b>	<b>281 733</b>
Compensation of employees	26 222	56 314	101 527	84 721	90 601	90 601	99 981	104 855	106 757
Goods and services	162 568	150 416	185 124	164 039	211 473	211 473	164 522	167 168	174 976
Interest and rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies to:</b>	<b>36 794</b>	<b>53 394</b>	<b>70 271</b>	<b>65 026</b>	<b>70 976</b>	<b>70 976</b>	<b>71 289</b>	<b>70 641</b>	<b>74 385</b>
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	36 688	41 394	62 235	65 026	70 976	70 976	71 289	70 641	74 385
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	12 000	8 030	-	-	-	-	-	-
Households	106	-	6	-	-	-	-	-	-
<b>Payments for capital assets</b>	<b>1 176</b>	<b>9 211</b>	<b>17 604</b>	<b>4 905</b>	<b>9 497</b>	<b>9 497</b>	<b>5 351</b>	<b>4 605</b>	<b>4 849</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	853	1 221	313	40	682	682	291	543	572
Heritage assets	323	1 722	10 794	4 865	8 815	8 815	5 000	4 000	4 212
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	6 268	6 497	-	-	-	60	62	65
<b>Payments for financial assets</b>	<b>34</b>	<b>-</b>	<b>23</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>226 794</b>	<b>269 335</b>	<b>374 549</b>	<b>318 691</b>	<b>382 547</b>	<b>382 547</b>	<b>341 143</b>	<b>347 269</b>	<b>360 967</b>

The Special Programmes sub-programme includes the HIV and AIDS, Human Rights, Gaming and Betting units, etc. The increase from 2011/12 is a result of additional funding received for the LIV Orphanage, as mentioned. OSS was previously included in the sub-programme: Special Programmes, but moved to the Premier's Priority Programmes sub-programme, hence the decrease in 2012/13. From 2012/13 onward, the budget includes additional funding for the merger of the horse racing regulator into the KZNGBB, which is being financed through additional revenue collected by the newly amalgamated entity. The increase in the 2013/14 Adjusted Appropriation is due to the additional funding for the KZNGBB IT system. This sub-programme grows steadily over the 2014/15 MTEF.

The increase in the Intergovernmental Relations sub-programme in 2011/12 was due to an increase in international visits that were undertaken by the Premier to promote KZN as an investment destination. The significant growth in 2012/13 is mainly attributed to once-off additional funding for the establishment of the KZN Climate Change Council, and accounts for the decrease in the 2013/14 Main Appropriation. The increase from the 2013/14 Main to the Adjusted Appropriation was due to reprioritisation to cater for increased international visits by the Premier, Director-General and officials.

The growth against the Provincial Policy Management sub-programme relates to the phasing in of the PPC, as mentioned above. The substantial increase in the 2013/14 Adjusted Appropriation is as a result of an additional R10 million that was received for the Africa Expansion Summit that will be hosted in KZN during March 2014. This accounts for the reduction from 2013/14 to 2014/15. There is constant growth over the 2014/15 MTEF.

The sub-programme: Premier's Priority Programmes in 2010/11 includes the movement of the Gaming and Betting unit to the Special Programmes sub-programme. The increase in 2011/12 is in respect of additional funding for the roll-out of the Youth Ambassadors programme. The substantial increase in 2012/13 is as a result of additional funding of R5 million for OSS projects, R5 million for the African Renaissance project, R34.080 million for the stipends of the youth ambassadors and a once-off R20 million in respect of the SANDF training of the youth ambassadors. This explains the lower allocation in the 2013/14 Main Appropriation. However, there was also an increase in the 2013/14 Adjusted Appropriation as a result of additional funding received for the African Renaissance project, which is a carry-through from 2012/13, the OSS Diakonia Council of Churches, as well as the Inkululeko Development programme as part of the OSS initiatives. The budget grows steadily over the 2014/15 MTEF.

The spending against the sub-programme: Heritage in 2010/11 includes a once-off additional allocation of R18.885 million for the construction and operational costs of the Emakhosini Multi-Media Centre. In 2011/12, the department reprioritised substantial funding to the sub-programme: Premier's Priority Programmes for once-off OSS projects, resulting in the substantial increase from 2011/12 to 2012/13 in respect of the Heritage sub-programme. An amount of R1.500 million was allocated in the 2013/14 Adjusted Appropriation for Amafa for the procurement of once-off capital requirements associated with their turnaround strategy. A further once-off of R3.059 million was allocated to Amafa in 2014/15 for its application to attain World Heritage status for the Emakhosini Valley. This accounts for the dip in 2015/16.

The 2010/11 spending against the sub-programme: Provincial 2010 Co-ordination relates to the marketing of the 2010 Soccer World Cup and the establishment of a soccer academy in KZN. The budget was shifted to the Department of Sport and Recreation. No funding has been allocated from 2011/12 onward.

The substantial increase in *Compensation of employees* from 2011/12 onward is due to the additional funding received for the Youth Ambassadors programme. The decrease from 2012/13 to 2013/14 is as a result of the reduction in the appointment of youth ambassadors, which will see their numbers being brought down from 3 024 to 1 966 over the MTEF in an effort to remain within budget.

The spending against *Goods and services* include the carry-through of additional funding for the Youth Ambassadors programme, as well as additional funding for the PPC and the Nerve Centre. The decrease in 2011/12 was due to cost-cutting. The increase in 2012/13 is a result of additional funding for the youth ambassadors' training by SANDF. The increase in the 2013/14 Adjusted Appropriation is as a result of

additional funding for the National Choral Music Awards ceremony, Crown Gospel Awards, OSS Diakonia Council of Churches, Africa Expansion summit, OSS and Zimele. This accounts for the significant reduction from 2014/15 and onward.

The transfers to KZNGBB and Amafa account for the amounts against *Transfers and subsidies to: Departmental agencies and accounts* from 2010/11 onward. From 2012/13 onward, the budget includes additional funding for the merger of the horse racing regulator into the KZNGBB, which is being financed through additional revenue collected by the newly amalgamated entity. The increase in the 2013/14 Adjusted Appropriation is due to additional funding for the KZNGBB IT system. In 2014/15, Amafa also receives additional funding for the turnaround strategy, once-off capital requirements, as well as funds to apply for World Heritage status for the Emakhosini Valley. This accounts for the reduction in 2015/16.

The spending against *Transfers and subsidies to: Non-profit institutions* of R12 million and R8 million in 2011/12 and 2012/13, respectively, relates to the LIV Orphanage. Also in 2012/13, a donation of R30 000 was made to Khulani Production Artist Theatre for a graduation ceremony, as previously explained.

The amounts against *Machinery and equipment* from 2010/11 onward are attributable to the purchase of office furniture and computer equipment for newly appointed staff. The decrease in 2012/13 is as a result of funds reprioritised within *Payments for capital assets* for the Nerve Centre. The substantial decrease over the 2014/15 MTEF is due to the phased-in approach of the department with regard to purchasing machinery and equipment.

The amount in 2010/11 against *Heritage assets* relates to the erection of a memorial of *Inkosi Dingiswayo*, the erection of a memorial commemorating the arrival of the Indian indentured labourers in KZN, the erection of a tombstone and the reburial of the remains of Johnny Makhathini, as well as the erection of a wall of remembrance and a tombstone for the victims of the Donnybrook Massacre. The amount in 2011/12 relates to the erection of 10 plaques in all districts in KZN commemorating the arrival of the Indian indentured labourers in KZN, and the erection of a wall of remembrance and tombstones for the victims of the Mahhehle Massacre. The increase in 2012/13 is a result of the building of wax statues to honour former ANC Presidents and King Shaka in various sites in KZN. The amount in 2013/14 caters for the erection of 18 historical graves and the building of six memorials or monuments. The 2014/15 MTEF amounts include the roll-over in respect of the commemoration of the arrival of the Indian indentured labourers, heritage events, as well as the unveilings, walls of remembrances and erection of tombstones, as identified by the Premier. The budget grows steadily over the seven-year period except a dip in 2015/16, which was caused by reprioritisation to Programme 2 against *Households* to cater for internal bursaries.

The 2011/12 and 2012/13 amounts against *Software and other intangible assets* relate to funds allocated for the Nerve Centre. Minimal funds have been allocated over the 2014/15 MTEF because, at this stage, all the required software has been purchased for the Nerve Centre. The necessary adjustments will be made in-year should any further purchases be required.

*Payments for financial assets* relates to losses written-off.

### **Service delivery measures – Programme 3: Policy and Governance**

Table 1.22 below provides information on the service delivery measures pertaining to Programme 3: Policy and Governance.

The OTP reworded some existing measures and also introduced several new performance indicators from 2013/14 onward.

Note that only a few main measures are reflected below, and the full set of measures is detailed in the department's APP.

