

Together, Moving Gauteng City Region Forward

2015

GAUTENG PROVINCIAL GOVERNMENT
ESTIMATES OF PROVINCIAL REVENUE
AND EXPENDITURE



GAUTENG PROVINCE
PROVINCIAL TREASURY
REPUBLIC OF SOUTH AFRICA



PR31/2015
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The Estimate of Provincial Revenue and Expenditure 2015 is compiled using the latest available information from departmental and other sources. Some of this information is unaudited or subject to revision

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Barbara Creecy
MEC: Finance

FOREWORD

This is the first budget of the fifth democratic government. The budget we are tabling today is a public demonstration of the commitment of this administration to move beyond the rhetoric and offer resourcing towards concrete plans.

A budget represents more than just the formulation of numbers. Taken as a whole the 2015/16 Provincial Budget is an index of this Administration's values and the high priority placed on serving the people of Gauteng and building this province. It is a further step in implementing with renewed vigor and energy the programme of transforming, modernizing and re-industrialising our province.

During the State of the Province Address, the Honorable Premier David Makhura, shared his vision of the new type of an economy required to build the Gauteng City Region. He alluded to the five corridors that the City Region will be built around:

- The Central Development Corridor
- The Eastern Development Corridor
- The Northern Development Corridor
- The Western Development Corridor
- Southern Development Corridor

One of the key tenets of this budget is the demonstration on how these corridors are funded. All the corridors have their comparative advantage on which they should strive. In the environment of no fiscal space with our growing needs; the emphasis remain that of doing more with less supported by the following:

- Elimination of waste and corruption;
- Explore ways to increase our own revenue and alternate funding sources;
- Maintain spending on quality services for our people;
- Increase spending on infrastructure to give expression to the TMR and create work.

The production of this budget is a collective effort by a dedicated team within the Treasury Department under the good leadership of the HOD Ms Nomfundo Tshabalala, I am really privileged to work with this team. For all your tireless, selfless and hard work; I thank you.

B D Creecy
MEC for Finance
Gauteng

LIST OF ABBREVIATIONS

ACT	Alternative construction technology
AFASA	African Farmers Association of South Africa
AFS	Annual financial statements
AG	Auditor General
AIDC	Automotive Industry Development Centre
ANA	Annual national assessments
ANC	Antenatal care
APP	Annual performance plan
APR	Annual performance review
AQMP	Air quality management plan
ARC	Agricultural Research Council
ART	Antiretroviral Therapy
ASLCS	American Society of Legislative Clerks and Secretaries
BAC	Bid adjudication committee
BANC	Basic antenatal care
BBBEE	Broad based black economic empowerment
BBC	Buy-back centre
BDS	Business development support
BNG	Breaking New Ground
CAPEX	Capital expenditure
CAPS	Curriculum and Assessment Policy Statements
CARMMA	Campaign for the Accelerated Reduction of Maternal Mortality in Africa
CASP	Comprehensive Agricultural Support Programme
CAT	Computer application technology
CBNRM	Community based natural resource management
CBO	Community based organisation
CCTV	Closed Circuit Television
CDW	Community development worker
CEO	Chief Executive Officer
CHC	Community health centre
CHW	Community health worker
CIC	Climate Innovation Centre
CIP	Committee inquiry process
CJS	Criminal justice system
COGTA	Cooperative Government and Traditional Affairs
COH WHS	Cradle of Humankind World Heritage Site
COL	Communities of Learning
CONTRALESA	Congress of Traditional Leaders of South Africa
COP	Communities of practice
CoT	City of Tshwane
COVAC	Committees oversight and accountability framework
CPA	Commonwealth Parliamentary Association
CPF	Community policing forum
CPI	Consumer price index
CPTD	Continuing professional teacher development
CMAH	Charlotte Maxeke Academic Hospital
CRDP	Comprehensive Rural Development Programme
CRU	Community residential unit
CSF	Community safety forum
CWC	Commonwealth Women Parliamentarians
CWP	Community Work Programme
CYCC	Child and youth care centre
CYCW	Child and youth care worker
DAC	Departmental acquisition committee
DAFF	Department of Agriculture, Forestry and Fisheries

DARD	Department of Agriculture and Rural Development
DAV	Design and validation
DBE	Department of Basic Education
DBSA	Development Bank of Southern Africa
DCS	Department of Community Safety
DCST	District clinical specialist team
DDI	Domestic direct investment
DED	Department of Economic Development
DGR	Dinokeng Game Reserve
DHS	Department of Human Settlements
DID	Department of Infrastructure Development
DLTC	Driving licence testing centre
DoE	Department of Energy
DoH	Department of Health
DPSA	Department of Public Service and Administration
DPW	Department of Public Works
DRMC	Documents and records management centre
DR-TB	Drug-resistant TB
DSACR	Department of Sports, Arts, Culture and Recreation
DSD	Department of Social Development
DSOP	Departmental standard operating procedures
DTA	Department of Traditional Affairs
DTI	Department of Trade and Industry
DGMAH	Dr. George Mukhari Hospital
ECD	Early childhood development
ECDI	Early Childhood Development Institute
ECE	Estimates of capital expenditure
EDL	Essential Drug List
EDMS	Electronic document management system
EHWP	Employee health and wellness programme
EIA	Environmental impact assessment
EMS	Emergency medical services
EPWP	Expanded Public Works Programme
ERP	Enterprise resource planning
ESMOE	Essential steps in the management of obstetric emergencies
ESSP	Extra School Support Programme
EXCO	Executive Council
FAL	First additional language
FAWU	Food and Allied Workers Union
FCS	Family Violence, Child Protection and Sexual Offences Unit
FDC	Fixed-dose combination
FDI	Foreign direct investment
FET	Further education and training
FIP	Facility improvement plan
FIS	Focused intervention studies
FLISP	Finance Linked Individual Subsidy Programme
FPI	Financial Planning Institute
FSB	Financial Services Board
FSDM	Frontline service delivery monitoring
G2055	Gauteng Vision 2055
GALC	Gauteng Automotive Learning Centre
GASDS	Gauteng Agricultural Skills Development Strategy
GBN	Gauteng Broadband Network
GCR	Gauteng City Region
GCRA	Gauteng City Region Academy
GCRO	Gauteng City Region Observatory
GDARD	Gauteng Department of Agriculture and Rural Development
GDE	Gauteng Department of Education

GDED	Gauteng Department of Economic Development
GDF	Gauteng Department of Finance
GDH	Gauteng Department of Health
GDID	Gauteng Department of Infrastructure Development
GDP	Gross Domestic Product
GDRT	Gauteng Department of Roads and Transport
GEP	Gauteng Enterprise Propeller
GEYODI	Gender, youth and people with disabilities
GFC	Gauteng Film Commission
GFIP	Gauteng Freeway Improvement Project
GFSP	Gauteng Farmer Settlement Programme
GGB	Gauteng Gambling Board
GGDA	Gauteng Growth and Development Agency
GHS	Ga-Rankuwa Hotel School
GIAMA	Government Immovable Asset Management Act
GIFA	Gauteng Infrastructure Funding Agency
GIIMP	Gauteng Integrated Infrastructure Master plan
GLB	Gauteng Liquor Board
GMA	Gauteng Management Agency
GoL	Gauteng Online Programme
GPC	Gauteng Planning Commission
GPG	Gauteng Provincial Government
GPGTV	Gauteng Television
GPL	Gauteng Provincial Legislature
GPLMS	Gauteng Primary Language and Mathematics Strategy
GPT	Gauteng Provincial Treasury
GSDF	Gauteng Spatial Development Framework
GSF	Gauteng Speakers Forum
GTA	Gauteng Tourism Authority
GTMC	Gauteng Transport Modeling Centre
GUDMVO	Gender, youth, disability, military veterans and older persons
HAART	Highly active antiretroviral therapy
HCBC	Home and community-based care
HCT	HIV counselling and testing
HIS	Health information systems
HoD	Head of Department
HPC	Health Processing Centre
HPV	Human Papillomavirus
HR	Human resources
HRIMS	HR information management systems
HRM	Human resource management
HSS	Housing Subsidy System
HWSETA	Health and Welfare Sector Education and Training Authority
ICS	Improvement in conditions of service
ICT	Information and communication technology
ICU	Intensive care unit
IDMS	Infrastructure delivery management system
IDP	Integrated Development Plan
IDZ	industrial development zone
IGR	Inter-governmental relations
IKS	Indigenous knowledge systems
IPID	Independent Police Investigative Directorate
IPS	Intrusion Protection Services
IRDPA	Integrated Residential Development Programme
ISHP	Integrated School Health Programme
IT	Information technology
ITMP	Integrated Transport Master Plan
JRA	Johannesburg Roads Agency

LAN	Local Area Network
LEAs	Law enforcement agencies
LED	Local economic development
LGBTI	Lesbian, gay, bisexual, transgender and intersex
LGSETA	Local Government Sector Education and Training Authority
LIS	Library and information services
LM	Local municipality
LOE	Letter of engagement
LSB	Legislative Services Board
LSEN	Learners with special educational needs
LTSM	Learner and teacher support materials
MASP	Man as safety promoters
M & E	Monitoring and evaluation
MDB	Municipal Demarcation Board
MDG	Millennium development goal
MDR	Multi-drug resistant
MDR-TB	Multi-drug resistant tuberculosis
MEC	Member of the Executive Council
METT	Management effectiveness tracking tool
MFMA	Municipal Finance Management Act
MGSG	Matthew Goniwe School of Governance and Leadership
MICT Seta	Media, Information and Communication Technologies Sector Education and Training Authority
MAFISA	Micro agricultural financial institutions of South Africa
MIG	Municipal Infrastructure Grant
MISA	Municipal Infrastructure Support Agent
MISS	Minimum Information Security Standard
MoU	Memorandum of understanding
MOUs	Maternity and Obstetric Units
MPAC	Municipal public accounts committees
MPAT	Management performance assessment tool
MPL	Members of Parliament
MRR	Market related rentals
MSD	Medical supplies depot
MSDF	Municipal Spatial Development Framework
MSP	Master Skills Plan
MST	Mathematics, science and technology
MTEF	Medium Term Expenditure Framework
MTR	Modernisation, transformation and re-industrialisation
MTRF	Medium Term Revenue Framework
MTSF	Medium Term Strategic Framework
MV	Military veteran
NAEIS	National Atmospheric Emissions Inventory System
NAETF	National Agricultural Education and Training Forum
NAFU	National African Farmers Union
NCOP	National Council of Provinces
NCR	National Credit Regulator
NCSL	National Conference of State Legislatures
NDOH	National Department of Health
NDP	National Development Plan
NGO	Non-governmental organisation
NHFC	National Housing Finance Corporation
NHI	National Health Insurance
NHLS	National Health Laboratory Service
NISIS	National Integrated Social Information System
NPA	National Prosecuting Authority
NPO	Non-profit organisation
NSNP	National School Nutrition Programme

NSP	National Standard Procedures
NSP	National Strategic Plan
NYDA	National Youth Development Agency
NYS	National Youth Service
OHSA	Occupational Health and Safety Act
OoP	Office of the Premier
OPSCAP	Operational Capital Budget Programme
OSDs	Occupation-specific dispensations
PAETF	Provincial Agricultural Education and Training Forum
PACS	Picture archiving and communication system
PAM	Personal administration measures
PDE	Patient Day Equivalent
PDMC	Provincial Disaster Management Centre
PEBA	Programme evaluation and budget analysis
PCR	Polymerase Chain Reaction
PFMA	Public Finance Management Act
PGDS	Provincial Growth and Development Strategy
PHC	Primary health care
PHRA-G	Provincial Heritage Resource Agency of Gauteng
PLG	Professional learning group
PLTF	Provincial Land Transport Framework
PME	Provincial monitoring and evaluation
PMS	Performance management system
POA	Programme of action
POBA	Public Office Bearers Act
PPF	Public Participation Framework
PPO	Public participation office
PPPs	Public-private partnerships
PRASA	Passenger Rail Agency of South Africa
PrDPs	Professional Driving Permit
PRF	Provincial Revenue Fund
PRMG	Provincial Roads Maintenance Grant
PROVJOINTS	Provincial Joint Operational Intelligence Structure
PSA	Public Service Act
PSETA	Public Service Sector Education and Training Authority
PTOG	Public Transport Operations Grant
PwD	People with disabilities
PVS	Performance of Veterinary Services
QLTC	Quality Learning and Teaching Campaign
RCL	Representative Council of Learners
RDP	Reconstruction and Development Programme
RTLEC	Road Traffic Law Enforcement Code
RTMC	Road Traffic Management Corporation
RVO	Regional Victim Offices
RWF	Rand Water Foundation
RWOPS	Remunerative work outside the public service
SABRIC	South Africa Banking Risk Information Centre
SAHRA	South African Heritage Resources Agency
SAICA	South African Institute of Chartered Accountants
SAICE	South African Institute of Engineers
SALSA	Secretaries' Association of the Legislatures of South Africa
SANBI	South African National Biodiversity Institution
SANC	South African Nursing Council
SAP	System Application Programme
SAPS	South African Police Service
SASSA	South African Social Security Agency
SCM	Supply chain management
SCOA	Standard Chart of Accounts
SCOPA	Standing Committee on Public Accounts

SETA	Sector Education and Training Authority
SEZ	Special economic zone
SGB	School governing body
SITA	State Information Technology Agency
SLA	Service level agreement
SMME	Small, micro, medium enterprises
SMS	Senior management service
SMT	School management team
SOC	Security Operations Centre
SoCATT	Society of Clerks at the Table
SOE	State-owned enterprise
SOM	Sector oversight model
SONA	State of the Nation Address, June 2014
SOPA	State of the Province Address, June 2014
SOPs	Standard operating procedures
SPLUMA	Spatial Planning and Land Use Management Act
SPRN	Strategic provincial road network
SSA	State Security Agency
SSIP	Secondary School Intervention Programme
Stats SA	Statistics South Africa
20PTP	Twenty Prioritized Townships Programme
TB	Tuberculosis
TEP	Tourism Enterprise Partnership
TER	Township economic revitalisation
TIHMC	The Innovation Hub Management Company
TMR	Transformation, modernisation and re-industrialisation
ToR	Terms of reference
VAWAC	Violence against women and children
VEP	Victim Empowerment Programme
VoIP	Voice over Internet Protocol
VTS	Vehicle testing station
WAN	Wide area network
WARD	Women in agriculture and rural development
WBOTs	Ward-based outreach teams
WFW	Work for Waste
WISN	Workload indicators for staffing needs
Wits	University of the Witwatersrand
WoP	War on Poverty
YARD	Youth in agriculture and rural development

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OVERVIEW OF PROVINCIAL ESTIMATES





EPRE - 2015/16



1. SOCIO-ECONOMIC OUTLOOK

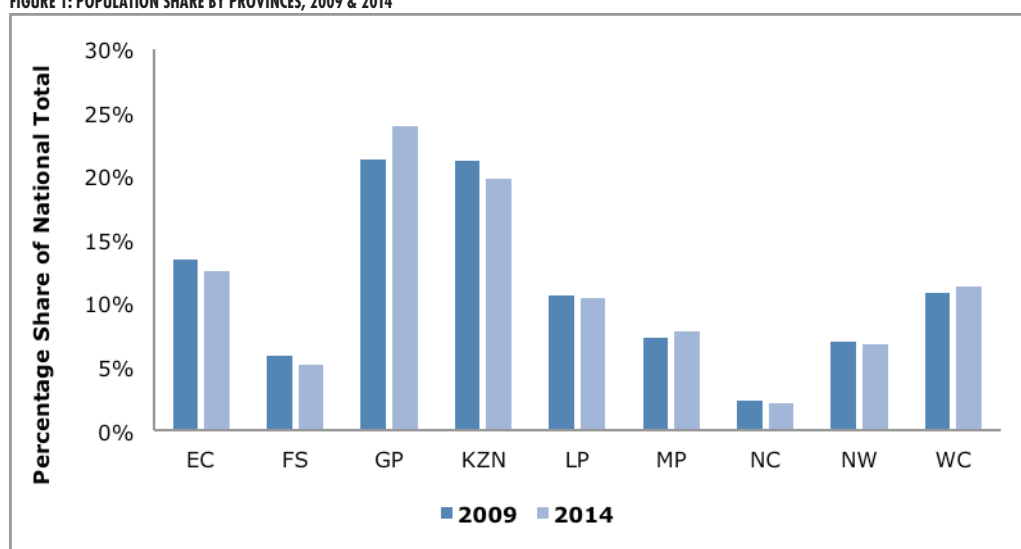
The International Monetary Fund (IMF) expects global economic growth to reach 3.5 per cent in 2015 and 3.7 per cent in 2016. These lower projections are despite the lower oil price which is likely to provide some relief to consumers. This is due to offsetting factors such as weak Eurozone growth due to low levels of investment and low inflation. Economic growth has also been revised down in emerging and developing economies. This is due to the review of growth prospects in China, and the Sub-Saharan Africa (SSA) region, amongst other areas. Growth in China is expected to slow to 6.8 and 6.3 per cent in 2015 and 2016 respectively, while the lower oil and commodity prices are expected to slow the SSA growth outlook to 4.9 and 5.2 per cent in 2015 and 2016, respectively.

Global economic developments have a bearing on South Africa's and Gauteng's economies. The Euro area and China are the country's main trading partners, and their subdued growth will affect the country's external demand, in addition to the impact of load shedding. These factors are likely to offset some of the positive impacts of the lower oil and thus petrol prices. Consequently, the South African Reserve Bank (SARB) has revised down its growth forecast for 2015 by 0.3 percentage points to 2.2 per cent, and for 2016 from 2.9 per cent to 2.4 per cent. The economic growth prospects of the province will follow developments at the national level.

1.2 Demographics

It is important for policy makers, planners and budget analysts to understand the demographic profile of a region as it has a direct bearing on planning and economic development. A higher rate of growth in population needs to be accompanied by increased investment in household infrastructure for which demand will rise. This section examines the demographic profile of Gauteng province. It also analyses Gauteng's population size and distribution by municipality, thus providing information necessary for policy formulation and decision making.

FIGURE 1: POPULATION SHARE BY PROVINCES, 2009 & 2014



Source: Stats SA, 2015

Note: EC=Eastern Cape, FS=Free State, GP=Gauteng, KZN=KwaZulu Natal, LP=Limpopo, MP=Mpumalanga, NC=Northern Cape, NW=North West and WC=Western Cape

Figure 1 shows provincial shares of the country's population in percentage terms for 2009 and 2014. Gauteng remains the most populous province, followed by KwaZulu Natal. The figure indicates that only three of the nine provinces showed an increase in population between the two years. These provinces are Gauteng, Mpumalanga and the Western Cape. Gauteng's share of the total population increased from 21.4 per cent in 2009 to 23.9 per cent in 2014. This increase is significant and has implications for budgeting in the province.

TABLE 1: POPULATION SIZE & DISTRIBUTION, GAUTENG MUNICIPALITIES, 2014

Region	Total Population	Percentage
Ekurhuleni	3 319 104	25.7%
City of Johannesburg	4 713 902	36.5%
City of Tshwane	3 099 552	24.0%
Sedibeng	955 695	7.4%
West Rand	826 547	6.4%
Total	12 914 800	100.0%

Source: Stats SA, 2015

Table 1 shows the municipalities' share of the Gauteng population in 2014. The City of Johannesburg (CoJ) remains the most populous, with 36.5 per cent of the total. People seeking employment and a better life see Johannesburg as their preferred destination. CoJ is followed by Ekurhuleni, at 25.7 per cent and the City of Tshwane (CoT), at 24 per cent. The least populous municipality was the West Rand, with 6.4 per cent of the province's total population.

TABLE 2: CHANGES IN THE PROVINCIAL DEMOGRAPHICS, 2009-2014

Description	Period	Effective change
Population growth rate	2009-2014	3.6% p.a, 10.5 million to 12.9 million
Population increase	2009-2014	increase of 2.4 million or 22.6%
Number of households	2009	3.8 million
	2014	4.2 million an increase of 491 Thousands or 13.1% increase
Average household size	2009	3.1
	2013	3.1

Source: Stats SA, IHS Global Insight & Quantec Research, 2015

Table 2 shows the changes in population and the composition of households between 2009 and 2014. Over this period, the province's population grew by an annual average of 3.6 per cent or an increase of 2.4 million between the two years. The number of households rose by 13.1 per cent or 491 000 households. The average household size remained at 3.1 people for both years under review.

TABLE 3: GENDER & AGE DISTRIBUTION, 2014

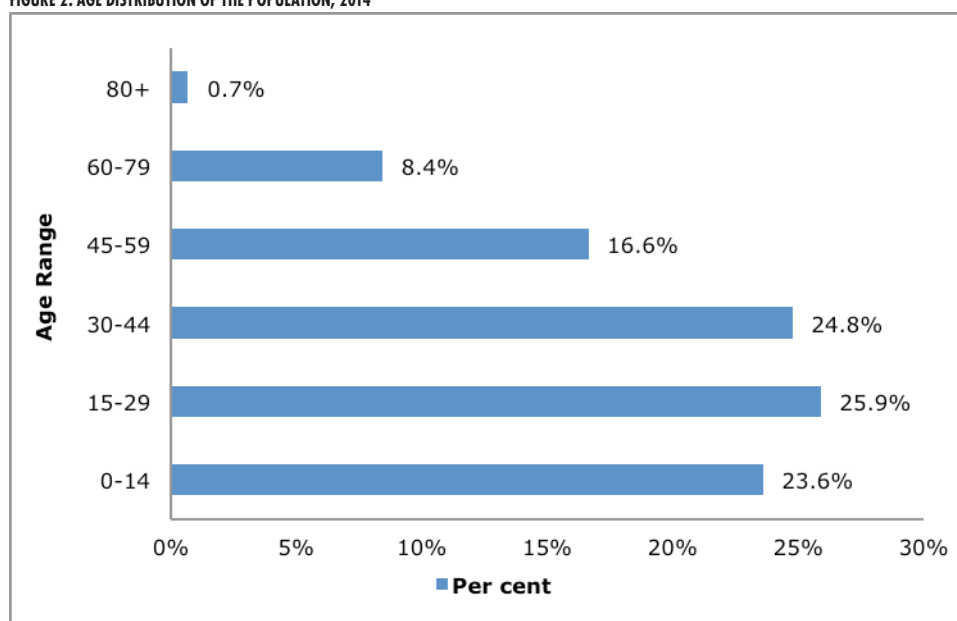
Age Cohort	Male	Female	Total
0-14	1 538 400	1 509 748	3 048 148
15-29	1 697 420	1 647 295	3 344 715
30-44	1 640 236	1 559 460	3 199 696
45-59	1 087 918	1 060 068	2 147 986
60-79	516 981	569 923	1 086 904
80+	34 229	53 138	87 367
Total	6 515 184	6 399 632	12 914 816

Source: Stats SA, 2015

Table 3 shows the population distribution by gender and age cohort in Gauteng for 2014. There were about 3.3 million between 15 to 29 years of age, the highest number of all the cohorts. This age cohort also represents a significant number of the working-age population. A report by the Gauteng City Region Observatory (GCRO) shows that internal and cross border migrants of the province are dominated by people of the working-age category¹. This suggests that this group migrates into the province in search of employment and perceived better living standards. The second largest age group is the 30 to 44 years age cohort, with 3.2 million people. The age cohort of those aged 80 and over was about 87 000 people.

¹ Gauteng City Region Observatory. (2012). GCRO Data Brief No. 5 Gauteng: A Province of Migrants. Retrieved from http://www.gcro.ac.za/sites/default/files/editor_uploads/gcro_data_brief_migration.pdf

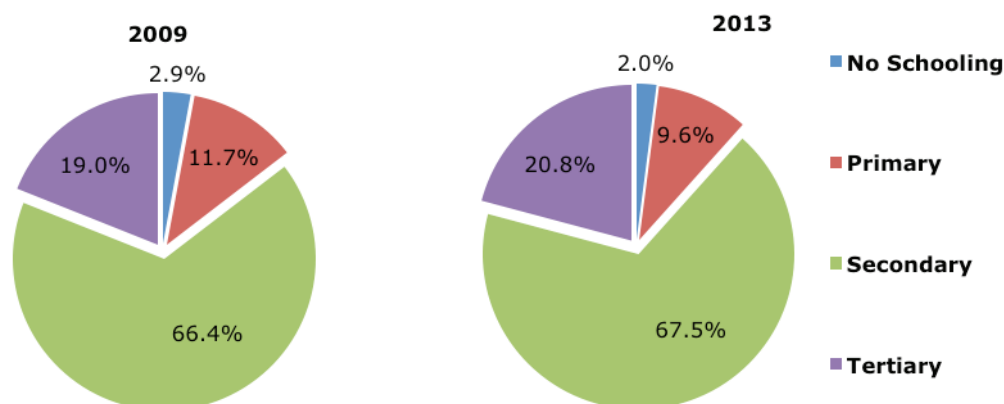
FIGURE 2: AGE DISTRIBUTION OF THE POPULATION, 2014



Source: Stats SA, 2014

Figure 2 is an extension of Table 3 and shows the population shares by age cohort in Gauteng for 2014. The figure indicates that those in the 15 to 29 cohort accounted for the largest share of the province’s population at 25.9 per cent. This also indicates the youth population bulge for the province. These are people who form part of the potential labour force and yet, in many instances, are unable to find employment in the economy. The age cohort with the least share of the population was the 80 plus at 0.7 per cent.

FIGURE 3: QUALIFICATIONS OF PEOPLE OLDER THAN 20 YEARS, 2009 & 2013



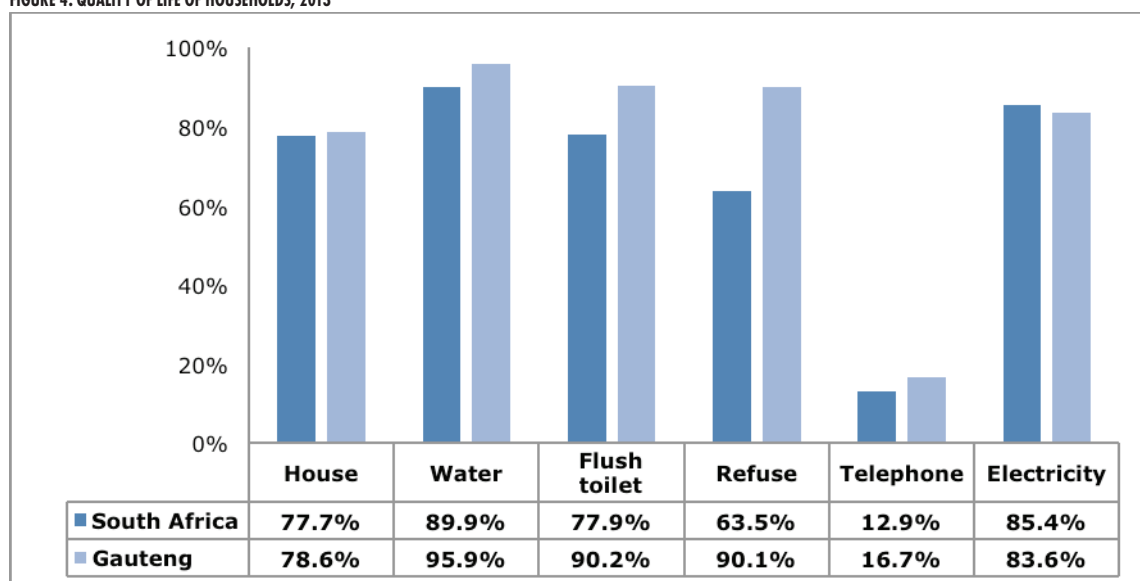
Source: Stats SA, 2015

Figure 3 shows the education achievement for those 20 years and older in Gauteng for 2009 and 2013. It indicates that the percentage of those with no schooling declined from 2.9 per cent in 2009 to 2 per cent in 2013. Those with secondary education increased from 66.4 per cent in 2009 to 67.5 per cent by 2013. The figure also indicates that the share of those with tertiary qualifications has increased between the two review years from 19 per cent in 2009 to 20.8 per cent in 2013. Overall, educational qualifications show an improvement for Gauteng.

1.3 Socio-economic indicators

In this section, the quality of life of households at the national and provincial levels is analysed. A comparison has been drawn between the proportion of households with specified services and the average for the country. The development indices indicate the availability of various services to households.

FIGURE 4: QUALITY OF LIFE OF HOUSEHOLDS, 2013



Source: Statistics South Africa, General Household Survey, 2013

Figure 4 illustrates the quality of life of national and provincial households in 2013. With regards to a house or brick structure on a separate stand or yard 77.7 per cent of households, nationally, resided in a house or a formal dwelling. At the provincial level, 78.6 per cent did so. At 95.9 per cent, the province had a higher proportion of households with access to piped water in the dwelling than the national figure of 89.9 per cent. The proportion of South African and Gauteng households with access to a flush toilet or chemical toilet was 77.9 and 90.2 per cent, respectively.

Just under two thirds of South African households had access to refuse removal by the local authority at least once a week (“Refuse”); the figure for the province was 90.1 per cent. 16.7 per cent of Gauteng’s households had a combination of cellular phones and landlines; the figure was 12.9 per cent nationally. Only 0.2 per cent of South African and households used only landlines, while 81.9 and 81.3 per cent of South African and Gauteng households respectively used only cellular phones in their dwellings². Access to electricity is at 85.4 per cent and 83.6 per cent for South African and Gauteng households, respectively.

1.4 Economic indicators

This section analyses income distribution, gross domestic product by region (GDP-R) and the level of investment in the province. The latter describes sectoral investment and envisaged new job opportunities.

TABLE 4: INCOME DISTRIBUTION, 2013

Annual income per household	Number of households	Percentage of households
Less than R12 000	240 089	5.8%
R12 001 to R42 000	1 060 248	25.7%
R42 001 to R96 000	1 043 530	25.3%
R96 001 to R360 000	1 153 323	27.9%
R360 001 to R2 400 000	622 021	15.1%
More than R2 400 000	11 225	0.3%
Total	4 130 435	100.0%

Source: IHS Global Insight, 2015

In 2013, there were approximately 4.1 million households in Gauteng. The annual income range with the largest number of households was the R96 001 to R360 000 range which accounted for 27.9 per cent of total households in Gauteng. This was followed by the R12 001 to R42 000 and R42 001 to R96 000 ranges which accounted for 25.7 per cent and 25.3 per cent of total households, respectively. The lowest percentage of households was in the range that had an income of more than R2.4 million and consisted of 0.3 per cent of households.

² Statistics South Africa. (2013). General Household Survey 2013.

TABLE 5: GDP-R BY SECTOR, 2013

Sector	Percentage
Mining and quarrying	2.5%
Agriculture, forestry and fisheries	0.4%
Manufacturing	15.1%
Electricity, gas and water	2.1%
Construction	3.3%
Wholesale, retail trade and accommodation	12.4%
Transport, storage and communication	9.0%
Finance, insurance, real estate and business services	23.8%
Government and community services	22.3%
Other: Taxes less subsidies on products	9.2%
Total: GDP-R at market prices	100.0%

Source: Statistics South Africa, Short-Term Indicators, 2015

Table 5 shows the percentage of GDP-R by sector for 2013. The largest contribution was from the finance, insurance, real estate and business services sector, contributing 23.8 per cent to economic activity. This was followed by government and community services at 22.3 per cent and manufacturing at 15.1 per cent. The finance, insurance, real estate and business services sector is a good indicator of the flow of foreign direct investment (FDI) into the country. However, each unit of GDP-R added by this sector makes a lower contribution to employment than the other sectors. Given its knowledge-intensive nature, it also has limited scope for absorbing those who are less skilled.

The manufacturing sector is important for the Gauteng economy in terms of its absorption of semi- and unskilled-labour. In light of the high unemployment rate in the province, growth in this sector is aligned with government initiatives to increase employment. The manufacturing sector was once the largest contributor to the economy but has almost halved its contribution, reflective of various problems that the sector continues to face. These include high input costs, energy supply constraints, underinvestment in capital equipment and competitive manufactured imports, particularly from China. Agriculture, forestry and fisheries contributed the lowest share to GDP-R, at 0.4 per cent.

TABLE 6: GFCF-R SECTORAL CONTRIBUTION

Sector	2000	2005	2010	2013
Mining and quarrying	4.4%	2.5%	4.5%	4.4%
Agriculture, fishing and fisheries	0.6%	0.4%	0.3%	0.3%
Manufacturing	26.6%	24.1%	20.2%	22.9%
Electricity, gas and water	4.2%	5.2%	12.1%	12.0%
Construction	1.6%	2.0%	2.5%	2.4%
Wholesale, retail trade and accommodation	7.3%	7.5%	7.0%	6.7%
Transport, storage and communication	12.2%	14.9%	16.6%	15.7%
Finance, insurance, real estate and business services	25.0%	27.2%	19.6%	17.7%
Government and community services	18.0%	16.2%	17.0%	18.0%
Total GFCF-R (Rand Millions, Constant 2005 Prices)	60 044	91 737	118 190	135 479

Source: Quantec Easy Data, 2015

The private sector plays a key role in the provincial economy and maintains a strong contribution to Gauteng's GFCF-R (gross fixed capital formation by region), accounting for over 80 per cent since 2000. The GFCF-R, also known as investment, measures the value of acquisitions of new or existing assets. The manufacturing sector was the largest creator of sectoral investment in the province, accounting for over 20 per cent of total investment between 2000 and 2013. While manufacturing still represents the largest element of investment from the private sector, it has declined over the reviewed years, along with the sector's decline in output. In 2013, the second largest receiver of private investment is the finance, insurance, real estate & business services sector. The share of private investment in this sector peaked at 27.2 per cent in 2005, at the height of the residential property boom and general favourable economic conditions. According to the EY (2014), since 2010 Gauteng has been the most popular foreign investment destination for projects in Africa, mostly service-related projects in sectors such as technology, media & telecommunication, and business & financial business³. In line with this trend, the

3 EY. (2014). Attractiveness Survey Africa 2014, Executing Growth.

transport, storage & communication sector has also been increasing its share of investment, from 12.2 per cent in 2000 to 15.7 per cent in 2013. According to the EY's Survey, infrastructure projects such as the Gautrain have been key enablers of the province's economic development, although the Gautrain network needs to be expanded.

Mining and quarrying's contribution to GFCF-R has remained fairly flat as output declined significantly in the province, mainly due to the decline of gold production, the main mining product in Gauteng. The decline has been due to various factors, including the costs of deep-level mining and inputs, electricity supply, decreasing commodity prices and labour unrest. Public sector investment, indicated by the government and community services sector, has remained fairly constant over the review period contributing between 16 and 18 per cent of GFCF-R.

TABLE 7: FDI INVESTMENT AND ESTIMATED JOBS IN GAUTENG

Year	Capital investment (US\$ millions)	Jobs created (estimate)
2003	469	1 295
2005	1 037	4 401
2007	771	2 261
2010	1 448	3 201
2014	1 193	2 383

Source: Gauteng Growth and Development Agency, 2015

In 2003, Gauteng was a recipient of US\$469 million worth of FDI projects, estimated to have created 1 295 jobs. The highest value of FDI capital invested in Gauteng was in 2010 at US\$1.4 billion, with over three thousands estimated jobs created. However, FDI decreased in 2014 to approximately US\$1.2 billion and an estimated 2 383 jobs created.

2. BUDGET STRATEGY AND AGGREGATES

The 2015 Medium Term Expenditure Framework will see the province being an integrated City Region characterized by social cohesion and economic inclusion and with the aim of being the leading economy in the continent underpinned by smart and green industrial and socio economic development.

Over the next five years and beyond government continues to focus expenditure on programmes and projects which are aligned to Global City Region (GCR) Ten Pillar Programme of Transformation, Modernisation and Re-industrialisation (TMR); the 2014-2019 Gauteng Medium Term Strategic Framework (MTSF); Revised Gauteng Programme of Action (POA) and GCR game changers through specific programmes and projects to be implemented.

The underlying principles informing the budget for the 2015 MTEF will focus on the allocation and alignment of funds for the implementation of the TMR; investment in strategic infrastructure; prioritize resources towards core functions thereby expanding and improving service delivery; allocate towards programmes and projects which demonstrate value for money; drive efficiency gains as resources are allocated to programmes which demonstrate effective delivery; prioritise fiscal discipline and sustainability; redirecting resources towards strategic priorities; while taking into account institutional arrangements, past performance and augment the capacity of the state to promote allocative efficiency and strengthen fiscal discipline to enable delivery on the TMR.

Finally, the province will ensure that principle of "value for money" by promoting economic, efficient and effective provision of public services whilst ensuring quality and accessibility of these services. This will entail improved and proactive planning; augment capacity to deliver; reduce wastage; and streamlining methodologies of implementation; to ensure that residents of Gauteng enjoy services which are accessible, appropriate, and adequate within the current resource envelop.

3. MEDIUM TERM EXPENDITURE FRAMEWORK AND THE BUDGET PROCESS

3.1 The Medium Term Expenditure Framework

The Medium Term Expenditure Framework (MTEF) is a government strategic policy and expenditure framework which balances what is affordable in aggregate against the policy priorities of the government. The framework is aimed at improving the impact of government policy for better allocation of resources to strategic priorities between and within sectors. The MTEF shifts the psychology of budgeting from needs to an availability of resources mentality which assists the decision makers in allocating the limited resources within sectors and activities.

3.2 Overview of the 2015 Gauteng Budget Process

The Gauteng Provincial Treasury (GPT) in concurrence with the Premier Budget Committee and the Gauteng Planning division is mandated to facilitate the well-established provincial strategic planning and budgeting process. The provincial budget process enables the province to set its fiscal objectives in respect of revenue and expenditure estimates and investment in order to ensure sustainability and effectively plan over the MTEF whilst driving fiscal discipline.

Strategic planning

One of the main objectives of the 2015 provincial budget process is to ensure that the budgets are aligned with the ten pillars of radical socio-economic transformation, modernization and reindustrialization as announced by the Premier in his 2014 State of the Province Address. Provincial departments prepares new strategic plans in line with the new term of office taking into account the priorities articulated in the National Development Plan (NDP), the Medium Term Strategic Framework, the ten-pillar programme of radical socio-economic transformation and sectoral plans and strategies.

The facilitation of the provincial budget process by the GPT includes the annual hosting of the Budget Fora with provincial departments with the aim of ensuring alignment of the 2015 MTEF budget with new priorities of government and achieving objectives such as fiscal sustainability, allocative efficiency and value for money. During the annual Budget Fora, the annual Treasury Guidelines is distributed which set out the macro economic and fiscal framework within which departments need to prepare budgets as well as the technical instructions and formats of the planning and budgeting documents.

Decision-making

The GPT facilitates the annual MTEC meetings which are a platform that enables consultations with provincial departments on reprioritised budgets and policy options to achieve improved service delivery. The MTEC provides both technical feedback to departments towards greater completeness and accuracy of budget submissions as well as assisting department towards timeous qualitative submissions. In addition, the MTEC is used as a platform for interrogating alignment to strategic priorities as well as adherence to budget principles. Formal feedback is provided and departments are given an opportunity to resubmit planning and budget documents in line with recommendations made.

During the 2015 MTEF a special Infrastructure MTEC aimed at providing feedback to departments based on the assessment of the readiness of projects for implementation and departments were given a second opportunity to resubmit budget documents. Gauteng Treasury also initiated a provincial benchmark in which databases were analysed in lieu of policy priorities such as alignment to the TMR as well as GEYODI objectives.

A further engagement was introduced during the 2014 MTEC where the planning and budget documents of certain entities were interrogated and feedback was provided. GPG will continue to expand these engagements to all entities in 2015/16 financial year.

Thereafter the province hosts the Premier Budget Committee meetings which are discussions that evaluate the department's budgets and spending proposals to ensure that resources are allocated to programmes that will ensure that the provincial priorities are achieved. Departments are provided with an opportunity to implement recommendations from these engagements.

Implementation and monitoring and evaluation

Subsequent to the tabling and adoption of the 2015 MTEF budget, departments commence spending of the 2015 Budget in accordance with approved plans. The financial and non-financial performance of the departments is

monitored monthly and quarterly through and analysis of In-Year Monitoring reports and Quarterly Performance Reports as well as feedback meetings to facilitate decision-making and corrective action.

4. RECEIPTS

4.1 Overview of provincial receipts

Provincial receipts consist mainly of national transfers (equitable share and conditional grants) with own revenue generated provincially. The equitable share makes up the largest part of total receipts, followed by conditional grants and then provincially generated revenue respectively.

Section 227 (1) of the Constitution of the Republic of South Africa (Act 108 of 1996) requires that revenue raised nationally be distributed equitably amongst national, provincial and local spheres of government; it is an unconditional transfer designed to assist with the delivery of basic services and assigned functions.

Conditional grants are transfers from national government with conditions attached. They are designed to finance nationally determined priorities and assist provinces to provide services to provinces.

Provinces' own revenue is generated mainly from motor vehicle licences, casino taxes, patient fees, interest on the short term investment of unspent funds, and other user charges.

TABLE 8: SUMMARY OF PROVINCIAL RECEIPTS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Transfer receipts from national	65 701 420	70 858 193	77 451 864	85 608 012	85 846 094	85 846 094	90 536 824	97 184 681	104 076 699
Equitable share	50 967 615	55 212 862	61 706 599	68 672 720	68 811 291	68 811 291	73 413 414	78 236 773	83 601 741
Conditional grants	14 733 805	15 645 331	15 745 265	16 935 292	17 034 803	17 034 803	17 123 410	18 947 908	20 474 958
Provincial own receipts	3 615 241	3 991 740	4 355 262	4 265 929	4 265 929	4 629 606	4 584 695	4 831 816	5 072 472
Total provincial receipts	69 316 661	74 849 933	81 807 126	89 873 941	90 112 023	90 475 700	95 121 519	102 016 497	109 149 171

The province increases receipts by R350.8 million to cover full payments for 2015/16

The 2013/14 and 2014/15 includes second adjustments

Table 8 shows the summary of provincial receipts. From 2011/12 to 2013/14, transfers from national government increased by R11.8 from R65.7 billion to R77.5 billion. Over the 2015 MTRF, total transfers are projected to increase from R90.6 billion to R104.2 billion, an increase of R13.5 billion.

In 2011/12, the province collected R3.6 billion own revenue which increased to R4.4 billion in 2013/14, this is an increase of R739 million. Budgeted revenue collection amounts to R4.3 billion in 2014/15 and was not adjusted however the province revised the revenue estimates to R4.6 billion in the same year. Over the 2015 MTRF, total revenue will increase by R488 million from R4.6 billion to R5.1 billion.

From 2011/12 to 2013/14, provincial receipts increased by R12.3 billion at an annual average growth rate of 8.5 per cent. Provincial receipts were budgeted at R89.8 billion in 2014/15, adjusted up to make provision for approved roll overs which amounted to R237.7 million. Over the 2015 MTRF, provincial receipts will increase by R14 billion from R95.1 billion to R109.1 billion at an annual average growth rate 7.1 per cent.

4.2 Equitable share

The equitable share is the main source of revenue for provinces, which are responsible for social services including education, health and social development, economic functions such as agriculture and roads, and provincial governance and administration. Section 214 of the Constitution requires that an Act of Parliament provides for the equitable division of revenue raised nationally among the spheres of government; and for the determination of each province's equitable share of the that revenue. Each province's equitable share is determined though the equitable share formula which is reviewed and updated annually using new data and taking into account recommendations from the Financial and Fiscal Commission (FFC).

TABLE 9: EQUITABLE SHARE ALLOCATION FOR GAUTENG PROVINCE

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2014/15	2015/16	2016/17
Equitable share	50 967 615	55 212 862	61 706 599	68 672 720	68 811 291	68 811 291	73 413 414	78 236 773	83 601 741

From 2011/12 to 2014/15, the equitable share increased by R17.7 billion at an annual average growth rate of 10.5 per cent. Equitable share was budgeted at R68.7 billion for 2014/15 and is projected to increase to R73.4 billion in 2015/16 and again to R83.6 billion in 2017/18 at an annual average growth rate of 6.8 per cent, this represents an increase of R14.9 billion. In the seven financial years under review, equitable share increases by R32.6 billion.

There is a decrease in the 2015 MTEF estimates when compared to what was projected in the 2014 MTEF estimates, due to revisions done on the equitable share as a result on function shifts to National department of Health and Education. The functions for Port Health are shifted to National Department in compliance with the National Health amendment Act which shifted the port health services from section 25 (general functions of provincial health departments) to section 21 (general functions of the national department of health). Furthermore, funds were shifted to fund the national functions of the National Health Laboratory Services as agreed in the joint MINMEC between Finance and Health. Funds shifted amount to R132.8 million and R222.3 million in 2015 MTEF for port health and NHLS functions respectively.

In the Department of Education, the Adult Education and Training (AET) functions moved to national Department of Higher Education with a budget R2.4 billion.

4.3 Conditional grants

The purpose of conditional grants is to address inter-provincial policy matters. Until 1999, provinces funded these activities from their own budgets; thereafter they have been part of national departments and are then distributed to the provinces, with conditions attached.

Conditional grants are designed to achieve specific objectives which provinces must fulfil to receive them. There are four types of conditional grants: supplements to programmes or functions funded from provincial budgets; specific-purpose allocations to provinces; allocations-in-kind to provinces for designated special programmes; and funds that are not allocated to specific provinces to respond to disasters.

TABLE 10: CONDITIONAL GRANTS ALLOCATION FOR GAUTENG PROVINCE

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2014/15	2015/16	206/17
Conditional grants	14 733 805	15 645 331	15 745 265	16 935 292	17 034 803	17 034 803	17 123 410	18 947 908	20 474 958

Table 10 gives the breakdown of the conditional grant allocations per department over seven financial years. From 2011/12 to 2013/14, the value of these grants increased from R14.7 billion to R15.9 billion. In the 2014/15 financial year, the value was R16.9 billion, adjusted to R17 billion with a revised estimated to the same value. The upward adjustment was as a result of approved rollovers which amounted to R99.5 million. Over the 2015 MTRF, conditional grants will increase from R17.1 billion in 2015/16 to R20.5 billion in 2017/18, an annual average growth rate of 9.3 per cent.

TABLE 11: CONDITIONAL GRANT PER DEPARTMENT

R thousand	Medium-term estimates		
	2015/16	2016/17	2017/18
Health	7 662 433	8 594 627	9 446 821
Comprehensive HIV and Aids Grant	2 928 300	3 296 924	3 717 652
Hospital Facility Revitalisation Grant	313 630	697 868	841 234
Health Professions Training and Development Grant	829 604	865 244	919 438
National Tertiary Services Grant	3 572 856	3 727 048	3 960 484
National Health Insurance Grant	7 204	7 543	8 013
EPWP Integrated Grant	2 051		
Social Sector Expanded Public Works Programme Incentive Grant for Provinces	8 788		
Education	1 769 121	2 072 044	2 267 204
Education Infrastructure Grant	935 725	1 274 825	1 428 566
HIV and Aids (Life Skills Education) Grant	29 945	32 449	34 436
National School Nutrition Programme Grant	678 974	714 960	750 709
Occupation Specific Dispensation for Education Sector Therapists Grant	29 442		
Maths, Science and Technology Grant	47 842	49 810	53 493
Social Sector Expanded Public Works Programme Incentive Grant for Provinces	44 784		
EPWP Integrated Grant	2 409		
Social Development	18 785		
Social Sector Expanded Public Works Programme Incentive Grant for Provinces	16 785		
EPWP Integrated Grant	2 000		
Transport	2 318 388	2 421 889	2 577 906
Provincial Roads Maintenance Grant	455 821	482 443	516 986
Public Transport Operations Grant	1 860 048	1 939 446	2 060 920
EPWP Integrated Grant	2 519		
Agriculture, Forestry and Fisheries	113 732	119 976	129 973
Comprehensive Agricultural Support Programme Grant	82 454	89 132	97 177
Ilima/Letsema Projects Grant	24 234	26 059	27 673
Land Care Programme Grant: Poverty Relief and Infrastructure Development	4 601	4 785	5 123
EPWP Integrated Grant	2 443		
Sport, Arts, Culture and Recreation	248 557	266 036	283 753
Community Library Services Grant	155 693	164 450	176 073
Mass Participation and Sport Development Grant	89 864	101 586	107 680
Social Sector Expanded Public Works Programme Incentive Grant for Provinces	1 000		
EPWP Integrated Grant	2 000		
Cooperative Governance and Traditional Affairs	2 000		
EPWP Integrated Grant	2 000		
Human Settlements	4 979 844	5 473 336	5 769 301
Integrated Housing and Human Settlement Development Grant	4 979 844	5 473 336	5 769 301
Community Safety	1 345		
EPWP Integrated Grant	1 345		
Infrastructure Development	9 205		
EPWP Integrated Grant	9 205		
Total conditional grants	17 123 410	18 947 908	20 474 958

Table 11 shows a breakdown of the conditional grants allocations per department over a period of three years. It is estimated that over the period under review conditional grants will increase from R17.1 billion in 2015/16 to R18.9 billion in 2016/17 and to R20.5 billion in 2017/18.

Health has numerous grants intended to ensure a healthy lifestyle for all South Africans. The Comprehensive HIV and AIDS grant responds to the HIV/AIDS epidemic. The purpose of the National Health Insurance grant is to test innovative methods of service delivery. Other grants received by the department include the Hospital Facility Revitalisation Grant, for transforming and modernising hospital infrastructure and equipment. It has two components: health infrastructure and hospital revitalisation. The National Tertiary Services grant enables provinces to plan, modernise and transform the tertiary hospital's services in line with national policy objectives. The Health Infrastructure grant provides funds for infrastructure projects and the Nursing Colleges and Schools

Grant. The total allocation for all grants amounted to R6.1 billion in 2011/12 and R7.1 billion in 2013/14, an annual average growth rate of 7.3 per cent. In 2014/15, the department was allocated R7.6 billion adjusted to R7.7 billion to account for the approved roll overs on the Health facility grant and National Health Insurance. The allocation for the department is estimated to increase from R7.7 billion in 2015/16 to R9.4 billion in 2017/18, an annual growth rate of 11.11 per cent. There has been a downward revision to the 2015 MTEF estimates for the Comprehensive HIV and AIDS grant due to funds moved to National Department of Health for the national functions of the National Health Laboratory Services (NHLS).

Conditional grants for the Education include the National School Nutrition Programme Grant to improve the nutrition of poor school children and in this way increase their capacity and their school attendance. As of 1st April 2015, Dinaledi Schools grant and Technical Secondary School grant have been merged and renamed Maths, Science and Technology Grant and the purpose of the grant is to improve the quality of maths and science teaching and learning. The other grants are the Education Infrastructure grant and HIV/AIDS Life Skills Education grant. These are all administered by the national Department of Basic Education. The allocation for these grants was R1 billion in 2011/12 and R1.2 billion in 2013/14, an annual average growth rate of 7.8 per cent. The department was allocated R1.5 billion and an adjustment of R1.6 million were made to account for an approved roll over on the Technical secondary school recapitalisation grant. The department will receive allocations of R1.8 billion in 2015/16; R2.1 billion in 2016/17 and R2.3 billion in 2017/18, which equates to 14.5 per cent annual average growth rate. These amounts do not include allocations under the Further Education and Training College grant which migrated to Department of Higher Education and training as of 1st April 2015.

Roads and Transport's overall purpose is to provide a balanced and equitable road network. The Provincial Roads Maintenance Grant and the Public Transport Operations Grant make up the bulk of the allocation to the Department. The Public Transport Operations subsidies are for commuter bus services and are paid to operators of commuter buses. Budget allocation amounted to R2.1 billion in 2011/12 and grew to R2.3 billion in 2013/14; an annual average growth rate of 4.5 per cent. The department was allocated R2.3 billion in 2014/15 with no adjustments. The department received allocations of R2.3 billion in 2015/16; and R2.6 billion in 2017/18, a 5.5 per cent annual average growth rate.

The aim of the Ilima/Letsema Projects Grant is to boost food production by assisting previously disadvantaged farming communities. The Comprehensive Agricultural Support Programme Grant supports newly established and emerging farmers. Agriculture and Rural Developments' overall conditional grants allocation was R66.9 million in 2011/12 and increased to R79.5 million in 2013/14; an average annual growth rate of 9 per cent. The department received an allocation of R88, 1 million in 2014/15; this remained the same in the adjustment appropriation and revised estimates. In 2015 MTEF, R113.7 million is allocated in 2015/16 and increases to R130 million in 2017/18, an annual average growth rate of 8.1 per cent.

Sport, Arts, Culture and Recreation through the Mass Sport and Recreation Grant promotes mass participation by historically disadvantaged communities in a number of developmental sporting activities. The Community Library Service Grant aims to help South Africans access knowledge and information to improve socio-economic conditions. The total allocation for these grants amounted to R125.8 million in 2011/12 and R154.7 million in 2013/14, an annual average growth rate of 10.9 per cent. The department was allocated R225.1 million in 2014/15. The allocation increases from R248.6 million to R283.8 million at an annual average growth rate of 7.5 per cent over the 2015 MTRF.

Human Settlements receives conditional grants mainly through the Human Settlements Development Grant which seeks to establish habitable, stable and sustainable human settlements in which all citizens have access to social and economic amenities. The allocation for the department was R3.8 billion in 2011/12 and R4.1 billion in 2013/14, an annual average growth rate of 3.9 per cent. The department will receive R5 billion in 2015/16 and R5.8 billion in 2017/18, an annual average growth rate of 7.6 per cent.

The social sector Expanded Public Works Programme (EPWP) incentive grant is allocated to provincial government departments to pay the stipends to volunteers to enhance and expand services within the social sector and to create work opportunities. In 2011/12, the allocation was R34. 8 million; R41.9 million in 2012/13 and R27. 6 million in 2013/14.

The integrated EPWP grant is allocated to various departments to incentivise them to expand work creation efforts through labour intensive methods. In 2011/12, the allocation was R435 000, R18. 8 million in 2012/13 and R15. 6 million in 2013/14.

4.4. Provincial own revenue

Provincial own revenue streams are limited but play an important role in supplementing national transfers and resourcing provincially determined priority outcomes. GPG's own revenue collection contributes approximately 5 per cent of total budget and national transfers approximately 95 per cent. With the exception of the Provincial Legislature, GPG departments collect revenue from various sources. There are four major revenue generating departments within GPG namely: Roads and Transport through motor vehicle licenses and drivers licence fees, Economic Development through gambling taxes, Health through patients' fees, and Treasury which earns interest on surplus funds deposited in the Corporation for Public Deposits (CPD). Other departments' collections are minimal and are based on cost recovery sources such as parking fees. However, there are departments with the potential to collect more: Education through exam related fees and commission on insurance and garnishes; Community Safety through traffic fines; Agriculture and Rural Development through veterinary and conservation fees; and Infrastructure Development through property rentals.

4.4.1 Own revenue initiatives

Initiatives currently being explored to maximize revenue collection include gambling tax review, (ICT) upgrades to enhance patient billing, maximising government property rental and revenue incentive schemes.

A gambling tax review study has explored the viability of moving from a flat tax regime to a sliding tax structure which is potentially competitive and provides for significant increased revenue from levies on casinos operating in the province.

Upgrades of the ICT systems aim to enhance patient billing and hence increase revenue collection, as system down turn time adversely affects patient billing.

Government property rental offers opportunities for increased revenue collection, especially if there is more focus on commercial rentable space on government properties, including advertising space on identified properties.

A revenue incentive scheme being explored aims to enable departments that surpass their main revenue appropriation to keep a proportion of their over-collection portion, as an incentive to supplement budget pressures. A concerted effort is being made to ensure that implementation of the revenue initiatives outlined above, takes effect from 2015/16 fiscal year, henceforth.

TABLE 12: SUMMARY OF ACTUAL AND BUDGETED OWN RECEIPTS BY DEPARTMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Office Of The Premier	465	277	533	430	430	430	452	476	500
Economic Development	614 769	721 855	763 922	760 762	760 762	760 762	806 405	849 145	891 602
Health	449 362	506 939	527 710	524 510	524 510	557 700	555 727	585 100	614 355
Education	44 452	48 612	47 367	45 202	45 202	45 202	29 560	30 236	30 928
Social Development	4 143	5 941	4 691	1 684	1 684	4 734	2 924	3 070	3 222
Cooperative Governance And Traditional Affairs	613	441	676	465	465	20 439	481	506	532
Human Settlements	19 461	12 701	4 888	4 235	4 235	5 493	4 429	4 664	4 897
Roads And Transport	2 283 876	2 466 851	2 707 443	2 812 550	2 812 550	2 812 550	3 056 936	3 215 889	3 376 610
Community Safety	13 781	20 612	29 852	14 248	14 248	43 048	15 087	15 887	16 681
Agriculture And Rural Development	1 058	2 106	1 030	1 463	1 463	1 737	1 854	1 958	2 064
Sport, Arts, Culture And Recreation	295	184	313	208	208	456	309	320	329
Finance	2 572	2 355	1 410	961	961	1 312	914	917	921
Gauteng Provincial Treasury	164 758	187 811	247 893	80 211	80 211	356 545	88 617	100 649	105 681
Infrastructure Development	15 636	15 055	17 755	19 000	19 000	19 198	21 000	23 000	24 150
Total provincial own receipts by Vote	3 615 241	3 991 740	4 355 483	4 265 929	4 265 929	4 629 606	4 584 695	4 831 816	5 072 472

TABLE 13: GPG OWN REVENUE PER CLASSIFICATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Tax receipts	2 840 664	3 120 962	3 398 280	3 502 304	3 502 304	3 502 304	3 791 410	3 989 367	4 188 835
Casino taxes	580 337	684 364	715 672	666 229	666 229	666 229	706 204	743 633	780 814
Horse racing taxes	32 602	34 979	37 732	92 277	92 277	92 277	97 813	102 997	108 147
Liquor licences									
Motor vehicle licences	2 227 725	2 401 619	2 644 876	2 743 798	2 743 798	2 743 798	2 987 393	3 142 737	3 299 874
Sales of goods and services other than capital assets	490 363	576 011	585 451	609 510	609 350	649 304	652 239	686 878	720 481
Transfers received	686								
Fines, penalties and forfeits	7 083	11 791	14 897	9 909	9 909	19 717	10 492	11 047	11 599
Interest, dividends and rent on land	170 633	198 159	260 087	86 550	86 540	362 363	92 011	104 222	109 431
Sales of capital assets	152	10 419	5 983			2 007			
Transactions in financial assets and liabilities	105 660	74 398	90 785	57 656	57 826	93 911	38 543	40 302	42 127
Total provincial own receipts	3 615 241	3 991 740	4 355 483	4 265 929	4 265 929	4 629 606	4 584 695	4 831 816	5 072 472

The table above shows own revenue collection over a seven financial year period per departments. In 2011/12, total own revenue collected was R3.6 billion and R4.4 billion in 2013/14, an average annual growth of 8.95 per cent. This is significantly higher than the expected annual average growth rate in own revenue of 5 per cent over the 2015 MTRF. Total provincial own revenue is projected at R4.3 billion in 2014/15; R4.6 billion in 2015/16; R4.8 billion in 2016/17; and R5.1 billion in 2017/18.

The four main revenue generating departments largely determine the amount of own revenue collected in the province. Roads and Transport collects most of its revenue from motor vehicle licence fees, the largest source in the province. In terms of the Road Traffic Act (Act 93 of 1996), municipalities and the South African Post Office (SAPO) act as agents for collecting revenue on behalf of the department. To ensure completeness of own revenue, the department uses the revenue information management system (RIMS). The department expects to collect R3 billion in 2015/16 and R3.3 billion in 2017/18, an average annual growth rate of 10.6 per cent.

The second largest source of own revenue for the province is revenue generated by Economic Development mainly from gambling (casino and horse racing) taxes; this contribute approximately 98 per cent of the department's total own revenue. The Gauteng Gambling Board (GGB) collects gambling taxes on behalf of the department and receives a commission of 8 per cent. The department anticipates collecting an estimated R758.9 million in 2014/15, and R804 million in 2015/16 and increases to R888.9 million in 2017/18, an average annual growth rate of 10.6 per cent over the 2015 MTRF.

Health generates own revenue from patient fees. The department projects to collect an estimated R557.7 million in 2014/15; R555.7 million in 2015/16 increasing to R614.4 million in 2017/18, an average annual growth rate of 5 per cent over the 2015 MTRF. The department is currently facing difficulties in collecting debt and has rolled out the new Medicom version (patient data system) at the two new hospitals to ensure completeness and accuracy of patient billing. The department has also appointed service providers to collect outstanding patient fees.

The main source of revenue for Provincial Treasury is interest from positive cash balances held in the Corporation for Public Deposit (CPD) accounts with the South African Reserve Bank (SARB). Approximately R80.2 million is anticipated for 2014/15 financial year and this increases to R105.6 million in 2017/18, an average annual growth rate of 5 per cent over the 2015 MTRF.

Education has projected to collect R45.2 million in 2014/15; R29.6 million in 2015/16; and R30.9 million in the outer year. The department has reduced the 2015 MTRF due to a decrease in recoveries from previous year's expenditure. The department has collected a significant amount of revenue under this item in previous years.

Community Safety projected to collect R14.2 million in 2014/15; R15.1 million in 2015/16; and R16.7 million in 2017/18, an annual growth rate of 5 per cent over the 2015 MTRF.

Agriculture and Rural Development anticipates collecting a total of R1.5 million in 2014/15; R1.9 million in 2015/16; and R2.1 million in 2017/18, an annual average growth of 5.4 per cent over the 2015 MTRF.

Infrastructure Development projects to collect a total of R19 million in 2014/15; R21 million in 2015/16; and R24.2 million in 2017/18, an annual average growth rate of 5 per cent over the 2015 MTRF.

The four major revenue generating departments contribute 98.3 per cent of total provincial own revenue while the departments with a potential to generate more revenue contributes 0.85 per cent. The activities of the other provincial departments are not geared towards significant revenue generation with their revenue contribution being minimal and accounts for a combined contribution of approximately 0.83 per cent.

4.5 Summary of provincial additional funding

TABLE 14: SUMMARY OF PROVINCIAL ADDITIONAL FUNDING

R thousand	Medium-term estimates		
	2015/16	2016/17	2017/18
Office of the Premier	22 000	23 210	24 371
Gauteng Provincial Legislature	45 000	47 475	49 849
Economic Development	168 000	40 000	40 000
Health	475 864	502 037	527 138
Education	841 144	609 157	639 615
Social Development	4 584	4 836	5 078
Cooperative Governance and Traditional Affairs	45 000	36 925	38 771
Human Settlements	376 960	100 000	
Roads and Transport	34 331	51 709	54 294
Community Safety	14 000		
Agriculture and Rural Development	50 000	7 000	7 350
Sport, Arts Culture and Recreation	31 400	20 875	5 539
Finance		250 000	250 000
Gauteng Provincial Treasury	20 000		
Infrastructure Development	109 613	109 810	115 301
Total provincial payments and estimates by Vote	2 237 896	1 803 034	1 757 305

Additional funding allocated to GPG Departments amount to R2.2 billion; R1.8 billion and R1.8 billion for the respective years of the 2015 MTEF and translates to R5.8 billion. The main priority of the additional allocation is to address budgetary pressure; supplement the allocation to the provincial priorities; stimulate growth in the economy through investment in strategic infrastructure. The additional funding allocations are aligned to the TMR.

Office of the Premier

The Office of the Premier is allocated R22 million which increases to R23.2 million in 2016/17 and R24.4 million in 2017/18. An amount of R15 million is allocated for increasing the research capacity within the Gauteng Planning Commission and R7 million for establishing and capacitating the performance, monitoring and evaluation unit in the 2015/16 financial year and factored into the allocation over the 2015 MTEF.

Provincial Legislature

The legislature receives additional funding amounting R45 million; R47.5 million and R49.8 million for the respective years of the MTEF. The additional funding is allocated to cover relocation to new premises, increase in public participation processes and spending pressures in relation to operational requirements.

Economic Development

The Economic Development receives additional funding amounting to R168 million for the 2015/16 financial year, of which R140 million is for Township revitalization. R28 million is aimed at procurement of consulting engineers to undertake the detailed designs of the JMP bulk infrastructure projects, furthermore R1.71 million is received from GDF in 2015/16 as part of migration of HR and Procurement personnel. Township Revitalisation is highlighted as a strategic priority for the current administration which aims to transform the townships to areas of economic growth where jobs are created. Over the MTEF the additional finding amounts to R248 million towards Township Revitalisation.

Health

Health receives an additional allocation of R475.9 million in 2015/16; R502 million in 2016/17; and R527.1 million in 2017/18. The allocation for 2015/16 is disaggregated into R8.5 million for increased municipal tariffs paid to different municipalities and R467.4 million for goods and services which used to supplement non-negotiable items such as medical supplies.

Education

Education receives a total of R841.1 million in 2015/16; R609.2 million in 2016/17; and R639.6 million for the respective years of the 2015 MTEF. The allocations are for smart schools; infrastructure investment for building and maintaining schools; as well as supplementing the school nutrition programme.

Social Development

The department receives additional funds of R4.6 million in 2015/16; R4.8 million in 2016/17 and R5.1 million in 2017/18 to fully fund salary related costs and operational costs for the office of the MEC after the adjustment process. This is in addition to the funds suspended from the Department of Agriculture and Rural Development over the medium term.

Cooperative Governance and Traditional Affairs

The department is allocated additional funding of R45 million in 2015/16; R36.9 million in 2016/17 and R38.8 million in 2017/18. The allocation for 2015/16 is prioritised for the Provincial Disaster Management Centre with R35 million and R10 million for voter education for the upcoming 2016 municipal elections.

Human Settlements

An amount of R376.9 million is allocated as additional for the 2015/16 and R100 million for the 2016/17 financial year. For the 2015/16 financial year an amount of R102.9 million is allocated for bulk infrastructure at Savannah City and R274m is for Syferfontein phase 1 and 2. An additional amount of R100 million is also allocated for Savannah City in 2016/17.

Roads and Transport

DRT receives an additional allocation amounting to R34.3 million in 2015/16 and increases to R51.7 million and R54.3 million for 2016/17 and 2017/18 respectively, to fund new construction projects for rehabilitation and refurbishment of existing roads as well as funding projects at the design stage.

Community Safety

An additional R14 million received from RTMC is made available for the installation of additional CCTV cameras linked to the SAPS War Room in the 2015/16 financial year.

Agriculture and Rural Development

Additional funding of R50 million is allocated for 2015/16 with R7 million and R7.3 million being allocated for 2016/17 and 2017/18 respectively. The 2015/16 allocation caters for acquisition of Mobile abattoirs; establish job-creating Agri-parks; and milling plant for the barley-malt project.

Sport, Arts, Culture and Recreation

The department receives an amount of R26.4 million in 2015/16 and R15.6 million in 2016/17 for the completion of the Provincial Archives Centre. The funds are intended for construction and operationalization of the centre. An additional R5 million is allocated in 2015/16; R5.3 million in 2016/17 and R5.5 million in 2017/18 for a monument in Tshwane.

Finance

Finance receives an additional funding of R250 million for the GBN project in 2016/17 as well as 2017/18. The GBN project aims to improve government efficiency and to save government and citizens time and money; to promote digital inclusion by connecting citizens to high-speed broad band initially, through the Thusong Centres located in townships across the province; and act as an economic enabler by ensuring that priority townships and economic regeneration zones have access to high speed broadband.

Provincial Treasury

Additional funding of R20 million is allocated to the GPT for 2015/16 to conduct feasibility study on alternative energy.

Infrastructure Development

Additional funding of R109.6 million in 2015/16; R109.8 million in 2016/17; and R115.3 million in 2017/18 for new infrastructure assets is allocated to the department. Included in this allocation is an amount of R55 million in 2015/16; R58 million in 2016/17 and R60.9 million in 2017/18 for the Tshepo 500 000 project aimed at creating 50 000 opportunities for decent sustainable jobs. The initiative envisage to recruit 12 500 new graduates, 12 500 people trained and skilled as well accrediting 12 500 people in entrepreneurship programmes.

5. PAYMENTS

5.1 Payments by vote

The 2015/16 financial year sees the GPG focussing more on the TMR programme which encompasses the provincial 10 pillars that will ensure that service delivery and the economy grows at a more accelerated rate.

The GPG is committed to radically transform the economy, modernise and re industrialise the province in order to ensure that the province is characterised by social cohesion and economic inclusion. The TPP is at the forefront of ensuring that the province is an integrated city region. The 2015 MTEF is tabled in the second year of the fifth political term. The province is dedicated to accelerate socio economic transformation. Social sector represent a significant share of the provincial budget, with education leading with 37.5 per cent of the total provincial budget and health accounting for 36 per cent.

TABLE 15: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY VOTE

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2014/15	2015/16	2016/17
Office Of The Premier	274 010	290 566	461 791	379 108	387 416	387 416	425 455	449 420	472 723
Gauteng Provincial Legislature	376 190	472 005	473 919	521 571	521 769	537 205	600 473	641 673	673 757
Economic Development	759 394	873 371	926 787	1 072 661	1 101 491	1 079 615	1 305 610	1 239 298	1 299 291
Health	23 666 337	26 834 347	27 415 801	31 524 334	31 491 179	31 973 831	34 175 179	36 659 305	39 080 494
Education	24 595 703	26 732 123	29 209 407	31 636 920	31 984 554	32 264 921	36 043 909	37 819 913	39 802 054
Social Development	2 351 013	2 524 726	2 899 683	3 524 662	3 434 362	3 421 362	3 963 972	4 177 254	4 386 117
Cooperative Governance And Traditional Affairs	274 413	208 770	273 657	340 598	340 598	336 096	406 972	416 763	437 601
Human Settlements	4 186 196	4 421 597	4 546 443	4 968 101	5 114 755	5 114 755	5 939 014	6 187 622	6 414 301
Roads And Transport	5 784 647	5 564 906	5 366 174	6 152 859	6 033 416	6 122 344	6 605 952	7 143 770	7 535 881
Community Safety	401 469	414 662	493 481	573 510	643 510	632 412	622 152	639 954	671 952
Agriculture And Rural Development	478 124	515 888	543 698	602 825	614 002	614 002	707 387	701 265	740 326
Sport, Arts, Culture And Recreation	409 623	434 025	519 602	714 362	663 408	663 408	788 034	661 636	682 753
Finance	1 088 382	1 118 628	1 024 284	1 213 112	1 245 762	1 245 726	1 171 505	1 133 914	1 175 274
Gauteng Provincial Treasury	321 764	346 475	429 905	560 060	516 643	567 698	584 362	596 933	628 756
Infrastructure Development	1 260 419	1 408 343	1 529 491	1 975 628	1 885 628	1 852 943	2 050 698	2 186 171	2 295 480
Total provincial payments and estimates by Vote	66 227 684	72 160 432	76 114 123	85 760 311	85 978 493	86 813 734	95 390 674	100 654 890	106 296 760

Note: The total excludes function shifts to national departments

Through reprioritisation including cost cutting measures, the province continues to reduce non-core items and redirect the budget to priority areas and funding the TPP. The provincial budget grew from R85.8 billion in 2014/15 to R95.4 billion in 2015/16. Health, Education, Social Development and Human Settlement continue to show growth through the current MTEF period. The province remains committed to maintain a balance between existing needs and new priorities.

From Table 15 above the expenditure of GPG departments increased by 15 per cent from R66.2 billion 2011/12 to R76.1 billion in the 2013/14 financial year. For the 2014/15 financial year the total main appropriation of the province amounted to R85.8 billion and increased from the 2014/15 adjustment budget before increasing to R95.4 billion in 2015/16.

The growth is mainly as a result of additional funding allocated to all provincial departments. The provincial budget grows from R95.4 billion to R106.3 billion from the 2015/16 to the 2017/18 financial year which represent growth of 15 per cent with the social sector receiving the largest share.

Over the MTEF, Education, Health and Social Development received 78 per cent of the overall provincial budget as a result of the government's commitment to deliver quality education and health services. The budget for these departments grew from R66.7 billion in 2014/15 to R74.1 billion in 2015/16 financial year.

Education receives the largest share of the total provincial budget which is R36 billion in 2015/16 and grows to R39.8 billion in the 2017/18 financial year. This is mainly to make provision for the increased investment in infrastructure for schools, smart schools as well as supplementing the funding for the school nutrition programme. Furthermore, funds have been earmarked in 2015/16 for the universalisation of Grade R, the introduction of the e-education solution and the improvement of quality learning strategies.

The baseline for Health in 2015/16 amounts to R34.2 billion due to the carry through costs of goods and services from the adjustment budget and the additional funding of R150 million to improve service delivery. Provision has also been made for replacing of ageing emergency vehicles as well enhancing tertiary services.

Roads and Transport receives close to 7 per cent share of the total provincial budget, which is R6.6 billion in 2015/16 and grows to R7.5 billion in 2017/18 financial year. This is mainly due to additional funding received from the province for infrastructure delivery.

5.2 Payments by economic classification

TABLE 16: SUMMARY OF PROVINCIAL PAYMENTS BY ECONOMIC CLASSIFICATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	50 051 520	54 126 916	58 315 161	64 919 495	64 987 688	65 853 479	71 624 655	75 612 418	80 137 721
Compensation of employees	36 177 901	38 975 546	43 139 114	47 709 391	47 683 021	47 832 456	52 636 497	55 658 403	58 445 921
Goods and services	13 828 957	15 141 119	15 170 322	17 208 954	17 303 497	18 016 544	18 986 859	19 952 830	21 690 580
Interest and rent on land	44 662	10 251	5 725	1 150	1 170	4 479	1 300	1 185	1 219
Transfers and subsidies to:	13 399 424	14 188 391	14 630 338	16 009 099	16 253 037	16 228 890	17 911 748	18 880 044	19 780 431
Provinces and municipalities	749 617	1 441 852	962 134	1 027 439	1 024 191	1 023 629	1 146 247	1 159 780	1 220 194
Departmental agencies and accounts	2 800 884	2 307 429	2 188 269	2 082 525	2 140 387	2 127 042	2 471 830	2 765 903	2 904 198
Higher education institutions	15 728	17 156	16 849	16 581	18 581	18 581	23 675	25 695	26 980
Foreign governments and international organisations									
Public corporations and private enterprises	1 906 128	1 702 133	1 772 623	1 951 137	1 953 737	1 956 488	2 010 321	2 097 067	2 226 423
Non-profit institutions	3 851 484	4 345 793	5 090 300	6 060 600	5 768 319	5 687 602	6 461 292	6 811 485	7 164 464
Households	4 075 583	4 374 028	4 600 163	4 870 817	5 347 822	5 415 548	5 798 383	6 020 115	6 238 173

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Payments for capital assets	2 673 827	3 732 047	3 108 493	4 831 718	4 737 492	4 719 777	5 854 271	6 162 428	6 378 609
Buildings and other fixed structures	1 951 893	3 007 367	2 484 385	3 881 744	3 258 405	3 253 694	5 020 017	5 288 713	5 457 526
Machinery and equipment	683 645	625 182	603 636	897 689	1 364 169	1 318 345	794 954	821 125	862 718
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets	18 053	6 569	12 521	22 000	22 000	54 284	16 740	30 000	35 035
Software and other intangible assets	20 236	92 929	7 951	30 285	92 918	93 454	22 560	22 590	23 330
Payments for financial assets	102 913	113 078	60 131		277	11 588			
Total economic classification	66 227 684	72 160 432	76 114 123	85 760 311	85 978 493	86 813 734	95 390 674	100 654 890	106 296 760

Current payments

Total payment and estimates by economic classification show that current payments account for 75 per cent of the total share of provincial payments in the 2015/16 financial year. The main contributing factor is the provision for compensation of employees.

Expenditure incurred by the province on compensation of employees increased by 19 percent from R36.2 billion in 2011/12 to R43.1 billion in 2013/14. A major cause of this trend is the increase in the personnel headcount in the two largest departments in the province, namely Education and Health. The contributing factors include payments of Occupation Specific Dispensation (OSD) and the filling of critical posts for Health and the increase in educator posts to address the learner teacher ratio in schools. These two departments continue to contribute to transforming the society by ensuring that quality learning and teaching takes place and quality health services are offered to the people in Gauteng.

Over the MTEF period the amount for personnel grows at an average rate of 5.4 per cent. The budget growth for personnel is due to the Improvement of Condition of Service in the province and taking into account the annual salary increases which correspond with the prescribed annual inflation rates.

Expenditure on goods and services increased by 10 per cent from R13.8 billion in 2011/12 to R15.2 billion in 2013/14 as a result of an increase in spending on priorities such as medicine and medical supplies; increase in the school nutrition programme; primary health care; and spending on operational expenses. Goods and services over the MTEF period increase by R965 million between 2015/16 and 2016/17; and by R1.7 billion between 2016/17 and 2017/18. Additional allocations under current payments include funds allocated for smart schools project that will be implemented as part of the E-learning strategy.

Transfers and subsidies

Total transfers and subsidies increase from R13.4 billion in 2011/12 to R14.6 billion in 2013/14. They are set to increase from R17.9 billion to R19.8 billion over the MTEF. These increases in transfers and subsidies are attributed to transfers to other entities by the Department of Health and Social Development. This includes amounts that were transferred to the local government sphere. Inclusive of the amount is the transfer to the Gauteng Growth and Development Agency, Gauteng Enterprise Propeller, Matthew Goniwe School of governance and the Gauteng City region Academy which ensures skills development in the province.

Transfers to households include funds allocated to Human Settlements for the housing development in the province. Funds allocated in 2014/15 provide for general housing delivery and key projects such as the reticulation and bulk infrastructure in Syferfontein and Savannah City. The allocations for housing transfers in 2015/16 include funds allocated for the provincial mega projects and provision of bulk infrastructure for Syferfontein Phase 1-2 and Savannah City.

Payment for capital assets

Payment for capital assets from the 2011/12 financial year to the 2013/14 increased by 16 per cent, that is, from R2.7 billion to R3.1 billion. Allocations for the infrastructure development contributes significantly to the total allocation. Education and Roads and Transport contribute a large portion of the allocation for infrastructure development.

The allocations for Roads and Transport provide funds for the construction, upgrade, maintenance and rehabilitation of provincial roads.

Education has allocated R8 billion towards the school infrastructure over the MTEF. It also allocates funds for rehabilitation and refurbishment of existing school facilities; upgrades and additions; and maintenance of schools. The increase in the new construction programme emanates from the need to comply with the regulations relating to minimum uniform norms and standard for public school infrastructure.

Sport, Arts, Culture and Recreation has allocated funds in 2015/16 for capital infrastructure projects. This amount includes funds allocated for a national monument, building of community libraries and completion of the Provincial Archives Centre.

5.3 Payments by policy area

TABLE 17: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY FUNCTIONAL AREA

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
General public services	3 595 178	3 844 787	4 193 047	4 990 077	4 919 558	4 927 084	5 239 465	5 424 873	5 683 591
Public order and safety	401 469	414 662	493 481	573 510	643 510	632 412	622 152	639 954	671 952
Economic affairs	6 895 146	6 825 431	6 701 726	7 666 471	7 590 449	7 657 501	8 455 483	8 913 781	9 396 418
Environmental protection	127 019	128 734	134 933	161 874	158 460	158 460	163 466	170 553	179 080
Housing and community amenities	4 186 196	4 421 597	4 546 443	4 968 101	5 114 755	5 114 755	5 939 014	6 187 622	6 414 301
Health	23 666 337	26 834 347	27 415 801	31 524 334	31 491 179	31 973 831	34 175 179	36 659 305	39 080 494
Recreation, culture and religion	409 623	434 025	519 602	714 362	663 408	663 408	788 034	661 636	682 753
Education	24 595 703	26 732 123	29 209 407	31 636 920	31 984 554	32 264 921	36 043 909	37 819 913	39 802 054
Social protection	2 351 013	2 524 726	2 899 683	3 524 662	3 434 362	3 421 362	3 963 972	4 177 254	4 386 117
Total provincial payments and estimates by policy area	66 227 684	72 160 432	76 114 123	85 760 311	85 978 493	86 813 734	95 390 674	100 654 890	106 296 760

The two provincial government departments accounting for 75 per cent of the total budget over the 2015 MTEF are Education and Health. Education receives allocations of R36 billion, R37.8 billion and R39.8 billion in the 2015/16, 2016/17 and 2017/18 financial years respectively. This represents 38.3 per cent, 38.1 per cent and 38 per cent of the 2015 MTEF budget in those years. Health receives allocations of R34.2 billion, R36.7 billion and R39.1 billion in 2015/16, 2016/17 and 2017/18 respectively. This represents 36.4 per cent, 37 per cent and 37.3 per cent of the 2015 MTEF budget those years. These allocations contribute to addressing the imbalances of the past in terms reducing income inequalities, poverty and the unacceptably high unemployment rate through various job initiatives to be implemented over the medium term.

The funds allocated to Education in the 2015 MTEF should assist with achieving the education outcomes set out in the department's 2014/15-2018/19 Strategic Plan. These include:

Curriculum and assessment development: The funds should be used to improve the annual assessment results in the foundation, intermediate and senior phases. The repetition drop-out rate should be reduced in all grades through the implementation of the Secondary School Improvement Programme. All learners should also have access to a set of minimum textbooks, according to national policy.

Teacher provision and support: The development of teachers will be key to improving learner achievement. Through support to schools, efforts will be made to reduce class sizes. The province will also endeavour to attract the best teachers and a cohort of young, motivated and appropriately trained teachers.

Leadership and management: The leadership team in the province will be guided by competence, integrity and accountability. All district offices will be fully functional in terms of supporting curriculum implementation in schools.

Infrastructure development: The physical infrastructure and environment of every school will be tailored towards inspiring learners to want to come to school and learn, and teachers to come and teach.

Planning, finance and resources: Schools will be effectively resourced. They will also be supported financially. There will be strict compliance with financial management, and good governance practices will be strengthened.

ICT in education: A digital classroom of the future in each school has been established with system-wide connectivity. An e-learning strategy has also been effectively implemented. Over the MTEF, this initiative will be maintained and enhanced.

Social cohesion: Learner support programmes will ensure a non-racial education system with equal and fair access to any public school in the province. Schools will operate in safe environments.

School functionality, including community involvement: Parents and communities will be encouraged to engage in all aspects of the education process. The business sector will also be encouraged to be involved in schools, through financial investments, mentoring and learnerships.

Skills development: The department will ensure a skilled and accountable public service which is public service-oriented, with a sustainable pool of trained manpower with the capacity to reduce poverty and unemployment through the implementation of the Master Skills Plan for Gauteng.

Early childhood development: The department will ensure that 99 per cent of Grade One learners have attended Grade R by 2019.

Funding to Health in the 2015 MTEF budget will target the achievement of the following health care outcomes, as set out in the 2014/15-2018/19 Strategic Plan:

• **National Health Insurance roll-out and the strengthening of health systems:** National Health Insurance will be implemented through universal coverage. Strengthening of the health systems will be done via the expansion and re-engineering of primary health care. The department will also be improving hospital management and improving the quality of care through compliance with the national core standards. Improvements in financial and human resources, and in infrastructure, will be part of the department's programme. The department will also work on reducing medico-legal services and litigation.

• **Prevention and reduction of the burden of disease:** The funding that has been made available in the 2015 MTEF will be used to further improve maternal, infant and child health.

• **Intensification of the fight against TB and HIV/AIDS:** This will be done by promoting preventive health healthy life-styles. The department will also strengthen the provision of mental health, substance abuse and detox services.

• **Transformation of the health economy:** This will be done through localized production and procurement of goods and services.

• **Modernisation of public service delivery:** There will be a focus on the development and implementation of e-health programmes in order to modernize systems. It is expected that this will impact positively on service delivery.

The other social sector departments that contribute to addressing the imbalances of the past in terms of reducing income inequalities, poverty and the high unemployment rate are the Departments of Social Development; Sport, Arts, Culture and Recreation; and Human Settlements. These departments have also received increases in their budgets over the 2015 MTEF.

Ancillary departments promoting social interventions include Public Order and Safety with a budget of R275.3 million in 2015/16, R289 million in 2016/17 and R304.6 million in 2017/18. Over the 2015 MTEF, Economic Affairs receives R8.5 billion in 2015/16, R8.9 billion in 2016/17 and R9.4 billion in 2017/18. These allocations

are necessary to achieve government objectives of:

- Reducing income inequalities;
- Growing the economy, reducing unemployment; and
- Ultimately conquering poverty particularly in peri-urban and rural areas in line with government's policies and priorities of improving living standards for the people of Gauteng specifically and South Africans in general.

5.4 Transfers to public entities

TABLE 18: SUMMARY OF DEPARTMENTAL TRANSFERS TO PUBLIC ENTITIES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Gauteng Growth and Development Agency	228 815	293 223	358 173	339 072	339 072	339 072	338 033	355 949	373 746
2. Gauteng Enterprise Propeller	93 912	104 300	128 447	129 291	129 291	129 291	129 838	132 507	139 132
3. Gauteng Tourism Agency	61 488	52 045	62 019	65 427	65 427	65 427	60 298	63 494	66 668
Total departmental transfers to public entities	384 215	449 568	548 639	533 790	533 790	533 790	528 169	551 950	579 546

Transfers to public entities increased from R384.2 million in 2011/12 to R548.6 million in 2013/14 due to the additional funding allocated to GGDA for the Nelson Mandela Centre of Memory and other job creation endeavors. For the 2014/15 financial year the allocation amounted to R533.8 million. The allocation is augmented to R551.9 million and R579.5 million in 2016/17 and 2017/18 respectively. The allocation to GEP escalates from R128.4 million in 2013/14 to R129.3 million in the 2014/15 financial year to cater for a targeted focus on providing support and training to informal businesses, SMMEs and cooperatives. The allocation increases to R129.8 million in 2015/16 financial year and to R139.1 million in 2017/18.

The GGDA budget focuses on key projects such as metal and machinery sector development, the Gauteng Tooling Initiative and automotive sector development. The Entity is also focusing in city renewal and for the establishment of a struggle history route such as the Constitution Hill Precinct; the Nelson Mandela Centre of Memory which will be developed as an anchor attraction to enhance the visitor experience. The Nissan investment programme which is the Gauteng Automotive Training Academy, now the GALC, with approximately 218 students in training will also be further developed. GGDA is also contributing in training through the Gauteng Master Skills Plan that include training for body repair shops; simulator training academy; foundry and tooling training; tourism; and reskilling and technical training.

The GTA allocation for the 2015/16 financial year amounts to R60.3 million which increases to R66.7 million in 2017/18. The allocation caters for the construction of Dinokeng Game Reserve (DRG) self-drive, upgrade of the picnic sites in Roodeplaat Dam and provision of modern ablution facilities and upgrade of the Boekenhoutkloof and De Wagensdrift Road. The entity continues to provide for registration of tourist guides, tour operators, couriers, accredited training providers in the tourism industry, hotels, conference centres, restaurants, designated tourism amenities and other accommodation establishments and possible future functions relating to these categories; and to provide for the promotion and sustainable development of tourism in Gauteng.

5.5 Transfer to local government

TABLE 19: TRANSFERS TO LOCAL GOVERNMENT (BY CATEGORY)

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Category A	584 892	1 258 591	851 959	888 491	876 891	864 712	925 297	973 655	1 022 083
Category B	85 905	65 500	60 140	82 304	82 694	95 449	143 596	104 646	109 284
Category C	57 682	112 409	49 077	52 844	52 844	53 844	69 868	72 322	75 856
Total transfers to municipalities	728 479	1 436 500	961 176	1 023 639	1 012 429	1 014 005	1 138 760	1 150 622	1 207 223

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

The table above indicates the actual and estimated transfers over the seven year period. Total transfers increased significantly from R728 million in 2011/12 to R1.4 billion in 2012/13. The 2011/12 transfers included the transfer made by Cooperative Governance and Traditional Affairs (COGTA) to the City of Tshwane metropolitan municipality (COT) as once off costs for the operational requirements that needed to be concluded for the integration of the Metsweding District Municipality into the COT. The department also made transfers in 2011/12 for funds to municipalities for HIV/AIDS and water demand programmes.

During the 2013/14 financial year total transfers amounted to R961 million, with a significant transfer of R852 million being made under Category A municipalities. A portion of the transfer emanates from Health whilst the transfer by Sport, Arts, Culture and Recreation was to make provision for the library facilities.

The following departments will make transfers over the 2015 MTEF:

Health will transfer a total amount of R681 million to Category A and Category C municipalities during the 2015/16 financial year to cater for:

- Primary Health Care (PHC) services to improve access to extended hours, increase availability of elderly and rehabilitative services and also to improve TB cure rate and the nutritional state of children;
- HIV and AIDS to reduce HIV and pregnancy through ward-based and door to door mass education, peer education for high risk groups and in workplaces, life skills training in schools and the HIV Counselling and Testing (HTC) programme;
- Emergency medical Services (EMS) to maintain the number of call attended and services within the acceptable norms and standards.

All primary health care services within district councils have already been provincialised.

COGTA transferred R2 million to municipalities for job creation as part of the EPWP grant in 2014/15. These functions mainly rest with the Infrastructure Development. The department also transferred R3 million to municipalities for the implementation of GRAP 17 and for the performance management systems (PMS). Transfers over the 2015 MTEF will be made for continuing with these projects.

Agriculture and Rural Development transfer EPWP funds to municipalities to expand job creation efforts in specific focus areas where labour intensive delivery methods can be maximized. Transfers in 2014/15 financial year amount to R8.7 million; the budget increases to R10.9 in 2015/16. During the 2014/15 financial year under Category A municipalities; the department, transferred R3.5 million to the City of Johannesburg for the implementation of the Klipspruit River clean up. The outputs in relation to the river clean up includes the creation of temporary jobs, removal of waste, reeds and grass from the river, skills development and pollution awareness campaigns. In 2015/16, under Category B a total of R1.9 million will be transferred to Lesedi and Merafong for the implementation of alien vegetation eradication projects. The alien vegetation removal projects will also contribute to job creation and skills development. These projects will continue through the 2015 MTEF with the budget growing by an average rate of 3.5 per cent. Under Category C a total of R5.4 million will be transferred to West rand and Sedibeng for agro processing and maize triangle projects. R1.4 million will be transferred to Sedibeng and West rand for the maintenance of mechanization inputs.

Social Development will transfer an amount of R70.9 million to Category A and C municipalities during the 2015/16 financial year. These funds are earmarked for the investment in infrastructure for projects in the Priority Township Project including construction of Social integrated Facilities, Aged Day Care Centres as well as Early Childhood Development Centres. R33 million will be transferred to the City of Johannesburg; R35.9 million to the Emfuleni Local Municipality and R2 million to the Randfontein Local Municipalities.

5.6 Infrastructure payments

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

5.7 Personnel costs

TABLE 20: PROVINCIAL PERSONNEL COSTS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Office Of The Premier	153 431	153 493	176 280	218 168	197 822	197 822	228 529	242 034	254 558
Gauteng Provincial									
Legislature	159 489	181 637	207 397	254 958	255 156	254 958	284 865	306 946	318 795
Economic Development	91 035	110 304	110 685	190 540	172 640	172 640	215 711	227 616	239 024
Health	14 163 518	15 244 542	17 096 854	18 778 461	18 743 254	18 818 486	20 409 052	21 568 397	22 648 658
Education	18 513 710	20 029 595	21 812 522	23 543 331	23 874 415	24 008 511	26 428 946	27 842 254	29 234 075
Social Development	743 797	782 298	903 194	1 107 801	1 048 842	1 048 842	1 272 624	1 338 081	1 404 985
Cooperative Governance And									
Traditional Affairs	207 695	182 711	200 300	252 131	252 131	252 133	266 482	281 299	295 364
Human Settlements	247 082	298 769	316 760	348 460	348 460	348 411	372 402	393 149	412 807
Roads And Transport	433 527	437 039	472 102	640 092	591 364	568 614	693 032	731 401	767 973
Community Safety	236 077	252 299	319 775	394 272	391 272	373 390	418 149	437 817	459 458
Agriculture And Rural									
Development	254 125	267 441	291 624	326 875	325 143	324 246	354 462	374 136	392 843
Sport, Arts, Culture And									
Recreation	111 667	109 238	143 333	176 109	175 402	177 761	184 440	193 920	203 586
Finance	209 015	220 276	245 369	352 320	280 289	280 289	343 540	366 376	389 090
Gauteng Provincial Treasury	238 190	257 114	291 210	388 004	350 483	359 265	417 813	442 901	467 028
Infrastructure Development	415 543	448 790	551 709	737 869	677 219	647 088	746 450	912 075	957 679
Total provincial personnel costs	36 177 901	38 975 546	43 139 114	47 709 391	47 683 892	47 832 456	52 636 497	55 658 403	58 445 922

The table above present the total personnel cost across the province, two major departments that set to take up the largest share of the compensation of employees budget is Health and Education. Increases in compensation of employees are caused by payment of annual salary increases, pay progression, performance bonuses and overtime.

In the 2011/12 financial year compensation of employees in Education increased by 17.8 per cent from R18.5 billion to R21.8 billion in 2013/14, however over the medium term the total personnel cost increased by 10.6 per cent from R26.4 billion to R29.2 billion in 2017/18. The increase is caused by cost of living adjustments and other costs related to the remuneration of employees.

In Health, personnel cost increase from R14.1 billion in 2011/12 to R17.1 billion in 2013/14, over the medium term the personnel cost increases by 11.1 per cent from R20.4 billion in 2015/16 to R22.6 billion in the 2017/18 financial year. The increase results from additional funds received to provide for the re-grading of clerks, filling of EMS critical posts and the absorption of Emergency Care Technicians trained at the Training College.

In Social Development, the personnel budget of R1.3 billion in 2015/16 provides for staff compliment and for the absorption of core critical occupations such as Social Workers, Child and Youth Care Workers and Community Development Practitioners, which relate to the Ward-Based Service Delivery Model that is aimed at providing services closer to the people. The increasing budget in the Department of Infrastructure Development is mainly as a result of the approved structure and the implementation of Infrastructure Delivery Management System.

5.8 Payments on training

TABLE 21: PAYMENTS ON TRAINING BY VOTE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Office Of The Premier	1 037	2 262	571	2 040	2 040	1 595	2 075	1 860	2 305
Gauteng Provincial Legislature	1 504	4 884	1 755	3 366	3 074	3 074	3 880	4 074	4 277
Economic Development	1 199	1 399	1 808	4 044	4 044	4 044	3 237	3 365	3 420
Health	25 022	38 013	24 352	59 381	67 017	64 325	56 918	40 002	41 567
Education	256 890	375 734	201 207	373 350	277 283	287 634	443 258	467 941	491 335
Social Development	9 459	6 092	8 137	12 092	12 136	12 124	12 453	13 113	13 768
Cooperative Governance And Traditional Affairs	1 559	8 974	5 683	11 501	11 501	11 501	10 642	11 321	11 887
Human Settlements	1 307	2 062	7 120	6 410	6 410	6 410	6 768	7 140	7 497
Roads And Transport	8 655	8 713	564	7 600	7 600	7 600	11 535	12 295	12 363
Community Safety	28 640	4 080	3 777	4 841	4 841	4 841	6 552	5 616	5 896
Agriculture And Rural Development	6 115	6 519	6 909	5 579	5 579	5 579	3 805	4 110	4 439
Sport, Arts, Culture And Recreation	805	1 559	1 631	1 719	1 719	1 719	1 840	1 940	2 037
Finance	696	1 899	1 648	2 805	3 458	3 458	2 000	2 300	2 415
Gauteng Provincial Treasury	1 445	3 638	7 410	3 378	5 171	4 709	5 989	6 240	6 563
Infrastructure Development	6 808	11 661	14 505	19 842	19 842	19 842	20 977	22 095	23 199
Total provincial payments on training	351 141	447 489	287 077	517 948	431 715	438 455	591 903	603 412	632 969

The table above illustrates the provincial payments and estimates on training budget by the provincial departments. The total allocation of provincial payments and estimates on the training budget has gradually increased from R351 million in 2011/12 to R477.4 million in 2012/13. The allocation is reduced during the 2014/15 Adjustment Budget from the main appropriation of R517.9 million to R431.7 million. Over the 2015 MTEF, the allocation is recorded as R591.9 million in 2015/16 to R632.9 million in 2017/18. These funds will ensure that provincial departments offer training which is aimed at building capacity to improve the efficiency and effectiveness of each department and to enable staff members to participate in the continuous development programmes.

Education accounts for the significant allocation. The allocation is substantially inflated in 2011/12 from R256.9 million to R375.7 million in 2012/13. A total amount of R373.5 million is recorded in 2014/15, thereafter it is reduced during the Adjustment Budget by R96 million. Over the MTEF, the allocations are considerably inflated from R443.3 million in 2015/16 to R491.3 million in 2017/18. The training budget covers all training and development in the department with the focus on the improvement of strategies, support and enhancement of service delivery and professional development within the sector.

The allocated budget will also respond to the growing demand for training in the education sector, the department also conducts a number of training courses for both educator and public service staff. These training programmes are coordinated and implemented through Matthew Goniwe School of Leadership and Governance (MGSLG) and Sci Bono Discovery Centre. Bursaries are also awarded to educators to improve Maths, Science and Technology.

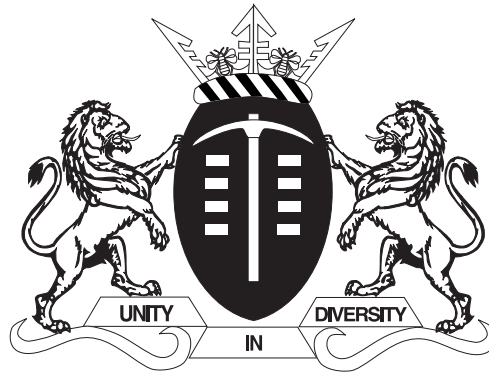
Health is the second largest contributor. Total expenditure amounted to R24.3 million in the 2013/14 financial year and was further increased to R67 million in 2014/15. The department focuses on the re-engineering and rationalisation of the Primary Health Care Services as well as on the training of community health workers, medical and support staff, who will be appointed under the HIV and AIDS programmes. Similarly, training will also be provided to project managers. This is mainly targeted at organisational development and improving service delivery on infrastructure projects. Over the MTEF, the allocation shows a fluctuating trend from R57 million to R40 million and R42 million in 2015/16, 2016/17 and 2017/18 respectively. The department will continue to up-skill and develop employees in various key areas towards health systems efficiency.

An upward and downward trend is illustrated under the Social Development, from R9.4 million in 2011/12 to R8.1 million in 2013. Over the outer years, the following allocations are recorded; R12.4 million, R13 million and R13.7 million for 2015/16, 2016/17 and 2017/18 respectively. The allocated budget accommodates the increase in the skills development levies payable to the SETAs as contained in the Directive issued by the DPSA. The department also provides training to non-profit organisations continuously to provide updates on legislative mandates, policies and prescripts, track progress on action plans against programme objectives/priorities, training on programmes interventions and models.



EPRE - 2015/16





ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE





EPRE - 2015/16



VOTE 1

OFFICE OF THE PREMIER

To be appropriated by vote in 2015/16	R 425 455 000
Responsible Executing Authority	Premier of the Gauteng Provincial Government
Administering Department	Office of the Premier
Accounting Officer	Director-General

1. OVERVIEW

Vision

Leadership for an integrated city-region, characterised by social cohesion and economic inclusion; the leading economy on the continent, underpinned by sustainable socio-economic development

Mission

To advance radical socio-economic transformation and steer Gauteng towards a seamless and integrated city region characterised by social cohesion and economic inclusion; by:

- Providing strategic leadership and direction to government and society;
- Ensuring the transformation and modernisation of the public service;
- Improving government performance and service delivery through enhanced planning, coordination, monitoring and evaluation of government performance;
- Ensuring effective communication and stakeholder interfaces with communities and key sectors of society;
- Providing strategic and operational support in fulfilling constitutional and legal obligations;
- Actively advancing gender equality, women's empowerment, youth development and the rights of people with disabilities, older persons and military veterans; and
- Securing both domestic and foreign partnerships that support the development agenda.

Strategic goals

- Driving greater policy and planning coherence in government and the achievement of service delivery outcomes;
- Building a modernised Gauteng public service with the capacity to drive change and transformation;
- Communicating and profiling the programme of government to ensure enhanced interaction between government and the people;
- Forging strategic partnerships that advance the national and provincial development agenda both locally and internationally; and
- Advancing gender equality, women's empowerment, youth development and the rights of people with disabilities, older persons and military veterans and promoting socio-economic inclusion.

Core functions and responsibilities

Overall leadership to government and society

As the apex institution of the Gauteng Provincial Government (GPG), the Office of the Premier (OoP) provides overall leadership to government and society. Particular emphasis is placed on research, strategic analysis and policy development. The OoP intervenes in key sectors to unlock growth and employment potential and revitalise township economies with the aim of transforming the overall economy radically. It also targets the transformation of society by improving education, modernising health institutions and upgrading the quality of health care and tackling urban poverty and social development challenges. It is also responsible for innovations in public transport as a means to effect spatial transformation and for building new, sustainable and integrated human settlement and cities.

Transformation and modernisation of the public service

The responsibilities of the OoP with regard to transforming and modernising the public sector involve building developmental state capabilities through better organisation and professionalization, particularly in financial management, budgeting and supply chain management. These responsibilities also include stimulating activist, purpose driven and results-based government; and promoting an active citizenry through sectoral engagement and community mobilisation. The OoP fulfils an inclusive transversal role that is significant for the realisation of strategic and political objectives, including providing transversal human resources (HR) capacity; cabinet secretariat services; legal and legislative drafting services; communication services; service delivery improvement and change management and security; threat and risk management services for government buildings; and managing residences of political office bearers.

Planning, monitoring and evaluation (coordination and integration)

The core function of the OoP is to improve government performance and service delivery; this will be achieved through enhanced planning, coordination, monitoring and evaluation of government performance. The results of Census 2011 indicate that the huge migration to the Gauteng province requires planning capability, both centralised and spatial, performance monitoring and evaluation, and strategic planning and agenda setting, to ensure that the needs of citizens are adequately addressed.

Communication and stakeholder interface for sectors of society

The OoP ensures effective communication and stakeholder interfaces with communities and key sectors of society by building public confidence in government through:

- Sustained awareness on government progress and good work and programmes to address challenges;
- Improved responsiveness;
- Sustained engagement with stakeholders; and
- A programme of public participation linked to building public confidence in government and improved access to information.

Support to the Premier and Executive Council (EXCO)

The OoP provides strategic and administrative support to the Premier and Cabinet in fulfilling their mandate and constitutional and legal obligations and in realising the policy priorities and political imperatives of the fifth administration. The OoP will ensure the development of the legislative agenda for the province and provide strategic support and advice to the Premier and EXCO. Through the Cabinet Secretariat support will be provided to the EXCO and clusters to ensure optimal integration and coordinated policy development, policy implementation and action. The OoP will ensure an effective and efficient implementation of the 2014-19 Medium Term Strategic Framework (MTSF) mandate.

Inter-governmental relations

Building sustainable intergovernmental relations between the three spheres of government and across the province and between provinces is key in ensuring achievement of common goals in the spirit of the global city region. Securing partnerships that support the development agenda locally and internationally plus ensuring proper coordination and partnership on joint programmes will contribute to maintaining good inter-governmental relations.

International relations

With regard to international relations the focus includes building relations with compatible countries to further the goal of the reindustrialisation of Gauteng; and ensuring that in support of the national and provincial development agenda Gauteng takes the lead in Africa's new industrial revolution.

Mainstreaming issues of gender, youth, people with disabilities, elderly persons and military veterans

The OoP promotes socio-economic inclusion and actively advances gender equality, women's empowerment, youth development and the rights of people with disabilities, of older persons and of military veterans. It also coordinates and drives the development and implementation of the gender, youth, disability, military veterans and older persons (GUDMVO) policy framework and the annual programme of action. Finally, it facilitates capacity building and the institutionalisation of GUDMVO rights.

Service delivery interventions

The OoP facilitates a responsive, efficient, effective development orientated Gauteng public service through service

delivery improvements. It aims to create service delivery intervention able to respond with speed to concerns or failures. Through the Cabinet Secretariat the OoP will ensure that the Premier and the members of the EXCO are at the forefront of service delivery which will be the hallmark of the 5th administration.

Main services

The main services of the OoP are as follows:

- The provision of leadership to the entire Gauteng government and society;
- Overseeing the effective functioning of the provincial administration; fast-tracking the delivery of policy priorities of this term of office; implementing the National Development Plan (NDP) and Vision 2030;
- Long term planning, policy coordination, monitoring and evaluation of government performance on priorities;
- Communication and interface with communities and key sectors of society;
- Provision of strategic and administrative support to the Premier and Cabinet in fulfilling the mandate, meeting constitutional and legal obligations and realising the policy priorities and political imperatives of the fifth administration; and
- Mainstreaming gender, youth, disability and the elderly in our programmes.

National Development plan

The Gauteng Vision 2030 is the province's version of the NDP. It was adopted by the National Executive in 2012. It is the visionary blueprint of government and the rest of society, including business, labour, faith-based organisations, youth, women, elderly and the disabled. Therefore the NDP, Vision 2030, is a collaborative partnership towards reducing poverty and unemployment and building a national democratic society that is socially inclusive by 2030. A series of MTSFs give effect to this long range plan. 2014–2019 is the first of three such frameworks, identifying the critical actions to be prioritised in the first five years of Vision 2030.

External activities and events relevant to budget decisions

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

Acts, rules and regulations

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

Provincial legislation

The OoP derives its mandate primarily from the Constitution, the Public Service Act (PSA) and its regulations, the Public Finance Management Act (PFMA), policy directives and the overall mandate of government. The most important provisions are:

- The Premier has executive, policy, legislative, intergovernmental and ceremonial functions and responsibilities as defined in Chapter 6 of the Constitution of the Republic of South Africa.
- The Premier, as the political head of the provincial government, is responsible for the implementation of Chapter 3 of the Constitution. Section 41(1) defines the relationship and principles underlying co-operation between the various spheres of government.
- Section 125(2) of the Constitution determines that the Premier exercises the executive authority of the province together with other members of the EXCO. The Premier appoints these members and assigns their functions and responsibilities and delegates powers to them.

The Premier with the EXCO exercises executive power by:

- Implementing provincial legislation;
- Implementing all applicable national legislation;
- Developing and implementing provincial policy;
- Coordinating the functions of the provincial administration and its departments; and
- Performing any other function assigned to the provincial executive in terms of the Constitution or an act of parliament; and by
- Implementing new national policies introduced by the Department of Performance Monitoring and Evaluation in the Presidency which relate to the outcomes-based approach to improving the performance of government, frontline service delivery monitoring, the introduction of a management performance assessment tool and a national evaluation policy framework.

Good governance legislation

Good governance in the OoP is ensured, inter alia, through guidance from, and compliance with a number of policies and through the legislative framework governing the functioning of the OoP and the Premier as the head of the provincial government. A cooperative governance and stakeholder engagement framework forms the basis of interaction with a range of stakeholders including the citizens of Gauteng.

The governance framework is a tool to ensure strong governance and as a mechanism to strengthen accountability. The OoP has established structures and mechanisms to ensure accountability and participative governance.

2. REVIEW OF THE CURRENT FINANCIAL YEAR (2014/15)

The revised Annual Performance Plan (APP) for the 2014/15 financial year and the MTEF took into consideration the electoral mandate of the fifth administration. It builds on the solid foundations of prior years, with the overriding vision of building a sustainable, inclusive, globally competitive Gauteng City Region (GCR). The OoP continues to provide political and strategic leadership over the GCR and to the Premier and the EXCO.

As pronounced in the State of the Province Address on 27 June 2014, "The improvement of Service Delivery" is the hallmark of the fifth administration. In pursuit of radical economic transformation in the country, the provincial government is committed to significantly modernising and transforming the manner in which it conducts its business so as to achieve a better life for all South Africans and in particular those in the GCR. It is against this background that the OoP convened its strategic planning session in July 2014 to review, amongst other reasons, its strategic posture and realign its plans in line with the directives of the fifth administration.

The new roles and objectives reflected in the Strategic Plan and the APP have been formulated to give effect to the mandate and broad roles and functions outlined above. Building on the successes of previous years, the APP responds positively to the demands placed on the OoP by the EXCO, national government and civil society.

Ten pillar programme of transformation, modernisation and re-industrialisation

The year 2014 marked a historical milestone: 20 years of freedom and democracy in South Africa. With this came the broad acknowledgment that South Africa is indeed a better place to live as compared to the years before 1994.

The fifth administration of the Gauteng Province took office in June 2014 conscious of achievements to date, which include the progress that the government has made in reducing poverty, inequality and unemployment over the past 20 years of freedom and democracy.

The OoP compiled the Strategic Plan for the 2014/15 – 2018/19 period. This plan was informed by the new government priorities and the intentions of the fifth administration to radically transform, modernise and reindustrialise the GCR as guided by the 2014-2019 electoral mandate.

The OoP provided sound advice and support to the Premier and EXCO through agenda setting, coordination and management of EXCO meetings and decision tracking. The year under review was marked by extensive deliberations at national and provincial government levels on the MTSF that informs government service delivery for the next five years. The MTSF is based on the fourteen outcomes conceptualised in the NDP. The Gauteng Intergovernmental Programme of Action 2014/15 and beyond mirrors the fourteen strategic outcomes conceptualised in the NDP.

There were improvements in financial and contract management in the Province. The OoP (with the Provincial Treasury, provincial audit committees and Auditor General) implemented interventions to ensure and sustain clean audit outcomes. These interventions include an action plan to address recurring audit findings; continuous improvement of financial management capacity and systems; and regular engagement and reporting to the EXCO.

Community and economic opportunity roadshows formed the basis of the communications strategy. The strategy involves forging of partnerships with communities, creating sustained awareness and building confidence in government's work through public participation events. The increased utilisation of contemporary media platforms such as social media gained further prominence and was embraced by the provincial government.

The roll out of the Management Performance Assessment Tool (MPAT) is now in its fourth phase with the implementation of MPAT 1.4. To ensure continuous improvement in MPAT and more specifically HR, a high level task team under the direction of the Heads of Department Forum was established to conduct a holistic assessment of current HR practices and recommend improvements.

There has been continuous improvement in the year under review in mainstreaming the implementation of gender, youth and people with disabilities (GEYODI) initiatives. There were interventions implemented to maximise the participation of targeted groups in the mainstream of the economy. The implementation continued of Frontline Service Delivery Monitoring (FSDM), a project implemented jointly with the Department of Performance Monitoring and Evaluation, with 150 frontline service delivery site visits undertaken.

3. OUTLOOK FOR THE COMING FINANCIAL YEAR (2015/16)

The fifth administration of the GPG acknowledges the success of what has been achieved over the past 20 years and is cognisant of the challenges that lie ahead that require consistent and rapid response in order to move Gauteng forward.

The GPG needs a dramatic turnaround related to:

- Improving the delivery of service;
- Transforming the economy;
- Creating employment;
- Improving socio-economic conditions, i.e. standard cost of living;
- Engaging actively with communities; and
- Building integrity in the system of governance and addressing corruption in the state, the private sector and society.

The APP for the 2015/16 financial year and the MTSF again took into consideration the electoral mandate of the fifth administration and will build on the solid foundation of the first year of the new administration, with the overriding vision of building a sustainable and inclusive globally competitive GCR. The OoP will continue to provide political and strategic leadership over the GCR and to the Premier and the EXCO.

Giving effect to this radical shift in priorities requires an adjustment in the planning, budgeting and monitoring instruments of the provincial government. To this end, a new MTSF has been developed as a building block towards achievement of Vision 2030 as outlined in the NDP. The MTSF base document is meant to guide planning and resource allocation across the province, over a five year period.

The outcomes-based approach will once again dominate the year 2015/16, supported by continuous commitment towards the strategic objectives and Five-Year Strategic Plan of the OoP. In this regard, the political imperatives and policy priorities of the GPG 2014 – 2019 were adopted at the Extended EXCO Lekgotla on 19-20 June 2014 and were publicly communicated by the Premier during the State of the Province Address on 27th June 2014.

The State of the Province Address outlined the programme of radical socio-economic transformation for the next five to fifteen years (over the NDP horizon to 2030) under three key themes and ten pillars.

In ensuring realisation of the transformation agenda of the government of Gauteng, the manner in which the Cabinet system operates required transformation to better support the EXCO. In this context the new cluster approach was adopted at EXCO as opposed to a disjointed departmental approach. The new system is aimed at ensuring that the EXCO and Premier focus more on critical and strategic matters; on strategic projects aligned to the new MTSF 2014 – 2019 and the NDP; on key service delivery interventions and community contact sessions; and on providing space for special sessions with content experts for concrete and value-adding advice on enhancing government's programmes.

The introduction of the executive cluster system is then aimed at better suiting the new government's agenda of radical transformation. It is designed to achieve an integrated and coordinated approach to joint planning, coordination and decision-making throughout the GPG; improving the delivery of services and the realisation of the objectives of the second phase of the democratic transition and transformation of society; aligning government-wide priorities, while facilitating and monitoring the implementation of priority programmes; and providing for a consultative platform on cross-cutting priorities and on matters to be deliberated on by EXCO. The three clusters are; Social Sector Cluster; Governance and Planning Cluster and Economic Cluster.

Ten pillar programme of transformation, modernisation and re-industrialisation

The OoP contributes to the transformation, modernisation and re-industrialisation (TMR) pillars relating to the transformation of state and governance and modernisation of the public service.

To transform the state and governance, the OoP will focus on state capacity, reduction of fraud and corruption, and activist, responsive, participatory governance. A key deliverable in 2015/16 is to transform and modernize the OoP to deliver as per the TMR programme. The department will ensure that the Service Delivery War Room becomes institutionalised as a central location from where service delivery interventions are coordinated across the province and all spheres of government. The intention is to intervene on a particular service delivery issue for a finite period until sufficient progress has been made to return the matter to the relevant government department or public entity.

The OoP contributes to the modernization of the public service through automated systems. A key deliverable is to provide oversight and technical support in implementing provincial "game changer" projects which will further bolster the OoP's integrated planning function.

The department will implement the Gauteng Planning House to showcase and communicate Gauteng's planning and infrastructure proposals for urban development, and building research capacity within.

4. REPRIORITISATION

The department reprioritised the budget baselines from compensation of employees to goods and services and to payments for capital assets primarily to fund service delivery in line with the TMR ten-pillar programme. The department has allocated R5.2 million to enhance service delivery in the province (including the Ntirhisano Service Delivery War room). The other key programmes and projects that are prioritised for funding over the MTEF include the development planning function. The Development Planning unit will relocate to new premises and an additional R2.1 million is required to procure office furniture and equipment. This unit is also allocated R11.7 million to procure a province-wide integrated system (i.e. the Geographic Information Systems). An amount of R10.5 million has been allocated to procure software and hardware to support the implementation of the Infrastructure Master Plan project.

5. PROCUREMENT

Major procurement in the OoP during the MTEF period is aligned with the APP targets enshrined in the ten-pillar programme. These major procurement plans relate to strategic projects including Gauteng TV, Service Delivery War Room projects, the game-changers, Infrastructure Master Plan implementation and provincial monitoring and evaluation.

6. RECEIPTS AND FINANCING

6.1. Summary of receipts

TABLE 1.1 SUMMAR OF RECEIPTS: OFFICE OF THE PREMIER

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Equitable share	228 742	249 810	420 873	317 283	329 283	329 283	425 455	449 420	472 723
Total receipts	228 742	249 810	420 873	317 283	329 283	329 283	425 455	449 421	472 723

The department is funded from the equitable share allocation. The department's receipts increased from R228.7 million in 2011/12 to R420.9 million in 2013/14. The factors causing the increase include additional funds allocated for official state funerals declared in the province and for implementation of plans for the 20-year celebration of freedom.

Funds allocated for official state funerals declared in the province increased the budget from R317.3 million to R329.3 million in 2014/15. The allocations over the MTEF increase from R425.5 million in 2015/16 to R472.7 million in 2017/18. These allocations include additional funds allocated for the transfer of functions relating to the Gauteng Hotline, and transversal and provincial HR units from the Department of Finance. The allocations also provide for the continuation of key projects such as Gauteng TV, Service Delivery War Room projects, the game-changers, Infrastructure Master Plan implementation and provincial monitoring and evaluation.

6.2. Departmental receipts

TABLE 1.2 SUMMARY OF DEPARTMENTAL RECEIPTS: OFFICE OF THE PREMIER

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Tax receipts									
Motor vehicle licences									
Sales of goods and services other than capital assets	34	189	357	400	240	240	420	442	464
Transfers received									
Fines, penalties and forfeits									
Interest, dividends and rent on land	3	1	12	30	20	20	32	34	36
Sales of capital assets									
Transactions in financial assets and liabilities	428	87	164		170	170			
Total departmental receipts	465	277	533	430	430	430	452	476	500

Departmental receipts are generated mainly from parking fees, debt recoveries and interest charged on debt. The collection for the 2011/12 financial year was R465 000 which increased to R533 000 in the 2013/14 financial years; showing an annual average growth of 7.1 per cent. This was mainly caused by the old debts collected during this period. The department estimated that it would collect R430 000 in the 2014/15 financial year. This remains unchanged during the adjustment and was not revised. However financial transactions in assets and liabilities has been estimated for with R170 000. This is as a result of the incorporation of the Development Planning Unit from Gauteng Department of Education into the Gauteng Planning Commission (GPC) with revenue from land development rights and establishment of township applications. Over the 2015 Medium Term Revenue Framework total revenue will grow from R452 000 in the 2015/16 financial year to R500 000 in the 2017/18 financial year showing an annual average growth rate of 5.1 per cent.

7. PAYMENT SUMMARY

7.1 Key assumptions

Personnel are the main cost contributors due to the growing structure iminating from the migration of functions from the Gauteng Department of Finance (GDF) to the Office of the Premier and the automatic increases due to inflationary adjustments over the MTEF as prescribed by Treasury.

The following key assumption were taken into consideration when compiling the budget:

- Enhancing research capacity of Gauteng through the Gauteng Planning Devision; Gauteng City Region Observatory (GCRO)/University of the Witwatersrand (Wits) transfers; and the provincial monitoring and evaluation (PME) systems;
- Finalisation of the infrastructure master plan in line with TMR (radical transformation and industrialisation of the GCR); and
- Implementation of service delivery interventions projects including the migration of the Gauteng Hotline function, to ensure modernisation of the public service, as enshrined in the TMR programme; and

- Profiling the work of government via communication strategies including Gauteng TV.

7.2 Programme summary

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

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Administration	66 481	73 241	83 865	96 072	96 556	96 556	97 360	102 554	107 681
2. Institutional Development	138 839	156 524	300 774	186 195	187 192	187 192	194 816	207 102	218 289
3. Policy and Governance	68 690	60 801	77 152	96 841	103 668	103 668	133 279	139 765	146 753
Total payments and estimates	274 010	290 566	461 791	379 108	387 416	387 416	425 455	449 420	472 723

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

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	257 810	270 633	403 436	363 997	367 807	367 735	402 820	425 576	447 687
Compensation of employees	153 431	153 493	176 280	218 168	197 822	197 822	228 529	242 034	254 558
Goods and services	103 256	117 140	227 156	145 829	169 985	169 913	174 291	183 542	193 129
Interest and rent on land	1 123								
Transfers and subsidies to	11 138	13 777	50 872	12 397	14 506	14 566	18 005	18 969	19 918
Higher education institutions	10 648	12 422	12 735	12 397	14 397	14 397	18 005	18 969	19 918
Non-profit institutions	50		37 514						
Households	440	1 355	623		109	169			
Payments for capital assets	4 893	6 022	7 350	2 714	5 006	5 006	4 630	4 875	5 118
Machinery and equipment	4 893	5 934	7 350	2 714	5 006	5 006	4 630	4 875	5 118
Payments for financial assets	169	134	133		97	109			
Total economic classification	274 010	290 566	461 791	379 108	387 416	387 416	425 455	449 420	472 723

The table above is a summary of payments and estimates by economic classification from 2011/12 to 2017/18. Current payments (compensation of employees and goods and services) form the largest share of the department's budget. The personnel budget increases from R153.4 million in the 2011/12 financial year to R176.3 million in the 2013/14 financial year, mainly due to the carry through costs of improvement of conditions of service and inflation. The table further indicates the total expenditure for OoP including the transfer of functions from GDF to the OoP.

Programme 2: Institutional Development constitutes the largest appropriation amounting to R194.8 million in 2015/16 followed by **Programme 3: Policy and Governance** amounting to R133.3 million for the same period. The increase is mainly due to the development of the Gauteng Infrastructure Master Plan and the incorporation (function shift) of Transversal HR from GDF; the prioritisation of provincial communication services and Gauteng service delivery Interventions.

The personnel budget grows by an amount of R30.7 million from R197.8 million in 2014/15 to R228.5 million in 2015/16 mainly due to inflationary adjustments and transversal HR function shift from GDF. Over the MTEF growth in personnel costs amounts to R26.1 million as the department will be implementing phase three and four of the structure, carrying through effects of improvement of conditions of service of the department and the migration of personnel from GDF.

The goods and services budget also grows by approximately R18.8 million from R174.3 million in 2015/16 to R193.1 million in 2017/18 owing to the implementation of the Premier's 10 pillars of radical transformation and provision of inflation adjustments based on the Consumer Price Index (CPI).

The budget for transfers and subsidies increases by R1.9 million from R18 million in 2015/16 to R19.9 million in 2017/18. This is for the GCRO to perform work on behalf of the OoP in order to build its knowledge base, cutting across the spectrum of public and private stakeholders in the pursuit of the vision of a GCR that is competitive, spatially integrated, environmentally sustainable and socially inclusive.

8. PROGRAMME DESCRIPTION

PROGRAMME 1: ADMINISTRATION

Programme description

The programme is responsible for overall strategic management and for support to the Premier and the Director-General in fulfilling their statutory and political mandates. It is further responsible for the provision of transformational HR, information technology leadership and guidance to GPG departments, including the OoP.

Programme objectives

- To plan, monitor and evaluate the implementation, performance and impact of OoP policies and programmes
- To provide timeous and effective strategic, operational and administrative support to administrative and political principals;
- To provide management and administrative support to the OoP to ensure fulfilment of the mandate and mission;
- To facilitate human capital management and development across the GPG;
- To facilitate skills development and capacity creation across the GCR;
- To facilitate labour relations and employee health and wellness across the GPG;
- To facilitate HR regulatory compliance across the GPG; and
- To render efficient and effective financial management, supply chain management and risk management support to the OoP.

TABLE 1.5 : SUMMARY OF PAYMENTS AND ESTIMATES: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Premier's Support	17 037	15 701	18 614	18 253	22 362	22 362	19 119	20 165	21 173
2. Executive Council Support	4 631	5 412	6 855	11 894	8 144	8 144	9 779	10 298	10 813
3. Director General	17 403	15 835	25 087	24 178	25 628	25 628	26 605	28 013	29 414
4. Financial Management	27 037	33 776	31 814	38 712	37 887	37 887	39 884	42 000	44 100
5. Programme Support	373	2 517	1 495	3 035	2 535	2 535	1 973	2 078	2 182
Total payments and estimates	66 481	73 241	83 865	96 072	96 556	96 556	97 360	102 554	107 681

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

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	63 031	70 990	78 334	95 385	95 409	95 397	94 380	99 416	104 387
Compensation of employees	38 284	37 951	47 958	50 321	45 611	45 611	53 436	56 269	59 083
Goods and services	23 638	33 039	30 376	45 064	49 798	49 786	40 944	43 146	45 304
Interest and rent on land	1 109								
Transfers and subsidies to:	246	1 249	112						
Non-profit institutions	50								
Households	196	1 249	112						
Payments for capital assets	3 035	968	5 286	687	1 087	1 087	2 980	3 138	3 295
Machinery and equipment	3 035	968	5 286	687	1 087	1 087	2 980	3 138	3 295
Payments for financial assets	169	34	133		60	72			
Total economic classification	66 481	73 241	83 865	96 072	96 556	96 556	97 360	102 554	107 681

The total programme expenditure increased from R66.5 million in 2011/12 to R83.9 million in 2013/14. The increase is mainly due to the partial implementation of the revised structure as well as to the appointment of staff to support and advise the Premier.

In the 2014/15 financial year, the budget increased by R500 000 from R96.1 million to the adjusted budget of R96.6 million. The increase was mainly due to the shifting of funds during the 2014/15 adjustment budget process, in order to tighten security at the OoP.

Compensation of employees, which is the main cost driver in this programme, increases over the MTEF from R53.4 million in 2015/16 to R59.1 million in 2017/18 owing to inflation and adjustment of cost of living

The expenditure for goods and services increases by R4.4 million from R40.9 million in 2015/16 to R45.3 million in 2017/18 due to services such as stores, telephone accounts and lease equipment that are centralised under financial management.

PROGRAMME 2: INSTITUTIONAL DEVELOPMENT

Programme description

The Institutional Development Programme is responsible for the promotion and facilitation of effective communication, public liaison and service delivery between government and the people of Gauteng, as well as the provision of security leadership, guidance on ethical behavioural standards and anti-corruption mechanisms.

Programme objectives

- To ensure a safe and secure working environment in the OoP and across the GPG;
- To facilitate a responsive, efficient, effective and development orientated Gauteng public service through ethics and anti-corruption programmes;
- To profile the programme of action of government in a manner that encourages the active participation of the people of Gauteng in the programme and positions government as caring, responsive and activist;
- To position the GCR as a preferred investment and trade, tourism and competitive sport destination;
- To build and maintain good working relations with the media by employing a wide-ranging and differentiated media relations programme;
- To manage the reputation of government through proactive perception-monitoring and targeted interventions;
- To strengthen coordination and support for improved stakeholder management;
- To build and maintain healthy stakeholder relations through the facilitation of direct interaction between government and stakeholders;
- To provide a regulatory framework on responsive timeframes towards enhanced customer experience of the Hotline;
- To monitor and evaluate GPG institutions on the resolution of queries and service requests towards improved accountability;
- To facilitate the enhancement and sustenance of the information portal towards improved access to information;
- To facilitate a responsive, efficient, effective and development orientated Gauteng public service through service delivery Improvement programmes; and
- To design and support interventions to correct identified areas of under-performance.

TABLE 1.7: SUMMARY OF PAYMENTS AND ESTIMATES: INSTITUTIONAL DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Strategic Human Resources	43 425	46 374	43 653	63 933	57 619	57 619	61 923	65 564	69 260
2. Information Communication	5 475	5 460	7 872	6 829	6 929	6 929	10 689	11 255	11 818
3. Legal Services	4 613	4 151	6 288	6 471	6 462	6 462	8 502	8 953	9 401
4. Communication Services	55 943	67 961	173 991	75 147	82 480	82 480	72 049	75 866	79 660
5. Programme Support	1 936	1 449	39 061	1 694	1 544	1 544	2 131	2 246	2 358
6. Service Delivery Intervention	27 447	31 129	29 909	32 121	32 158	32 158	39 522	43 217	45 792
Total payments and estimates	138 839	156 524	300 774	186 195	187 192	187 192	194 816	207 102	218 289

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

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	136 971	154 233	260 958	184 168	183 177	183 164	193 166	205 365	216 465
Compensation of employees	84 941	90 304	92 867	118 846	113 100	113 100	126 502	135 856	143 070
Goods and services	52 030	63 929	168 091	65 322	70 077	70 064	66 664	69 509	73 395

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Transfers and subsidies to	142	69	37 752		59	72			
Non-profit institutions			37 514						
Households	142	69	238		59	72			
Payments for capital assets	1 726	2 122	2 064	2 027	3 919	3 919	1 650	1 737	1 824
Machinery and equipment	1 726	2 034	2 064	2 027	3 919	3 919	1 650	1 737	1 824
Payments for financial assets		100			37	37			
Total economic classification	138 839	156 524	300 774	186 195	187 192	187 192	194 816	207 102	218 289

The total expenditure for this programme increased from R138.8 million in 2011/12 to R300.8 million in 2013/14 mainly due to the need to ensure that the operationalisation of the new structure is funded.

This programme accounts for the biggest part of the departmental budget amounting to R194.8 million in 2015/16. Of this amount Provincial Communication, as one of the strategic components for both the department and GPG, is the main cost driver.

An amount of R66.7 million is allocated to goods and services; R126.5 million is for personnel costs.

The budget increases by R23.5 million over the MTEF. In 2014/15 the budget allocation amounts to R186.2 million and increases to R194.8 million in 2015/16. The increase in the budget is associated with the establishment of strategic projects such as Gauteng TV and profiling the work of government in Gauteng, and the function shift of the two transversal HR units from GDF. The newly established branch of Service Delivery Interventions, which houses the Ntirhisano Service Delivery War Room, also contributes to the increase in the budget.

The programme's main projects are focusing on the transversal activities. These include among others the Provincial Communication Services, which profiles the work of government and which administers electronic communication with the public. Also under this programme Legal Services develops provincial litigation strategies as resolved by EXCO. Transversal HR, also housed in this programme, is responsible for monitoring employee health and wellness programmes, employee relations and organisational development.

SERVICE DELIVERY MEASURES

PROGRAMME 2: INSTITUTIONAL DEVELOPMENT

Strategic Human Resources

Performance Measures	Estimated Annual Targets		
	2015/2016	2016/2017	2017/2018
Level of development of the GPG HR Strategy	Approved GPG HR Strategy		
Percentage achievement of annual GPG Capacity Building and Skills Development targets	100%	100%	100%
Number of oversight reports on the implementation of the Gauteng Global City Region Academy	4	4	4
Number of reports on the management of Employee Relations across the GPG	4	4	4
Percentage achievement of an employee satisfaction rating relating to the implementation of the Employee Wellness Programme	75%	80%	80%
Percentage achievement of targets as defined in the implementation plan of the Public Service Charter and The Pledge	100%	100%	100%
Percentage adherence to the submission timelines for HR regulatory compliance reporting across the GPG	100%	100%	100%

IT and e-Governance

Performance Measures	Estimated Annual Targets		
	2015/2016	2016/2017	2017/2018
Number of reports on the replacement of computers in line with the 3-year obsolescence model produced	1	1	1
Number of data backup reports produced	12	12	12

Legal Services

Performance Measures	Estimated Annual Targets		
	2015/2016	2016/2017	2017/2018
Number of legislative programmes produced	1	1	1
Number of legislative drafting training courses facilitated	1	1	1
Percentage of legislation (Bills and subordinate) certified within 60 days of receipt of all information required and in accordance with the Path to Legislation	100%	100%	100%
Percentage of strategic legal advice and support provided within 20 working days of request	100%	100%	100%
Number of GPG litigation management reports produced	2	2	2
Number of days, following receipt of all relevant information, within which legal agreements, aligned with policy objectives, procurement and legal frameworks are finalised	Within 10 days	Within 10 days	Within 10 days
Number of legal briefs produced	4	4	4

Communication Services

Performance Measures	Estimated Annual Targets		
	2015/2016	2016/2017	2017/2018
Number of campaigns for identified outcomes in the POA	12	12	12
Number of GPGTV's rolled out across GPG institutions	15		
Number of completed productions for GPGTV (content developed)	24	24	24
Number of productions of Gauteng News	12	12	12
Level of development of a Brand Strategy that promotes the GCR as an investment, tourism and competitive sport destination	Brand strategy for the GCR developed and approved	Brand strategy for the GCR reviewed and updated	Brand strategy for GCR reviewed and updated
Number of completed research projects on the effectiveness of the Brand Strategy in achieving its objectives		One completed research project on the effectiveness of the Brand Strategy in achieving its objectives	
Number of media engagements between government and media	4	4	4
Number of media monitoring and analysis reports produced	12	12	12
Number of completed research reports towards managing the reputation of the GPG	2	2	2
Number of Intergovernmental Communication Forum meetings	4	4	4
Number of formal communications support interventions provided to MECs, MLOs and Heads of Communication	2	2	2
Number of reports on stakeholder support and coordination facilitated	1	1	1
Number of community engagements across the Province	20	20	20
Number of targeted stakeholder engagements	35	35	35

Integrity Management Office

Performance Measures	Estimated Annual Targets		
	2015/2016	2016/2017	2017/2018
Number of MISS Awareness sessions conducted across the GPG	8	8	8
Level of establishment of a vetting unit to serve the GPG	A fully established vetting unit to serve the GPG		
Number of reports on the number of SMS and high risk area members vetted in line with the National Vetting Strategy (State Security).	4	4	4

Performance Measures	Estimated Annual Targets		
	2015/2016	2016/2017	2017/2018
Percentage of comprehensive incident management reports submitted within 24hrs of an incident occurring within the OoP	100%	100%	100%
Number of consolidated reports on the security breaches, major incidents or losses across the GPG	4	4	4
Number of reports on the implementation of ICT security measures for EXCO & HOD's	4	4	4
Number of reports on the completion of security threat and risk assessment audits for MECs, other persons and headquarter buildings across the GPG	4	4	4
Number of reports on the implementation of the approved annual security implementation plan	4	4	4
Number of reports on the implementation of the Gauteng Anti-corruption Programmes	4	4	4

Service Delivery Interventions Office

Performance Measures	Estimated Annual Targets		
	2015/2016	2016/2017	2017/2018
Number of sets of guidelines (and training) provided for all users of the Gauteng Public Liaison Hotline	1	1	1
Percentage of GPG Entities having signed an MOU on the responsive timeframes	100%	100%	100%
Percentage of Hotline customer service requests handled and resolved at first line support	68%	71%	71%
Percentage of Hotline calls answered within 20 seconds	90%	90%	90%
Percentage compliance to providing customer feedback within three working days	93%	96%	96%
Percentage of escalated cases resolved within 60 working days	95%	98%	98%
Number of updates added on the information Portal on developments in Gauteng Province	1 100	1 200	1 200
Number of reports on the implementation of the Service Delivery Improvement Programme submitted to DPSA	1	1	1
Number of Premier Service Excellence Awards hosted	1	1	1
Level of development of Service Delivery War Room	Service Delivery War Room fully operational		

PROGRAMME 3: POLICY AND GOVERNANCE

Programme description

The programme is responsible for the provision of policy and legal advice to the EXCO, the Premier's Coordination Forum and the Leader of Government Business; the strategic coordination and management of the EXCO Cluster System; the management of international relations; integrated cooperative governance; integrated planning for a sustainable GCR; performance monitoring and evaluation and the advancement of GEYODI and Military Veterans and Older Persons (MVO).

Programme objectives

- To manage the EXCO, Premier's Coordination Forum; and cluster committees through effective and efficient systems and processes;
- To ensure the effective management of the EXCO cluster system through strategic decision-making, agenda setting, policy research and analysis support to the EXCO and the Leader of Government Business;
- To provide strategic legal advice, services and support to the Premier, EXCO, Premier's Coordination Forum, the Leader of Government Business and departments;
- To strengthen international relations that support the TMR programme of the GCR and contribute to the creation of a better South Africa, Africa and world;
- To ensure Intergovernmental relations that promote cooperative governance towards the realisation of the TMR programme of the GCR;
- To coordinate and drive the development and implementation of the GEYODI and MVO Policy Framework and annual programme of action;

- To drive province-wide outcomes-based planning, performance monitoring and evaluation so as to improve government performance towards enhanced service delivery outcomes and GCR development impacts; and
- To lead integrated planning in the GCR, including medium and long term planning; spatial planning; infrastructure planning and land use management, and contribute to the development of the GCR through policy, research and urban innovation, GIS modelling and oversight and support to GCR game changers.

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

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Inter-Governmental									
Relations	7 486	9 408	18 224	15 046	23 113	23 113	16 824	17 716	18 602
2. Provincial Policy									
Management	59 556	50 329	57 201	77 477	77 737	77 737	114 790	120 296	126 310
3. Programme Support	1 648	1 064	1 727	4 318	2 818	2 818	1 665	1 753	1 840
Total payments and estimates	68 690	60 801	77 152	96 841	103 668	103 668	133 279	139 765	146 753

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

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	57 808	45 410	64 144	84 444	89 221	89 174	115 274	120 796	126 835
Compensation of employees	30 206	25 238	35 455	49 001	39 111	39 111	48 591	49 909	52 405
Goods and services	27 588	20 172	28 689	35 443	50 110	50 063	66 683	70 886	74 430
Interest and rent on land	14								
Transfers and subsidies to	10 750	12 459	13 008	12 397	14 447	14 494	18 005	18 969	19 918
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions	10 648	12 422	12 735	12 397	14 397	14 397	18 005	18 969	19 918
Households	102	37	273		50	97			
Payments for capital assets	132	2 932							
Machinery and equipment	132	2 932							
Total economic classification	68 690	60 801	77 152	96 841	103 668	103 668	133 279	139 765	146 753

The total expenditure for this programme shows an increase of R8.5 million from R68.7 million in 2011/12 to R77.2 million in 2013/14 owing to the establishment and implementation of the G2055.

The programme houses the Gauteng Planning Division and certain cabinet support functions. The budget allocation for this programme amounts to R133.3 million in 2015/16 and increases by R13.5 million over the MTEF period. The increase is due to the establishment of the Gauteng Planning House, the establishment of the Infrastructure Master Plan, the increase in Gauteng's research capacity including an additional R5 million allocated to the GCRO, as well as R7 million allocated to PME.

Compensation of employees amounts to R48.6 million which is 36 per cent of the entire programme budget for the 2015/16 financial year. The increase in the budget for compensation of employees is mainly due to carry through effects of improvement of conditions of service of the department. The goods and services allocation amounts to R66.7 million or 50 per cent of the programme's budget.

The budget for transfers and subsidies increases by R1.9 million from R18 million in 2015/16 to R19.9 million in 2017/18 in order for the GCRO to perform work on behalf of the OoP so that it can fulfil its role in building the knowledge base that cuts across the spectrum of public and private stakeholders in the pursuit of the vision of a Gauteng City Region that is competitive, spatially integrated, environmentally sustainable and socially inclusive.

The Gauteng Planning Division (under Provincial Policy Management); and the intergovernmental relations units

are the main cost drivers in this programme, with more vigorous implementation of the GPC and intergovernmental relations programmes. The Gauteng Planning Commission was established in 2009 to assist the province with the monitoring and evaluation of provincial outcomes and outputs in order to meet targets.

SERVICE DELIVERY MEASURES

PROGRAMME 3: POLICY AND GOVERNANCE

Development Planning

Performance Measures	Estimated Annual Targets		
	2015/2016	2016/2017	2017/2018
Level of development of GCR long term plan aligned to NDP 2030	Approval of GCR Vision 2030 aligned to NDP 2030		
Level of implementation of the Planning House	Terms of reference for the appointment of Service Providers (in conjunction with DID) formulated		
Level of Mainstreaming of Municipal IDPs with the 10-Pillars Programme and alignment to GCR planning objectives	IDP guideline paper tabled at PCF to ensure the mainstreaming of the 10-Pillar Programme and GCR planning objectives	Roll-out of IDP guideline paper to ensure the mainstreaming of the 10-Pillar Programme and GCR planning objectives	
Annual report on the outcome of the review of key social and economic policies for alignment to the 10-Pillar Programme produced	1	1	1
Number of research papers in support of planning for the GCR, aligned to the NDP, the 10-Pillar Programme and Urban Innovation produced	2	2	2
Level of development of the Gauteng Integrated Infrastructure master plan (GIIMP)	Complete Phase 2	Phase 3 completed	
Number of oversight reports submitted to GICC on the implementation of Game Changer Projects	4	4	4
Review and implementation of the Gauteng Spatial Development Framework (GSDF)	Reviewed (GSDF) submitted to Exco	Annual Report on the implementation of the GSDF implementation plan	Annual Report on the implementation of the GSDF implementation plan
Level of development of the Gauteng Planning and Development Bill in line with SPLUMA regulations	Draft version of the new provincial land use legislation (Gauteng Planning and Development Bill)	Final version of the new provincial land use legislation (Gauteng Planning and Development Bill)	
Annual report on the alignment of Municipal Spatial Development Frameworks (MSDF) in terms of Credibility Framework	1	1	1
Final Draft Gauteng Urban Design Policy	Final Draft Gauteng Urban Design Policy	Annual Report on Gauteng Urban Design Policy	Annual Report on Gauteng Urban Design Policy
Bi-annual performance reports by the Chairpersons of the Statutory Boards	Bi-annual performance reports by the Statutory Boards	Bi-annual performance reports by the Statutory Boards	Bi-annual performance reports by the Statutory Boards
Level of development of an integrated GIS platform in support of the GCR	Memo on the new model of GIS Shared Services Plan for the GCR submitted to Exco A fully established and functional GIS Portal		
Number of reports on the implementation of the Partnership for Urban Innovation	1	1	1
Annual progress report on the operations of the GCRO	1	1	1

Performance Monitoring and Evaluation

Performance Measures	Estimated Annual Targets		
	2015/2016	2016/2017	2017/2018
Annual Gauteng Programme of Action developed (for the following year)	Annual Gauteng Programme of Action developed (for the following year)	Annual Gauteng Programme of Action developed (for the following year)	Annual Gauteng Programme of Action developed (for the following year)
Number of performance monitoring reports produced on the implementation of the POA for the previous quarter	4	4	4
Number of FSDM visits conducted	100	100	100
Number of improvement plans facilitated at sites with areas of under-performance	30	30	30
Number of Departmental MPAT self-assessments completed	14	14	14
Number of Departmental MPAT improvement plans developed	14	14	14
Number of Provincial Evaluation Plans developed for the following year	1	1	1
Number of evaluation studies conducted	4	5	5
Percentage completion of PME diagnostic	100%		
Number of Gauteng PME Forum meetings on provincial PME priorities	4	4	4

Cabinet Office**Executive Council Support**

Performance Measures	Estimated Annual Targets		
	2015/2016	2016/2017	2017/2018
Number of Cabinet programmes produced	1	1	1
Number of briefing notes produced for the Chairpersons of the Executive Council Cluster Cycle meetings	8	8	8
Number of Executive Council memoranda analysed	100	80	80
Number of records of resolutions of the Executive Council Cluster Cycle meetings produced	8	8	8
Number of Legislature Programmes tabled at Executive Council meetings	4	4	4
Number of reports on questions in the legislature tabled at Executive Council	4	4	4
Number of research briefs produced for Executive Council Cluster Cycle meetings	8	8	8

Special Programmes

Performance Measures	Estimated Annual Targets		
	2015/2016	2016/2017	2017/2018
Annual GEYODI and MVO Programmes of Action developed (for the following year)	1	1	1
Number of interventions facilitated to support GEYODI and MVO	29	29	29
Number of performance monitoring reports produced on the implementation of the GEYODI and MVO Programme of Action for the previous quarter	4	4	4
Number of GEYODI and MVO research studies completed	2	2	2
Number of partnerships facilitated in line with GEYODI and MVO priorities	10	10	10
Number of GEYODI and MVO commemorative months/ days programmes facilitated	5	5	5
Number of governmental GEYODI and MVO forums held	16	16	16

Performance Measures	Estimated Annual Targets		
	2015/2016	2016/2017	2017/2018
Number of GEYODI and MVO forums held with civil society	20	20	20
Number of GEYODI and MVO capacity building sessions conducted	5	5	5

Intergovernmental Relations

Performance Measures	Estimated Annual Targets		
	2015/2016	2016/2017	2017/2018
Number of International Relations Programme produced	1	1	1
Number of reports on the implementation of the International Relations Programme	2	2	2
Number of reports on provincial inputs to the African Peer Review Mechanism	1	1	1
Number of Inter-Governmental Relations Programmes produced	1	1	1
Number of reports on the implementation of the Inter-governmental Relations Programme	2	2	2
Number of agendas set for quarterly Premier's Coordination Forum meetings	4	4	4
Number of records of resolutions produced for Premier's Coordination Forum meetings	4	4	4

Service Delivery

Performance Measures	Estimated Annual Targets		
	2015/2016	2016/2017	2017/2018
Number of reports on the implementation of the Service Delivery Improvement Programme submitted to DPSA	1	1	1
Number of Premier Service Excellence Awards hosted	1	1	1
Level of development of Service Delivery War Room	Service Delivery War Room fully operational		

Public Liaison Hotline

Performance Measures	Estimated Annual Targets		
	2015/2016	2016/2017	2017/2018
Number of sets of guidelines (and training) provided for all users of the Gauteng Public Liaison Hotline	1	1	1
Percentage of GPG Entities having signed an MOU on the responsive timeframes	100%	100%	100%
Percentage of Hotline customer service requests handled and resolved at first line support	68%	71%	71%
Percentage of Hotline calls answered within 20 seconds	90%	90%	90%
Percentage compliance to providing customer feedback within 3 working days	93%	96%	96%
Percentage of escalated cases resolved within 60 working days	95%	98%	98%
Number of updates added on the information Portal on developments in Gauteng Province	1 100	1 200	1 200

9. OTHER PROGRAMME INFORMATION

9.1. Personnel numbers and costs

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

Personnel numbers	As at 31 March 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	As at 31 March 2018
1. Administration	121	101	95	104	104	104	105
2. Institutional Development	221	254	243	240	293	294	294
3. Policy & Governance	48	43	76	76	76	76	76
Total provincial personnel numbers	390	398	414	420	473	474	475
Total provincial personnel cost (R thousand)	153 431	153 493	176 280	197 822	228 529	242 034	254 558
Unit cost (R thousand)	393	386	426	471	483	511	536

TABLE 1.12 : SUMMARY OF DEPARTMENTAL PERSONNEL NUMBERS AND COSTS

	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Total for department									
Personnel numbers (head count)	390	398	414	420	420	420	473	474	475
		153	176			197	228	242	254
Personnel cost (R thousands)	153 431	493	280	218 168	197 822	822	529	034	558
Human resources component									
Personnel numbers (head count)	84	85	88	89	89	89	89	89	89
Personnel cost (R thousands)	33 882	34 605	32 308	46 644	46 644	46 644	51 175	54 247	57 381
Head count as % of total for department	22%	21%	21%	21%	21%	21%	19%	19%	19%
Personnel cost as % of total for department	22%	23%	18%	21%	24%	24%	22%	22%	23%
Finance component									
Personnel numbers (head count)	27	30	31	31	31	31	40	40	40
Personnel cost (R thousands)	11 067	12 864	13 431	17 445	17 445	17 445	19 884	22 176	23 074
Head count as % of total for department	7%	8%	8%	7%	7%	7%	9%	8%	8%
Personnel cost as % of total for department	7%	8%	8%	8%	9%	9%	9%	9%	9%
Full time workers									
Personnel numbers (head count)	366	372	414	420	420	420	473	474	475
Personnel cost (R thousands)	138 671	140 174	176 280	218 168	197 822	197 822	228 529	242 034	254 558
Head count as % of total for department	94%	94%	100%	100%	100%	100%	100%	100%	100%
Personnel cost as % of total for department	90%	91%	100%	100%	100%	100%	100%	100%	100%
Contract workers									
Personnel numbers (head count)	24	26							
Personnel cost (R thousands)	14 760	13 319							
Head count as % of total for department	6%	7%							
Personnel cost as % of total for department	10%	9%							

Tables 1.11 and 1.12 above provide detailed information on departmental personnel numbers and costs and the breakdown in terms of components (HR, Finance, part time workers, and contract workers). Personnel cost has increased from R153.4 million in 2011/12 to R197.8 million in 2014/15. This is due to a number of critical posts that need to be filled and completed in 2014/15. Increase in personnel cost over the MTEF is due to the continuation of the operationalization of the structure. The personnel cost and number provided in the revised column indicate the filled and personnel cost to date. Personnel numbers reflect an insignificant growth over the MTEF and mainly relate to the critical posts to be filled in GPC and Cabinet Services. The growth in personnel numbers and cost under provincial policy is in line with the department's plans to build the requisite capacity in the Gauteng Planning Division.

9.2. Training

TABLE 1.13 : PAYMENTS ON TRAINING BY PROGRAMME

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Administration		50		230	230	230			
Subsistence and travel									
Payments on tuition		50		230	230	230			
Other									
2. Institutional Development	1 020	842	563	1 210	1 210	830	2 075	1 860	2 305
Subsistence and travel									
Payments on tuition	1 020	842	563	1 210	1 210	830	2 075	1 860	2 305
Other									
3. Policy & Governance	17	1 370	8	600	600	535			
Subsistence and travel				500	500	500			
Payments on tuition	17	1 370	8	100	100	35			
Other									
Total payments on training	1 037	2 262	571	2 040	2 040	1 595	2 075	1 860	2 305

Training of employees is one of the important priorities in order to build human capital so that service delivery can be driven effectively and efficiently. The tables above provide detailed information on payments for training by programme.

Training is centralised in programme 2: Institutional Support under Strategic HR. However, payment allocated in programme 2 is meant for special training. Payment for training in programme 1 is discontinued due to centralisation of training in programme 2.

In 2011/12 training expenditure amounted to R1 million. It decreased to R571 000 in 2013/14 due to fewer officials requesting training. The budget has since increased in 2014/15 to R2 million as more employees including interns have been employed.

TABLE 1.14 : INFORMATION ON TRAINING: OFFICE OF THE PREMIER

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Number of staff	390	398	414	420	420	420	473	474	475
Number of personnel trained	101	122	134	155	155	155	160	175	184
of which									
Male	33	60	67	70	70	70	60	75	79
Female	68	62	67	85	85	85	100	100	105
Number of training opportunities	34	183	202	200	200	200	245	160	168
of which									
Tertiary	34	37	42	40	40	40	45	55	58
Workshops				5	5	5	7	9	9
Seminars									
Other	1 33	146	160	155	155	155	193	96	101
Number of bursaries offered	29	24	30	35	35	35	40	45	47
Number of interns appointed	27	18	25	30	30	30	35	40	42
Number of learnerships appointed	1								
Number of days spent on training	181	69	200	225	225	225	240	255	268

The table above provides detailed information on training, including the gender breakdown, on training opportunities and on bursaries offered to employees.

The department projects an increase in the total number of employees to be trained in 2015/16 to 160, compared to 155 employees trained in 2014/15. The increase is due to the additional personnel transferred from GDF as a result of a function shift.

The OoP conducts a number of formal and certificate programmes to support public service staff. This includes awarding of bursaries to individuals working for the OoP. The number of staff members planned to be trained by the department increases from 155 in 2014/15 to 184 in 2017/18.

The department currently offers bursaries to internal employees in the OoP. The number of bursaries will increase from 35 in 2014/15 to 47 in the 2017/18 financial year, thus reducing the skills gap.

A total of 30 interns were appointed during the 2014/15 financial year. This number will increase to 42 in 2017/18. The internship programme will give students relevant experience and exposure in their fields.

Training constitutes groups of items providing details of staff development and related costs in terms of the development of training material and manuals for in-house training and development.

9.3 RECONCILIATION OF STRUCTURAL CHANGES

TABLE 1.15 : RECONCILIATION OF STRUCTURAL CHANGES: OFFICE OF THE PREMIER

2014/15		2015/16	
Programmes	R'000	Programmes	R'000
Programme 2. Institutional Development		Programme 2. Institutional Development New sub-programme: Service Delivery Intervention	39 522

ANNEXURES TO ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE

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TABLE 1.16: SPECIFICATION OF RECEIPTS: OFFICE OF THE PREMIER

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Tax receipts									
Sales of goods and services other than capital assets	34	189	357	400	240	240	420	442	464
Sale of goods and services produced by department (excluding capital assets)	34	189	357	400	240	240	420	442	464
Sales by market establishments	34	189	357	400	240	240	420	442	464
Transfers received from:									
Interest, dividends and rent on land	3	1	12	30	20	20	32	34	36
Interest	3	1	12	30	20	20	32	34	36
Transactions in financial assets and liabilities	428	87	164		170	170			
Total departmental receipts	465	277	533	430	430	430	452	476	500

TABLE 1.17: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	63 031	70 990	78 334	95 385	95 409	95 397	94 380	99 416	104 387
Compensation of employees	38 284	37 951	47 958	50 321	45 611	45 611	53 436	56 269	59 083
Salaries and wages	34 504	32 791	46 626	44 295	40 155	41 050	48 603	51 181	53 740
Social contributions	3 780	5 160	1 332	6 026	5 456	4 561	4 833	5 089	5 343
Goods and services	23 638	33 039	30 376	45 064	49 798	49 786	40 944	43 146	45 304
Administrative fees	33	33	36	45	45	45	48	51	54
Advertising	913	262	69	255	705	700	250	263	276
Minor assets	150	653	110	517	467	472	495	521	547
Audit cost: External	1 848	1 518	2 279	2 090	2 090	2 090	1 919	2 021	2 122
Bursaries: Employees									
Catering: Departmental activities	1 476	1 022	787	786	1 061	1 061	894	957	1 005
Communication (G&S)	3 343	4 538	3 903	4 250	4 909	4 909	3 665	3 858	4 051
Computer services					700	700	100	105	110
Consultants and professional services: Business and advisory services	3 691	1 100	1 102	6 265	7 330	7 330	3 906	4 115	4 321
Consultants and professional services: Legal costs	81			50	50	50	10	15	16
Contractors	411	158	646	428	582	919	572	602	632
Agency and support / outsourced services									
Entertainment	427	23	42	200	200	200	205	220	231
Fleet services (including government motor transport)			2 005	7 152	6 919	7 160	5 207	5 483	5 757
Housing									
Inventory: Clothing material and accessories				50					
Inventory: Farming supplies									
Inventory: Food and food supplies	152	216							
Inventory: Fuel, oil and gas	57	98							
Inventory: Learner and teacher support material									
Inventory: Materials and supplies		5		5	5				
Inventory: Medical supplies									
Inventory: Medicine						20			
Medsas inventory interface									
Inventory: Other supplies									
Consumable supplies	5	417	489	579	802	803	1 008	1 065	1 118

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Consumable: Stationery, printing and office supplies	1 268	2 312	2 218	1 551	2 131	1 890	1 546	1 628	1 710
Operating leases	1 510	2 702	3 326	3 700	3 700	4 281	4 200	4 423	4 644
Property payments	2 974	7 955	5 378	5 406	6 020	6 004	5 470	5 764	6 053
Travel and subsistence	3 655	7 649	5 363	8 362	7 404	7 404	7 357	7 748	8 136
Training and development				150	230	230			
Operating payments		188	1	2	902	309	114	120	126
Venues and facilities	1 644	2 190	2 624	3 221	3 546	3 209	3 978	4 186	4 395
Interest and rent on land	1 109								
Interest	1 109								
Transfers and subsidies	246	1 249	112						
Non-profit institutions	50								
Households	196	1 249	112						
Social benefits	109	1 234	112						
Other transfers to households	87	15							
Payments for capital assets	3 035	968	5 286	687	1 087	1 087	2 980	3 138	3 295
Machinery and equipment	3 035	968	5 286	687	1 087	1 087	2 980	3 138	3 295
Transport equipment	2 376								
Other machinery and equipment	659	968	5 286	687	1 087	1 087	2 980	3 138	3 295
Payments for financial assets	169	34	133		60	72			
Total economic classification	66 481	73 241	83 865	96 072	96 556	96 556	97 360	102 554	107 681

TABLE 1.18: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: INSTITUTIONAL DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	136 971	154 233	260 958	184 168	183 177	183 164	193 166	205 365	216 465
Compensation of employees	84 941	90 304	92 867	118 846	113 100	113 100	126 502	135 856	143 070
Salaries and wages	73 653	78 896	90 419	103 237	99 248	101 790	112 138	120 751	127 204
Social contributions	11 288	11 408	2 448	15 609	13 852	11 310	14 364	15 104	15 866
Goods and services	52 030	63 929	168 091	65 322	70 077	70 064	66 664	69 509	73 395
Administrative fees	148	539					5	5	5
Advertising	20 554	25 298	39 289	24 914	23 621	23 516	24 462	25 759	27 047
Minor assets	66	58	46	192	182	182	450	474	497
Bursaries: Employees	206	375	396	450	450	450	450	474	498
Catering: Departmental activities	579	2 268	1 867	2 883	2 222	2 222	1 187	1 251	1 313
Communication (G&S)	656	167	242	674	824	1 015	2 385	2 495	2 613
Computer services	1 049	505	2 398	4 471	2 659	2 659	3 950	4 159	4 367
Consultants and professional services: Business and advisory services	2 521	7 293	6 801	7 144	5 869	5 677	10 530	10 402	11 336
Consultants and professional services: Legal costs	289	84	874	300	829	830	650	684	718
Contractors	142	941	285	225	355	355	254	267	281
Agency and support / outsourced services	5 919	3 779	90 247		9 300	9 406			
Entertainment	2		290						
Inventory: Materials and supplies		133							
Consumable supplies	64	91	467	39	40	44	146	154	162
Consumable: Stationery, printing and office supplies	6 542	9 184	8 299	11 054	12 526	12 507	11 378	11 982	12 581
Operating leases		990					993	1 053	1 108
Property payments	1 207	1 082	1 883	1 631	1 481	1 481	1 695	1 785	1 874
Transport provided: Departmental activity				653	583	583	720	758	796

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R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Travel and subsistence	1 316	996	683	924	417	418	1 139	1 530	1 257
Training and development	1 020	884	563	1 210	830	830	2 075	1 860	2 305
Operating payments	1 346	1 127	81	400	380	380	340	358	375
Venues and facilities	8 404	8 135	13 380	8 158	7 509	7 509	3 855	4 060	4 263
Transfers and subsidies	142	69	37 752		59	72			
Non-profit institutions			37 514						
Households	142	69	238		59	72			
Social benefits	142	69	238		59	72			
Payments for capital assets	1 726	2 122	2 064	2 027	3 919	3 919	1 650	1 737	1 824
Machinery and equipment	1 726	2 034	2 064	2 027	3 919	3 919	1 650	1 737	1 824
Transport equipment									
Other machinery and equipment	1 726	2 034	2 064	2 027	3 919	3 919	1 650	1 737	1 824
Software and other intangible assets		88							
Payments for financial assets		100			37	37			
Total economic classification	138 839	156 524	300 774	186 195	187 192	187 192	194 816	207 102	218 289

TABLE 1.19: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: POLICY & GOVERNANCE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	57 808	45 410	64 144	84 444	89 221	89 174	115 274	120 796	126 835
Compensation of employees	30 206	25 238	35 455	49 001	39 111	39 111	48 591	49 909	52 405
Salaries and wages	26 810	22 729	35 455	44 705	35 115	35 200	44 068	45 478	47 751
Social contributions	3 396	2 509		4 296	3 996	3 911	4 523	4 432	4 653
Goods and services	27 588	20 172	28 689	35 443	50 110	50 063	66 683	70 886	74 430
Administrative fees	2						220	231	243
Advertising	5 904	1 144	3 944	1 085	3 628	3 628	470	495	520
Minor assets	21		1						
Bursaries: Employees	5								
Catering: Departmental activities	1 103	1 813	2 760	3 210	4 442	4 448	2 008	2 115	2 221
Communication (G&S)	132	6		100	50	50			
Computer services		40					10 000	10 530	11 057
Consultants and professional services:									
Business and advisory services	7 215	7 659	8 885	17 431	22 917	22 239	39 836	42 619	44 750
Consultants and professional services:									
Legal costs	332								
Contractors	1	19	568			58			
Agency and support / outsourced services	7					58			
Inventory: Food and food supplies	16								
Inventory: Materials and supplies	5								
Consumable supplies			8	6	14	15	110	116	122
Consumable: Stationery, printing and office supplies	3 693	760	1 081	1 611	2 575	2 815	1 466	1 543	1 620
Operating leases	248	6	147						
Property payments	10								
Transport provided: Departmental activity		770		956	691	897	570	600	630
Travel and subsistence	2 947	3 653	2 770	4 396	5 248	5 233	4 573	4 815	5 056
Training and development	17	552	8	100	35	35			
Operating payments	92	22	2	100	50	133	128	134	141
Venues and facilities	5 838	3 728	8 515	6 448	10 460	10 454	7 302	7 688	8 073
Interest and rent on land	14								
Interest	14								

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Transfers and subsidies	10 750	12 459	13 008	12 397	14 447	14 494	18 005	18 969	19 918
Provinces and municipalities									
Higher education institutions	10 648	12 422	12 735	12 397	14 397	14 397	18 005	18 969	19 918
Households	102	37	273		50	97			
Social benefits	102	37	273		50	97			
Payments for capital assets	132	2 932							
Machinery and equipment	132	2 932							
Transport equipment		2 932							
Other machinery and equipment	132								
Total economic classification	68 690	60 801	77 152	96 841	103 668	103 668	133 279	139 765	146 753



VOTE 2

GAUTENG PROVINCIAL LEGISLATURE

To be appropriated by vote in 2015/16	R600 473 000
Responsible Executive Authority	Speaker of Gauteng Provincial Legislature
Administering Institution	Gauteng Provincial Legislature
Accounting Officer	Secretary to the Gauteng Provincial Legislature

1. OVERVIEW

Vision

To be a modern and transformative legislature that fosters public pride and confidence in democracy and enhances service delivery to the people of Gauteng.

Mission

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

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

Strategic goal

To be a responsive legislature that fosters public confidence.

Core functions and responsibilities

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

National Development Plan

The 2015/16 budget process was guided by the six pillars as determined by the presiding officers. These included re-engineering public participation beyond slogans, transforming the legislature's governance processes; modernising the legislature's business of oversight, public participation and law-making; transforming the legislative sector in the context of the Integrated Global City Region and connected government; transforming law-making processes; and consolidating the Legislature's oversight practices.

The extended Secretariat held a planning session and confirmed the institution's vision, mission and strategic objectives aligned to the presiding officer's six pillars and strategic goals. This process informed the final institutional annual performance and financial plans for the 2015 MTEF. Consequently, the budget for Programme 4: Core Business, which is primarily responsible for implementation of the core function of the Legislature, has been increased significantly to ensure effective action in this sphere. Similarly, the allocation for Corporate Support Services has grown substantially: this programme funds political parties and disburses constituency allowances, as well as ensuring effective administration of the GPL.

External activities and events relevant to budget decisions

A significant portion of GPL's expenditure estimates are informed by external forces such as departments' performance plans which guide committee activities and the resultant budget. Committees are the engine of the Legislature. They scrutinise legislation, oversee government service delivery outputs, and interact with the public. Accordingly, the introduction of any bill that might affect or attract public interest requires public hearings. These increase the number of committee activities and the institutional budget. Another important function of GPL is to encourage and facilitate public participation in the processes of the Legislature. These activities involve external stakeholders and influence the institutional budget. They comprise, amongst others, the Taking Parliament to the People programme; sector parliaments such as Women's Parliament, Youth Parliament and the Senior Citizens' Parliament; public hearings; outreach programmes; radio and television broadcasts; and publications and newsletters.

Acts, rules and regulations

Section 114 of the Constitution of the Republic of South Africa states the responsibilities of provincial legislatures. They must prepare and initiate bills and they are entrusted with the responsibility to pass, amend and reject any bills before them.

The GPL's key legislative mandates are embodied in the following:

- Financial Management of Parliament Amendment Act, 2014;
- Political Party Fund Act, 2007;
- The 2002 Second King Commission Report on Corporate Governance in South Africa;
- Preferential Procurement Framework Act, 2000;
- The Promotion of Access to information Act, 2000;
- Constitution of the Republic of South Africa, 1996 (Chapter 3 and Sections 114 & 142 of the Constitution);
- Public Finance Management Act, 1999;
- The Gauteng Provincial Legislature Service Act, 1966; and
- Treasury Regulations.

2. REVIEW OF THE CURRENT FINANCIAL YEAR (2014/15)

The Institution has successfully implemented the Electoral Act in the establishment of the fifth legislature, swearing in new members, electing the Premier, Speaker and presiding officers and designating delegates to the National Council of Provinces (NCOP).

The Gauteng Provincial Legislature has continued to deliver on its political mandate of ensuring increased public participation, law making, and oversight over the executive and organs of state. This has been achieved by creating platforms for effective participation, with a strategy of taking the parliament to the people playing a pivotal role in involving the citizenry of Gauteng in actively participating in the Legislature's business processes. In response to the constitutional mandate and ensuring that the people's voices are heard and that their needs are met, the GPL has made notable strides in achieving its stated objectives for the 2014/15 financial year. These include:

Facilitating law making

In the period under review, all law-making processes including feedback received from Gauteng citizens were consolidated and reviewed to evaluate the impact of laws passed. In ensuring that the GPL develops and implements laws that create an enabling environment for a better life for the people of Gauteng, targeted groups were invited to participate in the legislative processes of oversight and law making during House sittings for the consideration and adoption of the Appropriation Bill.

In order to ensure that the laws passed respond to the needs of the people of Gauteng, the institution has introduced the Gauteng Library and Information Services Bill, 2014. Furthermore, the institution has undertaken to ensure improved budgetary oversight and accountability by the executive to the Legislature, by initiating consultation processes on the Draft Money Bills Amendment and Related Matters Bill. Prior to adoption, this will continue in line with the stakeholder consultation plan. To ensure alignment with parliamentary conventions and other legislative developments, GPL House rules have been revised and adopted.

Oversight over the executive and organs of the state

Section 114 of the Constitution empowers the GPL to hold the executive and organs of state accountable through

vigorous oversight and scrutiny. The GPL holds the executive accountable through several mechanisms including House resolutions, committee consideration of quarterly, mid-year and annual reports, focused intervention studies (FIS), ministerial accountability and oral and written motions. Similarly, the executive is obliged to remain accountable to the GPL through submission of comprehensive reports on a regular basis indicating the progress made on its portfolios and areas of responsibilities.

All committee quarterly, FIS and oversight reports relating to the 2013/14 annual reports of their respective departments were produced and tabled for House consideration and adoption. The 2014/15 House committee resolutions have been effectively managed, including departmental responses to the Economic Development, Health, Finance, Cooperative Governance and Traditional Affairs (COGTA) committees, and those of the Standing Committee on Public Accounts (SCOPA).

The institution has effectively monitored implementation of the Programme Evaluation and Budget Analysis (PEBA) methodology as a means of implementing the Oversight Model of the South African Legislative Sector, known as the Sector Oversight Model (SOM). This has been given effect substantially through the introduction of the Committees Oversight and Accountability Framework (COVAC).

The GPL hosted and effectively coordinated the NCOP provincial oversight week during the financial year under review.

Public participation

More focus was directed towards active public participation processes by locating public involvement at the centre of legislative processes to ensure that government listens to and implements the needs of its constituencies. Similarly, more opportunities were created for Gauteng citizens to participate in law-making and oversight processes through public participation events and by the Taking Parliament to the People programme. Workshops were held to educate the people about legislative and budget processes through sector parliaments and outreach programmes. Sector parliaments enable active interactions with the relevant sectors, confronting issues that affect the people. Below are various events that were held across Gauteng to enhance active public involvement and increase access to legislative processes:

- The Senior Citizens' Parliament was held in Vereeniging and focused on issues such as the quality of service received from the South African Social Security Agency (SASSA), provision of housing for senior citizens and treatment received by the elderly at government health facilities.
- The lesbian, gay, bisexual, transgender and intersex (LGBTI) dialogue for commercial sex workers was implemented for the period under review.
- The Youth Parliament was held in the Tshwane region at the Mabopane Indoor Sports Centre on 28 July 2014 under the theme Twenty years of a democratic legislature – lest we forget! The Parliament was attended by approximately 600 youth.
- The Women's Parliament was held successfully at the Faranani Multipurpose Centre in Tsakane in collaboration with the Ekurhuleni Municipality. It discussed ways to increase women's representation in Parliament and to work towards the mainstreaming of gender considerations in all Commonwealth Parliamentary Association (CPA) activities and programmes.
- The Commercial Sex Dialogue was successfully held with attendance of approximately 500 stakeholders.
- The GPL also made use of radio campaigns, media advertorials, press advisories, and coordinated interviews to educate people about the role of the Legislature and various relevant events.

Additional planned service delivery outcomes that will have been achieved by the financial year-end are the following:

- Bua le Sechaba campaigns to ensure improved public participation; and
- The Persons with Disability Sector Parliament.

Disestablishment of the fourth legislature and establishment of the fifth legislature

Processes to disestablish the fourth legislature and establish the fifth legislature were successfully executed and the institution has effectively transitioned from one to the other, thus ensuring that members are empowered to perform their constitutional obligations. This process is in line with the electoral cycle that ended in early May 2014. All members were successfully trained to enhance their competence and skills in executing their law-making, oversight and public participation mandate.

GPL 20 years of Democracy

2014 marked a significant milestone in South Africa's 20 years of democracy. In the 2014/15 financial year the GPL commissioned the GPL 20 Years of Democracy Project, as part of commemorating the years of democracy in South Africa since 1994. The project was implemented under the theme: Twenty years of a democratic legislature: lest we forget! The project underscores the important role which the GPL played in the nascent, albeit vibrant, democracy in the country. The project entails development of the GPL 20 Years of Democracy Report, and commemorating 20 years of democracy through various institutional memory products, including initiating thought leadership conversations in the legislative sector. Through this project, the GPL sought to document the evolution of the institution from 1994 to 2014.

The GPL 20 Years of Democracy Project and its identity were successfully launched in the GPL. Various strategic partners, including members of the public, participated and provided input to the draft GPL 20 Years of Democracy Report. The launch received significant media attention, including coverage in the Mail & Guardian. Thought leadership conversations were conducted in the GPL, with the participation of partners from government, academia, institutions supporting democracy and the public, amongst others. The first session was conducted in the United Kingdom, in partnership with Oxford University, where the GPL was allotted a day-long slot to conduct a roundtable dialogue, as part of the Oxford University conference on 20 Years of Democracy in South Africa. In further celebrations two thought leadership sessions were hosted in the third quarter, a seminar and a public lecture. The GPL 20 Years of Democracy coffee table book and the members' encyclopedia drafts have been produced. Filming of the GPL 20 Years of Democracy documentary is under way and a completed product will be submitted in the last quarter.

Speakers' forum

The institution actively participated in various forums with local councils with the aim of strengthening and formalising working relationship between the participants. This is aimed at developing a common understanding based on shared experience and at helping with capacity building programmes for local councils through the offices of speakers. The forum created more opportunities for the implementation of provincial legislative sector programmes and uniform norms and standards governing the sector. Conversely, some of the events were delayed due to elections and change in leadership.

Stakeholder relations

During the period under review, the GPL collaborated and partnered with different organs in delivering key programmes fostering co-operative governance and public participation. These included partnerships with municipalities such as Sedibeng, Ekurhuleni and Tshwane metro in hosting the Senior Citizen, LGBTI and Youth parliaments. The GPL also worked together with public participation offices (PPO), non-governmental organisations (NGOs), Constitution Hill, the Gender Commission, the Congress of Traditional Leaders of South Africa (CONTRALESA) and other bodies supporting democracy to promote public involvement and solicit public concerns for tabling and debating in the House.

Interactions with other legislative sectors improved, ensuring implementation of the memorandum of understanding through a co-operative governance framework that governs the Legislature's engagement with organs of state. These interactions included participation in legislative sector fora such as the Gauteng Speakers Forum (GSF), the Secretaries' Association of the Legislatures of South Africa (SALSA) and the Commonwealth Parliamentary Association (CPA).

3. OUTLOOK FOR THE COMING FINANCIAL YEAR (2015/16)

Planning for the 2015/16 financial year was guided by the newly elected government's mandate and policy priorities. These informed the compilation of the institution's Five-year Strategic Plan (2014 -2019). There will be more emphasis on re-engineering public participation and this will see the institution taking an active role in reaching out to communities and ensuring that the people's voices are heard and that policies based on these concerns are implemented.

The GPL will also, through legislation, public participation and oversight processes, continue to reinforce implementation of key projects that enhance service delivery and improve quality of life for the people of Gauteng, as explained below:

Facilitating law making

The primary responsibility of the GPL is to create laws that are unbiased and responsive to the people's needs.

The institution will continue to develop and implement laws that create an enabling environment for bettering the lives of the people of Gauteng. This will be done through consultation processes or public hearings, by consolidating law making processes and by utilizing feedback from citizens, as well as by reviewing the impact of laws passed on the lives of citizens.

There will be further attention to scrutinizing and finalising the Gauteng Money Bills Amendment Procedure and Related Matters Bill to ensure improved budgetary oversight and consideration of laws by the GPL.

Oversight over the executive and organs of state

The GPL has a constitutional mandate to monitor and oversee the executive and organs of state which are tasked with implementation of government service delivery, thus ensuring that citizen's lives are improved. The institution will continue to identify and develop mechanisms for improving its oversight over the executive.

In this context, the institution will continue to improve and strengthen implementation of the PEBA provisions by committees; the resolution tracking system; the implementation of the defined analytical parameters in undertaking research as well as committees' compliance with guidelines for assessing service delivery detailed in the resolutions passed. The GPL will further focus on enhancing robust oversight particularly through the institutionalisation of the COVAC. This will include the development of oversight formats for standing committees as well as the development of reporting formats for the executive, so as to standardise planning and reporting across all Gauteng Provincial Government departments. There will be strong emphasis on deriving maximum value from the Committee Inquiry Process (CIP) during the 2015/16 financial year by ensuring that committees use the process for service delivery interventions.

To increase public trust in government the Institution will continue to oversee the executive through oral and written motions on matters of service delivery, ensuring that it is accountable for how taxpayers' money is spent. Public participation

Since its inception, the GPL has increasingly sought innovative ways to implement its constitutional mandate of promoting public access and involvement in the processes of the institution effectively. The GPL Public Participation Strategy was developed and adopted by the institution as part of efforts to enhance public access and involvement. The Public Participation Intervention Study was initiated to identify gaps in the implementation of public participation in the institution, and to explore best practices for effective public participation interventions. Analyses of the Public Participation Strategy and the findings of the Public Participation Intervention Study revealed the need to re-define the landscape for public participation in the GPL.

In 2015/16, the GPL will focus on re-engineering public participation by directing more attention to the production of a comprehensive conceptual framework for creating public participation beyond slogans. There will be more focus on undertaking extensive research, benchmarking, improving consultations with relevant stakeholders and organs supporting democracy.

The GPL will continue to create various platforms for public participation so as to encourage citizens to directly voice their concerns and views and take part in Legislature programmes. These include sector parliaments, public education programmes and taking the Legislature to the people through outreach programmes. The GPL will continue to use media such as radio and television broadcasts, advertorials, printed publications and newsletters amongst others, to communicate with and to educate the people about the mandate of the GPL, and to promote public participation.

In view of the above, the institution will continue to hold the following sector parliaments, and strengthen them. It will promote the Taking the Legislature to the People programme through:

- Bua le Sechaba campaigns to ensure improved public participation;
- Public education workshops to promote meaningful public participation;
- A Youth Parliament focusing on issues relevant to youth development;
- A Women's Parliament which aims to discuss ways to increase women's representation in Parliament and which works towards mainstreaming of gender considerations in all CPA activities and programmes;
- A Senior Citizens' Parliament and People with Disability Parliament to ensure increased engagements with designated groups resulting in meaningful participation; and
- A Workers Parliament to address issues affecting workers such as conditions of employment.

4. REPRIORITISATION

During the preparation of the 2015/16 budget, various programmes submitted their budgetary requirements and these were interrogated and assessed in line with cost cutting measures. Funds were shifted from non-core activities to core service delivery outputs in line with the institution's policy priorities as determined by presiding officers.

This is evident in the budget for Core Business which has increased significantly as the programme supports the House and its committees in making laws for Gauteng Province, conducts oversight over the executive and facilitates cooperative governance. The programme also supports the involvement of the people of Gauteng in all GPL processes through its public participation initiatives, ensuring that platforms are created for their effective participation.

A moratorium was also put on all new positions for the 2015/16 financial year excluding three positions for the Speaker's private office. In addition, all new proposed capital projects were suspended in 2015/16 to allow for a full feasibility study.

5. RECEIPTS AND FINANCING

5.1 Summary of receipts

TABLE 2.1 : SUMMARY OF RECEIPTS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Equitable share	402 720	476 305	496 831	521 571	521 769	521 769	600 473	641 673	673 757
Total receipts	402 720	476 305	496 831	521 571	521 769	521 769	600 473	641 673	673 757

In ensuring that the GPL delivers on its core mandate, Treasury allocates funds to the institution mainly through the equitable share. The budget allocation increases from R402.7 million in 2011/12 to R600.5 million in 2015/16, with a further increase to R673.8 million in 2017/18.