**Table 1.22 : Service delivery measures – Programme 3: Policy and Governance**

Outputs	Performance indicators	Estimated performance		Medium-term targets		
		2013/14	2014/15	2015/16	2016/17	
<b>1</b>	<b>Special Programmes</b>					
1.1	To ensure representation of women and persons with disabilities at all levels of govt. work-force by 15% and 1.5% respectively by 31 March 2015	No. of sustainable programmes and projects, and no. of forums for vulnerable groups	Increase in no. of women and persons with disabilities in the public sector	Increase in no. of women and persons with disabilities in the public sector	Increase in no. of women and persons with disabilities in the public sector	Increase in no. of women and persons with disabilities in the public sector
1.2	To develop and monitor 4 annual plans and programmes on human rights for the provincial government of KZN	Level of Compliance Human Rights framework for co-ordinating policy issues affecting vulnerable groups	Annual review of provincial multi-sectoral plans for gender equality, disability, women, children and senior citizens' rights	Annual review of provincial multi-sectoral plans for gender equality, disability, women, children and senior citizens' rights	Annual review of provincial multi-sectoral plans for gender equality, disability, women, children and senior citizens' rights	Annual review of provincial multi-sectoral plans for gender equality, disability, women, children and older person's rights
<b>2</b>	<b>Provincial Policy Management</b>					
2.1	Determine the level of satisfaction of KZN citizens bi-annually	Determine the level of satisfaction of KZN citizens regularly bi-annually	Pilot survey completed	Analysis of pilot and feasibility	Roll out of citizens' survey	Annual citizen survey undertaken
2.2	To implement an automated PGDP M&E reporting framework by 31 September 2014	No. of automated PGDP M&E reports compiled by 31 March 2015	Government reviewed report of the 12 outcomes by October 2013	A fully functional automated PGDP M&E reporting framework by 31 September 2014	Continued maintenance of the automated M&E reporting framework	Review of the automated M&E framework
2.3	To monitor implementation of Management Performance Assessment (MPAT) improvement plans of 14 depts quarterly	No. of consolidated MPAT improvement reports tabled at the Governance and Administrative Cluster by 31 March 2015	14 MPAT improvement plans monitored and reported	14 MPAT assessments completed	14 MPAT assessments reports completed	MPAT impact-analytical reports completed
2.4	To provide professional secretarial and administrative support services to the Provincial Planning Commission (PPC)	Acceptable and informative planning secretariat support services to the PPC	Provided technical planning and secretariat support services to 8 PPC meetings	Provided technical planning and secretariat support services to 8 PPC meetings	Provided technical planning and secretariat support services to 8 PPC meetings	Provided technical planning and secretariat support services to 8 PPC meetings
<b>3</b>	<b>Premier's Priority Programmes</b>					
<b>3.1</b>	<b>Stakeholder Co-ordination</b>					
3.1.1	To establish one Provincial Government Stakeholder Forum by 31 July 2015	No. of meetings for integrated Provincial Intra Governmental Stakeholder Forum by 31 March 2015	Establish, support and facilitate the Provincial Intra Governmental Stakeholder Forum	Concept development and adoption	Implementation of the Provincial Intra Governmental Stakeholder Forum	Review of the Provincial Intra Governmental Stakeholder Forum
3.1.2	To develop and implement the Provincial Govt. Stakeholder Engagement and Management Strategy by 31 March 2015	Adopted Stakeholder Engagement and Management Strategy by March 2015	Devised Provincial Govt. Stakeholder Engagement and Management Strategy	Devised Provincial Govt. Stakeholder Engagement and Management Strategy	Devised Provincial Govt. Stakeholder Engagement and Management Strategy	Devised Provincial Govt. Stakeholder Engagement and Management Strategy
<b>3.2</b>	<b>Youth</b>					
3.2.1	To enhance youth skills development through effectively Implementation of the Youth Ambassadors programme annually	No. of implemented Youth Ambassadors programme annually	1 966 youth ambassadors in the province	Enhanced Youth Ambassadors programme	Enhanced Youth Ambassadors programme	Enhanced Youth Ambassadors programme
3.2.2	To co-ordinate and facilitate strategic events and projects annually	No. of events and projects annually	Youth month celebrations, incl. June 16 commemoration and 14 special projects	Youth month celebrations, incl. June 16 commemoration and 14 special projects	Youth month celebrations, incl. June 16 commemoration and 14 special projects	Youth month celebrations, incl. June 16 commemoration and 14 special projects
<b>4</b>	<b>Heritage</b>					
4.1	To co-ordinate the management, promotion and protection of heritage resources of KZN	No. of heritage events co-ordinated to profile previously marginalised resources	12	12	12	12
		No. of monuments or memorials erected	4	6	8	10
		No. of graves and burial grounds preserved and conserved	16	18	20	22
		No. of Premier's priority heritage projects	5	7	9	11
		No. of reports compiled or received from Amafa	4	4	4	4
		No. of research reports on family genealogies	4	14	16	18
		No. of research reports on liberation heritage	4	6	6	6

## 7. Other programme information

### 7.1 Personnel numbers and costs

Tables 1.23 and 1.24 reflect the personnel estimates for OTP, per programme, as well as a further breakdown of categories of personnel, as at 31 March 2011 to 31 March 2017.

The Finance component incorporates financial and management accounting services, supply chain management, integrity management and auxiliary and associated services. The personnel numbers for the 2014/15 MTEF show a department that is consistent, in an effort to match budget. As previously mentioned, the number of youth ambassadors have decreased to 1 966 in 2013/14 and over the MTEF.

Contract workers consist of the Premier's special advisors, as well as other employees employed on a contractual basis, including personnel required for special programmes. From 2011/12, the youth ambassadors are also included under contract workers.

**Table 1.23 : Personnel numbers and costs by programme**

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	127	125	156	167	166	167	167
2. Institutional Development	123	149	157	157	157	157	157
3. Policy and Governance of which Youth ambassadors	79	1 773	3 142	2 084	2 085	2 084	2 084
	-	1 607	3 024	1 966	1 966	1 966	1 966
<b>Total</b>	<b>329</b>	<b>2 047</b>	<b>3 455</b>	<b>2 408</b>	<b>2 408</b>	<b>2 408</b>	<b>2 408</b>
Total personnel cost (R thousand)	112 663	155 307	214 117	220 417	243 907	251 963	261 163
Unit cost (R thousand)	342	76	62	92	101	105	108

**Table 1.24 : Summary of departmental personnel numbers and costs by component**

	Audited 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 the department</b>									
Personnel numbers (head count)	329	2 047	3 455	2 408	2 408	2 408	2 408	2 408	2 408
Personnel cost (R thousands)	112 663	155 307	214 117	207 417	220 417	220 417	243 907	251 963	261 163
<b>Human resources component</b>									
Personnel numbers (head count)	29	27	19	29	114	114	114	114	114
Personnel cost (R thousands)	4 805	4 805	4 474	48 017	48 017	48 017	52 090	55 424	58 361
Head count as % of total for department	8.81	1.32	0.55	1.20	4.73	4.73	4.73	4.73	4.73
Personnel cost as % of total for department	4.26	3.09	2.09	23.15	21.78	21.78	21.36	22.00	22.35
<b>Finance component</b>									
Personnel numbers (head count)	99	101	105	105	105	105	105	105	105
Personnel cost (R thousands)	20 781	22 926	62 725	26 295	26 295	26 295	35 273	37 531	39 520
Head count as % of total for department	30.09	4.93	3.04	4.36	4.36	4.36	4.36	4.36	4.36
Personnel cost as % of total for department	18.45	14.76	29.29	12.68	11.93	11.93	14.46	14.90	15.13
<b>Full time workers</b>									
Personnel numbers (head count)	329	440	431	442	442	442	442	442	442
Personnel cost (R thousands)	112 663	155 307	210 628	164 960	207 417	207 417	233 116	233 095	245 448
Head count as % of total for department	100.00	21.49	12.47	18.36	18.36	18.36	18.36	18.36	18.36
Personnel cost as % of total for department	100.00	100.00	98.37	79.53	94.10	94.10	95.58	92.51	93.98
<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)	-	1 607	3 024	1 966	1 966	1 966	1 966	1 966	1 966
Personnel cost (R thousands)	-	25 900	62 354	42 457	46 638	46 638	47 141	55 966	55 966
Head count as % of total for department	-	78.51	87.53	81.64	81.64	81.64	81.64	81.64	81.64
Personnel cost as % of total for department	-	16.68	29.12	20.47	21.16	21.16	19.33	22.21	21.43

The department anticipates filling vacant posts in 2013/14 and over the 2014/15 MTEF. This also corresponds with the increase in the allocation for *Compensation of employees* over the period. Also, as mentioned, from 2011/12 onward, the Youth Ambassadors programme is catered for. This accounts for

the drop in the unit cost from 2010/11 to 2011/12, and the low unit cost when compared to other provincial departments from 2011/12 onward.