The institution's receipts increased from R402.7 million in 2011/12 to R476.3 million in 2012/13 due to the increase in funding to political parties and the capacity building programme.

In 2013/14, the allocation increased from R476.3 million in 2012/13 to R496.8 million in 2013/14 in order to continue funding operational costs, political parties and personnel requirements.

The institution's budget was adjusted in the 2014/15 financial year from R521.6 million to R521.8 million. This adjustment was to cater for a budgetary shortfall in the direct charges allocation that became apparent in 2013/14. The shortfall was due to the increase in the salaries of office bearers in line with the remuneration commission communique received in January 2014.

Over the MTEF period, the allocations increase from R600.5 million in 2015/16 to R673.8 million in 2017/18. The upward trend caters for increased delivery in the execution of the GPL core mandate of facilitating legislation, ensuring public participation in the legislative processes and exercising oversight over the executive and the organs of state. In addition, a significant amount of this sum is allocated to political parties for political party funding and constituency allowances to enable members to fulfil their constitutional obligations.

5.2 Donor funding

N/A

6. PAYMENT SUMMARY

6.1. Key assumptions

The 2015 MTEF expenditure estimates were informed and guided by the House and committee programmes as well as by other strategic policy priorities. Additionally, the following key inputs informed the institutional budget:

- The GPL's approved personnel structure and the estimated salary adjustments for 2015/16 to determine the compensation of employees;
- The number of estimated House sittings and committee activities;
- Oversight visits as well as planned public participation workshops;
- Key strategic projects to enhance effectiveness and efficiency; and
- Operational costs including existing contractual obligations.

6.2 Programme summary

TABLE 2.2 : SUMMARY OF PAYMENTS AND ESTIMATES: PROVINCIAL LEGISLATURE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Leadership and Governance	23 943	29 495	34 337	27 174	27 174	27 174	44 638	48 246	51 535
2. Office Of The Secretary	12 079	27 607	10 851	18 564	17 808	17 808	20 692	22 004	23 305
3. Corporate Support Services	194 916	258 191	250 567	258 083	258 193	268 839	275 632	294 514	308 308
4. Core Business	124 020	131 659	145 968	178 404	178 602	183 392	217 462	229 540	240 372
5. Office Of the CFO	21 232	25 053	32 196	39 347	39 993	39 993	42 049	47 368	50 237
Total payments and estimates	376 190	472 005	473 919	521 571	521 769	537 205	600 473	641 673	673 757

6.3. Summary of economic classification

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

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	303 742	352 740	379 322	409 447	416 838	432 259	495 597	526 893	552 414
Compensation of employees	159 489	181 637	207 397	254 958	255 156	254 958	284 865	306 946	318 795
Goods and services	144 253	171 103	171 925	154 489	161 682	177 301	210 732	219 947	233 619
Interest and rent on land									
Transfers and subsidies to	48 296	84 169	88 044	94 776	94 776	94 776	98 623	105 187	110 447
Non-profit institutions	48 296	84 169	88 044	94 776	94 776	94 776	98 623	105 187	110 447
Households									
Payments for capital assets	24 152	35 096	6 553	17 348	10 155	10 170	6 253	9 593	10 896
Buildings and other fixed structures	10 968	15 838	2 724						2 000
Machinery and equipment	12 767	17 826	3 829	10 115	10 155	10 170	6 253	9 593	8 896
Software and other intangible assets	417	1 432		7 233					
Total economic classification	376 190	472 005	473 919	521 571	521 769	537 205	600 473	641 673	673 757

The institution's spending shows a gradual increase from R376.2 million to R473.9 million between 2011/12 and 2013/14. Corporate Support Services and Core Business accounted for the most substantial proportion at approximately 84 per cent of total expenditure between the 2011/12 and 2013/14 financial years. Core Business is responsible for the implementation of the Legislature's core mandate whilst Corporate Support Services perform the administration function of the institution including allocations to political parties.

Over the MTEF, the estimated allocation increases from R521.8 million in 2014/15 to R600.5 million in 2015/16; and to R673.8 million in the outer year. The increase is attributable to the projected annual inflationary adjustments on salaries, allocation to political parties, increased committee activities including outreach programmes and

public participation. The upward trend also makes provision for operational costs and institutional operational and strategic projects.

Spending on compensation of employees grew by 14 per cent on average from R159.5 million in 2011/12 to R207.4 million in 2013/14. This was due to a growing number of personnel, and implementation of salary adjustments. Over the MTEF, compensation of employees grows by 11.6 per cent on average, from R255.2 million in 2014/15 to R284.9 million in 2015/16, to cater for expected salary adjustments such as annual salary increases, pay progression, overtime and performance bonuses.

Between the 2011/12 and 2013/14 financial years, the institution spent R487.3 million on goods and services received, with a sharp increase in the latter years. The increase in the last two years can be ascribed to completion of once-off projects. During the 2014/15 financial year, the goods and services budget was adjusted upwards by R7.2 million due to realignment of the budget from capex to goods and services in line with the standard chart of accounts. The GPL projects expenditure of R49.1 million more on goods and services, up from R161.7 million in 2014/15 to R210.7 million in 2015/16, largely due to increased implementation of committee activities and outreach programmes that aim to take Legislature functions to communities. Similarly, the expanding budget caters for operational costs as well as planned strategic projects. Over the MTEF period, goods and services reflect an increase of 5 per cent on average, from R210.7 million in 2015/16 to R233.6 million in 2017/18, to allow for expected price increases and the growing number of committee activities.

Transfer payments to political parties have increased significantly over the years from R48.3 million in 2011/12 to R98.6 million in 2015/16. Over the MTEF, transfers are rising steadily to mitigate against the projected inflationary increase. Transfers to political parties comprise constituency allowances and political party funding.

Capital payments reflect a fluctuating trend over the seven year period. This can be credited to once-off projects such as refurbishment of the city hall, sandstone and chemical cleaning of the Legislature exterior wall and the purchase of City Hall chairs in 2011/12 and 2012/13. The 2014/15 capital payments relate to the purchase of office furniture, computer hardware and audio visual equipment to ensure that the institution has adequate resources for effective implementation of strategic priorities. In the 2015/16 financial year capital payments display a sharp budget cut from R10.2 million in 2014/15 to R6.3 million. All the capital projects that were planned for 2015/16 have been deferred to the outer years to allow for an extensive feasibility study and to ensure allocative efficiency. Over the MTEF capital payments will increase from R6.3 million in 2015/16 to R10.9 million in 2017/18.

6.4. Infrastructure payments

N/A

6.4.1. Departmental infrastructure payments

N/A

6.4.2. Departmental public-private-partnership (PPP) project

N/A

6.5. Transfers

N/A

6.5.1. Transfers to public entities

N/A

6.5.2. Transfers to other entities

N/A

6.5.3. Transfers to local government

N/A

7. PROGRAMME DESCRIPTION

PROGRAMME 1: LEADERSHIP AND GOVERNANCE

Programme description

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

- Providing leadership and management of the programme;
- Monitoring and overseeing the execution of institutional obligations;
- Providing leadership and direction to the Legislative Services Board (LSB);
- Ensuring strategic political management of presiding officers and office bearers; and
- Providing strategic management to committees to ensure political outcomes.

Programme objectives

- Ensure the development and implementation of the Institutional Strategy, Budget and Legislative Programme;
- Ensure that the business of the House functions optimally;
- Ensure further development and implementation of standing rules;
- Ensure that the LSB functions optimally;
- Ensure development and maintenance of inter-institutional relations, partnerships and cooperative governance;
- Ensure the promotion of nation building and good governance;
- Mobilisation of civil society to participate in the GPL and especially public participation programmes;
- Participatory law-making processes and effective oversight of the governance of the province; and
- Ensure the development and implementation of a training and development programme for members to:
 - Pass effective laws;
 - Oversee government effectively;
 - Enhance and ensure public participation;
 - Play a productive and effective role in the future South Africa;
 - Strategically manage committees and programmes;
 - Politically manage the committee of chairpersons, and committees;
 - Ensure implementation of committee enquiries;
 - Ensure implementation of PEBA;
 - Ensure implementation of ministerial accountability; and
 - Ensure the strategic coordination of NCOP.

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

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Office Of The Speaker	12 599	20 403	33 138	23 689	23 491	23 491	28 949	30 859	32 779
2. Office Of The Deputy Speaker		34	239	291	935	935	3 203	3 693	3 878
3. Chair Of Chairs	11 344	9 053	899	2 827	1 992	1 992	10 482	11 055	12 108
4. Legislative Service Board		5	61	367	756	756	1 422	2 027	2 128
5. Deputy Chair Of Chairs							582	612	643
Total payments and estimates	23 943	29 495	34 337	27 174	27 174	27 174	44 638	48 246	51 535

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

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	23 943	29 495	34 337	27 174	27 174	27 174	44 638	48 246	51 535
Compensation of employees	7 878	9 745	12 853	14 965	14 965	14 965	18 179	19 455	20 427
Goods and services	16 065	19 750	21 484	12 209	12 209	12 209	26 459	28 792	31 108
Total economic classification	23 943	29 495	34 337	27 174	27 174	27 174	44 638	48 246	51 535

The programme's spending between the 2011/12 and 2013/14 financial years shows an increase from R23.9 million to R34.3 million. Increased programme participation in the legislature sector and various events such as the regional and international CPA conferences, national and provincial Speakers' forums, National Conference of State Legislatures (NCSL), international study tours and committees' international conferences contributed to the expenditure. Annual adjustments in staff salaries also account for the increased expenditure.

The budget for the programme increased from R27.2 million in 2014/15 to R44.6 million in 2015/16 primarily due to the reintroduction of committees' international conferences and study tours as they were placed on hold during the 2014/15 financial year to allow for transition into the new term. Continued implementation of the GSF as well as the citizens' responsibility campaign also contributes to the sharp increase in the budget.

Over the MTEF period, the budget grows by 24 per cent from R27.2 million to R51.5 million in 2017/18 to accommodate the impact of inflation on the programme's service delivery outputs entailing, amongst others; committees' study tours, participation in the CPA, Commonwealth Women Parliamentarians (CWC), SALSA and the National Speakers Forum. The programme will also continue to coordinate and implement the GSF's five-year plan as well as host delegates from other countries to build and strengthen relations.

PROGRAMME 2: OFFICE OF THE SECRETARY

Programme description

The Secretary's office is the custodian of the development and implementation of the strategy and provides administrative leadership towards achievement of the institutional mandate of oversight and scrutiny, law-making, public participation and cooperative governance.

Programme objectives

- To ensure implementation of the Legislature programme;
- To identify best parliamentary practice on oversight;
- To ensure compliance to oversight requirements by the executive;
- To develop and sustain relations with civil society organisations for public participation;
- To provide tactical, strategic and operational leadership and direction to the Secretariat and its sub-committees;
- To lead integrated support services for law-making, oversight, public participation and co-operative governance;
- To implement the institutional leadership model and charter;
- To implement the monitoring and evaluation framework for the GPL; and
- To ensure that all revenue, expenditure, assets and liabilities of the Legislature are managed efficiently, effectively and transparently.

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

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Office of the Secretary	12 079	27 607	10 851	18 174	17 458	17 458	20 290	21 580	22 859
2. Office of the Integrity Commissioner				390	350	350	402	424	445
Total payments and estimates	12 079	27 607	10 851	18 564	17 808	17 808	20 692	22 004	23 305

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

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	12 079	27 607	10 851	18 564	17 808	17 808	20 692	22 004	23 305
Compensation of employees	4 392	4 878	6 924	13 725	13 725	13 725	13 158	14 079	14 783
Goods and services	7 687	22 729	3 927	4 839	4 083	4 083	7 534	7 926	8 522
Total economic classification	12 079	27 607	10 851	18 564	17 808	17 808	20 692	22 004	23 305

The programme's expenditure fluctuates in the first three years, with 2012/13 reflecting spending of R27.6 million, an increase from R12.1 million in 2011/12. Besides regular programme activities such as participation in SALSA conferences and international study tours, the programme also undertook one-off projects in the 2012/13 financial year, namely the 43rd CPA conference and the African Youth Parliament; hence the sharp increase in spending for that fiscal year. In 2013/14, the budget for the programme decreased to R10.9 million due to completion of the 43rd CPA conference and the African Youth Parliament as well as implementation of cost-saving measures within the programme.

It is estimated that the programme will spend 64 per cent more in 2014/15, from R10.9 million in 2013/14 to R17.8 million in 2014/15. Included in the 2014/15 projected spending is compensation of employees, operational costs for crafting and implementing the strategic plan for the new term as well as leadership management development. The programme also participated in the NCSL, American Society of Legislative Clerks and Secretaries (ASLCS), regional and international CPA conferences, national and provincial Speakers' forums and the '20 Years of Democracy' round-table.

Over the MTEF, the estimated expenditure grows by 16.2 per cent on average, from R17.8 million to R20.7 million in 2015/16. The growth is mainly attributed to annual personnel cost adjustments, increased participation in the legislative sector such as in the CPA, the Society of Clerks at the Table (SoCATT), SALSA, ASLCS, international and regional youth parliaments and the Legal Advisors' Forum.

PROGRAMME 3: CORPORATE SUPPORT SERVICES

Programme description

The purpose of Corporate Support Services is to act as a catalyst for service provision to GPL stakeholders, by deploying systems, processes, policies, human capital, technologies, and infrastructure, and instituting an enabling environment necessary for the effective and efficient functioning of the GPL.

Programme objectives

- Ensure that there is an effective system for tracking resolutions of oversight committee, the LSB, subcommittees of the LSB, and the Secretariat, as well as its sub-committees;
- Ensure that the business requirements are catered for through ICT support for business solutions (e.g. SAP), appropriate training, licensing, maintenance and access to required reports;
- Develop a system for effective integration of processes and practices with internal and external stakeholders (participation in the Events Coordinating Committee, SALSA, Speaker's Forum processes);
- Develop a system for effective stakeholder resourcing (a resource model);
- Develop a culture of leadership that promotes diversity, work- life balance, transparency and accountability;
- Ensure that members are provided with support that is responsive and relevant to their needs;
- Ensure the provision of IT and office space inf
- Restructure to enable staff and members to execute their functions;
- Ensure the provision of administrative support such as HR services, office equipment and stationery; and
- Manage and control the provision of communication services.

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

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Management	51 814	60 564	68 073	81 956	81 956	81 956	89 808	96 081	100 869
2. Members Affairs	54 936	92 185	97 910	105 496	105 496	105 496	108 360	115 460	121 233
3. Institutional Support Services	28 354	35 023	33 357	26 484	26 484	26 484	31 938	31 018	33 569
4. Operational Support Services	59 812	70 419	51 227	44 147	44 257	54 903	32 315	38 023	38 008
5. IT and Technology							13 211	13 932	14 629
Total payments and estimates	194 916	258 191	250 567	258 083	258 193	268 839	275 632	294 514	308 308

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

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	122 518	139 634	157 191	149 201	156 544	167 190	170 838	181 079	188 877
Compensation of employees	54 010	60 054	67 188	81 782	81 782	81 782	89 536	95 802	100 592
Goods and services	68 508	79 580	90 003	67 419	74 762	85 408	81 302	85 277	88 285
Interest and rent on land									
Transfers and subsidies to	48 296	84 169	88 044	94 776	94 776	94 776	98 623	105 187	110 447
Non-profit institutions	48 296	84 169	88 044	94 776	94 776	94 776	98 623	105 187	110 447
Payments for capital assets	24 102	34 388	5 332	14 106	6 873	6 873	6 171	8 248	8 984
Buildings and other fixed structures	10 968	15 838	2 724						2 000
Machinery and equipment	12 767	17 139	2 608	6 873	6 873	6 873	6 171	8 248	6 984
Software and other intangible assets	367	1 411		7 233					
Payments for financial assets									
Total economic classification	194 916	258 191	250 567	258 083	258 193	268 839	275 632	294 514	308 308

The programme spent R703.7 million between the 2011/12 and 2013/14 financial years, largely on goods and services and transfers to political parties. The expenditure relates to operational costs comprising maintenance costs, ICT infrastructure, telecommunications, payment of rent and municipal rates and taxes, members travel allowances and implementation of projects such as air conditioning installed in the City Hall and sandstone and chemical cleaning of the exterior wall of the Legislature building.

During the 2014/15 financial year, capital payments were adjusted downward by R7.2 million to increase goods and services within the programme. This was intended to realign standard chart of accounts items correctly with service delivery outputs. The overall budget was adjusted upwards by R110 000. In addition, a virement was also made from Programme 2: Office of the Secretary to augment the funding for project management system license fees.

The budget for the programme is expected to increase by 6.8 per cent from R258.2 million in 2014/15 to R275.6 million in the 2015/16 financial year. Allocations to political parties compose a very large part of the programme budget, followed by goods and services mostly to provide for contractual obligations and operational costs such as ICT, rent, municipal rates and taxes and other related costs. Compensation of employees includes projected annual salary adjustments for GPL staff. Over the MTEF the overall budget is expected to increase by 7.1 per cent to allow for the effect of inflation.

PROGRAMME 4: CORE BUSINESS

Programme description

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

Programme objectives

The stream functions in the area of communications, parliamentary business and information and knowledge management. The key functions are:

- To coordinate and drive the execution of the core mandate of the GPL;
- Effective and efficient coordination of support functions to the committees and the House;
- Professional and procedural support to committees of the House;
- To develop and deliver strategic projects which are organized through directorates;

- Monitoring and evaluation of the key deliverables on law-making, oversight and public participation;
- To improve internal processes, inter-directorate planning, planning and accountability;
- To foster good relations with internal and external service providers and support our customers;
- Provision of research services to committees of the House and the institution;
- Provision of analysis during oversight activities of the Legislature;
- Coordination of the interface between the Legislature and the NCOP;
- Provision of legal services to committees of the House during the provincial law making activities of the institution;
- Coordination of committee activities including scheduling (programming) of committee business;
- Coordination of the interface between the Office of the Speaker and committees of the House;
- Coordination of provincial law making processes;
- To promote information and knowledge sharing, thus supporting GPL business processes and retention of institutional memory, and embedding knowledge management in business processes that support the GPL mandate;
- To provide document management services, printing services, document registration services, interpretation and translation services, recording of House and committee proceedings, transcription services and provision of information services to the House and committees, supporting GPL business and service officers;
- Provide the Sergeant-at-Arms function;
- Profile the GPL through the Speaker; public education workshops; media; publications; branding/marketing/advertising; and
- To promote and facilitate public participation in all legislative processes.

TABLE 2.10: SUMMARY OF PAYMENTS AND ESTIMATES: CORE BUSINESS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Management	87 218	92 065	100 010	123 119	123 317	123 119	134 123	143 966	147 419
2. Parliamentary Business	19 676	20 557	23 563	24 363	24 363	24 363	35 040	37 096	40 951
3. Information And Knowledge Management	6 882	6 093	7 832	10 818	10 818	11 333	14 455	13 471	14 145
4. Communication	10 244	12 944	14 563	20 104	20 104	24 577	33 844	35 007	37 857
Total payments and estimates	124 020	131 659	145 968	178 404	178 602	183 392	217 462	229 540	240 372

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

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	123 970	131 638	145 968	178 404	178 602	183 377	217 462	229 540	240 372
Compensation of employees	77 865	87 718	96 584	114 265	114 463	114 265	129 830	140 420	143 942
Goods and services	46 105	43 920	49 384	64 139	64 139	69 112	87 632	89 121	96 430
Payments for capital assets	50	21				(15)			
Machinery and equipment	50	21				(15)			
Payments for financial assets									
Total economic classification	124 020	131 659	145 968	178 404	178 602	183 392	217 462	229 540	240 372

The programme's expenditure increased from R124 million to R146 million between the 2011/12 and 2013/14 financial years. The bulk of the expenditure is on compensation of employees due to an increase in the staff complement and annual salary adjustments. The programme plays a crucial role in supporting the execution of the GPL constitutional mandate by providing professional support for the House and committees, amongst others facilitating communication and public participation. This explains the increase in the number of staff and the substantial personnel costs. Similarly, goods and services expenditure responds to the implementation of the GPL mandate including the annual opening of the Legislature.

The programme's expenditure grew by 22 per cent from R146 million in 2013/14 to R178.6 million in 2014/15. The increase accommodates annual adjustments in personnel costs, the opening of the Legislature, increased committee activities and public participation initiatives as well as implementation of strategic projects such as the disestablishment of the fourth Legislature and the establishment of the fifth Legislature and the celebration of 20 years of the GPL amongst others.

Over the 2015 MTEF, the budget allocation increases by 21.8 per cent from R178.6 million in 2014/15 to R217.5 million in the 2015/16 financial year. The increase can be ascribed to provision for inflationary salary adjustments; increased committee activities including outreach programmes, public education workshops and sector parliaments, public participation, and other initiatives supporting committee activities through radio and television broadcasts, advertorials, newsletters and publications amongst others. In addition, the allocated budget includes Bua le Sechaba campaigns; NCOP taking parliament to the people, public hearings and strategic projects such as the Gauteng Money Bills Amendment Procedure and Related Matters Bill.

PROGRAMME 5: OFFICE OF THE CFO

Programme description

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

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

The Office is also responsible for ensuring continuous implementation of the all relevant financial legislation to enhance the fiscal stability, accountability and integrity of the GPL.

Programme objectives

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

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

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Management	17 919	21 665	27 995	33 647	33 647	33 647	38 852	40 310	42 326
2. Finance	855	531	473	453	453	453	398	1 588	1 668
3. Supply Chain Management	684	2 166	2 396	3 678	4 324	4 324	701	3 262	3 925
4. Risk Management	1 774	691	1 332	1 569	1 569	1 569	2 098	2 208	2 318
Total payments and estimates	21 232	25 053	32 196	39 347	39 993	39 993	42 049	47 368	50 237

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

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	21 232	24 366	30 975	36 105	36 711	36 711	41 967	46 024	48 325
Compensation of employees	15 344	19 242	23 848	30 222	30 222	30 222	34 162	37 191	39 051
Goods and services	5 888	5 124	7 127	5 883	6 489	6 489	7 805	8 832	9 274
Payments for capital assets		687	1 221	3 242	3 282	3 282	82	1 345	1 912
Machinery and equipment		687	1 221	3 242	3 282	3 282	82	1 345	1 912
Total economic classification	21 232	25 053	32 196	39 347	39 993	39 993	42 049	47 368	50 237

The programme's expenditure increased from R21.2 million in 2011/12 to R32.2 million in 2012/13. The major portion of the expenditure can be credited to the expansion of the organizational structure and related annual inflation-related salary adjustments, as well as payment of internal and external auditors. Equally, there was an

increase in capital payments for office furniture in line with the increasing number of employees in the institution.

The programme shows an increase of 24.2 per cent from R32.2 million in 2013/14 to R40 million in 2014/15. Expansion of supply chain management, salary adjustments, operational costs and procurement of office furniture for members and new staff contributed to the increased estimated expenditure.

Over the 2015 MTEF the budget increases by 5 per cent from R40 million in 2014/15 to R42 million in the 2015/16 financial year. Compensation of employees, with the projected annual salary adjustments, accounts for a major proportion of the budget, followed by goods and services, internal and external audit fees and the implementation of the business continuity plan. Though the overall budget increases, capital payments reflect a budget cut in 2015/16 as there are no plans to procure new office furniture. Over the MTEF, the programme budget is expected to increase by 26 per cent from the 2014/15 adjusted budget to the 2017/18 financial year to mitigate against the impact of inflation, compensation of employees, and goods and services, as well as to accommodate procurement of office furniture.

8. OTHER PROGRAMME INFORMATION

8.1. Personnel numbers and costs

TABLE 2.14: PERSONNEL NUMBERS AND COSTS: GAUTENG PROVINCIAL LEGISLATURE

Personnel numbers	As at	As at	As at	As at	As at	As at	As at
	31 March 2012	31 March 2013	31 March 2014	31 March 2015	31 March 2016	31 March 2017	31 March 2018
1. Leadership and Governance	14	20	21	22	25	25	25
2. Office of the Secretary	6	8	9	13	13	13	13
3. Corporate Support Services	141	150	155	180	180	180	180
4. Core Business	190	200	200	220	220	220	220
5. Office of the CFO	31	40	40	50	50	50	50
Total departmental personnel numbers	382	418	425	485	488	488	488
Total provincial personnel cost (R thousand)	159 489	181 637	207 397	254 958	284 865	306 946	318 795
Unit cost (R thousand)	418	435	488	526	584	629	653

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

	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Total for department									
Personnel numbers (head count)	382	418	425	485	485	485	488	488	488
Personnel cost (R thousands)	159 489	181 637	207 397	254 958	254 958	254 958	284 865	306 946	318 795
Human resources component									
Personnel numbers (head count)	12	15	14	16	16	16	16	16	16
Personnel cost (R thousands)	4 250	4 463	4 385	9 769	9 769	9 769	10 550	11 395	12 307
Head count as % of total for department	3%	4%	3%	3%	3%	3%	3%	3%	3%
Personnel cost as % of total for department	3%	3%	2%	4%	4%	4%	4%	4%	4%
Finance component									
Personnel numbers (head count)	34	40	40	50	50	50	50	50	50
Personnel cost (R thousands)	15 344	19 476	23 848	30 222	30 222	30 222	34 162	37 191	39 051
Head count as % of total for department	9%	10%	9%	10%	10%	10%	10%	10%	10%
Personnel cost as % of total for department	10%	11%	12%	12%	12%	12%	12%	12%	12%
Full time workers									
Personnel numbers (head count)	382	418	414	466	466	466	469	469	469
Personnel cost (R thousands)	159 489	181 637	206 211	251 570	251 570	251 570	281 255	303 097	314 689

	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Head count as % of total for department	100%	100%	97%	96%	96%	96%	96%	96%	96%
Personnel cost as % of total for department	100%	100%	99%	99%	99%	99%	99%	99%	99%
Part-time workers									
Personnel numbers (head count)				13	13	13	13	13	13
Personnel cost (R thousands)				624	624	624	624	624	624
Head count as % of total for department				2.7%	2.7%	2.7%	2.7%	2.7%	2.7%
Personnel cost as % of total for department				0.2%	0.2%	0.2%	0.2%	0.2%	0.2%
Contract workers									
Personnel numbers (head count)	3		11	6	6	6	6	6	6
Personnel cost (R thousands)	79		1 186	2 764	2 764	2 764	2 986	3 225	3 482
Head count as % of total for department	0.8%		3%	1%	1%	1%	1%	1%	1%
Personnel cost as % of total for department			1%	1%	1%	1%	1%	1%	1%

To ensure that each programme is capacitated to execute effectively the core mandate of the institution, the number of personnel employed by the GPL has increased from 382 in 2011/12 to 485 in 2014/15. The number of staff shown in the table above includes both GPL employees and political parties' support staff.

The number of staff employed in Core Business increases from 190 in 2011/12 to 220 in 2015/16 as at 31 March 2016. The programme supports the House and committees in implementing the core mandate of the institution. Similarly, Corporate Support Services has had a growing staff complement since 2011/12. Its personnel include the political parties support staff. Corporate Support Services provides administrative support such as ICT, human resources, management of members' facilities, security and maintenance to the institution. In 2015/16, the institution has implemented a moratorium on all new positions with the exception of three critical posts in the Office of the Speaker. In addition, it will also continue to fast-track the filling of all critical and funded vacant positions that already form part of the structure. Over the MTEF, it is estimated that the institutional staff complement will remain unchanged. The increase in compensation of employees caters for the annual salary increases, pay progression, performance bonuses and overtime due to the increase in public outreach programmes.

8.2 Training

TABLE 2.16: PAYMENTS ON TRAINING: GAUTENG PROVINCIAL LEGISLATURE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Leadership and Governance									
	55	234	90	168	155	155	194	204	214
Subsistence and travel									
Payments on tuition	55	234	90	168	155	155	194	204	214
Other									
2. Office of the Secretary									
	24	93	40	100	91	91	117	123	129
Subsistence and travel									
Payments on tuition	24	93	40	100	91	91	117	123	129
Other									
3. Corporate Support Services									
	255	1 753	670	977	897	897	1 164	1 222	1 283
Subsistence and travel									
Payments on tuition	255	1 753	670	977	897	897	1 164	1 222	1 283
Other									

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
4. Core Business	1 048	2 337	785	1 717	1 560	1 560	1 939	2 036	2 138
Subsistence and travel									
Payments on tuition	1 048	2 337	785	1 717	1 560	1 560	1 939	2 036	2 138
Other									
5. Office of the CFO	122	467	170	404	371	371	466	489	513
Subsistence and travel									
Payments on tuition	122	467	170	404	371	371	466	489	513
Other									
Total payments on training	1 504	4 884	1 755	3 366	3 074	3 074	3 880	4 074	4 277

Between 2011/12 and 2013/14 the institution spent R8.1 million on staff training. Of this, 60 per cent was spent in 2012/13 with Core Business accounting for the largest share of expenditure. Payments on training increased by 75 per cent from R1.8 million in 2013/14 to R3.1 million in 2014/15. This was to meet the increasing demand for training and development.

In 2015/16, the GPL will continue to invest in skills development by allocating R3.9 million for training, an increase of 26 per cent from the 2014/15 financial year. Over the MTEF period, it is anticipated that an amount of R4.3 million will be spent on staff training to enhance staff knowledge and competence. Half of this budget can be ascribed to Core Business which supports the House and committees in executing the core mandate of the GPL.

TABLE 2.17: INFORMATION ON TRAINING: GAUTENG PROVINCIAL LEGISLATURE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Number of staff	382	418	425	485	485	485	488	488	488
Number of personnel trained of which	235	254	412	360	360	360	400	420	420
Male	83	114	171	160	160	160	200	220	220
Female	152	140	241	200	200	200	200	200	200
Number of training opportunities of which	105	120	515	247	330	330	280	300	80
Tertiary	29	30	77	77	90	90	80	80	80
Workshops	76	90	419	170	240	240	200	220	
Seminars									
Other	28	15	19						
Number of bursaries offered	44	50	77	77	77	77	80	85	80
Number of interns appointed		12	13	11	15	15	20	20	20
Number of learnerships appointed				10	10	10	10	20	20
Number of days spent on training	107	120	595	247	330	317	300	340	510

Between 2011/12 and 2013/14, the number of staff trained has increased from 235 to 412. Considering the number employed by the GPL, this means that at least 90 per cent of the staff was trained. Of the total personnel trained over the reporting period, above 50 per cent were female. The majority of the training opportunities were in the form of workshops, followed by tertiary education. In 2014/15 the number of staff trained decreased due to conflicting priorities emanating from preparations for the new Legislature term and related processes such as the second opening of the Legislature and development of the planning documents as required by Financial Management of Parliament Amendment Act, 2014. Despite the decrease in the training provided in 2014/15, all new MPLs have been provided with training on law making processes and standing rules and orders to

enhance their skills, knowledge and competence in executing their constitutional mandate of law-making, public participation and oversight.

The number of bursaries offered during the outcome period, aimed at improving the skills and competence of both staff and members of the Legislature, has increased significantly from 44 in 2011/12 to 77 in 2013/14. During 2014/15 it is expected that 77 bursaries will be offered to registered employees and members. The number will increase to 80 over the MTEF to accommodate the increasing demand for financial assistance.

During 2014/15, 15 interns were employed by the institution in various fields to create opportunities for practical work experience and to broaden their knowledge. Over the 2015 MTEF, the number of interns employed will increase to 20. The GPL has increased the internship programme from one to two years and will continue to contribute to youth skills development initiatives. Similarly, the GPL plans to create 10 learnership opportunities in 2015/16 to promote a structured learning environment for undergraduates who need to gain theoretical knowledge and practical skills in the workplace to obtain their qualifications.

8.3 Reconciliation of structural changes

N/A

VOTE 3

DEPARTMENT OF ECONOMIC DEVELOPMENT

To be appropriated by vote in 2015/16	R1 305 610 000
Responsible MEC	MEC for Economic Development
Administering Department	Department of Economic Development
Accounting Officer	Head of Department

1. OVERVIEW

Vision

A radically transformed, modernised and re-industrialised economy in Gauteng, manifesting decent work, economic inclusion and equity.

Mission

The mission of the Department of Economic Development (DED), in pursuit of its vision, is to:

- Ensure radical transformation, modernisation and re-industrialisation of the Gauteng economy;
- Provide an enabling policy and legislative environment for equitable economic growth and development;
- Develop and implement programmes and projects that will:
- Revitalise Gauteng's township economies;
- Build a new smart, green, knowledge-based economy and industries;
- Ensure decent employment and inclusion in key economic sectors;
- Facilitate radical economic transformation, modernisation and re-industrialisation;
- Include the marginalised sectors of women, youth and persons with disabilities in mainstream economic activities;
- Establish appropriate partnerships for delivery; and
- Ensure the DED effectively and efficiently delivers on its mandate.

Values

The values of the DED, informed by its Vision and Mission, are to:

- Serve as a centre of excellence in leading radical economic transformation, modernisation and re-industrialisation of Gauteng's economy;
- Provide ethical, consultative and people-focused services;
- Facilitate equity, redress and access to economic opportunities and decent employment;
- Ensure that Gauteng's economic profile reflects its demographic profile;
- Practice transparent, participatory and good governance at an internal level; and
- Foster high levels of professionalism, innovation, effectiveness, efficiency and the practice of Batho Pele amongst the staff of DED and all its implementation agencies.

Strategic goals

The strategic outcome oriented goals of the DED stem from its mandate, vision and mission. As stated above, the mandate, vision and mission are informed by the national and provincial political and socio-economic imperatives contained in key documents such as the National Development Plan (NDP) and Medium Term Strategic Framework (MTSF), Gauteng Vision 2055 (G2055), the June 2014 State of the Nation Address (SONA) and Gauteng's June 2014 State of the Province Address (SOPA).

The three strategic outcome oriented goals of the DED for the 5th term of government are:

- Advancing radical economic transformation;
- Facilitating re-industrialisation; and
- Capacitating the department for delivery and Implementation.

Main Services

The key cross-cutting principles and outcomes that will underpin the programmes and projects of all the three objectives are:

- Promoting smart and green industrial and socio-economic development;
- Creating decent work and reducing levels of unemployment;
- Contributing to an increase in Gross Domestic Product (GDP);
- Making the economy inclusive (reversing monopoly capital's domination);
- Applying smart and green technology and processes;
- Mainstreaming the participation of the marginalised sectors of women, youth and persons with disabilities;
- Developing an appropriately skilled labour force and private sector (SMMEs, co-operatives and emerging businesses) to meet and grow the economy and work in the key sectors; and
- Ensuring environmental sustainability.

The National Development Plan

The NDP offers a long-term perspective as it defines a desired destination and the role each sector needs to play. The department will amongst others contribute towards Vision 2030 of the NDP of creating 11 million jobs through:

- Increasing exports;
- Investing in infrastructure to facilitate economic activity that is conducive to growth and job creation;
- Lowering the cost of doing business;
- Matching unemployed people to jobs;
- Providing a tax subsidy to businesses to reduce the cost of hiring people;
- Rewarding the setting up of new businesses including partnering with companies;
- Reducing the cost of living for low income and working class households;
- Reducing the cost of regulatory compliance, especially for small and medium sized firms;
- Supporting small business through better coordination of relevant agencies, development finance institutions and public and private incubators; and
- Building an expanded skills base through better education and vocational training.

Ten Pillar Programme of Transformation, Modernisation and Re-industrialisation

The Gauteng Provincial Government (GPG) has adopted a 10 pillar programme to ensure radical socio-economic transformation of Gauteng. The mandate of the DED accounts for seven of these; i.e.:

- Pillar 1: Radical economic transformation;
- Pillar 2: Decisive spatial transformation;
- Pillar 4: Transformation of the state and governance;
- Pillar 5: Modernisation of the public service;
- Pillar 6: Modernisation of the economy;
- Pillar 9: Re-industrialisation of Gauteng province; and
- Pillar 10: Taking the lead in Africa's new industrial revolution.

The Agriculture function will be part of the DED's responsibility during this fifth term of democratic governance. Additionally, the DED has been assigned the responsibility of leading and coordinating the Economic Cluster and contributing significantly to other outcomes and pillars.

DED is committed to acting decisively and boldly to increase investment in the real economy and infrastructure, stimulate faster levels of inclusive growth, speed up social development, substantially reduce poverty and unemployment and place the economy on a qualitatively different growth path. Radical economic transformation and modernisation and re-industrialisation will underpin all DED's programmes and projects such as:

- Making Gauteng an integrated city-region;
- Transforming the state and governance;
- Modernising the economy;
- Re-industrialising Gauteng province;
- Taking the lead in Africa's new industrial revolution;
- Smart and green industrial and economic development;

- Strengthening economic trade and partnerships with African and BRICS countries;
- Addressing major structural problems by investing in skills, research, innovation, economic infrastructure;
- Supporting township enterprises, co-operatives and SMMEs that meet township needs: government to provide training, funding, markets and economic infrastructure for goods produced;
- Bringing SMMEs and township entrepreneurs into the key sectors of finance, automotive industry, manufacturing, ICT, tourism, pharmaceuticals, creative industries, construction and real estate;
- Promoting new industries e.g. mining beneficiation and agro-processing;
- Linking with the Expanded Public Works Programme (EPWP) and the Community Work Programme (CWP) to revitalise the township economy and infrastructure; and
- Investing in the renewal of townships.

Acts, rules and regulations

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

2. REVIEW OF THE CURRENT FINANCIAL YEAR (2014/15)

Modernisation of the economy

Output 1: Strategic economic infrastructure stimulating employment-led economic growth and development

Automotive Supplier Park Infrastructure projects

Mini Factory (ASP 10 and 11)

The mini factory 10 phase 1A (factory) is scheduled for completion at the end of the financial year. Phase 1 A, roof coverings has been laid 100 per cent; roof cladding is 85 per cent complete and awaiting louvers. The edge beams have been cast 100 per cent, paving is at 98 per cent and concrete works is 100 per cent complete. The electrical mini sub-station has been placed on site and the light fittings have been installed on the factory site.

The guardhouse structure is complete with windows and doors installed, ceiling has been installed with cornices and paintwork completed. Tiling is 100 per cent complete. Plumbing is also 100 per cent complete. Electrical first fix is at 100 per cent complete and awaiting light fitting. Phase 1b (office area) is 70 per cent complete with the staircase cast and plastering complete. Phase 2 (mini factory 11): second building construction will commence in April 2015 with the 2015/16 budget.

Nissan simulator facility

The simulator facility at Nissan is anticipated to be completed by end financial year 2014/15. Nissan will be the primary custodian for procuring the purpose-made simulator equipment.

Bio Park facility project

Construction of phase 1 of the Bio Park was completed and launched in October 2014. The office and manufacturing space is currently being rented to incubator companies.

OR TAMBO industrial development zone (IDZ)

Land lease

A final draft lease document was finalized and approved, the Gauteng DED executive authority will enter into a 45 year lease agreement.

Bulk infrastructure

The procurement of consulting engineers to undertake the detailed designs of the Jewellery Manufacturing Precinct (JMP) bulk infrastructure was put in abeyance pending the establishment of the infrastructure division at DED. The procurement process led by the Infrastructure Unit will conclude the appointment of the service provider by February 2015.

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

Gauteng ICT Special Economic Zone (SEZ)

A working group was established to validate the outcomes of pre-feasibility study against the terms of reference and to ensure that it meets the expectations of key stakeholders. The working group satisfied itself that the pre-feasibility study was fully compliant with the Department of Trade and Industry (DTI) terms of reference.

To this end, the adoption and declaration of the pre-feasibility report by the Provincial Steering Committee as the final report took place by the end of December 2014. The next steps will be the development of a feasibility study based on the identified and preferred locations. This will be followed by the development of a business case which will be the basis for the application for SEZ status.

The Innovation Hub (TIH)

CoachLab™ is The Innovation Hub Management Company (TIHMC) main leadership and skills development programme aimed at human capability development in engineering, information and communication technology (ICT) post-graduate students. The programme is sponsored by industry partners as well as the Media, Information and Communication Technologies Sector Education and Training Authority (MICT Seta). CoachLab currently has 36 learners in the CoachLab@JCSE and CoachLab@Hub programme. CoachLab@Vaal continues to support the 10 learners that were recruited during the launch in October of the past financial year.

Maxum Innovation Factory has 23 new pre-incubation entrepreneurs in the programme and Maxum Core managed to secure 22 incubation companies, cumulatively exceeding its annual target of 16. The introduction of the Maxum monthly pitching sessions has enabled improvement of the TIH's pipeline of entrepreneurs into incubation.

Climate Innovation Centre (CIC)

The CIC has been established to provide a one-stop shop enterprise development support to SMMEs and researchers to pro-actively and profitably develop, transfer and deploy advanced climate-smart/green economy technologies that meet local needs. The support comprises both financial and non-financial services. As at the end of the third quarter of the period under review, the CIC has contracted ten new pre-incubates receiving technical advisory and incubation services.

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

The target of the waste to energy feasibility study for the Sedibeng and West Rand areas was partially achieved due to delays by the project sponsor in issuing an appointment letter to the service provider and the finalization of waste streams analysis process. However, in the period under review, all chapters of the feasibility study were drafted. They include status quo analysis, market and needs analysis, legal and regulatory analysis, technology

options report, delivery options, site selection, stakeholder engagements, socio-economic impact analysis, value assessment as well as the implementation plan.

PILLAR 1: RADICAL ECONOMIC TRANSFORMATION

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

DED has contributed to the Gauteng Master Skills Plan and/or re-industrialization as it pertains to its focus area. These include training for body repair shops, simulator training academy, foundry and tooling training, tourism, reskilling and technical training.

Automotive Industry Development Centre (AIDC) support programme

The auto body repairers and mechanics mentorship programme is aimed at ensuring that mentees receive adequate mentorship to assist them to manage their businesses efficiently and professionally. A total of sixty (60) mentees benefited from the AIDC project across Gauteng.

Gauteng Automotive Learning Centre (GALC)

The construction of the GALC is fully complete and the required technical training equipment is anticipated to be installed at the end of the financial year. As at the end of the third quarter of the 2014/15 financial year, the Learning Centre had 536 students, 150 of whom were continuing training from the previous financial year, 2013/14.

Ford T6 Training Simulator Project

As at the end of January 2015, 147 further education and training (FET) students from various FET colleges, 40 from private FET colleges and 35 Ford staff have attended the training at Ford T6 Simulator.

Output 6: Business regulation

Consumer Protection

The department received 415 consumer complaints against the targeted number of 549 and resolved 289 complaints against the targeted amount of 450. Over 98 per cent were resolved within the 60 day turnaround time. As part of an alternate dispute resolution system, the department facilitates the resolution of complaints by mediation and negotiation between the parties. Accordingly, the resolution of complaints and the turnaround time to resolve them is largely dependent on the complexity of the matter as well as the level of co-operation of the parties.

The consumer education and awareness programmes focused on train-the-trainer sessions for community development workers (CDWs); ward councillors, ward committees and workshops for the general consumer public. In the month of May 2014, the focus was on workers and in June 2014, the youth. The department's stakeholders included the Financial Services Board (FSB), National Credit Regulator (NCR), the department's BBBEE unit, the Credit Ombud and the Financial Planning Institute (FPI). The outreach/exhibitions also targeted general consumers. The department also worked in conjunction with the Office of the Premier and other government departments such as the Department of Labour. This resulted in 96 consumer education and awareness programmes conducted against the target of 63.

Gauteng Liquor Board (GLB)

In the period under review, 1 192 licenses were issued within the turnaround time due largely to the effectiveness of the Board's schedule where specific days were dedicated to consider certain categories of applications. In this regard, the Tuesday Board meetings were mostly used to consider the shebeen license applications to ensure the total eradication of the backlog of the applications received.

During the period under review, 730 inspections were conducted. The target was exceeded because of availability of adequate resources. The number of people reached through awareness programmes is at 56 million and includes both the people who attended the workshops and the records of media coverage. A well-publicized project was in relation to the cleaning of the GLB's data base of licenses, calling for the license holders to verify the status of their licenses within a specified period of time.

A total of 31 education and awareness programmes were conducted in a continuous effort to educate the traders to trade responsibly and to promote responsible alcohol consumption. The GLB collected R5.7 million through the collection of license fees, which reflect a consistent improvement in revenue collection flowing from the increased figures shown during the last financial year. The GLB will improve on the methods used to encourage

the clients to renew their licenses on time. The revenue management system will include among other measures the implementation of the single and integrated license referencing system that will single out the licenses that have not been renewed over the last financial years.

Output 7: Sustainable employment creation

SMME and cooperatives support: Gauteng Enterprise Propeller (GEP)

GEP has exceeded most of its targets for the period under review. The exceeded targets relate to financial and non-financial support to SMMEs, cooperatives and informal traders. The consistency maintained in the assessment and approval of loan applications received resulted in the number of existing SMMEs supported financially increasing to 324, above the targeted 81 SMMEs by 243. Similarly, 668 new SMMEs were supported financially and exceeded the targeted 174 SMMEs by 494.

The provision of financial support during the period under review, resulted in the number of existing cooperatives supported financially increasing to 90, exceeding the target of 50 by 40. The demand for community fund grants enabled the agency to financially support 337 new cooperatives, exceeding the target by 40. The provision of business development support (BDS) interventions assisted the agency to reach its non-financial support targets. In this regard, 2 666 existing SMMEs were provided with non-financial support, greater than the targeted 945 by 1 721. Likewise, 806 SMMEs were supported non-financially, above the targeted 405 by 401.

The efficiency of the agency in the provision of non-financial support also extended to cooperatives, resulting in 733 existing cooperatives being supported non-financially, in excess of the targeted 170 by 563. Provision of non-financial support to 210 new cooperatives resulted in the targeted 70 cooperatives being surpassed by 140. The overwhelming support provided to Informal traders continued. In this context, 888 township based Informal business proposals supported are over the targeted 318 proposals by 570.

Regional and local economic development

The department supported Tshepo (which means hope), a youth development programme in City of Tshwane (CoT). CoT in collaboration with the DED trained 10 000 young people on a six step training comprising entrepreneurial training, cooperative registration, financial training, technical training, and procurement opportunities. The department conducted a workshop on the Cooperatives Amendment Act, focusing on officials of provincial and local government including members of various cooperative structures in Gauteng.

In collaboration with Randfontein Local Municipality, GEP and WestCol, the department launched the Mohlakeng Enterprise Hub which incubates cooperatives and SMMEs. The department further launched Sebokeng Fabrication Laboratory, which is a partnership between the Vaal University of Technology and Sedibeng District Municipality.

Output 8: Trade and investment promotion

As at the end of the third quarter, foreign direct investment (FDI) projects (one in property development and the other in mineral beneficiation) were successfully facilitated into Gauteng bringing the total value of FDI projects facilitated in that period to R1.2 billion.

Gauteng Tourism Authority (GTA)

GTA has concluded the upgrade project and handover of the Hominid House at Maropeng during December 2014. This is the official visitor centre in the Cradle of Humankind World Heritage Site (COH WHS) and forms part of the infrastructural development projects undertaken by the agency. In respect of developing new tourism experiences the Struggle and Democracy Route has been completed, and the birding route is on track for delivery by the end of the financial year. These new experiences incorporate priority townships within the context of the Township Economic Revitalisation (TER) programme.

Water quality assessments are carried out annually following the extensive studies carried out on Acid Mine Drainage. In this regard, two reports are produced annually. The 1st report has been produced with the 2nd one due at the end of the financial year. A similar examination is also undertaken on the fossil sites themselves and the 1st report has duly been generated with the 2nd one also due at the end of March.

The agency has hosted 37 association meetings, conferences and exhibitions. In addition 17 annual signature events have been hosted in Gauteng. This is mainly due to the GTA's effective partnerships with industry. The rand value of economic benefit generated from these events to date is R351.4 million. This is limited only to the events where the agency partnered with the organizers in one way or another and excludes other events taking place in the province.

The tourism sector in the province is playing its part in responding to the call to modernize the Gauteng economy. To this extent three green initiatives were developed linked to the Hominid House project, which included black and grey water harvesting, energy efficiency and the Maropeng Hominid House being off the power grid.

The GaRankuwa Hotel School (GHS) placed 25 former learners in the industry for experiential learning at the beginning of the financial year. The institution has placed up to 19 students who have now completed the 2nd year (National Diploma in Professional Cookery) with highly reputable hotels which include The Garden Court (Sandton City), Garden Court (Umhlanga) and The Palazzo Montecasino. The GHS has also started offering short term courses to township-based beneficiaries in various skills with an intake of 190 beneficiaries to date.

Enterprise development is one of the key instruments the agency employs in a bid to fast track the transformation of the sector and diversifies visitor experience. The department is currently on track to support no less than 300 SMMEs by the end of the financial year in partnership with the Tourism Enterprise Partnership (TEP) and the sister agency the GEP.

Since the advent of the transformation, modernisation and re-industrialisation (TMR) programme of action for the 2014 – 2019 MTSF, the agency has established a dedicated Township Tourism Task Team as well as the Board sub-committee both of which focus on ensuring that the agency responds decisively to the TER programme. Thus far, township based SMMEs and cooperatives have benefitted from a series of initiatives focused on townships.

Broad Based Black Economic Empowerment (BBBEE)

The BBBEE department conducted a total of 28 BBBEE economic opportunities workshops against a cumulative target of 18 with suppliers in different constituencies in the province, inclusive of departments, agencies and municipalities, in partnership with private and civil society stakeholders. The set target was exceeded due to the high demand for BBBEE and local content compliance workshops from both GPG entities and private and civil society stakeholders. The other contributing factors were compulsory tender briefing sessions from GPG entities and the township economy revitalisation programme, where the unit's role was to provide strategic advisory support through education and awareness to ensure seamless compliance to the GPG BBBEE strategy and local content targets.

The department has commissioned a GPG local content procurement baseline study for 2014/2015. This is to determine the value of provincial government purchases of local content and overall compliance with local content procurement against the set target of 75 per cent. Linked to the above is the development of recommendations that determine intervention measures that will enhance the province's capacity to implement local procurement policies and measures. A total of 40 capacity building interventions were facilitated across the province against 18 planned for Quarter 3. The bulk of these interventions were proactively initiated by the BBBEE unit whereas some were requested by GPG entities as well as by private and civil society stakeholders.

Gauteng Gambling Board

A total 124 compliance audits were conducted, exceeding the target of 120. The Board in partnership with members of the law enforcement agency (SAPS liquor officers) conducted 29 raids on illegal gambling outlets against a target of 36.

All punter disputes were amicably resolved within the standard time frame of six months as planned. Revenue collection for the third quarter for the period under review amount to R250.9 million, exceeding the target of R194.5 million by approximately 28 per cent; this is largely due to increase in consumer spending on gambling products.

3. OUTLOOK FOR THE COMING FINANCIAL YEAR (2015/16)

Modernisation of The Economy

Output 1: Inclusive and equitable economic growth

Innovation and knowledge based economy

A total of 26 companies will be recruited for pre-incubation through the Maxum programme at the TIH whilst 16 will be enrolled for incubation. Furthermore a total of 100 individuals will also be trained through the CoachLab programme at TIH. The CIC will provide technical services to 40 green companies and its incubation programme will incubate 25 green companies.

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

The department, through the Gauteng Growth and Development Agency, will continue with the completion of IDZ phase 1 and to this end plans to finalize phase 1 top structure and bulk development. Feasibility on the next phases of IDZ translated to Phase 2 will also be undertaken.

The department working together with the DTI will finalise the completion of business case as part of the SEZ process for Gauteng ICT Park. Working together with the private sector it will ensure the completion of business cases for ICT components, media components, knowledge components and logistics components.

In the upcoming financial year, the department, through the GEP, will establish five enterprise hubs as catalysts for job creation, with emphasis on economically depressed areas of Gauteng. Post their establishment, it is envisaged that businesses based at the hubs will be provided with enterprise development support, including amongst others, Incubation programmes.

Modernisation of the economy

Output 4: Trade and investment promotion

Investment attraction and export promotion

The department's trade and Investment promotion, through Gauteng Growth and Development Agency (GGDA), will directly facilitate four FDIs and six domestic direct investments. The department, through GGDA, will continue to facilitate access to export markets for SMMEs and in this regard 200 enterprises will be supported to be export ready.

Output 5: Build skills to drive the economy

The department, through the GGDA, will to continue to focus on addressing skills gaps and creating jobs through partnerships with industries to deliver skills for the economy in labour intensive sectors such as the automotive, metal fabrication and mineral beneficiation sectors. As part of skills development in the automotive sector, through GGDA, 1 595 individuals will be trained at the Gauteng Learning Centre's various sites and programmes.

Furthermore, 15 new students will be enrolled in the jewellery manufacturing and design training programme. Metal fabrication skills development will also continue to be a focus for the department. Thus 250 tool makers will be trained through the tooling artisan training programme and 20 individuals will be trained through the foundry skills development programme.

Output 6: Business regulation

Consumer protection

The department identified sections in the National Consumer Protection Act, 68 of 2008, that impact on its mandate and role and will review the Consumer Affairs (Unfair Business Practices) Act, 7 of 1996, during the year. The department will prioritize the review of the provincial legislation for alignment with the national legislation. There will be continued focus on consumer education, advocacy and awareness campaigns in the 2015/2016 financial year. The following key activities have been planned for the 2015/2016 financial year: train-the-trainer programs for CDWs, economic development facilitators, SMMEs, co-operatives, increased consumer court sittings in regions, increased and easy access to our services by the public, increased compliance of business with consumer protection legislation, strategic collaboration agreements with the Consumer Goods Council and other regulators and trade exchange programmes with community radio stations.

Gauteng Enterprise Propeller

In the 2015/2016 financial year, GEP will continue with the provision of non-financial and financial support to SMMEs and cooperatives, with emphasis on businesses in the 11 sectors of the GPG. In this context, 3 531 SMMEs will be supported through financial and non-financial interventions. Of this total, 345 will be provided with financial interventions while 3 186 will be supported through non-financial interventions. In terms of cooperatives, 200 will be supported non-financially and 700 will benefit from non-financial interventions.

The momentum of sector-specific incubation programmes will continue in 2015/16. In this regard, 75 businesses consisting of 60 in film and related industries and 15 in the tooling industry will be incubated. In line with the TER

strategy, amongst others, financial and non-financial support will be provided to 500 township-based Informal businesses. The Virtual Office programme will be rolled out in 2015/2016 to support the formalization of SMMEs, especially those in the professional services sector.

Gauteng Tourism Authority (GTA)

GTA will focus on destination marketing and promotion with other functions being absorbed into the new DED Tourism Branch. There will be an unprecedented aggressive focus on attracting foreign, domestic and internal visitors aimed at generating significant tourism revenues that contribute to GDP growth. One of the key focus areas will be eventing against the backdrop of a recent approval by EXCO of the relevant strategies and budgets.

The agency will also be building on the current framework on developing and growing township tourism by mainstreaming township tourism experiences. Township based SMMEs and cooperatives are targeted to be major beneficiaries of the TER programme. There is a huge focus not only on defending but also enhancing Destination Gauteng's market share among African markets, therefore a dedicated strategy focusing on these markets will be formulated for implementation in earnest during the 2015/16 financial year. The execution will be located within the larger international relations strategy and more specifically the provincial trade and investment strategy.

Broad Based Black Economic Empowerment

The planned targets for 2015/16 financial year will be to deliver a total of 28 economic opportunities and capacity building interventions and to increase the capacity of DED towards building an inclusive and integrated economy in the GCR and beyond.

Regional and Local Economic Development

The planned targets for the 2015/16 Financial Year will be to support 6 economic development projects at local and regional levels, conduct six capacity building interventions and host 4 TER Intergovernmental committee meetings.

Gauteng Gambling Board

In continuing the regulation and control of the gambling industry, tax revenue collection is targeted to increase by 6 per cent from R897.5 million to R951.4 million per annum. Gambling site inspections will be increased from 102 to 678 with the number of compliance audits maintained at 180 per annum.

Gauteng Liquor Board

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

4. REPRIORITISATION

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

5. PROCUREMENT

The DED, during the MTEF process, highlighted procurement projects in the 2015/16 financial year which have an impact on the service delivery of the department. The projects are also aligned to the strategic pillar programme

aligned to the TER. The procurement will be in conjunction with the projects that each programme would plan to deliver on. This will further be assisted by individual procurement project plans to ensure that bids are evaluated and awarded timeously.

Key projects to be implemented against the TeR include Regional Township Revitalization Summits, Provincial Township Revitalization Summit, approval and implementation of the Township Revitalization Strategy (by EXCO), approval and implementation of the 11 sector strategies, upgrade of industrial parks, Provincial Infrastructure Summit (Energy – Green Economy), development of the Gauteng Trade and Investment Strategy, development of the Gauteng Energy Mix Plan, development of the Informal Sector Strategy, development of the economic and industrial plans for West Rand and Sedibeng district municipalities, the Baseline Study on Local Preferential Procurement and the Provincial State Bank Feasibility Study.

6. RECEIPTS AND FINANCING

6.1 Summary of receipts

TABLE 3.1: TABLE OF RECEIPTS: ECONOMIC DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Equitable share	822 573	874 412	926 787	1 072 661	1 101 491	1 101 491	1 302 610	1 239 298	1 299 291
Total receipts	822 573	874 412	926 787	1 072 661	1 101 491	1 101 491	1 302 610	1 239 298	1 299 291

The allocation increased from R822 .5 million in 2011/12 to R926.8 million in 2013/14. The main appropriation increases from R926.8 million in the 2013/14 financial year to R1.1 billion in the 2014/15 financial year. Over the MTEF the baseline increases to R1.3 billion and R1.3 billion for 2015/16 and 2017/18 respectively. The allocation for 2015/16 makes provision for the TER that the department has embarked on, job creation initiatives, the Nelson Mandela Centre of Memory project and refurbishment of township hubs. Gauteng TER falls within the provincial pillars of; Radical Economic Transformation, Decisive Spatial Transformation, Modernization of the Economy and Re-industrialization whilst the government has done a lot to ensure that townships becomes livable and vibrant economic centers for their residents .

6.2 Departmental receipts

TABLE 3.2: DEPARTMENTAL RECEIPTS: ECONOMIC DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Tax receipts	612 939	719 343	753 404	758 506	758 506	758 506	804 017	846 630	888 961
Casino taxes	580 337	684 364	715 672	666 229	666 229	666 229	706 204	743 633	780 814
Horse racing taxes	32 602	34 979	37 732	92 277	92 277	92 277	97 813	102 997	108 147
Liquor licenses									
Motor vehicle licenses									
Sales of goods and services other than capital assets	125	288	48						
Transfers received									
Fines, penalties and forfeits									
Interest, dividends and rent on land	1 579	2 006	5 177	1 991	1 991	1 991	2 111	2 223	2 334
Sales of capital assets	47								
Transactions in financial assets and liabilities	79	218	5 293	265	265	265	277	292	306
Total departmental receipts	614 769	721 855	763 922	760 762	760 762	760 762	806 405	849 145	891 602

In terms of attaining the objectives and priorities defined in the strategic goals of the department, its main source of funding is the equitable share and own revenue mainly generated from gambling taxes (casino and horse racing taxes). The department's other sources include sales of goods and services other than capital assets;

interest, dividends and rent on land; financial transactions in assets and liabilities and sales of capital assets.

Gambling revenue is collected by the Gauteng Gambling Board (GGB) for a commission in terms of the Public Finance Management Act Sec 21 (b)(iii), s23(1) & (2) and (3) as well as the Gauteng Gambling Act of 1995 as amended. During the 2011/12 financial year the actual collection amounted to R614.8 million, increasing to R721.8 million in 2012/13. Over the 2015 MTEF, the projected revenue collection is estimated at R806.4 million for 2015/16 and R891.6 million for 2017/18.

The estimated revenue collection over the MTEF is based on a number of factors such as people visiting the province for different events, activities such as the Tourism Indaba, Sansui Cup and numbers of people visiting the province for holidays just to mention a few.

The GGB will continue implementing its mandate by attracting tourists to ensure a sustainable revenue collection including intensifying the responsible gambling awareness campaign in the domain. The GGB will continue with its programmes as planned and the baseline will not be reduced moving forward.

7. PAYMENT SUMMARY

7.1 Key assumptions

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

- Filling of the funded vacant positions;
- Increase in personnel and performance bonuses;
- Number of staff and possible changes over MTEF;
- Medical aid contribution which increase annually;
- Basic salary costs including the Improvement in conditions of service adjustments from July each year;
- Skills development levy ;
- Inflation related adjustments; and
- Cost- saving strategies.

Key policies and priorities

- TER Programme: the department will expand infrastructure provision in order to facilitate economic activity, growth and job creation and expand the skills base of our economy and stimulate regional economic competitiveness as well as spatial development and economic equity;
- There will be a roll out township enterprise hubs across Gauteng's oldest townships;
- The department will make interventions and create opportunities for small businesses and cooperatives to form part of the producer value chains, funds will be directed to GEP; and
- The department will continue to provide support and assistance to the automotive sector through investment facilitation, skills development and training, incubation programmes and supply-chain development.

7.2 Programme summary

TABLE 3.3 : SUMMARY OF PAYMENTS AND ESTIMATES : ECONOMIC DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Administration	129 436	129 864	132 544	171 379	178 333	178 333	189 997	204 722	214 959
2. Integrated Economic Development Services	158 379	196 458	222 076	268 135	296 035	286 035	321 250	265 466	271 963
3. Trade And Sector Development	410 337	452 110	512 185	510 665	528 889	517 013	556 609	587 064	616 647
4. Business Regulation And Governance	43 092	66 734	46 577	81 692	73 792	73 792	61 261	62 799	65 939
5. Economic Planning	18 151	28 205	13 405	40 790	24 442	24 442	176 493	119 247	129 783
Total payments and estimates	759 394	873 371	926 787	1 072 661	1 101 491	1 079 615	1 305 610	1 239 298	1 299 291

7.3 Summary of economic classification

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

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	258 620	265 609	264 807	392 962	414 141	411 141	591 727	478 061	499 992
Compensation of employees	91 035	110 304	110 685	190 540	172 640	172 640	215 711	227 616	239 024
Goods and services	167 561	155 305	154 122	202 422	241 501	238 501	376 016	250 445	260 968
Interest and rent on land	24								
Transfers and subsidies to:	495 094	590 114	658 788	659 507	678 557	659 681	707 748	740 989	778 038
Provinces and municipalities									
Departmental agencies and accounts	495 035	589 890	657 890	659 507	678 383	659 507	707 748	740 989	778 038
Households	59	224	898		174	1 74			
Payments for capital assets	5 443	6 213	1 619	20 192	8 793	8 793	6 135	20 248	21 261
Buildings and other fixed structures									
Machinery and equipment	5 423	5 855	1 619	20 192	8 793	8 793	6 135	20 248	21 261
Software and other intangible assets	20	358							
Payments for financial assets	237	11 435	2 471						
Total economic classification	759 394	873 371	927 685	1 072 661	1 101 491	1 079 615	1 305 610	1 239 298	1 299 291

Total expenditure increased from R759.3 million in 2011/12 to R926.8 million which shows a growth of R167 million in the 2013/14 financial year. The biggest portion of the budget is under the departmental agencies account where the departments transfer allocations to agencies. In the 2013/14 financial year an allocation of R657.8 million was transferred and R659.5 million in 2014/15 respectively showing an increase of R2 million. The agencies' mandate is to implement policy priorities for the department and the province such as construction of automotive suppliers, refurbishment of industrial hubs, accelerating the development of high growth, competitive and labour-absorbing sectors to support the creation of decent jobs and global competitiveness, including attracting direct domestic investment and FDI in identified markets and unlocking increased trade opportunities on the African continent and across the globe. Over the MTEF period, the allocation increases to R1.3 billion in 2015/16, decreasing to R1.2 billion in the 2017/18 financial year. The decrease is due to the discontinuation of township economy projects in the 2016/17 financial year.

The largest portion of the budget is allocated to entities under Programmes 2 and 3, whilst Programme 1 receives the third largest portion of the budget since it carries most of the departmental contracts such as lease payment, ICT equipment and centralization of training and development.

The expenditure on compensation of employees increases from R91 million in 2011/12 to R190.5 million in 2014/15. Over the MTEF, this is augmented even further from R215.7 million in 2015/16 to R239 million in the 2017/18 financial year primarily due to the implementation of the structure for the department to align to the needs of the province.

Goods and services is the second largest portion of the budget and is used for the implementation of the emerging priorities and strategic projects and programmes. Expenditure amounts to R167.5 million in 2011/12 decreasing to R154.1 million in 2013/14 before increasing to R202.4 million in 2014/15. Over the MTEF, the allocation increases to R376 million in 2015/16 before decreasing to R260.9 million in 2017/18. This fluctuation is due to a portion of the goods and services of R137 million that is earmarked for the TER programme which will support the development of township enterprises, cooperatives and SMMEs producing goods and services that meet the needs of township residents.

The allocation for Public Entities for the 2011/12 financial year amounted to R495 million increasing to R657 million in 2012/13 to provide funds for key priority projects. The allocation in the 2014/15 budget amounted to R659.5 million, increasing to R741 million in 2016/17 and R778 million in 2017/18.

This allocation will contribute towards:

- Supporting the procurement of consulting engineers to undertake the detailed designs of the Jewelry Manufacturing Precinct (JMP) bulk infrastructure projects;
- Providing support in leadership and skills development programmes aimed at human capability development in respect of engineering and ICT post-graduate students;

- Refurbishment at Constitutional Hill;
- Providing support to small businesses; and
- Focusing on promoting Gauteng as a tourism destination.

Capital payments drastically decrease from R5.4 million in 2011/12 to R1.6 million in 2013/14 before increasing to R20.2 million in the 2014/15 financial year. Over the 2015 MTEF, the allocation declines to R6.1 million due to cost cutting measures, before increasing to R21.3 million in 2017/18. The allocation caters for the replacement of old furniture and purchasing of new computers for the newly appointed officials.

7.4 Infrastructure payments

N/A

7.4.1 Departmental infrastructure payments

N/A

7.4.2 Departmental public-Private Partnerships (PPP) projects

7.5 Transfers

7.5.1 Transfers to public entities

TABLE 3.5: SUMMARY OF DEPARTMENTAL TRANSFERS TO PUBLIC ENTITIES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Gauteng Growth and Development Agency	228 815	293 223	358 173	339 072	339 072	339 072	338 033	355 949	373 746
2. Gauteng Enterprise Propeller	93 912	104 300	128 447	129 291	129 291	129 291	129 838	132 507	139 132
3. Gauteng Tourism Agency	61 488	52 045	62 019	65 427	65 427	65 427	60 298	63 494	66 668
Total departmental transfers	384 215	449 568	548 639	533 790	533 790	533 790	528 169	551 950	579 546

Transfers to public entities increased from R384.2 million in 2011/12 to R548.5 million 2013/14 due to the additional funding allocated to GGDA for the Nelson Mandela Centre of Memory and other job creation endeavors. For the 2014/15 financial year the allocation amounted to R533.7 million. The allocation is augmented to R551.9 million and R579.5 million in 2016/17 and 2017/18 respectively. The allocation to the GEP escalates from R128.4 million in 2013/14 to R129.3 million in the 2014/15 financial year to cater for a targeted focus on providing support and training to informal businesses, SMMEs and cooperatives. The allocation increases to R129.8 million in 2015/16 financial year and then to R139 million in 2017/18.

The GGDA budget focuses on key projects such as metal and machinery sector development, the Gauteng Tooling Initiative and automotive sector development. The Entity is also focusing in city renewal and for the establishment of a struggle history route such as the Constitution Hill Precinct; the Nelson Mandela Centre of Memory which will be developed as an anchor attraction to enhance the visitor experience. The Nissan investment programme which is the Gauteng Automotive Training Academy, now the GALC, with approximately 218 students in training will also be further developed. GGDA is also contributing in training through the Gauteng Master Skills Plan that include training for body repair shops; simulator training academy; foundry and tooling training; tourism; and reskilling and technical training.

The GTA allocation for the 2015/16 financial year amounts to R60.3 million which increases to R67 million in 2017/18. The allocation caters for the construction of Dinokeng Game Reserve (DRG) self-drive, upgrade of the picnic sites in Roodeplaas Dam and provision of modern ablution facilities and upgrade of the Boekenhoutkloof and De Wagensdrift Road. The entity continues to provide for registration of tourist guides, tour operators, couriers, accredited training providers in the tourism industry, hotels, conference centres, restaurants, designated tourism amenities and other accommodation establishments and possible future functions relating to these categories; and to provide for the promotion and sustainable development of tourism in Gauteng.

7.5.2 Transfers to other entities

TABLE 3.6 : SUMMARY OF DEPARTMENTAL TRANSFERS TO OTHER ENTITIES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Cradle of Humankind	62 923	57 157	44 115	53 442	55 583	55 583	85 977	90 534	95 060
2. Dinokeng	32 613	48 100	42 139	37 736	35 595	35 595	67 970	71 572	75 151
3. Gauteng Liquor Board	15 100	32 670	28 781	30 255	30 255	30 255	25 327	26 695	28 030
Total departmental transfers	110 636	137 927	115 035	121 433	121 433	121 433	179 274	188 801	198 241

The department has three trading entities, administered by the Cradle of Human Kind, Dinokeng and the Gauteng Liquor Board (GLB). Total transfers for all three trading entities amounts to R137.9 million in 2012/13 decreasing to R115 million in 2013/14 before increasing marginally to R121.4 million in 2014/15. The allocation increases significantly to R179.3 million in 2015/16 and continues to grow to R198.2 million in 2017/18.

The budget for Cradle of Humankind fluctuates from R57.2 million in 2012/13 to R44.1 million in 2013/14 and increases to R53.4 million in 2014/15. Over the MTEF, the Cradle of Humankind allocation increases from R85.9 million in 2015/16 to R95 million in 2017/18. The COH WHS, as the management authority, protects preserves and interprets the outstanding universal value of the world heritage site on behalf of South Africa for future world generations.

The allocation for Dinokeng increases from R67.9 million in 2015/16 to R75.1 million in the 2017/18 financial year. The entity supports the development of the North Eastern Region of the province as a tourism destination which focuses on nature, culture and history. Tourism is the key driver for the creation of an inclusive economy in this geo-spatial tourism project.

GLB is under Programme four within the department and its budget is still managed by the department. The mandate of GLB amongst other things is to manage the lodgment of liquor license applications, processing liquor license applications and renewal of licenses. The budget amounts to R25.3 million in 2015/16 and increases to R28 million in 2017/18.

7.5.3 Transfers to local government

N/A

8. PROGRAMME DESCRIPTION

PROGRAMME 1: ADMINISTRATION

Programme purpose

To provide strategic leadership, support and transversal business solutions to enable the MEC, HOD and DED Group to deliver effectively on the mandate of the department.

Programme objectives

The Administration Budget Programme area will work towards the following three strategic objectives:

- Financial accountability and compliance to all prescribed financial regulations and guidelines;
- Employment Equity targets in respect of women and persons with disabilities to be achieved or surpassed; and
- Effective implementation of the GPG BB BEE Strategy.

TABLE 3.7: SUMMARY OF PAYMENTS AND ESTIMATES: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Office Of The Mec	14 079	13 973	12 094	16 167	11 780	11 780	11 200	12 710	13 346
2. Office Of The Hod	28 418	16 454	10 072	21 794	18 709	18 709	19 000	19 615	20 596
3. Financial Management	13 116	18 599	21 974	22 422	27 282	27 282	40 474	39 750	41 738
4. Corporate Services	73 823	80 838	88 404	110 996	120 562	120 562	119 323	132 648	139 280
Total payments and estimates	129 436	129 864	132 544	171 379	178 333	178 333	189 997	204 722	214 959

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

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	124 154	121 273	127 441	152 111	170 310	170 310	183 692	184 453	193 675
Compensation of employees	56 201	55 157	66 827	86 994	86 994	86 994	116 500	123 199	130 771
Goods and services	67 929	66 116	60 614	65 117	83 316	83 316	67 192	61 254	62 904
Interest and rent on land	24								
Transfers and subsidies to	230	2 472	1 013		100	100	305	263	276
Departmental agencies and accounts	230	2 472	1 013				305	263	276
Non-profit institutions									
Households					100	100			
Payments for capital assets	4 814	6 091	1 619	19 268	7 923	7 923	6 000	20 007	21 007
Buildings and other fixed structures									
Machinery and equipment	4 794	5 733	1 619	19 268	7 923	7 923	6 000	20 007	21 007
Software and other intangible assets	20	358							
Payments for financial assets	237	28	2 471						
Total economic classification	129 436	129 864	132 544	171 379	178 333	178 333	189 997	204 722	214 959

The administration budget is used for the payment of leases, cleaning services, security services, bursaries and office buildings. The allocation for this programme increased slightly from R129.4 million in 2011/12 to R132.5 million in 2013/14 before increasing to R171.3 million in 2014/15. The increase is due to the approved rollover for accruals amounting to R6.9 million. Over the MTEF, the allocation increases to R190 million, R204.7 million and R215 million in 2015/16, 2016/17 and 2017/18 respectively. The increased allocation will cater for the recruitment plan of the department which plans to fill all vacant post by 2015/16.

Corporate Services received the biggest portion of the budget due to payment of leases and provision of ICT support to the department.

For compensation of employees the expenditure increases from R56.2 million in 2011/12 to R66.8 million in 2013/14 before increasing further to R87 million in 2014/15 and again to R116.9 million in 2015/16. The significant increases are due to the progressive implementation of the departmental structure which is aimed at capacitating the department in respect of its provincial mandate. The allocation increases to R123.2 million in 2016/17 and R130.8 million in the outer year due to the continued implementation of the organizational structure.

Goods and services expenditure amounts to R67.9 million in 2011/12 before decreasing to R60.6 million in the 2013/14 financial year. The allocation grows to R65 million in 2014/15. Over the MTEF, the goods and services budget of the programme decreases again to R67.2 million in 2015/16 before increasing to R62.9 million in 2017/18.

Machinery and equipment decreased from R4.7 million in 2011/12 to R1.6 million in 2013/14 before increasing to R19.2 million in 2014/15. Over the MTEF, the allocation declines to R6 million in 2015/16 before increasing to R21 million in 2017/18. The fluctuation is due to a number of projects that Information Technology will be embarking upon such as budgeting for the disaster recovery site for the purposes of system recovery and continuity during the time of emergency or disaster. The allocated budget will also cater for the implementation of community ICT hubs that will be used for SMMEs to access internet and broadband.

PROGRAMME 2: INTEGRATED ECONOMIC DEVELOPMENT SERVICES**Programme purpose**

To ensure radical economic transformation that addresses the triple policy imperatives of decent work, an inclusive economy and equality.

Programme objectives

Integrated Economic Development Services will work towards the following five strategic objectives:

- New, smart, knowledge-based economy and industries as part of a radically transformed and re-industrialised Gauteng economy;
- Revitalised and modernised township economies reflecting radical transformation and re-industrialisation of Gauteng's economy;
- SMMEs, township enterprises and cooperatives participating in mainstream economic activities as part of a radically transformed and re-industrialised Gauteng economy;
- Appropriately skilled human resource and business capacity that meet the needs of a radically transformed and re-industrialised Gauteng economy; and
- Green industries contributing to energy security as an important element of radically transforming and re-industrialising Gauteng's economy.

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

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Enterprise Development	97 435	111 142	132 596	139 485	146 485	139 485	131 938	136 706	143 541
2. Regional and Local Economic Development	2 950	4 864	1 791	14 503	14 557	14 557	2 000	1 044	1 096
3. Economic Empowerment	57 994	80 452	87 689	114 147	134 993	131 993	187 312	127 716	127 325
Total payments and estimates	158 379	196 458	222 076	268 135	296 035	286 035	321 250	265 466	271 963

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

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	64 313	86 124	93 629	138 209	159 089	156 089	191 412	132 786	132 650
Compensation of employees	3 174	18 008	10 383	19 757	19 757	19 757	3 980	5 125	6 012
Goods and services	61 139	68 116	83 246	118 452	139 332	136 332	187 432	127 661	126 637
Interest and rent on land									
Transfers and subsidies to	93 912	104 354	128 447	129 291	136 365	129 365	129 838	132 507	139 133
Provinces and municipalities									
Departmental agencies and accounts	93 912	104 300	128 447	129 291	136 291	129 291	129 838	132 507	139 133
Households		54			74	74			
Payments for capital assets	154	71		635	581	581		172	180
Buildings and other fixed structures									
Machinery and equipment	154	71		635	581	581		172	180
Payments for financial assets		5 909							
Total economic classification	158 379	196 458	222 076	268 135	296 035	286 035	321 250	265 466	271 963

The expenditure for this programme in the 2011/12 financial year was R158.4 million, increasing to R196.5 million in 2012/13 and increasing again to R222 million in 2013/14. In 2014/15 it increased to R268.1 to expand the number of the SMMEs that will be supported financially. Over the MTEF, the planned expenditure grows to R321.3 million before decreasing to R272 million for 2015/16 and 2017/18 respectively. This allocation caters for transfers to the GEP under the Enterprise Development Sub-programme and provides support to local municipalities under the Regional and Local Economic Development Sub-programme. Provision is made for projects under the Economic Empowerment sub-programme such as Waste to Energy, establishment of bio digesters, industrial waste energy etc.

The allocation for this programme is based on strategic programmes that will stimulate the competitive and social transformation of Gauteng; attracts investments that will result in a greener economy; and create decent jobs.

The expenditure for goods and services increased from R61.1 million in 2011/12 to R83.2 million in 2013/14 and R118.4 million in 2014/15 respectively. The budget increases to R187.4 million in 2015/16 before decreasing to R126.6 million in the 2017/18 financial year. This will cater for projects in relation to job creation and the implementation of the Gauteng Economic Growth and Development Strategy (GEGDS).

In the 2015/2016 financial year, the department will continue to be a catalyst for enterprise development and regional and local economic development. The GEP will provide financial and non-financial support to SMMEs and cooperatives. A total of 165 SMMEs will be supported financially and 1800 SMMEs will be provided with non-financial support. The Cooperatives Assistance Programme will continue, providing financial support to 100 cooperatives. Non-financial support will be provided to 231 cooperatives.

Over the 2015 MTEF, a total amount of R129.8 million will be transferred to GEP in 2015/16; this is to cater for the continuation of the Regeneration of Old townships programme, involving the regeneration of old township industrial sites into vibrant and productive spaces. GEP will continue with the provision of non-financial and financial support to SMMEs and cooperatives.

SERVICE DELIVERY MEASURES

PROGRAMME 2: INTEGRATED ECONOMIC DEVELOPMENT SERVICES

Performance measures	Estimated annual targets		
	2015/16	2016/17	2017/18
No. of small businesses supported in the industrial parks	75	75	75
No. of individuals in infrastructure and related industries incubated	500	500	500
No. of businesses in film and related industries incubated	60	60	60
No. of existing SMMEs supported financially in the 11 sectors	115	127	140
No. of existing SMMEs supported non-financially in the 11 sectors	1386	1500	1500
No. of new SMMEs supported financially in the 11 sectors	230	230	230
No. of new SMMEs supported non-financially in the 11 sectors	1800	1800	1800
No. of existing co-ops supported financially in the 11 sectors	100	100	100
No. of existing co-ops supported non-financially in the 11 sectors.	500	500	500
No. of new cooperatives supported financially in the 11 sectors	100	110	120
No. of new cooperatives supported non-financially in the 11 sectors	200	200	200
No. of township based Informal businesses supported	500	500	500

PROGRAMME 3: TRADE AND SECTOR DEVELOPMENT

Programme purpose

To ensure re-industrialisation that addresses the triple policy imperatives of decent work, an inclusive economy and equality.

Programme objectives

Trade and Sector Development will work towards the following two strategic objectives:

- Strategic economic infrastructure that supports and facilitates radical economic transformation and re-industrialisation of Gauteng; and
- Increased trade, investment and export activities in Gauteng, the country, the African continent and globally leading to radical economic transformation and re-industrialisation of Gauteng's economy.

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

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Trade and Investment									
Promotion			1 576	9 000	9 000	9 000	4 331	5 515	6 021
2. Sector Development	168 809	157 302	150 925	160 889	176 413	167 237	214 245	225 600	236 880
3. Strategic Initiatives	241 528	294 808	359 684	340 776	343 476	340 776	338 033	355 949	373 746
Total payments and estimates	410 337	452 110	512 185	510 665	528 889	517 013	556 609	587 064	616 647

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

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	24 498	1 585	5 666	10 704	17 052	17 052	4 331	5 515	6 021
Compensation of employees	399		5 519	10 634	10 634	10 634	4 231	5 415	5 916
Goods and services	24 099	1 585	147	70	6 418	6 418	100	100	105
Interest and rent on land									
Transfers and subsidies to	385 839	450 525	506 519	499 961	511 837	499 961	552 278	581 549	610 626
Provinces and municipalities									
Departmental agencies and accounts	385 839	450 525	506 444	499 961	511 837	499 961	552 278	581 549	610 626
Households			75						
Payments for capital assets									
Payments for financial assets									
Total economic classification	410 337	452 110	512 185	510 665	528 889	517 013	556 609	587 064	616 647

The expenditure for this programme increased from R410.3 million in 2011/12 to R512.2 million in the 2013/14 financial year. The allocation subsequently decreases to R510.7 million in 2014/15 before increasing to R556.6 million in 2015/16 and R616.6 million in 2017/18. The biggest portion of the allocation is reflected under the sub-programme Strategic Initiative and Sector Development due to the transfer to GGDA, GTA (Cradle of Human kind and Dinokeng) of which all entities are under the control of the department which implements various projects on its behalf.

The expenditure for trade and investment promotion in the 2012/13 financial year amounted to R1.5 million and increased to R9 million in the 2014/15 financial year due to the appointment of officials.

In the 2011/12 financial year, the expenditure for Strategic Initiatives grows from R241.5 million to R359.7 million in the 2013/14 financial year, then declining to R340.8 million in the 2014/15 financial year. Over the MTEF, the budget increases from R338 million in 2015/16 to R373.7 million in 2017/18 due to programmes and projects that emanate from the strategic pillars.

The allocation for goods and services was to conduct 11 industrial sectoral analyses for the current financial year in line with the 2014 SOPA announcements. These studies will assist in the overall strategic orientation of the provincial industrial sectoral strategies which will be geared towards meeting the basic needs of the poor majority. In the 2015/16 financial year the allocation has decreased to R100 000 due to a once off study that was conducted in the 2014/15 financial year and will not continue during the MTEF.

The budget for compensation of employees significantly increases from R399 000 in 2011/12 to R5.5 million in 2013/14 before increasing to R10.6 million in 2014/15. Over the MTEF the budget decreases to R4.2 million in 2015/16 before increasing to R5.9 million in 2017/18.

The purpose of the unit was to source alternative funding from government and private companies that were never included in the old structure, whilst in the new structure positions were created to support and stimulate the competitiveness of, and transform, the 11 identified economic growth sectors which will continue attracting Domestic Direct Investment (DDI) and FDI and increase trade, investment and export opportunities on the African

continent and worldwide. The unit also continues to contribute in skills development initiatives as part of making a contribution in developing youth.

SERVICE DELIVERY MEASURES

PROGRAMME 3: TRADE AND SECTOR DEVELOPMENT

Performance measures	Estimated annual targets		
	2015 / 16	2016 / 17	2017 / 18
% increase in visitor numbers to Maropeng	5%	10%	15%
% increase in revenue generated at Maropeng	5%	10%	15%
No. of operational visitor Informational centres	4	7	7
No. of international visitor arrivals to Gauteng [million]	R4.4 million	R4.6million	R5 million
Rand value generated from international tourists in Gauteng [billion]	R35 billion	R48 billion	R60 billion

PROGRAMME 4: BUSINESS REGULATION AND GOVERNANCE

Programme purpose

To ensure that DED’s agencies, namely Consumer Affairs, The Gauteng Liquor Board and, The Gauteng Gambling Board are implementing interventions that contribute to achievement of the DED’s strategic goals.

Programme objectives

Business Regulation and Governance will work towards the following four strategic objectives:

- New, smart, increased consumer satisfaction that secures long term sustainability and facilitates the growth of businesses;
- Stakeholders from all three spheres of government and from other sectors of society working jointly to radically transform and reindustrialise Gauteng’s economy;
- A properly regulated liquor industry in Gauteng that generates revenue towards the socio-economic development of the province; and
- A properly regulated gambling and betting Industry that generates revenue towards the socio-economic development of the province.

TABLE 3.13: SUMMARY OF PAYMENTS AND ESTIMATES BY SUB-PROGRAMME: BUSINESS REGULATION AND GOVERNANCE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Governance	12 306	16 297	4 011	12 549	12 799	12 799	9 170	8 002	8 577
2. IGR And Strategic Partnerships	2 602	1 542	2 047	8 600	9 600	9 600	8 738	9 175	9 634
3. Consumer Protection	13 084	16 225	18 632	30 288	21 138	21 138	18 026	18 927	19 699
4. Liquor Regulation	15 100	32 670	21 887	30 255	30 255	30 255	25 327	26 695	28 030
Total payments and estimates	43 092	66 734	46 577	81 692	73 792	73 792	61 261	62 799	65 939

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

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	27 665	33 578	24 672	51 437	43 537	43 537	35 934	36 130	37 936
Compensation of employees	23 173	28 973	20 973	45 742	37 842	37 842	28 400	29 820	31 951
Goods and services	4 492	4 605	3 699	5 695	5 695	5 695	7 534	6 310	5 985
Interest and rent on land									
Transfers and subsidies to	15 113	32 707	21 905	30 255	30 255	30 255	25 327	26 669	28 003
Provinces and municipalities									
Departmental agencies and accounts	15 100	32 670	21 887	30 255	30 255	30 255	25 327	26 669	28 003
Households	13	37	18						
Payments for capital assets	314	51							
Buildings and other fixed structures									
Machinery and equipment	314	51							

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Payments for financial assets		398							
Total economic classification	43 092	66 734	46 577	81 692	73 792	73 792	61 261	62 799	65 939

The expenditure for the 2011/12 financial year amounted to R43.1 million and increased to R66.7 million in the 2012/13 financial year. The allocation for 2013/14 was reduced to R46.6 million. This fluctuation is due to the GLB receiving a total of R32.7 million for compensation of employees. Over the 2015 MTEF, the total programme budget increased from R61.3 million in 2015/16 to R62.8 million in 2016/17 and R65.9 million in the 2017/18 financial year.

The largest portion of the budget is allocated to Consumer Protection followed by GLB. In the 2011/12 financial year, the budget for consumer protection was R13 million and increased to 16.2 million in 2012/13 whilst in 2013/14, a significant increase is reflected which is due to the number of consumer awareness programmes, workshops and training to support consumers. Over the 2015 MTEF the allocation increases to R18 million in 2015/16 and R19.7 million in the 2017/18 financial year.

In the 2011/12 financial year, the allocation for liquor regulation was R15.1 million and increased to R32.7 million in 2012/13 before decreasing to R21.8 million in the 2013/14 financial year. In the 2014/15 financial year, the allocation was R30.3 million which caters for compensation of employees. Over the MTEF, the allocation increases to R25.3 million, and R28 million for 2015/16 and 2017/18 respectively due to increase in revenue collection by the GLB.

The compensation budget for 2011/12 amounted to R23.1 million and increased to R29 million in the 2012/13 financial year. The increase was due to the number of staff appointed in the programme. The allocation for the 2014/15 financial year was R45.7 million decreasing to R28.4 million in 2015/16 due to the finalization of matching and placing of personnel.

The goods and services budget amounted to R4.5 million in 2011/12 and decreased to R3.7 million in 2013/14 before increasing to R5.7 million in 2014/15. Over the 2015 MTEF, the budget continues to fluctuate at R7.5 million in 2015/16 before decreasing to R6 million in 2017/18. The goods and services budget for the consumer programme also caters for workshops such as those on disability, Spend Wisely Campaigns, World Consumer Rights Month, Savings Month Campaign, Youth Month, Human Rights, and Workers' Month etc.