It must be noted that the number of youth ambassadors has decreased drastically to 1 966 in 2013/14 and over the 2014/15 MTEF in an effort to match the recruitments with the budget available.

## 7.2 Training

Tables 1.25 and 1.26 reflect payments and estimates on training per programme, providing actual and estimated expenditure on training for the period 2010/11 to 2013/14 and budgeted expenditure for the period 2014/15 to 2016/17. The department is required by the Skills Development Act to budget at least one per cent of its salary expense for staff training. The department has set aside one per cent of the total personnel costs in this regard. The training needs will be reviewed on an ongoing basis. This requirement gives credence to government policy on human resource development.

The budget increases steadily over the MTEF, as it is deemed necessary to train new appointees, as well as to develop and re-skill existing staff in line with the department's revised strategies, where appropriate. The peak in 2012/13 includes the R20 million allocated for the youth ambassador training by SANDF.

**Table 1.25 : Payments on training by programme**

R thousand	Audited 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>102</b>	<b>53</b>	<b>207</b>	<b>200</b>	<b>200</b>	<b>200</b>	<b>262</b>	<b>274</b>	<b>279</b>
Subsistence and travel	-	-	-	-	-	-	-	-	-
Payments on tuition	-	-	-	-	-	-	-	-	-
Other	102	53	207	200	200	200	262	274	279
<b>2. Institutional Development</b>	<b>996</b>	<b>639</b>	<b>1 535</b>	<b>1 825</b>	<b>1 825</b>	<b>1 825</b>	<b>1 946</b>	<b>2 036</b>	<b>2 041</b>
Subsistence and travel	-	-	-	-	-	-	-	-	-
Payments on tuition	-	-	-	-	-	-	-	-	-
Other	996	639	1 535	1 825	1 825	1 825	1 946	2 036	2 041
<b>3. Policy and Governance</b>	<b>89</b>	<b>181</b>	<b>20 740</b>	<b>1 110</b>	<b>1 110</b>	<b>1 110</b>	<b>1 125</b>	<b>1 177</b>	<b>1 182</b>
Subsistence and travel	-	-	-	-	-	-	-	-	-
Payments on tuition	-	-	-	-	-	-	-	-	-
Other	89	181	20 740	1 110	1 110	1 110	1 125	1 177	1 182
<b>Total</b>	<b>1 187</b>	<b>873</b>	<b>22 482</b>	<b>3 135</b>	<b>3 135</b>	<b>3 135</b>	<b>3 333</b>	<b>3 487</b>	<b>3 502</b>

**Table 1.26 : Information on training: Office of the Premier**

R thousand	Audited 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	440	1 877	3 464	2 408	2 408	2 408	2 408	2 408	2 408
Number of personnel trained	178	225	106	180	240	240	160	150	160
of which									
Male	69	90	39	80	70	70	55	45	50
Female	109	135	67	100	170	170	105	105	110
Number of training opportunities	192	212	18	19	14	14	20	22	32
of which									
Tertiary	-	-	-	-	-	-	-	-	-
Workshops	12	12	12	14	10	10	14	14	19
Seminars	8	15	6	5	4	4	6	8	13
Other	172	185	-	-	-	-	-	-	-
Number of bursaries offered	45	30	45	-	45	45	-	-	-
Number of interns appointed	22	24	38	36	38	38	36	38	43
Number of learnerships appointed	-	-	-	-	-	-	-	-	-
Number of days spent on training	-	-	-	-	-	-	-	-	-

It must be noted that, due to the effects of cost-cutting, there were no tertiary training opportunities provided to employees in 2010/11. A number of other training opportunities reflect an increase from 2010/11 to 2011/12 due to the appointment of a skills development facilitator who ensured that training gaps identified in the Personal Development Plans were dealt with, resulting in increased training opportunities. This is also reflected over the 2014/15 MTEF.



## ANNEXURE – VOTE 1: OFFICE OF THE PREMIER

Table 1.A : Details of departmental receipts: Office of the Premier

R thousand	Audited 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>	<b>351 440</b>	<b>405 857</b>	<b>447 730</b>	<b>453 682</b>	<b>453 682</b>	<b>473 628</b>	<b>572 705</b>	<b>648 227</b>	<b>732 728</b>
Casino taxes	305 583	337 435	383 056	385 479	385 479	404 531	490 803	556 890	630 869
Horse racing taxes	45 857	68 422	64 674	68 203	68 203	69 097	81 902	91 337	101 859
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
<b>Sale of goods and services other than capital assets</b>	<b>223</b>	<b>68</b>	<b>74</b>	<b>72</b>	<b>72</b>	<b>103</b>	<b>148</b>	<b>219</b>	<b>227</b>
Sale of goods and services produced by dept. (excl. capital assets)	223	68	74	72	72	103	148	219	227
Sales by market establishments	-	1	-	-	-	2	37	99	99
Administrative fees	-	-	-	-	-	-	-	-	-
Other sales	223	67	74	72	72	101	111	120	128
<i>Of which</i>									
Bookmakers licences	19	-	-	-	-	-	-	-	-
Housing rent recoveries	147	8	-	-	-	-	-	-	-
Serv rend: Commission Insurance	20	59	74	72	72	72	76	80	84
Sales: Dept publications	37	-	-	-	-	-	35	40	44
Sale of scrap, waste, arms and other used current goods (excl. capital assets)	-	-	-	-	-	-	-	-	-
<b>Transfers received from:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</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>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Interest, dividends and rent on land</b>	<b>6</b>	<b>-</b>	<b>5</b>	<b>-</b>	<b>-</b>	<b>4</b>	<b>1</b>	<b>1</b>	<b>1</b>
Interest	6	-	5	-	-	4	1	1	1
Dividends	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
<b>Sale of capital assets</b>	<b>-</b>	<b>688</b>	<b>180</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>300</b>	<b>270</b>	<b>135</b>
Land and sub-soil assets	-	-	180	-	-	-	-	-	-
Other capital assets	-	688	-	-	-	-	300	270	135
<b>Transactions in financial assets and liabilities</b>	<b>943</b>	<b>49</b>	<b>564</b>	<b>-</b>	<b>-</b>	<b>121</b>	<b>30</b>	<b>35</b>	<b>40</b>
<b>Total</b>	<b>352 612</b>	<b>406 662</b>	<b>448 553</b>	<b>453 754</b>	<b>453 754</b>	<b>473 856</b>	<b>573 184</b>	<b>648 752</b>	<b>733 131</b>

Table 1.B : Payments and estimates by economic classification: Office of the Premier

	Audited 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
<b>Current payments</b>	<b>374 345</b>	<b>412 292</b>	<b>539 654</b>	<b>539 712</b>	<b>655 033</b>	<b>655 033</b>	<b>623 229</b>	<b>605 316</b>	<b>632 178</b>
Compensation of employees	112 663	155 307	214 117	207 417	220 417	220 417	243 907	251 963	261 163
Salaries and wages	99 769	141 131	198 212	190 789	203 889	203 889	224 706	231 444	242 120
Social contributions	12 894	14 176	15 905	16 628	16 528	16 528	19 201	20 519	19 043
Goods and services	261 682	256 985	325 537	332 295	434 616	434 616	379 322	353 353	371 015
Administrative fees	2 039	1 664	2 041	1 669	2 053	2 053	2 849	3 130	3 313
Advertising	17 365	20 889	17 945	13 331	39 789	39 789	32 416	34 541	36 301
Assets less than the capitalisation threshold	1 051	955	782	12 333	2 783	2 783	16 928	18 108	19 101
Audit cost: External	2 842	2 668	2 969	3 000	3 100	3 100	2 300	2 250	2 369
Bursaries: Employees	390	287	127	290	480	480	680	835	880
Catering: Departmental activities	15 783	7 604	6 818	6 721	13 123	13 123	16 663	15 601	17 835
Communication (G&S)	19 337	8 389	9 545	16 224	12 391	12 391	11 735	11 998	12 693
Computer services	19 617	24 797	36 717	52 058	52 497	52 497	52 565	56 244	60 645
Cons & prof serv: Business and advisory services	9 736	25 551	74 121	66 800	72 325	72 325	77 750	53 357	54 627
Cons & prof serv: Infras and planning	-	-	-	4 700	4 700	4 700	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	983	358	74	1 771	1 342	1 342	461	386	459
Contractors	84 816	35 548	24 776	26 502	90 964	90 964	59 732	46 910	46 139
Agency and support / outsourced services	199	21 375	17 491	11 506	9 535	9 535	7 210	2 080	3 243
Entertainment	-	-	-	304	304	304	-	-	-
Fleet services (incl. govt motor transport)	11	2 286	2 965	-	2 856	2 856	3 165	3 337	3 512
Housing	52	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	920	1 230	1 294	1 765	1 765	1 765	-	-	-
Inventory: Fuel, oil and gas	23	7	11	144	144	144	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	197	234	69	1 954	1 954	1 954	-	-	-
Inventory: Medical supplies	5	35	13	259	259	259	-	-	-
Inventory: Medicine	-	55	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	5	-	-	-	-	-	-
Consumable supplies	256	1 962	356	736	1 734	1 734	2 775	2 604	2 663
Consumable: Stationery, printing and office supplies	6 638	7 934	8 200	16 742	9 269	9 269	6 369	7 328	7 962
Operating leases	13 612	13 804	11 432	9 609	10 559	10 559	10 852	14 618	15 324
Property payments	10 448	11 443	15 454	21 030	11 356	11 356	11 143	12 025	12 662
Transport provided: Departmental activity	6 868	8 923	7 188	10 151	16 071	16 071	9 275	9 695	10 103
Travel and subsistence	26 338	33 426	28 953	38 046	37 819	37 819	38 820	41 866	43 920
Training and development	6 031	909	28 548	3 135	4 954	4 954	6 821	5 746	6 115
Operating payments	1 023	1 922	1 352	1 860	822	822	207	226	336
Venues and facilities	15 102	22 678	26 198	9 655	29 668	29 668	8 606	10 468	10 813
Rental and hiring	-	52	93	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>42 035</b>	<b>61 362</b>	<b>105 527</b>	<b>73 319</b>	<b>85 284</b>	<b>85 284</b>	<b>93 272</b>	<b>93 536</b>	<b>98 418</b>
Provinces and municipalities	18	21	15 035	12	12	12	13	14	14
Provinces	18	21	35	12	12	12	13	14	14
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	18	21	35	12	12	12	13	14	14
Municipalities	-	-	15 000	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	15 000	-	-	-	-	-	-
Departmental agencies and accounts	36 688	41 394	62 235	65 026	70 976	70 976	71 289	70 641	74 385
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	36 688	41 394	62 235	65 026	70 976	70 976	71 289	70 641	74 385
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	12 000	8 030	-	-	-	-	-	-
Households	5 329	7 947	20 227	8 281	14 296	14 296	21 970	22 881	24 019
Social benefits	-	-	-	3	3	3	3	3	3
Other transfers to households	5 329	7 947	20 227	8 278	14 293	14 293	21 967	22 878	24 016
<b>Payments for capital assets</b>	<b>7 365</b>	<b>11 939</b>	<b>30 612</b>	<b>7 823</b>	<b>22 088</b>	<b>22 088</b>	<b>24 790</b>	<b>24 974</b>	<b>26 298</b>
Buildings and other fixed structures	-	-	5	-	5 701	5 701	15 697	16 417	17 288
Buildings	-	-	-	-	5 701	5 701	15 697	16 417	17 288
Other fixed structures	-	-	5	-	-	-	-	-	-
Machinery and equipment	6 712	3 949	6 279	2 708	7 572	7 572	4 033	4 233	4 457
Transport equipment	-	1 234	1 721	-	2 000	2 000	1 000	1 500	1 580
Other machinery and equipment	6 712	2 715	4 558	2 708	5 572	5 572	3 033	2 733	2 877
Heritage assets	323	1 722	10 794	4 865	8 815	8 815	5 000	4 000	4 212
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	7 018	-	-	-	-	-	-
Software and other intangible assets	330	6 268	6 516	250	-	-	60	324	341
<b>Payments for financial assets</b>	<b>62</b>	<b>7</b>	<b>28</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>423 807</b>	<b>485 600</b>	<b>675 821</b>	<b>620 854</b>	<b>762 405</b>	<b>762 405</b>	<b>741 291</b>	<b>723 826</b>	<b>756 894</b>

Table 1.C : Payments and estimates by economic classification: Administration

R thousand	Audited 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>92 926</b>	<b>108 038</b>	<b>137 133</b>	<b>154 078</b>	<b>194 825</b>	<b>194 825</b>	<b>201 468</b>	<b>169 438</b>	<b>175 208</b>
Compensation of employees	43 270	50 837	56 799	62 052	68 172	68 172	78 696	79 016	81 863
Salaries and wages	38 421	45 470	51 014	55 954	61 663	61 663	69 800	69 089	74 203
Social contributions	4 849	5 367	5 785	6 098	6 509	6 509	8 896	9 927	7 660
Goods and services	49 656	57 201	80 334	92 026	126 653	126 653	122 772	90 422	93 345
Administrative fees	661	599	456	463	566	566	574	651	664
Advertising	582	1 354	1 306	1 203	732	732	502	800	921
Assets less than the capitalisation threshold	437	373	287	1 181	1 160	1 160	773	1 152	1 212
Audit cost: External	2 683	2 668	2 969	3 000	3 100	3 100	2 300	2 250	2 369
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	3 284	1 919	2 703	2 340	3 183	3 183	3 017	3 211	4 354
Communication (G&S)	3 919	4 804	3 800	5 867	5 234	5 234	5 233	5 462	5 751
Computer services	491	36	1 869	1 102	8 299	8 299	8 065	9 929	7 137
Cons & prof serv: Business and advisory services	864	1 454	24 710	32 690	18 336	18 336	38 941	9 007	11 033
Cons & prof serv: Infras and planning	-	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	983	333	2	1 372	1 100	1 100	106	112	118
Contractors	8 057	5 862	2 408	1 841	38 322	38 322	20 319	12 727	12 198
Agency and support / outsourced services	-	2 171	1 679	3 339	1 180	1 180	5 000	-	-
Entertainment	-	-	-	154	154	154	-	-	-
Fleet services (incl. govt motor transport)	11	2 286	2 964	-	2 956	2 956	3 163	3 335	3 512
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	285	370	552	777	777	777	-	-	-
Inventory: Fuel, oil and gas	23	7	10	44	44	44	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	68	56	28	70	70	70	-	-	-
Inventory: Medical supplies	-	2	1	28	28	28	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medcas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	156	64	209	476	417	417	961	1 242	1 180
Consumable: Stationery, printing and office supplies	1 687	1 725	2 152	3 194	1 971	1 971	2 138	3 158	3 228
Operating leases	7 736	8 370	9 568	8 058	8 217	8 217	8 574	12 065	12 636
Property payments	5 891	7 782	8 500	6 729	8 346	8 346	7 942	8 283	8 722
Transport provided: Departmental activity	816	135	392	300	320	320	170	270	179
Travel and subsistence	9 397	10 005	11 342	13 145	9 950	9 950	13 155	14 656	15 843
Training and development	102	54	148	200	577	577	802	1 014	1 131
Operating payments	133	328	222	143	22	22	37	48	51
Venues and facilities	1 390	4 392	2 040	4 310	11 592	11 592	1 000	1 050	1 106
Rental and hiring	-	52	17	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>5 148</b>	<b>892</b>	<b>16 227</b>	<b>1 290</b>	<b>1 290</b>	<b>1 290</b>	<b>1 333</b>	<b>1 395</b>	<b>1 468</b>
Provinces and municipalities	18	21	15 035	12	12	12	13	14	14
Provinces	18	21	35	12	12	12	13	14	14
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	18	21	35	12	12	12	13	14	14
Municipalities	-	-	15 000	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	15 000	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	5 130	871	1 192	1 278	1 278	1 278	1 320	1 381	1 454
Social benefits	-	-	-	-	-	-	-	-	-
Other transfers to households	5 130	871	1 192	1 278	1 278	1 278	1 320	1 381	1 454
<b>Payments for capital assets</b>	<b>3 656</b>	<b>1 825</b>	<b>3 003</b>	<b>1 586</b>	<b>9 771</b>	<b>9 771</b>	<b>3 189</b>	<b>3 392</b>	<b>3 572</b>
Buildings and other fixed structures	-	-	5	-	5 701	5 701	697	727	766
Buildings	-	-	-	-	5 701	5 701	697	727	766
Other fixed structures	-	-	5	-	-	-	-	-	-
Machinery and equipment	3 654	1 825	2 985	1 336	4 070	4 070	2 492	2 403	2 530
Transport equipment	-	1 234	1 721	-	2 000	2 000	1 000	1 500	1 580
Other machinery and equipment	3 654	591	1 264	1 336	2 070	2 070	1 492	903	950
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	2	-	13	250	-	-	-	262	276
<b>Payments for financial assets</b>	<b>8</b>	<b>6</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>101 738</b>	<b>110 761</b>	<b>156 363</b>	<b>156 954</b>	<b>205 886</b>	<b>205 886</b>	<b>205 990</b>	<b>174 225</b>	<b>180 248</b>

Table 1.D : Payments and estimates by economic classification: Institutional Development