Key to the work of the Business Regulation and Governance programme during the 2015 MTEF will be the promotion of integrated planning, implementation and performance reporting of agency programmes. There will also be continued focus on consumer education, advocacy and awareness campaigns in the 2015/2016 financial year.

The number of liquor licenses issued will be maintained at 2 000 licenses per annum in the 2015/2016 financial year. Liquor abuse education and awareness programmes will also continue. The focus on the inherent regulatory function of the Board will be maintained by increasing the number of pre-inspections and inspections conducted. Gauteng Liquor Board regulates the liquor industry and maximizes benefits from the industry for socio-economic development.

SERVICE DELIVERY MEASURES

PROGRAMME 4: BUSINESS REGULATION AND GOVERNANCE

Performance measures	Estimated annual targets		
	2015 / 16	2016 / 17	2017 / 18
No. of consumer affairs complaints received	1750	1850	1950
No. of consumer affairs complaints resolved	1700	1840	1910
No. of consumer affairs education programmes conducted	300	350	301
No. of projects delivered jointly with the three spheres of government	11	13	15
No. of agreements concluded with strategic partners	7	8	9
No. of special projects supported	7	8	9
No. of liquor applications received	2 000	2 000	2 000
No. of liquor licenses issued	2 000	2 000	2 000
No. of liquor compliance inspections conducted	2 800	2 900	3 000

Performance measures	Estimated annual targets		
	2015 / 16	2016 / 17	2017 / 18
No. of liquor pre-inspections conducted	1 700	1 800	1 900
No. of liquor awareness programmes conducted	120	130	140
No. of people reached through liquor awareness programmes	6 million	6.5 million	7 million
No. of social responsibility programmes supported	1	2	3
% of applications finalized	100 %	100 %	100%
Rand value of expanded CSI (i.e. CSI from liquor industry role-players) facilitated by Gauteng Liquor Board	R400 000	R450 000	R500 000
Rand value of revenue generated from regulation processes	R 40 000 000	R40 500 000	R50 000 000
No. of liquor complaints resolved	200	200	200
No. of gambling licenses issued	500	500	500
% of gambling applications processed within the standard time frames	100%	100%	100%
% of gambling disputes processed within the standard time frames	100%	100%	100%
No. of gambling compliance audits conducted	180	180	180
No. of gambling inspections conducted	678	678	678

PROGRAMME 5: ECONOMIC PLANNING

Programme purpose

To provide thought leadership to transform and re-industrialize the economy of the Gauteng City Region through policy and strategy development.

Programme objectives

Economic Planning will work towards the following strategic objectives:

- Research based economic policies/strategies and intelligence reports that inform and guide projects to achieve the DED's strategic goals of radically transforming and re-industrialising Gauteng's economy;
- Up-to-date and accurate business intelligence data guiding all economic and business development decisions of DED;
- Impact analysis reports informing the appropriateness and contribution of DED's policies, strategies and projects to achieving DED's strategic goals of radical economic transformation and re-industrialisation of Gauteng; and
- Revitalised and modernised township economies reflecting radical transformation and reindustrialisation of Gauteng's economy.

TABLE 3.15 : SUMMARY OF PAYMENTS AND ESTIMATES: ECONOMIC PLANNING

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Policy and Planning	4 357	8 198	5 565	10 877	12 333	12 333	16 608	19 514	20 490
2. Research and Development	7 100	4 809	6 721	10 203	7 175	7 175	8 000	8 400	8 820
3. Knowledge Management	3 502	3 025	715	10 919	1 599	1 599			
4. Monitoring and Evaluation	3 192	12 173	404	8 791	3 335	3 335	3 824	4 068	8 846
5. Economic Infrastructure Development							96 900	38 853	40 796
6. Sector and Industry Development							38 760	35 290	37 055
7. Inclusive Economy							12 400	13 121	13 777
Total payments and estimates	18 151	28 205	13 405	40 790	24 442	24 442	176 493	119 247	129 783

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

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	17 990	23 049	13 399	40 501	24 153	24 153	176 358	119 177	129 710
Compensation of employees	8 088	8 166	6 983	27 413	17 413	17 413	62 600	64 057	64 374
Goods and services	9 902	14 883	6 416	13 088	6 740	6 740	113 758	55 120	65 336

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R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Interest and rent on land									
Transfers and subsidies to		56	6						
Provinces and municipalities									
Departmental agencies and accounts			6						
Households		56							
Payments for capital assets	161			289	289	289	135	70	73
Buildings and other fixed structures									
Machinery and equipment	161			289	289	289	135	70	73
Payments for financial assets		5 100							
Total economic classification	18 151	28 205	13 405	40 790	24 442	24 442	176 493	119 247	129 783

The Economic Planning programme will continue to be the economic intelligence nerve-centre in forming strategic decision making and targeted sector development strategies within the department. In this regard, a data-driven Government Information System will be established to improve the quality of outputs produced by the Research and Knowledge Management sub-programme.

The focus of the programme is the development of evidence based policies and tracking the contribution of the GEGDS. The total allocation of the programme amounted to R18.2 million in 2011/12 and increased to R28.2 million in the 2012/13 financial year before decreasing to R13.4 million in 2013/14. The fluctuation is as a result of the additional research work completed under the Research and Development sub-programme in 2012/13. For the 2014/15 financial year, the allocation was adjusted to R24.4 million and funds were reprioritised towards TER projects. Over the 2015 MTEF, the total programme budget grows to R176.5 million in 2015/16 due to infrastructure projects to the value of R136.3 million. In the 2016/17 financial year, the allocation declines to R119.2 million before increasing to R129.8 million in 2017/18.

In the 2011/12 financial year, the largest budget under the programme goes to Research and Development with R7 million, followed by the Policy and Planning sub-programme which amounts to R4.3 million. In the 2015/16 financial year the budget for Policy and Planning increased to R16.6 million and in 2017/18 increased to R20 million.

In the 2013/14 financial year, the allocation for Research and Development remains high at R6.7 million, followed by Policy and Planning at R5.6 million, Knowledge Management at R715 000 and Monitoring and Evaluation with a budget of R404 000. In the 2017/18 financial year the allocation for Policy and Planning amounts to R20.5 million; both allocations for Research and Development and Monitoring and Evaluation amount to R8.8 million; while Economic Infrastructure amounts to R40.8 million.

The department has added sub-programme Economic Infrastructure Development which will facilitate the implementation of infrastructure projects within the group and across the province. The funding for economic infrastructure came from the TER programme. There is also Sector and Industry Development which focuses on delivering sustainable sector development strategies and programmes that ensure decent work, foster economic growth and diversification of the provincial economic base. The department has reprioritised the budget to accommodate this sub-programme.

Compensation for this programme fluctuates from R8.1 million in 2011/12, decreasing to R7 million in the 2013/14 main appropriation. The compensation budget significantly increases to R27 million in 2014/15. Over the 2015 MTEF, the allocation increases even further to R62.6 million in 2015/16 and then to R64.1 million and R64.4 million in 2016/17 and 2017/18 respectively. The increase in personnel is due to the newly created sub programme to cater for the emerging priorities emanating from SOPA.

Goods and services grows from R9.9 million in 2011/12 to R14.9 million in 2012/13 before decreasing R6.4 million in 2013/14 financial year. An amount of R13.1 million is allocated in the 2014/15 financial year and is reduced to R6.7 million in the adjustment budget due to the implementation of cost cutting measures. In the 2015/2016 financial year the budget increases to R113.8 million mainly for once-off infrastructural projects before decreasing to R55.1 million in 2016/17 and R65.3 million in 2017/18.

SERVICE DELIVERY MEASURES

PROGRAMME 5: ECONOMIC PLANNING

Performance measures	Estimated annual targets		
	2015 / 16	2016 / 17	2017 / 18
No. of industrial sector strategies developed	11	11	11
No. macro-economic policies developed	2	2	2
No. macro-economic strategies developed	1	2	3
No. of economic intelligence reports produced	4	4	4
No. of creation report submitted to EXCO	4	4	4
No. of economic development projects supported at regional levels	6	7	8
No. of capacity building interventions to municipalities	6	8	10
No. of township economy revitalization reports compiled	4	4	4
No. of target groups specific opportunities identified	28	28	30
No. of target groups specific interventions identified	28	28	30

9. OTHER PROGRAMME INFORMATION

9.1 Personnel numbers and costs

TABLE 3.17: PERSONNEL NUMBERS AND COSTS BY PROGRAMME: ECONOMIC DEVELOPMENT

Personnel numbers	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	As at 31 March 2018
1. Administration	127	152	154	192	192	192	192
2. Integrated Economic Development	57	43	23	29	29	29	29
Services							
3. Trade And Sector Development	1		2	12	12	12	12
4. Business Regulation And Governance	160	66	64	49	49	49	49
5. Economic Planning	21	21	35	34	34	34	34
Total provincial personnel numbers	366	282	278	316	316	316	316
Total provincial personnel cost (R thousand)	91 035	110 304	110 685	172 640	215 711	227 616	239 024
Unit cost (R thousand)	249	391	398	546	683	720	756

TABLE 3.18 : SUMMARY OF DEPARTMENTAL PERSONNEL NUMBERS AND COSTS BY COMPONENT: ECONOMIC DEVELOPMENT

	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Total for province									
Personnel numbers (head count)	366	282	278	316	316	316	316	316	316
Personnel cost (R thousands)	91 035	110 304	110 685	190 540	172 640	172 640	215 711	227 616	239 024
Human resources component									
Personnel numbers (head count)	17	52	58	60	60	60	63	66	66
Personnel cost (R thousands)	3 351	10 250	10 558	10 769	10 769	10 769	10 876	11 452	12 025
Head count as % of total for department	4.6%	18.4%	20.9%	19.0%	19.0%	19.0%	19.9%	20.9%	20.9%
Personnel cost as % of total for department	3.7%	9.3%	9.5%	6.2%	6.2%	6.2%	5.0%	5.0%	5.0%
Finance component									
Personnel numbers (head count)	35	35	34	35	35	35	40	43	43
Personnel cost (R thousands)	10 303	10 824	11 149	11 372	11 372	11 372	11 486	12 095	12 700

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	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Head count as % of total for department	9.6%	12.4%	12.2%	11.1%	11.1%	11.1%	12.7%	13.6%	13.6%
Personnel cost as % of total for department	11.3%	9.8%	10.1%	6.0%	6.6%	6.6%	5.3%	5.3%	5.3%
Full time workers									
Personnel numbers (head count)	366	366	320	451	451	451	473	475	475
Personnel cost (R thousands)	91 036	114 287	124 786	188 838	188 838	188 838	211 332	222 533	233 660
Head count as % of total for department	100.0%	129.8%	115.1%	142.7%	142.7%	142.7%	149.7%	150.3%	150.3%
Personnel cost as % of total for department	100.0%	103.6%	112.7%	99.1%	109.4%	109.4%	98.0%	97.8%	97.8%
Part-time workers									
Personnel numbers (head count)		9							
Personnel cost (R thousands)		400							
Head count as % of total for department	0.0%	3.2%							
Personnel cost as % of total for department	0.0%	0.4%							
Contract workers									
Personnel numbers (head count)	55	85							
Personnel cost (R thousands)	12 933	21 142							
Head count as % of total for department	15.0%	30.1%							
Personnel cost as % of total for department	14.2%	19.2%							

Personnel numbers for the 2015/16 financial year and over the MTEF will increase due to an increase in the staff compliment and the implementation of salary adjustments. During the 2014/15 financial year, personnel costs increased by 11 per cent from R190 million to R215.7 million in the 2015/16 financial year to cater for salary adjustments and the new positions. Over the MTEF, the compensation of employees increases to R227.6 million in 2016/17 and R239 million in 2017/18 primarily due to the implementation of the structure for the department to align to the needs of the province.

9.2 Training

TABLE 3.19: PAYMENTS ON TRAINING BY PROGRAMME

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Administration	954	1 186	452	2 310	2 310	2 310	3 237	3 365	3 420
Subsistence and travel									
Payments on tuition	379	300	140	1 076	1 076	1 076	1 137	950	820
Other	575	886	312	1 234	1 234	1 234	2 100	2 415	2 600
2. Integrated Economic Development									
Services	42	24	452	578	578	578			
Subsistence and travel		18							
Payments on tuition	18		140	269	269	269			
Other	24	6	312	309	309	309			
3. Trade And Sector Development		10							
Subsistence and travel		10							
Payments on tuition									
Other									
4. Business Regulation And Governance	75	48	452	578	578	578			
Subsistence and travel		48							
Payments on tuition	34		140	269	269	269			
Other	41		312	309	309	309			

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
5. Economic Planning	128	131	452	578	578	578			
Subsistence and travel		131							
Payments on tuition	36		140	269	269	269			
Other	92		312	309	309	309			
Total payments on training	1 199	1 399	1 808	4 044	4 044	4 044	3 237	3 365	3 420

TABLE 3.20: INFORMATION ON TRAINING: ECONOMIC DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Number of staff	366	282	278	316	316	316	316	316	316
Number of personnel trained	277	302	388	400	400	400	420	440	462
of which									
Male	86	130	164	164	164	164	185	197	203
Female	191	172	224	236	236	236	235	243	259
Number of training opportunities	111	399	400	720	720	720	750	727	897
of which									
Tertiary	85	68	75	80	80	80	135	185	194
Workshops	16	321	300	550	550	550	500	450	630
Seminars	10	10	10	75	75	75	100	80	60
Other			15	15	15	15	15	12	13
Number of bursaries offered	85	70	75	80	80	80	75	85	89
Number of interns appointed	38	33	15	50	50	50	30	40	42
Number of learnerships appointed	12		66	70	70	70	25	35	40
Number of days spent on training	444	963	1 425	2 550	2 550	2 550	2 595	2 595	2 725

The department has filled most of the senior management positions as per the approved structure to ensure capacity. In the 2015/16 financial year, the department will enrol its senior managers in programmes at one of the institutions for senior managers designed by the Gauteng City Region Academy. It will also award bursaries to employees, especially those appointed on lower levels, to ensure proper succession planning and retention of skills. The department also spends the training budget on development of graduate trainees that are mostly placed in the core business units.

ANNEXURES TO ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE

TABLE 3.21: SPECIFICATION OF RECEIPTS: ECONOMIC DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Tax receipts	612 939	719 343	753 404	758 506	758 506	758 506	804 017	846 630	888 961
Casino taxes	580 337	684 364	715 672	666 229	666 229	666 229	706 204	743 633	780 814
Horse racing taxes	32 602	34 979	37 732	92 277	92 277	92 277	97 813	102 997	108 147
Liquor Licences									
Motor vehicle licenses									
Sales of goods and services other than capital assets	125	288	48						
Sale of goods and services produced by department (excluding capital assets)	125	288	48						
Sales by market establishments									
Administrative fees									
Other sales	125	288	48						
Of which									
Health patient fees	125	288							
Other (Specify)									
Sales of scrap, waste, arms and other used current goods (excluding capital assets)									
Transfers received from:									
Fines, penalties and forfeits									
Interest, dividends and rent on land	1 579	2 006	5 177	1 991	1 991	1 991	2 111	2 223	2 334
Interest	1 579	2 006	5 177	1 991	1 991	1 991	2 111	2 223	2 334
Dividends									
Rent on land									
Sales of capital assets	47								
Land and sub-soil assets	47								
Other capital assets									
Transactions in financial assets and liabilities	79	218	5 293	265	265	265	277	292	306
Total departmental receipts	614 769	721 855	763 922	760 762	760 762	760 762	806 405	849 145	891 602

TABLE 3.22: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	124 154	121 273	127 441	152 111	170 310	170 310	183 692	184 453	193 675
Compensation of employees	56 201	55 157	66 827	86 994	86 994	86 994	116 500	123 199	130 771
Salaries and wages	48 452	47 091	66 827	70 078	70 078	86 994	101 586	106 524	112 975
Social contributions	7 749	8 066		16 916	16 916		14 914	16 675	17 796
Goods and services	67 929	66 116	60 614	65 117	83 316	83 316	67 192	61 254	62 904

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R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Administrative fees	189	120	122	219	149	149	173	198	208
Advertising	2 315	4 083	1 210	2 776	5 646	5 646	7 885	8 279	8 693
Minor assets	110	55	414	155	530	530	500	524	550
Audit cost: External	2 416	3 092	2 935	2 325	3 503	3 503	4 400	4 620	4 542
Bursaries: Employees	379	369	372	1 076	426	426	700	735	772
Catering: Departmental activities	1 010	1 239	460	1 103	1 103	1 103	529	475	499
Communication (G&S)	4 240	6 874	6 265	1 609	4 669	4 669	3 976	3 125	3 281
Computer services	5 320	4 827	10 325	847	11 337	11 337	12 800	8 140	8 547
Consultants and professional services: Business and advisory services	15 031	7 524	655	8 936	8 765	8 765	4 051	1 071	173
Consultants and professional services: Scientific and technological services							200	210	221
Consultants and professional services: Legal costs	1 737	3 511	1 678	4 590	5 890	5 890	6 000	6 300	6 615
Contractors	4 470	1 245	2 124	4 024	4 458	4 458	1 572	1 651	1 582
Agency and support / outsourced services	1 093	391	726	2 442	2 186	2 186	1 585	1 666	1 749
Entertainment	91	31	4	76	76	76		()	()
Fleet services (including government motor transport)	637	1 119	1 514	98	98	98	2 500	2 625	2 756
Housing									
Inventory: Clothing material and accessories									
Inventory: Farming supplies									
Inventory: Food and food supplies	214	340		210	810	810	520	546	574
Inventory: Fuel, oil and gas									
Inventory: Learner and teacher support material									
Inventory: Materials and supplies	94	417		135	171	171	150	158	165
Inventory: Medical supplies				92	2	2		99	104
Inventory: Medicine									
Medsas inventory interface									
Inventory: Other supplies									
Consumable supplies	186	292	767		251	251	68	71	75
Consumable: Stationery, printing and office supplies	2 306	3 701	4 411	1 241	3 451	3 451	3 579	3 727	3 914
Operating leases	540	2 721	7 750	20 445	20 445	20 445	4 353	4 571	4 799
Property payments	17 185	16 528	15 055	3 732	4 632	4 632	2 463	2 586	2 715
Transport provided: Departmental activity			8						
Travel and subsistence	5 141	4 679	2 561	4 620	1 316	1 316	1 923	2 108	2 213
Training and development	576	825	443	1 200	1 854	1 854	5 140	5 397	5 667
Operating payments	366	448	155	1 419	43	43	524	570	599
Venues and facilities	2 286	1 685	660	1 269	1 269	1 269	1 101	1 278	1 342
Rental and hiring				478	236	236	500	525	551
Interest and rent on land	24								
Interest									
Rent on land	24								
Transfers and subsidies to	230	2 472	1 013		100	100	305	263	276
Provinces and municipalities									
Provinces									
Municipalities									

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Municipalities									
Municipal agencies and funds									
Departmental agencies and accounts	184	2 395	208						
Social security funds									
Provide list of entities receiving transfers	184	2 395	208						
Public corporations									
Non-profit institutions									
Households	46	77	805		100	100	305	263	276
Social benefits	46	77	805		100	100	305	263	276
Other transfers to households									
Payments for capital assets	4 814	6 091	1 619	19 268	7 923	7 923	6 000	20 007	21 007
Buildings and other fixed structures									
Machinery and equipment	4 794	5 733	1 619	19 268	7 923	7 923	6 000	20 007	21 007
Transport equipment									
Other machinery and equipment	4 794	5 733	1 619	19 268	7 923	7 923	6 000	20 007	21 007
Heritage Assets									
Software and other intangible assets	20	358							
Payments for financial assets	237	28	2 471						
Total economic classification	129 436	129 864	132 544	171 379	178 333	178 333	189 997	204 722	214 959

TABLE 3.23: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: INTEGRATED ECONOMIC DEVELOPMENT SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	64 313	86 124	93 629	138 209	159 089	156 089	191 412	132 786	132 650
Compensation of employees	3 174	18 008	10 383	19 757	19 757	19 757	3 980	5 125	6 012
Salaries and wages	2 837	16 463	10 383	17 207	17 207	19 757	3 800	2 125	2 792
Social contributions	337	1 545		2 550	2 550		180	3 000	3 221
Goods and services	61 139	68 116	83 246	118 452	139 332	136 332	187 432	127 661	126 637
Administrative fees	6	40	85	166	166	166	41	43	45
Advertising	35	18	1 020	78	78	78		61	64
Minor assets	4	12		334	334	334			
Audit cost: External									
Bursaries: Employees	18								
Catering: Departmental activities	51	234	73	213	213	213	30	31	33
Communication (G&S)	55			300	300	300			
Computer services	9	1 311	7	552	552	552			
Consultants and professional services: Business and advisory services	57 458	61 575	81 123	109 541	127 251	127 251	86 617	()	(631)
Contractors	10	34			3 000		100 383	127 136	126 717
Agency and support / outsourced services				104	104	104			
Entertainment				25	25	25	14	14	15
Inventory: Food and food supplies	21			30	30	30			
Inventory: Materials and supplies	4	2		71	61	61		18	19
Consumable supplies	8		3						

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R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Consumable: Stationery, printing and office supplies	88	394		179	179	179	55	58	61
Operating leases	1 430	218	11	6 234	6 234	6 234	129	136	143
Property payments	107								
Transport provided: Departmental activity									
Travel and subsistence	197	1 740	780	392	467	467	34	28	29
Training and development	9	53		34	34	34			
Operating payments	22	62	3						
Venues and facilities	1 607	2 423	141	199	304	304	129	136	143
Rental and hiring									
Interest and rent on land									
Interest									
Rent on land									
Transfers and subsidies to	93 912	104 354	128 447	129 291	136 365	129 365	129 838	132 507	139 133
Provinces and municipalities									
Provinces									
Municipalities									
Municipal agencies and funds									
Departmental agencies and accounts	93 912	104 300	128 447	129 291	136 291	129 291	129 838	132 507	139 133
Social security funds									
Provide list of entities receiving transfers	93 912	104 300	128 447	129 291	136 291	129 291	129 838	132 507	139 133
Higher education institutions									
Public corporations									
Households		54			74	74			
Social benefits		54			74	74			
Other transfers to households									
Payments for capital assets	154	71		635	581	581	172	180	
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	154	71		635	581	581	172	180	
Transport equipment									
Other machinery and equipment	154	71		635	581	581	172	180	
Payments for financial assets		5 909							
Total economic classification	158 379	196 458	222 076	268 135	296 035	286 035	321 250	265 466	271 963

TABLE 3.24: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: TRADE AND SECTOR DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	24 498	1 585	5 666	10 704	17 052	17 052	4 331	5 515	6 021
Compensation of employees	399		5 519	10 634	10 634	10 634	4 231	5 415	5 916
Salaries and wages	399		5 519	10 610	10 610	10 610	4 211	5 394	5 894
Social contributions				24	24	24	20	21	22
Goods and services	24 099	1 585	147	70	6 418	6 418	100	100	105
Administrative fees		5	3						
Advertising									

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Catering: Departmental activities		3		31	76	76	20	20	21
Communication (G&S)	17								
Computer services									
Consultants and professional services: Business and advisory services		1 471			5 388	5 388			
Entertainment				17	17	17			
Operating leases	22 397								
Property payments	1 685								
Transport provided:									
Departmental activity				22	22	22			
Travel and subsistence		106	144		765	765	50	50	53
Training and development									
Operating payments									
Venues and facilities					150	150	30	30	32
Rental and hiring									
Transfers and subsidies to	385 839	450 525	506 519	499 961	511 837	499 961	552 278	581 549	610 626
Provinces and municipalities									
Provinces									
Municipalities									
Departmental agencies and accounts	385 839	450 525	506 444	499 961	511 837	499 961	552 278	581 549	610 626
Social security funds									
Provide list of entities receiving transfers	385 839	450 525	506 444	499 961	511 837	499 961	552 278	581 549	610 626
Households			75						
Social benefits			75						
Total economic classification	410 337	452 110	512 185	510 665	528 889	517 013	556 609	587 064	616 647

TABLE 3.25: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: BUSINESS REGULATION AND GOVERNANCE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	27 665	33 578	24 672	51 437	43 537	43 537	35 934	36 130	37 936
Compensation of employees	23 173	28 973	20 973	45 742	37 842	37 842	28 400	29 820	31 951
Salaries and wages	20 315	25 590	20 973	37 682	29 782	37 842	24 261	25 468	27 243
Social contributions	2 858	3 383		8 060	8 060		4 139	4 352	4 708
Goods and services	4 492	4 605	3 699	5 695	5 695	5 695	7 534	6 310	5 985
Administrative fees	28	1	5				31		
Advertising	453	150	465						
Minor assets	181	111							
Audit cost: External									
Bursaries: Employees	34						330	47	49
Catering: Departmental activities	286	530	954	241	263	263	550	556	584
Communication (G&S)	573	4	250						
Computer services			(1)						
Consultants and professional services: Business and advisory services	1 060	1 471	453	4 434	4 184	4 184	5 083	3 763	3 311
Consultants and professional services: Legal costs		186							

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R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Contractors	103	153	139						
Agency and support / outsourced services	7			75	75	75	39	30	32
Entertainment	5		(1)	21	21	21	62	43	45
Fleet services (including government motor transport)			14						
Inventory: Food and food supplies	36								
Inventory: Materials and supplies	7	3		101	35	35	18	20	21
Inventory: Other supplies									
Consumable supplies	2	9	3						
Consumable: Stationery,printing and office supplies	284	341	13	60	38	38	23	24	25
Operating leases	232	552	1 140					26	27
Property payments		50	(400)						
Transport provided: Departmental activity									
Travel and subsistence	709	484	436	202	457	457	546	851	893
Training and development	40							100	105
Operating payments	72	118	53						
Venues and facilities	380	442	176	561	622	622	852	850	893
Transfers and subsidies to	15 113	32 707	21 905	30 255	30 255	30 255	25 327	26 669	28 003
Departmental agencies and accounts	15 100	32 670	21 887	30 255	30 255	30 255	25 327	26 669	28 003
Social security funds Provide list of entities receiving transfers	15 100	32 670	21 887	30 255	30 255	30 255	25 327	26 669	28 003
Non-profit institutions									
Households	13	37	18						
Social benefits	13	37	18						
Other transfers to households									
Payments for capital assets	314	51							
Machinery and equipment	314	51							
Transport equipment									
Other machinery and equipment	314	51							
Payments for financial assets		398							
Total economic classification	43 092	66 734	46 577	81 692	73 792	73 792	61 261	62 799	65 939

TABLE 3.26: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ECONOMIC PLANNING

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	17 990	23 049	13 399	40 501	24 153	24 153	176 358	119 177	129 710
Compensation of employees	8 088	8 166	6 983	27 413	17 413	17 413	62 600	64 057	64 374
Salaries and wages	7 369	7 506	6 983	23 933	13 933	17 413	55 140	57 310	57 273
Social contributions	719	660		3 480	3 480		7 460	6 747	7 101
Goods and services	9 902	14 883	6 416	13 088	6 740	6 740	113 758	55 120	65 336
Administrative fees	25	147	5	96	96	96	163	193	202
Advertising				158	158	158	()	19	20

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Assets less than the capitalisation threshold	260								
Audit cost: External									
Bursaries: Employees	36								
Catering: Departmental activities	62	44	48	220	220	220	918	949	958
Communication (G&S)	218								
Computer services	734	1 595	316						
Consultants and professional services: Business and advisory services	6 833	11 595	4 701	11 392	5 044	5 044	14 980	15 058	23 340
Consultants and professional services: Infrastructure and planning							1 370		
Consultants and professional services: Laboratory services									
Consultants and professional services: Scientific and technological services								31 608	33 188
Consultants and professional services: Legal costs				3	3	3	90 303	356	374
Contractors	42	49	1	56	56	56	3 020	3 327	3 493
Agency and support / outsourced services	7	14		134	134	134		4	5
Entertainment	3			15	15	15	31	24	25
Fleet services (including government motor transport)			28						
Housing									
Inventory: Clothing material and accessories									
Inventory: Farming supplies									
Inventory: Food and food supplies	39	9							
Inventory: Fuel, oil and gas									
Inventory: Learner and teacher support material									
Inventory: Materials and supplies	2	3		80	80	80	()	48	35
Inventory: Medical supplies									
Inventory: Medicine									
Medsas inventory interface									
Inventory: Other supplies		3							
Consumable supplies	2		1						
Consumable:									
Stationery,printing and office supplies	119	29		260	260	260	145	82	71
Operating leases	16			44	44	44			
Property payments			(1)						
Transport provided:									
Departmental activity									
Travel and subsistence	1 078	1 318	161	282	282	282	876	2 155	2 263
Training and development	90								
Operating payments		2		3	3	3		3	3
Venues and facilities	336	75	1 156	345	345	345	1 953	1 294	1 358
Rental and hiring									
Interest and rent on land									

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R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Transfers and subsidies									
to		56	6						
Departmental agencies and accounts			6						
Social security funds									
Provide list of entities receiving transfers			6						
Households		56							
Social benefits		56							
Other transfers to households									
Payments for capital assets	161			289	289	289	135	70	73
Machinery and equipment	161			289	289	289	135	70	73
Transport equipment									
Other machinery and equipment	161			289	289	289	135	70	73
Heritage Assets									
Payments for financial assets		5 100							
Total economic classification	18 151	28 205	13 405	40 790	24 442	24 442	176 493	119 247	129 783

VOTE 4

DEPARTMENT OF HEALTH

To be appropriated by vote in 2015/16	34 175 179 000
Responsible MEC	MEC for Health
Administering Department	Department of Health
Accounting Officer	Head of Department

1. OVERVIEW

Vision

Daily we provide high-quality, efficient and accessible healthcare to transform people's lives.

Mission

Create an effective public health system in Gauteng by ensuring we have the right people, skills, systems and equipment to provide the care our patients need to live healthy, quality lives.

Strategic Goals

- Improved health and well-being of all citizens, with an emphasis on children and women;
- Reduced rate of new infections and burden of HIV & AIDS and TB;
- Increased equal and timely access to efficient and quality health care services, thereby preparing for roll-out of NHI; and
- Excellence in our non-clinical functions.

Core functions and responsibilities

- Provision of primary health care services through the district health system. A network of provincial clinics and community health centres provides ambulatory care administered by doctors, nurses and other professionals; local government clinics are subsidised to render primary care services;
- Provision of ambulance (emergency) services and planned patient transport throughout the province;
- Rendering secondary health care services through regional hospitals providing out- and in-patient care at general specialist level;
- Provision of specialised in-patient care for psychiatric and infectious diseases, and some TB and chronic psychiatric services on an outsourced basis;
- Provision of in-patient and out-patient academic health care services through the four departmental central, tertiary hospitals and three dental hospitals, in addition to the teaching that takes place at other service levels; training of future health care professionals in health sciences faculties and nursing colleges; and
- Delivering of forensic pathology services and clinical-medico legal services.

These services are supported through HR development; management and support services such as laundries, facilities management and cook-freeze; and through supplying medical and pharmaceutical materials.

The National Development Plan

The NDP 2030 adopted by government as its vision will be implemented over three electoral cycles of government. The MTSF 2014-2019, which takes its mandate from the NDP, creates the umbrella goals for the health sector. The Gauteng Department of Health (DoH) has developed its five-year strategic plan with the four above mentioned goals to ensure alignment with and implementation of the following MTSF priorities to improve health outcomes:

- Prevent and successfully manage HIV & AIDS and TB;
- Reduce maternal, infant and child mortality;

- Improve health facility planning and infrastructure delivery;
- Reduce health care costs;
- Efficient health management information system for improved decision making;
- Improve quality of health care;
- Re-engineering of primary health care;
- Achieve universal health coverage through implementation of NHI;
- Improve human resources for health; and
- Improve health management and leadership.

Ten Pillar programme of transformation, modernisation and re-industrialisation

The GPG has adopted a 10 pillar programme aimed at radically transforming, modernising and re-industrialising the province over the next five to fifteen years with a special focus on accelerated social transformation. In responding to the call from GPG to accelerate social transformation, the GDH has committed to the following priorities for the period 2015-2020 and commenced implementation in the 2014/15 financial year.

- Strengthening health systems and NHI rollout focusing on:
 - Universal coverage through implementation of NHI;
 - Expansion of primary health care including re-engineering of primary health care (PHC) (Cuban Model);
 - Improved hospital management;
 - Improved quality of health care through compliance with National Core Standards (six key priority areas);
 - Improved human resource development and management, and finance and financial management;
 - Improved health infrastructure development and management; and
 - Medico-legal services and litigation.
- Prevention and reduction of the burden of disease, which include:
 - Improving maternal, infant and child health;
 - Intensifying the fight against HIV and AIDS, TB;
 - Addressing social determinants of health;
 - Promoting preventative health and healthy life styles; and
 - Strengthening the provision of mental health, substance abuse and detox services.
- Transforming the health economy through localised production and procurement of goods and services; and
- Modernisation of the public service with a focus on the development and implementation of an e-health programme.

Acts, rules and regulations

- Intergovernmental Relations Framework Act, 13 of 2005;
- The National Health Act, 61 of 2003;
- Broad Based Black Economic Empowerment Act, 53 of 2003;
- Mental Health Care Act, 17 of 2002;
- Unemployment Insurance Contributions Act, 4 of 2002;
- Promotion of Access to Information Act, 2 of 2000;
- Promotion of Administrative Justice Act, 3 of 2000;
- Promotion of Equality and the Prevention of Unfair Discrimination Act, 4 of 2000;
- Preferential Procurement Policy Framework Act, 5 of 2000;
- Protected Disclosures Act, 26 of 2000;
- National Health Laboratory Service Act, 37 of 2000;
- Council for Medical Schemes Levy Act, 58 of 2000;
- Public Finance Management Act, 1 of 1999;
- Tobacco Products Control Amendment Act, 12 of 1999;
- State Information Technology Act, 88 of 1998;
- Competition Act, 89 of 1998;
- Copyright Act, 98 of 1998;
- Sterilisation Act, 44 of 1998;
- Employment Equity Act, 55 of 1998;
- Skills Development Act, 97 of 1998;
- Medical Schemes Act, 131 of 1998;
- Public Service Commission Act, 46 of 1997;
- Basic Conditions of Employment Act, 75 of 1997;

- Intergovernmental Fiscal Relations Act, 97 of 1997;
- Medicines and Related Substances Act, 101 of 1965 (as amended in 1997);
- Choice on Termination of Pregnancy Act, 92 of 1996;
- Public Service Act, Proclamation 103 of 1994;
- Occupational Health and Safety Act, 85 of 1993;c
- Trade Marks Act, 194 of 1993;
- Designs Act, 195 of 1993;
- SA Medical Research Council Act, 58 of 1991;
- Control of Access to Public Premises and Vehicles Act, 53 of 1985;
- Child Care Act, 74 of 1983;
- Allied Health Professions Act, 63 of 1982;
- Dental Technicians Act, 19 of 1979;
- Nursing Act, 50 of 1978;
- Patents Act, 57 of 1978;
- International Health Regulations Act, 28 of 1974;
- Pharmacy Act, 53 of 1974;
- Health Professions Act, 56 of 1974;
- Occupational Diseases in Mines and Works Act, 78 of 1973;
- Hazardous Substances Act, 15 of 1973;
- Foodstuffs, Cosmetics and Disinfectants Act, 54 of 1972;
- Conventional Penalties Act, 15 of 1962;
- State Liability Act, 20 of 1957; and
- Merchandise Marks Act, 17 of 1941.

Specific provincial health legislation

National legislation and policy is supported by the following provincial legislation:

- The Gauteng Ambulance Services Act, 2002;
- The Gauteng District Health Services Act, 2000; and
- The Hospital Ordinance Act, 1958 (as amended in 1999).

Other policies guiding the work of the GDH include:

- National Development Plan 2030;
- Gauteng Vision 2055;
- Gauteng Province Ten Pillar Programme; and
- The Batho Pele principles of social service delivery and the Service Delivery Charter.

2. REVIEW OF THE CURRENT FINANCIAL YEAR (2014/15)

Accelerated Social Transformation

Output 1: Increase life expectancy

The department remains focused on strengthening primary prevention of disease. This is being achieved through health promotion; vaccination of children against preventable diseases using the Expanded Programme of Immunisation; implementation of the re-engineered primary health care (PHC) services; and rollout of the much needed interventions aimed at increasing life expectancy, such as HIV counseling and testing, and implementation of the Fixed-Dose Combination (FDC) medication. In addition, preventative interventions against chronic disease continue at facility level, where prevention and management of chronic ailments, particularly diabetes and hypertension, is promoted.

The oral health programme provided 13 375 children with fissure sealants to preserve their teeth and placed 137 449 children in its tooth-brushing programme. With regard to the rehabilitation programme, the department provided a total of 8 864 assistive devices such as wheelchairs and hearing aids to persons with disabilities, including children.

Output 2: Decreasing maternal and child mortality

The provision of maternal and child health interventions remained a key priority of the department in the year under review. To achieve this, it provided 24-hour maternity services in all community health centres (CHCs) and hospitals. The maternal mortality ratio has decreased from 167:100 000 live births indicated in the 2005

-2007 triennium report to 145:100 000 live births in the 2008-2010 report. Training on the Early Warning Chart and Essential Steps in the Management of Obstetric Emergencies (ESMOE) continued. Doctors and nurses were trained in ESMOE in Ekurhuleni district where the maternal mortality has been the highest in the province. To date, 49 doctors and 44 midwives have been trained. The department conducted workshops in all five districts on the implementation of the recommendations of reducing deaths from Hemorrhage, HIV and Hypertension, Health worker training and improving the functioning of the Health system (5Hs). District clinical specialist teams have been appointed in all five districts; they will strengthen strategies to improve maternal and child health interventions. Basic antenatal care (BANC) has been strengthened by improving the skills of midwives to identify pregnancy related complications. These and other interventions are being strengthened in line with the recently launched Campaign for the Accelerated Reduction of Maternal Mortality in Africa (CARMMA).

Significant progress has been made in encouraging women to book their first antenatal care (ANC) visits before 20 weeks of gestation. By the end of the third quarter, 49.4 per cent of women had accessed ANC before 20 weeks of gestation and there is a better understanding by providers of the importance of initiating the first visit at pregnancy confirmation.

The department continued to provide support to postpartum mothers and their babies six weeks after delivery. By the end of the third quarter of the 2014/15 financial year, 80 per cent of mothers were visited within six days of delivery of their babies.

The immunisation coverage for children less than one year old is maintained above the national target of 90 per cent in order to reach every child to reduce vaccine-preventable deaths. Coverage for children under the age of one was at 115.6 per cent, measles first dose at 118.1 per cent, pneumococcal third dose at 114.6 per cent and rota virus second dose at 113.7 per cent at the end of the third quarter of the 2014/15 financial year. All health facilities practice "Every day is an Immunisation Day". The improved immunisation coverage has also contributed to a decline in the incidence of pneumococcal and diarrhoeal infections.

The incidences of severe malnutrition remained below 3 cases per 1000 population, at 1.8 cases, in the third quarter of 2014/2015. The department is conducting on-going information sessions for communities on the importance of vaccinating all children, and encouraging parents to bring HIV positive children for vaccinations. Child survival also improved through the promotion of exclusive breastfeeding, and the establishment of Kangaroo Mother Care for low birth weight babies. This was done in 98 per cent of hospitals providing maternity and neonatal care. Currently, the department has 44 facilities accredited as "Mother and Baby Friendly" and expected to have increased this number to 49 by end of the 2014/15 financial year. These facilities assist mothers with breastfeeding (which contributes to good nutrition and infant survival), while educating them about the advantages of breastfeeding.

Output 3: Combating HIV and AIDS and decreasing the burden of disease from TB

There has been a further notable reduction in HIV transmission, at 1.3 per cent, from mother to baby. By the end of the third quarter, a large percentage of babies born to HIV positive mothers tested HIV negative. Two major contributions to this positive output have been improved baby Nevirapine uptakes, at 96.3 per cent, and mothers on the Highly Active Antiretroviral Therapy (HAART) treatment programme. FDC therapy was introduced in the 2013/14 financial year and the department anticipates that the uptake of HAART is likely to increase even further.

There is a decline in the coverage of some HIV community programmes in that the numbers in the high risk groups benefiting from peer education were 90 048 below the target of 187 500. Over 1.6 million people were reached with ward-based education.

The number of clients remaining on ART at the end of the month increased by 71 493 from 587 572 in the previous quarter of the financial year (2013/14) to 659 065 by the end of the third quarter of the 2014/15 financial year. There is a programme plan to strengthen defaulter tracing, community awareness of adherence to treatment and improved data management.

The department continues to provide support to TB patients through Community Health Workers (CHWs). This is to ensure that patients take their treatment appropriately and that those who default are traced. The support by CHWs has enabled the department to keep the defaulter rate below 5 per cent. Quarterly data quality audits are being conducted to ensure that these errors are identified and corrected in order to improve data integrity. The TB new client treatment success rate was 85.5 per cent in the third quarter of the 2014/15 financial year. Over

54 per cent of confirmed multi-drug resistant (MDR) TB cases were initiated on treatment. This is due to high rate of loss to follow-up.

Output 4: Strengthening health system effectiveness

Re-engineering of PHC

Health services are provided through a combination of community-based outreach programmes and facility-based care involving hospitals, CHCs and fixed and mobile clinics. There is a continuous effort to improve access to care by increasing the number of health care facilities, extending hours of service and attending to soft issues that may discourage people from using health services.

The department provides comprehensive PHC services in all its CHCs. The number of CHC facilities increased by one additional facility in Tshwane, with 27 of the 35 CHCs providing 24 hour health services. The 24 hour services at CHCs are provided in line with district needs.

The department has established 11 additional ward-based Community Health Outreach Teams, bringing the total from 175 to 186. PHC has been further enhanced by ensuring that each CHC has a resident doctor and a specialist family physician. Every health district has a core specialist team including obstetricians and pediatricians to provide guidance to staff at CHCs and clinics within the district.

Progress with regard to the health care support services includes improvement in the procurement opportunities awarded to women-owned enterprises, with approximately 24 per cent of such opportunities being provided to these enterprises. There has also been an improvement in the availability of essential medicines, with availability at the Medical Supplies Depot (MSD) at above 80 per cent in the third quarter of the year.

National Health Insurance (NHI)

NHI is a financing system that will ensure that all citizens of South Africa are provided with essential healthcare regardless of their employment status or ability to make a direct monetary contribution to the NHI Fund. The first five years of the NHI will include pilot studies and strengthening the health system in the following areas: management of health facilities and health districts; quality improvement; infrastructure development; medical devices including equipment; human resource planning; development and management; information management and systems support as well as the establishment of an NHI Fund.

The Tshwane Health District is one of 11 pilot sites in South Africa selected for the first phase of NHI implementation. The grant budget allocation increases from R7 million in 2014/15 to R7.2 million in the 2015/16 financial year.

The draft referral policy has been developed and Workload Indicators for Staffing Needs (WISN) training and data collection were completed at four district hospitals, 46 fixed clinics and 7 CHCs. The municipal ward-based PHC outreach teams have been integrated with home based care and integrated school health services. The Integrated School Health Programme (ISHP) is implemented by 15 school health teams covering 521 public schools in all seven sub-districts. ISHP coverage is at 16.8 per cent. Learners screened at grades 1 and 4 were above 30 per cent and at grade 8 13.7 per cent.

Twenty seven general practitioners have signed contracts and SLAs and are currently providing services in PHC facilities. A guideline plan for contracting more GPs is on hold at national level and the department is awaiting guidance from national on how to proceed. The R5 million additional Facility Improvement Plans (FIPs) business plan was submitted to the national Department of Health and is being implemented. FIPs champions have been assigned per sub-district and have commenced implementation of the project plan. The facility condition assessment was completed at 33 of the 49 PHC facilities and four district hospitals. Park homes were constructed at Dilopye clinic and Themba CHC. The process of purchasing and distributing equipment at PHC facilities is underway.

Implementation of the turnaround strategy for health

The departmental turnaround strategy was designed to address major challenges that affect the health system's effectiveness. It covers eight areas: financial management, human resources, district health services, hospital management, medico-legal services, health information, communication, social mobilisation and health infrastructure. Good progress has been made with implementation of the turnaround strategy; some details are given below. Results are visible particularly in the area of financial, supply chain and hospital management reforms.

Finance and financial management

Budget management

The turnaround strategy focuses on budget management reforms, and ensures that the budget allocation is informed by service packages. The department's cost centres have been introduced through a cost centre approach at institutional level, and at hospitals. The proposed cost centres and functional business units have been designed and reviewed for approval. Charlotte Maxeke Academic Hospital (CMAH), Dr. George Mukhari Academic Hospital (DGMHAH) and Kalafong Hospital have commenced with the implementation.

Good progress has been made with the implementation of the Budget Management Support Project. An analysis has been done of the top 10 hospitals' expenditure trends over the last three years. The department's overall expenditure was less than the expected trend at R23.1 billion (74 per cent).

Supply chain management

A SCM task team was established to coordinate the stabilisation and reform process. The department has approved a new structure for the SCM Unit; this complies with Treasury Regulation 16a. A draft interim SCM policy has been developed. In addition, a demand management functional model, demand and acquisitions management process maps, acquisitions management functional models, demand management standard operating procedures (SOPs) and bid administration and evaluation processes have been completed and training has been conducted at hospitals. Health professionals from the four central hospitals were trained on consignment stock policy; this is currently being implemented at these hospitals.

Long term contracts are being established. Analysis of food spend and food value has been completed. As a result, a Food Dashboard has been established to monitor food stock levels at hospitals. This results in fewer stock outs for food. Infant feed and linen contracts have been signed, and medical equipment tenders have been awarded and contracts negotiated with suppliers. Other medical equipment contracts are being established.

Procure to Pay system

The department established the Health Processing Centre (HPC) in June 2013; through this, the 'Procure to Pay' and financial reporting functions are performed. Accrual clearance, prepayment stabilization and cash flow payment plans have been developed. The department has commenced implementing the simplifying and reforming the 'Procure to Pay' system. This includes setting up a mechanism to clear all invoices from years prior to 2012/13, and institutionalizing a pre-payment audit through a 12 step pre-payment review to establish validity prior to payment. The focus is on the 20 largest accruals, which is based on R53 million accruals arising from the August 2013 payment proposal. Included in this process are face to face meetings with key service providers and suppliers. Supplier reconciliations were being conducted for the top 100 companies monthly by the end of December 2014.

Medical supplies depot process re-engineering

The process of re-engineering the business systems at the MSD was completed in 2012. Key performance indicators demonstrate that the availability of vital and essential medicines at the MSD improved from 82 per cent in 2013/14 to 85 per cent by end of December 2014.

Revenue management

The department has commenced with the re-engineering process to identify gaps and challenges experienced at patient registration. More than 1 400 officials had been trained and supported on revenue processes at hospitals by the end of 2013/14. The upgrading of the MEDICOM system has commenced to improve revenue collection effectiveness. The process of re-engineering processes at central hospitals is underway. Folateng units are being integrated into hospital beds in four hospitals.

HR development and management

The process of filling critical senior management positions is still in progress. The leadership and management of the department have been strengthened since 2012 through increasing the appointment of new SMS officials from 14 in 2012/13 to 21 in 2013/14. The verification process of employees has been completed in all institutions. The management of remunerative work outside the public service (RWOPS) and overtime have improved.

The HR development plan is being implemented. The department has trained 245 midwives and facilitated the middle level midwives (green epaulets) training programme to improve maternity and neonatal services. In addition, 185 enrolled nurses completed training in May 2014; 475 pharmacy assistants are on training of which 141 have completed training. In addition, 685 post-basic students are currently studying in specialty

nursing courses.

Code of conduct information sharing sessions benefitted more than 7 000 officials, whilst the Wellness Programme had benefitted 17 717 officials by the end of 2013/14 and 768 in 2014/15. In addition, there are currently 17 wellness centres across the department.

Hospital management

Subsequent to appointment of central hospital CEOs, 100-days plans were implemented in all central hospitals focusing on quality improvement and achieving the six priorities of the core standards. In addition, a comprehensive assessment of compliance with national core standards is being conducted in all hospitals and PHC facilities. As a result, quality improvement plans have been developed and are being implemented at these health facilities.

A baseline study was conducted focusing on organizational design, delegations of authority, the referral system and facility management. As a result, a draft referral system policy, delegations of authority, cost centre management and organisational design frameworks have been developed.

The department has established the nursing services Chief Directorate in line with the nursing strategy. In addition, clinical teaching departments were established in the four central hospitals. The South African Nursing Council (SANC) inspection was conducted at Chris Hani Baragwanath Hospital, with positive outcomes.

District health services for primary health care

The implementation of PHC re-engineering continues to strengthen the district health services. The Boipatong model based on the Brazilian and Cuban models is being implemented in five districts, with the number of ward-based outreach teams (WBOTs) established increasing from 49 in 2012/13 to 175. Data has been collected in 15 wards (4500 households) covering 20 976 citizens. In addition, the department established 83 school health teams. All five districts have functional District Clinical Specialist Teams (DCSTs) which provide training to other medical practitioners and nurses. The NHI is being implemented in all five health districts. The national 'Ideal Clinic Project' implementation has commenced in Tshwane Health District at Mamelodi West, Jack Hindon, K.T Motobatse and Garankuwa View clinics, with an additional six clinics implementing the project.

The department has purchased and converted 120 ambulances of which 20 were obstetric ambulances and 100 were normal standard ambulances. An emergency medical services (EMS) CEO (Chief Executive Officer) and EMS district managers have been appointed. Fourteen EMS bases have been completed and the process of completing the provincialisation of West Rand District municipality will be finalized by the end of the financial year. These interventions aim to achieve response times within 15 minutes.

Health information management and health information systems (HIS)

The ICT strategy framework has been developed and approved. An ICT steering committee has been established with a charter to enhance functionality. A Chief Information Officer was appointed in 2012. The implementation of the e-Health Technology Plan focuses on the introduction of a hospital-based patient management system to digitally store all hospital records (unique identifier) in a phased approach including the Picture Archiving and Communication System (PACS) and Electronic Record Management System.

The department has completed cabling in five hospitals and switching in four hospitals. The upgrade of the LAN and WAN infrastructure was completed at 11 institutions whilst V Blocks ICT infrastructure is still to be implemented in the next financial year.

Communication and social mobilisation

Communication officers from hospitals and districts had been trained on crisis communication, media management, rapid response and communication environment. The department has embarked on implementing a change champion system at seven large institutions to assist with culture change and create a positive attitude towards the wins and successes achieved to date in the turnaround strategy.

Medico-legal services and litigation

The legal services structure has been approved to capacitate leadership and management of the under-resourced Legal Services Unit. The provincial litigation strategy has been developed and a provincial litigation task team established. The department has appointed a multidisciplinary panel of experts to provide legal advisory support on the management of serious adverse events and strengthening of compliance with legal procedures. So far, the department has reviewed and assessed 1 447 cases mostly arising from obstetrics and gynaecology. As a result, a litigation awareness and diagnostic workshop was conducted focusing on behavioral change, record

keeping and protocols.

Infrastructure development and management

The department has approved a health infrastructure development improvement strategy which is being implemented. The departmental infrastructure regulatory committee has been functional since 2013. The new Natalspruit Hospitals have officially opened and is functional since August 2014. The Randgate Clinic is at 50 per cent completion. In addition, the nurses' residences at Dr George Mukhari, Chris Hani Baragwanath and Helen Joseph Hospitals have been completed. 11 out of 77 hospital boilers have been replaced with dual diesel/gas. The department has a functional infrastructure regulatory committee since 2013 and established partnerships with the Department of Infrastructure and the Development Bank of Southern Africa (DBSA). Furthermore, 80 per cent of hospitals, CHCs and clinics are compliant with the medical waste management SLA.

3. OUTLOOK FOR THE COMING FINANCIAL YEAR (2015/16)

Accelerated Social Transformation

The Gauteng provincial government has adopted a 10 pillar programme that is aimed at radically transforming, modernising and re-industrialising Gauteng over the next five to fifteen years. The department is committed in providing high quality, efficient and accessible health care to transform people's lives through the implementation of social transformation as one of the pillars. In response to the call to accelerate social transformation, the GDH has recognised advancement in the health of the province's population and can only be realised if our population starts to take greater responsibility for its own health. The continuum of care pathway will be properly defined to ensure that users of the health system will be able to identify the appropriate health facilities to visit when seeking institutional support for health issues. In addition to the above, the GDH is committing to the following priorities for the MTEF period (2015 - 2018).

Output 1: Strengthening the health system and NHI rollout

NHI rollout

The department is currently implementing the NHI in Tshwane health district. It will be expanded to all five districts to ensure universal access to health services through the implementation of the 'Ideal Clinic Project' which will be expanded to all health districts in the province and through re-engineering of PHC services.

Increase quality and access in PHC facilities

The department will accelerate the implementation of PHC services through PHC re-engineering's three streams, which is based on the Brazilian and Cuban models to enhance community transformation using the community-based model. The ward-based outreach teams including district mental health specialist teams will be increased to 300 to provide preventative care and collect information. The Integrated School Health Services will be implemented for grade 1 and 8 pupils, whilst the functional District Clinical Specialist Teams (DCST) will contribute to the reduction of maternal, infant and child mortality in all districts. Furthermore, the department will also implement a centralised chronic medicine dispensing and distribution programme to more than 60 000 patients in 2015/16.

Improved quality of health care

A quality of care programme is being implemented in all hospitals and PHC facilities. All hospitals will implement the Lean Management Project to reduce waiting times, and all hospitals will be conducting self-assessment and will develop quality improvement plans to improve the quality of care. PHC facilities will comply with the National Core Standards. The aim is to achieve a patient satisfaction rate of 75 per cent.

Output 2: Decreasing infant, child and maternal mortality

The department will continue to implement the Campaign on Accelerated Reduction of Maternal and Child Mortality in Africa (CARMMA), with the aim of reducing maternal mortality to below 100 per 100000 live births by 2020. This will be achieved through the implementation of early initiation of antenatal care, provision of dedicated obstetric ambulances to ensure prompt transfer of women in labour and mothers, child and neonatal emergencies in all maternity and obstetric units (MOUs) and district hospitals. The Essential Steps in Managing Obstetric Emergencies (ESMOE) will continue, as well as training of more than 800 doctors, nurses, midwives and paramedics.

There will be improved use of the partogram and post-delivery monitoring; cervical cancer screening amongst women will continue, whilst 87 per cent of Grade 4 girls will receive their first dose of Human Papilloma Virus (HPV) vaccine in 2015/16. Immunisation coverage for children below one year of age will be at 90 per cent. In

addition, family planning and the quality of contraceptives will improve in all health facilities.

Output 3: Reduced burden of disease

HIV and AIDS prevention of infection and treatment remains a key priority programme within the department. New HIV infections will be reduced through intensifying mother to child HIV transmission prevention; expansion of the medical male circumcision programme; and strengthening of the multisectoral response programme. HIV Counselling and Testing (HCT) expansion will target vulnerable and high risk groups. Clients tested for HIV will increase to more than 2 million, whilst clients remaining on ART will be more than 700 000.

The department will maximise TB patient testing and screening to improve TB client treatment success rate to 86 per cent with a decreased defaulter rate in the 2015/16 financial year. The effectiveness and efficiency of the MDR-TB control programme will be strengthened through implementing a co-ordinated decentralised drug-resistant TB (DR-TB) management. The social and structural drivers of HIV and TB will be reduced through peer education.

Output 4: Health sector management

The implementation of functional business units in hospitals will continue and ward based management will be implemented at hospitals. The improved bi-directional referral systems will be implemented within the four clusters. The department will enhance improved systems for logistics and stock management, and for equipment procurement and maintenance. The department will ensure full availability of the Essential and Non-Essential Drug List (EDL) through implementation of direct deliveries from suppliers at all facilities, in order to achieve good quality and effective patient care.

EMS response times will be at 85 per cent for P1 urban calls within 15 minutes as a result of an integrated computer aided call taking and dispatch system. A provincialised EMS service will be established in two health districts, and will be staffed by fully qualified paramedics. The ambulance fleet will increase, and the EMS integrated with hospital emergency departments.

Improved HR for health: The department will expand implementation of Workload Indicators of Staffing Needs (WISN) to provide appropriate staffing levels and distribution of health professionals in all hospitals. As a result, a human resources plan for health will be developed and published for implementation in the department in 2016. The department will continue to train clinical engineers; this commenced in 2015/16. The department will continue to address staff shortages especially in obstetrics and gynaecology, accident and emergency, PHC, ICU and advanced midwifery.

Output 5: Health Infrastructure

The department will invest in health infrastructure through improved health infrastructure design, delivery and maintenance and strengthened support in all health facilities. It will continue to build new clinics to address population growth in Diepsloot, Tembisa/Rabie Ridge and Soshanguve. Its focus will also be on major re-build or refurbishment of facilities including Jubilee, Sebokeng, OR Tambo Memorial, Kalafong and Dr Yusuf Dadoo and Khayalami Hospitals over the next five years. In addition, three new hospitals (Lilian Ngoyi, Soshanguve and Midrand Hospitals) and 10 clinics and CHCs which are currently at the planning stage will be under construction in the next five years.

Public-private partnerships (PPPs) will be implemented at Chris Hani Baragwanath and Dr George Mukhari Hospitals including maternity and neonatal lift replacements at various facilities. The replacement of laundry equipment at Edenvale Hospital, Johannesburg and Dunswart Laundries, which commenced in 2014/15 will continue in the 2015/16 financial year.

The department is committed in implementing the green agenda through tri-generation, retro-fitting gas boilers, roof-top solar panels and green building design over the next five years, in partnership with DID. Maintenance of health facilities will be improved through efficient implementation of e-maintenance in all institutions.

Output 6: Addressing social determinants of health

The department will implement best practices learnt, and will roll out a comprehensive Healthy lifestyle programme to address diet, alcohol, smoking, drug abuse, exercise and practicing safer sex in collaboration with municipalities, the Department of Education, and the Department of Sport, Arts, Culture and Recreation. The programme will focus on gyms in parks, cycle lanes, peer education, disease prevention and healthy lifestyle activities in schools and clinics, and the promotion of a healthy and clean environment. In addition, we will work to prevent motor vehicle accidents, crime, and substance abuse through interdepartmental healthy lifestyle

campaigns, and mental health and substance abuse services at health facilities.

Modernization of the public service

Output 7: Modernized health information systems

Gauteng health services will be modernized through the development and implementation of e-health and m-health strategies towards creating a paperless environment. The department will develop an integrated Health Information System, as part of e-health records, including scanning and indexing of patient records at central, tertiary and regional hospitals to reduce waiting times and loss of records. The development of mobile health solutions for the use of the community health workers and patients, and unified communication solutions such as voice and video-conferencing will also be implemented. In addition, the department will implement the PACS system in all institutions across all four clusters, and interface with the National Health Information System and the National Health Laboratory Services (NHLS). Upgrading of ICT infrastructure will continue to enable connection of all clinics and hospitals to the internet broadband network.

Re-industrialising Gauteng as our country's economic hub

Output 8: Production and procurement localised

The department will support cooperatives and SMMEs as providers of linen and other hospitals related needs. In conjunction with DED, the department will bring in new investors to establish plants to manufacture ambulances, pharmaceuticals and other consumables. The department will support DED with specifications and designs of purpose built ambulances, to encourage in plants to manufacture them. The department will also establish automotive repair centres for all vehicles related to health services in partnership with engineering faculties and technical colleges/technicians. The department will support local farmers who are producing protein, vegetables and dairy products to supply fresh produce to our health facilities. In addition, small to medium scale bakeries will be supported to supply bread to health facilities. The department will further ensure that current local farmers buy vegetables, milk, eggs and meat from local suppliers.

4. REPRIORITISATION

The department reprioritized the budget subsequent to the budget reform process which called for better involvement at an institutional level in order to match available resources with priorities and respond to the call for accelerated social transformation. The department reprioritized R110.8 million to make provision for the increased intake of Community Health Workers to support patients especially those with Tuberculosis, contributing to job creation and alleviating overcrowding at health care institutions to support Accelerated Social Transformation.

The department scaled down planned ICT projects in Programme 1: Administration and implemented cost containment measures to avail R157.6 million to fund existing priorities and cost pressures. This amount was reprioritized to provincial hospitals to increase the budget allocation for non-negotiable line items such as food, supplies, fuel, security services, oil and gas and the removal of medical waste. Health infrastructure continues to remain a key priority with R39 million shifted to capital payments to ensure that health facilities are functional and accessible to citizenry.

5. PROCUREMENT

The department will continue to strengthen its SCM systems focusing on organizational design, contract management, the Procure to Pay system and clearing of accruals towards payment of suppliers within 30 days. The department is continuing with its decision that any invoice that is for a prior period must undergo an audit process. This audit process ensures that only valid and authentic invoices are paid. Procurement is part of the Turnaround Strategy for Health, and results are visible particularly in the area of financial and SCM reforms. Contracts are being subjected to market price analysis, and their terms are analyzed to identify areas where the department can negotiate better contracts that result in improved service delivery as well as savings. The analysis of all contracts will be continued, along with improved contract management, more accurate forecasting related to demand and early detection of low stock levels with appropriate interventions. The implementation of the Procurement Transformation Initiative, in conjunction with the Chief Procurement Office at National Treasury, has begun and will continue in 2015/16. This initiative will transform the procurement process through end-to-end management of the procurement of specific critical items.

6. RECEIPTS AND FINANCING

6.1 Summary of receipts

TABLE 4.1 : SUMMARY OF RECEIPTS: HEALTH

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Equitable share	17 132 212	20 537 572	21 577 055	23 892 233	23 774 130	23 774 130	26 512 746	28 064 678	29 633 673
Conditional grants	6 254 621	6 653 722	7 193 730	7 632 101	7 717 049	7 717 049	7 662 433	8 594 627	9 446 821
Comprehensive HIV and Aids Grant	1 620 673	1 901 293	2 258 483	2 632 578	2 632 578	2 632 578	2 928 300	3 296 924	3 717 652
Forensic Pathology Services Grant	97 966								
Hospital Facility Revitalisation Grant	1 074 334	918 280	844 238	671 033	752 700	752 700	313 630	697 868	841 234
Health Professions Training and Development Grant	690 803	725 310	765 202	811 114	811 114	811 114	829 604	865 244	919 438
National Tertiary Services Grant	2 759 968	3 044 567	3 305 931	3 493 891	3 493 891	3 493 891	3 572 856	3 727 048	3 960 484
National Health Insurance Grant		31 500	16 876	7 000	10 281	10 281	7 204	7 543	8 013
Expanded Public Works Programme Integrated Grant	10 877		3 000	14 475	14 475	14 475	8 788		
Social Sector EPWP Incentive				2 010	2 010	2 010	2 051		
AFCON		3 000							
Total receipts	23 386 833	27 191 294	28 770 785	31 524 334	31 491 179	31 491 179	34 175 179	36 659 305	39 080 494

The department is allocated R34.2 billion in 2015/16, R36.6 billion in 2016/17 and R39 billion in 2017/18, amounting to a total budget of R109.9 billion over the 2015 MTEF. Of this allocation, the conditional grant constitutes an average of 23 per cent while the equitable share constitutes 77 per cent of the total budget in each financial year. The overall budget grows by 8 per cent in 2015/16 compared with 2014/15, mainly due to an increase in the equitable share. The conditional grant allocation increase by 0.4 per cent.

Despite the minimal growth in conditional grants allocated in 2016/17 and 2017/18, the Health Facility Revitalisation Grant reflects a substantial growth of 123 per cent and 20 per cent in those years. This increase in allocation will assist with the construction and upgrading of various institutions to comply with the NHI standards. The department also received an earmarked allocation of R148 000 to fund the repair and construction of infrastructure damaged by disasters declared in 2013 and 2014.

The equitable share allocation grows from R23.8 billion in 2014/15 to R26.5 billion in 2015/16; this is attributed to an increase in personnel funding, PHC allocation, improvement of conditions of service and earmarked allocation of infrastructure. The department also received an additional allocation of R475.9 million of which R8.5 million is for increased municipal tariffs and R467.4 million for non-negotiable items. It receives R38.9 million in 2016/17 and R40.9 million in 2017/18 for the roll-out of HPV vaccine; this programme is aimed at reducing cervical cancer and is provided to girls aged 9-10.

Over the 2015 MTEF, the baseline of the department has been adjusted downwards by R401.2 million compared with the previous financial year due to the following function shifts to national department and related reductions:

- R132.8 million allocated to port health is transferred to the national Department of Health to strengthen port health services at all ports of entry in the province;
- R222.3 million is transferred to the National Department of Health to make provision for the direct funding of the National Health Laboratory Service (NHLS) function. The NHLS function shift is mainly from the Comprehensive HIV and AIDS Grant.
- In 2015/16, the infrastructure allocation has been revised by R46.9 million based on the state of readiness in implementation of projects by April 2015.

6.2 Departmental receipts collection

TABLE 4.2: DEPARTMENTAL RECEIPTS: HEALTH

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Tax receipts									
Sales of goods and services other than capital assets	396,419	474,156	471,332	497,896	497,896	504,239	527,770	555,741	583,528
Transfers received	556								
Fines, penalties and forfeits	13	3	47	47	47	47	50	53	
Interest, dividends and rent on land	478	1,255	6,188	1,147	1,147	1,162	1,216	1,280	1,344
Transactions in financial assets and liabilities	51,896	31,525	50,143	25,420	25,420	52,252	26,691	28,026	29,427
Total departmental receipts	449,362	506,939	527,710	524,510	524,510	557,700	555,727	585,100	614,355

The department's own revenue is generated mainly from patient fees; other sources which include sale of goods and services other than capital assets, transfers received, fines penalties and forfeits, interest, dividends and rent on land, and transactions in financial assets and liabilities. Patient fees are adjusted annually in line with the Consumer Price Index (CPI) as determined by the National Department of Health. Interest, dividends and rent on land consist of interest from revenue associated with ownership of interest-bearing financial instruments. The department's interest is generated from staff debt, which is collected and administered by the Gauteng Department of Finance. Transactions in financial assets and liabilities consist of debt owed to the department, as well as refunds relating to previous years' expenditure.

The department appointed three service providers in November 2014 to:

- Verify patient details; and
- Collect outstanding patient debt from self-paying patient and Compensation Fund.

The Department also makes use of agents such as Medikredit to collect revenue from medical aid schemes, and Alexander Forbes which collects supporting documents on motor vehicle accidents prior to submission to the Road Accident Fund, thus minimizing rejection of claims.

The actual collection for the 2011/12 was R449.3 million and this increased to R527.7 million in 2013/14, showing an annual average growth rate of 8.4 per cent. The department estimated to collect R524.5 million in the 2014/15 financial year and this was not adjusted, however revised upwards to R557.7 million. Over the 2015 Medium Term Revenue Framework (MTRF), the department estimates to collect R555.7 million in 2015/16 and this increased to R614.3 million in 2017/18 thus showing an annual average growth rate of 5.1 per cent.

7. PAYMENT SUMMARY

7.1 Key assumptions

The following key assumptions were applied when compiling the 2015 MTEF budget:

- Strengthening and investment in PHC to provide treatment at the appropriate level;
- CPI projections as published in the 2015 Medium Term Budget Guidelines which are 5.8 per cent in 2015/16, 5.5 per cent in 2016/17 and 5 per cent in 2017/18;
- Cost of living adjustment as per the current wage bill agreement, pay progression, housing and other allowances;
- Improvements in conditions of service and the OSD for various categories of employee;
- Provision for the non-negotiable line items as approved by the NDOH to improve the quality of health services;
- Provision was made for the rollout of HPV vaccination in the 2016/17 and 2017/18 financial years; and
- Provincialisation of primary health care services.

7.2 Programme summary

TABLE 4.3 : SUMMARY OF PAYMENTS AND ESTIMATES: HEALTH

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Administration	451 651	501 362	584 151	602 956	602 956	602 956	561 194	589 894	637 959
2. District Health Services	7 023 360	8 555 956	8 357 432	10 337 745	10 341 026	10 434 480	11 420 847	12 620 218	13 544 584
3. Emergency Medical Services	696 544	1 147 231	936 278	1 013 348	1 013 348	967 612	1 086 491	1 137 221	1 194 082
4. Provincial Hospital Services	4 336 690	4 619 534	5 154 324	6 007 001	6 132 852	5 987 489	6 698 750	6 953 474	7 398 195
5. Central Hospital Services	8 940 050	9 762 819	10 237 795	10 628 346	10 859 997	11 500 653	11 783 047	12 178 806	12 854 263
6. Health Sciences And Training	726 089	807 070	829 485	885 881	910 779	879 679	916 549	968 381	1 017 086
7. Health Care Support Services	173 687	196 544	194 870	249 602	249 602	220 343	260 328	275 330	289 096
8. Health Facilities Management	1 318 266	1 243 831	1 121 466	1 799 455	1 380 619	1 380 619	1 447 973	1 935 981	2 145 231
Total payments and estimates	23 666 337	26 834 347	27 415 801	31 524 334	31 491 179	31 973 831	34 175 179	36 659 305	39 080 495

7.3 Summary of economic classification

TABLE 4.4 : SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HEALTH

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	21 642 433	23 870 650	25 157 666	28 905 603	28 724 053	29 214 625	31 263 265	33 348 766	35 495 723
Compensation of employees	14 163 518	15 244 542	17 096 854	18 778 461	18 743 254	18 818 486	20 409 052	21 568 397	22 648 658
Goods and services	7 474 823	8 625 127	8 059 289	10 127 142	9 980 799	10 396 074	10 854 213	11 780 369	12 847 065
Interest and rent on land	4 092	981	1 523			65			
Transfers and subsidies to	984 305	2 016 510	1 423 046	1 427 392	1 471 149	1 504 728	1 501 024	1 579 327	1 658 294
Provinces and municipalities	404 090	1 083 525	607 677	647 041	647 041	647 041	681 326	717 436	753 307
Departmental agencies and accounts	2	28 267	16 117	17 131	17 131	17 131	17 919	18 869	19 812
Higher education institutions	910	500	958	1 782	1 782	1 782	1 864	1 963	2 061
Non-profit institutions	514 912	817 505	640 453	692 367	659 323	659 323	721 610	769 703	808 188
Households	64 391	86 713	157 841	69 071	145 872	179 451	78 305	71 357	74 925
Payments for capital assets	1 036 393	941 464	832 163	1 191 340	1 295 978	1 248 697	1 410 890	1 731 212	1 926 478
Buildings and other fixed structures	599 654	528 282	415 135	510 195	457 377	457 377	869 741	1 170 233	1 295 450
Machinery and equipment	436 687	413 182	416 840	681 145	838 601	791 320	541 149	560 979	631 028
Software and other intangible assets	52		188						
Payments for financial assets	3 206	5 723	2 926			5 781			
Total economic classification	23 666 337	26 834 347	27 415 801	31 524 334	31 491 179	31 973 831	34 175 179	36 659 305	39 080 495

The department's expenditure increased by 16 per cent from R23.7 billion in 2011/12 to R27.4 billion in 2013/14. This is due to the burden of disease, which resulted in accelerated expenditure mainly in district health services and central hospitals, and the payment of accruals from previous financial years.

The total appropriation increases from R31.5 billion in 2014/15 to R34.2 billion in 2015/16 financial year. The increase is mainly due to inflation (CPI), cost of living adjustments, OSD and filling of critical posts, and the carry-through effect of additional funding allocated to the department in 2014/15 for non-negotiable budget line items.

Comparing the 2014/15 and 2015/16 financial years, the Programme 1: Administration budget shows a substantial decrease of 7 per cent. This is as a result of a decrease in the computer services budget; in 2014/15, the department allocated R139 million for a once-off project to improve the ICT infrastructure in various health institutions.

The budget of Programme 2: District Health Services increases by 10 per cent from 2014/15 to 2015/16. Over the 2015 MTEF, this programme received an earmarked allocation amounting to R1.7 billion for accelerating the provision and improvement of PHC services; ward-based outreach teams; district clinical specialist teams; and integrated school health services, and to provide funding for Human Papillomavirus (HPV) Vaccine to enable the

department to prevent cervical cancer in grade 4 school girls.

The budget for Programme 3: Emergency Medical Services increases by R73.1 million or 7 per cent from R1 billion in 2014/15 to R1.1 billion in 2015/16. The growth makes provision for replacing ageing emergency vehicles so that the department can continue to provide effective and efficient emergency medical services.

Over the four year period 2014/15 to 2017/18, the budget of Programme 4: Provincial Hospital Services increases by R1.4 billion or 23 per cent. This is due to:

- Reprioritisation of funds from the HIV/AIDS sub-programme to the TB sub-programme to address the burden of disease and continue with preventative therapy;
- Funding through the Health Professions Training and Development Grant to expand teaching and training at various institutions; and
- Additional funding for higher municipal tariffs at institutions and non-negotiable line items.

The budget in Programme 5: Central Hospital Services increases significantly by 21 per cent, from R10.6 billion in 2014/15 to R12.8 billion in 2017/18. This is due to the enhancement of tertiary services, continuation of reclassification of tertiary hospitals, adequately funding non-negotiable items and budget pressures from increases in the prices of medical commodities.

Over the seven year period 2011/12 to 2017/18, the budget of Programme 6: Health Science and Training increases by R291 million or 40 per cent to provide for student intake, employee bursary holders and the Cuban Doctor programme to address the shortage of doctors in the country.

The budget of Programme 7: Health Care Support Services increases by R39 million or 16 per cent from 2014/15 to 2017/18 to provide for the increases in the cost of food and of laundry services.

Programme 8: Health Facilities Management is funded through the equitable share and Health Facility Revitalisation Grant for improving and maintaining health facility infrastructure. From 2014/15 to 2015/16, the allocation for the programme decreases to R1.8 billion in 2014/15 and R1.4 billion 2015/16 as a result of the state of readiness for implementation of infrastructure projects.

The compensation of employees budget increased by 9 per cent from R18.8 billion in 2014/15 to R20.4 billion in 2015/16 financial year as a result of cost of living adjustments, OSD for qualifying employees and overtime. The allocation for goods and services increase by 7 per cent from R10.1 billion in 2014/15 to R10.8 billion in 2015/16. The increase is due to funding for re-engineering of PHC and additional funding for non-negotiable items such as medical supplies and higher municipal tariffs.

The budget for transfer payments grows by 5 per cent from R1.4 billion in 2014/15 to R1.5 billion in 2015/16 to cater for transfer payments to municipalities for primary health care, HIV and AIDS and emergency medical services. The budget for transfer payments to non-profit organisations increases by 4 per cent from R692 million in 2014/15 to R721 million in 2015/16. This slight increase is as a result of the decision taken by the department to pay community health workers directly. Transfers to departmental agencies and accounts increases from R17.1 million in 2014/15 to R19.8 million in 2017/18 as a result of payments to HW-SETA which trains doctors for the department.

Provision is also made for transfers to households and universities. Transfer payments to households increase from R69 million in the 2014/15 financial year to R78 million in the 2015/16 financial year whilst transfers to universities increase by 5 per cent from R1.8 million in 2014/15 to R1.9 million in the 2015/16 financial year.

7.4 Infrastructure payments

7.4.1 Departmental infrastructure payments

Please refer to the 2015 Estimates of Capital Expenditure (ECE).

7.3.2. Departmental public-private partnership (PPP) projects

N/A.

7.5. Transfers

7.5.1. Transfers to public entities

N/A.

7.5.2. Transfers to other entities

TABLE 4.5: SUMMARY OF DEPARTMENTAL TRANSFERS TO OTHER ENTITIES: HEALTH

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2014/15	2015/16	2016/17
Life Esidimeni	72 256	326 940	218 536	251 695	251 695	251 695	265 286	279 346	293 313
HIV/AIDS NPO	123 747	196 747	213 183	104 955	104 955	104 955	127 954	144 145	151 352
Nutrition	31 098	49 379	26 313	47 759	47 759	47 759	50 338	52 603	55 233
Mental health NPO	125 547	266 498	(2)	110 102	110 102	110 102	117 554	124 508	130 734
EPWP NPO				89 739	89 739	89 739	94 585	99 693	104 678
Alexandra health care centre	43 000	45 580	35 088	51 214	51 214	51 214	53 472	56 306	59 121
Phillip moyo community health centre	2 750	24 110	13 150	13 939	13 939	13 939			
Wirkoppen clinic	4 875	8 125	7 314	9 000	9 000	9 000	10 977	11 581	12 160
Bronkhorstpruit hospital	11 640	27 406		12 594	12 594	12 594			
HW-SETA	2	28 286	16 085	17 131	17 131	17 131	17 919	18 869	19 812
University	610	29	958	1 782	1 782	1 782	1 864	1 963	2 061
EPWP Grant	18 674	28 235							
National Health Insurance			333						
Specialised services NPO				1 370	1 370	1 370	1 444	1 520	1 596
Total departmental transfers	534 199	1 001 335	530 958	711 280	711 280	711 280	741 393	790 534	830 061

The department works in partnership with sector NPOs, universities, HW-SETA and Life Esidimeni to ensure delivery of services according to the set targets. These working relationships have been in place for many years. Life Esidimeni is contracted to provide residential care and rehabilitation for patients with chronic psychiatric disorders or severe/profound intellectual disabilities whom it is difficult to manage or maintain in community-based care. From 2014/15, the department has decided to pay CHWs health workers directly instead of transferring the money to NGOs. There is therefore an increase of 4 per cent from R711.3 million in 2014/15 to R741.4 million in the 2015/16 financial year, as a result of the reprioritisation of funds to goods and services from the transfers to NPOs.

7.5.3. Transfers to local government

TABLE 4.6: SUMMARY OF DEPARTMENTAL TRANSFERS TO LOCAL GOVERNMENT BY CATEGORY: HEALTH

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2014/15	2015/16	2016/17
Category A	347 225	971 616	559 399	596 185	596 185	596 185	627 778	661 050	694 103
Category B									
Category C	56 866	111 909	48 278	50 856	50 856	50 856	53 548	56 386	59 205
Total departmental transfers	404 091	1 083 525	607 677	647 041	647 041	647 041	681 326	717 436	753 308

Transfer of funds to local government is made to provide funding for primary health care, HIV and AIDS and emergency medical services. All primary health care services within district councils have already been provincialised. Over the 2015 MTEF, the allocation for transfers increases by approximately 5 per cent per annum.

8. PROGRAMME DESCRIPTION

PROGRAMME 1: ADMINISTRATION

Programme description

The purpose of this programme is to provide political and strategic direction and leadership and to guide and support the development of policy frameworks and guidelines for the implementation of priority programmes. The programme develops policies and legislation on health care provision and ensures that norms and standards are followed in the course of policy implementation.

Programme objectives

- Rendering of advisory, secretarial and office support services; and
- Policy formulation, overall management and administration support of the department and the respective regions and institutions within the department.

Policies and priorities

- Improved audit outcomes;
- Modernisation of health systems;
- Transforming the health economy;
- Health systems planning, development and management;
- Human resource planning, development and management;
- Implementation of cost containment measures;
- Implementation of activity cost-based budgeting;
- Payment of suppliers within 30 days;
- Implementation of electronic procurement system;
- Compliance with National Core Standards; and
- Implementation of Lean Management to reduce waiting times.

TABLE 4.7: SUMMARY OF PAYMENTS AND ESTIMATES: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2014/15	2015/16	2016/17
1. Office of The MEC	11 034	11 519	10 970	15444	15 444	17 075	18 360	19 389	20 358
2. Management	440 617	489 843	573 181	587 512	587 512	585 881	542 834	570 506	617 601
Total payments and estimates	451 651	501 362	584 151	602 956	602 956	602 956	561 194	589 894	637 959

TABLE 4.8: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2014/15	2015/16	2016/17
Current payments	434 715	471 731	565 776	591 688	589 065	577 249	551 271	579 445	626 987
Compensation of employees	276 150	241 568	274 797	331 500	331 500	307 159	370 768	395 761	415 549
Goods and services	157 952	229 792	290 748	260 188	257 565	270 090	180 502	183 684	211 438
Interest and rent on land	613	371	231						
Transfers and subsidies to:	776	16 136	1 897	2 000	2 000	2 461	2 092	2 203	2 313
Departmental agencies and accounts		7							
Non-profit institutions		15 131							
Households	776	998	1 897	2 000	2 000	2 461	2 092	2 203	2 313
Payments for capital assets	16 127	12 761	16 449	9 268	11 891	22 294	7 831	8 246	8 658
Machinery and equipment	16 127	12 761	16 449	9 268	11 891	22 294	7 831	8 246	8 658
Payments for financial assets	33	734	29			952			
Total economic classification	451 651	501 362	584 151	602 956	602 956	602 956	561 194	589 894	637 959

Expenditure on the Administration programme increased by 29 per cent or R133 million from R451.6 million in 2011/12 to R584.1 million in the 2013/14 financial year due to the settlement of accruals from prior financial years.

The baseline of the programme declines from R602.9 million in 2014/15 to R561.2 million in 2015/16 due to

the implementation of cost containment measures and the investment in ICT infrastructure which was a once-off expenditure in the 2014/15 financial year. In order to improve ICT infrastructure at various institutions, provision was made for computer services under goods and services in 2014/15. This project assists the department to manage information and referrals to all levels. Provision for advertising of vacancies was centralised in Programme 1: Administration in order to control and monitor advertising costs.

SERVICE DELIVERY MEASURES

PROGRAMME 1: ADMINISTRATION

Performance measures	Estimated Annual Targets		
	2015/16	2016/17	2017/18
Audit opinion from Auditor General	Unqualified	Unqualified	Unqualified
Percentage of hospitals with Broadband access	50%	100%	100%
Percentage of fixed PHC facilities with broadband access	1%	27%	54%

PROGRAMME 2: DISTRICT HEALTH SERVICES

Programme description

The purpose of the programme is to render comprehensive primary health care services, district hospital services, comprehensive HIV and AIDS care and nutrition. It includes the delivery of priority health programmes.

Programme objectives

- Planning, administration and management of district health services;
- Rendering a primary health service in respect of health promotion, geriatrics, occupational therapy, physiotherapy, psychiatry, speech therapy, communicable diseases, mental health, community based services and other services;
- Rendering integrated community based services;
- Render mother, child and women's health programme;
- Rendering a primary health care service in respect of HIV/Aids campaigns and Special Projects;
- Rendering a nutrition service aimed at specific target groups and combines direct and indirect nutrition interventions to address malnutrition;
- Render coroner services; and
- Rendering of a hospital service at district level.

Policies and priorities

- Expanding PHC re-engineering;
- Direct delivery of chronic medication;
- Compliance with national core standards at PHC facility level;
- Reduction of HIV/AIDS and TB related mortality; and
- Prevention and reduction of the burden of disease.

TABLE 4.9: SUMMARY OF PAYMENTS AND ESTIMATES : DISTRICT HEALTH SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. District Management	436 027	512 337	411 698	497 114	438 195	462 040	475 621	538 635	565 467
2. Community Health Clinics	1 439 244	1 884 134	1 640 842	2 014 964	1 984 604	1 905 622	2 123 604	2 335 417	2 452 188
3. Community Health Centres	1 065 918	1 184 942	1 087 137	1 568 079	1 542 431	1 571 380	1 739 259	1 840 196	1 932 206
4. Community Based Services	823 889	919 224	888 127	1 120 789	1 203 201	1 313 656	1 307 107	1 421 335	1 492 402
5. HIV/AIDS	1 727 578	2 134 359	2 459 887	2 800 532	2 790 532	2 790 532	3 086 733	3 554 212	4 005 075
6. Nutrition	32 192	49 412	26 339	47 759	47 759	47 759	50 339	52 604	55 234
7. Coroner Services	129 981	126 421	145 177	183 884	183 884	180 507	194 933	204 881	215 125
8. District Hospitals	1 368 531	1 745 127	1 698 225	2 104 624	2 150 420	2 162 984	2 443 251	2 672 938	2 826 888
Total payments and estimates	7 023 360	8 555 956	8 357 432	10 337 745	10 341 026	10 434 480	11 420 847	12 620 218	13 544 584

TABLE 4.10: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: DISTRICT HEALTH SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	6 474 765	7 415 386	7 551 460	9 409 769	9 401 396	9 521 040	10 503 621	11 604 147	12 477 710
Compensation of employees	3 756 688	4 243 315	4 663 026	5 227 075	5 189 325	5 240 709	5 665 974	6 351 494	6 670 911
Goods and services	2 716 859	3 172 071	2 888 427	4 182 694	4 212 071	4 280 331	4 837 647	5 252 653	5 806 798
Interest and rent on land	1 218		7						
Transfers and subsidies to:	472 926	1 080 394	731 303	765 394	733 150	736 198	795 147	847 136	889 493
Provinces and municipalities	121 244	506 498	288 758	310 720	310 720	310 720	327 388	344 740	361 977
Departmental agencies and accounts	2	10	1						
Non-profit institutions	342 657	560 418	421 917	440 672	407 628	407 628	456 324	490 357	514 874
Households	9 023	13 468	20 627	14 002	14 802	17 850	11 434	12 040	12 642
Payments for capital assets	75 177	58 989	74 206	162 582	206 480	176 077	122 079	168 935	177 382
Buildings and other fixed structures	8 171	1 510	1 537		14 150	14 150			
Machinery and equipment	67 006	57 479	72 511	162 582	192 330	161 927	122 079	168 935	177 382
Software and other intangible assets			158						
Payments for financial assets	492	1 187	463			1 165			
Total economic classification	7 023 360	8 555 956	8 357 432	10 337 745	10 341 026	10 434 480	11 420 847	12 620 218	13 544 584

The total budget of the programme increases by 19 per cent from R11.4 billion in 2015/16 to R13.5 billion in 2017/18. An amount of R1.6 billion has been earmarked for strengthening and re-engineering PHC services; this is allocated to community health clinics, community health centres and community-based services. HIV and AIDS sub-programme has increased by 10 per cent from R2.8 billion in 2014/15 to R3.1 billion in 2015/16 due to an increased CD4 count threshold from 300-500. The district hospitals' budget grows substantially by 16 per cent from 2014/15 to 2015/16 due to funding from the Health Professions Training and Development Grant for clinical teaching and training.

Over the 2015 MTEF, the allocation of the Comprehensive HIV and AIDS Grant decreases to make provision for direct funding of "national" NHLS function. In addition, the department transferred R132.8 million to the national department for port health services.

The budget for compensation of employees increases by R1.5 billion from R5.2 billion in 2014/15 to an estimated R6.7 billion in the 2017/18 financial year. This budget takes into account items such as payment of OSD to nurses, doctors, specialists and therapists.

Over the 2015, MTEF the budget for goods and services increases from R4.2 billion in 2014/15 to an estimated R5.8 billion in the 2017/18 financial year. An amount of R79.8 million is earmarked for HPV over the MTEF to enable the department to provide the vaccine to prevent cervical cancer to grade 4 school girls.

The overall budget for transfers and subsidies increases from R765 million in 2014/15 to R795 million in 2015/16 mainly to cater for transfers to municipalities. There is a slight increase in payments to non-profit institutions from R440.7 million in 2014/15 to R456.3 million in 2015/16; this is due to the departmental policy shift to pay CHWs directly.

The decrease in the budget for machinery and equipment from R163 million in 2014/15 to R122 million in 2015/16 is due to reprioritisation in order to fund the estimated budgetary shortfall on goods and services.

The NHI funding is earmarked for Tshwane Health District, with the allocation increasing slightly from R7 million in 2014/15 to R7.2 million in 2015/16.

SERVICE DELIVERY MEASURES

PROGRAMME 2: DISTRICT HEALTH SERVICES

Performance measures	Estimated Annual Targets		
	2015/16	2016/2017	2017/2018
Clinics and Community Health Centres			
Number of Districts piloting NHI interventions	5	5	5

Performance measures	Estimated Annual Targets		
	2015/16	2016/2017	2017/2018
NHI Consultation Fora established	No	Yes	Yes
PHC utilisation rate (annualised)	2.5	2.8	3.0
National Core Standards self-assessment rate (PHC)	100%	100%	100%
Quality Improvement plan after self-assessment rate (PHC)	100%	100%	100%
Percentage of fixed PHC facilities scoring above 80% on the ideal clinic dashboard	1.32%	2.64%	3.96%
Patient experience of care Survey rate (PHC)	100%	100%	100%
Patient experience of care rate (PHC)	68%	70%	72%
OHH registration visit coverage (annualised)	70%	80%	90%
Complaints resolution rate	90%	95%	100%
Complaint resolution within 25 working days rate	80%	82%	85%
Number of Districts with fully fledged District Clinical Specialist Teams (DCSTs)	5	5	5
Number of District Mental Health Teams established	1	3	3
District Hospitals			
National Core Standards self-assessment rate	100%	100%	100%
Quality improvement plan after self-assessment rate	80%	85%	90%
Percentage of Hospitals compliant with all extreme and vital measures of the national core standards	27% (3 of 11)	36% (of 11)	45%(5 of 11)
Patient experience of care rate	75%	78%	80%
Average Length of Stay	4	4.5	4.5
Inpatient Bed Utilisation Rate	80%	80%	80%
Expenditure per PDE	R2500	R2650	R2750
Complaints resolution rate	80%	85%	90%
Complaint Resolution within 25 working days rate	68%	85%	90%
HIV and AIDS, TB and STI Control			
Total clients remaining on ART	746 678	829 643	921 825
Clients tested for HIV (incl ANC)	2 119 906	2 331 897	2 595 087
TB symptom 5yrs and older screened rate	30%	40%	50%
Male condom distribution Rate (annualised)	191 782 721	210 960 993	234 472 801
Female condom distribution Rate (annualised)	4 097 926	4 507 178	4 958 489
Medical male circumcision performed - Total	151 082	168 190	201 089
TB client treatment success rate	86%	87%	87%
TB client lost to follow up rate	<5%	<4.5%	<4.5%
TB client death Rate	<5%	<5%	<5%
TB MDR confirmed treatment start rate	70%	75%	80%
TB MDR treatment success rate	50%	55%	65%
Maternal, Child and Woman Health			
Antenatal 1st visit before 20 weeks rate	55%	60%	65%
Mothers postnatal visit within 6 weeks	87%	88%	89%
Antenatal client initiated on ART rate	90%	95%	96%
Infant 1st Polymerase Chain Reaction (PCR) test positive around 6 week rate	<2%	<2%	< 1.5%
Immunisation coverage under 1 year (annualised)	90%	95%	95%
Measles 2 nd dose coverage (annualised)	90%	92%	95%
DTaP-IPV/Hib 3 - Measles 1st dose drop-out rate	<10%	<10%	<10%
Child under 5 years diarrhoea case fatality rate	3%	<2%	<2%
Child under 5 years pneumonia case fatality rate	<2.5%	<2%	<2.5%
Child under 5 years severe acute malnutrition case fatality rate	7%	6%	5%
School Grade R screening coverage (annualised)	10%	10%	10%
School Grade 1 screening coverage (annualised)	40%	40%	50%
School Grade 8 screening coverage (annualised)	20%	30%	40%
Couple year protection rate	50%	60%	70%
Cervical cancer screening coverage ((annualised)	55%	60%	65%
Human Papilloma Virus Vaccine 1st dose coverage	87%	90%	90%
Vitamin A dose 12 - 59 months coverage (annualised)	60%	65%	70%
Maternal mortality in facility ratio (annualised)	137	<100	<100
Inpatient early neonatal death rate	13	13	10
Disease Prevention and Control			
Clients screened for hypertension	58 800	61 740	64 830
Clients screened for diabetes	58 800	61 740	64 830
Percentage of people screened for mental disorders	2%	3%	3%
Percentage of people treated for mental disorders	3%	4%	4%
Cataract surgery rate (annualised)	1300/mil	1500/mil	1500/mil

Performance measures	Estimated Annual Targets		
	2015/16	2016/2017	2017/2018
Malaria case fatality rate	<0.34%	<0.2%	0.1%

PROGRAMME 3: EMERGENCY MEDICAL SERVICES

Programme description

To render rapid, effective and efficient emergency medical services and non-emergency services in accordance with provincial norms and standards.

Programme objectives

- Render emergency medical services including ambulance services, special operations, communications and air ambulance services; and
- Render pre-hospital emergency medical services including inter-hospital transfers and planned patient transport.

Policies and priorities

- A provincialized EMS service;
- Recapitalisation of EMS to reduce EMS response times;
- Establish plants to manufacture ambulances in partnership with DED;
- Establish Auto Repair Centre for ambulances;
- Establish integrated disaster management centre;
- Bring in new investors to establish plants to manufacture ambulances in the province in collaboration with GDED; and
- Collaborate with GDED to establish an automotive repair centre for all vehicles related to health services in partnership with engineering faculties, technical colleges/technicians.

TABLE 4.11: SUMMARY OF PAYMENTS AND ESTIMATES: EMERGENCY MEDICAL SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Emergency transport	557 465	916 242	798 148	861 290	882 832	846 760	927 527	976 179	1 024 988
2. Planned patient transport	139 079	230 989	138 130	152 058	130 516	120 852	158 964	161 042	169 094
Total payments and estimates	696 544	1 147 231	936 278	1 013 348	1 013 348	967 612	1 086 491	1 137 221	1 194 082

TABLE 4.12: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: EMERGENCY MEDICAL SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	397 649	556 692	537 280	647 340	618 978	572 400	704 500	731 826	768 417
Compensation of employees	229 344	262 330	313 509	379 743	379 743	349 085	425 710	458 238	481 150
Goods and services	168 305	294 362	223 771	267 597	239 235	223 315	278 790	273 588	287 267
Interest and rent on land									
Transfers and subsidies to	283 101	577 474	320 218	336 321	337 141	336 994	353 938	372 696	391 331
Provinces and municipalities	282 846	577 027	318 919	336 321	336 321	336 321	353 938	372 696	391 331
Non-profit institutions									
Households	255	447	1 299		820	673			
Payments for capital assets	15 784	13 063	78 780	29 687	57 229	58 207	28 053	32 699	34 334
Buildings and other fixed structures			510						
Machinery and equipment	15 784	13 063	78 270	29 687	57 229	58 207	28 053	32 699	34 334
Software and other intangible assets									
Payments for financial assets	10	2				11			
Total economic classification	696 544	1 147 231	936 278	1 013 348	1 013 348	967 612	1 086 491	1 137 221	1 194 082

The overall expenditure of the programme increased from R696.5 million in 2011/12 to R936.3 million in 2013/14 financial year, due to the continuous efforts to improve response times and the quality of emergency assistance to the public.

The increase in compensation of employees over the MTEF is as a result of the filling of critical EMS posts, absorption of emergency care technicians trained at Lebone College and OSD implications. The budget for machinery and equipment decreases slightly by 5.5 per cent from 2014/15 to 2015/16. The department will continue to invest in the recapitalisation of ambulances with the aim of improving response times of P1 patients.

SERVICE DELIVERY MEASURES

PROGRAMME 3: EMERGENCY MEDICAL SERVICES

Performance measures	Estimated Annual Targets		
	2015/16	2016/17	2017/2018
EMS P1 urban response under 15 minutes rate	85%	85%	85%
EMS P1 rural response under 40 minutes rate	100%	100%	100%
EMS inter-facility transfer rate	12%	13%	14%

PROGRAMME 4: PROVINCIAL HOSPITAL SERVICES

Programme description

Delivery of hospital services, which are accessible, appropriate, effective and provide general specialist services, including a specialized rehabilitation service, as well as a platform for training health professionals and research.

Programme objectives

- Render hospital services at a general specialist level and provide a platform for training of health workers and for research;
- Convert present TB hospitals into strategically placed centres of excellence for isolation during the intensive level of treatment, and standardized implementation of multi-drug resistant (MDR) protocols;
- Render a specialist psychiatric hospital service to people with mental illness and intellectual disability and provide a platform for training health workers;
- Provide medium to long term care to patients who require rehabilitation and/or a minimum degree of active medical care; and
- Render an affordable and comprehensive oral health service and training, based on the primary health care approach.

Policy and priorities

- Compliance with the National Health Act;
- Implement national policies on conditional grants and revitalisation of hospital services;
- Implementation hospitals turnaround plan (Accord), which includes improvement of medicines supply through direct delivery from suppliers, ward-based management, equipment;
- Strengthen outreach programmes to district hospitals;
- Strengthen the bi-directional referral systems;
- Implement activity-based budgeting, including ward-based management;
- Implementation of Lean Management Project to reduce waiting times;
- Compliance with national Core Standards;
- Strengthen bed bureau management;
- Strengthen implementation of the Mental Health Act at secondary level of care; and
- Strengthen TB management at Sizwe Hospital.

TABLE 4.13: SUMMARY OF PAYMENTS AND ESTIMATES: PROVINCIAL HOSPITAL SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. General hospitals	3 074 907	3 187 646	3 642 601	4 095 286	4 239 187	4 248 132	4 726 917	4 924 446	5 269 400
2. Tuberculosis hospitals	136 029	156 718	157 939	425 983	360 128	238 055	399 882	373 649	392 331
3. Psychiatric/mental hospitals	785 378	893 466	919 845	999 353	1 023 492	1 011 676	1 057 859	1 119 162	1 173 435
4. Dental training hospitals	293 615	329 030	375 909	415 934	426 770	419 551	438 201	464 071	487 275
5. Other specialised hospitals	46 761	52 674	58 030	70 445	83 275	70 075	75 892	72 146	75 754
Total payments and estimates	4 336 690	4 619 534	5 154 324	6 007 001	6 132 852	5 987 489	6 698 750	6 953 474	7 398 195

TABLE 4.14: SUMMARY OF PAYMENTS AND ESTIMATES: PROVINCIAL HOSPITAL SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	4 106 860	4 330 570	4 867 144	5 642 013	5 764 191	5 646 887	6 350 610	6 579 230	6 963 238
Compensation of employees	3 147 275	3 257 583	3 856 710	4 294 666	4 327 060	4 276 329	4 756 275	4 886 092	5 130 395
Goods and services	959 190	1 072 798	1 010 189	1 347 347	1 437 131	1 370 493	1 594 335	1 693 137	1 832 843
Interest and rent on land	395	189	245			65			
Transfers and subsidies to	180 085	253 975	231 469	257 030	257 105	265 486	271 014	285 378	299 647
Provinces and municipalities									
Departmental agencies and accounts		3	18						
Non-profit institutions	172 255	241 843	218 536	251 695	251 695	251 695	265 286	279 346	293 313
Households	7 830	12 129	12 915	5 335	5 410	13 791	5 728	6 032	6 333
Payments for capital assets	49 111	33 393	53 831	107 959	111 557	74 075	77 126	88 867	135 310
Buildings and other fixed structures	866			500	500	500			
Machinery and equipment	48 193	33 393	53 814	107 459	111 057	73 575	77 126	88 867	135 310
Software and other intangible assets	52		17						
Payments for financial assets	634	1 596	1 880			1 041			
Total economic classification	4 336 690	4 619 534	5 154 324	6 007 001	6 132 852	5 987 489	6 698 750	6 953 474	7 398 195

A major portion of the budget is allocated to general hospitals providing Level Two services, and to ensure that regional hospitals comply with statutory obligations. From 2014/15, the allocation to the programme is also funded through the Health Professions Training and Development Grant with the aim of expanding the teaching and training platform in various institutions.

The budget for compensation of employees grows from R4.3 billion in the 2014/15 (main budget) to R5.1 billion in 2017/18, in order to make provision for all salary-related costs.

The department has decided that from 2015/16, the budget of all infrastructure projects will be allocated to Programme 8: Health Facilities Management. There is therefore no allocation to buildings and other fixed structures over the 2015 medium term. The R500 000 allocated to buildings and fixed structures in 2014/15 is mainly for park homes for TB wards.

SERVICE DELIVERY MEASURES

PROGRAMME 4: PROVINCIAL HOSPITAL SERVICES

Performance measures	Estimated Annual Targets		
	2015/16	2016/2017	2017/2018
Average Length of Stay	4.8	4.85	4.9
Inpatient Bed Utilisation Rate	80%	82%	83%
Expenditure per patient day equivalent (PDE)	R2 250	R3 000	R3 000
National Core Standard self-assessment rate	100%	100%	100%
Quality Improvement plan after self-assessment	70%	100%	100%
Percentage of Hospitals compliant with all extreme and vital measures of the national core standards	33% (3 of 9)	44% (4 of 9)	55% (5 of 9)
Patient experience of care rate	100%	100%	100%
Patient experience of care rate	70%	71%	73%
Complaint Resolution rate	86%	88%	88%
Complaint Resolution within 25 working days rate	80%	82%	85%

PROGRAMME 5: CENTRAL HOSPITAL SERVICES

Programme description

To provide a highly specialised health care service, a platform for training health workers and a place of research, and to serve as specialist referral centres for regional hospitals and neighbouring provinces.

Programme objectives

- Render a highly specialised medical health and quaternary services on a national basis and a platform for the training of health workers and research;
- Provision of a platform for the training of health workers; and
- Serve as specialist referral centres for regional hospitals and neighbouring provinces.

Policy objectives

- Implement the National Health Act;
- Transfer of central hospitals to National Department of Health;
- Implement national policies on conditional grants and revitalisation of hospital services;
- Implement MoUs with universities;
- Modernise tertiary services;
- Implement the accord between the University of the Witwatersrand and the department;
- Implement Activity Based Costing including the ward-based management approach;
- Implement the Electronic Record Management System;
- Comply with National Core Standards; and
- Implement Lean Management to reduce waiting times.

TABLE 4.15: SUMMARY OF PAYMENTS AND ESTIMATES: CENTRAL HOSPITAL SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Central Hospitals	7 131 562	7 799 913	8 079 935	8 313 009	8 539 661	9 058 698	8 831 896	8 940 652	9 398 685
2. Provincial Tertiary Hospital Services	1 808 488	1 962 906	2 157 860	2 315 337	2 320 336	2 441 955	2 951 151	3 238 154	3 455 577
Total payments and estimates	8 940 050	9 762 819	10 237 795	10 628 346	10 859 997	11 500 653	11 783 047	12 178 806	12 854 263

TABLE 4.16: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: CENTRAL HOSPITAL SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	8 800 229	9 531 085	10 061 298	10 357 415	10 585 246	11 189 219	11 492 336	11 935 868	12 599 177
Compensation of employees	5 975 202	6 422 987	7 176 189	7 624 402	7 644 402	7 831 126	8 229 196	8 458 673	8 881 607
Goods and services	2 823 526	3 107 677	2 884 069	2 733 013	2 940 844	3 358 093	3 263 140	3 477 195	3 717 570
Interest and rent on land	1 501	421	1 040						
Transfers and subsidies to	19 511	22 747	36 182	11 611	15 431	37 536	22 684	12 788	13 428
Provinces and municipalities									
Departmental agencies and accounts			12						
Non-profit institutions									
Households	19 511	22 747	36 170	11 611	15 431	37 536	22 684	12 788	13 428
Payments for capital assets	118 421	207 190	139 849	259 320	259 320	271 948	268 027	230 150	241 658
Buildings and other fixed structures									
Machinery and equipment	118 421	207 190	139 836	259 320	259 320	271 948	268 027	230 150	241 658
Software and other intangible assets			13						
Payments for financial assets	1 889	1 797	466			1 950			
Total economic classification	8 940 050	9 762 819	10 237 795	10 628 346	10 859 997	11 500 653	11 783 047	12 178 806	12 854 263

The programme budget increases from R10.6 billion in 2014/15 to R11.8 billion in the 2015/16 financial year. The largest portion of the budget is allocated to the Sub-programme: Central Hospitals. The programme is funded mainly through the conditional grant: the National Tertiary Services and the Health Professions Training and Development Grants.

Over the MTEF, the programme budget grows by 9 per cent or R1.1 billion; this is to ensure that non-negotiable budget line items such as medicines are adequately funded. In 2015/16, the department will continue to provide funding for operationalization of the three tertiary hospitals i.e. Helen Joseph, Kalafong and Tembisa.

The budget for compensation of employees increases from R7.6 billion in 2014/15 to R8.2 billion in the 2015/16 financial year, due to provision made for health professionals. Comparing the budgets of 2014/15 and 2015/16, goods and services increases by 19 per cent to ensure that non-negotiable items are funded adequately. The allocation for machinery and equipment grows by 3.4 per cent in 2015/16; this will assist the

department to replace ageing and obsolete medical and allied equipment.

SERVICE DELIVERY MEASURES

PROGRAMME 5: CENTRAL HOSPITALS

Performance measures (For tertiary hospitals Helen Joseph, Kalafong and Tembisa)	Annual Targets		
	2015/16	2016/2017	2017/2018
National Core Standards self-assessment rate	100%	100%	100%
Quality Improvement Plan after self-assessment	100%	100%	100%
Percentage of hospitals compliant with all extreme and vital measures of the national core standards	33%	66%	100%
Patient experience of care Survey Rate	100%	100%	100%
Patient experience of care Rate	75%	78%	80%
Average Length of Stay	5.4	5.45	5.5
Inpatient Bed Utilisation Rate	82%	82%	82%
Expenditure per patient day equivalent (PDE)	R2 625	R2 760	R2 900
Complaint resolution rate	85.6	95%	95%
Complaint resolution within 25 working days rate	68%	80%	85%
ACADEMIC HOSPITALS			
National Core Standards self-assessment rate	100%	100%	100%
Quality Improvement Plan after self-assessment	100%	100%	100%
Percentage of hospitals compliant with all extreme and vital measures of the National Core Standards	75%	100%	100%
Patient experience of care Survey Rate	100%	100%	100%
Patient experience of care Rate	75%	78%	80%
Average length of stay	5.5	5.6	5.7
Inpatient Bed Utilisation Rate	80%	78%	78%
Expenditure per patient day equivalent (PDE)	R3 000	R3 500	R4 000
Complaint resolution rate	80%	80%	80%
Complaint resolution within 25 working days rate	90%	90%	90%

PROGRAMME 6: HEALTH SCIENCES AND TRAINING

Programme description

The programme is strategically positioned to plan, produce and manage the education, training and development needs of the department.

Programme objectives

- Training of nurses at undergraduate and post-basic level;
- Training of rescue and ambulance personnel;
- Provision of bursaries for health science training programmes at undergraduate and postgraduate levels;
- Provision of PHC-related training for personnel; and
- Provision of skills development interventions for all occupational categories in the department.

Policy and priorities

- Implement skills development Act
- Implement the national Human Resource Framework;
- Implement the Skills Development Act including Expanded Public Works Programmes
- Implement the Human Resource Development Strategy, policy and strategic plan;
- Expand the teaching and learning platform in line with MoUs with institutions of higher learning;
- Implement the South African/Cuban Medical training programme in line with the Bilateral Cooperation Agreement between South Africa and Cuba;
- Improve access to an Integrated Employee Wellness service for all department employees;
- Accreditation of Nursing Colleges to offer new curriculum; and
- Provision of bursaries to health professionals.

TABLE 4.17 : SUMMARY OF PAYMENTS AND ESTIMATES: HEALTH SCIENCES AND TRAINING

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Nurse Training Colleges	648 885	689 135	674 696	745 000	695 649	660 120	771 615	817 298	858 320
2. EMS Training Colleges	20 074	24 371	27 829	38 559	38 059	38 059	40 384	42 344	44 461
3. Bursaries	32 138	43 573	52 606	50 682	121 031	121 031	52 053	54 058	57 046
4. Other training	24 992	49 991	74 354	51 640	56 040	60 469	52 498	54 681	57 259
Total payments and estimates	726 089	807 070	829 485	885 881	910 779	879 679	916 549	968 381	1 017 086

TABLE 4.18 : SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HEALTH SCIENCES AND TRAINING

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	691 854	732 861	717 639	816 370	769 609	739 490	849 443	897 717	942 889
Compensation of employees	646 186	686 494	680 787	750 952	701 101	667 173	791 784	838 749	880 687
Goods and services	45 419	46 367	36 852	65 418	68 508	72 317	57 659	58 969	62 202
Interest and rent on land	249								
Transfers and subsidies to	27 553	65 296	101 209	54 733	125 644	125 375	55 833	58 792	61 732
Provinces and municipalities									
Departmental agencies and accounts		28 239	16 085	17 131	17 131	17 131	17 919	18 869	19 812
Higher education institutions	910	500	958	1 782	1 782	1 782	1 864	1 963	2 061
Non-profit institutions									
Households	26 643	36 557	84 166	35 820	106 731	106 462	36 050	37 961	39 859
Payments for capital assets	6 565	8 549	10 588	14 778	15 526	14 171	11 274	11 871	12 465
Buildings and other fixed structures									
Machinery and equipment	6 565	8 549	10 588	14 778	15 526	14 171	11 274	11 871	12 465
Software and other intangible assets									
Payments for financial assets	117	364	49			643			
Total economic classification	726 089	807 070	829 485	885 881	910 779	879 679	916 549	968 381	1 017 086

Expenditure increased by R103 million from R726 million in 2011/12 to R829 million in the 2013/14 financial year, in line with the department's priorities to address HR deployment and scarce skills.

The budget for compensation of employees increases from R750.9 million 2014/15 to R791.8 million in the 2015/16 financial year. The sub-programme: Bursaries reflects an increase from R50.7 million in 2014/15 to R52 million in 2015/16 to provide bursaries to address scarce skills such as medical professionals, assistant pharmacists and pharmacists. This initiative includes the Cuban Doctor Programme.

EMS colleges are mainly utilised to provide the department with Emergency Care technicians (mid-level workers), thus ensuring that EMS norms and standards are met. The sub-programme: Other Training grows from R51.6 million in 2014/15 to R52.5 million in 2015/16, thus ensuring that capacity for the health sector is available.

SERVICE DELIVERY MEASURES

PROGRAMME 6: HEALTH SCIENCES AND TRAINING

Performance measures	Estimated Annual Targets		
	2015/16	2016/17	2017/2018
Number of bursaries awarded to first year medicine students	650	660	670
Number of bursaries awarded to first year nursing students	1000	1000	1000

PROGRAMME 7: HEALTH CARE SUPPORT SERVICES**Programme description**

The purpose of this programme is to render non-clinical services, including laundry, food services and medical supplies, to support hospitals and clinics in an effective and efficient manner. The achievements of this programme focus on the implementation of SCM, including the B-BBEE strategy.

Programme objectives

- Render laundry service to hospitals, care and rehabilitation centres;
- Render maintenance services to equipment and engineering installations;
- Render specialised forensic and medico-legal services;
- Render specialised orthotic and prosthetic services;
- Manage the supply of pharmaceuticals and medical sundries to hospitals, community health centres; and
- Increase the efficacy of the SCM system

Policies and priorities

- Implement SCM policy and preferential procurement policy framework, including the BBBEE framework;
- Create a platform for women cooperatives to supply linen to the department;
- Strengthen the management of laundries;
- Ensure implementation of the accord between the University of the Witwatersrand and the department;
- Establish plants to manufacture pharmaceuticals, gloves and other related consumables in collaboration with GDED in partnership with new investors; and
- Accelerate social transformation through support of local farmers and small to medium scale bakeries from local communities.

TABLE 4.19: SUMMARY OF PAYMENTS AND ESTIMATES: HEALTH CARE SUPPORT SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Laundries	141 187	152 113	151 214	189 419	189 419	171 968	191 005	202 288	212 403
2. Food Supply Services	32 355	44 281	43 420	60 182	60 182	48 374	69 322	73 040	76 692
3. Medicine Trading Account	145	150	236	1	1	1	1	1	1
Total payments and estimates	173 687	196 544	194 870	249 602	249 602	220 343	260 328	275 329	289 096

TABLE 4.20: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HEALTH CARE SUPPORT SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	169 980	194 173	190 355	234 017	238 309	211 081	240 818	254 785	267 524
Compensation of employees	121 507	120 031	121 428	155 345	155 345	132 127	153 771	163 124	171 281
Goods and services	48 367	74 142	68 927	78 672	82 964	78 954	87 047	91 660	96 243
Interest and rent on land	106								
Transfers and subsidies to	332	276	729	303	678	678	317	334	351
Provinces and municipalities									
Departmental agencies and accounts			1						
Households	332	276	728	303	678	678	317	334	351
Payments for capital assets	3 344	2 052	3 747	15 282	10 615	8 565	19 194	20 211	21 222
Buildings and other fixed structures									
Machinery and equipment	3 344	2 052	3 747	15 282	10 615	8 565	19 194	20 211	21 222
Software and other intangible assets									
Payments for financial assets	31	43	39			19			
Total economic classification	173 687	196 544	194 870	249 602	249 602	220 343	260 328	275 330	289 096

The expenditure on the programme has increased from R173.7 million in 2011/12 to R194.9 million in 2013/14 to provide for laundry and food supply services to health facilities.

The budget of this programme is allocated to five laundries throughout the province that provide cleaning

services and purchase linen for health facilities. The 2015/16 budget has increased when compared with the 2014/15 financial year to fund additional laundry services in the new Zola/Jabulani hospital.

Compensation of employees budget decreased from R155.3 million in 2014/15 to R153.8 million in 2015/16 after the reprioritisation process, with no impact on service delivery, as adequate provision is made for all personnel costs for existing staff under this programme. In the outer year, the personnel budget grows to R171.3 million to make provision for the cost of living adjustment and filling of vacancies.

The goods and services budget increases from R78.7 million in 2014/15 to an estimated R87 million for the 2015/16 financial year. In comparison to 2014/15 and 2015/16, the budget for machinery and equipment increases by 25 per cent due to replacement of laundry equipment. The department will continue to replace laundry equipment on a phased-in approach.

PROGRAMME 8: HEALTH FACILITIES MANAGEMENT

Programme description

To plan, provide for and equip new facilities and assets; upgrade and rehabilitate CHCs, clinics, district, provincial, specialised and academic hospitals, and other health-related facilities; and undertake life cycle management of immovable assets through maintenance of all health facilities.

Programme objectives

- Construction of new, and refurbishment, upgrading and maintenance of existing, CHCs, PHCs and District Hospitals;
- Construction of new, and refurbishment, upgrading and maintenance of existing, EMS facilities;
- Construction of new, and refurbishment, upgrading and maintenance of existing, regional hospitals and specialised hospitals, tertiary and central hospitals; and
- Construction of new, and refurbishment, upgrading and maintenance of other, health facilities including forensic pathology facilities and nursing colleges.

Policies and priorities

- Improved health infrastructure design, delivery and maintenance;
- Improved functioning of laundries and additional laundry;
- Medical Supplies Depot standards developed in line with Medicines Control Council licensing;
- Building new and refurbished clinics and hospitals;
- Maintenance improved through adequate budget allocation and average completion for minor maintenance in 48 hours;
- Reduce under-spending on infrastructure budget; and
- Compliance with national norms and standards through implementation of the Ideal Clinic project in all districts.

TABLE 4.21: SUMMARY OF PAYMENTS AND ESTIMATES: HEALTH FACILITIES MANAGEMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Community Health Facilities	100 989	101 168	133 050	301 030	130 352	130 352	286 122	396 471	371 585
2. Emergency Medical Rescue Services	2 870	18 507	1 501	1 639	1 371	1 371	1 390	2 500	3 000
3. District Hospital Services	529 011	271 851	201 983	252 727	272 728	272 728	208 967	476 778	604 752
4. Provincial Hospital Services	349 398	505 784	384 383	612 838	461 204	461 204	397 880	486 472	450 332
5. Central Hospital Services	225 152	212 039	242 822	406 342	356 115	356 115	306 909	280 286	355 601
6. Other Facilities	110 846	134 482	157 727	224 879	158 849	158 849	246 705	293 473	359 961
Total payments and estimates	1 318 266	1 243 831	1 121 466	1 799 455	1 380 619	1 380 619	1 447 973	1 935 981	2 145 231

TABLE 4.22: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HEALTH FACILITIES MANAGEMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	566 381	638 152	666 714	1 206 991	757 259	757 259	570 667	765 748	849 781
Compensation of employees	11 166	10 234	10 408	14 778	14 778	14 778	15 573	16 265	17 078

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Goods and services	555 205	627 918	656 306	1 192 213	742 481	742 481	555 094	749 483	832 703
Interest and rent on land	10								
Transfers and subsidies to	21	212	39						
Departmental agencies and accounts		8							
Non-profit institutions		113							
Households	21	91	39						
Payments for capital assets	751 864	605 467	454 713	592 464	623 360	623 360	877 306	1 170 233	1 295 450
Buildings and other fixed structures	590 617	526 772	413 088	509 695	442 727	442 727	869 741	1 170 233	1 295 450
Machinery and equipment	161 247	78 695	41 625	82 769	180 633	180 633	7 565		
Payments for financial assets									
Total economic classification	1 318 266	1 243 831	1 121 466	1 799 455	1 380 619	1 380 619	1 447 973	1 935 981	2 145 231

The bulk of the budget for this programme is transferred to the DID for major capital works programmes performed on behalf of the department. This includes new facilities, and the rehabilitation, upgrading and maintenance of facilities.

The goods and services budget has declined by 53 per cent from 2014/15 to 2015/16; this is as a result of reprioritisation of funds from maintenance to refurbishment and upgrading of health facilities. There is an increase under payment of capital assets. The decrease in the budget for machinery and equipment is as a result of completion of the new Ntalspruit and Zola projects. This programme is funded through the Health Revitalisation Grant and provincial allocation earmarked for infrastructure.

In 2015/16, the programme reflects a decrease when compared to the main budget in 2014/15; this is due to annual bidding processes that the departments has to embark on which implies that the budget is linked to readiness assessment.

SERVICE DELIVERY MEASURES

PROGRAMME 8: HEALTH FACILITIES MANAGEMENT

Performance measures	Estimated Annual Targets		
	2015/16	2016/17	2017/2018
Number of health facilities that have undergone major and minor refurbishment	43	20	13
Establish service level agreements (SLAs) with Department of Public Works (and any other implementing agent)	1	1	1

9. OTHER PROGRAMME INFORMATION

9.1 Personnel numbers and costs

TABLE 4.23: PERSONNEL NUMBERS AND COSTS: HEALTH

Personnel numbers	As at	As at	As at	As at	As at	As at	As at
	31 March 2012	31 March 2013	31 March 2014	31 March 2015	31 March 2016	31 March 2017	31 March 2018
1. Administration	2 609	2 617	1 587	1 656	1 658	1 667	1 676
2. District Health Services	17 169	16 798	18 148	17 473	17 507	17 541	17 575
3. Emergency Medical Services	1 324	1 463	1 469	1 494	1 505	1 516	1 527
4. Provincial Hospital Services	18 350	18 275	18 857	18 231	18 255	18 279	18 303
5. Central Hospital Services	18 398	18 379	18 673	17 916	17 917	17 926	17 935
6. Health Sciences And Training	5 197	5 122	4 491	4 241	4 248	4 257	4 266
7. Health Care Support Services	794	747	681	637	643	652	661
8. Health Facilities Management	41	42	34	45	36	35	35
Total provincial personnel numbers	63 882	63 443	63 939	61 694	61 769	61 873	61 978
Total provincial personnel cost (R thousand)	14 163 518	15 244 542	17 096 853	18 818 486	20 409 052	21 568 397	22 648 658
Unit cost (R thousand)	222	240	267	305	330	349	365

In 2015/16, the department will continue to focus on addressing scarce skills by appointing the Health Professionals as well as absorption of Emergency Care Technicians trained at the Lebone College. The personnel increases from 17 473 in 2014/15 to R17 575 in 2017/18 in programme 2: District Health Services to provide

treatment at the appropriate level of care in order to strengthen primary health care. The department will continue to appoint health professionals to perform community service and specialists in order to provide highly specialised care.

TABLE 4.24: SUMMARY OF DEPARTMENTAL PERSONNEL NUMBERS AND COSTS: HEALTH

	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Total for department									
Personnel numbers (head count)	63 882	63 443	63 939	61 694	61 694	61 694	61 769	61 873	61 978
Personnel cost (R thousands)	14 163 518	15 244 542	17 096 854	18 778 461	18 743 254	18 818 486	20 409 052	21 568 397	22 648 658
Human resources component									
Personnel numbers (head count)	645	636	725	812	812	812	845	861	861
Personnel cost (R thousands)	107 474	114 423	121 174	127 959	127 959	127 959	134 357	141 075	148 129
Head count as % of total for department	1.0%	1.0%	1.1%	1.3%	1.3%	1.3%	1.4%	1.4%	1.4%
Personnel cost as % of total for department	0.8%	0.8%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%
Finance component									
Personnel numbers (head count)	666	662	755	845	845	845	879	897	897
Personnel cost (R thousands)	105 219	112 729	119 380	126 065	126 065	126 065	132 369	138 987	145 936
Head count as % of total for department	1.0%	1.0%	1.2%	1.4%	1.4%	1.4%	1.4%	1.4%	1.4%
Personnel cost as % of total for department	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.6%	0.6%	0.6%
Full time workers									
Personnel numbers (head count)	63 882	63 443	58 524	55 629	55 629	55 629	55 660	55 700	55 720
Personnel cost (R thousands)	14 163 518	15 244 542	16 388 607	18 614 319	18 614 319	18 614 319	20 194 677	21 343 303	22 412 309
Head count as % of total for department	100.0%	100.0%	91.5%	90.2%	90.2%	90.2%	89.8%	89.6%	89.6%
Personnel cost as % of total for department	100.0%	100.0%	95.9%	99.1%	99.3%	98.9%	98.9%	99.0%	99.0%
Part-time workers									
Personnel numbers (head count)	85	87	99	111	111	111	116	118	118
Personnel cost (R thousands)	27 567	32 402	34 314	36 236	36 236	36 236	38 048	39 950	41 947
Head count as % of total for department	0.1%	0.1%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%
Personnel cost as % of total for department	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%
Contract workers									
Personnel numbers (head count)	4 809	4 663	5 316	5 954	5 954	5 954	5 993	6 055	6 140
Personnel cost (R thousands)	152 181	150 166	159 026	167 931	167 931	167 931	176 328	185 144	194 401
Head count as % of total for department	7.5%	7.3%	8.3%	9.7%	9.7%	9.7%	10.0%	10.2%	10.2%
Personnel cost as % of total for department	1.1%	1.0%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%

The total head count for the department grows from 61 694 in 2014/15 to 61 769 in 2015/16, to appoint additional staff to perform critical services. The projected growth over the MTEF, takes into account the growth in the population figures, the burden of disease, and the transfer of the step down beds from the Selby Park Hospital hence the projected increase. The National Health Workload Indicator for Staffing Needs process is nearing completion, and will provide a scientific tool to project staffing within this MTEF.

9.2 Training

TABLE 4.25: PAYMENTS ON TRAINING: HEALTH

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Administration	1 319	13 352	4 141	4 096	3 396	4 183	2 068	1 755	2 000
Payments on tuition	1 319	13 293	3 801	4 096	3 396	4 183	2 068	1 755	2 000
Other		59	340						
2. District Health Services	8 407	6 256	7 216	20 156	21 096	18 698	24 581	15 202	15 084
Payments on tuition	8 407	5 092	7 216	20 156	21 096	18 698	24 581	15 202	15 084
Other		1 164							
3. Emergency Medical Services	41	32	26	1 000	1 000	600	423	654	687

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R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Payments on tuition	41	32	26	1 000	1 000	600	423	654	687
4. Provincial Hospital Services	703	492	401	1 779	2 102	1 576	2 591	1 893	1 988
Payments on tuition	697	492	401	1 779	2 102	1 576	2 591	893	1 988
Other	6								
5. Central Hospital Services	453	625	878	1 638	1 773	1 618	2 172	1 092	1 146
Payments on tuition	399	625	878	1 638	1 773	1 618	2 172	1 092	1 146
Other	54								
6. Health Sciences And Training	11 318	13 661	8 680	23 464	31 487	31 487	21 181	19 240	20 487
Payments on tuition	5 136	5 436	5 321	7 102	15 125	15 125	4 572	2 504	2 629
Other	6 182	8 225	3 359	16 362	16 362	16 362	16 610	16 736	17 858
7. Health Care Support Services				128	30	30	160	167	175
Payments on tuition				128	30	30	160	167	175
Other									
Total payments on training	25 022	38 013	24 352	59 381	67 017	64 325	56 918	40 002	41 567

The table above depicts the allocations of bursaries to staff to address capacity constraints within the department and thereby ensuring the continuous delivery of effective and efficient quality health care in the department. The increase from R20.1 million in 2014/15 to R24.6 million in 2015/16 in payments on tuition in the programme 2: District Health Services is attributed to the department's focus on the re-engineering and rationalisation of the Primary Health Care Services. The increase is also as a result of the training of community health workers, medical and support staff, who will be appointed under the HIV and AIDS programme. In programme 6: health Sciences and training, the department has allocated R9.7 million over the MTEF to provide bursaries to address scarce skills such as medical professionals, assistant pharmacists, pharmacists and nurses etc. Over the MTEF, the department will continue to up-skill and develop employees in various key areas towards health systems efficiency.

TABLE 4.26: INFORMATION ON TRAINING: HEALTH

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Number of staff	63 882	63 443	63 939	61 694	61 694	61 694	61 769	61 873	61 978
Number of personnel trained	18 079	13 051	10 000	10 905	10 905	10 905	11 412	12 052	12 655
of which									
Male	4 145	3 141	2 500	3 177	3 177	3 177	3 180	3 205	3 365
Female	13 934	9 910	7 500	7 728	7 728	7 728	8 232	8 847	9 289
Number of training opportunities	21 761	13 296	12 500	13 500	13 500	13 500	13 800	13 900	14 595
of which									
Tertiary	5 446	24	33	33	33	33	33	33	35
Workshops	13 375	12 828	12 064	12 982	12 982	12 982	13 270	13 362	14 030
Seminars	2 600	2	2	5	5	5	5	5	5
Other	340	442	401	480	480	480	492	500	525
Number of bursaries offered	804	244	4 650	4 659	4 659	4 659	4 943	5 258	5 521
Number of interns appointed	3 579	1 071	1 000	1 000	1 000	1 000	1 000	1 000	1 050
Number of learnerships appointed	669	185	500	500	500	500	500	500	525
Number of days spent on training	208	180	180	210	210	210	235	242	254

The department will over the 2015 MTEF offer more bursaries to students through the South Africa Cuban Medical Training Programme to address the shortage of skills in the province. The department will offer 15 722 bursaries to students over the MTEF. The Human Resource Development plan will continue to be implemented by the department inclusive of training programmes for midwives to improve maternity and neonatal services. In addition, 685 post-basic students are currently studying in specialty nursing courses. The department will also continue to train clinical engineers and address staff shortages especially in obstetrics and gynaecology, accident and emergency, PHC, ICU and advanced midwifery.



ANNEXURES TO ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE



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TABLE 4.27: SPECIFICATION OF RECEIPTS: HEALTH

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Tax receipts									
Sales of goods and services other than capital assets	396 419	474 156	471 332	497 896	497 896	504 239	527 770	555 741	583 528
Sale of goods and services produced by department (excluding capital assets)	394 611	472 533	469 882	496 449	496 449	502 792	526 236	554 126	581 832
Sales by market establishments	15 565	13 073	19 281	19 068	19 068	19 068	20 212	21 283	22 347
Administrative fees		2	3 689						
Other sales	379 046	459 458	446 912	477 381	477 381	483 724	506 024	532 843	559 485
Of which									
Health patient fees	333 124	405 381	413 318	430 447	430 447	425 925	456 274	480 456	504 479
Boarding Services	35 051	35 305	35 868	35 108	35 108	35 108	37 214	39 187	41 146
Commission	9 599	10 438	16 282	10 613	10 613	10 613	11 250	11 846	12 438
Special Events (Ambulance Services)	1 272	8 334		1 213	1 213	1 213	1 286	1 354	1 422
Sales of scrap, waste, arms and other used current goods (excluding capital assets)	1 808	1 623	1 450	1 447	1 447	1 447	1 534	1 615	1 696
Transfers received from:	556								
Public corporations and private enterprises	556								
Fines, penalties and forfeits	13	3	47	47	47	47	50	53	55
Interest, dividends and rent on land	478	1 255	6 188	1 147	1 147	1 162	1 216	1 280	1 344
Interest	478	1 255	6 188	1 147	1 147	1 162	1 216	1 280	1 344
Sales of capital assets									
Transactions in financial assets and liabilities	51 896	31 525	50 143	25 420	25 420	52 252	26 691	28 026	29 427
Total departmental receipts	449 362	506 939	527 710	524 510	524 510	557 700	555 727	585 100	614 355

TABLE 4.28: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	434 715	471 731	565 776	591 688	589 065	577 249	551 271	579 445	626 987
Compensation of employees	276 150	241 568	274 797	331 500	331 500	307 159	370 768	395 761	415 549
Salaries and wages	276 150	169 079	242 782	232 111	289 556	307 159	297 751	318 701	334 636
Social contributions		72 489	32 015	99 389	41 944		73 017	77 060	80 913
Goods and services	157 952	229 792	290 748	260 188	257 565	270 090	180 502	183 684	211 438
Administrative fees	559	21	2 360	721	1 861	2 320	770	811	851
Advertising	2 206	9 368	1 445	10 716	4 716	8 712	2 518	2 456	3 139
Minor Assets	745	180	66	1 126	616	1 161	1 200	1 264	1 327
Audit cost: External	19 763	28 549	21 883	20 561	20 561	20 428	20 829	20 991	22 368
Bursaries: Employees		59	340						
Catering: Departmental activities	1 125	470	542	565	415	598	593	624	656
Communication (G&S)	15 979	7 413	14 431	15 387	15 387	16 734	13 374	14 175	14 884
Computer services	41 316	22 511	68 898	139 038	139 038	115 647	75 610	78 394	97 907
Consultants and professional services:									
Business and advisory services	17 550	48 475	40 015	20 000	24 500	33 556	20 116	20 210	21 572
Consultants and professional services:									
Laboratory services	238	940	77 490			228			
Consultants and professional services:									
Legal costs	21 530	25 628	4 251	13 543	10 543	24 454	14 794	14 526	15 252
Contractors	4 973	9 437	3 491	1 915	515	1 764	2 041	2 149	2 256
Agency and support / outsourced services	4 172	4 351	10 870		555	486			
Fleet services (including government motor transport)		2	2 571	4 685	1 590	10 068	1 680	1 764	1 852
Inventory: Clothing material and accessories			6 897	22		83	23		
Inventory: Food and food supplies	641	791	43	61	163	163	65	68	72
Inventory: Fuel, oil and gas	267	12 085	1	48	58	58	52	54	57
Inventory: Learner and teacher support material	11	115							
Inventory: Materials and supplies	70	94	54	32	39	197	34	35	37
Inventory: Medical supplies	4 389	334	1 227	432	182	1 523	461	485	510
Inventory: Medicine	1								
Consumable supplies	931	1 520	12 298	2 342	847	1 949	623	656	689

Consumable: Stationery, printing and office supplies	3 223	3 899	2 927	6 828	7 728	6 478	7 929	8 350	8 768
Operating leases	5 696	8 205	(239)	1 296	7 765	2 772	1 383	1 458	1 530
Property payments	424	13 840	2 760	4 531	5 831	4 449	2 697	2 840	2 982
Transport provided: Departmental activity		184	156			41	2	2	2
Travel and subsistence	8 104	16 347	12 003	11 987	10 687	11 286	11 367	10 431	12 427
Training and development	1 319	13 293	3 801	4 096	3 396	4 183	2 068	1 755	2 000
Operating payments	1 570	863	107	237	37	217	252	166	279
Venues and facilities	1 150	803	55	19	529	529	20	21	22
Rental and hiring		15	5		6	6			
Interest and rent on land	613	371	231						
Interest	613	371	231						
Rent on land									
Transfers and subsidies	776	16 136	1 897	2 000	2 000	2 461	2 092	2 203	2 313
Departmental agencies and accounts		7							
Provide list of entities receiving transfers		7							
Non-profit institutions		15 131							
Households	776	998	1 897	2 000	2 000	2 461	2 092	2 203	2 313
Social benefits	776	998	1 897	2 000	2 000	2 461	2 092	2 203	2 313
Payments for capital assets	16 127	12 761	16 449	9 268	11 891	22 294	7 831	8 246	8 658
Machinery and equipment	16 127	12 761	16 449	9 268	11 891	22 294	7 831	8 246	8 658
Transport equipment					2 623				
Other machinery and equipment	16 127	12 761	16 449	9 268	9 268	22 294	7 831	8 246	8 658
Payments for financial assets	33	734	29			952			
Total economic classification	451 651	501 362	584 151	602 956	602 956	602 956	561 194	589 894	637 959

TABLE 4.29: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: DISTRICT HEALTH SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	6 474 765	7 415 386	7 551 460	9 409 769	9 401 396	9 521 040	10 503 621	11 604 147	12 477 710
Compensation of employees	3 756 688	4 243 315	4 663 026	5 227 075	5 189 325	5 240 709	5 665 974	6 351 494	6 670 911
Salaries and wages	3 756 688	2 970 321	4 073 909	4 378 072	4 385 283	5 240 709	4 898 670	5 508 740	5 786 104
Social contributions		1 272 994	589 117	849 003	804 042		767 304	842 754	884 808
Goods and services	2 716 859	3 172 071	2 888 427	4 182 694	4 212 071	4 280 331	4 837 647	5 252 653	5 806 798
Administrative fees	359	136	227	367	325	325	383	326	342
Advertising	4 557	3 605	3 519	15 694	16 285	13 987	4 396	21 645	22 727
Minor Assets	10 145	8 923	8 274	55 901	56 729	45 182	86 080	97 940	102 837
Bursaries: Employees		1 164							
Catering: Departmental activities	2 853	2 659	2 637	5 478	5 659	5 220	7 311	5 411	5 959
Communication (G&S)	28 289	30 129	30 686	31 690	39 574	33 698	40 677	40 691	42 726
Computer services	248	2 450	24		381	325	1 600	1 733	1 819
Consultants and professional services:									
Business and advisory services	9 841	310	340		904	575	10 134	484	508
Consultants and professional services:									
Laboratory services	624 307	570 873	301 906	790 173	772 189	792 073	678 775	876 882	920 811
Consultants and professional services:									
Legal costs	13 057	2 254	5 651	4 801	5 804	40 548	4 315	4 675	4 909
Contractors	13 517	18 879	17 667	250 032	355 871	356 636	395 368	297 366	312 234
Agency and support / outsourced services	91 125	53 176	21 253	41 913	42 937	40 838	54 873	60 712	63 747
Entertainment	7	35	6						
Fleet services (including government motor transport)	2 800	2 838	23 081	37 963	30 005	32 687	33 424	34 552	36 280
Housing		11	10						
Inventory: Clothing material and accessories			2 232	3 087	6 795	4 830	11 943	12 049	12 651
Inventory: Food and food supplies	63 492	45 038	22 530	63 449	63 379	60 203	79 399	85 640	89 922
Inventory: Fuel, oil and gas	19 648	19 335	19 055	35 209	45 765	37 884	67 215	72 531	76 158
Inventory: Learner and teacher support material	68	29	15				114	126	132
Inventory: Materials and supplies	6 247	8 324	9 668	11 606	10 201	10 122	17 016	18 260	19 173
Inventory: Medical supplies	214 006	265 517	184 526	471 883	485 482	476 559	698 440	673 365	717 033
Inventory: Medicine	1 280 270	1 580 402	1 732 581	1 803 981	1 718 736	1 792 001	2 080 233	2 307 710	2 686 233

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Medsas inventory interface	1	24							
Consumable supplies	51 407	70 967	50 072	62 721	75 842	78 640	114 863	127 607	136 987
Consumable: Stationery,printing and office supplies	21 546	29 002	27 715	49 162	50 407	50 833	52 768	71 073	77 305
Operating leases	29 915	35 826	24 001	27 485	20 679	26 431	14 882	21 415	22 486
Property payments	171 808	241 555	238 384	335 927	350 318	322 869	331 764	351 648	380 617
Transport provided: Departmental activity	492	448	208	4 048	4 066	2 444	4 364	2 488	2 612
Travel and subsistence	33 591	132 032	13 633	24 807	15 189	19 594	14 482	14 000	14 700
Training and development	8 407	5 092	7 216	20 156	21 096	18 698	24 581	15 202	15 084
Operating payments	12 157	35 750	129 806	3 419	3 526	3 354	3 696	3 584	4 223
Venues and facilities	2 691	3 770	11 348	31 742	12 935	12 766	4 550	33 540	36 583
Rental and hiring	8	1 518	156		992	1 009			
Interest and rent on land	1 218		7						
Interest	1 218		7						
Transfers and subsidies	472 926	1 080 394	731 303	765 394	733 150	736 198	795 147	847 136	889 493
Provinces and municipalities	121 244	506 498	288 758	310 720	310 720	310 720	327 388	344 740	361 977
Municipalities	121 244	506 498	288 758	310 720	310 720	310 720	327 388	344 740	361 977
Municipalities	121 244	506 498	288 758	310 720	310 720	310 720	327 388	344 740	361 977
Departmental agencies and accounts	2	10	1						
Provide list of entities receiving transfers	2	10	1						
Non-profit institutions	342 657	560 418	421 917	440 672	407 628	407 628	456 324	490 357	514 874
Households	9 023	13 468	20 627	14 002	14 802	17 850	11 434	12 040	12 642
Social benefits	9 023	13 468	20 627	14 002	14 802	17 850	11 434	12 040	12 642
Payments for capital assets	75 177	58 989	74 206	162 582	206 480	176 077	122 079	168 935	177 382
Buildings and other fixed structures	8 171	1 510	1 537		14 150	14 150			
Buildings	95	1 510	1 537		14 150	14 150			
Other fixed structures	8 076								
Machinery and equipment	67 006	57 479	72 511	162 582	192 330	161 927	122 079	168 935	177 382
Transport equipment		1 306		7 046	33 513		4 448	4 684	4 918
Other machinery and equipment	67 006	56 173	72 511	155 536	158 817	161 927	117 631	164 251	172 463
Software and other intangible assets			158						
Payments for financial assets	492	1 187	463			1 165			
Total economic classification	7 023 360	8 555 956	8 357 432	10 337 745	10 341 026	10 434 480	11 420 847	12 620 218	13 544 584

TABLE 4.30: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: EMERGENCY MEDICAL SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	397 649	556 692	537 280	647 340	618 978	572 400	704 500	731 826	768 417
Compensation of employees	229 344	262 330	313 509	379 743	379 743	349 085	425 710	458 238	481 150
Salaries and wages	229 344	201 857	263 252	321 046	321 046	349 085	351 879	378 749	397 687
Social contributions		60 473	50 257	58 697	58 697		73 831	79 489	83 463
Goods and services	168 305	294 362	223 771	267 597	239 235	223 315	278 790	273 588	287 267
Administrative fees	434	536	1 174	12	712	712	12	12	12
Advertising	131								
Minor Assets	1 971	107	1 728	5 988	7 973	7 800	6 998	7 057	7 410
Audit cost: External	79	32							
Catering: Departmental activities	49	6	8	10	10	10	10	11	11
Communication (G&S)	4 623	8 639	5 756	4 000	4 000	7 598	4 471	4 508	4 734
Computer services	4 918	8 972	54	1 865			2 365	2 385	2 504
Consultants and professional services:									
Business and advisory services	35		32						
Consultants and professional services:									
Legal costs	61	176	402			163			
Contractors	271	583	3 551	4 000	4 000	3 694	4 000	4 033	4 234
Agency and support / outsourced services	1 665	1 923	153	1 500	1 500	1 242	1 916	1 932	2 028
Fleet services (including government motor transport)	1	91 310	102 088	107 118	107 118	105 550	113 510	108 393	113 812
Inventory: Clothing material and accessories			5 980	5 000	5 000	5 000	5 500	5 546	5 823

Inventory: Food and food supplies	6	5	7	10	10	10	10	10	10
Inventory: Fuel, oil and gas	75 893	2 859	1 654	5 000	5 000	4 285	5 100	5 143	5 400
Inventory: Learner and teacher support material	2								
Inventory: Materials and supplies	344	38	585	200	200	308	200	202	212
Inventory: Medical supplies	5 074	5 878	5 923	12 011	12 011	8 916	12 114	12 215	12 826
Inventory: Medicine	743	686	783	10 000	2 000	1 042	10 000	10 084	10 588
Consumable supplies	1 708	1 023	1 385	3 000	3 500	3 500	3 398	3 426	3 597
Consumable: Stationery,printing and office supplies	1 649	4 079	2 098	6 000	6 000	5 587	6 000	6 050	6 352
Operating leases	405	15 073	16 554	25 000	25 000	25 000	25 000	25 209	26 469
Property payments	2 216	799	3 531	10 000	10 000	10 000	10 000	10 084	10 588
Transport provided: Departmental activity	57 290	151 276	70 118	64 882	43 200	31 297	66 762	65 629	68 910
Travel and subsistence	180	199	181	1 001	1 001	1 001	1 001	1 009	1 059
Training and development	41	32	26	1 000	1 000	600	423	654	687
Operating payments	55	131							
Venues and facilities	8 461								
Transfers and subsidies	283 101	577 474	320 218	336 321	337 141	336 994	353 938	372 696	391 331
Provinces and municipalities	282 846	577 027	318 919	336 321	336 321	336 321	353 938	372 696	391 331
Municipalities	282 846	577 027	318 919	336 321	336 321	336 321	353 938	372 696	391 331
Municipalities	282 846	577 027	318 919	336 321	336 321	336 321	353 938	372 696	391 331
Households	255	447	1 299		820	673			
Social benefits	255	447	1 299		820	673			
Payments for capital assets	15 784	13 063	78 780	29 687	57 229	58 207	28 053	32 699	34 334
Buildings and other fixed structures			510						
Buildings			510						
Machinery and equipment	15 784	13 063	78 270	29 687	57 229	58 207	28 053	32 699	34 334
Transport equipment					27 542				
Other machinery and equipment	15 784	13 063	78 270	29 687	29 687	58 207	28 053	32 699	34 334
Payments for financial assets	10	2				11			
Total economic classification	696 544	1 147 231	936 278	1 013 348	1 013 348	967 612	1 086 491	1 137 221	1 194 082

TABLE 4.31: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: PROVINCIAL HOSPITAL SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	4 106 860	4 330 570	4 867 144	5 642 013	5 764 191	5 646 887	6 350 610	6 579 230	6 963 238
Compensation of employees	3 147 275	3 257 583	3 856 710	4 294 666	4 327 060	4 276 329	4 756 275	4 886 092	5 130 395
Salaries and wages	3 147 275	2 010 575	3 411 168	3 301 158	3 582 640	4 276 329	4 233 235	4 333 188	4 549 845
Social contributions		1 247 008	445 542	993 508	744 420		523 041	552 904	580 550
Goods and services	959 190	1 072 798	1 010 189	1 347 347	1 437 131	1 370 493	1 594 335	1 693 137	1 832 843
Administrative fees	1 531	2 038	241	113	111	124	147	156	164
Advertising	1 042	147	284	500	1 371	1 459	875	863	906
Minor Assets	8 328	3 883	3 706	8 495	10 800	7 651	10 640	11 125	11 681
Audit cost: External	1	2					53	56	59
Bursaries: Employees	6								
Catering: Departmental activities	209	111	97	77	51	51	152	54	57
Communication (G&S)	12 502	15 203	12 637	9 422	10 526	10 741	11 086	11 655	12 238
Computer services	1 416	3 399	412	908	849	849	85	90	95
Consultants and professional services:									
Business and advisory services	4 025	1 686	2 550	2 876	3 104	2 923	3 047	3 255	3 417
Consultants and professional services:									
Laboratory services	116 218	9 441	36 703	160 955	146 745	143 159	178 108	220 741	231 778
Consultants and professional services:									
Scientific and technological services							30	33	35
Consultants and professional services:									
Legal costs	13 338	97 188	59 199	40 383	40 877	66 081	10 406	12 642	13 274
Contractors	26 101	42 752	55 649	28 543	46 650	43 989	39 290	37 855	39 748
Agency and support / outsourced services	46 604	47 458	38 410	59 714	54 317	53 311	54 805	60 319	63 335
Entertainment	1	4	1		1	1	1 127	1 184	1 243
Fleet services (including government motor transport)	6		5 005	14 667	12 444	12 253	14 013	14 126	14 832

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Inventory: Clothing material and accessories			2 988	8 372	5 757	5 549	11 392	11 948	12 205
Inventory: Food and food supplies	55 479	56 851	56 906	117 352	78 517	78 247	126 620	133 190	139 850
Inventory: Fuel, oil and gas	8 856	9 887	14 474	40 431	43 489	40 789	35 966	37 733	39 620
Inventory: Learner and teacher support material	(13)	42	49	2 403	443	201	803	872	915
Inventory: Materials and supplies	1 246	3 003	5 176	2 342	5 841	3 916	19 937	20 984	22 034
Inventory: Medical supplies	292 060	401 898	321 076	309 915	400 312	398 113	439 909	459 338	507 305
Inventory: Medicine	158 053	93 630	148 221	353 023	308 075	210 841	372 279	387 643	427 025
Medsas inventory interface	34	(4)							
Inventory: Other supplies							2 115	2 266	2 379
Consumable supplies	68 541	74 622	63 228	67 826	97 889	92 323	69 712	70 119	73 625
Consumable: Stationery, printing and office supplies	10 523	16 213	16 312	15 613	16 456	16 840	24 182	23 868	25 061
Operating leases	8 000	3 903	8 513	15 271	10 445	10 897	12 135	12 891	13 535
Property payments	119 359	170 996	155 159	77 417	130 861	158 469	149 395	150 782	168 709
Transport provided: Departmental activity	79	(117)	70	294	295	2 201	205	218	229
Travel and subsistence	3 986	16 733	956	1 785	2 014	1 717	2 137	2 346	2 463
Training and development	697	492	401	1 779	2 102	1 576	2 591	1 893	1 988
Operating payments	832	989	934	1 671	1 119	1 253	934	989	1 038
Venues and facilities	130	342	431	5 200	5 200	4 423	158	1 902	1 997
Rental and hiring		6	401		470	546			
Interest and rent on land	395	189	245						
Interest	395	189	245						
Transfers and subsidies	180 085	253 975	231 469	257 030	257 105	265 486	271 014	285 378	299 647
Departmental agencies and accounts		3	18						
Provide list of entities receiving transfers		3	18						
Non-profit institutions	172 255	241 843	218 536	251 695	251 695	251 695	265 286	279 346	293 313
Households	7 830	12 129	12 915	5 335	5 410	13 791	5 728	6 032	6 333
Social benefits	7 830	12 129	12 915	5 335	5 410	13 791	5 728	6 032	6 333
Payments for capital assets	49 111	33 393	53 831	107 959	111 557	74 075	77 126	88 867	135 310
Buildings and other fixed structures	866			500	500	500			
Buildings	9					500			
Other fixed structures	857			500	500				
Machinery and equipment	48 193	33 393	53 814	107 459	111 057	73 575	77 126	88 867	135 310
Transport equipment	(1 474)	1			3 598				
Other machinery and equipment	49 667	33 392	53 814	107 459	107 459	73 575	77 126	88 867	135 310
Software and other intangible assets	52		17						
Payments for financial assets	634	1 596	1 880			1 041			
Total economic classification	4 336 690	4 619 534	5 154 324	6 007 001	6 132 852	5 987 489	6 698 750	6 953 474	7 398 195

TABLE 4.32: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: CENTRAL HOSPITAL SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	8 800 229	9 531 085	10 061 298	10 357 415	10 585 246	11 189 219	11 492 336	11 935 868	12 599 177
Compensation of employees	5 975 202	6 422 987	7 176 189	7 624 402	7 644 402	7 831 126	8 229 196	8 458 673	8 881 607
Salaries and wages	5 848 567	4 765 824	6 436 281	6 461 209	6 470 792	7 831 126	6 600 808	6 777 125	7 115 981
Social contributions	126 635	1 657 163	739 908	1 163 193	1 173 610		1 628 388	1 681 548	1 765 626
Goods and services	2 823 526	3 107 677	2 884 069	2 733 013	2 940 844	3 358 093	3 263 140	3 477 195	3 717 570
Administrative fees	262	424	66	95	88	88	52	55	57
Advertising	2 251	198	952		124	483	1 558	858	901
Minor Assets	9 713	8 774	8 826	44 327	38 487	35 436	49 197	30 199	31 709
Bursaries: Employees	54								
Catering: Departmental activities	323	17	22	90	74	90	83	87	92
Communication (G&S)	16 386	16 356	18 253	11 506	13 509	21 344	14 322	14 246	14 959
Computer services	937	8 350	579				673	722	758
Consultants and professional services: Business and advisory services	235	228	231	801	635	697	826	892	937
Consultants and professional services: Laboratory services	465 817	653 973	176 662	529 045	519 655	464 493	537 882	545 926	573 222

Consultants and professional services: Legal costs	20 475	19 209	109 305	3 087	4 178	61 900	493	507	533
Contractors	183 207	245 314	160 808	132 333	135 738	216 213	163 632	170 757	179 294
Agency and support / outsourced services	145 858	133 889	234 901	128 744	128 749	185 265	125 146	134 214	140 925
Entertainment	39	204	100		3	3			
Fleet services (including government motor transport)	101	941	4 512	6 799	6 883	5 369	8 445	8 688	9 122
Inventory: Clothing material and accessories			6 057	7 386	7 386	6 765	6 063	6 179	6 488
Inventory: Food and food supplies	73 864	62 919	71 248	111 189	106 529	106 529	150 745	156 181	163 990
Inventory: Fuel, oil and gas	50 625	39 941	40 691	42 617	42 377	42 377	47 137	49 003	51 453
Inventory: Learner and teacher support material		712	52						
Inventory: Materials and supplies	4 008	7 992	10 279	6 700	6 700	7 580	18 229	18 643	19 575
Inventory: Medical supplies	1 025 208	1 090 630	1 075 719	1 027 482	998 065	1 098 638	1 207 506	1 311 695	1 412 408
Inventory: Medicine	429 557	317 969	330 123	386 986	451 062	488 962	507 054	538 266	586 179
Medsas inventory interface	424	4							
Consumable supplies	134 715	150 535	191 164	110 569	178 467	185 934	165 577	171 121	179 677
Consumable: Stationery, printing and office supplies	20 360	26 363	25 620	20 893	23 021	31 925	35 595	37 871	39 764
Operating leases	8 608	8 692	57	6 620	22 811	14 496	20 108	31 887	33 481
Property payments	197 214	290 836	412 322	149 752	249 825	377 811	196 515	243 723	266 297
Transport provided: Departmental activity	29 619	5 401	412	1 078	556	556	885	936	983
Travel and subsistence	2 089	16 849	2 017	954	1 363	1 363	1 448	1 521	1 597
Training and development	399	625	878	1 638	1 773	1 618	2 172	1 092	1 146
Operating payments	1 153	308	2 211	2 322	2 786	2 158	1 797	1 925	2 022
Venues and facilities	25	24	1						
Rental and hiring			1						
Interest and rent on land	1 501	421	1 040						
Interest	74	421	1 040						
Rent on land	1 427								
Transfers and subsidies	19 511	22 747	36 182	11 611	15 431	37 536	22 684	12 788	13 428
Departmental agencies and accounts			12						
Provide list of entities receiving transfers			12						
Households	19 511	22 747	36 170	11 611	15 431	37 536	22 684	12 788	13 428
Social benefits	19 511	22 747	36 170	11 611	15 431	37 536	22 684	12 788	13 428
Payments for capital assets	118 421	207 190	139 849	259 320	259 320	271 948	268 027	230 150	241 658
Machinery and equipment	118 421	207 190	139 836	259 320	259 320	271 948	268 027	230 150	241 658
Transport equipment	1 474								
Other machinery and equipment	116 947	207 190	139 836	259 320	259 320	271 948	268 027	230 150	241 658
Software and other intangible assets			13						
Payments for financial assets	1 889	1 797	466			1 950			
Total economic classification	8 940 050	9 762 819	10 237 795	10 628 346	10 859 997	11 500 653	11 783 047	12 178 806	12 854 263

TABLE 4.33: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HEALTH SCIENCES AND TRAINING

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	691 854	732 861	717 639	816 370	769 609	739 490	849 443	897 717	942 889
Compensation of employees	646 186	686 494	680 787	750 952	701 101	667 173	791 784	838 749	880 687
Salaries and wages	646 186	480 547	579 368	528 870	567 203	667 173	677 766	718 644	754 576
Social contributions		205 947	101 419	222 082	133 898		114 018	120 105	126 111
Goods and services	45 419	46 367	36 852	65 418	68 508	72 317	57 659	58 969	62 202
Administrative fees	717	14	14	19	15	33	18	20	21
Advertising	830	269	261		356	239	300	316	332
Minor Assets	745	278	960	2 495	2 039	1 232	1 658	1 746	1 834
Bursaries: Employees	6 182	8 225	3 359	16 362	16 362	16 362	16 610	16 736	17 858
Catering: Departmental activities	117	81	138	127	382	382	262	276	290

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Communication (G&S)	1 198	1 304	1 282	2 292	1 798	2 306	1 573	1 659	1 741
Computer services	158	82	5	500	109	109	512	539	566
Consultants and professional services:									
Business and advisory services	186	1	1	50	50	50	22	23	24
Consultants and professional services:									
Legal costs			37		50	558			
Contractors	336	910	510	1 179	1 133	1 133	1 204	1 266	1 329
Agency and support / outsourced services	74		193	138	465	795	146	153	160
Fleet services (including government motor transport)	162	443	1 394	3 313	2 039	2 039	2 882	3 035	3 187
Inventory: Clothing material and accessories			407	3 819	1 629	588	2 176	2 292	2 407
Inventory: Food and food supplies	101	19	169	260	203	203	136	143	150
Inventory: Fuel, oil and gas	51	22	15	603	48	48	56	60	63
Inventory: Learner and teacher support material	623	433	668	2 817	2 296	2 127	1 840	1 937	2 034
Inventory: Materials and supplies	614	582	1 324	1 283	1 172	1 172	1 060	1 117	1 173
Inventory: Medical supplies	382	297	869	1 078	511	511	952	1 004	1 054
Inventory: Medicine	34	110	42	7	54	72	105	110	116
Medsas inventory interface		1							
Consumable supplies	6 016	6 400	5 424	2 430	4 179	6 186	2 395	2 520	2 646
Consumable: Stationery, printing and office supplies	1 943	1 991	2 326	3 857	3 973	3 586	3 707	3 904	4 099
Operating leases	206	895	97	3 905	1 180	1 180	1 466	2 865	3 008
Property payments	9 476	9 885	10 652	8 860	8 938	10 697	11 920	12 552	13 180
Transport provided: Departmental activity				12	10	10	7	7	7
Travel and subsistence	548	5 488	1 218	2 517	3 632	5 126	1 681	1 765	1 853
Training and development	5 136	5 436	5 321	7 102	15 125	15 125	4 572	2 504	2 629
Operating payments	9 524	3 201	116	393	680	368	400	421	442
Venues and facilities	60		50		80	80			
Interest and rent on land	249								
Interest	249								
Transfers and subsidies	27 553	65 296	101 209	54 733	125 644	125 375	55 833	58 792	61 732
Departmental agencies and accounts		28 239	16 085	17 131	17 131	17 131	17 919	18 869	19 812
Provide list of entities receiving transfers		28 239	16 085	17 131	17 131	17 131	17 919	18 869	19 812
Higher education institutions	910	500	958	1 782	1 782	1 782	1 864	1 963	2 061
Households	26 643	36 557	84 166	35 820	106 731	106 462	36 050	37 961	39 859
Social benefits	1 157	1 267	35 033	1 500	2 062	1 793	607	639	671
Other transfers to households	25 486	35 290	49 133	34 320	104 669	104 669	35 443	37 322	39 188
Payments for capital assets	6 565	8 549	10 588	14 778	15 526	14 171	11 274	11 871	12 465
Machinery and equipment	6 565	8 549	10 588	14 778	15 526	14 171	11 274	11 871	12 465
Transport equipment	1 279				748				
Other machinery and equipment	5 286	8 549	10 588	14 778	14 778	14 171	11 274	11 871	12 465
Payments for financial assets	117	364	49			643			
Total economic classification	726 089	807 070	829 485	885 881	910 779	879 679	916 549	968 381	1 017 086

TABLE 4.34: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HEALTH CARE SUPPORT SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	169 980	194 173	190 355	234 017	238 309	211 081	240 818	254 785	267 524
Compensation of employees	121 507	120 031	121 428	155 345	155 345	132 127	153 771	163 124	171 281
Salaries and wages	121 507	116 295	102 012	133 297	133 074	132 127	130 279	137 444	144 316
Social contributions		3 736	19 416	22 048	22 271		23 492	25 680	26 964
Goods and services	48 367	74 142	68 927	78 672	82 964	78 954	87 047	91 660	96 243
Advertising	19								
Minor Assets	100	23	152	418	378	378	465	489	514
Catering: Departmental activities	1		1						
Communication (G&S)	544	487	873	979	866	866	1 012	1 064	1 117
Consultants and professional services:									
Legal costs	4								

Contractors	1 323	413	30	1 080	718	718	980	1 032	1 084
Agency and support / outsourced services	8			505		265	595	629	660
Entertainment	15								
Fleet services (including government motor transport)			2 156	2 200	1 900	1 434	2 368	2 495	2 620
Inventory: Clothing material and accessories			1 184			741			
Inventory: Food and food supplies	13 099	19 029	18 506	23 312	24 369	22 311	27 553	28 975	30 424
Inventory: Fuel, oil and gas	887	985	131	1 314	965	965	1 199	1 263	1 326
Inventory: Materials and supplies	21	65	69	80	71	71	94	99	104
Inventory: Medical supplies	197	149	247	278	236	386	316	333	349
Inventory: Medicine	6								
Consumable supplies	23 620	33 946	35 173	35 652	42 548	38 043	38 059	40 103	42 108
Consumable: Stationery, printing and office supplies	142	262	186	292	347	347	320	337	354
Operating leases	74	326			100	100			
Property payments	7 686	12 033	10 219	12 307	10 384	12 074	13 814	14 556	15 284
Travel and subsistence	621	6 528		127	52	52	113	119	125
Training and development				128	30	30	160	167	175
Operating payments		(104)				173			
Interest and rent on land	106								
Interest	106								
Transfers and subsidies	332	276	729	303	678	678	317	334	351
Departmental agencies and accounts			1						
Provide list of entities receiving transfers			1						
Non-profit institutions									
Households	332	276	728	303	678	678	317	334	351
Social benefits	332	276	728	303	678	678	317	334	351
Payments for capital assets	3 344	2 052	3 747	15 282	10 615	8 565	19 194	20 211	21 222
Machinery and equipment	3 344	2 052	3 747	15 282	10 615	8 565	19 194	20 211	21 222
Transport equipment					(4 667)				
Other machinery and equipment	3 344	2 052	3 747	15 282	15 282	8 565	19 194	20 211	21 222
Payments for financial assets	31	43	39			19			
Total economic classification	173 687	196 544	194 870	249 602	249 602	220 343	260 328	275 330	289 096

TABLE 4.35: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HEALTH FACILITIES MANAGEMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	566 381	638 152	666 714	1 206 991	757 259	757 259	570 667	765 748	849 781
Compensation of employees	11 166	10 234	10 408	14 778	14 778	14 778	15 573	16 265	17 078
Salaries and wages	11 166	7 164	8 907	11 119	11 119	14 778	11 920	12 399	13 019
Social contributions		3 070	1 501	3 659	3 659		3 653	3 866	4 059
Goods and services	555 205	627 918	656 306	1 192 213	742 481	742 481	555 094	749 483	832 703
Administrative fees		2							
Advertising	16	86		300	600	600	300	317	333
Minor Assets	3 658	3 631	9 710	23 850	17 110	17 110	2 850	898	491
Bursaries: Employees		66							
Catering: Departmental activities	70	8	12	100	500	500	100	105	111
Communication (G&S)	118	4	847	150	150	150	158	167	176
Computer services	38 587	30 126	1 439		22 946	22 946			
Consultants and professional services:									
Business and advisory services	14								
Contractors	714	3 724	4 479	2 010	11 518	11 518	2 051		
Agency and support / outsourced services	2 088	420	8	525	525	525			
Entertainment	3								
Fleet services (including government motor transport)			22				555	586	615
Inventory: Clothing material and accessories			166						
Inventory: Food and food supplies	12	98	24		10	10			

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Inventory: Fuel, oil and gas	1	335	3 507						
Inventory: Learner and teacher support material			1						
Inventory: Materials and supplies	875	400	648		2 500	2 500			
Inventory: Medical supplies	457	1 854	17 935		9 000	9 000			
Inventory: Medicine	1	1	1 806						
Consumable supplies	877	1 297	16 359	6 000	6 300	6 300	1 000		
Consumable: Stationery, printing and office supplies	95	189	681	270	320	320	285	300	316
Operating leases	1 746	9 430	15 980	33 067	33 067	33 067	38 502	31 525	37 530
Property payments	502 616	572 442	575 888	1 118 641	630 907	630 907	505 361	715 384	792 922
Transport provided: Departmental activity					45	45			
Travel and subsistence	294	297	513	180	350	350	190	200	210
Training and development	2 781	3 529	3 010	7 120	6 133	6 133	3 742		
Operating payments	182	(229)	3 271						
Venues and facilities		208							
Rental and hiring					500	500			
Interest and rent on land	10								
Interest	10								
Transfers and subsidies	21	212	39						
Departmental agencies and accounts		8							
Provide list of entities receiving transfers		8							
Non-profit institutions		113							
Households	21	91	39						
Social benefits	21	91	39						
Payments for capital assets	751 864	605 467	454 713	592 464	623 360	623 360	877 306	1 170 233	1 295 450
Buildings and other fixed structures	590 617	526 772	413 088	509 695	442 727	442 727	869 741	1 170 233	1 295 450
Buildings	590 617	526 772	413 088	509 695	442 727	442 727	869 741	1 170 233	1 295 450
Machinery and equipment	161 247	78 695	41 625	82 769	180 633	180 633	7 565		
Transport equipment					16 197				
Other machinery and equipment	161 247	78 695	41 625	82 769	164 436	180 633	7 565		
Payments for financial assets									
Total economic classification	1 318 266	1 243 831	1 121 466	1 799 455	1 380 619	1 380 619	1 447 973	1 935 981	2 145 231

TABLE 4.36: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION : COMPREHENSIVE HIV/AIDS : DISTRICT HEALTH SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	1 558 629	1 806 434	2 144 842	2 550 869	2 556 988	2 556 988	2 813 752	3 169 569	3 570 887
Compensation of employees	377 433	415 085	459 057	671 919	599 173	599 173	717 990	798 261	918 600
Salaries and wages	330 021	361 070	399 358	560 100	487 354	487 354	597 008	663 753	753 870
Social contributions	47 412	54 015	59 699	111 819	111 819	111 819	120 982	134 508	164 730
Goods and services	1 181 196	1 391 349	1 685 785	1 878 950	1 957 815	1 957 815	2 095 762	2 371 308	2 652 287
Administrative fees		2	25						
Advertising	1 145	2 745	1 014	15 694	15 694	15 694	2 381	2 647	2 947
Minor Assets	2 677	1 190	277	7 953	6 453	6 453	3 669	4 079	4 541
Catering: Departmental activities	1 139	2 089	2 370	4 051	4 016	4 016	7 095	7 888	8 781
Communication (G&S)	89	85	188	260	260	260	309	344	383
Consultants and professional services: Business and advisory services					775	775	684	761	847
Consultants and professional services: Laboratory services	511 069	406 553	264 560	530 010	530 010	530 010	450 970	501 388	573 131
Contractors	110	140	1	211 348	321 343	321 343	331 069	369 323	409 738
Agency and support / outsourced services	26 659	446		2 052	2 052	2 052			
Fleet services (including government motor transport)				216	216	216	200	222	248
Inventory: Clothing material and accessories			23						
Inventory: Food and food supplies	38 315	23 185	5 631	15 000	15 000	15 000	21 371	23 760	30 449
Inventory: Materials and supplies	745	2 477	38						
Inventory: Medical supplies	70 423	81 168	48 027	150 312	168 691	168 691	321 126	367 028	412 433
Inventory: Medicine	509 534	833 615	1 213 564	884 462	855 962	855 962	936 644	1 071 361	1 183 734
Inventory: Other supplies	2 153								

Consumable supplies	1 692	2 156	28	28	28	1 024	1 138	1 267	
Consumable: Stationery,printing and office supplies	3 694	5 467	6 839	18 813	16 103	16 103	5 676	6 311	7 025
Operating leases	150	26 310		252	252	252	72	80	89
Property payments	1 642	567	1 848	1 506	1 506	1 506	1 464	1 628	1 812
Transport provided: Departmental activity	12				695	695	1 846	2 052	2 285
Travel and subsistence	805	507	1 300	800	800	800	2 250	2 502	2 785
Training and development	4 009	2 849	5 151	8 313	9 813	9 813	4 062	4 516	5 027
Operating payments	6 370		123 157						
Venues and facilities	456	262	9 566	27 880	8 146	8 146	3 850	4 280	4 765
Rental and hiring			50						
Transfers and subsidies	53 871	91 422	111 404	77 449	57 000	57 000	106 520	118 429	131 832
Non-profit institutions	53 681	90 617	109 587	77 449	57 000	57 000	106 000	117 851	131 188
Households	190	805	1 817				520	578	644
Social benefits	190	805	1817				520	578	64
Payments for capital assets	9 449	3 437	2 237	4 260	18 590	18 590	8 028	8 926	14 933
Buildings and other fixed structures	3 095	649	1 146		14 150	14 150			
Buildings									
Other fixed structures	3 095	649	1 146		14 150	14 150			
Machinery and equipment	6 354	2 788	1 091	4 260	4 440	4 440	8 028	8 926	14 933
Other machinery and equipment	6 354	2 788	1 091	4 260	4 440	4 440	8 028	8 926	14 933
Payments for financial assets									
Total economic classification	1 621 949	1 901 293	2 258 483	2 632 578	2 632 578	2 632 578	2 928 300	3 296 924	3 717 652

TABLE 4.37: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HEALTH PROFESSIONS TRAINING AND DEVELOPMENT GRANT: DISTRICT HEALTH SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	42 284	53 736	163 677	153 617	153 617	153 617	75 416	78 639	84 930
Compensation of employees	40 271	46 514	138 438	130 000	130 000	130 000	39 688	41 482	44 800
Salaries and wages	39 372	42 632	122 003	104 000	104 000	104 000	22 803	23 921	25 835
Social contributions	899	3 882	16 435	26 000	26 000	26 000	16 885	17 560	18 965
Goods and services	2 013	7 222	25 239	23 617	23 617	23 617	35 728	37 157	40 130
Minor Assets			15				1 188	1 236	1 334
Consultants and professional services: Laboratory services	217		1 898	2 898	2 898	2 898	7 667	7 974	8 612
Inventory: Materials and supplies		6	4						
Inventory: Medical supplies	468	1 364	8 684	11 770	11 770	11 770	4 675	4 862	5 251
Inventory: Medicine	1 328	5 560	14 332	8 949	8 949	8 949	22 198	23 086	24 933
Consumable supplies		35	21						
Travel and subsistence		257	285						
Transfers and subsidies		146	112						
Households		146	112						
Social benefits		146	112						
Payments for capital assets		445	943	7 383	7 383	7 383	3 971	4 130	5 083
Machinery and equipment		445	943	7 383	7 383	7 383	3 971	4 130	5 083
Other machinery and equipment		445	943	7 383	7 383	7 383	3 971	4 130	5 083
Payments for financial assets									
Total economic classification	42 284	54 327	164 732	161 000	161 000	161 000	79 387	82 768	90 013

TABLE 4.38: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HEALTH PROFESSIONS TRAINING AND DEVELOPMENT GRANT: CENTRAL HOSPITAL SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	501 952	592 498	504 735	515 360	515 360	515 360	517 750	540 095	567 100
Compensation of employees	493 615	507 508	450 372	428 800	428 800	428 800	218 000	228 355	239 773
Salaries and wages	440 999	467 753	402 805	316 587	316 587	316 587	177 252	185 977	195 276
Social contributions	52 616	39 755	47 567	112 213	112 213	112 213	40 748	42 378	44 497
Goods and services	8 337	84 990	54 363	86 560	86 560	86 560	299 750	311 740	327 327
Minor Assets		335	564	383	383	383	13 018	13 539	14 216
Consultants and professional services: Laboratory services	291	11 347	9 898	30 912	30 912	30 912	77 730	80 839	84 881
Contractors		13	144						
Inventory: Fuel, oil and gas			491						

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Inventory: Materials and supplies		15	194						
Inventory: Medical supplies	7 484	64 962	30 526	36 741	36 741	36 741	155 586	161 809	169 900
Inventory: Medicine	562	8 000	12 462	18 524	18 524	18 524	53 416	55 553	58 330
Consumable supplies		21	28						
Consumable: Stationery, printing and office supplies		175							
Travel and subsistence		105	1						
Training and development		17	22						
Operating payments			33						
Transfers and subsidies		503	119						
Households		503	119						
Social benefits		428	119						
Other transfers to households		75							
Payments for capital assets	298	5 465	7 238	20 640	20 640	20 640	27 250	28 340	35 441
Machinery and equipment	298	5 465	7 238	20 640	20 640	20 640	27 250	28 340	35 441
Other machinery and equipment	298	5 465	7 238	20 640	20 640	20 640	27 250	28 340	35 441
Payments for financial assets									
Total economic classification	502 250	598 466	512 092	536 000	536 000	536 000	545 000	568 435	602 541

TABLE 4.39: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HEALTH PROFESSIONS TRAINING AND DEVELOPMENT GRANT: PROVINCIAL HOSPITAL SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	66 862	72 034	87 740	108 408	108 408	108 408	194 956	203 369	215 680
Compensation of employees	66 374	67 980	78 023	91 291	91 291	91 291	101 808	106 495	113 962
Salaries and wages	61 091	63 093	71 557	67 882	67 882	67 882	76 120	79 780	85 910
Social contributions	5 283	4 887	6 466	23 409	23 409	23 409	25 688	26 716	28 052
Goods and services	488	4 054	9 717	17 117	17 117	17 117	93 148	96 874	101 718
Administrative fees		3							
Minor Assets				1 313	1 313	1 313	4 269	4 440	4 662
Communication (G&S)		6							
Consultants and professional services: Laboratory services	46	1 275	1 385	3 921	3 921	3 921	17 095	17 779	18 668
Contractors			345						
Inventory: Fuel, oil and gas		14							
Inventory: Medical supplies	136	2 439	1 505	8 434	8 434	8 434	44 648	46 434	48 756
Inventory: Medicine	220	270	6 197	3 449	3 449	3 449	27 136	28 221	29 633
Consumable supplies	12	10	247						
Travel and subsistence	43	37	38						
Operating payments	31								
Transfers and subsidies	32	286							
Households	32	286							
Social benefits	32	286							
Payments for capital assets		483	351	5 706	5 706	5 706	10 261	10 671	11 205
Buildings and other fixed structures									
Machinery and equipment		483	351	5 706	5 706	5 706	10 261	10 671	11 205
Transport equipment									
Other machinery and equipment		483	351	5 706	5 706	5 706	10 261	10 671	11 205
Total economic classification	66 894	72 517	88 377	114 114	114 114	114 114	205 217	214 041	226 885

TABLE 4.40: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: NATIONAL TERTIARY GRANT: CENTRAL HOSPITAL SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	2 754 330	2 878 317	3 187 989	3 160 989	3 300 805	3 300 805	3 341 053	3 485 241	3 703 534
Compensation of employees	1 919 667	2 115 553	2 269 799	2 330 866	2 176 730	2 176 730	2 220 101	2 315 913	2 460 966
Salaries and wages	1 851 294	1 929 297	2 129 059	2 330 866	2 176 730	2 176 730	2 129 297	2 221 190	2 360 310
Social contributions	68 373	186 256	140 740				90 804	94 723	100 656
Goods and services	834 663	762 764	918 190	830 123	1 124 075	1 124 075	1 120 952	1 169 328	1 242 568
Minor Assets	34	3 922	3 582	2 082	28 579	28 579	18 599	19 402	20 617
Communication (G&S)	1								
Computer services		7 689	209						

Consultants and professional services: Laboratory services	228 118	240 910	149 476	194 398	276 988	276 988	321 016	334 870	355 844
Contractors	54 264	48 687	43 962	31 834	54 906	54 906	62 671	65 376	69 471
Agency and support / outsourced services	19	14 525	36 028	16 432			6 074	6 336	6 733
Inventory: Clothing material and accessories			652	5 700			1 528	1 594	1 694
Inventory: Food and food supplies		194	1 836	3 900					
Inventory: Fuel, oil and gas	5 873	66	171	528			490	511	543
Inventory: Learner and teacher support material			3						
Inventory: Materials and supplies		378	403	77			10	10	11
Inventory: Medical supplies	483 455	302 821	399 776	359 741	451 970	451 970	416 499	434 474	461 686
Inventory: Medicine	60 657	113 986	263 766	196 745	269 062	269 062	271 905	283 639	301 404
Consumable supplies	879	11 768	13 241	10 707	20 142	20 142	12 758	13 309	14 143
Consumable: Stationery,printing and office supplies	39	120	655	865			1 072	1 118	1 188
Operating leases	1 015	1 539	97	6 320	22 428	22 428	8 121	8 471	9 002
Property payments		15 618	4 289						
Travel and subsistence	227	437	44				209	218	232
Training and development		85		794					
Operating payments	82	19							
Transfers and subsidies			6 234		15 130	15 130	22 666	23 644	25 124
Households			6 234		15 130	15 130	22 666	23 644	25 124
Social benefits			6 234		15 130	15 130	22 666	23 644	25 124
Payments for capital assets	5 391	166 209	111 587	332 902	177 956	177 956	209 137	218 163	231 826
Machinery and equipment	5 391	166 209	111 587	332 902	177 956	177 956	209 137	218 163	231 826
Other machinery and equipment	5 391	166 209	111 587	332 902	177 956	177 956	209 137	218 163	231 826
Payments for financial assets									
Total economic classification	2 759 721	3 044 526	3 305 810	3 493 891	3 493 891	3 493 891	3 572 856	3 727 048	3 960 484

TABLE 4.41: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: NATIONAL HEALTH INSURANCE: DISTRICT HEALTH SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/2015	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments		2 195	3 650	1 936	1 936	1 936	3 921	3 743	3 833
Compensation of employees		1 291		902	902	902	650	681	715
Salaries and wages		1 291		902	902	902	550	576	605
Social contributions							100	105	110
Goods and services		904	3 650	1 034	1 034	1 034	3 271	3 062	3 118
Administrative fees			18						
Advertising							100		
Minor Assets		533	1 670	1 034	1 034	1 034	200	210	220
Catering: Departmental activities							50	50	50
Communication (G&S)			955				530	557	585
Contractors							50		
Inventory: Medical supplies		371	962						
Consumable supplies			45				740	445	363
Training and development							1 601	1 800	1 900
Transfers and subsidies			333						
Non-profit institutions			333						
Payments for capital assets		211	6 676	5 064	8 345	8 345	3 283	3 800	4 180
Machinery and equipment		211	6 676	5 064	8 345	8 345	3 283	3 800	4 180
Other machinery and equipment		211	6 676	5 064	8 345	8 345	3 283	3 800	4 180
Payments for financial assets									
Total economic classification		2 406	10 659	7 000	10 281	10 281	7 204	7 543	8 013

TABLE 4.42: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: EXPANDED PUBLIC WORKS PROGRAMME: DISTRICT HEALTH SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	785			14 275	14 275	14 275	8 788		
Compensation of employees									
Goods and services	785			14 275	14 275	14 275	8 788		
Contractors				14 275	14 275	14 275	8 788		
Inventory: Medical supplies	666								
Consumable supplies	119								
Interest and rent on land									
Transfers and subsidies	17 889	28 727							
Non-profit institutions	17 889	28 727							
Payments for capital assets				200	200	200			
Machinery and equipment				200	200	200			
Other machinery and equipment				200	200	200			
Payments for financial assets									
Total economic classification	18 674	28 727		14 475	14 475	14 475	8 788		

TABLE 4.43: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: AFCON 2013 GRANT: EMERGENCY MEDICAL SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	661								
Compensation of employees		661							
Salaries and wages		661							
Transfers and subsidies									
Payments for capital assets		2 339							
Machinery and equipment		2 339							
Other machinery and equipment		2 339							
Payments for financial assets									
Total economic classification		3 000							

TABLE 4.44: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: FORENSIC PATHOLOGY SERVICES GRANT: DISTRICT HEALTH SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	82 930								
Compensation of employees		49 151							
Salaries and wages		43 137							
Social contributions		6 014							
Goods and services		33 779							
Administrative fees		2							
Advertising		265							
Minor Assets		686							
Catering: Departmental activities		35							
Communication (G&S)		777							
Computer services		78							
Consultants and professional services: Laboratory services		649							
Consultants and professional services: Legal costs		21							
Contractors		257							
Agency and support / outsourced services		486							
Fleet services (including government motor transport)		2 777							
Inventory: Food and food supplies		15							
Inventory: Fuel, oil and gas		23							
Inventory: Materials and supplies		127							
Inventory: Medical supplies		2 531							
Inventory: Medicine		6							
Consumable supplies		922							
Consumable: Stationery, printing and office supplies		422							
Operating leases		2 214							
Property payments		19 841							

Transport provided: Departmental activity	26		
Travel and subsistence	20		
Training and development	952		
Operating payments	47		
Venues and facilities	600		
Transfers and subsidies			
Provinces and municipalities			
Payments for capital assets	13 604		
Buildings and other fixed structures	1 800		
Other fixed structures	1 800		
Machinery and equipment	11 804		
Other machinery and equipment	11 804		
Payments for financial assets			
Total economic classification	96 534		

TABLE 4.45: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: NATIONAL HEALTH INSURANCE: CENTRAL HOSPITAL SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments		3 207							
Compensation of employees		2 358							
Salaries and wages		2 153							
Social contributions		205							
Goods and services		849							
Minor Assets		555							
Contractors		153							
Inventory: Medical supplies		27							
Consumable supplies		54							
Consumable: Stationery, printing and office supplies		60							
Transfers and subsidies									
Payments for capital assets		2 449	3 046						
Machinery and equipment		2 449	3 046						
Other machinery and equipment		2 449	3 046						
Payments for financial assets									
Total economic classification		5 656	3 046						

TABLE 4.46: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION : HOSPITAL REVITALIZATION GRANT: HEALTH FACILITIES MANAGEMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	182 774	109 638	189 785	284 802	258 401	258 401	11 742		
Compensation of employees			3 893	4 000	5 000	5 000	5 000		
Salaries and wages			3 204	3 600	3 800	3 800	4 000		
Social contributions			689	400	1 200	1 200	1 000		
Goods and services	182 774	109 638	185 892	280 802	253 401	253 401	6 742		
Advertising	16	227			300	300			
Minor Assets	3 273	2 314	9 468	23 000	16 260	16 260	1 000		
Catering: Departmental activities	6				300	300			
Communication (G&S)	1		828						
Computer services	38 587	30 124			22 946	22 946			
Contractors	(81)	257	198		9 508	9 508			
Agency and support / outsourced services	1 771		8						
Fleet services (including government motor transport)			22						
Inventory: Clothing material and accessories			165						
Inventory: Food and food supplies	28	8	1		10	10			
Inventory: Fuel, oil and gas			3 159						
Inventory: Materials and supplies	294	12	520		2 500	2 500			
Inventory: Medical supplies	458	381	17 223		9 000	9 000			
Inventory: Medicine	1		1 806						
Inventory: Other supplies	434	382							
Consumable supplies			14 044		6 300	6 300	2 000		
Consumable: Stationery, printing and office supplies	1	100	644	6 000	50	50			

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Operating leases		1 056							
Property payments	135 546	72 128	134 578	244 682	180 979	180 979			
Transport provided: Departmental activity					45	45			
Travel and subsistence		33	155		170	170			
Training and development	2 279	2 616	3 013	7 120	4 533	4 533	3 742		
Operating payments	160		60						
Rental and hiring					500	500			
Transfers and subsidies									
Payments for capital assets	745 959	568 655	284 014	386 231	494 299	494 299	301 888	697 868	841 234
Buildings and other fixed structures	590 302	520 663	250 752	304 062	313 666	313 666	294 323	697 868	841 234
Buildings	590 218	520 663	250 752	304 062	313 666	313 666	294 323	697 868	841 234
Other fixed structures	84								
Machinery and equipment	155 657	47 992	33 262	82 169	180 633	180 633	7 565		
Other machinery and equipment	155 657	47 992	33 262	82 169	180 633	180 633	7 565		
Payments for financial assets									
Total economic classification	928 733	678 293	473 799	671 033	752 700	752 700	313 630	697 868	841 234

TABLE 4.47: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION : EXPANDED PUBLIC WORKS GRANT: HEALTH FACILITIES MANAGEMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments			3 000	2 010	2 010	2 010	2 051		
Compensation of employees									
Goods and services			3 000	2 010	2 010	2 010	2 051		
Contractors				2 010	2 010	2 010	2 051		
Operating payments			3 000						
Transfers and subsidies									
Payments for capital assets									
Payments for financial assets									
Total economic classification			3 000	2 010	2 010	2 010	2 051		

TABLE 4.48: TRANSFERS TO LOCAL GOVERNMENT BY CATEGORY AND MUNICIPALITY: HEALTH

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Category A	347 225	971 616	559 399	596 185	596 185	596 185	627 778	661 050	694 103
Ekurhuleni Metro	126 617	391 481	215 526	229 602	229 602	229 602	272 736	254 583	267 312
City of Johannesburg	96 523	139 106	99 990	107 573	107 573	107 573	113 273	119 276	125 240
City of Tshwane	124 085	441 029	243 883	259 010	259 010	259 010	241 769	287 191	301 551
Category B									
Category C	56 866	111 909	48 278	50 856	50 856	50 856	53 548	56 386	59 205
Sedibeng District Municipality	34 151	54 209	6 372	6 691	6 691	6 691	7 043	7 416	7 787
West Rand District Municipality	22 715	57 700	41 906	44 165	44 165	44 165	46 505	48 970	51 419
Total transfers to municipalities	404 091	1 083 525	607 677	647 041	647 041	647 041	681 326	717 436	753 308

VOTE 5

DEPARTMENT OF EDUCATION

To be appropriated by vote in 2015/16	R36 043 909 000
Responsible MEC	MEC for Education
Administering Department	Department of Education
Accounting Officer	Head of Department

1. OVERVIEW

Vision

Every learner feels valued and inspired in our innovative education system.