R thousand	Audited 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>92 629</b>	<b>97 524</b>	<b>115 870</b>	<b>136 874</b>	<b>158 134</b>	<b>158 134</b>	<b>157 258</b>	<b>163 855</b>	<b>175 237</b>
Compensation of employees	43 171	48 156	55 791	60 644	61 644	61 644	65 230	68 092	72 543
Salaries and wages	37 947	42 391	49 199	55 003	55 970	55 970	59 397	61 928	66 053
Social contributions	5 224	5 765	6 592	5 641	5 674	5 674	5 833	6 164	6 490
Goods and services	49 458	49 368	60 079	76 230	96 490	96 490	92 028	95 763	102 694
Administrative fees	273	207	128	259	223	223	322	351	369
Advertising	3 838	12 422	12 379	4 591	25 185	25 185	27 944	29 236	30 636
Assets less than the capitalisation threshold	468	407	387	958	726	726	1 077	1 023	1 077
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	390	285	127	220	220	220	400	500	527
Catering: Departmental activities	714	722	946	893	2 536	2 536	941	1 255	1 322
Communication (G&S)	4 770	3 579	5 272	6 044	5 602	5 602	5 576	5 586	5 882
Computer services	9 355	7 418	10 832	17 917	17 231	17 231	17 740	18 451	21 535
Cons & prof serv: Business and advisory services	4 166	2 490	8 482	12 556	540	540	20	5	5
Cons & prof serv: Infras and planning	-	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	-	25	72	249	205	205	205	224	236
Contractors	2 030	2 528	2 057	4 102	18 583	18 583	17 994	19 133	20 047
Agency and support / outsourced services	25	481	1 681	135	1 050	1 050	450	320	337
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	-	-	-	-	-	-	2	2	-
Housing	36	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	21	22	113	145	145	145	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	95	175	28	64	64	64	-	-	-
Inventory: Medical supplies	4	31	10	19	19	19	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	58	153	144	135	216	216	366	401	423
Consumable: Stationery, printing and office supplies	2 876	2 960	2 120	2 962	3 486	3 486	1 589	1 798	1 894
Operating leases	5 454	4 943	1 279	738	1 312	1 312	1 429	1 646	1 734
Property payments	4 527	3 655	6 947	14 301	4 770	4 770	3 201	3 742	3 940
Transport provided: Departmental activity	191	6	387	-	2 250	2 250	-	300	316
Travel and subsistence	3 210	4 615	4 016	7 150	7 233	7 233	7 154	7 543	7 941
Training and development	5 840	674	1 203	1 825	3 710	3 710	5 038	3 788	3 990
Operating payments	127	712	89	187	84	84	20	20	21
Venues and facilities	990	858	1 380	780	1 100	1 100	560	439	462
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>93</b>	<b>7 076</b>	<b>19 029</b>	<b>7 003</b>	<b>13 018</b>	<b>13 018</b>	<b>20 650</b>	<b>21 500</b>	<b>22 565</b>
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	93	7 076	19 029	7 003	13 018	13 018	20 650	21 500	22 565
Social benefits	-	-	-	3	3	3	3	3	3
Other transfers to households	93	7 076	19 029	7 000	13 015	13 015	20 647	21 497	22 562
<b>Payments for capital assets</b>	<b>2 533</b>	<b>903</b>	<b>10 005</b>	<b>1 332</b>	<b>2 820</b>	<b>2 820</b>	<b>16 250</b>	<b>16 977</b>	<b>17 877</b>
Buildings and other fixed structures	-	-	-	-	-	-	15 000	15 690	16 522
Buildings	-	-	-	-	-	-	15 000	15 690	16 522
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	2 205	903	2 981	1 332	2 820	2 820	1 250	1 287	1 355
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	2 205	903	2 981	1 332	2 820	2 820	1 250	1 287	1 355
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	7 018	-	-	-	-	-	-
Software and other intangible assets	328	-	6	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>20</b>	<b>1</b>	<b>5</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>95 275</b>	<b>105 504</b>	<b>144 909</b>	<b>145 209</b>	<b>173 972</b>	<b>173 972</b>	<b>194 158</b>	<b>202 332</b>	<b>215 679</b>

Table 1.E : Payments and estimates by economic classification: Policy and Governance

R thousand	Audited 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>188 790</b>	<b>206 730</b>	<b>286 651</b>	<b>248 760</b>	<b>302 074</b>	<b>302 074</b>	<b>264 503</b>	<b>272 023</b>	<b>281 733</b>
Compensation of employees	26 222	56 314	101 527	84 721	90 601	90 601	99 981	104 855	106 757
Salaries and wages	23 401	53 270	97 999	79 832	86 256	86 256	95 509	100 427	101 864
Social contributions	2 821	3 044	3 528	4 889	4 345	4 345	4 472	4 428	4 893
Goods and services	162 568	150 416	185 124	164 039	211 473	211 473	164 522	167 168	174 976
Administrative fees	1 105	858	1 457	947	1 264	1 264	1 953	2 128	2 280
Advertising	12 945	7 113	4 260	7 537	13 872	13 872	3 970	4 505	4 744
Assets less than the capitalisation threshold	146	175	108	10 194	897	897	15 078	15 933	16 812
Audit cost: External	159	-	-	-	-	-	-	-	-
Bursaries: Employees	-	2	-	70	260	260	280	335	353
Catering: Departmental activities	11 785	4 963	3 169	3 488	7 404	7 404	12 705	11 135	12 159
Communication (G&S)	10 648	6	473	4 313	1 555	1 555	926	950	1 060
Computer services	9 771	17 343	24 016	33 039	26 967	26 967	26 760	27 864	31 973
Cons & prof serv: Business and advisory services	4 706	21 607	40 929	21 554	53 449	53 449	38 789	44 345	43 589
Cons & prof serv: Infras and planning	-	-	-	4 700	4 700	4 700	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	-	-	-	150	37	37	150	50	105
Contractors	74 729	27 158	20 311	20 559	34 059	34 059	21 419	15 050	13 894
Agency and support / outsourced services	174	18 723	14 131	8 032	7 305	7 305	1 760	1 760	2 906
Entertainment	-	-	-	150	150	150	-	-	-
Fleet services (incl. govt motor transport)	-	-	1	-	(100)	(100)	-	-	-
Housing	16	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	614	838	629	843	843	843	-	-	-
Inventory: Fuel, oil and gas	-	-	1	100	100	100	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	34	3	13	1 820	1 820	1 820	-	-	-
Inventory: Medical supplies	1	2	2	212	212	212	-	-	-
Inventory: Medicine	-	55	-	-	-	-	-	-	-
Medcas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	5	-	-	-	-	-	-
Consumable supplies	42	1 745	3	125	1 101	1 101	1 448	961	1 060
Consumable: Stationery, printing and office supplies	2 075	3 249	3 928	10 586	3 812	3 812	2 642	2 372	2 840
Operating leases	422	491	585	813	1 030	1 030	849	907	954
Property payments	30	6	7	-	(1 760)	(1 760)	-	-	-
Transport provided: Departmental activity	5 861	8 782	6 409	9 851	13 501	13 501	9 105	9 125	9 608
Travel and subsistence	13 731	18 806	13 595	17 751	20 636	20 636	18 511	19 667	20 136
Training and development	89	181	27 197	1 110	667	667	981	944	994
Operating payments	763	882	1 041	1 530	716	716	150	158	264
Venues and facilities	12 722	17 428	22 778	4 565	16 976	16 976	7 046	8 979	9 245
Rental and hiring	-	-	76	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>36 794</b>	<b>53 394</b>	<b>70 271</b>	<b>65 026</b>	<b>70 976</b>	<b>70 976</b>	<b>71 289</b>	<b>70 641</b>	<b>74 385</b>
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	36 688	41 394	62 235	65 026	70 976	70 976	71 289	70 641	74 385
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	36 688	41 394	62 235	65 026	70 976	70 976	71 289	70 641	74 385
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	12 000	8 030	-	-	-	-	-	-
Households	106	-	6	-	-	-	-	-	-
Social benefits	-	-	-	-	-	-	-	-	-
Other transfers to households	106	-	6	-	-	-	-	-	-
<b>Payments for capital assets</b>	<b>1 176</b>	<b>9 211</b>	<b>17 604</b>	<b>4 905</b>	<b>9 497</b>	<b>9 497</b>	<b>5 351</b>	<b>4 605</b>	<b>4 849</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	853	1 221	313	40	682	682	291	543	572
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	853	1 221	313	40	682	682	291	543	572
Heritage assets	323	1 722	10 794	4 865	8 815	8 815	5 000	4 000	4 212
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	6 268	6 497	-	-	-	60	62	65
<b>Payments for financial assets</b>	<b>34</b>	<b>-</b>	<b>23</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>226 794</b>	<b>269 335</b>	<b>374 549</b>	<b>318 691</b>	<b>382 547</b>	<b>382 547</b>	<b>341 143</b>	<b>347 269</b>	<b>360 967</b>