Mission

We are committed to provide functional and modern schools that enable quality teaching and learning to protect and promote the right of every learner to quality, equitable and relevant education.

Strategic Goals

The key provincial goals that Gauteng Department of Education (GDE) plans to achieve in the next five years and in the 2015/16 MTEF are:

Goal 1: Deliver quality education in a conducive learning environment

- Pillar 1: Curriculum and assessment development
- Pillar 2: Teacher provision and support
- Pillar 3: Leadership and management.

Goal 2: Provide an administrative service that supports modern and innovative schools

- Pillar 4: Infrastructure development and maintenance
- Pillar 5: Planning, finance and resourcing
- Pillar 6: ICT in education.

Goal 3: Transform public schooling by addressing barriers to access, equity and redress

- Pillar 7: Social cohesion
- Pillar 8: School functionality including community involvement.

Goal 4: Increase access to quality pre- and post-school educational opportunities

- Pillar 9: Skills development
- Pillar 10: Access to quality early childhood development (ECD).

To achieve our goals, the department will work closely with other provincial departments, such as the Department of Social Development, Department of Health, Department of Infrastructure Development, Department of Sport, Arts, Culture and Recreation and Department of Economic Development.

Core functions and responsibilities

The department works to ensure that people of all ages and backgrounds have the education, skills and opportunities to pursue activities that promote their wellbeing and build strong communities. We are primarily

responsible for the delivery and regulation of pre-tertiary schooling and we are a delivery agent for provincial skills development in Gauteng. All the department's plans and service delivery areas are aligned to national and provincial imperatives with special focus on curriculum delivery, teaching and learning support material, infrastructure, ICT and teacher placements.

Main services

The department will provide the following education programmes:

- Public ordinary schooling: this involves the provision of ordinary schooling to all learners in the province (primary and secondary schools);
- Independent schools: this involves the provision of subsidies to independent schools that qualify and monitoring the conditions that are pre-requisites for continued funding;
- Special schools education: this involves the provision of schooling to all learners with special education needs in the province from Grade 1 to Grade 12, and non-formal education programmes;
- ECD: this programme focuses on providing Grade R in state, private and community centres. The programme also seeks to provide support for ECD programmes for pre-Grade R learners; and
- Skills development: this entails the improvement of skills in the province through GCRA.

Underpinning the provision of the services above are the following education services:

- Improving teaching: curriculum development, implementation of support systems to teachers, learners and management, and assessment of learning. This includes specialist support to learners by therapists and educational psychologists;
- Improving curriculum and school management: Institutional development and support to schools through school development planning, subsidies, monitoring of institutional performance and monitoring and developing school governance;
- Human resource development: provision of in-service programmes, management development and pre-service bursaries;
- In-school/ in-college sport and culture: provision of extra-curricular activities in the form of sport, arts and culture in schools;
- Improving resources: resource management and provision including procurement of goods and services for schools that are not self-managing, and provision of learner and teacher support materials (LTSM), administrative equipment and labour saving devices;
- National Senior Certificate examinations for Grade 12 and standardised testing for grades 3, 6, 9: standards and benchmarking is a school evaluation service that has been established to measure and report on institutional and learner performance per school; and
- Parental support: providing necessary support to parents so that they can support and monitor their children's education through partnering with school governing bodies and schools.

Ten pillar programme of transformation, modernisation and re-industrialisation

The National Education Sector has identified a number of goals that are consistent with the department's cradle-to-career education strategy, with the 2030 National Development Plan, Gauteng 2055 and Schooling 2030, which will be used to regularly monitor and report progress. The effective implementation of the department's priorities and strategic goals will depend, in part, on the effective use of high-quality and timely data, including evaluations and performance measures, throughout the lifecycle of policies and programmes. The department is committed to increasing the number of programmes and initiatives that are evaluated using methods that include those consistent with the standards set by the Department of Planning, Monitoring and Evaluation and incorporating cost-effectiveness measures.

The department's plan is underpinned by the Ten Provincial Pillars. The education plan responds to the strategies under Provincial Pillar 3: Accelerated social transformation.

Pillar 3: Accelerated social transformation.

Quality education is key to accelerating and achieving social transformation. The modernisation of classroom practice is critical to achieving quality education in the classroom. The department is focusing on advancing education by ensuring that all teachers and learners have access to broadband and smart learning and teaching tools.

The Department will also contribute to three other pillars.

Pillar 1: Radical economic transformation: promoting youth employment

Through the Gauteng City Region Academy, the province will focus on skills development and, specifically, on promoting youth employment. Together with the Department of Economic Development, we will introduce a

range of skills development and training opportunities for the youth of the province. As part of the Master Skills Plan skills development programmes, internship and learnership programmes will support the youth in the province in entering the job market.

Pillar 4: Transformation of the state and governance.

Through the Gauteng City Region Academy, the province will focus on skills development of public servants who will lead the interventions and transformation of services that will develop the Gauteng City Region (GCR). The focus will be on integrating the training of provincial and local government officials and on supporting the creation of a seamless public service to support and realise the GCR.

Pillar 5: Modernisation of the public service

As part of our vision of modernising the delivery of public education we will see greater efforts in harnessing ICT in schools and in education as a whole. This is consistent with the province's vision of building a smart, knowledge-based and innovation-driven Gauteng economy.

Acts, rules and regulation

- Further Education and Training Colleges Act, 2006 (Act No.16 of 2006), as amended;
- South African Council for Educators Act, 2001 (Act 31 of 2001), as amended;
- Promotion of Administrative Justice Act, 2000 (Act No. 3 of 2000);
- Promotion of Access to Information Act, 2000 (Act No. 2 of 2000).
- Adult Education and Training Act, 2000 (Act No. 52 of 2000), as amended;
- Public Finance Management Act, 1999 (Act No. 1 of 1999), as amended;
- Skills Development Act, 1998 (Act No. 97 of 1998), as amended;
- Gauteng Education Policy Act, 1998 (Act No. 12 of 1998), as amended;
- Employment of Educators Act,(Act 76 of 1998);
- Constitution of the Republic of South Africa, 1996 (Act 108 of 1996), as amended;
- National Education Policy Act, 1996 (Act 27 of 1996) (NEPA), as amended;
- South African Schools Act, 1996 (Act 84 of 1996), as amended;
- Gauteng Schools Education Act, 1995 (Act No. 6 of 1995), as amended; and
- Public Service Act , 1994 (Proclamation 103, Published in GG 15791 of 3 June 1994

2. REVIEW OF THE CURRENT FINANCIAL YEAR (2014/15)

Goal 1: Delivering Quality education in modern and conducive learning environments

Pillar 1: Curriculum and assessment

Gauteng Primary Language and Mathematics Strategy (GPLMS)

Foundation phase

To improve learner performance across primary school grades, the department began institutionalising and mainstreaming the GPLMS in the education districts. This was done to ensure that support to teachers, learners and schools becomes a daily task of district officials thus ensuring sustained quality improvement across primary schools.

The intervention programmes focused on primary schools that scored unacceptably low levels in provincial and national assessments and aimed to develop knowledgeable and skilled teachers who could provide teaching and learning of a high standard to all learners in a multilingual classroom. The purpose was to improve the teaching of language and mathematics in 834 selected primary schools in the province and to ensure that 60 per cent of learners at these schools perform at 50 per cent and above in these subjects.

Foundation phase lesson plans for languages were distributed to schools by district officials, who also mediated these lesson plans to teachers. The use of these resources continues to be monitored. Mathematics term 4 lesson plans were developed, distributed and mediated with all foundation phase teachers in targeted schools. A total of 205 number line kits were also distributed to Grade 2 teachers in schools.

Intermediate phase

With regard to the implementation of the GPLMS in the Intermediate phase i.e. grades 4-7, the baseline

assessment results were analysed and indicated an improvement with the implementation of the literacy catch-up programme by the Department. The language lesson plans for grades 4 to 6 were developed and quality assured. Training for supervisors and district officials on the lesson plans took place subsequently.

Intermediate phase coaches were appointed and trained. Coaches conducted professional learning groups (PLGs) for teachers on possible approaches to using the lesson plans effectively. To provide support to learners for the 2014 annual national assessments (ANAs), the department developed the ANA revision learners' books for grades 4-9 for English; in order to address some of the weaknesses experienced by learners in the September 2013 ANA tests. Just-In-time training was conducted for the intermediate phase coaches, and district officials also received training on content and teaching methodology. A total of 7 143 teachers were trained and of this, 4 038 were trained on the implementation of lesson plans. The department conducted training of the provincial core team of master trainers in November 2014 in preparation for the implementation of the Reading Club pilot in Gauteng with a view to improving literacy skills of learners in the intermediate phase. The initiative is aimed at benefiting 300 pilot schools.

Annual national assessment results: grades 3, 6 and 9

Extra resources were developed and finalized. These consisted of ANA exemplars for grades 4 to 9, including ANA guidelines, ANA practice exercises and ANA past papers. Daily homework and extra revision work was incorporated into the teachers' lessons. The package was put on CDs and given to all schools in order to ensure that learners are prepared.

Grade 3

In terms of the 2014 Grade 3 ANA conducted in September 2014, 73 per cent of the learners were functioning at the required level in literacy in Grade 3. The target of 60 per cent was exceeded. A total of 70.8 per cent of the learners were functioning at the required level in numeracy. The target of 60 per cent was met and exceeded.

Grade 6

In Grade 6, 79.8 per cent of learners were found to be functioning at the required level in language. The target of 60 per cent was met and exceeded. For Grade 6 mathematics, 51.7 per cent of the learners were found to be functioning at the required level. The target of 60 per cent was not met. However Gauteng is making steady progress in improving mathematics teaching and learning.

Grade 9

The Grade 9 ANA was conducted as a pilot in 2011. In 2012 the ANA test was fully implemented in Grade 9. In 2014, 48.3 per cent of the learners were found to be functioning at the required level in home language, and in first additional language (FAL), 25 per cent of Grade 9 learners in the province were found to be functioning at the required level. Grade 9 mathematics is still not functioning on par as 4 per cent of the learners were found to be functioning at the required level. The national scores were universally low and worrying across South Africa.

Secondary School Intervention Programme (SSIP)

The department implemented the Secondary School Intervention Programme (SSIP) focusing on providing additional support and materials to learners in secondary schools. Through the SSIP programme, learners attended extra classes on weekends and during school holidays. The department monitored the SSIP for Grade 12 and tuition camps for English FAL, economics, business studies, geography and history were held. A total of 156 sites were established and 59 883 learners attended the extra SSIP classes.

In 2014 learners achieved a matric pass percentage of 84.7 per cent. This was the highest pass percentage in the country. The pass percentage for science increased, in 2014, to 68.3 per cent. The pass percentage for mathematics was 69.3 per cent.

Other programmes under SSIP

In terms of other projects and programmes under SSIP, the Dinaledi Schools Project was established nationally to promote mathematics and physical sciences teaching and learning, and also English FAL, to increase the number of learners pursuing careers in science and mathematics and thus address scarce skills in South Africa. The programme was established in 103 Gauteng secondary schools. The project is underpinned by the mathematics, science and technology (MST) strategy which seeks to improve the teaching and learning of mathematics and physical science through the provision of LTSM, teacher development and learner support.

In terms of the Maths, Science and Technology Grant, a career guidance programme was conducted with Grade 9 learners in the 61 recapitalisation schools identified in the turn-around plan. A total of 23 000 Grade

9 learners were targeted through the career guidance programme in 2014. A comprehensive package of career guidance information, booklets and brochures was distributed to the 61 schools. Life orientation teachers from the 61 schools were trained to roll out the career guidance programme.

Pillar 2: Teacher provisioning and support

A "just-in-time" training approach, focused on improving the teachers' ability to deliver the curriculum content, was adopted and all targeted teachers in underperforming primary schools received training and support relating to curriculum delivery.

To further support teachers, the department has appointed 180 coaches in schools in order to offer technical support and to act as a critical friend as teachers implement the curriculum. Through this intervention the department managed, for the first time since 1994, to provide direct support to teachers in the classroom.

With regard to the provision of LTSM, the lesson plans for languages and mathematics for every school term were developed and distributed to schools. All targeted teachers have been provided with lesson plans and all foundation phase coaches were trained in the implementation of the lesson plans.

To enhance good quality learning and teaching, 73 teachers were trained in automotive electrical systems in the third quarter. Teacher training was also conducted for all teachers teaching mechanical technology in grades 10 to 12 to improve their skills and competence levels. Teachers received a kit to conduct simulation tasks for the automotive component of mechanical technology.

Pillar 3: Leadership and management

The department has implemented the district model where schools are divided into clusters and circuits to enhance service delivery to schools. The District Simulation Centre was launched in August 2014.

A total of 200 schools were visited to administer the School Management Teams' (SMT) satisfaction survey. This is an internal client satisfaction survey. The purpose of the survey is to assess the support that schools receive from individual districts.

In terms of support provided to public servants, a total of 783 executive, senior, middle and junior managers were trained. A total of 800 participants, including Gauteng Provincial Government (GPG) managers, attended the senior management staff (SMS) conference which focused on improving management skills.

Goal 2: Creating a first class education administration focused on supporting modern and innovative schools and classrooms

Pillar 4: Infrastructure development and maintenance

CAPEX

A total of six new schools have been completed. A total of 300 Grade R alternative construction technology (ACT) classrooms have been allocated and delivered to schools. In terms of delivery of ordinary classrooms, the department has allocated a total of 400 units and all have been delivered to schools across the province. A total of 57 schools under rehabilitation have been completed and 62 schools are under construction. A total of 153 classrooms have been delivered and connection of electricity, paving and stairs is on-going.

With regard to creation of the schools of the future, those that will be the pilots for this scheme have been identified. The infrastructure needs of the schools/classrooms of the future have been identified and work has commenced on the building of these classrooms, with two completed. The re-profiling of these schools is being planned.

Pillar 5: Planning, finance and resourcing

The department has plans in place to ensure that all budgets are spent according to plan and cash flow requirements.

The current allocation has been split into 87 per cent which directly impacts on classroom outcome, and 13 per cent that indirectly impacts on the classroom. Over the MTEF 88 per cent and 12 per cent directly and indirectly impacting on classroom outcomes has been allocated.

The 2014/15 Annual Performance Plan has been tabled and approved. The department reports against this plan as per legislative requirements. The 2014-2019 Strategic Plan and the 2015/16 Annual Performance Plan of the department have been drafted.

Pillar 6: ICT in education

ICT in schools

The department has distributed 84 320 tablets to schools as part of e-learning solutions. Nine secondary schools are now using e-books on the tablets. A total of 1 467 teachers were trained during the third quarter; this brings the total of teachers trained in the 2014/15 financial year to 5 477. Training for 23 school principals and 46 school ICT coordinators from the 23 priority schools has been conducted.

School of the future

ICT training is being rolled out to the six identified schools. Approximately 5 200 tablets have been distributed to these schools. This is in addition to the tablets distributed to all other schools. E-content is in the process of being identified and introduced to these schools.

Goal 3: Transform public schooling by addressing barriers to access, equity and redress

Pillar 7: Social cohesion

In order to achieve effective schools and effective teaching and learning, the department implemented a number of poverty combating measures.

No fee schools

The no fee schools in the province have a combined enrolment of 1 163 722 learners.

School nutrition programme

The National School Nutrition Programme (NSNP) and scholar transport programmes form part of government's Reconstruction and Development Programme (RDP) which aims to promote punctuality amongst learners, alleviate short-term hunger and contribute to the general health and development of needy learners. The department feeds all learners in no fee schools: a total of 1 163 722 learners are currently being fed

Scholar transport

The department provided scholar transport to 79 420 learners in 14 districts. Departmental officials monitor the transport routes to ensure that learners are safely transported to enjoy a full day of learning.

School safety

The goal of the department is to provide a safe and secure environment so that learners can perform optimally. Through the Extra School Support Programme (ESSP) which seeks, in part, to increase safety in schools, the department appointed a total of 6 229 patrollers as security personnel at schools throughout the province.

A total of 1 300 schools are implementing the School Safety Programme.

Pillar 8: School functionality including community Involvement

The Quality Learning and Teaching Campaign (QLTC)

The QLTC used individuals and organisations to assume responsibility for improving the quality of education in schools under their jurisdiction.

School governing body (SGB) and representative council of learners (RCL) development and parent support programmes

The department supported and developed SGBs and RCLs with the emphasis on improving management and leadership capacity in schools across the province. In addition, a total of 95 659 parents have been trained as part of the parent support initiative of the department.

Extra School Support Programme

The ESSP seeks to increase after-school support for learning and increase safety in schools. The programme will ensure that learners have caring and supportive individuals available beyond normal contact time. These employees will assist with homework support programmes as homework supervisors for grade 1 -7 in quintiles 1 to 3 schools. School safety will be improved by employing security personnel as part of the programme.

Currently, through the programme a total of 2 118 sport assistants, 2 736 homework assistants and 6 229 patrollers have been provided to schools.

Public sector involvement: leading by example

In terms of the cleaning of schools, the department has clustered 16 of the 21 priority schools with schools in the vicinity and identified cleaners with the help of community development workers (CDWs). Discussions at operational level have taken place with the Department of Infrastructure Development (DID) on funding through the EPWP programme in 2015/16.

Goal 4: Increase access to quality pre- and post-schooling educational opportunities**Pillar 9: Skills development****Career counselling**

To provide further training opportunities, thus fulfilling one of the department's goals of enabling young people to make the transition from school to further education and/or work, the department facilitated the implementation of career guidance programmes. The department is in the process of formalising the management of the Career Guidance and Career Development programme in order to consolidate the work done in this area. This process ensured that quality career guidance, advice and information are provided to learners that will impact directly on their performance and success. A total of 159 582 grade 8 and 9 learners had access to career guidance and counselling through 457 lay counsellors in the current financial year.

Bursaries

To increase the sustainability of learning and the flow of learners to higher education and eventual gainful employment, a total of 2924 bursaries were awarded to learners at no-fee paying schools.

Learnerships and internships

A total of 240 learners are currently on formal learnership/ internship programmes. A total of 1 479 learners were placed in skills development programmes and 290 learners on the tool and dye artisan programme were adopted and supported by companies with a view to career pathing and employment. In total, 1 993 learners are benefiting from experiential learning and workplace experience.

Public sector training

The department has, since 2009, trained a total of 97 242 public servants across all GPG departments. Currently, a total of 783 executive, senior, middle and junior managers are being trained. A total of 800 participants, including GPG managers, attended the SMS conference to improve management skills.

Pillar 10: Access to quality Early Child Development**Universalisation of Grade R**

There are 133 142 learners enrolled in registered Grade R sites in the province.

Practitioner training

To date 583 Grade R practitioners have registered for the Bachelor of Education Foundation Phase qualification with UNISA and 1 236 pre-Grade R practitioners have completed and graduated from NQF Level 4. Also, 808 pre-Grade R practitioners have completed their course and their portfolios are currently being moderated. 700 pre-Grade R practitioners have registered for their training to commence in 2015.

3. OUTLOOK FOR THE COMING FINANCIAL YEAR (2015/16)

Goal 1: Deliver quality education in a conducive learning environment

Pillar 1: Curriculum and assessment development

Improving learner performance in primary schools

Primary school interventions will mainly focus on improving learner performance in language and mathematics. The interventions will be mainstreamed into the line-functions as part of normal curriculum implementation and management through head office and district office subject facilitators. The department will incorporate the principles of the strategies into the teaching and learning methods and processes in the province. The overall focus will be on assessment, teaching and learning, learner support and support of school management. Teachers will be supported in content development and curriculum delivery. Additional focus will be placed on assistance and support for language in the intermediate and senior phases. Schools will receive multi-grade support and classroom management training and support. There will be micro-targeting of schools with low ANA results.

The incremental introduction of isiZulu, Sesotho, Setswana, Sepedi, Xitsonga and Afrikaans will be rolled out in 12 pilot schools in the province. Consultation sessions have been arranged with affected schools to get the support and buy-in from the parents and the school community. The department is in the process of training and developing the teachers who will introduce the African languages into schools. LTSM are being procured for successful implementation in pilot schools.

The department will implement a revised method of support to improve mathematics across all phases. Teachers will receive revised lesson plans that cover background content to assist with content gaps. The revised lesson plans include the use of the mental mathematics kits and structured scaffold content with class work and homework activities. The PLGs will include content training for teachers. A concept manual showing the development/progression of mathematical skills and concepts will be developed for teachers. The resources will benefit intermediate phase mathematics teachers as well as district officials, principals and head of department.

The Intersen phase resources include homework booklets for learners to reinforce key concepts learnt and textbooks with embedded assessments in preparation for the Curriculum and Assessment Policy Statements (CAPS). Priority schools will get DVDs based on content and pedagogical training for teachers.

The department will provide LTSM to schools to progressively support the implementation of digital materials. The grade 3 to 7 resources will include lesson plans, graded readers, teacher resource packs, worksheets, handwriting charts, posters and workbooks for language and mathematics.

Annual National Assessments

The ANA for 2014 showed the province improved the number of learners that passed numeracy and literacy in Grade 3 and language in Grade 6 and 9. Mathematics in the intermediate and senior phases showed a decrease in performance, hence, the intensified support in this learning area. The department envisages increasing achievement in mathematics and languages to 63% by the end of the 2015 academic year with assistance from the learner improvement programmes at school and district level.

Secondary Schools Intervention Programme

The department will ensure that it appoints teachers based on their experience and qualifications to teach Grade 12 mathematics and science. The department's aim is to ensure that 50 per cent of Grade 12 learners must achieve at the required level in science and 60 per cent must achieve at the required level in mathematics. The interventions in the further education and training (FET) phase will mobilise parents to improve learner attendance during school and holiday programmes. Classroom practice and management in schools will be aligned to the intervention programmes that must be quality assured to link with lesson plans in preparation for examinations.

To improve the Grade 12 pass and bachelor rates the FET intervention programme will expand to Grade 10 and 11 learners in priority schools with a focus on mathematics, physical science, accounting and 'English for learning'. SIPP will target Grade 12 learners concentrating on mathematics, life science, physical science, accounting, geography, economics, mathematics literacy, history, business studies and English FAL. The FET intervention programme will also offer direct support to teachers from priority schools.

Textbooks will be provided to support the implementation of CAPS in Grades 7-9 and Grade 12. The FET phase will receive mathematics and mental mathematical kits, microscopes and technology equipment as part of the mathematics, science and technology strategy. The provision of these resources will be accompanied by training of educators to use the resources optimally.

The department will increase its investment in the mathematics and science related fields of study through the Mathematics, Science and Technology Grant. The grant will be utilised in selected schools that need support to improve learner performance in these areas. The grant also makes provision to support the introduction of e-learning strategies across the identified schools. Schools will be selected through the Department of Basic Education (DBE) in collaboration with the departmental and district offices based on needs and allocation of funds shall be identified through criteria indicated in the framework. The implementation of the grant is through a phased-in or gradual approach to ensure that a substantial number of schools benefit. This gradual approach will be extended to fund the schools declared as focus schools once the norms and standards for focus schools have been promulgated.

The scope of the grant increased to include primary and secondary schools covering mathematics (grade 4-12), technical mathematics (grade 10-12); ssciences: natural sciences and technology (grade 4-6); natural sciences (grade 7-9), physical sciences, life sciences and agricultural sciences, technical sciences (grade 10-12); technology subjects: technology (grade 7-9); computer application technology (CAT), information technology (IT), civil technology, electrical technology, mechanical technology, engineering graphics and design, agricultural technology, agricultural management (grade 10-12).

In addition, based on the Grade 9 performance in the ANA tests, the department will introduce quality improvement intervention in the senior phase focused on improving language, especially English FAL, and mathematics with an increased focus on Grade 9. The language and mathematics improvement programmes will offer support to schools on the priority list by providing direct support to Grade 8 and 9 learners. This programme will be located under the existing SSIP.

Pillar 2: Teacher provision and support

The Gauteng Professional Teacher Development Strategy is aimed at qualitative improvements in mathematics, science and technology, literacy, school safety, inclusion, Grade R, performance management (Integrated Quality Management System) and Continuing Professional Teacher Development (CPTD).

The key to this strategy is that if pre-service training delivers the quality teachers we need, it reduces the burden on in-service training programmes in needing to get teachers classroom ready. In-service training focuses on improving the quality of teaching and learning through CPTD in priority areas, with a focus on ICT. The strategy seeks to successfully capture and share organizational knowledge and information through Communities of Practice (COP) or Communities of Learning (COL) and the establishment of an intranet portal.

The circuit support teams at district level (e.g. subject facilitators, cluster leaders and teacher development centre facilitators) would be capacitated on priority areas, so that they are able to provide the necessary guidance and support to schools via the school clusters.

Pillar 3: Leadership and management

Head office and district office support will be repositioned to give deepened direct support to school management by introducing the notion of virtual districts. Good district management is essential as districts are solely responsible for curriculum and core issues in the support of curriculum delivery in schools. The role of HR and finance will be a central function enhanced by ICT. Managers take responsibility for their functions in supporting schools, also ensuring that resourcing to schools is provided timeously. Managers and officials will work with integrity and honesty in all aspects, including recruitment, appointments and procurement. They will also provide the necessary leadership to ensure that statutory and policy compliance are non-negotiable. School management teams will be trained to support the use of technology in schools and classrooms to improve learning

Goal 2: Provide an administrative service that supports modern and innovative schools

Pillar 4: Infrastructure development and maintenance

Improved school infrastructure

The department's Infrastructure plan will ensure the maintenance and rehabilitation of existing infrastructure and the building of new schools and additions to existing ones. The 2015/16 infrastructure programme will prioritise and address basic services at schools such as sanitation while addressing the backlogs in classrooms and specialist rooms. In addition there will be greater focus on school maintenance using maintenance teams, the building of schools and the provision of classrooms in areas where there is high pressure. The promulgated infrastructure norms and standards will be implemented and monitored to ensure the provision of basic services and the efficient and effective use of cleaning services to improve sanitation and ensure clean schools.

The department is also working in partnership with the DID in identifying and purchasing land for the development and completion of turnkey solution schools. We will also work with local government and provincial and national departments to ensure coordinated and accelerated delivery of school infrastructure and improved maintenance across all spheres.

All new departmental school projects will be aligned to the e-learning framework, schools of the future. The 21 model schools will be the focus in the coming year. These schools will centre around 10 dysfunctional schools with the spotlight being on the nine focus areas. A further six schools with high enrolment will be engaged. These schools will compete with independent schools to receive additional resources and become the school/classroom of the future. A complete needs analysis of schools will be started to identify additional infrastructure and resources to compete with independent schools.

Infrastructure maintenance

The focus area in school maintenance will be to ensure that all schools have basic services including functional toilets with running water and electricity. The school refurbishment cleaning project will include the Girl Learner Handywoman campaign.

Pillar 5: Planning, finance and resourcing

This pillar is structured around three focal areas; strategic and operational planning, financial management and human resource management.

Strategic and operational planning

The department will facilitate macro education planning to ensure alignment between statutory mandates, plans, budgets and resource utilisation. The department is in the process of establishing a media complaints unit. The purpose of this unit will be to track and monitor complaints in the media for incorrect information and then to engage the Ombudsman. Fairness must be entrenched where there is unfair or incorrect reporting on government.

Financial Management

The mandate of the financial departments is to facilitate the prudent spending of the department by ensuring expenditure according to plan and cash flow requirements. The department will endeavour to improve on procurement practices and ensure timely payment periods.

Human resource management

The key directive of HR management for the coming year is to accelerate recruitment processes to ensure that there are no vacant posts in human resources, finance and ICT. The key to managing human resource matters and ensuring effective and efficient operation includes managing HR records and transactions, transformation and good governance.

The department also plans on organising and managing the rendering of legal services to ensure effective discipline, grievance and dispute management systems. A tribunal is being established to deal speedily with grievances and disputes to ensure effective operations.

Pillar 6: ICT in education

E-learning

The department has formulated an integrated and comprehensive e-learning strategy that undertakes to align ICT and e-education initiatives to a broader GDE vision.

The integrated strategy outlines the GDE's endeavours to upgrade its ICT capacity to:

- Improve curriculum delivery in classrooms;
- Improve school management;
- Build teacher capacity to use ICT;
- Improve digital literacy and ICT skills in all school leavers; and
- Embed a strong and integrated ICT system.

The pilot project is the first step in the programme to completely remove the use of chalkboard and duster from classrooms and introduce a modern public education system which will respond to new education imperatives for quality education.

"Classrooms of the Future" will enable learners to have access to learning material, workbooks and other subject matter through the use of Information Communications Technology (ICT). The seven selected schools will serve as benchmarks of what we intend all schools to achieve over the next five years. They will also serve as laboratories that will assist the department to build experience in the provision, utilisation and management of ICT in education.

Future classrooms will be modelled around the seven concept schools to be provided with a range of digital resources, including a high capacity central server that acts as a hub for data flows into and out of the school, a library and repository of a large stock of e-learning content, a digital administrative resource for instructional management, assessment and administration. Secondly, the Gauteng Online Programme (GoL) is being refocused to support teachers' development programmes, remedial programmes and learner lessons to achieved software competence as part of the curriculum.

The "Classrooms of the Future" programme will expand to first target schools with a 100 per cent pass rate and all no-fee schools with matriculation classes will benefit from smart teaching equipment such as electronic white boards.

Goal 3: Transform public schooling by addressing barriers to access, equity and redress

Pillar 7: Social cohesion

The department will provide education to ensure a non-racial education system. A key strategy to promote non-racialism is the twinning and merging of schools so that all learners irrespective of their background can share expertise and resources that will contribute to holistic development. The first phase in modelling this strategy is to establish a governing body that governs two schools. This is to ensure that expert parents from both school communities implement a plan that will ensure that the less developed school is developed to acceptable standards and that the two schools being twinned achieve similar levels of performance and school conditions. Where feasible, twinned schools may merge to create a multi-campus school that becomes cost effective and generates efficiencies.

The department will work with underutilised single medium schools to become parallel medium and thus increase access by local communities. This approach will provide access to learners; ensure equitable use of resources and improve the economic viability of the school.

Providing equal and equitable access to education for learners with physical barriers is based on the principles of human rights and social justice for all learners, on participation, social integration and redress; equal education and equitable access to education; community responsiveness and cost effectiveness.

In terms of early identification and support for Learner with special need education (LSEN) strategy the department envisages increased funding for inclusive education to improve the resources that are needed at special schools and resource centres. We plan to improve the physical condition of classrooms and improve accessibility to classes and other functions in schools. The need for continuous training for special education educators is mandatory and the department envisages keeping up with the need.

Improving nutrition

As part of the poverty alleviation programme the department will provide a nutritious meal to all learners in no fee schools. The department, in partnership with the Department of Agriculture and Rural Development (GDARD), plans on maintaining the number of fully sustainable food gardens at schools to assist in providing the needed nutrients in the food provided to learners.

Increasing access to schooling

Due to budgetary constraints the total number of no-fee schools in the province will be maintained and not expanded. The national threshold funding for no-fee schools has been increased to R1116 per learner in ordinary schools.

To further increase access to schooling, the department will provide scholar transport to 66 000 learners, transporting them to 360 schools across the province. To provide a safe transport service, the department, in partnership with the Department of Roads and Transport, embarked on a programme to have all transport vehicles tested before they are allowed to transport learners.

Improving the condition of learning

The department's infrastructure programme will focus on school maintenance, building of schools and providing of mobile classrooms in highly-pressured areas. As part of the department's safety strategy all fencing projects in priority schools will be completed.

Extra School Support Programme

The ESSP provides after-school support for homework and school sports. The programme provides learners with caring and supporting individuals available beyond normal contact time. These caregivers will assist with homework support for grades 1 – 7 in no-fee schools, and the sport assistants will facilitate sporting activities. The ESSP contributes to job creation by providing unemployed youth with work experience, accredited education, on the job training and skills that will assist them in future job searches. A total of 4 300 homework and 4 300 sport assistants will be deployed to no-fee schools supporting grade 1 - 7 learners beyond normal contact time.

School safety programme

The department plans to capacitate patrollers by enrolling them to complete conflict management workshops. This training includes programmes and procedures expected from the employed patrollers. Patrollers are given an opportunity to attend NQF level 3 training to improve their qualifications.

In collaboration with the Department of Community Safety, SAPS and Social Development's Ke Moja campaign, safety programmes will continue, including searches and seizures by raiding unlicensed liquor outlets and shebeens.

Social workers from the Department of Social Development will be deployed to community clinics closest to schools where they can service the whole community. Additional emphasis will be placed on substance abuse and teenage pregnancies. Support will be offered by the psycho-social team to counsel and educate learners and parents on the dangers associated with substance abuse and teenage pregnancy.

The school safety policy also includes giving first aid kits and training to high risk schools. Additional funds are being transferred from the HIV/AIDS programme to facilitate the training of 45 schools per district. Further emphasis is being placed on anti-bullying tactics in schools and School Management Teams (SMT) members are being trained in procedures for updating the code of conduct of schools.

School sport

The Wednesday Sports Programme will continue in no-fee primary schools. The programme will include athletics, swimming, winter sport, cross country and summer sport. Special schools sport will focus on Multi-Discipline learners with special educational needs (LSEN) athletics competition, football, physically impaired/blind/deaf sport programme and the intellectually impaired sport programme.

The sports programme is a big contributor to the ESSP as the recruitment and selection of a new cohort of sport supervisors forms part of the programme. The department will be responsible for scheduling the employment of sport coordinators and the Department of Sports, Arts, Recreation and Culture (DSARC) will be responsible for the equipment, training and competitive sporting events. The sport coordinators will be trained in partnership with the Sports SETA during the July school holidays at FET colleges across the province. The training will lead to a formal qualification.

In partnership with the DSARC various arts and culture programmes will be introduced to schools. This includes the SASCE Music Programme, debate, public speaking and magnet music schools. The values in education section will focus on social cohesion programmes, dialogues on various topics and celebration of national days and national symbols.

Pillar 8: School functionality including community Involvement

In making education a societal priority, we will ensure stakeholder involvement in schools in a manner that adds value to the attainment of the core outcomes. We will mobilise civil society, faith-based organisations and the private sector to support the inputs and outcomes of a quality education system. We will also urge young learners to participate actively in school programmes in order to change their attitudes and commitment to school work.

The Quality Learning and Teaching Campaign

The QLTC will continue to call on individuals and organisations to assume responsibility for improving the quality of education.

SGB and RCL development

The Department will continue to support and develop elected SGBs and RCLs with the emphasis on improving management and leadership capacity in schools across the province.

Extra School Support Programme

The Department is extending the ESSP with the intention of maximizing learner participation, as well as access and development in sports, especially in codes that schools were not previously exposed to.

Goal 4: Increase access to quality pre- and post-school educational opportunities

Pillar 9: Skills development

Master Skills Plan

The Gauteng Master Skills Plan (MSP) is a key component of the department's strategy of providing the province with a sustainable pool of economically relevant skills, thus eradicating poverty and decreasing the unemployment rate. The MSP provides an opportunity to learners and students to attend institutions of higher learning. The department supports increased access to post-secondary education by providing bursaries. Resources are focussed on the transition and helping learners to gain access to universities and colleges.

The MSP focuses on the following interventions.

Strengthen the capacity of the education system in Gauteng

This will focus on the transition from school to the work place including bursaries, career guidance and technical education. Career guidance and counseling will be offered to Grade 8 and 9 learners in priority schools in the 2014 academic year. Advocacy and career booklets on technical high schools and FET Colleges will be distributed during the counselling sessions. In addition, a separate document on parent guidelines will be developed to support caregivers in assisting children in choosing careers and pathways.

The department is in its final stages of recapitalising 41 technical high schools. The vocational and education strategy will be implemented to include an admission policy based on psychometric testing. The workshops in recapitalization of technical high schools project will fund the improvement of specialized tools and equipment, redesigning and refurbishment of workshops and the training of teachers on specific skills and content. The department will also plan for the introduction of specialization within mechanical, civil and electrical technology to be implemented in 2015.

The FET colleges will create pathways for drop-out learners from Grade 9 and above to register in FET colleges in the National Curriculum (Vocational), NC (V), level 1 programme. The department is partnering with the private sector and the National Youth Development Agency (NYDA) to increase the number of bursaries for FET learners. The department will provide an additional 2 030 bursaries to learners from no-fee schools, giving the top three learners from each priority school a bursary with the rest of the bursaries allocated based on academic performance.

In addition, the department will work with the Department of Roads and Transport to ensure that all qualifying learners in no-fee schools receive support to write the learner licence test. In addition these learners will be trained on road safety and road etiquette.

Develop targeted interventions for responding to the skills needs of government in Gauteng

The MSP will continue with management and leadership initiatives for top, middle and junior managers across the province to improve management and leadership capacity as well as to respond to those specific transversal skills gaps which are considered a priority and are urgent for service delivery in the province. This will include training government officials in the province in scarce skills areas of government.

Enable the economic growth of the province through education, training and skills development

In support of the economic growth strategy of the province, tool making, foundry, aerospace, automotive, jewellery, ICT, furniture and tourism will be supported through various skills development programmes. These programmes include artisan development for business, expanding learnerships and intern programmes, enforcing experiential learning opportunities, facilitating short skills programmes and encouraging entrepreneurial education.

Furthermore, as part of the provincial effort, the MSP will focus on skills development of 500 000 unemployed township youths over a period of five years under the provincial programme Tsepho. All provincial departments will contribute to achieving the 500 000 work opportunities. The department's contribution will be 100 000 opportunities through the department's Harry Gwala Brigade programme.

Partner with sector organisations to respond to skills needs and provide access to work experience

The department will continue to establish partnerships to improve coordination with key role-players and stakeholders in the provincial skills development sector. This will include partnerships with SETAs and the private sector in programmes promoting learnerships, experiential learning and work-shadowing. Areas of priority will include the signing of MOUs with business partners to promote skills development.

Pillar 10: Access to quality Early Child Development

Grade R expansion

The department has made great strides in achieving the millennium development goals set in 2009 regarding the universalization of Grade R. To achieve this goal it is planning the expansion of Grade R to all public schools as well as the registration of new Grade R sites and the procurement of additional classrooms to meet the demand.

Practitioner Training

The department will identify 750 Grade R and pre-Grade R (Grade R: NQF L4 and NQF L6, Pre-Grade R NQF L4 and Training of Pre-Grade R, Curriculum ECD Sites and Staff) practitioners for training to improve the quality of teaching and learning in the classroom. As part of quality education the department will continue testing Grade R learners with learning difficulties to identify barriers, such as dyslexia and psycho-motor disorders, and provide simple assistive devices.

Consultation and meetings with local government and ECD providers are being initiated for updating the Grade R database to facilitate expansion. Further consultations and meetings on the department's plan are being conducted with SGB associations, unions, principals and other stakeholders.

4. REPRIORITISATION

The department has reviewed all delivery plans for the new five-year plan and annual performance plan and has reprioritised existing resources to support the new strategies and plans. This process included the repositioning of some programmes and terminating others with low impact. The budget was aligned to the new plans and will ensure that all targets can be achieved.

In addition, R64 million is reprioritised to make provision for increased transfers to the Education, Training and Development Practices Sector Education Training Authority (ETDP SETA) which is responsible for the promotion, facilitation and development of an education training and development sector.

5. PROCUREMENT

The department will continue to develop and implement procurement plans for the financial year 2015/16 to ensure that the needs of the organisation are in line with the pillars underpinning the department's strategy as well as with its allocated budget. The department has contracted service providers for the major core services and will continue to procure the following goods and services:

- Tablets and trolleys for learners with the aim of transforming old classrooms into the future technological classrooms;
- School maintenance through the roster database to ensure that schools' needs in terms of plumbing, electricity, carpentry, refurbishment are catered for. The roster system that has been procured will ensure rotation of suppliers without human intervention;
- LTSM contracts for the supply and delivery of learning material which caters for section 20 schools. GDE will continue to monitor the services rendered in line with the service level agreements to ensure timely delivery and value for money;
- E-learning solutions with advanced technology which will include curricula and will provide learners with the opportunity to use ICT for their everyday learning activities;
- School furniture for new schools in accordance with the influx of learners from various schools and areas;
- School nutrition targeting 1 163 722 learners (depending on the influx of learners); and
- Scholar transport targeting 66 000 learners (depending on the influx of learners).

To reduce the risk of examination paper leaks and to protect the quality and integrity of examination processes, the department has outsourced security services for safeguarding exam papers and has procured machines that will produce, wrap and pack examination question papers without human intervention.

Filling of critical vacant posts will ensure that SCM functions are adequately fulfilled and that segregation of duties is monitored.

The department will also ensure that local suppliers are supported through these projects as part the province's initiative to support small medium and micro enterprises (SMMEs). Business opportunity conferences will be held to ensure that service providers are empowered with information about how to access opportunities presented by the department, how and where to get funding and how to ensure that their tax matters are in order. Designated sectors and compliance with local content will be publicised.

6. RECEIPTS AND FINANCING

6.1 Summary of receipts

TABLE 5.1 : SUMMARY OF RECEIPTS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Equitable share	23 859 127	25 750 129	28 326 476	30 239 130	30 585 155	30 585 155	34 274 788	35 747 869	37 534 850
Conditional grants	1 092 559	1 231 815	1 274 738	1 476 819	1 478 428	1 478 429	1 769 121	2 072 044	2 267 204
Education Infrastructure Grant	473 393	512 866	537 892	623 602	623 602	623 602	935 725	1 274 825	1 428 566
HIV and AIDS (life Skills Education) Grant	31 146	29 147	34 803	30 195	30 195	30 195	29 945	32 449	34 436
National School Nutrition Programme Grant	539 707	619 526	616 516	640 541	640 541	640 541	678 974	714 960	750 709
OSD for Therapists				93 599	93 599	93 599	29 442		
Maths, Science and Technology Grant	48 313	68 663	56 853	50 416	52 025	52 026	47 842	49 810	53 493
Social Sector Expanded Public Works			3 000	36 016	36 016	36 016	44 784		
Expanded Public Works Programme									
Incentive Grant		1 613	25 674	2 450	2 450	2 450	2 409		
Total receipts	24 951 686	26 981 944	29 601 214	31 715 949	32 063 583	32 063 949	36 043 909	37 819 913	39 802 054

The department receives funds from national government in the form of equitable share and conditional grants. It received R34.2 billion for the 2015/16 financial year in equitable share and R1.7 billion in conditional grants. Departmental allocations grew by 13.9 per cent from a main appropriation of R31.7 billion in 2014/15 to R36 billion in the 2015/16, showing a nominal rand value increase of R4.4 billion. The increase in funds is due to the increase in demand for learning space and the improvement in the quality of education in the province.

The increase in the education budget for 2015/16 of 13.9 per cent is a direct result of funds being allocated to compensation of employees and the improvement in conditions of service. Additional funds have been earmarked to deliver on government's priorities including the universalisation of Grade R, the introduction of the e-education solution and the improvement of quality learning strategies.

The department's budget increased by R11.4 billion for the period 2011/12 to 2015/16, showing an increase from R24.9 billion in 2011/12 to R36 billion in 2015/16. The budget growth can be attributed to the growing demand for learning space in the province. The conditional grants allocated to the education sector increased by 59.7 per cent over the same period.

6.2 Departmental receipts

TABLE 5.2 : SUMMARY OF DEPARTMENTAL RECEIPTS: EDUCATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Tax receipts									
Sales of goods and services other than capital assets	20 051	21 651	24 359	20 823	20 823	20 823	25 379	25 951	26 537
Transfers received									
Fines, penalties and forfeits	53	151	74	36	36	36	37	38	39
Interest, dividends and rent on land	3 014	7 000	1 315	2 184	2 184	2 184	182	186	190
Sales of capital assets	45	257							
Transactions in financial assets and liabilities	21 289	19 553	15 231	22 159	22 159	22 159	3 962	4 061	4 162
Total departmental receipts	44 452	48 612	40 979	45 202	45 202	45 202	29 560	30 236	30 928

The department generates revenue from remarking and rechecking of grade 12 examination scripts and the reissuing of matric certificates with the main revenue emanating from commission on insurance and garnish order. Other sources of revenue which are on a cost recovery include, official housing (rental income); departmental debt account and receivables from previous financial expenditure. Schools are entitled to raise funds through the collection of school fees and other fundraisers to meet the shortfall between subsidies and the actual cost of running schools; however, the department does not receive any funds collected by schools.

The actual collection for the 2011/12 financial year was R44.4 million and this decrease to R40.9 million in the 2013/14 financial year showing an annual average decrease of 7.8 per cent. The department estimated to collect R45.2 million in 2014/15 financial year; this remained unchanged during the adjustment and it is not revised. Over the 2015 Medium Term Revenue Framework (MTRF); total revenue for the department is estimated to increase from R29.5 million in 2015/16 financial year to R30.9 million in the 2017/18 financial year thus showing an annual average growth rate of 2.2 per cent. The 2015 Medium Term Revenue Framework is significantly lower as compared to previous financial years and this is as a result of the Department not budgeting for revenue relating to previous financial expenditure.

7. PAYMENT SUMMARY

7.1 Key assumptions

The following key assumptions were taken into account when determining the personnel budget for the 2015/16 MTEF:

- Number of staff and possible changes over the 2015 MTEF;
- Basic salary costs including improvements in condition of service (ICS) adjustments from 1 April 2015;
- Pension fund contributions, thirteenth cheque and overtime all linked to the basic salary cost and increasing at the same rate;
- Salary increase for people with scarce skills;

- Grades and level of each staff member;
- Increased take-up of benefits such as medical aid and housing allowance;
- Contract employees, merit bonuses;
- Re-grading of clerical post as per Department of Public Service and Administration circular;
- Appointment of additional educators (growth posts) to accommodate learner growth;
- Medical aid contributions which normally increase more rapidly than inflation; and
- Skills development and technical and vocational skills.

The department aims to maintain at least an 80:20 split of personnel and non-personnel costs although an increase in personnel costs is evident. The following key assumptions were also considered when determining the budget for the 2015 MTEF in order to meet the goal of improving quality of learning:

- Infrastructure development and the maintenance of school buildings with the aim of eradicating the backlog of learning space and preventative maintenance;
- Transfers and subsidies to institutions and schools;
- The Implementation of the National School Nutrition Policy;
- The provision of LTSM, workbooks and lesson plans for learners;
- District development and support;
- Reduction of class size;
- Providing therapists and social workers to schools to support learners;
- Rollout of the CAPS; and
- Implementation and maintenance of intervention strategies such as the mainstreaming of Gauteng Primary Language and Mathematics Strategy, Secondary School Improvement Programme, Teacher Development Strategy and Extra School Support Programme.

7.2 Programme summary

TABLE 5.3 : SUMMARY OF PAYMENTS AND ESTIMATES: EDUCATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Administration	2 092 558	2 421 030	2 466 703	2 459 002	2 516 865	2 624 079	2 548 172	2 679 120	2 812 783
2. Public Ordinary School Education	18 038 016	19 472 806	21 225 396	22 912 346	23 199 346	23 447 769	26 360 762	27 844 053	29 238 601
3. Independent School Subsidies	409 004	421 446	452 967	514 329	514 329	514 329	537 988	566 502	594 827
4. Public Special School Education	1 290 621	1 444 314	1 587 210	1 817 476	1 838 788	1 841 970	1 918 152	1 995 323	2 095 089
5. Early Childhood Development	340 828	338 659	485 303	733 958	629 501	629 501	783 212	832 835	874 478
6. Infrastructure Development	1 529 609	1 669 458	1 628 548	1 688 135	1 806 435	1 775 901	2 596 164	2 591 822	2 811 412
7. Examination And Education Related Services	895 067	964 410	1 363 280	1 511 674	1 479 290	1 431 372	1 299 459	1 310 258	1 374 864
Total payments and estimates	24 595 703	26 732 123	29 209 407	31 636 920	31 984 554	32 264 921	36 043 909	37 819 913	39 802 054

7.3 Summary of economic classification

TABLE 5.4 : SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: EDUCATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	20 964 624	22 908 703	25 129 771	26 440 045	27 120 798	27 474 609	29 830 810	31 276 141	32 822 263
Compensation of employees	18 513 710	20 029 595	21 812 522	23 543 331	23 874 415	24 008 511	26 428 946	27 842 254	29 234 075
Goods and services	2 450 692	2 876 165	3 316 049	2 896 714	3 246 383	3 463 966	3 401 864	3 433 887	3 588 188
Interest and rent on land	222	2 943	1 200			2 132			
Transfers and subsidies to	2 245 096	2 376 320	3 003 795	3 696 130	3 423 636	3 413 197	3 950 683	4 155 360	4 375 532
Departmental agencies and accounts	11 733	12 522	12 520	13 825	13 825	22 252	79 312	83 868	88 060
Non-profit institutions	2 074 407	2 144 033	2 716 922	3 400 210	3 128 088	3 075 758	3 545 414	3 727 793	3 926 588

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Households	158 956	219 765	274 353	282 095	281 723	315 187	325 957	343 699	360 884
Payments for capital assets	1 378 567	1 386 908	1 044 349	1 500 745	1 440 120	1 372 153	2 262 416	2 388 412	2 604 260
Buildings and other fixed structures	1 258 561	1 335 427	988 387	1 440 297	1 381 136	1 267 969	2 191 801	2 302 734	2 510 765
Machinery and equipment	118 017	42 654	42 583	37 388	35 984	48 900	47 115	49 612	52 091
Land and sub-soil assets		6 569	12 521	22 000	22 000	54 284	16 740	30 000	35 035
Software and other intangible assets	1 989	2 258	858	1 060	1 000	1 000	5 760	6 066	6 369
Payments for financial assets	7 416	60 192	31 492			4 962			
Total economic classification	24 595 703	26 224 562	29 209 407	31 636 920	31 984 554	32 264 921	36 043 909	37 819 913	39 802 054

The department's total allocated budget for the 2015/16 financial year amounts to R36 billion. The budget grew by 13.9 per cent from a main appropriation of R31.6 billion in 2014/15; the percentage growth translates to a nominal rand value increase of R4.4 billion.

The 2015/16 budget for goods and services increased by 17.4 per cent, from R2.8 billion in 2014/15 to R3.4 billion in 2015/16.

The department's transfer and subsidy allocation increased from R3.6 billion in 2014/15 to R3.9 billion in 2015/16. This shows an increase of 6.9 percent which is a direct result of the department's no-fee policy; more schools are applying for no-fee status which increases transfers to schools. Transfers have also increased to the Matthew Genie School of Governance and Leadership (MGSGSL) which will be doing most of the teacher development for the department, and Gauteng City Region Academy which will be doing skills development and training for the province.

The department's expenditure increased by R4.6 billion from R24.5 billion in 2011/12 to R29.2 billion in 2013/14. A large portion of the recurrent expenditure from 2011/12 to 2013/14 is allocated to compensation of employees which increased from R18.5 billion in 2011/12 to R21.8 billion in 2013/14. This accounts for at least 74.1 per cent of the expenditure over the period. The increase is as a result of the growth in educator posts to make provision for growth in learner numbers, in migration and other costs which are not budgeted for and are beyond the control of the department such as substitute teachers, medical aid and housing allowances increase and relief teachers. Transfers and subsidies has also grown substantially from R2.2 billion in 2011/12 to R3 billion in 2015/16, this is due to the department's no fee policy which resulted in an increase in the number of learners in no fee schools from 1 018 267 in 2011/12 to 1 163 722 in 2015/16. Goods and services increased due to spending on priorities such as scholar transport, LTSM, increase in the National School Nutrition programme as it expands to more schools and also due to inflationary increases on costs of goods and services.

7.4 Infrastructure payments

7.4.1 Departmental infrastructure payment

For information on Infrastructure refer to estimate of capital expenditure (ECE).

7.5 Departmental Public-Private-Partnership (PPP) projects

N/A.

7.6 Transfers

7.6.1 Transfers to public entities

N/A.

7.6.2 Transfers to other entities

TABLE 5.5 : SUMMARY OF DEPARTMENTAL TRANSFERS TO OTHER ENTITIES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Public Ordinary Schools	1 118 148	1 250 590	1 320 566	1 541 292	1 425 832	1 510 289	1 623 601	1 714 255	1 799 969
Sci-Bono Discovery Centre	189 196	103 695	159 938	238 408	374 891	207 988	477 068	491 744	516 943
Matthew Goniwe School of Leadership and Governance	36 609	112 769	166 250	137 478	314 160	324 476	451 718	476 137	500 120
Independent Schools	409 004	421 446	452 837	514 329	499 329	499 329	537 988	566 502	594 827
Special Schools	205 601	231 546	277 619	286 776	278 238	298 038	299 968	315 866	331 660
University of the Witwatersrand (Examinations)	22 678	23 987	23 133	23 365	23 365	23 365	13 934	14 672	27 022
Households Social Benefits	87 394	127 131	130 622	102 095	102 120	126 548	107 552	113 252	118 914
Households Other Transfers GCRA									
Bursaries to learners)	72 344	93 428	144 813	180 000	179 603	188 639	218 405	230 447	241 969
Department Agencies		7	1	1	1	1	1	1	1
Seta	18 886	20 144	20 151	13 824	13 824	22 251	79 311	83 867	88 059
Abet Centers									
Grade R Sites/ Centers	93 171		113 838	134 930	134 930	134 930	141 137	148 617	156 048
Gauteng Education Development Trust			214 934	365 292					
Total departmental transfers	2 253 031	2 384 743	3 024 702	3 537 790	3 346 293	3 335 854	3 950 683	4 155 360	4 375 532

Transfers made to public ordinary schools amount to R1.6 billion in 2015/16 for both section 20 and section 21 schools. These funds are intended to cover municipal services and social upliftment programmes. The allocations made to public ordinary schools are increased in line with the per capita allocations.

Independent school subsidies are directly linked to the per capita expenditure allocations of public ordinary schools. Independent subsidised schools will receive R537.9 million for the 2015/16 financial year. Special schools will receive R299.9 million and ECD will receive R141.1 million. A further transfer will be made to Sci Bono Discovery Centre and Mathew Goniwe School of Leadership for the delivery of intervention strategies including the mainstreaming of the Gauteng Primary Language and Mathematics Strategy, the Secondary School Improvement Programme, teacher development, school safety and the Master Skills Plan.

Transfers and subsidies increased from R2.2 billion in 2011/12 to R3 billion in 2013/14, showing an increase of 34.2 per cent. This increase is attributable to a substantial increase in projected transfers to public ordinary schools and Education agencies.

7.6.3 Transfers to local government

N/A

8. PROGRAMME DESCRIPTION

PROGRAMME 1: ADMINISTRATION

Programme description

To provide overall management of the education system in accordance with the national Education Policy Act, the Public Finance Management Act and other policies.

Programme objectives

- To provide for the functioning of the office of the Member of the Executive Council (MEC) for Education;
- To provide management services which are not education specific for the education system;
- To provide education management services for the education system;
- To provide human resource development for office-based staff;
- To provide for projects under Programme 1 specified by the Department of Education and funded by
- Conditional grants; and

- To provide an education management information system in accordance with the national Education Information Policy.

Key policies, priorities and outputs

The department will focus on the following targets and interventions to ensure that the set goals are met:

- It will improve its HR functions by accelerating its recruitment and appointment processes, to ensure transparency and accountability of personnel;
- It will deepen support to school management by head-office and district offices by introducing the notion of virtual districts; and
- It will ensure the production of education information through the collection of data/information and timeous completion and submission of the Annual Performance Plan.

TABLE 5.6 : SUMMARY OF PAYMENTS AND ESTIMATES: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Office Of The MEC	3 986	2 604	3 304	3 838	3 838	3 838	4 015	4 228	4 439
2. Corporate Services	1 169 015	1 433 495	1 535 922	1 398 441	1 462 288	1 609 809	1 464 377	1 538 616	1 615 484
3. Education Management	819 957	869 262	884 520	1 011 928	1 013 644	973 337	1 038 155	1 092 445	1 146 837
4. Human Resource Management	28 512	19 086	4 481	26 895	19 195	19 195	22 902	24 116	25 322
5. Edu Management Information Systems(Emis)	71 088	96 583	38 476	17 900	17 900	17 900	18 723	19 715	20 701
6. Conditional Grants									
Total payments and estimates	2 092 558	2 421 030	2 466 703	2 459 002	2 516 865	2 624 079	2 548 172	2 679 120	2 812 783

TABLE 5.7 : SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	1 999 197	2 329 596	2 413 309	2 432 723	2 488 888	2 585 539	2 514 864	2 644 047	2 775 956
Compensation of employees	1 589 608	1 834 740	1 900 390	1 985 320	1 987 220	2 068 057	2 052 703	2 157 392	2 264 968
Goods and services	409 577	492 118	512 069	447 403	501 668	516 997	462 161	486 655	510 989
Interest and rent on land	12	2 738	850			485			
Transfers and subsidies to	11 338	10 850	10 398	4 767	4 792	10 232	4 987	5 251	5 514
Departmental agencies and accounts		7	1	1	1	1	1	1	1
Non-profit institutions		717							
Households	11 338	10 126	10 397	4 766	4 791	10 231	4 986	5 250	5 513
Payments for capital assets	74 607	20 392	11 504	21 512	23 185	23 346	28 321	29 822	31 313
Buildings and other fixed structures		9							
Machinery and equipment	72 618	18 098	10 646	20 512	22 185	22 346	22 561	23 756	24 944
Land and sub-soil assets		27							
Software and other intangible assets	1 989	2 258	858	1 000	1 000	1 000	5 760	6 066	6 369
Payments for financial assets	7 416	60 192	31 492			4 962			
Total economic classification	2 092 558	2 421 030	2 466 703	2 459 002	2 516 865	2 624 079	2 548 172	2 679 120	2 812 783

The administration budget for the 2015/16 financial year amounts to R2.5 billion, an increase of 3.6 per cent from the 2014/15 main appropriation of R2.4 billion. The increase translates to a rand value of R89.1 million. Compensation of employees increased by 3.4 per cent equalling a rand value of R67.3 million. The department has maintained the budget in this programme and growth relates to provision for improvement in conditions of service within Compensation of Employees whereas increase in goods and services is related to provision for price inflation.

District administration will receive an allocation of R47 million for the 2015/16 financial year. In support of the language and mathematics interventions the department is allocating a further R5.3 million to a Library Information System. This system will provide access to learners in schools that do not have libraries. The department's information management systems will receive an allocation of R18.7 million to ensure connectivity in schools and to enable schools to utilise the South African School Administration Management System (SA

SAMS) to provide learner data to the national learner tracking system

The budget of the Office of the MEC receives an allocation for administrative costs only. The budget increased from an allocation of R3.8 million in 2014/15 to R4 million in 2015/16 indicating an increase of 4.6 per cent. The budget has remained stable over the past five years and is largely influenced by the increase in administration cost and salary increases.

The budget for Corporate Services is the largest under Programme 1 as it manages all the financial, administrative and personnel support services which is key to the broad management of the department. The budget increased by 4.7 per cent from 2014/15 to 2015/16 a rand value increase of R65.9 million. The Virtual District Model of the department endeavours to streamline the business processes which will ensure that most of the administration costs are reduced and funds reprioritised to core programmes.

Education Management is the second largest, showing an increase of R26.2 million which translate to a 2.6 per cent increase from 2014/15 to 2015/16. The sub-programme functions include Quality Assurance, Policy Development, Monitoring and Evaluation, Research Coordination, Education Planning, and Information Management.

Administration expenditure increased by R374 million from R2.1 billion in 2011/12 to R2.5 billion in 2013/14. The largest spending share is on current payments which is influenced by increases in cost of living, goods and services, HR administration costs and communication costs

SERVICE DELIVERY MEASURES

PROGRAMME 1: ADMINISTRATION

Performance Measures	Estimated Annual Targets		
	2015/16	2016/17	2017/18
PM101: Number of public schools that use the school administration and management systems to electronically provide data to the national learner tracking system.	2 070	2 070	2 070
PM102: Number of public schools that can be contacted electronically (e-mail).	1 900	1 900	1 900
PM103: Percentage of education current expenditure going towards non-personnel items.	25% (9 281 154)	25% (9 773 055)	22.9% (9 072 581)
PM104: Number of schools visited by district officials for monitoring and support purposes.	2 070	2 070	2 070

PROGRAMME 2: PUBLIC ORDINARY SCHOOL EDUCATION

Programme description

To provide public ordinary education from Grades 1 to 12, in accordance with the South African Schools Act.

Programme objectives

- Provide specific public primary ordinary schools with the resources required for the Grade 1 to 7 phases;
- Provide specific public secondary ordinary schools with resources required for the Grades 8 to 12 levels;
- Provide departmental services for the professional and other development of educators and non-educators in public ordinary schools;
- Provide additional and departmentally managed sporting and cultural activities in public ordinary schools; and
- Provide for projects under Programme 2 specified by the Department of Education and funded by conditional grants.

Key policies, priorities and outputs

The department will focus on the following targets and interventions to ensure that the goals set are met:

- Expansion of the school nutrition programme;
- Expansion of learner educator support material;
- Introduction of the CAPS roll and Intersen Strategy;
- Improved learning in poor communities to urgently address the growing class sizes in schools;
- Expansion of no-fee schools;
- Leadership skills and capacity building programmes for managing learning through the effective governance and management of schools;

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- Implementation of a province-wide literacy and numeracy programme to improve basic writing, reading and arithmetic. This will include the promotion of the use of mother tongue instruction as an enabler of learner performance;
- Improve the quality and competence of teachers in the foundation phase and review all textbooks and learning support materials utilised in the phase;
- Improve the quality of learning in all other grades and in languages, mathematics, science, technology and the economic and management sciences;
- Increase the role of SGBs and society at large in supporting and monitoring schools and the quality of learning that they provide; and
- Enhance vocational and technical skills in learners.

TABLE 5.8 : SUMMARY OF PAYMENTS AND ESTIMATES: PUBLIC ORDINARY SCHOOL EDUCATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Public Primary Schools	10 204 702	10 817 601	11 762 967	12 500 673	12 000 036	12 208 540	14 322 558	15 130 254	15 887 555
2. Public Secondary Schools	7 222 701	7 909 925	8 652 265	9 523 120	10 382 445	10 422 364	11 133 836	11 760 328	12 348 345
3. Human Resource Development	60 714	73 993	100 652	165 690	92 393	92 393	145 817	154 367	162 084
4. School Sport, Culture And Media Services	37 852	23 167	504	1 711	1 711	1 711	1 790	1 885	1 979
5. Conditional Grants	512 047	648 120	709 008	721 152	722 761	722 761	756 761	797 219	838 638
Total payments and estimates	18 038 016	19 472 806	21 225 396	22 912 346	23 199 346	23 447 769	26 360 762	27 844 053	29 238 601

TABLE 5.9 : SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: PUBLIC ORDINARY SCHOOL EDUCATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	16 776 124	18 147 150	19 621 067	20 924 299	21 414 491	21 638 968	23 835 108	25 190 634	26 450 533
Compensation of employees	15 643 894	16 785 396	18 129 998	19 480 426	19 740 426	19 780 493	22 007 144	23 263 800	24 427 012
Goods and services	1 132 020	1 361 549	1 490 719	1 443 873	1 674 065	1 857 882	1 827 964	1 926 834	2 023 521
Interest and rent on land	210	205	350			593			
Transfers and subsidies to	1 217 044	1 306 282	1 557 320	1 959 521	1 773 164	1 782 769	2 489 683	2 616 108	2 747 702
Non-profit institutions	1 147 265	1 196 279	1 444 489	1 864 521	1 678 164	1 672 022	2 389 553	2 510 671	2 636 993
Households	69 779	110 003	112 831	95 000	95 000	110 747	100 130	105 437	110 709
Payments for capital assets	44 848	19 374	47 009	28 526	11 691	26 032	35 971	37 311	40 366
Buildings and other fixed structures		1 289	25 508	27 958	11 000	11 000	24 351	25 074	27 520
Machinery and equipment	44 848	17 521	21 501	568	691	15 032	11 620	12 237	12 846
Land and sub-soil assets		564							
Payments for financial assets									
Total economic classification	18 038 016	19 472 806	21 225 396	22 912 346	23 199 346	23 447 769	26 360 762	27 844 053	29 238 601

The programme budget increased from R22.9 billion in 2014/15 to R26.3 billion in 2015/16 representing an increase of 15.1 per cent. This increase is indicative of the increase in compensation of employees which grew by 13 per cent constituting a rand value of R2.5 billion.

The goods and services budget increased from R1.4 billion in 2014/15 to R1.8 billion in 2015/16 showing an increase of 26.6 per cent translating to a rand value of R384 million. This increase is sufficient to ensure that the department maintains the procurement of quality inputs for its schools. This budget includes the procurement of LTSM for section 20 schools, provision for scholar transport, municipal costs for schools, allocation for school furniture and other administrative costs within the programme. The increase in the allocation for scholar transport and school nutrition programme aims to collaborate with the department's quality upliftment programmes to improve the level of learner attainment in the province.

Transfers to institutions have increased by 27.1 percent or R530 million in the 2015/16 financial year from R1.9 billion in 2014/15 to R2.4 billion in 2015/16. This increase is largely due to the increase in the learner per capita adequacy amount and implementation of the no-fee policy and compensating for fee exemptions in fee paying schools. Transfers allocation also includes funding for the learning intervention strategies.

An amount of R12.5 million will be spent on school safety in the 2015/16 financial year, which includes the advocacy, and development of school safety plans in all priority schools and the training of occupational health and safety officers.

A further R134 million will be invested in the intensification of the psycho-social services which cater for the early identification of learners with minor learning barriers and the distribution of assistive devices to primary school learners. A total of R19.3 million is allocated to the after school services and the homework programme. The parental/family support programmes in no-fee schools will receive R22.9 million.

In terms of providing access to schooling the department has budgeted just over R1.2 billion to execute the no-fee school policy. A further R461 million will be allocated to transport over 81 381 learners to 360 schools in the province. To improve learning in schools and to alleviate poverty the department has allocated R678 million to school nutrition that will feed over one million learners in our no fee schools.

We also see a marked increase in conditional grant budgets which consist of mathematics, science and technology grant, HIV and AIDS and national school nutrition which constitutes 2.9 per cent of the 2015/16 programme budget. These grants continue to grow over the MTEF to ensure that learner performance improves through the provision of nutritious meals to children in no fee schools, to improve performance in mathematics and science through the Mathematics, Science and Technology Grant.

Public ordinary schools programme expenditure increased by R3.2 billion from R18 billion in 2011/12 to R21.2 billion in 2013/14. The increase in spending is influenced by the expansion in the education sector, increased learner enrolment, opening of new schools, employment of more educators, implementation of departmental priorities and the procurement of education resources. The department recorded higher spending on compensation of employees as a result of learner growth and opening of new schools. Goods and services increased due to spending on LTSM, increased access to scholar transport by children living more than 5 km away from schools and increase in fuel costs, expansion of the national school nutrition programme, and increase in municipal costs in schools, procurement of and replacement of school furniture and inflationary costs.

The budget for public primary schools increased by 40.3 per cent and for public secondary schools 54.1 per cent respectively over the past five years. The increase in the allocations can be ascribed to the no-fee school policy, the increase in compensation of employees and the implementation of national and provincial interventions to improve the quality of education. The intervention programmes include resourcing of schools especially to improve learner performance in literacy and numeracy in the foundation phase and languages and mathematics in the intermediate and Intersen phases. Resource interventions in secondary schools have increased for both primary and secondary schools over the MTEF.

SERVICE DELIVERY MEASURES

PROGRAMME 2: PUBLIC ORDINARY SCHOOLS

Performance Measures	Estimated Annual Targets		
	2015/16	2016/17	2017/18
PM201: Number of full service schools servicing learners with learning barriers.	19	30	45
PM202: Number of primary schools with an overall pass rate in ANA of 50% and above	1 610	1 690	1 732
PM203: Number of secondary schools with an overall pass rate in ANA of 40% and above	250	500	761
PM204: Number of secondary schools with National Senior Certificate (NSC) pass rate of 60% and above	750	750	750
PM205: The percentage of children who turned 9 in the previous year and who are currently enrolled in Grade 4 (or a higher grade)	82%	82.5%	83%
PM206 : The percentage of children who turned 12 in the preceding year and who are currently enrolled in Grade 7 (or a higher grade)	68%	68.5%	69%
PM207: Number of schools provided with media resources	250	500	750
PM208: Learner absenteeism rate	10	9	8
PM209: Teachers absenteeism rate	10	9	8
PM210: Number of learners in public ordinary schools benefiting from the "No Fee School" policy.	1 174 638	1 186 384	1 198 248
PM211: Number of educators trained in Literacy/Language content and methodology	500	600	750
PM212: Number of educators trained in Numeracy/Mathematics content and methodology	500	600	750

PROGRAMME 3: INDEPENDENT SCHOOL SUBSIDIES**Programme description**

To provide independent ordinary education from Grades 1 to 12, in accordance with the South African Schools Act.

Programme Objective

- To support independent schools in accordance with the South African Schools Act;
- To support independent schools in Grades 1 to 7; and
- To support independent schools in Grades 8 to 12.

Key policies, priorities and outputs

In achieving the broad outcomes of the programme the department will:

- Increase its inspection, audit and oversight capacity to ensure that all subsidised schools use state funds to achieve the educational outcomes set out in the curriculum framework;
- Monitor the compliance of all independent schools with the conditions of registration;
- Enforce the regulation of all relocations to new sites by owners of independent schools;
- Process all new applications for registration in good time;
- Train all independent schools on CAPS and the writing of the 2015 ANA; and
- Train and support independent schools in the implementation of assessment policy statements and writing ANA where required.

TABLE 5.10 : SUMMARY OF PAYMENTS AND ESTIMATES: INDEPENDENT SCHOOL EDUCATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Primary Phase	253 807	250 287	277 500	301 103	285 103	282 527	314 954	331 647	348 229
2. Secondary Phase	155 197	171 159	175 467	213 226	229 226	231 802	223 034	234 855	246 598
Total payments and estimates	409 004	421 446	452 967	514 329	514 329	514 329	537 988	566 502	594 827

Table 5.11 : SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: INDEPENDENT SCHOOL EDUCATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments			130		15 000	15 000			
Goods and services			130		15 000	15 000			
Transfers and subsidies to:	409 004	421 446	452 837	514 329	499 329	499 329	537 988	566 502	594 827
Non-profit institutions	409 004	421 446	452 837	514 329	499 329	499 329	537 988	566 502	594 827
Total economic classification	409 004	421 446	452 967	514 329	514 329	514 329	537 988	566 502	594 827

Subsidies to independent schools will increase by R23.6 million from R514.3 million in 2014/15 to R537.9 million in 2015/16 indicating a percentage increase of 4.6 per cent. The subsidies to independent schools are directly linked to increased expenditure in Programme 2 as the policy is hard-normed, i.e. the budget of independent schools is directly derived from the per capita expenditure on public ordinary schools. The department has a total of 157 independent subsidised schools and over 95 203 learners benefiting under this programme. Subsidies to primary and secondary schools are split: R314 million is allocated to primary schools and R223 million to secondary schools.

The Independent School Directorate monitors all subsidised independent schools and ensures that the norms and standards are implemented in the interests of the learners. Monitors are funded through compensation in programme 1. Subsidies will be paid to institutions within the stipulated time-frame and the department will increase its capacity to register new independent schools or deregister schools that do not fulfil stipulated requirements.

The independent school sector has grown significantly from 2011/12 to 2015/16. The budget has grown by 31.5 per cent from R409 million to R537 million.

SERVICE DELIVERY MEASURES**PROGRAMME 3: INDEPENDENT SCHOOL SUBSIDIES**

Performance Measures	Estimated Annual Targets		
	2015/16	2016/17	2017/18
PM301: Number of subsidized learners in registered Independent Schools	96 155	97 117	98 088
PM302: Percentage of registered independent schools receiving subsidies	24%	25%	25%
PM303: Percentage of registered independent schools visited for monitoring and support	15%	15%	15%

PROGRAMME 4: PUBLIC SPECIAL SCHOOL EDUCATION**Programme description**

To provide compulsory public education in special schools in accordance with the South African Schools Act and White Paper 6 on inclusive education.

Programme objectives

- To provide specific public special schools with resources;
- To provide educators and learners in public special schools with departmentally managed support services;
- To provide departmental services for the professional and other development of educators and non-educators in public special schools; and
- To provide additional and departmentally managed sporting and cultural activities in public special schools.

Key policies, priorities and outputs

The Gauteng strategy for Early Identification and Support Provisioning to learners experiencing barriers to learning will focus on three key areas:

- Screening of learners to identify barriers to learning and development;
- Staff at full service schools and special schools resource centres as well as school-based support teams and district-based support teams will be trained and skilled to screen all learners in terms of Screening, Identification, Assessment and Support (SIAS); and
- Identifying learners in need of alternative placement and finding appropriate placement, through district- and school-based support teams that will be trained to identify learners with moderate to high level needs that need placement in full service and special schools resource centres.

TABLE 5.12 : SUMMARY OF PAYMENTS AND ESTIMATES: PUBLIC SPECIAL SCHOOL EDUCATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Schools	1 289 894	1 439 910	1 587 210	1 720 973	1 742 285	1 745 467	1 885 673	1 992 125	2 091 731
2. Human Resource Development	712	1 603		1 769	1 769	1 769	1 850	1 948	2 045
3. School Sport, Culture And Media Services	15	2 801		1 135	1 135	1 135	1 187	1 250	1 313
4. Conditional Grants				93 599	93 599	93 599	29 442		
Total payments and estimates	1 290 621	1 444 314	1 587 210	1 817 476	1 838 788	1 841 970	1 918 152	1 995 323	2 095 089

TABLE 5.13 : SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: PUBLIC SPECIAL SCHOOL EDUCATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	1 079 645	1 206 476	1 288 778	1 506 697	1 536 275	1 536 275	1 592 892	1 652 824	1 735 465
Compensation of employees	1 072 783	1 170 860	1 278 391	1 490 961	1 510 961	1 510 961	1 576 618	1 635 687	1 717 471
Goods and services	6 862	35 616	10 387	15 736	25 314	25 314	16 274	17 137	17 994
Transfers and subsidies to	210 976	237 437	298 431	310 674	302 136	305 318	324 965	342 188	359 297
Non-profit institutions	205 601	231 546	292 119	308 345	299 807	299 807	322 529	339 623	356 604
Households	5 375	5 891	6 312	2 329	2 329	5 511	2 436	2 565	2 693
Payments for capital assets		401	1	105	377	377	295	311	327

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Machinery and equipment		401	1	105	377	377	295	311	327
Total economic classification	1 290 621	1 444 314	1 587 210	1 817 476	1 838 788	1 841 970	1 918 152	1 995 323	2 095 089

The Public Special School Education budget for 2015/16 has increased by R100 million from the 2014/15 budget of R1.8 billion to R1.9 billion in 2015/16, a 5.5 per cent increase. The budget is to finance resource requirements and support to 111 special schools and 19 full-service schools. A portion of the budget is earmarked to be spent on the provision of various assistive devices used and required at special schools.

The increase in compensation of employees amounts to 5.7 per cent, growing from the 2014/15 budget of R1.4 billion to 1.5 billion in the 2015/16 financial year. This is mainly due to additional funds allocated to improvements in the conditions of service of employees and the occupation-specific dispensation allocated for therapists amounting to R29.4 million. The budget for goods and services shows an increase of 3.4 per cent from R15.7 million in 2014/15 to R16.2 million in 2015/16. The budget increase is a result of funds being reprioritised for implementation of teacher development and for recruitment of class assistants at special schools. Transfer payments to public special schools increased from R310.6 million in 2014/15 to R324.9 million in 2015/16; this increase amounts to R14.2 million. The increase in transfers can be attributed to the implementation of the department's inclusion strategy and the establishment and resourcing of full service schools and teacher development.

The expansion budget of R36 million will include the early identification of learners in need of assistive devices in public special schools. A further R1.8 million has been allocated to teacher development to improve the performance of educators in the special schools in the province.

Spending on the special schools has increased from R1.2 billion in 2011/12 to R1.9 billion in 2015/16; this is as a result of the department's responsibility to ensure that all learners with special educational needs are suitably accommodated in institutions that are appropriately resourced.

SERVICE DELIVERY MEASURES

PROGRAMME 4: PUBLIC SPECIAL SCHOOL EDUCATION

Performance Measures	Estimated Annual Targets		
	2015/16	2016/17	2017/18
PM401: Percentage of special schools serving as Resource Centers	5%	10%	15%

PROGRAMME 5: EARLY CHILDHOOD DEVELOPMENT

Programme description

To provide ECD at Grade R and earlier levels in accordance with White Paper 5.

Programme objectives

- To provide specific public ordinary schools with the resources required for Grade R;
- To support particular community centres at Grade R level;
- To provide particular sites with resources required for pre-Grade R; and
- To provide educators and learners in ECD sites with departmentally managed support services.

Key policies, priorities and outputs

- The department will expand Grade R to all public schools as well as registering new Grade R sites and procuring additional classrooms to meet demand;
- The department will work with the Department of Social Development, to recognise private Grade R in centres registered with them and local government;
- The department will identify 750 Grade R practitioners for training to improve the quality of teaching and learning in the classroom;
- As part of quality education the department will continue testing Grade R learners with learning difficulties to identify barriers such as dyslexia and psycho-motor disorders and provide simple assistive devices; and
- The Early Childhood Development Institute (ECDI) and the Department of Social Development will broaden access to Grade R and pre-Grade R programmes in all communities.

TABLE 5.14 : SUMMARY OF PAYMENTS AND ESTIMATES: EARLY CHILDHOOD DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Grade R In Public Schools	303 182	321 754	447 567	647 996	530 516	530 516	693 295	738 152	775 060
2. Grade R In Community Centers		96	600	28 527	28 527	28 527	29 840	31 422	32 993
3. Pre-Grade R Training	37 646	16 809	37 136	43 583	43 401	45 186	45 588	48 004	50 405
4. Human Resource Development				13 852	27 057	25 272	14 489	15 257	16 020
5. Conditional Grants									
Total payments and estimates	340 828	338 659	485 303	733 958	629 501	629 501	783 212	832 835	874 478

Table 5.15 : SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: EARLY CHILDHOOD DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	247 537	212 196	336 330	553 056	432 692	426 013	592 226	631 727	663 314
Compensation of employees	114 926	100 722	190 046	237 437	259 137	260 256	402 010	423 956	445 154
Goods and services	132 611	111 474	146 284	315 619	173 555	165 757	190 216	207 771	218 160
Transfers and subsidies to:	93 203	125 869	148 935	180 782	196 689	203 488	190 626	200 729	210 766
Non-profit institutions	93 171	125 864	148 935	180 782	196 689	203 429	190 626	200 729	210 766
Households	32	5				59			
Payments for capital assets	88	594	38	120	120		360	379	398
Buildings and other fixed structures									
Machinery and equipment	88	555	38	120	120		360	379	398
Land and sub-soil assets		39							
Payments for financial assets									
Total economic classification	340 828	338 659	485 303	733 958	629 501	629 501	783 212	832 835	874 478

The budget increased from R733.9 million in 2014/15 to R783.2 million in 2015/16 indicating an increase of R49.2 million or 6.7 per cent. The compensation budget increased from R237.4 million to R402 million in 2015/16, an increase of 69.3 per cent or R164 million. Goods and services decreased from R315.6 million in 2014/15 to R190.2 million in 2015/16 as funds have been shifted to Programme 6: Infrastructure Development for the procurement of ART for Grade R classrooms.

A total of R326 million has been allocated for the purchasing of start-up kits for all new Grade R centres in the province. Teacher development of pre-Grade R practitioners will receive R17.8 million while the training of Grade R practitioners will receive R14.4 million.

Expenditure for programme five has increased from R340.8 million in 2011/12 to R485.3 million in 2013/14. This increase is evident in sub-programme Grade R in public schools which has increased by 47.6 per cent from 2011/12 to 2013/14, an increase of R144 million. This can be attributed to the expansion of Grade R by providing remuneration and training to Grade R practitioners, due to the province's stance on universalization of early childhood development. The department envisages having 140 000 learners in Grade R by the end of the 2015/16 financial year.

There is a steady increase in the funding of community centres as the department wants all private sites to be registered and monitored to improve the quality of education.

Pre-Grade R received a budget of R45.5 million in 2015/16. This is utilised to offer training and skills development. Most of the training will focus on management of the centres, training of ECD practitioners, and development and implementation of learning. Compensation of employees increased by R75 million from R114 million in 2011/12 to R190 million in 2013/14. This increase is primarily due to the increased emphasis on universalisation of Grade R as well as the increased number of ECD practitioners employed to accommodate the enhancement of learner enrolment in the ECD programme.

SERVICE DELIVERY MEASURES

PROGRAMME 5: EARLY CHILD DEVELOPMENT

Performance Measures	Estimated Annual Targets		
	2015/16	2016/17	2017/18
PMS01: Number of public schools that offer Grade R	1 312	1 325	1 335
PMS02: Percentage of Grade 1 learners who have received formal Grade R education	69%	70%	71%
PMS03: Percentage of employed ECD Practitioners with NQF level 4 and above	85%	90%	95%

PROGRAMME 6: INFRASTRUCTURE DEVELOPMENT

Programme description

To provide and maintain infrastructure facilities for administration and schools.

Programme objectives

- Infrastructure development and maintenance of buildings;
- Office infrastructure development and maintenance;
- Infrastructure development and maintenance in public ordinary schools (main stream and full service schools);
- Special schools infrastructure development and maintenance; and
- Infrastructure development and maintenance for ECD.