Table 1.F : Office of the Premier - Payments of infrastructure by category

Table 1: Infrastructure Program - Expenditure by Category															
No.	Project name	Municipality/Region	Type of infrastructure		Project duration		Source of funding	Budget programme name	Targeted number of jobs for 2014/15	Total project cost	Expenditure to date from previous years	Total available	MTEF Forward estimates		
					Date: Start	Date: Finish							MTEF 2015/16	MTEF 2016/17	
R thousands															
New and replacement assets															
1	Provincial Public Service training Academy	eThekwinini	Admin Block	1	01 April 2014	31 March 2016	Equitable share	Programme 2	-	-	-	15 697	16 417	17 288	
Total New and replacement assets															
Upgrades and additions															
Rehabilitation, renovations and refurbishments															
Maintenance and repairs															
1	Provincial Public Service Training Academy	eThekwinini	Admin Block	1	01 April 2011	01 March 2016	Equitable share	Programme 2	-	89 550	-	-	-	-	
2	Moses Mabhida Building	Msunduzi	Maintenance and repairs	3	01 April 2011	01 March 2016	Equitable Share	Programme 1	-	4 164	-	1 400	1 464	1 541	
Total Maintenance and repairs															
Infrastructure transfers - current															
Infrastructure transfers - capital															
Total Office of the Premier Infrastructure															
									-	93 714	-	17 097	17 881	18 829	

Table 1.G : Summary of transfers to local government

R thousand	Audited 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>A KZN2000 eThekweni</b>	-	-	15 000	-	-	-	-	-	-
<b>Total: Ugu Municipalities</b>	-	-	-	-	-	-	-	-	-
B KZN211 Vulamehlo	-	-	-	-	-	-	-	-	-
B KZN212 Umdoni	-	-	-	-	-	-	-	-	-
B KZN213 Umzumbe	-	-	-	-	-	-	-	-	-
B KZN214 uMuziwabantu	-	-	-	-	-	-	-	-	-
B KZN215 Ezingoleni	-	-	-	-	-	-	-	-	-
B KZN216 Hibiscus Coast	-	-	-	-	-	-	-	-	-
C DC21 Ugu District Municipality	-	-	-	-	-	-	-	-	-
<b>Total: uMgungundlovu Municipalities</b>	-	-	-	-	-	-	-	-	-
B KZN221 uMshwathi	-	-	-	-	-	-	-	-	-
B KZN222 uMngeni	-	-	-	-	-	-	-	-	-
B KZN223 Mpopana	-	-	-	-	-	-	-	-	-
B KZN224 Impendle	-	-	-	-	-	-	-	-	-
B KZN225 Msunduzi	-	-	-	-	-	-	-	-	-
B KZN226 Mkhambathini	-	-	-	-	-	-	-	-	-
B KZN227 Richmond	-	-	-	-	-	-	-	-	-
C DC22 uMgungundlovu District Municipality	-	-	-	-	-	-	-	-	-
<b>Total: Uthukela Municipalities</b>	-	-	-	-	-	-	-	-	-
B KZN232 Emnambithi/Ladysmith	-	-	-	-	-	-	-	-	-
B KZN233 Indaka	-	-	-	-	-	-	-	-	-
B KZN234 Umtshezi	-	-	-	-	-	-	-	-	-
B KZN235 Okhahlamba	-	-	-	-	-	-	-	-	-
B KZN236 Imbabazane	-	-	-	-	-	-	-	-	-
C DC23 Uthukela District Municipality	-	-	-	-	-	-	-	-	-
<b>Total: Umzinyathi Municipalities</b>	-	-	-	-	-	-	-	-	-
B KZN241 Endumeni	-	-	-	-	-	-	-	-	-
B KZN242 Nqutu	-	-	-	-	-	-	-	-	-
B KZN244 Msinga	-	-	-	-	-	-	-	-	-
B KZN245 Umvoti	-	-	-	-	-	-	-	-	-
C DC24 Umzinyathi District Municipality	-	-	-	-	-	-	-	-	-
<b>Total: Amajuba Municipalities</b>	-	-	-	-	-	-	-	-	-
B KZN252 Newcastle	-	-	-	-	-	-	-	-	-
B KZN253 eMadlangeni	-	-	-	-	-	-	-	-	-
B KZN254 Dannhauser	-	-	-	-	-	-	-	-	-
C DC25 Amajuba District Municipality	-	-	-	-	-	-	-	-	-
<b>Total: Zululand Municipalities</b>	-	-	-	-	-	-	-	-	-
B KZN261 eDumbe	-	-	-	-	-	-	-	-	-
B KZN262 uPhongolo	-	-	-	-	-	-	-	-	-
B KZN263 Abaqulusi	-	-	-	-	-	-	-	-	-
B KZN265 Nongoma	-	-	-	-	-	-	-	-	-
B KZN266 Ulundi	-	-	-	-	-	-	-	-	-
C DC26 Zululand District Municipality	-	-	-	-	-	-	-	-	-
<b>Total: Umkhanyakude Municipalities</b>	-	-	-	-	-	-	-	-	-
B KZN271 Umhlabyalingana	-	-	-	-	-	-	-	-	-
B KZN272 Jozini	-	-	-	-	-	-	-	-	-
B KZN273 The Big 5 False Bay	-	-	-	-	-	-	-	-	-
B KZN274 Hlabisa	-	-	-	-	-	-	-	-	-
B KZN275 Mtubatuba	-	-	-	-	-	-	-	-	-
C DC27 Umkhanyakude District Municipality	-	-	-	-	-	-	-	-	-
<b>Total: uThungulu Municipalities</b>	-	-	-	-	-	-	-	-	-
B KZN281 Umfolozi	-	-	-	-	-	-	-	-	-
B KZN282 uMhlathuze	-	-	-	-	-	-	-	-	-
B KZN283 Ntambanana	-	-	-	-	-	-	-	-	-
B KZN284 uMlalazi	-	-	-	-	-	-	-	-	-
B KZN285 Mthonjaneni	-	-	-	-	-	-	-	-	-
B KZN286 Nkandla	-	-	-	-	-	-	-	-	-
C DC28 uThungulu District Municipality	-	-	-	-	-	-	-	-	-
<b>Total: Ilembe Municipalities</b>	-	-	-	-	-	-	-	-	-
B KZN291 Mandeni	-	-	-	-	-	-	-	-	-
B KZN292 KwaDukuza	-	-	-	-	-	-	-	-	-
B KZN293 Ndwedwe	-	-	-	-	-	-	-	-	-
B KZN294 Maphumulo	-	-	-	-	-	-	-	-	-
C DC29 Ilembe District Municipality	-	-	-	-	-	-	-	-	-
<b>Total: Sisonke Municipalities</b>	-	-	-	-	-	-	-	-	-
B KZN431 Ingwe	-	-	-	-	-	-	-	-	-
B KZN432 Kwa Sani	-	-	-	-	-	-	-	-	-
B KZN433 Greater Kokstad	-	-	-	-	-	-	-	-	-
B KZN434 Ubuhlebezwe	-	-	-	-	-	-	-	-	-
B KZN435 Umzimkulu	-	-	-	-	-	-	-	-	-
C DC43 Sisonke District Municipality	-	-	-	-	-	-	-	-	-
<b>Unallocated</b>	-	-	-	-	-	-	-	-	-
<b>Total</b>	-	-	15 000	-	-	-	-	-	-

Table 1.H : Financial summary for KZN Gaming and Betting Board (KZNGBB)

	Audited outcome			Revised Estimate	Medium-term Estimates		
R thousand	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
<b>Revenue</b>	-	-	-	-	-	-	-
<b>Tax revenue</b>	-	-	-	-	-	-	-
<b>Non-tax revenue</b>	<b>12 969</b>	<b>13 251</b>	<b>14 255</b>	<b>12 805</b>	<b>20 073</b>	<b>21 619</b>	<b>22 320</b>
Sale of goods and services other than capital assets	11 396	11 397	12 610	11 305	18 837	20 321	20 957
Of which:							
Other sales	11 396	11 397	12 610	11 305	18 837	20 321	20 957
Fines penalties and forfeits	-	-	-	-	-	-	-
Interest, dividends and rent on land	-	1 854	1 645	1 500	1 236	1 298	1 363
Other non-tax revenue	1 573	-	-	-	-	-	-
<b>Transfers received</b>	<b>16 356</b>	<b>17 337</b>	<b>35 775</b>	<b>41 881</b>	<b>39 276</b>	<b>40 664</b>	<b>42 819</b>
<b>Sale of capital assets</b>	-	<b>379</b>	-	-	-	-	-
<b>Total revenue</b>	<b>29 325</b>	<b>30 967</b>	<b>50 030</b>	<b>54 686</b>	<b>59 349</b>	<b>62 283</b>	<b>65 139</b>
<b>Expenses</b>							
<b>Current expense</b>	<b>21 867</b>	<b>35 143</b>	<b>43 158</b>	<b>49 736</b>	<b>57 849</b>	<b>60 533</b>	<b>63 139</b>
Compensation of employees	14 014	21 579	26 824	33 283	36 693	39 024	41 461
Use of goods and services	7 554	12 480	15 445	15 823	20 166	20 519	20 688
Depreciation	299	1 084	889	630	990	990	990
Interest, dividends and rent on land	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	-	-	-	-	-	-	-
<b>Total expenses</b>	<b>21 867</b>	<b>35 143</b>	<b>43 158</b>	<b>49 736</b>	<b>57 849</b>	<b>60 533</b>	<b>63 139</b>
<b>Surplus / (Deficit)*</b>	<b>7 458</b>	<b>(4 176)</b>	<b>6 872</b>	<b>4 950</b>	<b>1 500</b>	<b>1 750</b>	<b>2 000</b>
<b>Cash flow summary</b>							
Adjust surplus / (deficit) for accrual transactions	299	757	816	630	1 990	1 990	1 990
Adjustments for:							
Depreciation	299	1 084	889	630	1 990	1 990	1 990
Interest	-	-	-	-	-	-	-
Net (profit) / loss on disposal of fixed assets	-	(380)	(73)	-	-	-	-
Other	-	53	-	-	-	-	-
<b>Operating surplus / (deficit) before changes in working capital</b>	<b>7 757</b>	<b>(3 419)</b>	<b>7 688</b>	<b>5 580</b>	<b>3 490</b>	<b>3 740</b>	<b>3 990</b>
Changes in working capital	537	4 509	703	35	94	194	349
(Decrease) / increase in accounts payable	186	3 121	958	(20)	198	300	400
Decrease / (increase) in accounts receivable	117	1 696	(166)	(45)	(184)	(126)	(91)
(Decrease) / increase in provisions	234	(308)	(89)	100	80	20	40
<b>Cash flow from operating activities</b>	<b>8 294</b>	<b>1 090</b>	<b>8 391</b>	<b>5 615</b>	<b>3 584</b>	<b>3 934</b>	<b>4 339</b>
Transfers from government	16 356	17 337	35 775	41 881	39 276	40 664	42 819
Capital	-	-	-	4 450	-	-	-
Current	16 356	17 337	35 775	37 431	39 276	40 664	42 819
<b>Cash flow from investing activities</b>	<b>(381)</b>	<b>42 764</b>	<b>(685)</b>	<b>(4 950)</b>	<b>(1 500)</b>	<b>(1 750)</b>	<b>(2 000)</b>
<b>Acquisition of assets</b>	<b>(381)</b>	<b>(979)</b>	<b>(685)</b>	<b>(4 950)</b>	<b>(1 500)</b>	<b>(1 750)</b>	<b>(2 000)</b>
Computer equipment	(148)	(235)	(517)	(4 700)	(1 100)	(1 200)	(1 250)
Furniture and office equipment	-	(30)	(69)	(100)	(150)	(200)	(250)
Transport assets	-	(361)	-	-	-	-	-
Computer software	(233)	(353)	(99)	(150)	(250)	(350)	(500)
<b>Other flows from investing activities</b>	-	<b>43 743</b>	-	-	-	-	-
<b>Cash flow from financing activities</b>	-	<b>(9 782)</b>	-	-	-	-	-
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>7 913</b>	<b>34 072</b>	<b>7 706</b>	<b>665</b>	<b>2 084</b>	<b>2 184</b>	<b>2 339</b>
<b>Statement of financial position</b>							
<b>Carrying value of assets</b>	<b>379</b>	<b>2 396</b>	<b>2 265</b>	<b>6 585</b>	<b>6 095</b>	<b>5 855</b>	<b>5 865</b>
Computer equipment	99	839	940	5 768	5 168	4 668	4 218
Furniture and office equipment	94	550	511	485	560	685	860
Transport assets	-	451	350	195	145	95	45
Computer software	186	556	464	137	222	407	742
<b>Investments</b>	-	-	<b>13 020</b>	<b>13 020</b>	<b>13 020</b>	<b>13 020</b>	<b>13 020</b>
Current	-	-	13 020	13 020	13 020	13 020	13 020
<b>Cash and cash equivalents</b>	<b>37 090</b>	<b>34 072</b>	<b>28 758</b>	<b>29 423</b>	<b>31 507</b>	<b>33 691</b>	<b>36 030</b>
Bank	37 090	34 071	28 757	29 422	31 506	33 690	36 029
Cash on hand	-	1	1	1	1	1	1
<b>Receivables and prepayments</b>	<b>594</b>	<b>723</b>	<b>890</b>	<b>935</b>	<b>1 119</b>	<b>1 245</b>	<b>1 336</b>
Trade receivables	594	100	31	150	270	324	341
Other receivables	-	504	477	385	424	466	490
Prepaid expenses	-	119	382	400	425	455	505
<b>Inventory</b>	-	-	-	-	-	-	-
<b>Total assets</b>	<b>38 063</b>	<b>37 191</b>	<b>44 933</b>	<b>49 963</b>	<b>51 741</b>	<b>53 811</b>	<b>56 251</b>
<b>Capital and reserves</b>	<b>25 817</b>	<b>20 906</b>	<b>27 778</b>	<b>32 728</b>	<b>34 228</b>	<b>35 978</b>	<b>37 978</b>
Accumulated reserves	18 359	25 082	20 906	27 778	32 728	34 228	35 978
Surplus / (Deficit)	7 458	(4 176)	6 872	4 950	1 500	1 750	2 000
<b>Borrowings</b>	-	-	-	-	-	-	-
<b>Post retirement benefits</b>	-	-	-	-	-	-	-
<b>Trade and other payables</b>	<b>2 797</b>	<b>1 868</b>	<b>3 796</b>	<b>3 776</b>	<b>3 974</b>	<b>4 274</b>	<b>4 674</b>
Trade payables	682	972	1 074	1 254	1 374	1 574	1 824
Other	2 115	896	2 722	2 522	2 600	2 700	2 850
<b>Deferred income</b>	<b>8 153</b>	<b>13 310</b>	<b>12 341</b>	<b>12 341</b>	<b>12 341</b>	<b>12 341</b>	<b>12 341</b>
<b>Provisions</b>	<b>1 296</b>	<b>1 107</b>	<b>1 018</b>	<b>1 118</b>	<b>1 198</b>	<b>1 218</b>	<b>1 258</b>
Leave pay provision	1 296	1 107	1 018	1 118	1 198	1 218	1 258
<b>Funds managed (e.g. Poverty alleviation fund)</b>	-	-	-	-	-	-	-
<b>Contingent liabilities</b>	-	-	-	-	-	-	-
<b>Total equity and liabilities</b>	<b>38 063</b>	<b>37 191</b>	<b>44 933</b>	<b>49 963</b>	<b>51 741</b>	<b>53 811</b>	<b>56 251</b>

\*Note: The surplus reflected is as a result of the accounting treatment of the purchase of capital items.



Table 1.1 : Financial summary for Amafa aKwaZulu-Natali (Amafa)