Key policies, priorities and outputs

- The department's infrastructure programme for the 2015/16 MTEF will focus on school maintenance using maintenance teams, the building of schools and providing of mobiles in high pressured areas, and completing fencing of all priority schools in line with the department's safety strategy;
- The department is working in partnership with the DID to identify and purchase land for the development and completion of turnkey schools;
- The department will implement the norms and standards for school infrastructure, to ensure a conducive learning environment in all schools;
- To bring education into the 21st century, the department aims to develop a model of a smart school that includes infrastructure, ICT and smart education;
- The department plans to ensure that all schools have functional clean and hygienic toilets, to ensure an environment conducive to teaching and learning;
- The department will also pilot the cleaning of schools through the establishment of cooperatives and through the EPWP; and
- The department endeavours to ensure that all teachers, learners and administrative staff on the school property are safe and secure at all times.

TABLE 5.16 : SUMMARY OF PAYMENTS AND ESTIMATES: INFRASTRUCTURE DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Administration	21 549	57 503	35 378	22 000	22 000	81 265	31 982	51 603	50 051
2. Public Ordinary Schools	1 253 642	1 246 494	1 485 033	1 451 782	1 451 782	1 508 966	2 244 039	1 916 993	2 410 538
3. Special Schools	6 588	28 265	40 305	185 490	185 490	92 558	177 975	483 226	203 823
4. Early Childhood Development	247 830	337 196	67 832	28 863	147 163	93 112	142 168	140 000	147 000
Total payments and estimates	1 529 609	1 669 458	1 628 548	1 688 135	1 806 435	1 775 901	2 596 164	2 591 822	2 811 412

TABLE 5.17 : SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: INFRASTRUCTURE DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	271 048	329 981	652 959	253 796	414 299	464 648	410 974	284 162	293 132
Goods and services	271 048	329 981	652 959	253 796	414 299	464 648	410 974	284 162	293 132
Payments for capital assets	1 258 561	1 339 477	975 589	1 434 339	1 392 136	1 311 253	2 185 190	2 307 660	2 518 280
Buildings and other fixed structures	1 258 561	1 334 121	962 879	1 412 339	1 370 136	1 256 969	2 168 450	2 277 660	2 483 245
Machinery and equipment			189						
Land and sub-soil assets		5 356	12 521	22 000	22 000	54 284	16 740	30 000	35 035
Total economic classification	1 529 609	1 669 458	1 628 548	1 688 135	1 806 435	1 775 901	2 596 164	2 591 822	2 811 412

Infrastructure development received a budget of R2.5 billion for the 2015/16 financial year. The budget increased by R908 million, an increase of 53.8 per cent. Goods and services increased by R157 million from R253 million in 2014/15 to R410 million in 2015/16 or 62 per cent.

During the 2014/15 financial year, an amount of R1.7 billion was allocated, and later adjusted upwards to R1.8 billion for the provision of alternative construction technology (ACT) Grade R classrooms. Over the 2015 MTEF, the budget shows an increase from R2.5 billion in the 2015/16 to R2.8 billion in 2017/18. This is as a result of additional funds allocated in 2015/16 to cover contractual commitments resulting from contracts awarded for the construction of 18 new schools and the second phase of one existing school.

Over the 2015 MTEF period, R5.3 billion is allocated towards the construction of new school infrastructure, R799 million is allocated towards rehabilitation and refurbishment of existing school facilities, R817.5 million is allocated towards upgrading and addition and R990 million is allocated towards maintenance. The increase in the new construction programme emanates from the need to comply with the regulations relating to minimum uniform norms and standard for public school infrastructure.

SERVICE DELIVERY MEASURES

PROGRAMME 6: INFRASTRUCTURE DEVELOPMENT

Performance Measures	Estimated Annual Targets		
	2015/16	2016/17	2017/18
PM601: Number of public ordinary schools to be provided with water supply.	17	15	15
PM602: Number of public ordinary schools to be provided with electricity supply.	17	15	15
PM603: Number of public ordinary schools to be supplied with sanitation facilities.	17	15	15
PM604: Number of classrooms to be built in public ordinary schools.	167	167	167
PM605: Number of specialist rooms to be built in public ordinary schools.	354	354	354
PM606: Number of new schools completed and ready for occupation (includes replacement schools)	20	20	16
PM607: Number of new schools under construction (includes replacement schools)	20	16	20
PM608: Number of Grade R classrooms built	200	280	290
PM609: Number of hostels built	0	0	0
PM610: Number of schools undergoing scheduled maintenance	93	51	29

PROGRAMME 7: EXAMINATION AND EDUCATION RELATED SERVICES**Programme description**

To provide training and support to all education institutions.

Programme objectives

- Provide employee human resources development in accordance with the Skills Development Act;
- Provide for special departmentally managed intervention projects in the education system as a whole;
- Provide educators and learners in public ordinary schools with departmentally managed support services; and
- Provide departmentally managed examination services.

TABLE 5.18 : SUMMARY OF PAYMENTS AND ESTIMATES: EXAMINATION AND EDUCATION RELATED SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Payments To Seta	11 733	12 515	12 519	13 824	13 824	22 251	79 311	83 867	88 059
2. Professional Services	499 448	446 101	817 485	815 086	775 438	704 908	491 843	505 304	529 684
3. Special Projects	229 621	312 271	278 855	417 551	423 864	423 864	436 758	460 389	483 409
4. External Examinations	154 265	193 523	225 604	226 747	227 698	241 883	244 354	260 698	273 712
5. Conditional Grants			28 817	38 466	38 466	38 466	47 193		
Total payments and estimates	895 067	964 410	1 363 280	1 511 674	1 479 290	1 431 372	1 299 459	1 310 258	1 374 864

TABLE 5.19 : SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: EXAMINATION AND EDUCATION RELATED SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	591 073	683 304	817 198	769 474	819 153	808 166	884 746	872 747	903 862
Compensation of employees	92 499	137 877	313 697	349 187	376 671	388 744	390 471	361 419	379 470
Goods and services	498 574	545 427	503 501	420 287	442 482	418 368	494 275	511 328	524 392
Transfers and subsidies to	303 531	274 436	535 874	726 057	647 526	612 061	402 434	424 582	457 426
Departmental agencies and accounts	11 733	12 515	12 519	13 824	13 824	22 251	79 311	83 867	88 059
Non-profit institutions	219 366	168 181	378 542	532 233	454 099	401 171	104 718	110 268	127 398
Households	72 432	93 740	144 813	180 000	179 603	188 639	218 405	230 447	241 969
Payments for capital assets	463	6 670	10 208	16 143	12 611	11 145	12 279	12 929	13 576
Buildings and other fixed structures		8							
Machinery and equipment	463	6 079	10 208	16 083	12 611	11 145	12 279	12 929	13 576
Land and sub-soil assets		583							
Software and other intangible assets				60					
Total economic classification	895 067	964 410	1 363 280	1 511 674	1 479 290	1 431 372	1 299 459	1 310 258	1 374 864

Examination and Education Related Services received an allocated budget of R1.2 billion in the 2015/16 financial year; showing a decrease of 14 per cent, or R212 million in rand value. Additional funds have been allocated for the running costs involved with ANA in grades 1, 3 and 9. Compensation for employees increased by 11.8 per cent from R349 million to R390 million for the 2015/16 financial year.

Goods and services increased from R420.2 million in 2014/15 to R494.2 million in 2015/16, an increase of 17.6 per cent. This budget increased due of the large number of candidate registrations in grade 12 which consequently increases administration costs. The transfers and subsidies budget decreased from R726 million in 2014/15 to R402.4 million in 2015/16. This decrease amounts to R323 million which translates to 44.6 per cent. This is as a result of shifting of budget for interventions to public ordinary schools.

The Gauteng City Region Academy (GCRA) will receive an allocation of R362.4 million. These funds are for the continued expansion of the MSP. The MSP funding includes the provision of bursaries to the top three learners from no-fee schools and other learners based on their performance. Examinations will receive an administration

budget of R121 million and R130 million for examination markers and moderators who gets paid a stipend as per the Personal Administration Measures (PAM).

Funds are allocated to support learning interventions, which includes R65.1 million for MST learner achievement and R23 million for MST teacher development. The Intersen Strategy has an allocated amount of R131 million for teacher development and resources in the classroom which include lesson plans, textbooks, and learner and teacher support material.

Examination and Education Related Services had a budget increase of 42.5 per cent from the 2011/12 to the 2015/16 financial years. Compensation of employees grew by 282 per cent over the period. The increase in the compensation budget is a direct result of the increase in the number of learners registered to write the matriculation examinations.

SERVICE DELIVERY MEASURES

PROGRAMME 7: EXAMINATION AND EDUCATION RELATED SERVICES

Performance Measures	Estimated Annual Targets		
	2015/16	2016/17	2017/18
PM701: Percentage of learners who passed National Senior Certificate (NSC)	88%	90%	91%
PM702: Percentage of Grade 12 learners passing at bachelor level	36%	38%	40%
PM703: Percentage of Grade 12 learners achieving 50% or more in Mathematics	38%	40%	43%
PM704: Percentage of Grade 12 learners achieving 50% or more in Physical Science.	33%	35%	40%
PM705: Percentage of Grade 3 learners achieving 50% and above in Home Language in the Annual National Assessment (ANA)	71%	72%	73%
PM706: Percentage of Grade 3 learners achieving 50% and above in Mathematics in the Annual National Assessment (ANA)	74%	74%	75%
PM707: Percentage of Grade 6 learners achieving 50% and above in Home Language in the Annual National Assessment (ANA)	75%	75%	75%
PM708: Percentage of Grade 6 learners achieving 50% and above in Mathematics in the Annual National Assessment (ANA)	60%	61%	62%
PM709: Percentage of Grade 9 learners achieving 50% and above in Home Language in the Annual National Assessment (ANA)	55%	60%	68%
PM710: Percentage of Grade 9 learners achieving 50% and above in Mathematics in the Annual National Assessment (ANA)	20%	30%	40%

9. OTHER PROGRAMME INFORMATION

9.1 Personnel numbers and costs

TABLE 5.20 : PERSONNEL NUMBERS AND COSTS BY PROGRAMME:EDUCATION

Personnel numbers	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	As at 31 March 2018
1. Administration	5 275	5 094	6 180	7 138	6 590	6 590	6 590
2. Public Ordinary School Education	67 032	66 033	69 060	65 530	76 356	77 852	79 377
3. Independent School Subsidies							
4. Public Special School Education	5 093	5 024	5 162	5 171	6 681	6 814	6 949
5. Early Childhood Development	3 003	2 788	3 294	3 132	3 950	4 550	5 000
6. Infrastructure Development							
7. Examination And Education Related Services	11 001	18 304	18 783	11 917	18 304	18 304	18 304
Total provincial personnel numbers	91 404	97 243	102 479	92 888	111 881	114 110	116 220
Total provincial personnel cost (R thousand)	18 513 710	20 029 595	21 812 522	24 008 511	26 428 946	27 842 254	29 234 075
Unit cost (R thousand)	203	206	213	258	236	244	252

TABLE 5.21 : SUMMARY OF PERSONNEL NUMBERS AND COSTS: EDUCATION

	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Total for province									
Personnel numbers (head count)	91 404	97 243	102 479	92 888	92 888	92 888	111 881	114 110	116 220
Personnel cost (R thousands)	18 513 710	20 029 595	21 812 522	23 543 331	23 874 415	24 008 511	26 428 946	27 842 254	29 234 075
Human resources component									
Personnel numbers (head count)	402	386	432	432	432	432	432	432	432
Personnel cost (R thousands)	107510	162 798	164 426	120 403	120 403	120 403	167 731	169 408	169 408
Head count as % of total for department									
Personnel cost as % of total for department									
Finance component									
Personnel numbers (head count)	354	278	315	315	315	315	315	315	315
Personnel cost (R thousands)	64 042	45 016	45 466	111 945	111 945	111 945	46 380	46 844	46 844
Head count as % of total for department									
Personnel cost as % of total for department									
Full time workers									
Personnel numbers (head count)	78 611	78 718	80 073	77 696	77 696	77 696	96 689	98 918	101 028
Personnel cost (R thousands)	18 995 813	20 583 883	21 381 606	23 448 930	23 448 930	23 448 930	25 566 376	26 986 790	28 339 362
Head count as % of total for department									
Personnel cost as % of total for department	86%	81%	78%	84%	84%	84%	86%	87%	87%
Personnel cost as % of total for department	103%	103%	98%	100%	98%	98%	97%	97%	97%
Part-time workers									
Personnel numbers (head count)	7 365	21 092	22 077	15 049	15 049	15 049	15 049	15 049	15 049
Personnel cost (R thousands)	352 552	351 937	326 257	489 492	489 492	489 492	792 481	785 375	824 624
Head count as % of total for department									
Personnel cost as % of total for department	8%	22%	22%	16%	16%	16%	13%	13%	13%
Personnel cost as % of total for department	2%	2%	1%	2%	2%	2%	3%	3%	3%
Contract workers									
Personnel numbers (head count)	316	325	329	143	143	143	143	143	143
Personnel cost (R thousands)	35 038	98 918	104 659	70 089	70 089	70 089	70 089	70 089	70 089
Head count as % of total for department									
Personnel cost as % of total for department									

The personnel numbers of the department indicate the dedication to keep class sizes to the policy norms of 40: 1 in primary schools and 35: 1 in secondary school. This is proving to be complex as the recurrent cost of personnel does not allow the department to increase the number of educators sufficiently to meet policy requirements. The increase in personnel numbers at school level is attempting to rectify the divergence in numbers in the classroom and to maintain the current averages, simultaneously accommodating the growth in learner numbers in the schools. The increase in personnel cost can be attributed to the cost of living increases and other costs related to the Personnel Administration Measures (PAM) relating to prolonged sick leave, study leave or maternity leave. The department's increase in personnel numbers over the last three years is an attempt to meet policy targets for public primary and secondary schools with respect to Learner: Educator numbers.

9.2 Training

TABLE 5.22: PAYMENTS ON TRAINING BY PROGRAMME: EDUCATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Administration	20 118	15 220	4 481	26 895	19 195	19 195	22 902	24 116	25 322
Subsistence and travel									
Payments on tuition	20 118	15 220	4 481	26 895	19 195	19 195	22 902	24 116	25 322
Other									
2. Public Ordinary School Education	56 478	90 890	100 652	165 690	92 393	92 393	145 817	154 367	162 084
Subsistence and travel									
Payments on tuition	56 478	90 890	100 652	165 690	92 393	92 393	145 817	154 367	162 084
Other									
4. Public Special School Education	736	16 547		1 769	1 769		1 850	1 948	2 045
Subsistence and travel									
Payments on tuition	736	16 547		1 769	1 769		1 850	1 948	2 045
Other									
5. Early Childhood Development	11 495	32 063	35 097	32 000	47 907	68 499	49 489	52 112	54 718
Subsistence and travel									
Payments on tuition	11 495	32 063	35 097	32 000	47 907	68 499	49 489	52 112	54 718
Other									
7. Examination And Education Related Services	168 063	221 014	60 977	146 996	116 019	107 547	223 200	235 398	247 166
Subsistence and travel									
Payments on tuition	168 063	221 014	60 977	146 996	116 019	107 547	223 200	235 398	247 166
Other									
Total payments on training	256 890	375 734	201 207	373 350	277 283	287 634	443 258	467 941	491 335

TABLE 5.23 : INFORMATION ON TRAINING: EDUCATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Number of staff	91 404	97 243	102 479	92 888	92 888	92 888	111 881	114 110	116 220
Number of personnel trained	30 786	49 056	47 308	38 808	40 808	40 808	42 735	45 000	48 000
of which									
Male	13 983	20 174	22 056	19 015	19 339	19 339	20 667	21 050	23 500
Female	16 803	28 882	25 252	19 793	21 469	21 469	22 068	23 950	24 500
Number of training opportunities	394	15 719	35 008	35 808	35 808	35 808	27 434	29 000	30 000
of which									
Tertiary	4	600	1 525	1 625	1 625	1 625	1 050	2 600	3 200
Workshops	380	15 119	33 483	34 183	34 183	34 183	26 384	26 400	26 800
Seminars	10								
Other									
Number of bursaries offered	3 819	1 508	4 283	3 655	3 655	3 655			
Number of interns appointed	449	4 676	1 600	2 100	2 100	150	380	400	450
Number of learnerships appointed	64	1 728	4 500	4 500	4 500	4 500			
Number of days spent on training		100 011	36 900						

In response to the growing demand for training in the education sector, the department conducts a number of training courses for both educator and public service staff. These training programmes are coordinated and implemented through Matthew Goniwe School of Leadership and Governance (MGSLG) and Sci Bono Discovery Centre. These developmental programmes are structured to improve teaching in the classroom, governance of the schools and public administration. The department also awards bursaries to educators to improve the strategic thrust of the Department i.e. Maths, Science and Technology. The Training budget allocated for the department covers all training and development in the department with the focus on the improvement of strategies, support and enhancement of service delivery and professional development within the sector.

9.3 Reconciliation of structural changes

TABLE 5.23: RECONCILIATION OF STRUCTURAL CHANGES: EDUCATION

2014/15		2015/16	
Programmes	R'000	Programmes	R'000
1. Administration	2 574 782	1. Administration	2 548 172
1. Office Of The MEC	3 838	1. Office Of The MEC	4 015
2. Corporate Services	1 474 984	2. Corporate Services	1 464 377
3. Education Management	1 058 865	3. Education Management	1 038 155
4. Human Resource Management	19 195	4. Human Resource Management	22 902
5. Edu Management Information Systems(Emis)	17 900	5. Education Management Information Systems(Emis)	18 723
6. Conditional Grants		6. Conditional Grants	
5. Further Education and Training	725 809		
1. Conditional Grants	725 809		
6. Adult Basic Education and Training	423 471		
1. Public Centers	419 502		
2. Professional Services	2 502		
3. Human Resource Development	1 467		
9. Auxiliary and Associated Services	1 501 902	7. Examination And Education Related Services	1 299 459
1. Payments To Seta	22 251	1. Payments To Seta	79 311
2. Professional Services	775 438	2. Professional Services	491 843
3. Special Projects	423 864	3. Special Projects	436 758
4. External Examinations	241 883	4. External Examinations	244 354
5. Conditional Grants	38 466	5. Conditional Grants	47 193
Total	5 225 964		3 847 631

As from 1st April 2015, the programme Further Education and Training and Adult Basic Education and Training moved from the province to national department of higher education and training. Budget allocated in programme 1: administration and programme 7: examination and education related services for functions related to FET and ABET have also been moved.

ANNEXURE TO THE ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE

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TABLE 5.24: SPECIFICATION OF RECEIPTS: EDUCATION

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2014/15	2015/16	2016/17
Tax receipts									
Sales of goods and services other than capital assets	20 051	21 651	24 359	20 823	20 823	20 823	25 379	25 951	26 537
Sale of goods and services produced by department (excluding capital assets)	19 997	21 651	24 267	20 823	20 823	20 823	25 379	25 951	26 537
Sales by market establishments	1 971		2 354						
Administrative fees									
Other sales	18 026	21 651	21 913	20 823	20 823	20 823	25 379	25 951	26 537
Sales of scrap, waste, arms and other used current goods (excluding capital assets)	54		92						
Transfers received from:									
Fines, penalties and forfeits	53	151	74	36	36	36	37	38	39
Interest, dividends and rent on land	3 014	7 000	1 315	2 184	2 184	2 184	182	186	190
Interest			1 315	2 184	2 184	2 184	182	186	190
Dividends	3 014	7 000							
Rent on land									
Sales of capital assets	45	257							
Land and sub-soil assets	45	257							
Transactions in financial assets and liabilities	21 289	19 553	21 619	22 159	22 159	22 159	3 962	4 061	4 162
Total departmental receipts	44 452	48 612	47 367	45 202	45 202	45 202	29 560	30 236	30 928

TABLE 5.25: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: EDUCATION

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2014/15	2015/16	2016/17
Current payments	20 964 624	22 401 142	25 129 771	26 440 045	27 120 798	27 474 609	29 830 810	31 276 141	32 822 263
Compensation of employees	18 513 710	20 029 595	21 812 522	23 543 331	23 874 415	24 008 511	26 428 946	27 842 254	29 234 075
Salaries and wages	15 806 647	17 224 292	18 759 332	20 350 683	20 642 281	20 760 734	22 860 260	24 063 040	25 265 899
Social contributions	2 707 063	2 805 303	3 053 190	3 192 648	3 232 134	3 247 777	3 568 686	3 779 214	3 968 175
Goods and services	2 450 692	2 368 604	3 316 049	2 896 714	3 246 383	3 463 966	3 401 864	3 433 887	3 588 188
Administrative fees	3 798	2 925	3 084	4 769	6 807	7 323	6 424	6 766	7 102
Advertising	8 255	6 259	5 579	9 695	28 820	23 412	13 912	14 650	15 384
Minor assets	45 821	23 966	3 458	7 356	3 962	5 105	11 385	11 988	12 589
Audit cost: External	8 002	11 381	14 449	20 182	15 182	15 182	13 479	14 193	14 903
Bursaries: Employees	16 655	15 836	3 494	7 700	7 703	7 717			
Catering: Departmental activities	9 815	8 806	5 062	10 630	9 808	11 105	8 205	8 639	9 071
Communication (G&S)	51 576	51 268	53 664	24 637	44 554	52 576	36 127	38 043	39 949
Computer services	38 574	65 417	53 392	63 971	94 035	93 097	102 956	108 453	113 875
Consultants and professional services:									
Business and advisory services	28 893	29 901	13 245	39 855	58 718	64 649	47 549	50 059	52 562
Consultants and professional services:									
Infrastructure and planning	31 632	2 116							

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Consultants and professional services:									
Legal costs	16 561	26 675	65 487	10 170	30 693	30 964	10 590	11 151	11 709
Contractors	14 488	24 983	8 658	15 301	16 885	15 557	2 271	4 049	4 251
Agency and support / outsourced services	523 104	709 989	628 039	728 602	825 864	806 723	791 333	824 838	854 465
Entertainment	1			93	18	18	142	150	158
Fleet services (including government motor transport)	50 238	39 782	15 167	40 209	30 335	21 236	37 873	39 879	41 873
Housing									
Inventory: Clothing material and accessories			46	2	2	79			
Inventory: Farming supplies									
Inventory: Food and food supplies			3			2			
Inventory: Fuel, oil and gas			12 208						
Inventory: Learner and teacher support material	346 704	228 872	819 637	653 943	558 451	569 479	680 982	725 181	761 439
Inventory: Materials and supplies	1 729	1 472	467	97	83	340			
Inventory: Medical supplies	402	299	1 780	3		26			
Inventory: Other supplies			345 094	45 106	52 880	48 968	62 246	65 535	68 812
Consumable supplies	185 310	31 159	9 638	11 999	29 527	27 635	31 975	33 669	35 352
Consumable:									
Stationery, printing and office supplies	81 081	47 600	18 652	25 063	26 110	27 077	37 529	39 518	41 494
Operating leases	76 128	100 173	174 837	114 420	119 323	129 540	135 962	143 166	150 324
Property payments	320 778		554 819	380 794	645 053	763 982	546 854	425 680	441 726
Transport provided:									
Departmental activity	208 190	240 454	312 865	352 210	348 842	454 888	467 180	492 685	517 662
Travel and subsistence	63 207	75 547	75 748	99 115	89 900	95 981	93 371	98 326	102 355
Training and development	240 235	359 898	56 841	158 249	116 060	104 519	162 961	171 371	179 939
Operating payments	65 496	256 983	54 134	64 883	66 796	68 207	90 722	95 540	100 319
Venues and facilities	14 019	6 784	5 565	7 660	18 804	18 150	8 972	9 447	9 921
Rental and hiring		59	937		1 168	429	865	911	957
Interest and rent on land	222	2 943	1 200			2 132			
Interest	222	2 835	1 200			2 132			
Rent on land		108							
Transfers and subsidies to	2 245 096	2 376 320	3 003 795	3 696 130	3 423 636	3 413 197	3 950 683	4 155 360	4 375 532
Municipalities									
Departmental agencies and accounts	11 733	12 522	12 520	13 825	13 825	22 252	79 312	83 868	88 060
Social security funds									

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R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Provide list of entities receiving transfers	11 733	12 522	12 520	13 825	13 825	22 252	79 312	83 868	88 060
Non-profit institutions	2 074 407	2 144 033	2 716 922	3 400 210	3 128 088	3 075 758	3 545 414	3 727 793	3 926 588
Households	158 956	219 765	274 353	282 095	281 723	315 187	325 957	343 699	360 884
Social benefits	86 612	126 337	129 540	102 095	102 120	126 548	107 552	113 252	118 915
Other transfers to households	72 344	93 428	144 813	180 000	179 603	188 639	218 405	230 447	241 969
Payments for capital assets	1 378 567	1 386 908	1 044 349	1 500 745	1 440 120	1 372 153	2 262 416	2 388 412	2 604 260
Buildings and other fixed structures	1 258 561	1 335 427	988 387	1 440 297	1 381 136	1 267 969	2 192 801	2 302 734	2 510 765
Buildings	1 258 561	1 335 427	988 387	1 440 297	1 381 136	1 267 969	2 192 801	2 302 734	2 510 765
Other fixed structures									
Machinery and equipment	118 017	42 654	42 583	37 388	35 984	48 900	47 115	49 612	52 091
Transport equipment			189						
Other machinery and equipment	118 017	42 654	42 394	37 388	35 984	48 900	47 115	49 612	52 091
Land and sub-soil assets		6 569	12 521	22 000	22 000	54 284	16 740	30 000	35 035
Software and other intangible assets	1 989	2 258	858	1 060	1 000	1 000	5 760	6 066	6 369
Payments for financial assets	7 416	60 192	31 492			4 962			
Total economic classification	24 595 703	26 224 562	29 209 407	31 636 920	31 984 554	32 264 921	36 043 909	37 819 913	39 802 054

TABLE 5.26: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	1 999 197	2 329 596	2 413 309	2 432 723	2 488 888	2 585 539	2 514 864	2 644 047	2 775 956
Compensation of employees	1 589 608	1 834 740	1 900 390	1 985 320	1 987 220	2 068 057	2 052 703	2 157 392	2 264 968
Salaries and wages	1 358 702	1 557 644	1 631 014	1 699 031	1 700 684	1 787 673	1 752 987	1 842 324	1 934 146
Social contributions	230 906	277 096	269 376	286 289	286 536	280 384	299 716	315 068	330 821
Goods and services	409 577	492 118	512 069	447 403	501 668	516 997	462 161	486 655	510 989
Administrative fees	1 425	1 567	1 608	264	319	1 425	272	287	301
Advertising	5 196	4 956	2 321	5 299	9 141	8 035	5 924	6 238	6 550
Minor assets	3 270	1 553	462	1 708	1 965	2 620	1 754	1 847	1 939
Audit cost: External	8 002	11 337	14 414	20 182	15 182	15 182	13 479	14 193	14 903
Bursaries: Employees	2 306	1 224		7 700					
Catering: Departmental activities	1 480	981	539	1 858	2 889	2 951	2 050	2 158	2 266
Communication (G&S)	43 149	43 565	37 512	15 502	34 266	41 481	16 708	17 594	18 475
Computer services	36 410	61 608	47 791	50 361	62 224	64 973	71 252	75 028	78 779
Consultants and professional services: Business and advisory services	13 665	12 161	12 368	29 855	33 718	33 718	37 089	39 055	41 008

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Consultants and professional services:									
Infrastructure and planning	281								
Consultants and professional services:									
Legal costs	16 561	26 675	64 238	10 170	26 170	26 170	10 590	11 151	11 709
Contractors	1 359	1 243	934	3 118	3 169	3 570	2 090	2 201	2 311
Agency and support / outsourced services	83 633	90 125	65 447	95 659	95 710	83 844	83 776	88 216	92 627
Entertainment	1			93	18	18	142	150	158
Fleet services (including government motor transport)	30 059	37 678	11 596	16 925	13 749	7 776	18 259	19 226	20 187
Housing									
Inventory: Clothing material and accessories				2	2				
Inventory: Farming supplies									
Inventory: Food and food supplies			2						
Inventory: Fuel, oil and gas									
Inventory: Learner and teacher support material	620	587	137	2 520	362	362	363	383	402
Inventory: Materials and supplies	581	280	40	57	45	45			
Inventory: Medical supplies	5	2		3					
Consumable supplies	3 730	2 538	2 020	5 632	6 569	6 318	8 821	9 288	9 752
Consumable: Stationery, printing and office supplies	12 662	10 522	8 121	8 996	10 034	9 532	14 426	15 192	15 952
Operating leases	57 709	95 387	164 159	109 053	110 809	118 158	121 407	127 841	134 233
Property payments	15 643	34 397	30 969	18 164	21 134	25 797	19 919	20 975	22 024
Transport provided:									
Departmental activity	162	429	2	160	289	289	110	116	122
Travel and subsistence	22 941	29 410	34 764	21 813	22 497	33 297	13 332	14 038	14 740
Training and development	17 812	13 996	414	9 334	8 548	8 501	9 845	10 366	10 884
Operating payments	26 687	8 941	9 955	11 075	12 205	12 281	9 288	9 780	10 269
Venues and facilities	4 228	956	2 256	1 900	10 654	10 629	1 265	1 332	1 399
Rental and hiring						25			
Interest and rent on land	12	2 738	850			485			
Interest	12	2 738	850			485			
Rent on land									
Transfers and subsidies to	11 338	10 850	10 398	4 767	4 792	10 232	4 987	5 251	5 514
Departmental agencies and accounts		7	1	1	1	1	1	1	1
Provide list of entities receiving transfers		7	1	1	1	1	1	1	1
Non-profit institutions		717							
Households	11 338	10 126	10 397	4 766	4 791	10 231	4 986	5 250	5 513
Social benefits	11 338	10 126	10 397	4 766	4 791	10 231	4 986	5 250	5 513

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R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Payments for capital assets	74 607	20 392	11 504	21 512	23 185	23 346	28 321	29 822	31 313
Buildings and other fixed structures		9							
Buildings		9							
Other fixed structures									
Machinery and equipment	72 618	18 098	10 646	20 512	22 185	22 346	22 561	23 756	24 944
Transport equipment									
Other machinery and equipment	72 618	18 098	10 646	20 512	22 185	22 346	22 561	23 756	24 944
Land and sub-soil assets		27							
Software and other intangible assets	1 989	2 258	858	1 000	1 000	1 000	5 760	6 066	6 369
Payments for financial assets	7 416	60 192	31 492			4 962			
Total economic classification	2 092 558	2 421 030	2 466 703	2 459 002	2 516 865	2 624 079	2 548 172	2 679 120	2 812 783

TABLE 5.27: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: PUBLIC ORDINARY SCHOOLS EDUCATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	16 776 124	18 147 150	19 621 067	20 924 299	21 414 491	21 638 968	23 835 108	25 190 634	26 450 533
Compensation of employees	15 643 894	16 785 396	18 129 998	19 480 426	19 740 426	19 780 493	22 007 144	23 263 800	24 427 012
Salaries and wages	13 330 849	14 435 822	15 537 687	16 766 945	16 990 783	17 011 531	18 952 303	20 022 832	21 023 995
Social contributions	2 313 045	2 349 574	2 592 311	2 713 481	2 749 643	2 768 962	3 054 841	3 240 968	3 403 017
Goods and services	1 132 020	1 361 549	1 490 719	1 443 873	1 674 065	1 857 882	1 827 964	1 926 834	2 023 521
Administrative fees	1 806		6		30	101	10	11	11
Advertising	999	984	2 219	948	246	246	551	580	610
Minor assets	41 456	21 448	2 297	71	122	325	261	275	289
Audit cost: External		42	35						
Bursaries: Employees	14 313	14 520	3 494		7 703	7 703			
Catering: Departmental activities	6 409	5 594	1 429	1 371	734	1 379	1 169	1 232	1 293
Communication (G&S)	2 041	1 603	11 646	870	943	2 955	7 897	8 317	8 735
Computer services						12			
Consultants and professional services: Business and advisory services	8 949					20			
Consultants and professional services: Infrastructure and planning		2 116							
Consultants and professional services: Laboratory services									
Consultants and professional services: Scientific and technological services									
Consultants and professional services: Legal costs			909		180	330			
Contractors	12 944	23 344	7 584	36	1 618	238	9	9	9

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Agency and support / outsourced services	319 439	580 076	551 826	588 709	692 424	692 425	662 892	698 792	733 733
Entertainment									
Fleet services (including government motor transport)	3 226	144	15	1 846	850	1 078	1 287	1 355	1 423
Housing									
Inventory: Clothing material and accessories			46			77			
Inventory: Farming supplies									
Inventory: Food and food supplies			1						
Inventory: Fuel, oil and gas			12 208						
Inventory: Learner and teacher support material	166 763	205 148	339 673	346 086	355 596	356 047	492 877	519 622	545 602
Inventory: Materials and supplies	1 086	1 085	338	18	4	286			
Inventory: Medical supplies	397	297	1 780			19			
Inventory: Other supplies			23 200	45 106	49 296	45 294	61 763	65 037	68 289
Consumable supplies	180 583	24 773	7 365	668	17 832	16 458	4 612	4 856	5 098
Consumable: Stationery, printing and office supplies	30 684	6 016	3 174	2 140	1 340	4 233	1 534	1 616	1 697
Operating leases	12 799	1 129	270		280	2 430	692	728	764
Property payments	63 347	142 097	191 921	93 612	194 378	258 914	99 373	104 733	109 969
Transport provided:									
Departmental activity	207 169	238 516	308 033	343 755	338 614	444 686	462 518	487 774	512 506
Travel and subsistence	9 531	8 125	4 406	1 874	5 433	5 917	8 855	9 325	9 791
Training and development	42 165	76 370	7 939	15 156	4 258	9 663	8 639	8 855	9 297
Operating payments	3 812	6 235	7 570	290	396	5 258	11 218	11 813	12 405
Venues and facilities	2 102	1 884	435	1 317	942	1 384	958	1 009	1 060
Rental and hiring		3	900		846	404	850	895	940
Interest and rent on land	210	205	350			593			
Interest	210	97	350			593			
Rent on land		108							
Transfers and subsidies to	1 217 044	1 306 282	1 557 320	1 959 521	1 773 164	1 782 769	2 489 683	2 616 108	2 747 702
Non-profit institutions	1 147 265	1 196 279	1 444 489	1 864 521	1 678 164	1 672 022	2 389 553	2 510 671	2 636 993
Households	69 779	110 003	112 831	95 000	95 000	110 747	100 130	105 437	110 709
Social benefits	69 779	110 003	112 831	95 000	95 000	110 747	100 130	105 437	110 709
Payments for capital assets	44 848	19 374	47 009	28 526	11 691	26 032	35 971	37 311	40 366
Buildings and other fixed structures		1 289	25 508	27 958	11 000	11 000	24 351	25 074	27 520
Buildings		1 289	25 508	27 958	11 000	11 000	24 351	25 074	27 520
Other fixed structures									
Machinery and equipment	44 848	17 521	21 501	568	691	15 032	11 620	12 237	12 846
Transport equipment									
Other machinery and equipment	44 848	17 521	21 501	568	691	15 032	11 620	12 237	12 846
Land and sub-soil assets		564							
Total economic classification	18 038 016	19 472 806	21 225 396	22 912 346	23 199 346	23 447 769	26 360 762	27 844 053	29 238 601

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TABLE 5.28: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: INDEPENDENT SCHOOL SUBSIDIES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments			130		15 000	15 000			
Goods and services			130		15 000	15 000			
Consultants and professional services:									
Business and advisory services					15 000	15 000			
Consumable: Stationery, printing and office supplies			32						
Travel and subsistence			98						
Transfers and subsidies to	409 004	421 446	452 837	514 329	499 329	499 329	537 988	566 502	594 827
Non-profit institutions	409 004	421 446	452 837	514 329	499 329	499 329	537 988	566 502	594 827
Payments for capital assets									
Buildings and other fixed structures									
Total economic classification	409 004	421 446	452 967	514 329	514 329	514 329	537 988	566 502	594 827

TABLE 5.29: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: PUBLIC SPECIAL SCHOOL EDUCATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	1 079 645	1 206 476	1 288 778	1 506 697	1 536 275	1 536 275	1 592 892	1 652 824	1 735 465
Compensation of employees	1 072 783	1 170 860	1 278 391	1 490 961	1 510 961	1 510 961	1 576 618	1 635 687	1 717 471
Salaries and wages	910 347	1 006 940	1 086 888	1 298 443	1 315 688	1 312 530	1 363 681	1 413 293	1 483 957
Social contributions	162 436	163 920	191 503	192 518	195 273	198 431	212 937	222 394	233 514
Goods and services	6 862	35 616	10 387	15 736	25 314	25 314	16 274	17 137	17 994
Administrative fees				26			20	20	21
Advertising				240	119	119	347	364	383
Assets less than the capitalization threshold		4		94	138	138	65	68	71
Audit cost: External Bursaries:		2							
Employees									
Catering:									
Departmental activities	99	576	2	593	208	208	474	499	524
Communication (G&S)	23	145	291	638	555	555	512	539	566
Computer services									
Contractors		29	8						
Agency and support / outsourced services	2 223	148		240	925	925	370	389	408
Entertainment									
Fleet services (including government motor transport)	1 840	1 716	168	5 716	3 898	3 898	466	490	515

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Housing									
Inventory: Learner and teacher support material	5	12 357	6 896	229	10 755	10 755	7 652	8 058	8 461
Inventory: Materials and supplies									
Consumable supplies	199	341	1	137	179	179	174	183	192
Consumable: Stationery, printing and office supplies	709	399	215	739	1 118	1 118	741	780	819
Operating leases	22		1 585		972	972	531	559	587
Property payments	1	55							
Transport provided: Departmental activity				235	114	131	300	318	334
Travel and subsistence	903	3 211	707	5 845	4 810	4 793	3 954	4 167	4 375
Training and development	736	16 547	30	587	1 059	1 059	588	619	650
Operating payments	86	86	484	337	434	434	20	21	22
Venues and facilities	16			80	30	30	60	63	66
Rental and hiring									
Transfers and subsidies	210 976	237 437	298 431	310 674	302 136	305 318	324 965	342 188	359 297
Non-profit institutions	205 601	231 546	292 119	308 345	299 807	299 807	322 529	339 623	356 604
Households	5 375	5 891	6 312	2 329	2 329	5 511	2 436	2 565	2 693
Social benefits	5 375	5 891	6 312	2 329	2 329	5 511	2 436	2 565	2 693
Payments for capital assets		401	1	105	377	377	295	311	327
Machinery and equipment		401	1	105	377	377	295	311	327
Transport equipment									
Other machinery and equipment		401	1	105	377	377	295	311	327
Total economic classification	1 290 621	1 444 314	1 587 210	1 817 476	1 838 788	1 841 970	1 918 152	1 995 323	2 095 089

TABLE 5.30: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: EARLY CHILDHOOD DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	247 537	212 196	336 330	553 056	432 692	426 013	592 226	631 727	663 314
Compensation of employees	114 926	100 722	190 046	237 437	259 137	260 256	402 010	423 956	445 154
Salaries and wages	114 117	86 620	190 046	237 437	259 137	260 256	402 010	423 956	445 154
Social contributions	809	14 102							
Goods and services	132 611	111 474	146 284	315 619	173 555	165 757	190 216	207 771	218 160
Administrative fees									
Advertising	409			126	126		132	139	146
Minor assets	176	330	600			4			

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R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Catering: Departmental activities	30								
Communication (G&S)	38	12	10	198	198	3	150	158	166
Computer services									
Consultants and professional services:									
Business and advisory services				10 000	10 000	14 466	10 460	11 004	11 554
Contractors	18	11						1 658	1 740
Agency and support / outsourced services	36 492	3 532	880	6 400	3 516		4 067	4 282	4 496
Entertainment									
Fleet services (including government motor transport)	87			120	120		126	133	140
Housing									
Inventory: Learner and teacher support material	47 517	9 380	144 310	282 336	142 336	133 756	157 164	172 977	181 626
Inventory: Materials and supplies	15	66							
Inventory: Other supplies						18			
Consumable supplies	98	146		74	74	87	60	63	66
Consumable: Stationery, printing and office supplies	302	76	420	160	160	85	167	176	185
Operating leases	27	7	3				216	227	238
Property payments	752	168		13 108	13 108	12 817	14 431	13 538	14 215
Transport provided:									
Departmental activity	4								
Travel and subsistence	19		1	120	120		126	133	140
Training and development	11 495	32 063							
Operating payments	35 132	65 683	60	2 977	3 797	4 521	3 117	3 283	3 448
Transfers and subsidies to	93 203	125 869	148 935	180 782	196 689	203 488	190 626	200 729	210 766
Non-profit institutions	93 171	125 864	148 935	180 782	196 689	203 429	190 626	200 729	210 766
Households	32	5				59			
Social benefits	32	5				59			
Payments for capital assets	88	594	38	120	120		360	379	398
Machinery and equipment	88	555	38	120	120		360	379	398
Transport equipment									
Other machinery and equipment	88	555	38	120	120		360	379	398
Land and sub-soil assets		39							
Total economic classification	340 828	338 659	485 303	733 958	629 501	629 501	783 212	832 835	874 478

TABLE 5.31: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: INFRASTRUCTURE DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	271 048	329 981	652 959	253 796	414 299	464 648	410 974	284 162	293 132
Goods and services	271 048	329 981	652 959	253 796	414 299	464 648	410 974	284 162	293 132
Administrative fees									
Advertising						207			
Consultants and professional services:									
Infrastructure and planning	31 351								
Consultants and professional services:									
Legal costs			340			121			
Contractors									
Inventory: Other supplies			321 894						
Property payments	239 697	329 981	330 725	253 796	414 299	464 320	410 974	284 162	293 132
Payments for capital assets	1 258 561	1 339 477	975 589	1 434 339	1 392 136	1 311 253	2 185 190	2 307 660	2 518 280
Buildings and other fixed structures	1 258 561	1 334 121	962 879	1 412 339	1 370 136	1 256 969	2 168 450	2 277 660	2 483 245
Buildings	1 258 561	1 334 121	962 879	1 412 339	1 370 136	1 256 969	2 168 450	2 277 660	2 483 245
Other fixed structures									
Machinery and equipment			189						
Transport equipment			189						
Land and sub-soil assets		5 356	12 521	22 000	22 000	54 284	16 740	30 000	35 035
Total economic classification	1 529 609	1 669 458	1 628 548	1 688 135	1 806 435	1 775 901	2 596 164	2 591 822	2 811 412

TABLE 5.32: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: EXAMINATION AND EDUCATION RELATED SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	591 073	683 304	817 198	769 474	819 153	808 166	884 746	872 747	903 862
Compensation of employees	92 499	137 877	313 697	349 187	376 671	388 744	390 471	361 419	379 470
Salaries and wages	92 632	137 266	313 697	348 827	375 989	388 744	389 279	360 635	378 647
Social contributions	(133)	611		360	682		1 192	784	823
Goods and services	498 574	545 427	503 501	420 287	442 482	418 368	494 275	511 328	524 392
Administrative fees	567	1 358	1 470	4 479	6 458	5 797	6 122	6 448	6 769
Advertising	1 651	319	1 039	3 082	19 188	14 805	6 958	7 329	7 695
Minor assets	919	631	99	5 483	1 737	2 018	9 305	9 798	10 290
Bursaries: Employees	36	92				14			
Catering: Departmental activities	1 797	1 655	3 092	6 808	5 977	6 567	4 512	4 750	4 988
Communication (G&S)	6 325	5 943	4 205	7 429	8 592	7 582	10 860	11 435	12 007
Computer services	2 164	3 809	5 601	13 610	31 811	28 112	31 704	33 425	35 096
Consultants and professional services: Business and advisory services	6 279	17 740	877			1 445			
Consultants and professional services: Legal costs					4 343	4 343			
Contractors	167	356	132	12 147	12 098	11 749	172	181	191
Agency and support / outsourced services	81 317	36 108	9 886	37 594	33 289	29 529	40 228	33 159	23 201
Fleet services (including government motor transport)	15 026	244	3 388	15 602	11 718	8 484	17 735	18 675	19 608

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R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Inventory: Clothing material and accessories						2			
Inventory: Food and food supplies						2			
Inventory: Fuel, oil and gas									
Inventory: Learner and teacher support material	131 799	1 400	328 621	22 772	49 402	68 559	22 926	24 141	25 348
Inventory: Materials and supplies	47	41	89	22	34	9			
Inventory: Medical supplies						7			
Inventory: Other supplies					3 584	3 656	483	498	523
Consumable supplies	700	3 361	252	5 488	4 873	4 593	18 308	19 279	20 243
Consumable: Stationery, printing and office supplies	36 724	30 587	6 690	13 028	13 458	12 109	20 661	21 754	22 841
Operating leases	5 571	3 650	8 820	5 367	7 262	7 980	13 116	13 811	14 502
Property payments	1 338	863	1 204	2 114	2 134	2 134	2 157	2 272	2 386
Transport provided:									
Departmental activity	855	1 509	4 830	8 060	9 825	9 782	4 252	4 477	4 700
Travel and subsistence	29 813	34 801	35 772	69 463	57 040	51 974	67 104	70 663	73 309
Training and development	168 027	220 922	48 458	133 172	102 195	85 296	143 889	151 531	159 107
Operating payments	(221)	176 038	36 065	50 204	49 964	45 713	67 079	70 643	74 175
Venues and facilities	7 673	3 944	2 874	4 363	7 178	6 107	6 689	7 043	7 396
Rental and hiring		56	37		322		15	16	17
Interest and rent on land						1 054			
Interest						1 054			
Transfers and subsidies	303 531	274 436	535 874	726 057	647 526	612 061	402 434	424 582	457 426
Departmental agencies and accounts	11 733	12 515	12 519	13 824	13 824	22 251	79 311	83 867	88 059
Provide list of entities receiving transfers	11 733	12 515	12 519	13 824	13 824	22 251	79 311	83 867	88 059
Non-profit institutions	219 366	168 181	378 542	532 233	454 099	401 171	104 718	110 268	127 398
Households	72 432	93 740	144 813	180 000	179 603	188 639	218 405	230 447	241 969
Social benefits	88	312							
Other transfers to households	72 344	93 428	144 813	180 000	179 603	188 639	218 405	230 447	241 969
Payments for capital assets	463	6 670	10 208	16 143	12 611	11 145	12 279	12 929	13 576
Buildings and other fixed structures		8							
Buildings		8							
Machinery and equipment	463	6 079	10 208	16 083	12 611	11 145	12 279	12 929	13 576
Transport equipment									
Other machinery and equipment	463	6 079	10 208	16 083	12 611	11 145	12 279	12 929	13 576
Land and sub-soil assets		583							
Software and other intangible assets				60					
Total economic classification	895 067	964 410	1 363 280	1 511 674	1 479 290	1 431 372	1 299 459	1 310 258	1 374 864

TABLE 5.33: PAYMENTS AND ECONOMIC CLASSIFICATION: HIV AND AIDS (LIFE SKILLS EDUCATION): PUBLIC ORDINARY SCHOOLS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	26 774	20 405	27 698	30 065	22 016	22 016	21 891	23 968	24 936
Compensation of employees	2 339		2 015	2 193	2 193	2 193	2 193	2 162	2 292
Salaries and wages	2 019		2 015	2 193	2 193	2 193	2 193	2 162	2 292
Social contributions	320								
Goods and services	24 435	20 405	25 683	27 872	19 823	19 823	19 698	21 806	22 644
Administrative fees			144				10	11	11
Advertising	236	90	718	756	116	116	400	421	442
Minor assets	45	1 343	15	37	41	41	2	2	2
Catering: Departmental activities	970	3 031	2 431	974	394	394	860	906	951
Communication (G&S)	102	239	627	388	388	388	152	160	168
Consultants and professional services: Business and advisory services	75								
Contractors	12		1	10	10	10	2	2	2
Agency and support / outsourced services	800				5 494	5 494			
Entertainment									
Fleet services (including government motor transport)			687	930	25	25	143	151	158
Inventory: Learner and teacher support material	44	7	350	3 500	3 000	3 000	3 061	3 223	3 384
Inventory: Materials and supplies	9			3					
Inventory: Medicine	2								
Inventory: Other supplies					983	983			
Consumable supplies	493	2 741	329	132	143	143	306	322	338
Consumable: Stationery, printing and office supplies	3 639		3 809	944	181	181	351	370	389
Operating leases	10	64	864		166	166	324	341	358
Property payments									
Transport provided: Departmental activity	97		381	5 500	359	359	1 312	2 445	2 315
Travel and subsistence	1 329	1 782	2 432	740	4 344	4 344	5 628	5 926	6 223
Training and development	16 441	11 012	8 903	13 030	2 880	2 880	5 912	6 225	6 536
Operating payments	6		2 256	128	109	109	15	16	17
Venues and facilities	125	96	1 736	800	344	344	370	390	410
Rental and hiring					846	846	850	895	940
Transfers and subsidies to Non-profit institutions			6 999		8 000	8 000	8 000	8 424	9 440
			6 999		8 000	8 000	8 000	8 424	9 440
Payments for capital assets	16		106	130	179	179	54	57	60
Machinery and equipment	16		106	130	179	179	54	57	60
Transport equipment									
Other machinery and equipment	16		106	130	179	179	54	57	60
Total economic classification:	26 790	20 405	34 803	30 195	30 195	30 195	29 945	32 449	34 436

TABLE 5.34: PAYMENTS AND ECONOMIC CLASSIFICATION: NATIONAL SCHOOL NUTRITION: PUBLIC ORDINARY SCHOOLS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	468 832	584 640	567 458	588 709	588 609	588 609	615 014	647 611	680 587
Goods and services	468 832	584 640	567 458	588 709	588 609	588 609	615 014	647 611	680 587
Minor Assets	2 633	2 636	617						
Agency and support / outsourced services	293 051	567 322	559 717	588 709	586 930	586 930	562 892	592 727	622 958

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R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Fleet services (including government motor transport)			154				900	948	995
Inventory: Learner and teacher support material	2 344								
Inventory: Other supplies							14 581	15 354	16 122
Consumable supplies	170 636	14 191	6 781		1 679	1 679	2 700	2 843	2 985
Consumable: Stationery, printing and office supplies	8	491							
Operating leases									
Property payments							31 574	33 247	34 909
Transport provided: Departmental activity			189						
Travel and subsistence	160						1 607	1 692	1 778
Training and development							760	800	840
Transfers and subsidies to		48 898		51 832	51 832	51 832	63 809	67 191	69 956
Non-profit institutions			48 898	51 832	51 832	51 832	63 809	67 191	69 956
Households									
Payments for capital assets			160		100	100	150	158	166
Machinery and equipment			160		100	100	150	158	166
Transport equipment									
Other machinery and equipment			160				150	158	166
Total economic classification	468 832	584 640	616 516	640 541	640 541	640 541	678 973	714 960	750 709

TABLE 5.35: PAYMENTS AND ECONOMIC CLASSIFICATION: INFRASTRUCTURE GRANT: INFRASTRUCTURE DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	224 483								
Compensation of employees	16								
Salaries and wages	16								
Goods and services	224 467								
Consultants and professional services:									
Business and advisory services	2 404								
Consultants and professional services:									
Infrastructure and planning	63								
Agency and support / outsourced services	(229)								
Entertainment									
Operating leases	(17)								
Property payments	222 246								
Transport provided: Departmental activity									

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Payments for capital assets	75 959	512 937	537 892	623 602	623 602	623 602	935 725	1 274 826	1 428 567
Buildings and other fixed structures	75 772	512 937	537 892	623 602	623 602	623 602	935 725	1 274 826	1 428 567
Buildings	75 772	512 937	537 892	623 602	623 602	623 602	935 725	1 274 826	1 428 567
Land and sub-soil assets	187								
Total economic classification	300 442	512 937	537 892	623 602	623 602	623 602	935 725	1 274 826	1 428 567

TABLE 5.36: PAYMENTS AND ECONOMIC CLASSIFICATION: SOCIAL SECTOR EXPANDED PUBLIC WORKS PROGRAMME GRANT: EXTERNAL EXAMINATION AND EDUCATION RELATED SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments			25 674	36 016	36 016	36 016	44 784		
Compensation of employees			25 674	36 016	36 016	36 016	44 784		
Salaries and wages			25 674	35 656	35 656	35 656	44 336		
Social contributions				360	360	360	448		
Total economic classification			25 674	36 016	36 016	36 016	44 784		

TABLE 5.37: PAYMENTS AND ECONOMIC CLASSIFICATION: EXPANDED PUBLIC WORKS INTERGRATED GRANT: EXTERNAL EXAMINATION AND EDUCATION RELATED SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments		1 613	3 000	2 450	2 450	2 450	2 409		
Compensation of employees			3 000	2 450	2 450	2 450	2 409		
Salaries and wages			3 000	2 450	2 450	2 450	2 409		
Social contributions									
Goods and services		1 613							
Administrative fees									
Property payments		1 613							
Total economic classification		1 613	3 000	2 450	2 450	2 450	2 409		

TABLE 5.38: PAYMENTS AND ECONOMIC CLASSIFICATION: OSD FOR THERAPISTS GRAN

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments				93 599	93 599	93 599	29 442		
Compensation of employees				93 599	93 599	93 599	29 442		
Salaries and wages				93 599	93 599	93 599	29 442		
Social contributions									
Total economic classification				93 599	93 599	93 599	29 442		

TABLE 5.39: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: CONDITIONAL GRANT (MATHS, SCIENCE AND TECHNOLOGY GRANT)

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	24 787	43 626	12 375				17 223	17 932	19 257
Goods and services	24 787	43 626	12 375				17 223	17 932	19 257
Advertising		23							

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R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Consultants and professional services:									
Infrastructure and planning	2 305								
Contractors		17 804	10 215						
Inventory: Other supplies							17 223	17 932	19 257
Property payments	8 334	1 340							
Training and development	14 140	24 459	2 160						
Operating payments									
Venues and facilities	8								
Transfers and subsidies to			21 244	22 458	22 458	22 458	25 356	26 399	28 352
Non-profit institutions			21 244	22 458	22 458	22 458	25 356	26 399	28 352
Payments for capital assets		1 307	23 234	27 958	29 567	29 567	5 263	5 479	5 884
Buildings and other fixed structures		15 535	23 234	27 958	29 567	29 567	5 263	5 479	5 884
Buildings		1 289	23 234	27 958	29 567	29 567	5 263	5 479	5 884
Land and sub-soil assets		18							
Total economic classification	24 787	59 161	56 853	50 416	52 025	52 025	47 842	49 810	53 493

VOTE 6

DEPARTMENT OF SOCIAL DEVELOPMENT

To be appropriated by vote in 2015/16

R3 963 972 000

Responsible MEC

MEC for Social Development

Administering Department

Department of Social Development

Accounting Officer

Head of Department

1. OVERVIEW

Vision

A caring and self-reliant society.

Mission

To transform our society by building conscious and capable citizens through the provision of integrated social development services.

Strategic goals

- To provide support to core business in rendering effective and efficient services;
- Efficient and effective integrated developmental social welfare services to 1 345 306 service recipients focussing on children, youth, older person, persons with disabilities and women by the 2015/16 financial year; and
- Efficient, effective anti-poverty community interventions, youth development and women empowerment services to 790 665 beneficiaries promoting sustainable livelihoods.

Core functions and responsibilities

- Rendering management and administration to the network of social development services within Gauteng;
- Provision, in partnership with relevant stakeholders, of prevention, early intervention, rehabilitation and after care services to people abusing substances. This also includes services rendered in in-patient and out-patient treatment centres;
- Provision of community home based care, residential and all other protection services for vulnerable older persons at risk, and people with disabilities;
- Provision of secure care facilities, home based services, and assessment and referral services for children found to be in conflict with the law;
- Provision of services for children through the construction and funding of ECD facilities throughout the province;
- Provision of child care and protection services and implementation of the Children's Act;
- Provision of shelters and counseling services for women and children who are victims of domestic violence and abuse;
- Provision, through home and community-based care (HCBC) centres, of psycho-social support services to people who are infected and affected by HIV and AIDS, especially orphans and vulnerable children;
- Provision of reunification and preservation services for families; and
- Provision of youth development and sustainable livelihood services to poor households through among other interventions the implementation of the War on Poverty (WoP) programme.

Main services

- Reforming the welfare sector through legislative and policy reforms: we seek to expand services by ensuring

adequate numbers and training of social service professionals, and by review of funding models and the roles assigned to NPOs.

- Improving access to quality ECD through provision of comprehensive ECD services as an instrument to undertake investments in health, development of capabilities, and mitigation of vulnerabilities, and to serve as the building blocks for future resilience. Effective ECD is also critical for ensuring equitable participation of women in the labour force and for securing the productive and social life of communities.
- Deepening social assistance and extending the scope for social security to address issues of coverage while defining policies that create a social protection floor that provides a minimum set of guarantees coupled with a framework of progressive realization of rights.
- Enhancing the capabilities of the identified groups and communities to achieve sustainable livelihoods and household food and nutrition security through a combination of income, direct provision and support to local economies through local procurement.
- Establishing social protection systems and strengthening of monitoring and evaluation of services so as to ensure that our interventions are responsive and yield sustainable outcomes.

Ten pillar programme of Transformation, Modernisation and Re-industrialisation

The department's response to Pillar 3: Accelerated Social Transformation includes:

- Reforming the welfare sector through transformation of services in and by previously advantaged communities and NPOs for inclusion of vulnerable groups; modernization; through the introduction of the National Integrated Social Information System (NISIS) for household profiling and the Supatsela Information Technology system for NPO payment, social work services case management and reindustrialization (production of school uniform, gardening and laundry service by cooperatives).
- Improving access to quality ECD: integrated ECD services, provided primarily by the social cluster, are critical components of the millennium development goals (MDGs) in terms of universal access to education. In this regard the Department will ensure the design of child friendly and child responsive human settlements in the province's urban development planning processes by including critical social infrastructure such as ECD facilities. The Department will expand the rollout of ECD prototypes in the poorest communities, providing non-centre based ECD (mobile ECDs), toy libraries, play groups and child minders).
- Combating substance abuse and gender-based violence and ensuring integration of interventions with the programmes of the Department of Community Safety.
- Expanding the WoP programme to ensure a comprehensive profiling of all households situated within the 50 poorest wards and fighting urban poverty through the food security programmes. The department will also increase the scale of operations to include coloured and Indian communities by partnering with community development workers (CDWs), municipal street workers and community health care workers in profiling households.
- Upscaling the Welfare to Work programme by making extensive use of the co-operative model and Expanded Public Works programme (EPWP) opportunities (including the Lulaway project and the Tshepo 500 000 programme).

The National Development Plan (NDP)

The department aligned its plans and policies to the NDP 2030, in terms of the eradication of poverty and addressing inequality through inclusive social dialogue and an active and engaged citizenry. The department's interventions are concentrated in the area of expanded social protection (including social insurance, social assistance, social and productive inclusion), contributing to the improvement of the quality of life for the poor, the marginalised, the vulnerable and those with special needs.

Acts, rules and regulations

- Broad-based Black Economic Empowerment Amendment Act, no. 46 of 2013;
- Basic Conditions of Employment Amendment Act, no. 20 of 2013;
- Prevention and Combating of Trafficking in Persons Act, no. 7 of 2013;
- Cooperatives Amendment Act, no. 6 of 2013;
- Protection of Personal Information Act, no. 4 of 2013;
- Women Empowerment and Gender Equality Bill, November 2013;
- White Paper on Families, 2013;
- The National Strategic Plan (NSP) 2007-2011;
- Older Persons Act, no. 13 of 2006;
- Maintenance Act, no. 99 of 1998;
- Mediation in Certain Divorce Matters Act, no. 24 of 1987;
- National Policy on the Provision of Social Development Services to Persons with Disabilities;
- South African Policy for Older Persons;

- Policy on Residential Facilities for Persons with Disabilities;
- Policy on the Management and Transformation of Protective Workshops;
- The Gauteng Strategic Policy Framework on Gender Equality and Women Empowerment;
- Stigma Mitigation Framework;
- The National Skills Development Strategy;
- Gauteng AIDS Strategic Plan;
- National norms & standards for social service delivery;
- Protocol on Management of Elder Abuse;
- South African Charter for Older Persons / UN Declaration on the Rights of Older Persons; and
- Minimum Standards on Residential Facilities for Persons with Disabilities.

2. REVIEW OF THE CURRENT FINANCIAL YEAR (2014/15)

Accelerated social transformation

Output 1: Early childhood development

In the 2014/15 financial year it is planned that 77 261 children aged 0-5 years will have received services from 1 272 funded partial care sites managed by NPOs. The department also plans to register 1 827 partial care sites in the 2014/15 financial year.

By the end of the 3rd quarter, 81 741 children were reached through services provided at 1 259 funded partial care sites. 1 857 partial care sites were registered, 8 non-centre based sites were established and funded, providing services to a total of 648 children.

Output 2: Combatting HIV and AIDS in affected people

The department prioritized strengthening HIV and AIDS awareness and prevention of new infections through social mobilization and behavioural change initiatives, the expansion of HCBC services and the provision of material and psychosocial support to people infected and affected by HIV and AIDS.

In the 2014/15 financial year, the department planned to fund 242 NPOs delivering HIV and AIDS social protection programmes; reach out to 41 762 orphans and vulnerable children receiving psychosocial support services; 20 402 vulnerable households receiving psychosocial support services; 64 236 beneficiaries receiving food parcels from HCBC organizations; and 34 695 beneficiaries receiving daily meals at drop-in centres.

By the end of the 3rd quarter, 31 924 vulnerable households received psychosocial support services. In addition, a total of 60 862 beneficiaries received psychosocial support services; 23 596 youth were reached through social and behavior change programmes and 7 163 work opportunities were created in HCBC through the EPWP. To alleviate food insecurity and malnutrition, the department provided food parcels to 65 493 people. Furthermore, 34 556 beneficiaries received daily meals at drop-in centres.

Output 3: Integrated substance abuse prevention, treatment and rehabilitation

The department has committed to intensifying its substance abuse treatment interventions. It will also strengthen its campaign to notify unregistered treatment centres about the process for registration in terms of the Prevention and Treatment of Drug Dependency Act, no. 20 of 1992. Furthermore, it continues to provide prevention messages to children and youth through the implementation of the Ke-Moja Drug Prevention Programme.

In the 2014/15 financial year the department plans to fund 43 substance abuse treatment centres managed by both government and NPOs; reach out to 18 232 service users accessing treatment centres managed by funded NPOs; reach 119 431 children and youth through the Ke-Moja drug prevention programme. The department also plans to reach 252 511 beneficiaries through substance abuse prevention programmes by funded NPOs; 4 260 beneficiaries of aftercare programmes will receive treatment for substance abuse.

At the end of the 3rd quarter, the department had reached out to 14 035 service users who accessed funded substance abuse treatment centres; 371 933 children and youth were reached through the Ke-moja drug prevention programmes and a total of 323 538 people benefitted from the substance abuse prevention programmes. Aftercare programmes were accessed by 3 607 people.

Output 4: Integrated care and services to older persons

The department continues to provide subsidies to NPOs which provide community based care facilities (service centres, luncheon clubs and home based care facilities). The provision of community based social infrastructure for older persons has contributed immensely to reduced incidents of abuse and neglect to older persons. Older persons remain within their families and communities and are not subjected to unnecessary and expensive institutional care.

In the 2014/15 financial year, the department plans to fund 251 community based care and support facilities (inclusive of service centres, luncheon clubs and home based care facilities) for older persons. These will provide access to 17 027 older persons. Active-Ageing is a programme that ensures that the elderly live a healthy life and participate in various activities. It is planned that 12 889 older persons will participate in Active-Ageing Programmes provided by Government and NPOs.

By the end of the 3rd quarter, 18 226 older persons were reached through services provided by funded community based care and support facilities (inclusive of service centres, luncheon clubs and home based care facilities) for older persons. A total of 18 547 older persons participated in Active-Ageing Programmes provided by both government and NPOs.

Output 5: Integrated services to persons with disabilities

Services to persons with disabilities are mainstreamed in all other programmes and services provided by the department in ensuring that the dignity and worth of persons with disabilities is upheld.

In the 2014/15 financial year the department plans to support 10 companies owned by persons with disabilities participating in preferential procurement spend; support 112 NPOs providing services for persons with disabilities; support 3 961 persons with disabilities accessing services in funded protective workshops managed by NPOs. By the end of the 3rd quarter, 5 999 persons with disabilities accessed services in 110 funded NPOs for persons with disabilities, and 42 companies owned by persons with disabilities participated in preferential procurement spend. To date, the department ensured that 14 576 beneficiaries are reached through disability prevention programmes.

Output 6: Crime prevention and support services for children in conflict with the law

The department continues to strengthen its partnership in particular with the South African Police Services (SAPS) and the Department of Justice and Constitutional Development on the referral of arrested children for assessment and inclusion in diversion and secure care programmes.

In the 2014/15 financial year, the department will strengthen the implementation of the Social Crime Prevention Strategy, which aims to reduce the incidence and impact of social crimes. This will be done through the expansion of social crime awareness and prevention programmes reaching 101 241 beneficiaries (children included). The assessment of 3 244 children in conflict with the law in the 2014-15 financial year will also be at the centre of the strategy implementation. Furthermore, 3 100 children will be provided with access to secure care centres. The department will also expand the number of children who participate in diversion programmes. In the 2014/15 financial year, a total of 1 962 children in conflict with the law will participate in diversion programmes. The department will establish a unit at the new secure care centre in Soshanguve dedicated to delivering programmes for children with conduct disorders.

By the end of the 3rd quarter, the department rendered social crime awareness and prevention programmes reaching out to 98 497 beneficiaries (including children). A total of 5 242 children and adults in conflict with the law were assessed. Performance of this service is however dependent on court and SAPS referrals. All cases referred to the department are assessed. The department also manages two secure child and youth care centres and one secure care centre is managed by an NPO. A total of 1 991 children benefitted from these secure care centres to date. 2 148 children in conflict with the law participated in diversion programmes and 657 children completed the programme.

Output 7: Integrated child care and protection services to children

Access to child and youth care centres

In ensuring the care and protection of our children, the department will fund 107 CYCCs (children's homes, shelters, places of safety and schools of industry) managed by both government and NPOs. These centres will provide access to a total of 4 987 children. In the 3rd quarter, 4 418 children accessed services through 100 CYCCs.

Foster care

In the 2014/15 financial year, the department will ensure that a total of 3 639 children will have been placed in foster care; 38 896 children that receive social work services placed in foster care; 41 762 orphans and vulnerable children receive psychosocial support services. The NPO sector will be capacitated by employing child and youth care workers trained through the Isibindi programme targeting child headed households and orphans and vulnerable children.

By the end of the 3rd quarter, a total of 2 744 children were newly placed in foster care; 38 435 children received social work services and 43 622 orphans and vulnerable children received psycho-social support services. Furthermore, 799 child and youth care worker (CYCW) trainees received training through the Isibindi model.

Output 8: Integrated victim empowerment services to victims of domestic violence

In the 2014/15 financial year, the department will expand its funding to 24 service sites for victims of crime and violence managed by funded NPOs. A total of 2 268, the number of victims of crime and violence managed by funded NPOs, will have access to these service sites or shelters. A further 25 886 victims of crime will access victim empowerment programmes (VEPs) via NPOs funded by the department.

By the end of the 3rd quarter, the department reached 1 783 victims of crime and violence through services rendered at 24 shelters managed by funded NPOs. A total of 55 960 beneficiaries were reached through no violence against women and children programmes including 16 days of activism in this quarter alone. A further 24 150 victims of crime accessed VEP services via 58 NPOs funded by the department.

Output 9: Sustainable employment creation**Expanded Public Works Programme (EPWP)**

The EPWP provides an important contribution towards the millennium development goal of halving unemployment by 2014.

In the 2014/15 financial year, the department will provide opportunities created through EPWP to 6 199 beneficiaries. Jobs in HCBC organizations are created through the EPWP volunteers. These volunteers are caregivers serving people affected with HIV & AIDS.

By the end of the 3rd quarter, a total of 7 163 job opportunities were created through EPWP within the HCBC programme.

Gauteng Youth Placement Programme

The social exclusion of youth from the labour market coupled with youth poverty, substance abuse, crime and violence all point to the need to address how best we can improve the socio-economic conditions of youth in Gauteng.

In the 2014/15 financial year, to address the training and skills needs of our young people, the department will reach 12 000 youth participating in skills development programmes. A total of 825 youth will participate in entrepreneurship programmes; 11 700 youth in social change programmes; and 237 young people in internship programmes. In addition, the department will expand the number of youth participating in learnership programmes to 182, and will provide external bursaries to at least 22 unemployed young people in the province. By the end of the 3rd quarter, the department had enabled 1 246 youth to participate in entrepreneurship programmes. The department also provided funding to 38 NPOs delivering youth development services. A total of 9 946 youth participated in skills development programmes rendered by these funded NPOs. In addition, a total of 13 066 youth participated in social change programmes, whilst a total of 8 390 youth participated in youth outreach programmes.

Empowerment of women

In a concerted effort to broaden the targeted gender, youth and people with disabilities (GEYODI) interventions, in particular empowerment of women, the department will ensure that 600 women on child support grant will be linked to economic opportunities in the financial year 2014/15; 7 050 women will participate in income generating programmes in the same year.

By the end of the 3rd quarter, a total of 2 015 women on child support grant were linked to economic opportunities and 8 594 women participated in income generating programmes.

Support to cooperatives

In the 2014/15 financial year, the department will continue to empower a total of 464 cooperatives to provide goods and services to the department and other service users. Through providing contracts to social cooperatives in previously disadvantaged communities, work opportunities will have been created for those participating in these cooperatives.

By the end of the 3rd quarter, a total of 395 cooperatives were contracted by the department.

Preferential procurement

At the end of the 2013/14 financial year, there was significant participation of youth (32.8 per cent) and women (34.2 per cent) owned companies in procurement activities. In the 2014/15 financial year, the department has planned to increase preferential procurement participation of youth by 2 per cent, women by 5 per cent and people with disabilities by 1 per cent.

By the end of 3rd quarter, participation of youth in preferential procurement is at 34.6 per cent, women at 74.1 per cent and persons with disabilities at 3.8 per cent.

Output 10: To facilitate community development services through sustainable livelihoods strategies

The department in partnership with civil society will assist in setting up community advice centres within Thusong centres and community development centres. Young people will be trained as advice agents to serve the community by giving people easier access to social services. The Thusong centres will forge relations with all spheres of government, relevant institutions and organisations including different welfare services for referral purposes.

At the end of the 3rd quarter the department has reached 11 846 people through community mobilization programmes.

War on Poverty

The department will work together with civil society and sector departments to intensify programmes that help people improve their lives and those of their children and the communities they live in. The department will furthermore expand other community nutrition and development centres that will ensure food reaches more insecure families.

In the 2014/15 financial year, the department will increase the number of beneficiaries of food relief from food banks by 122 000. A total of 26 500 households will access food through Department of Social Development (DSD) food security programmes. The department will also refer 23 500 households to sector departments for appropriate support and interventions.

By the end of the 3rd quarter, 90 089 people benefited from food relief from food banks; 30 356 households accessed food through the DSD food security programme and 29 881 households were referred for appropriate support and interventions to respective departments.

School uniform project

The department's interventions in the implementation of the Bana Pele programme focused on the provision of school uniforms to children in schools located in previously disadvantaged communities.

Each school uniform package consists of a pair of shoes, one shirt, one jersey, one pair of trousers/tunic/skirt and one pair of socks. In the 2014/15 financial year, the department plans to expand the provision of school uniform packs to a total of 120 000 deserving learners.

During the 3rd quarter, the department distributed a total of 9 058 school uniform packs. The remaining target will be achieved in the 4th quarter.

Dignity packs

The provision of dignity packs helped to keep many girls in school and to provide an income for two of the cooperatives packaging them. A dignity pack comprises body lotion, deodorant, petroleum jelly, tooth paste, soap and sanitary pads. The department is currently exploring the feasibility for some of the items in the dignity packs, such as soap, to be manufactured by cooperatives.

A balance was maintained from a gender perspective for both the girl and boy child as dignity packs were distributed to both. The Department provided some toiletries to the boy child. The service has also been expanded to children with albinism. In this financial year, the department will increase the beneficiation with 225 000 children.

By the end of the 3rd quarter, 165 847 children received dignity packs from the department.

3. OUTLOOK FOR THE COMING FINANCIAL YEAR (2015/16)

Accelerated social transformation

The department will continue to contribute towards addressing the challenges of unemployment, poverty and inequality in response to Pillar 3: Accelerated Social Transformation.

Output 1: Early childhood development

The department will continue to implement the ECD regulating and funding strategy that focuses on profiling illegally operating ECD facilities. It will also continue to improve ECD social infrastructure and appropriate programme design focusing on 50 prioritized areas.

In the 2015/16 financial year it is planned that 84 529 children will receive services from 1 218 funded partial care sites managed by NPOs. The department also plans to register 2 029 partial care sites in the 2015/16 financial year.

Output 2: Combatting the effects of HIV and AIDS

In the 2015/16 financial year the department has planned to fund 241 NPOs delivering HIV and AIDS social protection programmes; reach out to 50 521 beneficiaries receiving psychosocial support services; ensure that 28 648 vulnerable households receive psychosocial support services; ensure that 75 991 beneficiaries receive food parcels from HCBC organizations; and that 39 899 beneficiaries receive daily meals at drop-in centres.

Output 3: Integrated substance abuse prevention, treatment and rehabilitation

In the 2015/16 financial year the department plans to fund 43 substance abuse treatment centres managed by government and NPOs; reach out to 19 648 service users accessing treatment centres managed by funded NPOs; reach 214 967 children and youth through the Ke-Moja drug prevention programme. A total of 9 056 beneficiaries of aftercare programmes will receive treatment for substance abuse.

Output 4: Integrated care and services to older persons

In the 2015/16 financial year, the department plans to fund 221 community based care and support facilities (inclusive of service centres, luncheon clubs and home based care facilities) for older persons. These facilities will provide access to 18 327 older persons. Active ageing is a programme that ensures that the elderly live a healthy life and participate in various activities. It is planned that 17 759 older persons will participate in active-ageing programmes (government and NPOs).

Output 5: Integrated services to persons with disabilities

In the 2015/16 financial year, the department plans to support 20 companies owned by persons with disabilities participating in preferential procurement spend, support 109 NPOs providing services for persons with disabilities, and ensure that 4 297 persons with disabilities access services in funded protective workshops managed by NPOs.

Output 6: Crime prevention and support services for children in conflict with the law

In the 2015/16 financial year, the department will strengthen the implementation of the Social Crime Prevention Strategy, which aims to reduce the incidence and impact of social crimes. This will be done through the expansion of social crime awareness and prevention programmes reaching 127 778 beneficiaries (children included). The assessment of 2 572 children in conflict with the law in the 2015/16 financial year will also be at the centre of strategy implementation. Furthermore, 1 270 children will be provided with access to secure care centres. The department will also expand the number of children who participate in diversion programmes. In the 2015/16 financial year, a total of 2 962 children in conflict with the law will participate in diversion programmes. The department will establish a unit at the new secure care centre in Soshanguve dedicated to rendering programmes for children with conduct disorder.

Output 7: Integrated child care and protection services to children

Access to child and youth care centres

The department will fund 99 CYCCs (children' homes, shelters, places of safety and schools of industry) managed by both government and NPOs. These centres will provide access to 4 991 children in the 2015/16 financial year.

Foster care

In the 2015/16 financial year, the department will ensure that a total of 3 417 children will be placed in foster care; 48 890 children receiving social work services will be placed in foster care. The NPO sector will be capacitated by employing child and youth care workers trained through the Isibindi programme targeting child headed households and orphans and vulnerable children.

Output 8: Integrated victim empowerment services to victims of domestic violence

In the 2015/16 financial year, the department will increase its funding to 24 service sites for victims of crime and violence managed by funded NPOs. A total of 1 972 victims of crime and violence managed by funded NPOs will have access to these service sites or shelters. A further 20 812 victims of crime will access VEP services through NPOs funded by the department.

Output 9: Sustainable employment creation

Expanded Public Works Programme

The EPWP provides an important contribution towards the MDGs. In the 2015/16 financial year, the department will create a total of 6 571 work opportunities through EPWP.

Gauteng Youth Placement Programme

The department will reach out to a total of 14 500 youth participating in skills development programmes. A total of 900 youth will participate in entrepreneurship programmes, and 15 000 youth will participate in social change programmes. A total of 261 young people will participate in internship programmes. In addition, the department will expand the number of youth participating in learnership programmes to 200. Furthermore, the department will provide external bursaries to at least 24 unemployed young people in the province.

Empowerment of women

The department will ensure that 944 women on child support grants will be linked to economic opportunities in the 2015/16 financial year; 8 109 women will participate in income generating programmes in the same financial year.

Support to cooperatives

Social cooperatives are organs of civil society that are intended to stimulate social cohesion and local economic development amongst organised communities.

In the 2015/16 financial year, the department will continue to empower a total of 464 cooperatives to provide goods and services to the department and other service users.

Preferential procurement

In addition to targeted interventions to improve the lives of youth, the department will continue with mainstreaming the needs of women and people with disabilities in all outcome areas. In the 2015/16 financial year, the department has planned to increase preferential procurement participation by youth by 10 per cent, women by 30 per cent and people with disabilities by 5 per cent.

Output 10: To facilitate community development services through sustainable livelihoods strategies

The department in partnership with civil society will assist in setting up community advice centres. Young people will continue to be trained as advice agents to serve the community by giving people easier access to social services.

The department will reach 10 000 people through community mobilization programmes in the 2015/16 financial year.

War on Poverty

Through food banks the department continues to make steady progress in our battle to end hunger among households in Gauteng.

In the 2015/16 financial year, the department will increase the number of beneficiaries of food relief from food banks to 140 000. A total of 28 097 households will access food through DSD food security programmes.

School Uniform Project

The department's has actively intervened in the implementation of the Bana Pele programme focused on the provision of school uniforms to children in schools located in previously disadvantaged communities.

Each school uniform package consists of a pair of shoes, one shirt, one jersey, one pair of trousers/tunic/skirt and one pair of socks. In the 2015/16 financial year, the department plans to expand the provision of school uniform packs to a total of 130 000 deserving learners.

Dignity packs

The provision of dignity packs helped to keep many girls in school and provide an income for the two cooperatives packaging them. A dignity pack comprises body lotion, deodorant, petroleum jelly, tooth paste, soap and sanitary towels. In the 2015/16 financial year, the department will increase the beneficiation with 238 493 children.

4. REPRIORITISATION

The department reprioritised the 2015 MTEF budget to align with the ten pillar programme of radical transformation, modernisation and reindustrialisation. An amount of R90 million over the MTEF is redirected to cover the operational costs of the Soshanguve Secure Care Centre which was completed in March 2014. The department initially planned to run and manage the centre through an NPO, but the centre will now be managed by the department.

An amount of R60.3 million over the MTEF is redirected from absorption of social worker graduates provincial earmarked fund to address identified budgetary shortfalls on outsourced services, Microsoft licenses, and other operational costs which have escalated as a result of the absorption of social work graduates. The operational costs as a result of the absorption of social work graduates were not funded adequately.

In 2015/16, the department also reprioritised an amount of R28.5 million to cover critical management and support vacant in administration programme.

5. PROCUREMENT

The department will continue to strengthen supply chain management (SCM) through various interventions such as:

- Continuous training of the SCM Unit on new frameworks, guidelines and policies;
- Strengthening quarterly SCM forums, and quarterly supplier forums;
- Capacitating the demand management and asset management units;
- Monitoring compliance with legislative requirements;
- Decentralisation of some procure to pay functions; and
- Implementation of the SAP contract management module.

Some of the major procurement to be undertaken by the department over the 2015 MTEF relate to the following:

- The fight against urban poverty through the food security programmes;
- The provision of security services at head office, regions, service points and institutions;
- The provision of gardening services at the regions and institutions, and laundry services at departmental institutions;
- The improvement of information technology infrastructure; and
- The continuous training of departmental staff and child and youth care and social auxiliary workers.

6. RECEIPTS AND FINANCING

6.1. Summary of receipts

TABLE 6.1: SUMMARY OF RECEIPTS: SOCIAL DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Equitable share	2 424 792	2 531 045	2 916 748	3 502 395	3 412 095	3 412 095	3 945 187	4 177 254	4 386 117
Conditional grants	8 289	12 873		22 267	22 267	22 267	18 785		
Social Sector Expanded Public Works Programme Incentive Grant for Provinces	8 289	12 873		22 267	22 267	22 267	18 785		
Total receipts	2 433 081	2 543 918	2 916 748	3 524 662	3 434 362	3 434 362	3 963 972	4 177 254	4 386 117

The department's budget increased from R2.4 billion in the 2011/12 financial year to R2.9 billion in the 2013/14 financial year. The increase in budget in this period is due to funds allocated for the implementation of national and provincial priorities. The budget increase in the 2013/14 financial year is also informed by the strengthening of integrated substance abuse interventions, the introduction of mobile toy libraries and mobile ECD facilities. Social worker graduates who completed studies in 2012 and 2013 were absorbed into the departmental structure in the 2013/14 financial year which also contributed to the increased budget in this period.

In 2014/15, the department received an additional allocation of R13 million from Road Traffic Management Corporation (RTMC) to fund ECD and Rural Development projects. An amount of R22.2 million is appropriated as the EPWP conditional grant in the 2014/15 financial year. This is aimed at creating additional work opportunities for unemployed South Africans in a manner that will enable them to gain skills and increase their capacity to earn income when they exit the programme. In the 2015/16 financial year, the department is allocated R18.8 million for the EPWP programme.

Over the 2015 MTEF the budget increases from R3.9 billion to R4.3 billion to continue with implementation of the relevant legislation. The department will strengthen substance abuse interventions across the province and expand on mobile ECD facilities to cover previously disadvantaged areas. The department will continue to absorb additional social work graduates over the 2015 MTEF period to address the foster care backlog and amongst other challenges, address the shortage of staff to improve service delivery.

The department will continue to provide shelters to victims of gender-based violence and increase funding to NPOs that deliver services to victims of domestic violence and crime. A total allocation of R29.4 million for the implementation of victim empowerment programmes is allocated over the 2015 medium term.

The budget allocation over the 2015 MTEF is also informed by the reprioritisation of funds to align the budget with the Ten Pillar Programme and priorities in the department.

The department received additional funds of R20.3 million over the 2015 MTEF to fund salary related costs and operational costs for staff placed in the Office of the MEC. The MEC has moved from the Department of Agriculture and Rural Development (DARD) to the DSD with effect from the 01 September 2014.

6.2. Departmental receipts collection

TABLE 6.2: DEPARTMENTAL RECEIPTS: SOCIAL DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Tax receipts									
Sales of goods and services other than capital assets	967	1 602	2 017	1 632	1 632	2 416	2 400	2 520	2 645
Transfers received	130								
Fines, penalties and forfeits		1	1						
Interest, dividends and rent on land	9	39	(2)	52	52	52	24	25	26

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Transactions in financial assets and liabilities	3 037	4 299	2 675			2 266	500	525	551
Total departmental receipts	4 143	5 941	4 691	1 684	1 684	4 734	2 924	3 070	3 222

The department revenue is generated mainly from garnishee orders, parking fees collected from employees, and boarding fees from officials who occupy official residences at departmental properties. The actual collection for the 2011/12 financial year was R4.1 million which increased to R4.7 million in 2013/14 financial year, increasing by R548 000 at an annual average growth rate of 6.4 per cent. The department projected to collect R1.7 million in the 2014/15 financial year which was not adjusted but was revised upwards to R4.7 million. The significant revenue collection in the 2014/15 financial year emanates from the sale of goods and services other than capital assets.

Over the 2015 MTEF revenue collection is projected to increase from R2.9 million in the 2015/16 financial year to R3.2 million in the 2017/18 financial year, increasing by R298 000 at an annual average growth rate of 4.9 per cent. The 2015 medium term estimates increased to cover anticipated collection of debt, and has been adjusted based historic measurement as there was a change in the tariff for parking fees during the 2014/2015 financial year. Sales of goods and services other than capital assets remain the major contributor to departmental revenue collection over the 2015 MTEF. The department allocated budget to the item transactions in financial assets and liabilities which is primarily receivables (debtors) and refund of previous year's unspent funds by the Non Profit Organisations (NGOs). The anticipated revenue collection on Interest, dividends and rent on land comprises the interest from revenue associated with ownership of interest-bearing financial instruments, such as bank deposits and loans.

7. PAYMENT SUMMARY

7.1. Key assumptions

The following key assumptions were considered when formulating the budget over the 2015 medium term:

- Absorption of social work graduates over the 2015 MTEF period;
- Improvement in conditions of service;
- Operationalization of the new secure care centre in Soshanguve which will be managed by the department;
- Integrated substance abuse interventions across the province;
- Provision for increased cost of outsourced services and the annual inflationary increase of existing contracts;
- Expansion of early childhood development centres and home-based care services;
- Expansion of dignity packs, school uniforms and food banks projects;
- Implementation of non-centre based programmes such as toy libraries, mobile toy libraries and mobile ECD facilities;
- Continued services to children in conflict with the law, and the poverty alleviation programmes;
- Implementation of social infrastructure projects; and
- Continued implementation of the Welfare to Work programme.

7.2. Programme summary

TABLE 6.3: SUMMARY OF PAYMENTS AND ESTIMATES: SOCIAL DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Administration	314 298	350 493	401 470	425 581	462 259	459 361	479 250	504 462	529 251
2. Social Welfare Services	594 193	563 711	554 970	639 005	635 772	637 881	697 055	721 227	762 505
3. Children And Families	1 014 634	1 102 562	1 351 564	1 747 004	1 615 487	1 603 439	1 993 465	2 115 041	2 204 251
4. Restorative Services	237 629	280 142	303 098	371 180	362 616	362 666	423 250	442 643	476 535
5. Development And Research	190 259	227 818	288 581	341 892	358 228	358 015	370 952	393 882	413 576
Total payments and estimates	2 351 013	2 524 726	2 899 683	3 524 662	3 434 362	3 421 362	3 963 972	4 177 254	4 386 117

7.3. Summary of economic classification

TABLE 6.4: SUMMARY OF ECONOMIC CLASSIFICATION: SOCIAL DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	1 068 058	1 106 630	1 243 445	1 532 142	1 460 169	1 472 181	1 730 186	1 835 187	1 953 920
Compensation of employees	743 797	782 298	903 194	1 107 801	1 048 842	1 048 842	1 272 624	1 338 081	1 404 985
Goods and services	324 168	324 332	340 251	424 341	411 327	423 339	457 562	497 106	548 935
Interest and rent on land	93								
Transfers and subsidies to	1 191 887	1 286 710	1 583 526	1 856 728	1 869 705	1 841 038	2 088 351	2 183 736	2 292 923
Provinces and municipalities									
Departmental agencies and accounts		114	74	90	67	67	95	100	105
Non-profit institutions	1 185 009	1 280 438	1 576 738	1 848 833	1 861 833	1 833 166	2 079 837	2 174 734	2 283 471
Households	6 878	6 158	6 714	7 805	7 805	7 805	8 419	8 902	9 347
Payments for capital assets	90 969	130 487	71 735	135 792	104 418	107 953	145 435	158 331	139 274
Buildings and other fixed structures	74 700	105 676	45 972	119 900	87 426	87 426	134 400	146 260	126 600
Machinery and equipment	16 200	24 594	24 233	15 892	16 992	20 527	11 035	12 070	12 674
Software and other intangible assets	69	217	1 530						
Payments for financial assets	99	899	977		70	190			
Total economic classification	2 351 013	2 524 726	2 899 683	3 524 662	3 434 362	3 421 362	3 963 972	4 177 254	4 386 117

The expenditure of the programme increased from R2.3 billion in the 2011/12 financial year to R2.9 billion in the 2013/14 financial year. During this period the department implemented programmes on integrated substance abuse interventions, the Welfare to Work programme and expansion of projects such as dignity packs, school uniforms and food banks. These contributed to the growth in expenditure from 2011/12 to 2013/14. Expenditure on compensation of employees increased substantially from the 2013/14 financial year as a result of the absorption of social work graduates who graduated in 2012 and 2013.