R thousand	Audited outcome			Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
<b>Revenue</b>	-	-	-	-	-	-	-
<b>Tax revenue</b>	-	-	-	-	-	-	-
<b>Non-tax revenue</b>	<b>2 663</b>	<b>3 087</b>	<b>3 733</b>	<b>1 765</b>	<b>1 260</b>	<b>1 300</b>	<b>1 340</b>
Sale of goods and services other than capital assets	1 519	1 950	884	720	760	800	840
Of which:							
Other sales	1 519	1 950	884	720	760	800	840
Interest, dividends and rent on land	1 144	1 137	2 849	1 045	500	500	500
Other non-tax revenue	-	-	-	-	-	-	-
<b>Transfers received</b>	<b>20 332</b>	<b>24 057</b>	<b>26 460</b>	<b>29 095</b>	<b>32 013</b>	<b>29 977</b>	<b>31 566</b>
<b>Sale of capital assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total revenue</b>	<b>22 995</b>	<b>27 144</b>	<b>30 193</b>	<b>30 860</b>	<b>33 273</b>	<b>31 277</b>	<b>32 906</b>
<b>Expenses</b>							
<b>Current expense</b>	<b>25 399</b>	<b>25 543</b>	<b>30 241</b>	<b>30 860</b>	<b>34 873</b>	<b>32 877</b>	<b>34 506</b>
Compensation of employees	15 611	17 168	17 928	19 214	22 108	23 523	25 005
Use of goods and services	7 960	6 839	10 758	10 046	11 165	7 754	7 901
Depreciation	1 828	1 536	1 555	1 600	1 600	1 600	1 600
<b>Transfers and subsidies</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total expenses</b>	<b>25 399</b>	<b>25 543</b>	<b>30 241</b>	<b>30 860</b>	<b>34 873</b>	<b>32 877</b>	<b>34 506</b>
<b>Surplus / (Deficit)*</b>	<b>(2 404)</b>	<b>1 601</b>	<b>(48)</b>	<b>-</b>	<b>(1 600)</b>	<b>(1 600)</b>	<b>(1 600)</b>
<b>Cash flow summary</b>							
Adjust surplus / (deficit) for accrual transactions	1 846	1 546	1 539	1 600	1 600	1 600	1 600
Adjustments for:							
Depreciation	1 828	1 536	1 555	1 600	1 600	1 600	1 600
Net (profit) / loss on disposal of fixed assets	18	10	(16)	-	-	-	-
<b>Operating surplus / (deficit) before changes in working capital</b>	<b>(558)</b>	<b>3 147</b>	<b>1 491</b>	<b>1 600</b>	<b>-</b>	<b>-</b>	<b>-</b>
Changes in working capital	160	(223)	603	-	(150)	-	-
(Decrease) / increase in accounts payable	(135)	33	133	-	(150)	-	-
Decrease / (increase) in accounts receivable	256	(302)	781	-	-	-	-
(Decrease) / increase in provisions	39	46	(311)	-	-	-	-
<b>Cash flow from operating activities</b>	<b>(398)</b>	<b>2 924</b>	<b>2 094</b>	<b>1 600</b>	<b>(150)</b>	<b>-</b>	<b>-</b>
Transfers from government	20 332	24 057	26 460	29 095	32 013	29 977	31 566
Capital	-	-	-	-	-	-	-
Current	20 332	24 057	26 460	29 095	32 013	29 977	31 566
<b>Cash flow from investing activities</b>	<b>(1 972)</b>	<b>(823)</b>	<b>(376)</b>	<b>(1 990)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Acquisition of assets</b>	<b>(1 972)</b>	<b>(823)</b>	<b>(376)</b>	<b>(1 990)</b>	<b>-</b>	<b>-</b>	<b>-</b>
Non-residential buildings	(894)	(122)	(48)	(58)	-	-	-
Computer equipment	(18)	(106)	(22)	(127)	-	-	-
Furniture and office equipment	(840)	(595)	(306)	(305)	-	-	-
Transport assets	(220)	-	-	(1 500)	-	-	-
<b>Other flows from investing activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash flow from financing activities</b>	<b>74</b>	<b>8</b>	<b>31</b>	<b>300</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>(2 296)</b>	<b>2 109</b>	<b>1 749</b>	<b>(90)</b>	<b>(150)</b>	<b>-</b>	<b>-</b>
<b>Statement of financial position</b>							
<b>Carrying value of assets</b>	<b>33 201</b>	<b>32 470</b>	<b>31 247</b>	<b>30 951</b>	<b>29 417</b>	<b>27 903</b>	<b>26 389</b>
Non-residential buildings	24 772	24 371	23 897	23 432	22 909	22 386	21 863
Computer equipment	28	74	55	20	-	-	-
Furniture and office equipment	6 422	6 281	5 820	4 749	3 983	3 217	2 451
Transport assets	1 979	1 744	1 475	2 750	2 525	2 300	2 075
<b>Investments</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash and cash equivalents</b>	<b>16 243</b>	<b>18 352</b>	<b>20 101</b>	<b>20 386</b>	<b>20 170</b>	<b>20 084</b>	<b>19 998</b>
Bank	16 243	18 352	20 101	20 386	20 170	20 084	19 998
<b>Receivables and prepayments</b>	<b>384</b>	<b>346</b>	<b>94</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Trade receivables	105	113	94	-	-	-	-
Prepaid expenses	182	233	-	-	-	-	-
Accrued income	97	-	-	-	-	-	-
<b>Inventory</b>	<b>971</b>	<b>1 311</b>	<b>813</b>	<b>850</b>	<b>850</b>	<b>850</b>	<b>850</b>
Trade	971	1 311	813	850	850	850	850
<b>Total assets</b>	<b>50 799</b>	<b>52 479</b>	<b>52 255</b>	<b>52 187</b>	<b>50 437</b>	<b>48 837</b>	<b>47 237</b>
<b>Capital and reserves</b>	<b>49 421</b>	<b>51 022</b>	<b>50 974</b>	<b>50 974</b>	<b>49 374</b>	<b>47 774</b>	<b>46 174</b>
Accumulated reserves	52 393	49 421	51 022	50 974	50 974	49 374	47 774
Surplus / (deficit)	(2 404)	1 601	(48)	-	(1 600)	(1 600)	(1 600)
Other	(568)	-	-	-	-	-	-
<b>Borrowings</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Post retirement benefits</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Trade and other payables</b>	<b>49</b>	<b>83</b>	<b>218</b>	<b>150</b>	<b>-</b>	<b>-</b>	<b>-</b>
Trade payables	49	83	218	150	-	-	-
<b>Deferred income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Provisions</b>	<b>1 329</b>	<b>1 374</b>	<b>1 063</b>	<b>1 063</b>	<b>1 063</b>	<b>1 063</b>	<b>1 063</b>
Leave pay provision	944	963	657	657	657	657	657
Bonus pay provision	385	411	406	406	406	406	406
<b>Funds managed (e.g. Poverty alleviation fund)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Contingent liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total equity &amp; liabilities</b>	<b>50 799</b>	<b>52 479</b>	<b>52 255</b>	<b>52 187</b>	<b>50 437</b>	<b>48 837</b>	<b>47 237</b>

\*Note: The deficit is as a result of the accounting treatment of depreciation and has no bearing on the cash position of the entity.

Table 1.J : Personnel summary for KZNGBB

	Audited outcome			Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
A. Permanent and full-time-contract employees							
Personnel cost (R thousand)	18 158	21 579	26 824	33 283	36 693	39 024	41 461
Personnel numbers (head count)	35	58	71	76	76	76	76
Unit cost	519	372	378	438	483	513	546
B. Part-time and temporary contract employees							
Personnel cost (R thousand)	-	-	-	-	-	-	-
Personnel numbers (head count)	-	-	-	-	-	-	-
Unit cost	-	-	-	-	-	-	-
C. Interns							
Personnel cost (R thousand)	-	-	-	-	-	-	-
Personnel numbers (head count)	-	-	-	-	-	-	-
Unit cost	-	-	-	-	-	-	-
Total for entity							
Personnel cost (R thousand)	18 158	21 579	26 824	33 283	36 693	39 024	41 461
Personnel numbers (head count)	35	58	71	76	76	76	76
Unit cost	519	372	378	438	483	513	546
D. Learnerships							
Personnel cost (R thousand)	-	-	-	-	-	-	-
Personnel numbers (head count)	-	-	-	-	-	-	-
Unit cost	-	-	-	-	-	-	-
Details of personnel numbers according to salary level							
Salary level							
Board members	-	8	9	9	9	9	9
Executive Management	-	1	1	1	1	1	1
Senior Management	-	3	4	5	5	5	5
Middle Management	-	7	10	10	10	10	10
Professionals	-	37	46	48	48	48	48
Semi-skilled	-	9	9	11	11	11	11
Very low skilled	-	1	1	1	1	1	1
Total	-	66	80	85	85	85	85

Table 1.K : Personnel summary for Amafa

	Audited outcome			Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13		2013/14	2014/15	2015/16
<b>A. Permanent and full-time-contract employees</b>							
Personnel cost (R thousand)	14 931	16 468	17 361	18 511	21 240	22 599	24 023
Personnel numbers (head count)	100	100	98	98	99	99	99
Unit cost	149	165	177	189	215	228	243
<b>B. Part-time and temporary contract employees</b>							
Personnel cost (R thousand)	680	700	567	703	868	924	982
Personnel numbers (head count)	150	150	150	150	150	150	150
Unit cost	5	5	4	5	6	6	7
<b>C. Interns</b>							
Personnel cost (R thousand)	-	-	-	-	-	-	-
Personnel numbers (head count)	-	-	-	-	-	-	-
Unit cost	-	-	-	-	-	-	-
<b>Total for entity</b>							
Personnel cost (R thousand)	15 611	17 168	17 928	19 214	22 108	23 523	25 005
Personnel numbers (head count)	250	250	248	248	249	249	249
Unit cost	62	69	72	77	89	94	100
<b>D. Learnerships</b>							
Personnel cost (R thousand)	-	-	-	-	-	-	-
Personnel numbers (head count)	-	-	-	-	-	-	-
Unit cost	-	-	-	-	-	-	-
<b>Details of personnel numbers according to salary level</b>							
<b>Salary level</b>							
Board members	6	6	6	14	14	14	14
Executive Management	1	1	1	-	1	1	1
Senior Management	3	3	3	3	3	3	3
Middle Management	7	7	7	7	8	8	8
Semi-skilled	34	34	32	33	32	32	32
Very low skilled	55	55	55	55	55	55	55
<b>Total</b>	<b>106</b>	<b>106</b>	<b>104</b>	<b>112</b>	<b>113</b>	<b>113</b>	<b>113</b>