The compensation of employees' budget continues to grow over the 2015 MTEF period to absorb social workers who are currently studying at various tertiary institutions. The department will also continue to fill critical posts identified from the personnel allocation. The increase in compensation is also attributed to provision made for annual improvement of conditions of service. The department reprioritised funds from the compensation of employees' budget to goods and services including machinery and equipment to fund operational costs as a result of absorption of social work graduates. The operational costs as a result of the absorption of social work graduates were not funded adequately.

The greater proportion of the goods and services budget will cover the increased cost of contractual obligations such as security, cleaning, gardening, municipal services and catering for beneficiaries at the institutions. The department will renew leases of buildings in the coming MTEF period which will increase the allocation to goods and services. In addition, the goods and services budget also increased over the 2015 MTEF period after the department took a decision to run and manage the new secure care centre in-house and not through an NPO.

The overall budget increase is from R3.9 billion in the 2015/16 financial year to R4.4 billion in the 2017/18 financial year. The budget growth is attributable to the department's commitment to continue with the implementation of victim empowerment programmes, integrated substance abuse interventions and non-centred based programmes. In addition, the department will expand projects like dignity packs, school uniforms and food banks. The department will expand access to ECD services within the non-centre based programme through mobile toy libraries and mobile ECD facilities over the 2015 MTEF period.

The department will continue to partner with NPOs in terms of delivering services to the public and will continue to implement the relevant legislation in the department.

7.4. Infrastructure payments

7.4.1. Departmental infrastructure payments

Please refer to the 2015 Estimates of Capital Expenditure (ECE)

7.4.2. Departmental Public-Private-Partnership (PPP) projects

N/A

7.5. Transfers**7.5.1. Transfers to public entities**

N/A

7.5.2 Transfers to other entities**TABLE 6.5: SUMMARY OF DEPARTMENTAL TRANSFERS TO OTHER ENTITIES (NGOs)**

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Services to Older Persons	150 820	157 150	173 379	205 322	205 322	205 322	250 174	263 433	276 605
2. Services to Persons with Disabilities	86 101	76 376	79 029	86 161	86 161	86 161	90 124	94 901	99 646
3. HIV and AIDS	230 357	239 006	232 274	266 172	266 172	266 172	274 002	270 850	284 393
4. Care and Support Services to Families	96 989	101 734	112 860	113 738	113 738	113 738	118 765	125 060	131 313
5. Child Care and Protection	5 245	4 294	11 797	19 000	25 000	12 000	21 000	23 000	24 150
6. ECD and Partial Care	214 507	246 230	290 629	321 870	321 870	321 870	341 182	359 265	377 228
7. Child and Youth Care Centres	65 697	147 462	140 153	146 264	146 264	146 264	155 494	159 194	167 154
8. Community-Based Care Services for Children	130 848	69 799	217 748	274 045	269 045	269 045	391 788	417 054	437 907
9. Crime Prevention and Support	64 728	68 789	75 809	112 481	112 481	96 814	101 045	107 990	113 390
10. Victim Empowerment	34 439	31 064	46 515	59 992	59 992	59 992	66 811	70 254	73 767
11. Substance Abuse, Prevention and Rehabilitation	39 612	44 657	55 187	60 193	60 193	60 193	67 502	71 080	74 634
12. Institutional Capacity and Support to NPOs			13 000	15 000	20 000	20 000	16 000	16 848	17 690
13. Poverty Alleviation and Sustainable Livelihoods	59 068	87 480	121 691	145 828	145 828	145 828	162 234	170 677	179 211
14. Youth Development	6 598	6 397	6 667	16 667	14 667	14 667	17 216	18 128	19 035
15. Women Development				6 100	15 100	15 100	6 500	7 000	7 350
Total departmental transfers	1 185 009	1 280 438	1 576 738	1 848 833	1 861 833	1 833 166	2 079 837	2 174 734	2 283 471

The transfer payments to NPOs increased from R1.2 billion in the 2011/12 financial year to R1.6 billion in 2013/14 financial year. The majority of the transfers are in the sub-programme: HIV and AIDS followed by the ECD and Partial Care sub-programmes. Transfers in the Poverty Alleviation and Sustainable Livelihoods sub-programme increased sharply in the 2013/14 financial year due to the implementation of the Welfare to Work programme and the intensification of development centres. In 2014/15, the department received an additional allocation of R13 million from RTMC to fund ECD and Rural Development projects which is allocated to child care and protection.

The budget for transfers to NPOs grows from R1.8 billion in the 2014/15 financial year to R2.3 billion in the 2017/18 financial year. This increase is due to the department introducing innovative ways of expanding access to ECD services within the non-centre based programme namely, toy libraries, mobile toy libraries and mobile ECD facilities. Furthermore, the allocation will be used to expand existing programmes and projects in the department such as food banks, dignity packs, and school uniforms to reach more beneficiaries in the province. The sub-programme: ECD and Partial Care receives the majority of the allocation to NPOs over the MTEF, R1 billion, to continue with the implementation of the Children's Act, and to further expand services to children. This is also in line with the department's commitment to invest in children through the Bana Pele Programme (Putting Children First), owing to the fact that the physical, biological, intellectual and emotional growth of children is one of the department's key priorities. The department will expand the number of funded ECD centres in order to reach more children in the province.

7.5.3. Transfers to local government

N/A

8. PROGRAMME DESCRIPTION

PROGRAMME 1: ADMINISTRATION

Programme description

To provide political and strategic direction and leadership, and to guide and support the development policy frameworks and guidelines for the implementation of priority programmes.

Programme objectives

- To provide effective and efficient human resource management and development services;
- To provide integrated management information systems;
- To provide efficient legal services to the department;
- To provide information and communication technology services;
- To provide infrastructure support services;
- To provide effective and efficient communication services;
- To provide efficient transport services and record management services;
- To provide risk management and internal control services;
- To advocate for the equality of women, youth and people with disabilities;
- To provide strategic planning and management;
- To provide effective and efficient financial management;
- To provide overall performance information management, monitoring and evaluation; and
- To provide effective and efficient services to all our clients.

TABLE 6.6: SUMMARY OF PAYMENTS AND ESTIMATES: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Office Of The MEC		404	1 067	1 193	3 541	3 616	7 779	8 187	8 596
2. Corporate Management Services	161 997	188 015	204 504	200 534	233 628	230 939	240 891	250 011	262 512
3. District Management	152 301	162 074	195 899	223 854	225 090	224 806	230 580	246 264	258 143
Total payments and estimates	314 298	350 493	401 470	425 581	462 259	459 361	479 250	504 462	529 251

TABLE 6.7: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	296 654	324 882	376 682	403 577	441 684	439 796	461 805	485 642	509 490
Compensation of employees	161 310	164 496	186 368	191 389	221 348	221 348	233 865	242 179	254 288
Goods and services	135 317	160 386	190 314	212 188	220 336	218 448	227 940	243 463	255 202
Interest and rent on land	27								
Transfers and subsidies to	5 266	4 922	4 257	6 112	5 684	5 459	6 410	6 750	7 087
Departmental agencies and accounts		114	74	90	67	67	95	100	105
Households	5 266	4 808	4 183	6 022	5 617	5 392	6 315	6 650	6 982
Payments for capital assets	12 365	19 989	20 188	15 892	14 867	14 039	11 035	12 070	12 674
Buildings and other fixed structures									
Machinery and equipment	12 296	19 772	18 658	15 892	14 867	14 039	11 035	12 070	12 674
Software and other intangible assets	69	217	1 530						
Payments for financial assets	13	700	343		24	67			
Total economic classification	314 298	350 493	401 470	425 581	462 259	459 361	479 250	504 462	529 251

Programme expenditure increases from R314.3 million in the 2011/12 financial year to R401.5 million in the 2013/14 financial year. This increase in expenditure is attributable to filling of critical posts and renewal of contracts at head office, regional offices and service points in the 2012/13 financial year. The expenditure for annual software licenses has increased substantially from the 2013/14 financial year due to the intake of social work graduates, and the budget for these software licenses is centralised in the Administration programme.

Over the 2015 MTEF period, the budget in Programme 1: Administration increases from R479.3 million in the 2015/16 financial year to R529.3 million in the 2017/18 financial year. The allocated budget will cover the escalating cost of outsourced services at regional offices, head office and service points. The growth in budget

is also attributed to the centralised budget in Programme 1: Administration for services such as internal and external training, bursaries, Microsoft licenses, G-fleet payments for regional offices, and payments for the procurement of machinery and equipment.

The department received additional budget over the 2015 MTEF to fund salary related costs and operational costs for staff in the Office of the MEC. The MEC has moved from the GDARD to the DSD with effect from the 1 September 2014. An increase in compensation of employees' allocation is informed by the department's plan to fill critical management and support vacant posts as identified.

SERVICE DELIVERY MEASURES

PROGRAMME 1: ADMINISTRATION

Performance measures	Estimated Annual Targets		
	2015/16	2016/17	2017/18
Number of youth (new) participating in internship programmes	261	276	291
Number of youth (new) participating in learnership programmes	200	211	223
Number of social workers employed by the department	1 424	1 504	1 588
Number of social auxiliary workers employed by the department	557	588	621
Number of community development workers employed by the department	119	163	172
Number of social worker bursary holder graduates	130	137	145
Number of social worker bursary holder graduates employed	130	137	145
Number of community and home based care, including day care facilities for older persons constructed in the 20PTP	3	3	3
Number of ECD centres constructed in Gauteng	4	4	4
Number of service delivery accommodation facilities constructed in Gauteng	3	3	3
Number of shelters for vulnerable women and children constructed in Gauteng	1	1	1
Number of in-patient substance abuse rehabilitation centres constructed in Gauteng	1	1	1
Number of companies owned by persons with disabilities participating in preferential procurement	20	21	22
Number of companies owned by youth participating in preferential procurement	205	216	229

PROGRAMME 2: SOCIAL WELFARE SERVICES

Programme description

To provide integrated developmental social welfare services to the poor and vulnerable beneficiaries' partnership with stakeholders and civil society.

Programme objectives

- To provide integrated developmental social welfare services for the care, support and protection of 43 555 older persons in the 2015/16 financial year;
- To provide integrated developmental social welfare services to facilitate care, social inclusion and economic empowerment of 22 423 persons with disabilities in the 2015/16 financial year;
- To provide integrated community based care programmes aimed at mitigating the social and economic impact of HIV and AIDS to 208 861 infected and affected people in the 2015/16 financial year; and
- To respond to emergency needs identified in communities affected by disasters not declared, and or any other social condition resulting in undue hardship to 1 680 beneficiaries in the 2015/16 financial year.

TABLE 6.8: SUMMARY OF PAYMENTS AND ESTIMATES: SOCIAL WELFARE SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Management and Support			2 569	4 677	3 630	3 633	5 652	5 041	5 293
2. Services To Older Persons	254 802	228 340	218 959	253 373	252 522	254 096	297 622	319 047	337 366
3. Services To Persons With Disabilities	106 766	93 241	97 442	108 912	107 577	107 755	114 005	122 318	131 284
4. HIV and AIDS	232 625	242 130	236 000	272 043	272 043	272 397	279 776	274 821	288 562
Total payments and estimates	594 193	563 711	554 970	639 005	635 772	637 881	697 055	721 227	762 505

TABLE 6.9: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: SOCIAL WELFARE SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	67 719	58 002	65 334	78 616	75 001	76 519	81 098	89 560	98 855
Compensation of employees	32 906	35 208	41 150	45 585	45 585	45 585	48 642	51 015	53 566
Goods and services	34 795	22 794	24 184	33 031	29 416	30 934	32 456	38 545	45 289
Interest and rent on land	18								
Transfers and subsidies to:	467 583	473 046	485 152	558 089	558 089	558 215	614 757	629 667	661 150
Non-profit institutions	467 278	472 532	484 682	557 655	557 655	557 655	614 300	629 184	660 643
Households	305	514	470	434	434	560	457	483	507
Payments for capital assets	58 891	32 657	4 461	2 300	2 682	3 147	1 200	2 000	2 500
Buildings and other fixed structures	57 700	31 823	3 621	2 300	2 162	2 162	1 200	2 000	2 500
Machinery and equipment	1 191	834	840		520	985			
Payments for financial assets		6	23						
Total economic classification	594 193	563 711	554 970	639 005	635 772	637 881	697 055	721 227	762 505

The expenditure in this programme increased from R594.2 million in the 2011/12 financial year to R555 million in the 2013/14 financial year. The increase in expenditure is attributed to interventions in the department which focused on older persons and persons living with disabilities. The implementation of the Older Persons Act also contributed to the increase on expenditure as the department is striving to meet the norms and standards set out in the Act. The department through its social infrastructure programme, constructed old age homes in the 20 prioritised townships.

The NPOs receive the lion's share of the allocation over the 2015 MTEF as the department continues to work in partnership with this sector to deliver services to communities. The department will heighten awareness of the abuse of persons with disabilities and continue with the funding of protective workshops which provide services to older persons. The budget in the Care and Services to Older Persons sub-programme is reprioritised to fund projects on occupational health and safety equipment for residential facilities, personal care for older persons, and gym equipment for active aging and standardised nutrition for home based care.

The department will also increase funding for organisations delivering HIV and AIDS prevention and social protection programmes. The department received an EPWP conditional grant allocation amounting to R18.8 million in the 2015/16 financial year which is allocated to the HIV and AIDS sub-programme.

SERVICE DELIVERY MEASURES

PROGRAMME 2: SOCIAL WELFARE SERVICES

Performance measures	Estimated Annual Targets		
	2015/16	2016/17	2017/18
Sub-programme 2.2: Services to Older Persons			
Number of residential facilities for older persons managed by funded NPOs	77	81	86
Number of older persons accessing funded residential facilities	6 361	6 717	7 093
Number of residential facilities for older persons managed by government	1	1	1
Number of older persons in residential facilities managed by government	110	116	123
Number of community based care and support facilities (home based care) for older persons managed by funded NPOs	85	90	95
Number of older persons accessing community based care and support facilities (home based care) managed by funded NPOs	5 421	5 725	6 045
Number of older persons participating in active aging programmes by government	6 625	6 996	7 388
Number of older persons participating in active aging programmes by NPOs	11 134	11 758	12 416
Number of community based care and support facilities (service centres & luncheon clubs) for older persons managed by funded NPOs	168	177	187
Number of older persons accessing community based care and support facilities (service centres & luncheon clubs) managed by funded NPOs	12 906	13 629	14 392
Number of facilities for older persons in the 50 poorest wards and other prioritised areas provided with gym equipment.	16	17	18
Number of older persons utilizing gym facilities in 50 poorest wards and other prioritised areas	998	1 054	1 113

Performance measures	Estimated Annual Targets		
	2015/16	2016/17	2017/18
Sub-programme 2.3: Services to Persons with Disabilities			
Number of beneficiaries reached through disability prevention programmes	11 038	11 656	12 308
Number of residential facilities for persons with disabilities managed by government	2	2	2
Number of persons with disabilities in residential facilities managed by government	180	190	201
Number of residential facilities for persons with disabilities managed by funded NPOs	33	35	37
Number of persons with disabilities accessing funded residential facilities	1 899	2 005	2 118
Number of assisted living facilities for persons with disabilities managed by funded NPOs	7	7	8
Number of persons with disabilities accessing assisted living facilities managed by funded NPOs	46	49	51
Number of protective workshops for persons with disabilities managed by funded NPOs	80	84	89
Number of persons with disabilities accessing services in protective workshops managed by funded NPOs	4 297	4 538	4 792
Number of persons with disabilities receiving psycho-social support services	4964	5 242	5 536
Sub-programme 2.4: HIV and AIDS			
Number of funded NPOs delivering HIV and AIDS services	242	256	270
Number of food parcels issued by HCBC organizations	75 991	80 247	84 741
Number of beneficiaries receiving daily meals at HCBC organizations	40 513	42 782	45 178
Number of work opportunities in HCBC created through EPWP	6 354	6 710	7 086
Number of vulnerable households receiving psychosocial support services	28 648	30 252	31 946
Number of beneficiaries receiving psychosocial support services	50 521	53 350	56 337
Number of organizations trained on social and behaviour change programmes	95	100	106
Number of organizations trained on HCBC management programme	55	58	61
Number of work opportunities created by DSD through EPWP	6 571	6 939	7 328
Number of EPWP workers on learnership programmes	263	278	293
Sub-programme 2.5: Social Relief			
Number of social relief applications recommended for approval by SASSA	1 680	1 774	1 873

PROGRAMME 3: CHILDREN AND FAMILIES

Programme description

To provide comprehensive child and family care and support services to communities in partnership with stakeholders and civil society organisations.

Programme objectives

- To provide integrated developmental social welfare services promoting functional families to 72 978 families/ service recipients in the 2015/16 financial year;
- To provide alternative care and support to 101 905 vulnerable children in the 2015/16 financial year;
- To provide ECD and partial care services to 86 123 children in the 2015/16 financial year;
- To provide integrated developmental social welfare services for the care and protection of 4 991 children in CYCCs in the 2015/16 financial year; and
- To provide community based care support programmes for the care and protection of 9 520 orphans and vulnerable children through the Isibindi programme in the 2015/16 financial year.

TABLE 6.10: SUMMARY OF PAYMENTS AND ESTIMATES: CHILDREN AND FAMILIES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Management and Support	5 126	5 057	5 288	5 061	5 449	5 510	5 493	5 757	6 045
2. Care and Services To Families	96 989	102 962	114 246	115 290	115 880	116 167	121 248	127 489	133 863
3. Child Care and Protection	281 036	282 932	260 283	462 811	397 540	385 335	559 376	610 835	642 123
4. ECD And Partial Care	232 008	266 697	291 371	404 090	376 669	376 810	431 332	437 110	443 245
5. Child and Youth Care Centres	268 627	375 115	462 628	485 707	450 904	450 572	484 228	516 796	541 067
6. Community-Based Care Services For Children	130 848	69 799	217 748	274 045	269 045	269 045	391 788	417 054	437 907
Total payments and estimates	1 014 634	1 102 562	1 351 564	1 747 004	1 615 487	1 603 439	1 993 465	2 115 041	2 204 251

TABLE 6.11: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: CHILDREN AND FAMILIES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	482 225	494 491	550 428	763 632	656 025	656 565	848 494	907 970	972 600
Compensation of employees	369 235	395 650	470 494	641 665	550 957	550 957	737 904	786 413	825 734
Goods and services	112 990	98 841	79 934	121 967	105 068	105 608	110 590	121 557	146 866
Transfers and subsidies to:	514 035	570 061	774 856	875 972	876 972	863 972	1 029 371	1 084 810	1 139 051
Non-profit institutions	513 286	569 519	773 187	874 917	875 917	862 917	1 028 229	1 083 573	1 137 752
Households	749	542	1 669	1 055	1 055	1 055	1 142	1 237	1 299
Payments for capital assets	18 318	37 856	25 958	107 400	82 461	82 798	115 600	122 260	92 600
Buildings and other fixed structures	17 000	34 773	21 460	107 400	81 404	81 404	115 600	122 260	92 600
Machinery and equipment	1 318	3 083	4 498		1 057	1 394			
Payments for financial assets	56	154	322		29	104			
Total economic classification	1 014 634	1 102 562	1 351 564	1 747 004	1 615 487	1 603 439	1 993 465	2 115 041	2 204 251

The expenditure in this programme grows from R1 billion in the 2011/12 financial year to R1.3 billion in the 2013/14 financial year. The increase in expenditure is attributed to the department introducing innovative ways of expanding access to ECD services within the non-centre programme in the form of toy libraries, mobile toy libraries and mobile ECD facilities. These innovations were introduced in the 2013/14 financial year. The implementation of the Children's Act and the expansion of school uniform projects contributed to the increase in expenditure in this programme. In 2014/15, the department received an additional allocation of R13 million from RTMC to fund ECD and Rural Development projects which is allocation to child care and protection sub-programme.

The overall budget increases from R2 billion in the 2015/16 financial year to R2.2 billion in the 2017/18 financial year due to the department's continuous implementation of the Children's Act and national priorities such as the Isibindi programme.

The significant increase in transfers to NPOs in the programme is due to partnerships with the NPO sector to deliver services. The budget for non-profit institutions includes an allocation for the school uniform project which will be expanding over the 2015 MTEF period to cover more rural children and new admissions at the beginning of the school year.

Provision was made to appoint additional staff to address the foster care backlog and to improve service delivery over the 2015 medium term. The department also reprioritised funds from compensation of employees to goods and services and machinery and equipment to fund operational costs related to absorption of social work graduates over the 2015 MTEF. The operational costs as a result of the absorption of social work graduates were not funded adequately.

SERVICE DELIVERY MEASURES

PROGRAMME 3: CHILDREN AND FAMILIES

Performance measures	Estimated Annual Targets		
	2015/16	2016/17	2017/18
Sub-programme 3.2: Care and Services to Families			
Number of family members participating in family preservation programmes provided by government	14 489	15 300	16 157
Number of family members participating in family preservation programmes provided by funded NPOs	36 152	38 177	40 314
Number of families participating in re-unification programmes by government	2 544	2 686	2 837
Number of families participating in re-unification programmes by funded NPOs	3 392	3 582	3 783
Number of families participating in the parenting programme	4 761	5 028	5 309
Number of families receiving crisis intervention services (social work services)	10 766	11 369	12 006
Number of funded NPOs providing care and support services to families	125	132	139
Number of family members reunited with their families through services provided by government	676	714	754
Number of family members reunited with their families through services provided by funded NPOs	198	209	221
Sub-programme 3.3: Child Care and Protection			
Number of children placed in foster care by government (newly placed)	2 787	2 943	3 108
Number of children placed in foster care by funded NPOs (newly placed)	872	921	972

Performance measures	Estimated Annual Targets		
	2015/16	2016/17	2017/18
Number of children placed in foster care that receive social work services(government and NPOs)	48 890	51 628	54 519
Number of orphans and vulnerable children receiving psychosocial support services	44 267	46 746	49 364
Number of children in temporary safe care	1 005	1 061	1 121
Number of children awaiting foster care placement by government	3 264	3 447	3 640
Number of children awaiting foster care placement by NPOs	820	866	914
Sub-programme 3.4: ECD and Partial Care			
Number of funded partial care sites (ECDs)	1 383	1 460	1 542
Number of children accessing funded ECD programmes	84 529	89 262	94 261
Number of newly funded partial care sites (ECDs) managed by funded NPOs	105	111	117
Number of registered partial care site (ECDs)	2 029	2 143	2 263
Number of non-centre based sites established and funded	27	29	30
Number of children accessing non-centre based services	1 594	1 683	1 778
Number of work opportunities created in ECDs through EPWP	500	528	558
Sub-programme 3.5: Child and Youth Care Centres			
Number of child and youth care centres(children's homes) managed by government	1	1	1
Number of children in need of care and protection placed in CYCCs (children's homes) managed by government	200	211	223
Number of child and youth care centres (places of safety) managed by government	7	7	8
Number of children in need of care and protection placed in CYCCs (places of safety) managed by government	660	697	736
Number of child and youth care centres(Schools of Industry) managed by government	1	1	1
Number of children in need of care and protection placed in CYCCs (Schools of Industry) managed by government	45	48	50
Number of child and youth care centres (children's homes) managed by funded NPOs	79	83	88
Number of children in need of care and protection placed in CYCCs (children's homes) managed by funded NPOs	3 701	3 908	4 127
Number of child and youth care centres (shelters) managed by funded NPOs	13	14	14
Number of children in need of care and protection placed in CYCCs (shelters) managed by funded NPOs	385	407	429
Sub-programme 3.6: Community-Based Care Services for Children			
Number of CYCW trainees receiving training through the Isibindi model	263	278	293
Number of CYCW who completed in-services training through the Isibindi model	428	452	477
Number of children accessing services through the Isibindi model	8 829	9 323	9 846

PROGRAMME 4: RESTORATIVE SERVICES

Programme description

To provide integrated developmental social crime prevention and anti-substance abuse services to the most vulnerable in partnership with stakeholders and civil society organisations.

Programme objectives

- To provide integrated social crime prevention programmes, probation and after care services to 142 574 children, youth and adults in conflict with the law in the 2015/16 financial year;
- To provide integrated developmental social welfare services for the care, support and protection of 39 419 victims of gender based violence and crime in the 2015/16 financial year; and
- To provide integrated developmental social welfare services for substance abuse prevention, treatment and rehabilitation services to 611 277 beneficiaries in the 2015/16 financial year.

TABLE 6.12: SUMMARY OF PAYMENTS AND ESTIMATES: RESTORATIVE SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Management and Support	845	854	830	1 290	1 086	1 086	1 362	1 405	1 475
2. Crime Prevention and Support	122 953	160 890	158 607	196 920	191 801	191 834	219 516	219 566	230 519
3. Victim Empowerment	40 459	36 206	51 497	70 043	68 549	68 323	81 055	92 114	86 220
4. Substance Abuse, Prevention and Rehabilitation	73 372	82 192	92 164	102 927	101 180	101 423	121 317	129 558	158 321
Total payments and estimates	237 629	280 142	303 098	371 180	362 616	362 666	423 250	442 643	476 535

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TABLE 6.13: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: RESTORATIVE SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	97 073	95 654	104 331	128 100	125 361	137 497	169 872	170 877	182 781
Compensation of employees	63 502	61 675	65 736	80 923	77 477	77 477	90 864	88 432	92 854
Goods and services	33 523	33 979	38 595	47 177	47 884	60 020	79 008	82 445	89 927
Interest and rent on land	48								
Transfers and subsidies to	139 226	144 623	177 621	232 880	232 880	217 249	235 778	249 766	262 254
Non-profit institutions	138 779	144 510	177 511	232 666	232 666	216 999	235 358	249 324	261 790
Households	447	113	110	214	214	250	420	442	464
Payments for capital assets	1 330	39 840	21 054	10 200	4 361	7 906	17 600	22 000	31 500
Buildings and other fixed structures		39 080	20 891	10 200	3 860	3 860	17 600	22 000	31 500
Machinery and equipment	1 330	760	163		501	4 046			
Payments for financial assets		25	92		14	14			
Total economic classification	237 629	280 142	303 098	371 180	362 616	362 666	423 250	442 643	476 535

The expenditure in this programme increases from R237.6 million in 2011/12 to R303.1 million in the 2013/14 financial year. The increase in expenditure is attributed to the implementation of integrated substance abuse intervention. The department strengthened existing intervention by launching additional programmes such as counselling, Ke-Moja buses, and the addicted for Change programme amongst others.

The budget increases over the MTEF from R423.2 million in 2015/16 to R476.5 million in the 2017/18 financial year, due to the implementation of the Substance Abuse Act and victim empowerment programmes. The allocation over the 2015 MTEF includes provision of shelters to victims of gender-based violence. The department will continue with implementation of the Gender-Based Violence Command Centre and the Information Management System of the Victim Empowerment Programme.

The department completed the construction of the Soshanguve Secure Care Centre in March 2014. The department initially planned to run and manage the centre through an NPO and the budget was allocated to transfer payments to NPOs. The department took a decision to run the centre in-house and as a result funds were reprioritised from NPOs to goods and services including machinery and equipment to cover the operational cost of the centre. The objective of the department is to build internal capacity to respond to Social Welfare services demands from communities and minimise reliance on NPOs to render services that are constitutionally mandated to the department.

SERVICE DELIVERY MEASURES

PROGRAMME 4: RESTORATIVE SERVICES

Performance measures	Estimated Annual Targets		
	2015/16	2016/17	2017/18
Sub-programme 4.2: Crime Prevention and Support			
Number of beneficiaries of social crime awareness and prevention programmes (excluding children)	60 197	63 568	67 127
Percentage of adults in conflict with the law assessed	4 004 (100%)	4 228 (100%)	4 465 (100%)
Percentage of children in conflict with the law assessed	2 572 (100%)	2 716 (100%)	2 868 (100%)
Percentage of children in conflict with the law referred to diversion programmes	1 396 (100%)	1 474 (100%)	1 557 (100%)
Percentage of children in conflict with the law who participate in diversion programmes	2 962 (100%)	3 128 (100%)	3 303 (100%)
Percentage of children in conflict with the law who completed diversion programmes	1 239 (100%)	1 308 (100%)	1 382 (100%)
Percentage of children in conflict with the law in home-based supervision	1 353 (100%)	1 429 (100%)	1 509 (100%)
Number of secure care centres managed by government	2	2	2
Percentage of children in conflict with the law awaiting trial in registered secure care centres managed by government	1 100 (100%)	1 162 (100%)	1 227 (100%)
Number of secure care centres managed by funded NPOs	1	1	1
Number of children benefiting from social crime awareness and prevention programmes	67 581	71 366	75 362
Number of funded NPOs implementing diversion and prevention programmes	25	26	28
Percentage of sentenced children in secure care centres	170 (100%)	180 (100%)	190 (100%)
Sub-programme 4.3: Victim Empowerment			
Number of service sites (shelters) for victims of crime and violence managed by funded NPOs	26	27	29
Percentage of victims of crime and violence in VEP service sites (shelters) managed by funded NPOs	1 972 (100%)	2 082 (100%)	2 199 (100%)
Number of beneficiaries reached through programme of no violence against women and children including 16 days of activism	16 475	17 398	18 372

Performance measures	Estimated Annual Targets		
	2015/16	2016/17	2017/18
Number of Government funded NPOs delivering services on victim empowerment	58	61	65
Percentage of victims of crime accessing VEP services (excluding the services rendered at shelters)	20 812(100%)	21 977 (100%)	23 028 (100%)
Percentage of victims of gender based violence who accessed the command centre services, provided with VEP services	87 (100%)	92 (100%)	97 (100%)
Number of victims of crime and violence receiving psycho social support	1 179	1 245	1 315
Sub-programme 4.4: Substance Abuse, Prevention and Rehabilitation			
Number of beneficiaries reached through substance abuse prevention programmes managed by Government	41 771	44 110	46 580
Number of beneficiaries reached through substance abuse prevention programmes by funded NPOs	316 218	333 926	352 626
Number of out-patient substance abuse treatment centres managed by funded NPOs	35	37	39
Number of service users accessing out-patient treatment centres for substance abuse managed by funded NPOs	17 324	18 294	19 319
Number of private in-patient treatment centres funded by government	9	10	10
Number of service users who have accessed private in-patient substance abuse treatment centres managed by funded NPOs	1 242	1 312	1 385
Number of public in-patient treatment centres	1	1	1
Number of service users who have accessed public in-patient substance abuse treatment centres	1 360	1 436	1 517
Number of children reached through the Ke-Moja drug prevention programme	156 130	164 873	174 106
Number of youth(19-35) reached through the Ke-Moja drug prevention programme	58 837	62 132	65 611
Number of persons who received substance abuse treatment participating in aftercare programme	9 056	9 563	10 099
Number of Anti-substance Abuse Half-way House established	1	1	1
Number of service users who completed inpatient treatment services at funded treatment centres	259	274	289
Number of substance abuse community based services	45	48	50
Number of service users who accessed substance abuse community based services	8 800	9 293	9 813
Percentage of beneficiaries counselled through the mobile counselling services busses	280(100%)	296(100%)	312(100%)
Number of local drug action committees established in the poorest wards and other prioritised hot spots	45	48	50

PROGRAMME 5: DEVELOPMENT AND RESEARCH

Programme description

To provide sustainable development programmes which facilitate empowerment of communities, based on empirical research and demographic information.

Programme objectives

- Build safe and sustainable communities through the creation of strong community networks, based on principles of trust and respect for local diversity, and nurturing a sense of belonging and confidence in local people to 10 000 recipients in the 2015/16 financial year;
- Support NPO registration and compliance monitoring, NPO stakeholder liaison and communication, provide institutional capacity building, manage NPO funding and monitoring and create a conducive environment for NPOs to flourish;
- Provide poverty alleviation and sustainable livelihood services to 572 800 recipients in the 2015/16 financial year;
- Provide community-based research and planning to 165 000 households in the 2015/16 financial year;
- Create an environment to help young people to develop constructive, affirmative and sustainable relationships while concurrently providing opportunities for them to build their competencies and skills to engage as partners in their own development and that of their communities to 33 192 youth in the 2015/16 financial year;
- Create an environment to help 9 673 women to develop constructive, affirmative and sustainable relationships while concurrently providing opportunities for them to build their competencies and needed skills to engage as partners in their own development and that of their communities; and
- To promote the implementation of the population policy within all spheres of government and civil society through population research, advocacy, capacity building and by monitoring and evaluating the implementation of the policy in the 2015/16 financial year.

TABLE 6.14: SUMMARY OF PAYMENTS AND ESTIMATES: DEVELOPMENT AND RESEARCH

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Management and Support	3 335	2 870	4 900	4 681	7 084	7 105	4 888	5 147	5 404
2. Community Mobilisation	4 520	3 608	5 115	5 194	5 545	6 673	4 527	5 835	6 126
3. Institutional Capacity Building and Support For NPOs	93 459	98 808	121 640	132 156	137 198	137 069	137 548	145 550	152 828
4. Poverty Alleviation and Sustainable Livelihoods	77 382	109 871	143 208	169 185	170 860	169 640	191 433	202 439	212 560
5. Community Based Research and Planning	2 261	3 042	3 134	3 455	4 068	4 068	3 936	4 566	4 794
6. Youth Development	8 084	7 832	8 977	18 952	16 407	16 356	19 639	20 733	21 769

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R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
7. Women Development				6 100	15 100	15 100	6 500	7 000	7 350
8. Population Policy Promotion	1 218	1 787	1 607	2 169	1 966	2 004	2 481	2 612	2 743
Total payments and estimates	190 259	227 818	288 581	341 892	358 228	358 015	370 952	393 882	413 576

TABLE 6.15: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: DEVELOPMENT AND RESEARCH

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	124 387	133 601	146 670	158 217	162 098	161 804	168 917	181 138	190 195
Compensation of employees	116 844	125 269	139 446	148 239	153 475	153 475	161 349	170 041	178 544
Goods and services	7 543	8 332	7 224	9 978	8 623	8 329	7 568	11 097	11 651
Transfers and subsidies to	65 777	94 058	141 640	183 675	196 080	196 143	202 035	212 743	223 381
Non-profit institutions	65 666	93 877	141 358	183 595	195 595	195 595	201 950	212 653	223 286
Households	111	181	282	80	485	548	85	90	95
Payments for capital assets	65	145	74		47	63			
Machinery and equipment	65	145	74		47	63			
Payments for financial assets	30	14	197		3	5			
Total economic classification	190 259	227 818	288 581	341 892	358 228	358 015	370 952	393 882	413 576

Spending in this programme increases from R190.2 million in the 2011/12 financial year to R288.6 million in the 2013/14 financial year. The significant increase in expenditure is due to transfers to NPOs which increased by 115.3 per cent from R65.7 million in the 2011/12 financial year to R141.3 million in the 2013/14 financial year. The department expanded its food bank and dignity pack projects to cover rural areas and children with disabilities which contributed to the growth in expenditure.

The overall budget over the 2015 MTEF increases from R370.9 million in the 2015/16 financial year to R413.6 million in the 2017/18 financial year. The growth in budget is attributable to the department's plans to expand the dignity packs and food banks programmes. The department will continue with implementation of the Welfare to Work programme over the 2015 MTEF period. The programme seeks to integrate welfare recipients into skills development programmes and work opportunities for the betterment of their livelihoods and to reduce dependency on the welfare system in the country and province.

The department intends to expand its food relief programme as part of ensuring further access to nutritional food, targeting vulnerable communities and people on ARV treatment. It is anticipated that more beneficiaries will benefit from the food bank programme from the allocated budget.

A total budget of R50.5 million over the MTEF is allocated to the NPOs within the sub-programme: Institutional Capacity and Support for NPOs which will be utilised to capacitate and monitor compliance of NPOs with the allocated funds.

SERVICE DELIVERY MEASURES

PROGRAMME 5: DEVELOPMENT AND RESEARCH

Performance measures	Estimated Annual Targets		
	2014/15	2015/16	2016/17
Sub-programme 5.2: Community Mobilisation			
Number of people reached through community mobilisation programmes	10 000	10 560	11 151
Sub-programme 5.3: Institutional Capacity Building and support for NPOs			
Number of NPOs capacitated according to capacity building guidelines	800	845	892
Total number of funded NPOs	2 482	2 621	2 768
Sub-programme 5.4 Poverty Alleviation and Sustainable Livelihood			
Number of cooperatives empowered to provide goods and services to the Department and other service users	464	490	517
Number of beneficiaries of food relief from food banks	140 000	147 840	156 119

Performance measures	Estimated Annual Targets		
	2014/15	2015/16	2016/17
Number of households accessing food through DSD food security programmes	28 097	29 670	31 332
Number of community development structures facilitating social change programme	44	46	49
Number of dignity packs distributed	238 493	251 849	265 952
Number of people participating in income generating programmes	7 800	8 237	8 698
Number of school uniform packs distributed	130 000	137 280	144 968
Number of community development interventions conducted in 50 poorest wards and other prioritised areas	46	49	51
Number of beneficiaries referred for intervention via the NISIS system	24 910	26 305	27 778
Number of beneficiaries enlisted on the Welfare to Work programme	3 500	3 696	3 903
Sub-programme 5.5: Community Based Research and Planning			
Number of households profiled	165 000	174 240	183 997
Number of wards profiled	18	19	20
Number of community based plans developed	10	11	11
Sub-programme 5.6: Youth Development			
Number of youth participating in skills development programmes	14 500	15 312	16 169
Number of youth participating in entrepreneurship programmes	900	950	1 004
Number of youth participating in social change programmes	15 000	15 840	16 727
Number of youth participating in National Youth Service Programmes	1 500	1 584	1 673
Number of youth accessing economic opportunities	1 252	1 322	1 396
Number of funded youth development structures	38	40	42
Number of youth deployed to profile and co-ordinate household interventions	40	42	45
Sub-programme 5.7: Women Development			
Number of women participating in income generating programmes	8 109 000	8 563	9 043
Number of women participating in socio-economic empowerment programmes	620	655	691
Number of women on child support grant linked to economic opportunities	944	997	1 053
Sub-programme 5.8: Population Policy Promotion			
Number of research projects completed	2	2	2
Number of dissemination workshops for population and development conducted	5	5	6
Number of stakeholders (individuals) who participated in dissemination workshops for population and development	127	134	142
Number of stakeholders (individuals) who participated in capacity building training	27	29	30
Number of demographic profiles completed	21	22	23
Number of population capacity development sessions conducted	2	2	2
Number of population policy monitoring and Evaluation thematic reports produced	1	1	1

9. OTHER PROGRAMME INFORMATION

9.1. Personnel numbers and costs

TABLE 6.16: PERSONNEL NUMBERS AND COSTS: SOCIAL DEVELOPMENT

Personnel numbers	As at 31 March 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 2016	As at 31 March 2016
1. Administration	634	619	612	679	679	679	679
2. Social Welfare Services	195	190	182	205	205	205	205
3. Children And Families	1 842	1 924	2 062	2 315	2 422	2 529	2 636
4. Restorative Services	233	232	176	185	233	233	233
5. Development And Research	488	496	498	538	543	546	557
Total provincial personnel numbers	3 392	3 461	3 530	3 922	4 082	4 192	4 310
Total provincial personnel cost (R thousand)	743 797	782 298	903 194	1 048 842	1 272 624	1 338 081	1 404 985
Unit cost (R thousand)	219	226	256	267	312	319	326

TABLE 6.17: SUMMARY OF DEPARTMENTAL PERSONNEL NUMBERS AND COSTS: SOCIAL DEVELOPMENT

	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Total for department									
Personnel numbers (head count)	3 392	3 461	3 530	3 922	3 922	3 922	4 082	4 192	4 310
Personnel cost (R thousands)	743 797	782 298	903 194	1 107 801	1 048 842	1 048 842	1 272 624	1 338 081	1 404 985

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	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Human resources component									
Personnel numbers (head count)	105	109	100	100	100	100	100	100	100
Personnel cost (R thousands)	24 384	30 246	28 430	30 221	30 221	30 221	31 853	33 541	34 041
Head count as % of total for department	3.1%	3.1%	2.8%	2.5%	2.5%	2.5%	2.4%	2.4%	2.3%
Personnel cost as % of total for department	3.3%	3.9%	3.1%	2.9%	2.9%	2.9%	2.5%	2.5%	2.4%
Finance component									
Personnel numbers (head count)	69	69	66	66	66	66	66	66	66
Personnel cost (R thousands)	17 016	20 112	19 584	20 818	20 818	20 818	21 942	23 105	23 605
Head count as % of total for department	2.0%	2.0%	1.9%	1.7%	1.7%	1.7%	1.6%	1.6%	1.5%
Personnel cost as % of total for department	2.3%	2.6%	2.2%	1.9%	2.0%	2.0%	1.7%	1.7%	1.7%
Full time workers									
Personnel numbers (head count)	3 392	3 461	3 530	3 922	3 922	3 922	4 082	4 192	4 310
Personnel cost (R thousands)	743 797	782 298	903 194	1 107 801	1 048 842	1 048 842	1 272 624	1 338 081	1 404 985
Head count as % of total for department	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Personnel cost as % of total for department	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

The personnel budget is set to increase significantly during the 2015/16 financial year. The increase is attributed to the envisaged increase in the absorption of social workers, child and youth care workers and community development practitioners. This envisaged increase is associated with a ward-based service delivery model which aims to provide services closer to the people. This model is also designed to better respond to the ever more complex nature of social challenges experienced by families, children, the elderly, women and youth.

The organizational structure review process will be a strategic exercise which will require additional posts in support services aimed at providing a reasonable balance between core and support staff. Such capacity is required in functions such as human resource management, fleet management, supply chain management and financial management in regions and institutions.

The programmes expected to grow are programmes 2 and 3. There will be minimal addition of new posts in senior management service (SMS) bands while administrative support capacity will be replenished as posts become vacant.

9.2. Training

TABLE 6.18: PAYMENTS ON TRAINING: SOCIAL DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Administration	9 459	6 092	8 137	12 092	12 136	12 124	12 453	13 113	13 768
Subsistence and travel									
Payments on tuition	7 296	3 039	4 682	8 883	8 927	8 915	9 081	9 562	10 040
Other	2 163	3 053	3 455	3 209	3 209	3 209	3 372	3 551	3 728
Total payments on training	9 459	6 092	8 137	12 092	12 136	12 124	12 453	13 113	13 768

The table above indicates expenditure and budget allocation for bursaries and training development for staff employed in the department. The budget is centralised in Programme 1: Administration to ensure accurate and relevant reporting on training within the department and to the SETAs. The budget allocated for training within Programme 1 has been increased over the 2015 MTEF period to accommodate the increase in the skills development levies payable to the SETAs as contained in the directive issued by the Department of Public Service and Administration. The department also provides continuous training to NPOs to provide updates on legislative mandates, policies and prescripts, track progress on action plans against programme objectives/

priorities, training on programmes interventions and models. The budget to train NPOs is allocated in different programmes of the department.

TABLE 6.19: INFORMATION ON TRAINING: SOCIAL DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Number of staff	3 392	3 461	3 530	3 922	3 922	3 922	4 082	4 192	4 310
Number of personnel trained	1 617	1 586	1 906	1 916	1 571	1 571	1 728	1 901	2 091
of which									
Male	401	409	459	580	397	397	437	480	528
Female	1 216	1 177	1 447	1 336	1 174	1 174	1 291	1 421	1 563
Number of training opportunities	47	72	66	67	67	67	68	70	74
of which									
Tertiary	6	6	6	6	6	6	6	6	6
Other	41	66	60	61	61	61	62	64	67
Number of bursaries offered	541	589	585	576	576	576	551	535	562
Number of interns appointed	175	235	215	237	237	237	260	286	300
Number of learnerships appointed	200	100	165	182	182	182	200	220	231

During the 2014/15 financial year the department will embark on a skills audit to inform a new Human Resource Plan for the 2015 MTEF. This will result in different priorities that will be aligned to the department's strategic plan, and governments and sector priorities.

In addition, the budget for the MTEF will focus on priorities such as an increase in bursaries for formal studies for the occupational category of care work and community development, considering the impact of professionalization. The MTEF also makes provision for an increase of mentoring and coaching programmes on employees as a result of the various developmental interventions.

The projected costs for compulsory induction programmes based on the current backlog challenges will be catered for within the allocated training budget as well as through the focus that has been placed on the continuous professional development of social service professionals as required by the professional body. In addition, the implementation of management development programmes is catered for over the MTEF.

The department furthermore ensures the supply of social work graduates through bursary and scholarship schemes on an annual basis to cater for the demand within the department and sector. The employment of these graduates will have an impact on the budget associated with compensation of employees as well as on acquiring the tools of the trade and infrastructure.

9.3. Reconciliation of structural changes

No structural changes in the department.

ANNEXURES TO ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE

TABLE 6.20: SPECIFICATION OF RECEIPTS: SOCIAL DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Tax receipts									
Sales of goods and services other than capital assets	967	1 602	2 017	1 632	1 632	2 416	2 400	2 520	2 645
Sale of goods and services produced by department (excluding capital assets)	924	1 583	2 010	1 632	1 632	2 410	2 400	2 520	2 645
Sales by market establishments	819	1 583	1 096	852	852	1 337	1 320	1 386	1 455
Administrative fees									
Other sales	105		914	780	780	1 073	1 080	1 134	1 190
Of which									
Other sales			18	13	13	14	36	38	39
Boarding Services	84		157	108	108	247	264	277	292
Commission			740	659	659	812	780	819	859
Sales of scrap, waste, arms and other used current goods (excluding capital assets)	43	19	7			6			
Transfers received from:	130								
Public corporations and private enterprises	130								
Fines, penalties and forfeits		1	1						
Interest, dividends and rent on land	9	39	(2)	52	52	52	24	25	26
Interest	9	39	(2)	52	52	52	24	25	26
Transactions in financial assets and liabilities	3 037	4 299	2 675			2 266	500	525	551
Total departmental receipts	4 143	5 941	4 691	1 684	1 684	4 734	2 924	3 070	3 222

TABLE 6.21: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	296 654	324 882	376 682	403 577	441 684	439 796	461 805	485 642	509 490
Compensation of employees	161 310	164 496	186 368	191 389	221 348	221 348	233 865	242 179	254 288
Salaries and wages	138 482	140 318	161 136	163 820	191 160	191 155	197 753	203 968	214 167
Social contributions	22 828	24 178	25 232	27 569	30 188	30 193	36 112	38 210	40 121
Goods and services	135 317	160 386	190 314	212 188	220 336	218 448	227 940	243 463	255 202
Administrative fees		438	290	180	121	120	192	202	212
Advertising	1 367	2 038	1 184	840	840	840	998	1 024	1 076
Minor assets	3 450	708	2 131	2 021	3 704	2 678	2 957	3 114	3 269
Audit cost: External	108	673	3 154	2 500	3 048	3 048	3 300	3 647	3 829
Bursaries: Employees	2 163	3 053	3 455	3 209	3 209	3 209	3 372	3 551	3 728
Catering: Departmental activities	799	653	1 092	702	734	558	751	821	862
Communication (G&S)	24 521	21 598	20 194	19 836	19 653	19 653	22 975	24 288	25 503
Computer services	12 013	20 381	21 256	12 000	19 000	18 962	12 924	10 689	11 223
Consultants and professional services: Business and advisory services	620	332	287	500	260	482	524	552	579
Consultants and professional services: Legal costs	6		1 986	2 003	1 503	1 503	1 617	1 729	1 816
Contractors	1 370	3 223	3 091	2 182	2 363	2 363	2 735	2 853	2 996
Agency and support / outsourced services	405	7							
Fleet services (including government motor transport)	4 227	8 187	15 632	22 600	25 475	25 475	32 200	38 219	40 130
Inventory: Medical supplies	19	7		80	80	80			
Inventory: Other supplies			70			9			
Consumable supplies	1 374	1 048	3 089	1 880	1 957	1 957	1 913	2 014	2 115
Consumable: Stationery, printing and office supplies	4 928	7 014	5 938	3 951	5 020	5 020	3 757	3 761	3 949
Operating leases	22 216	29 643	44 321	55 550	56 194	55 893	51 780	54 727	57 463

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R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Property payments	44 307	48 280	53 418	68 292	63 297	63 297	71 177	76 640	80 038
Transport provided:									
Departmental activity	6	3	127						
Travel and subsistence	2 704	2 273	2 729	2 835	2 557	1 992	3 131	3 395	3 565
Training and development	7 296	3 039	4 682	8 883	8 927	8 915	9 081	9 562	10 040
Operating payments	498	7 202	1 130	1 463	1 267	1 267	1 634	1 710	1 796
Venues and facilities	724	488	646	608	1 052	1 052	812	838	880
Rental and hiring	196	98	412	73	75	75	110	126	133
Interest and rent on land	27								
Interest	27								
Transfers and subsidies to	5 266	4 922	4 257	6 112	5 684	5 459	6 410	6 750	7 087
Departmental agencies and accounts		114	74	90	67	67	95	100	105
Provide list of entities receiving transfers		114	74	90	67	67	95	100	105
Non-profit institutions									
Households	5 266	4 808	4 183	6 022	5 617	5 392	6 315	6 650	6 982
Social benefits	305	463	954	770	500	500	801	843	886
Other transfers to households	4 961	4 345	3 229	5 252	5 117	4 892	5 514	5 806	6 097
Payments for capital assets	12 365	19 989	20 188	15 892	14 867	14 039	11 035	12 070	12 674
Machinery and equipment	12 296	19 772	18 658	15 892	14 867	14 039	11 035	12 070	12 674
Transport equipment		6 473							
Other machinery and equipment	12 296	13 299	18 658	15 892	14 867	14 039	11 035	12 070	12 674
Software and other intangible assets	69	217	1 530						
Payments for financial assets	13	700	343		24	67			
Total economic classification	314 298	350 493	401 470	425 581	462 259	459 361	479 250	504 462	529 251

TABLE 6.22: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: SOCIAL WELFARE SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	67 719	58 002	65 334	78 616	75 001	76 519	81 098	89 560	98 855
Compensation of employees	32 906	35 208	41 150	45 585	45 585	45 585	48 642	51 015	53 566
Salaries and wages	27 546	29 379	34 909	38 761	38 927	38 927	41 114	41 503	43 579
Social contributions	5 360	5 829	6 241	6 824	6 658	6 658	7 528	9 512	9 987
Goods and services	34 795	22 794	24 184	33 031	29 416	30 934	32 456	38 545	45 289
Administrative fees		7	2						
Advertising	194	58	61	190	190	190			
Minor assets	702	361	128		320	423			
Bursaries: Employees		5							
Catering: Departmental activities	1 023	1 387	1 450	1 252	1 229	1 581	1 229	889	933
Communication (G&S)	481	483	524	530	493	493	549	589	618
Computer services	10				13	13			
Consultants and professional services: Business and advisory services	4		12		82	82			
Contractors	265	199	109	37	102	183	2 184	193	203
Agency and support / outsourced services	5 816	1 979	2 219	2 230	2 055	2 055	2 641	2 773	2 912
Fleet services (including government motor transport)	79	900	784	1 469	1 469	1 395	1 620	3 136	3 293

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Inventory: Clothing material and accessories			1	1	1	1			
Inventory: Food and food supplies	2 305	1 990	2 003	2 468	2 329	2 329	2 413	2 541	2 668
Inventory: Fuel, oil and gas			4						
Inventory: Materials and supplies			21		8	10	20	21	22
Inventory: Medical supplies	23	598	726	623	628	628	648	682	716
Inventory: Medicine			2	11	16	16	6	6	6
Inventory: Other supplies			1 267	1 507	1 244	1 228	1 450	1 570	1 649
Consumable supplies	3 608	3 417	2 285	1 468	1 426	1 426	1 115	1 195	1 255
Consumable: Stationery,printing and office supplies	216	638	151	220	124	124	479	515	540
Operating leases	82	499	323	579	556	967	611	559	587
Property payments	16 863	7 879	9 024	16 772	12 837	12 837	11 640	18 850	24 610
Transport provided: Departmental activity	726	533	648	1 042	1 023	1 049	938	895	940
Travel and subsistence	695	494	724	519	1 103	1 301	1 243	1 119	1 175
Training and development	1 521	1 216	1 165	390	651	663	1 030	1 079	1 133
Operating payments	52	89	327	1 178	1 078	1 078	1 372	1 428	1 499
Venues and facilities	130	40	177	300	230	158	770	203	213
Rental and hiring		22	47	245	209	704	498	303	318
Interest and rent on land	18								
Interest	18								
Transfers and subsidies to	467 583	473 046	485 152	558 089	558 089	558 215	614 757	629 667	661 150
Provinces and municipalities									
Non-profit institutions	467 278	472 532	484 682	557 655	557 655	557 655	614 300	629 184	660 643
Households	305	514	470	434	434	560	457	483	507
Social benefits	79	250	116	160	93	60	223	66	69
Other transfers to households	226	264	354	274	341	500	234	417	438
Payments for capital assets	58 891	32 657	4 461	2 300	2 682	3 147	1 200	2 000	2 500
Buildings and other fixed structures	57 700	31 823	3 621	2 300	2 162	2 162	1 200	2 000	2 500
Buildings	57 700	31 823	3 621	2 300	2 162	2 162	1 200	2 000	2 500
Other fixed structures									
Machinery and equipment	1 191	834	840		520	985			
Transport equipment	122	134							
Other machinery and equipment	1 069	700	840		520	985			
Payments for financial assets		6	23						
Total economic classification	594 193	563 711	554 970	639 005	635 772	637 881	697 055	721 227	762 505

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TABLE 6.23: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: CHILDREN AND FAMILIES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	482 225	494 491	550 428	763 632	656 025	656 565	848 494	907 970	972 600
Compensation of employees	369 235	395 650	470 494	641 665	550 957	550 957	737 904	786 413	825 734
Salaries and wages	309 193	333 402	398 819	528 434	492 549	492 549	642 211	684 281	718 495
Social contributions	60 042	62 248	71 675	113 231	58 408	58 408	95 693	102 132	107 239
Goods and services	112 990	98 841	79 934	121 967	105 068	105 608	110 590	121 557	146 866
Administrative fees	4	186	7	52	144	214			
Advertising	350	499	298	80	843	1 082	840	810	851
	628	678	444		375	960			
Catering: Departmental activities	1 316	726	1 184	1 976	1 571	1 779	1 720	1 437	1 509
Communication (G&S)	3 719	3 142	3 171	3 747	3 947	3 947	4 010	4 255	4 468
Computer services		2							
Consultants and professional services: Business and advisory services	23								
Contractors	686	268	387	876	659	659	292	305	320
Agency and support / outsourced services	5 168	4 535	4 038	4 550	5 003	5 003	6 440	7 470	7 844
Fleet services (including government motor transport)	2 392	22 931	4 783	8 591	8 625	8 625	8 906	9 589	10 068
Inventory: Clothing material and accessories			23	20	37	37			
Inventory: Food and food supplies	6 117	7 881	9 435	9 606	9 806	9 806	10 880	11 135	11 692
Inventory: Learner and teacher support material	35	170	256	134	104	104			
Inventory: Materials and supplies	2		84	34	39	39	40	44	46
Inventory: Medical supplies	405	399	303	529	548	548	586	615	646
Inventory: Medicine		76	99	65	281	281			
Inventory: Other supplies			3 046		3 491	3 491	3 065	3 254	3 417
Consumable supplies	6 677	7 498	4 217	7 122	3 242	3 242	2 013	2 213	2 324
Consumable: Stationery, printing and office supplies	938	1 215	716	1 424	1 460	1 460	1 935	2 105	2 210
Operating leases	330	866	906	1 161	1 083	973	1 152	1 323	1 389
Property payments	62 829	37 538	36 715	68 977	52 214	52 214	56 850	61 926	84 253
Transport provided:									
Departmental activity	1 112	413	352	743	541	637	808	847	889
Travel and subsistence	6 604	4 464	3 185	4 747	4 118	3 683	3 385	5 430	5 702
Training and development	125	136	686	460	440	440	200	110	116
Operating payments	12 362	4 833	4 819	6 525	5 911	5 764	6 928	8 160	8 568
Venues and facilities	1 168	259	401	153	338	372	130	140	147
Rental and hiring		126	379	395	248	248	410	388	407
Interest and rent on land									
Transfers and subsidies to	514 035	570 061	774 856	875 972	876 972	863 972	1 029 371	1 084 810	1 139 051
Provinces and municipalities									
Non-profit institutions	513 286	569 519	773 187	874 917	875 917	862 917	1 028 229	1 083 573	1 137 752
Households	749	542	1 669	1 055	1 055	1 055	1 142	1 237	1 299
Social benefits	685	453	1 472	865	865	1 055	943	1 028	1 079
Other transfers to households	64	89	197	190	190		199	209	219
Payments for capital assets	18 318	37 856	25 958	107 400	82 461	82 798	115 600	122 260	92 600
Buildings and other fixed structures	17 000	34 773	21 460	107 400	81 404	81 404	115 600	122 260	92 600
Buildings	17 000	34 773	21 460	107 400	81 404	81 404	115 600	122 260	92 600

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Other fixed structures									
Machinery and equipment	1 318	3 083	4 498		1 057	1 394			
Transport equipment		1 528							
Other machinery and equipment	1 318	1 555	4 498		1 057	1 394			
Payments for financial assets	56	154	322		29	104			
Total economic classification	1 014 634	1 102 562	1 351 564	1 747 004	1 615 487	1 603 439	1 993 465	2 115 041	2 204 251

TABLE 6.24: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: RESTORATIVE SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	97 073	95 654	104 331	128 100	125 361	137 497	169 872	170 877	182 781
Compensation of employees	63 502	61 675	65 736	80 923	77 477	77 477	90 864	88 432	92 854
Salaries and wages	53 219	51 530	55 464	67 374	65 237	65 237	75 438	73 671	77 355
Social contributions	10 283	10 145	10 272	13 549	12 240	12 240	15 426	14 761	15 499
Goods and services	33 523	33 979	38 595	47 177	47 884	60 020	79 008	82 445	89 927
Administrative fees		1	76	2	2	2	2	2	2
Advertising	23	278	2 651	3 135	2 935	2 696	2 514	4 974	5 223
Minor assets	393	272	32		114	969	230	241	253
Catering: Departmental activities	459	594	772	688	874	797	1 113	1 495	1 570
Communication (G&S)	625	564	612	695	695	755	3 413	3 753	3 941
Computer services						1 500			
Consultants and professional services: Business and advisory services			4		5	5			
Contractors	397	189	96	435	260	310	200	180	189
Agency and support / outsourced services	9 217	7 586	9 101	8 956	9 961	10 558	12 858	12 735	13 372
Fleet services (including government motor transport)	27	1 436	931	1 608	1 608	1 758	2 900	3 053	3 206
Inventory: Food and food supplies		334	74	50	50	50	20	21	22
Inventory: Learner and teacher support material			7	6	3	3			
Inventory: Materials and supplies	119		124	34	23	21	40	96	101
Inventory: Medical supplies		5	18	30	204	204	216	189	198
Inventory: Medicine		113	86	50	50	138	90	100	105
Inventory: Other supplies			853	624	759	834	5 317	6 000	6 300
Consumable supplies	3 126	1 504	491	690	503	553	912	1 340	1 407
Consumable: Stationery, printing and office supplies	320	599	498	179	188	514	829	1 221	1 282
Operating leases	284	422	384	601	612	762	772	747	784
Property payments	15 956	17 385	17 717	23 440	22 939	31 333	38 612	37 131	42 348
Transport provided: Departmental activity	54		103	100	180	298			
Travel and subsistence	918	413	530	649	661	691	1 468	1 933	2 030
Training and development		74	82	262	262	262			
Operating payments	1 369	1 601	2 186	2 781	3 474	3 900	5 600	5 392	5 662
Venues and facilities	231	600	1 005	637	637	717	386	782	821
Rental and hiring	5	9	162	1 525	885	390	1 516	1 060	1 113
Interest and rent on land	48								
Interest	48								

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R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Transfers and subsidies to	139 226	144 623	177 621	232 880	232 880	217 249	235 778	249 766	262 254
Provinces and municipalities									
Non-profit institutions	138 779	144 510	177 511	232 666	232 666	216 999	235 358	249 324	261 790
Households	447	113	110	214	214	250	420	442	464
Social benefits	100	91	81	154	154	152	157	165	173
Other transfers to households	347	22	29	60	60	98	263	277	291
Payments for capital assets	1 330	39 840	21 054	10 200	4 361	7 906	17 600	22 000	31 500
Buildings and other fixed structures		39 080	20 891	10 200	3 860	3 860	17 600	22 000	31 500
Buildings		39 080	20 891	10 200	3 860	3 860	17 600	22 000	31 500
Machinery and equipment	1 330	760	163		501	4 046			
Transport equipment	1 155	477							
Other machinery and equipment	175	283	163		501	4 046			
Payments for financial assets		25	92		14	14			
Total economic classification	237 629	280 142	303 098	371 180	362 616	362 666	423 250	442 643	476 535

TABLE 6.25: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: DEVELOPMENT AND RESEARCH

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	124 387	133 601	146 670	158 217	162 098	161 804	168 917	181 138	190 195
Compensation of employees	116 844	125 269	139 446	148 239	153 475	153 475	161 349	170 041	178 544
Salaries and wages	98 917	105 868	120 378	126 838	130 835	130 540	137 922	145 226	152 487
Social contributions	17 927	19 401	19 068	21 401	22 640	22 935	23 427	24 816	26 056
Goods and services	7 543	8 332	7 224	9 978	8 623	8 329	7 568	11 097	11 651
Administrative fees	21	33							
Advertising		3							
Assets less than the capitalisation threshold	13	49	150			5			
Catering: Departmental activities	622	643	831	1 349	1 154	847	631	1 190	1 249
Communication (G&S)	1 007	928	1 010	2 427	1 040	1 040	1 224	2 658	2 791
Computer services	26	51	33			38			
Consultants and professional services: Business and advisory services	10	814	636	1 434	1 030	1 030	1 201	1 581	1 660
Contractors	172	49		20	35	35	36	38	40
Agency and support / outsourced services	12								
Fleet services (including government motor transport)	1	1 177							
Inventory: Food and food supplies	7	18							
Inventory: Learner and teacher support material	25	203							
Inventory: Materials and supplies	1								
Inventory: Other supplies						7			
Consumable supplies	468	162	85	86	126	126	98	103	108
Consumable: Stationery, printing and office supplies	511	379	451	636	511	511	466	701	736
Operating leases	73	312	90	179	189	189	190	200	210
Property payments		25							

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Transport provided: Departmental activity	100	83	30	267	324	347	280	295	310
Travel and subsistence	3 241	2 167	1 986	2 673	2 850	2 832	2 739	3 316	3 482
Training and development					24	24			
Operating payments	601	700	532	478	516	516	474	499	524
Venues and facilities	632	533	733	175	670	628	62	182	191
Rental and hiring		3	657	254	154	154	167	334	350
Interest and rent on land									
Transfers and subsidies to	65 777	94 058	141 640	183 675	196 080	196 143	202 035	212 743	223 381
Provinces and municipalities									
Non-profit institutions	65 666	93 877	141 358	183 595	195 595	195 595	201 950	212 653	223 286
Households	111	181	282	80	485	548	85	90	95
Social benefits	111	181	282	80	485	548	85	90	95
Other transfers to households									
Payments for capital assets	65	145	74		47	63			
Buildings and other fixed structures									
Machinery and equipment	65	145	74		47	63			
Transport equipment									
Other machinery and equipment	65	145	74		47	63			
Payments for financial assets	30	14	197		3	5			
Total economic classification	190 259	227 818	288 581	341 892	358 228	358 015	370 952	393 882	413 576

TABLE 6.26: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: SOCIAL SECTOR EPWP INCENTIVE GRANT: SOCIAL WELFARE SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Transfers and subsidies	11 221	12 873		20 267	20 267	20 267	16 785		
Provinces and municipalities									
Non-profit institutions	11 221	12 873		20 267	20 267	20 267	16 785		
Total economic classification	11 221	12 873		20 267	20 267	20 267	16 785		

TABLE 6.27: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: EPWP INTEGRATED GRANT: SOCIAL WELFARE SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments				2 000	2 000	2 000	2 000		
Goods and services				2 000	2 000	2 000	2 000		
Contractors							2 000		
Property payments				2 000	2 000	2 000			
Total economic classification				2 000	2 000	2 000	2 000		



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VOTE 7

DEPARTMENT OF COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

To be appropriated by vote in 2015/16	R 406 972 000
Responsible MEC	MEC for Cooperative Governance and Traditional Affairs
Administering Department	Department of Cooperative Governance and Traditional Affairs
Accounting Officer	Head of Department

1. OVERVIEW

Vision

The vision of the Department of Cooperative Governance and Traditional Affairs is: Sustainable, viable local government, traditional councils and communities in Gauteng.

Mission

To coordinate the effective functioning of local government, promote integrated development planning and deepen participatory democracy in order to accelerate service delivery.

Strategic Goals

The department is geared towards achieving the five strategic objectives which are to:

- Promote and facilitate viable and sustainable local governance;
- Promote integrated development planning through efficient land use management , provincial coordination of disaster management and improved access to basic services;
- Promote and facilitate viable and sustainable traditional institutions;
- Build an inclusive economic environment conducive to the creation of decent work; and
- Manage human resources (HR) in ways which develop the department and enable it to carry out its core functions.

Core functions and responsibilities

The mandate of the department highlights cooperative governance, this is essential for integrated development, the department provides support and monitors municipalities and tribal authorities by:

- Monitoring the municipalities and traditional authorities development and performance;
- Supporting local authorities where there are capacity constraints;
- Promoting capacity development in a systematic manner; to ensure that municipalities are able to manage their own affairs;
- Advising, commenting on and approving Integrated Development Plans (IDP's);
- Providing key support services to municipalities in implementing the Municipal Finance Management Act, No.56 of 2003 (MFMA) and supporting Community Development Workers (CDW's);
- Intervening where local authorities fail to perform their designated functions and mandates; and
- Strengthening the functioning of Municipal Public Accounts Committees.

Main services

The department continues to support and monitor the province's municipalities by helping them to achieve good governance and accountability through the implementation of the oversight model. It monitors the effectiveness and impact of Municipal Public Accounts Committees (MPACs') oversight and accountability functions. This enables MPACs to contribute to improved assessments of the municipalities and traditional authorities.

The department continues to monitor the effectiveness and the impact of MPAC in carrying out their oversight and accountability functions. The department has assessed the progress and challenges in local government in the province over the past 15 years. The department also takes into account lessons learned from Project Consolidate and the deployment of engineers by the South African Institute of Engineers (SAICE) and accountants by the South African Institute of Chartered Accountants (SAICA). The main focus in the 2015/16 financial year will remain on strengthening ward based planning and public participation through the involvement and training of ward committees. In 2015/16 the Department allocated resources to establish the Provincial Disaster Management Centre.

The department will continue to ensure that traditional leadership receives administrative support through appropriate systems and structures including the impending legislation that will define heads of Khoisan communities as traditional leaders. The department exercises oversight over the relationship between local municipalities' structures and traditional leadership structures and communities in the province. The department also monitors progress in achieving targets such as the implementation of waste water management systems, and provincial sanitation and water demand management strategies.

During the 2015/16 financial year, the department will prioritise capacity-building support for local government. It will also maintain partnerships with stakeholders who provide scarce skills to augment municipal capacity. This enables service delivery, and audit findings, to improve. Revenue management, the integration of IDPs and municipal debt are some of the specific areas in which the department will provide support in the coming financial year. In line with the decision of the Municipal Demarcation Board, it intends to finalize the mergers of municipalities in the West Rand and Sedibeng districts. The department will also carry out voter education in advance of the 2016 local government elections; and assist municipalities with developing their consolidated municipal sector plans.

Transformation of state and governance

The allocation to this output is aimed at providing capacity support to municipalities in areas identified as critical for complying with Operation Clean Audit in Gauteng. To achieve this, the department will support municipalities in the areas of asset management, financial management, revenue enhancement, project and contract management and skills development within scarce skills areas. The department will allocate R10 million in the 2015/16 financial year to finalize the process of municipal mergers prior to the 2016 local government elections. The merger process will enable municipalities to be self-sufficient, to manage resources more effectively, and to achieve their mandates and functions in line with the transformation of the State and its governance.

The budget for this output relates to providing training and skills auditing for members of ward committees, including on their structures and functions; assessing the committees' impact; and strengthening public participation. The process of ensuring that 508 ward committees are in place will continue in the 2015/16 financial year. The department will, as needed, work with municipalities on their local economic development (LED) strategies intended to strengthen their economies within the context of an economically inclusive Global City Region.

Modernisation of the public service

The funds allocated to this output cater for the continuous provision of free basic services to the indigent communities such as free electricity and water from municipalities. The department allocated a substantial amount of funding to improve access to basic services. However the Province continues to experience in-migration coupled with the 2016 local government elections with municipal mergers pending.

National Development Plan

The department's alignment with the National Development Plan (NDP) seeks to create a liveable, equitable, prosperous and united Gauteng City Region characterized by economic and social inclusivity and cohesion, sustainable development and infrastructure and good governance. By positioning the province as a globally competitive City Region, the department will pursue its aim of reducing employment and poverty through equitable growth, integrated strategies and prudent planning by all spheres of government.

External activities and events relevant to budget decisions

The department will continue to support the Gauteng Planning Commission in conceptualizing and developing the new Provincial Disaster Management Centre. This is a legislative requirement. It will also align itself with Operation Clean Audit, as required by the Office of the Auditor-General in the audit outcomes of municipalities for the 2014/2015 financial year. In addition, the expected promulgation of the National Bill on Traditional leadership which will allow Khoisan leaders to be traditional leaders will have an impact on the budget. The

budget will cater for the implementation of municipal mergers approved by the Demarcation Board. Funds were set aside for the creation and completion of the PDMC in 2014/15.

Acts, rules and regulations – (Legislative Mandates)

- Intergovernmental Relations Framework Act (Act No. 13 of 2005);
- Local Government: Municipal Property Rate Act (Act No. 6 of 2004);
- National Environmental Management Act (Act No. 107 of 1998), as amended by Act No. 8 of 2004;
- Broad Based Black Economic Empowerment Act (Act No. 53 of 2003);
- Municipal Finance Management Act (Act No. 56 of 2003);
- Local Government: Municipal Systems Act (Act No. 32 of 2000);
- Public Finance Management Act (Act No. 1 of 1999);
- Local Government: Demarcation Act (Act No. 27 of 1998);
- Local Government: Municipal Structure Act (Act No. 117 of 1998);
- Extension of Security of Tenure Act (Act No. 62 of 1997);
- Land Administration Act (Act No. 2 of 1995);
- Reconstruction and Development Programme Fund Act (Act No. 7 of 1994);
- Expropriation Act (1951), as repealed by Act No. 63 of 1975;
- State Land Disposal Act (Act No. 48 of 1961); and
- Deeds Registries Act (Act No. 47 of 1937).

Provincial Legislation

- Gauteng Traditional Leadership Act of 2010;
- Gauteng Types of Municipality Act No. 03 of 2000; and
- Gauteng City Improvement Act No. 12 of 1997.

Good Governance Legislation

- Broad Based Black Economic Empowerment Act (No. 53 of 2003);
- Municipal Finance Management Act (No. 56 of 2003); and
- Public Finance Management Act (No. 1 of 1999).

2. REVIEW OF THE CURRENT FINANCIAL YEAR (2014/15)

Transformation of the state and governance

The department provided hands-on and advisory support to municipalities in maintaining their infrastructure asset registers in line with GRAP 17 requirements. The audit reports and Management Letters of identified municipalities were reviewed. Municipalities receiving support for maintaining and updating their asset registers included Lesedi LM, Emfuleni LM, Randfontein LM and Westonaria LM. The registers for Emfuleni and Lesedi have been updated and are being maintained; however the registers of Randfontein and Westonaria Local Municipalities are not yet fully GRAP 17 compliant.

The department continued to provide support in the 2014/15 financial year to municipalities through the implementation of the Operation Clean Audit, with support for Westonaria and Randfontein. Randfontein had a reduction of the backlog of reconciliations of 95 per cent, and its Annual Financial Statements (AFS) were reviewed and submitted to the Auditor General (AG) on 31 August 2014. The Municipality received a qualified audit outcome with material findings on assets. In Westonaria, the AFS were independently reviewed for quality and submitted to the AG on 31 August 2014. The audit opinion is still outstanding due to discrepancies found on the final set of AFS. In Lesedi, the Municipal Specific ICT Governance Framework is 80 per cent complete, in line with the project plan; implementation is over 50 per cent complete, in line with the project implementation plan. The municipality received an unqualified audit opinion.

In terms of support in the areas of revenue enhancement and debtor management, Lesedi developed an implementation plan and two matters were identified as priorities for 2014/15 financial year. The first was Indigent Management Register cleansing. To date, there are 5340 indigents within the register; 3621 indigents have been flagged and confirmed as indigent. This represents a 67 per cent of cleansing of the indigent data. Data cleansing was the second priority area; 37 094 accounts were analysed and categorised correctly.

In relation to amalgamations affecting the West Rand and Sedibeng District Municipalities, in terms of the transition to the Single Tier System of Governance, implementation of Phase 1 (Transitional Phase) has commenced. The project started with the publication of the Section 14 Notice, the sitting of Joint Councils of the affected municipalities and the establishment of merger governance structures. A report was then prepared

for the project's Technical Steering Committee. This dealt with the establishment of the work streams with the technical steering committee; outlining the ward delimitation process; the publication of the formula for the number of councillors; and the Terms of Reference (ToR) of the due diligence assessment. The department will host a seminar on Municipal Mergers and Incorporation by the end of the financial year.

Finalisation of the revision and adoption of Public Participation Framework (PPF) was delayed, and probably will not be achieved this financial year. The Gauteng Councillor Conference was held for the first time; and a research report on public participation processes, and the role of Councillors in these processes, was prepared. The department also prepared reports on the role played by CDWs in supporting participatory democracy processes, such as by mobilising the community to attend IDP and ward committee meetings.

Training of ward committee members has not commenced, but the supply chain management (SCM) processes will be in place before the end of the 2014/15 financial year. Representation in ward committees is as follows: women 1829 (36 per cent, youth 457 (9 per cent) and people with disabilities (PWD) 15 (3 per cent).

- To ensure the effective management of disasters at national, provincial and local level, coordination and support were provided for the implementation of the National Disaster Management Act and Framework. The department reports on the functionality of, and compliance with, the provincial Disaster Management coordinating structures.
- The department participated in the process of repatriating the victims of the church collapse in Nigeria by coordinating and managing the combined provincial memorial.
- To ensure that services are delivered in an integrated and sustainable manner, the department continued to promote integrated development and planning within municipalities. It also facilitated and coordinated processes aimed at ensuring that municipal IDPs are credible and implementable, and are aligned with national and provincial priorities, plans and strategies.

Modernisation of public service

The department monitors and reports on the accelerated delivery of municipal basic service and infrastructure delivery to meet national targets. Access to basic services remains a provincial priority. To date there has been 8853 new household connections to the electricity grid funded by department of Energy and 3613 installations of solar geysers funded by municipalities' in partnership with Department of Energy. The Luipaardsvlei Landfill site phase 4 in Mogale City is completed and benefitting about 116 000 house holds. COGTA continues to provide support in partnership with MISA to municipalities on engineering i.e. design, construction and project management in Sedibeng District, Emfuleni, Westonaria, Merafong, Randfontein and Lesedi. Municipal infrastructure projects are realised through the MIG funding programme headed by COGTA. A Water Conservation and Water Demand Management Strategy will be completed with an implementation plan to reduce water losses by 7 per cent in all municipalities by 2018/2019.

Transformation of the state and governance

The department has supported and enhanced the capacity of traditional leadership and local governance institutions in the City of Tshwane (Amandebele Ba Lebelo and Amandebele Ndzunza Sokhulumu Traditional Councils), where municipal council sittings are attended by the two traditional leaders. The minutes of meetings are prepared, and resolutions tracked and implemented. The Department also monitors traditional councils' compliance with the PFMA and reporting standards. A capacity skills audit was conducted and priority areas for intervention were identified.

A provincial partnership with traditional leadership is established to address the Initiation School policy framework and legislation, implementation and guidelines. A draft policy framework and procedures manual relating to the practice of initiation in the province has been prepared, and a stakeholder workshop on the draft procedure manual on initiations was held on 10 December 2014.

Modernisation of public service

The aim is to strengthen the leadership, management and administrative capacity of the Department through efficient and effective policies, HR, resources and processes. The Department is in consultation with the Department of Public Service and Administration (DPSA) to finalise the organisational structure, and there are engagements with all relevant stakeholders on the proposed structure. The HR plan has been developed and should be approved by the end of the 2014/15 financial year.

3. OUTLOOK FOR THE COMING FINANCIAL YEAR (2015/16)

The current plan draws on chapter 13 of the National Development Plan (NDP) (Capable and Developmental State). The department's strategic posture is also shaped by the Ten Pillar Programme to radically transform, modernize and reindustrialize; this underlies the Department's role in overseeing and supporting "A Decisive Spatial Transformation, Accelerated Social Transformation, Transforming of the State and Governance and Modernisation of the Public Service" in Gauteng in the next five to fifteen years. The department has identified the following priorities, over the next five years, in support of the Ten Pillar Programme.

Transformation of state and governance

Strategic Objective 1: Promotion and establishment of organs of popular power and democratic systems (street committees, ward committees, block committees)

The department has a responsibility to ensure that the programmes of government are community-driven and that communities have a pivotal role to play. To ensure that communities influence decision-making in the province and especially at municipal level, the department will review the current situation and take steps to strengthen the organs of peoples' power.

Purpose: The organs of people's power will be promoted to avoid imposition of the invited spaces and the creation of an environment conducive to strategic social dialogue. This will ensure that communities remain engaged and that they feel comfortable and free from manipulation. The initiatives will aim to deepen people-centred government through a refined model of the programme relating to ward committees and CDWs. In addition, the department is preparing for the 2016 local government elections, for which voter education will be provided in all municipalities and communities. R10 million has been set aside for this function.

The review process will involve consultation with municipalities, communities and other spheres of government; the findings of the review will be carried out over time. The department will host a ward councillor conference in 2015, and will implement the resolutions of the inaugural conference.

Transformation of state and governance

Strategic Objective 2: Ensure effective participation by local government in the inter-governmental relations (IGR) system

Purpose: The mandate of the department is to ensure that the spheres of government operate in a coherent, cohesive and integrated manner and that basic services are provided in a seamless way. This requires the department to strengthen its co-ordination and facilitation capacity for the benefit of the province's government and citizens. Therefore, in the coming year the department will review the present intergovernmental relations structures and, as needed, establish new ones in order to eliminate silos and duplication of programmes. Functional programmes will be supported and those which are dysfunctional and/or superfluous will be replaced. The functionality of the IGR structures will be institutionalised through approval by the Executive Council and the Premier's Coordinating Forum.

Transformation of state and governance

Strategic Objective 3: Facilitate and promote the creation of a GCR through the metropolitan system

In order to realise a globally competitive Gauteng City Region (GCR), the provincial government has resolved to establish a single-tier system of local government. The GCR is larger than the Gauteng province and has its own identified boundaries. It connects towns and cities including Johannesburg, the capital city of Tshwane and Ekurhuleni, and functions as a single, integrated region linked by flows of people, resources and raw materials, and by energy, economic and communications networks.

Purpose: The Province has five regions. Two cities are yet to be established in order to fully realise the single-tier system of local government. This will be achieved through municipal mergers. The municipalities earmarked for merger in 2016 are: Lesedi LM and Ekurhuleni Metropolitan Municipality; and Westonaria and Randfontein LMs, Sedibeng District Municipality, Emfuleni LM and Midvaal LM to establish River City Metropolitan Municipality. The Department will spearhead the merger of the municipalities in 2016.

Modernisation of the public service

Strategic Objective 4: Establishment of an effective, efficient, responsive, accountable and resilient local government

The National Development Plan (NDP) calls for the establishment of a strong, capable, developmental state. Furthermore, the Back-to-Basics programme recently launched by the Minister of Cooperative Governance and Traditional Affairs argues that municipalities that are performing well should meet the following indicators: putting people first; delivering basic services; good governance; sound financial management; and building capacity.

In response to the above, the department will undertake the following programmes:

- Enhancing the integrity, transparency and accountability of local government and addressing corruption, reducing waste and the cost of doing business;
- Capacity building and development (leadership, management and oversight);
- Enforcing compliance with legislation and directives, and intervening where necessary;
- Developing targeted and differentiated administrative and governance instruments to support municipalities;
- Consolidating bulk service plans for the three LMs in the Sedibeng Region;
- Coordinating and reporting on the implementation of the Sedibeng Regional Sanitation Scheme; and
- Establishing the Provincial Disaster Management Centre (PDMC).

The process of restoring the PDMC will draw on the existing district and metropolitan Disaster Management Centres. The business plan and structure of the centre has been endorsed by DPSA and is ready for tabling in the Executive Council for approval. The Department has set aside R35 million to ensure that the PDMC is restored and functions optimally. These funds will be used to procure IT and other equipment for the centre, and pay for its lease and other required resources.

Modernisation of the public service

Strategic Objective 5: Provision of basic services in line with the Back-to-Basics approach

Seamless and efficient delivery of basic services is one of the most important attributes of a well-performing municipality. It is therefore the fundamental responsibility of municipalities to ensure that basic services are provided to the citizens as encapsulated in the Constitution.

In response to this requirement, the department will undertake the following programmes:

- Coordinate municipal infrastructure master plans in order to achieve the provincial infrastructure master plan of the Planning Division in the Office of the Premier;
- Oversee, monitor, evaluate and report on the implementation of the Sedibeng regional sewer scheme through a cooperative arrangement with Rand Water, the Department of Water Affairs and Sanitation and Sedibeng District; and
- By means of MoU's with sector departments and state-owned enterprises (SOEs), facilitate and monitor the provision of basic services.

Transformation of state and governance

Strategic Objective 6: Financial management and viability

- Sound financial management is a critical component of a well performing municipality. To achieve this objective, the department will undertake the following programmes:
- Support the implementation of municipal viability and sustainability strategies at local municipality level;
- Facilitate the development of municipal billing and revenue-generation strategies;
- Led by the provincial Treasury, provide hands-on support to municipalities on financial systems and policies; and
- Champion the municipal programme aimed at achieving unqualified audits without matters of emphasis.

Transformation of state and governance

Strategic Objective 7: Contribute to province-wide infrastructure planning and performance

The department has a pivotal role in ensuring that municipalities are able to deliver the basic services as required by law. These include contributing to planning for and delivery of amenities and related infrastructure, and maintenance and funding of these services.

In meeting these obligations, the department will:

- Ensure that municipalities appoint qualified and competent staff in order to deliver on their mandates;
- Develop the water security strategy and management plan in support of the GCR.
- Ensure the establishment of the Rapid Response Team to intervene where there are service delivery problems and to support the War Room on service delivery.

Transformation of state and governance

Strategic Objective 8: To contribute to province-wide local economic development and planning

Economic development and integrated development planning are critical performance areas for local government. The Department of Economic Development (DED) is responsible for enabling economic development planning through instruments such as the Provincial Growth and Development Strategy (PGDS). The Department is also responsible for helping municipalities to translate provincial plans into local economic development plans and spatial development frameworks that support the development and growth of the local economy.

To achieve this objective, the department will carry out the following activities, amongst others:

- Ensure the development and adoption of municipal IDPs aligned to national and provincial plans, while reflecting the economic and service delivery needs of communities; and
- Facilitate and coordinate relationships between municipalities and the various sector departments and other role-players in the area of economic development; and promote investment in infrastructure for economic growth.

Modernisation of the public service

Strategic Objective 9: Creation of the internal institutional capacity to support the repositioning of the department

For the department to meet its statutory obligations, it must build its own capacity and assist municipalities to build theirs. To achieve this, the department will undertake the following programmes:

- Professional and development programmes, in partnership with LGSETA and other professional bodies, to equip its personnel, traditional councils and those of municipalities, including councillors, to carry out their responsibilities effectively and efficiently;
- Host a summit on disability mainstreaming in local government in 2015; and
- Ensure that all vacant and funded posts and structures of the department and municipalities are approved and filled in order to build the required capacity and capability to deliver services.

Transformation of state and governance

Strategic Objective 10: Improve the developmental and governance capacity of the institution of traditional leadership

Section 12 of the Constitution directs organs of state to provide necessary support to the institution of traditional leadership. It is part of the legislative mandate of the department to provide this support. It will do so by:

- Providing necessary hands-on administrative, governance and financial and legal support to the traditional councils in line with the legislation;
- Developing and implementing the policy regulating initiation schools in the province. This will be undertaken in partnership with the departments of Education and Health; and
- Monitoring the participation of traditional leaders in the activities of municipal councils and intervene accordingly.

4. REPRIORITISATION

The department has decided to reprioritise funds within the current allocation to meet the targets and priorities of the new executive. The request for new funds will be submitted to Provincial Treasury. The department is supporting the GPC in establishing a new Provincial Disaster Management Centre in compliance with the relevant legislation. R12 million is reallocated within personnel to where individuals are placed on the approved organisational structure of Cooperative Governance and Traditional Affairs. The department reallocated R18 million from contractors and agencies outsourced in favour of capacitating municipalities by improving municipal service delivery in support of transformation of the state and governance.

5. PROCUREMENT

In the coming financial year, the department will:

- Continue with the re-establishment of the Provincial Disaster Management Centre; this was not done during the current financial year.
- Implement the public participation strategy for identifying functionality gaps for local municipalities and in ward committees.
- Support municipalities in developing and adopting the Public Participation Framework.
- Provide training and development for ward committees for all municipalities.
- Continue to strengthen the MPAC as a watchdog of accountability within municipalities.
- Support municipalities in developing and implementing customized municipal recruitment, performance management system (PMS) and retention strategies.
- Assist municipalities to adhere to the norms and standards of the revised PPF.
- Implement the government debt strategy in all municipalities.
- Implement the Sedibeng Regional Sanitation Scheme.

6. RECEIPTS AND FINANCING

6.1 Summary of receipts

TABLE 7.1: SUMMARY OF RECEIPTS: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Equitable share	327 200	257 840	273 657	338 598	338 598	338 598	404 972	416 763	437 601
Conditional grants				2 000	2 000	2 000	2 000		
Total receipts	327 200	257 840	273 657	340 598	340 598	340 598	406 972	416 763	437 601

The department receives equitable share funding for its operational requirements. This amounted to R327.2 million in 2011/12 and decreased to R257.8 million in 2012/13 due to the demerger of the department from the former Department of Housing. The department's allocation increased to R274 million in 2013/14 when additional funds were allocated for compensation of employees. In 2014/15, the department received a conditional expanded public works programme (EPWP) grant of R2 million to support job creation in communities. This increased the total allocation to R340.6 million. The increase in the 2015/16 allocation to R407 million caters for the PDMC project; municipal Operation Clean Audit initiatives; the increase in the allocation to the CDW programme so that a CDW can be employed in each ward; and voter education for the upcoming local government elections. The allocation increases to R437.6 million over the MTEF period; this includes the allocation for maintaining the PDMC.

6.2. Departmental receipts

TABLE 7.2: DEPARTMENTAL RECEIPTS: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Sales of goods and services other than capital assets	127	360	130	140	140	20 256	141	148	156
Interest, dividends and rent on land	18	25	25	25	25	25	26	27	29
Transactions in financial assets and liabilities	468	56	300	300	300	158	314	331	347
Total departmental receipts	613	441	455	465	465	20 439	481	506	532

Departmental receipts increased from R455 000 in 2013/14 to R465 000 in 2014/15. The growth of revenue in 2015/16 is as a result of increased parking fees from the staff of the Department of Human Settlement salaries that are still being settled by COGTA and amount to R481 000. Over the 2015 MTEF, revenue collection remains relatively stable with slight increases from R481 000 in 2015/16 to R532 000 in 2017/18.

The main sources of revenue are parking fees from staff members, third party transactions such as commissions, sale of tender documents, interest from staff debts and servitudes from Eskom. Revenue varies from month to month due to the nature of service.

7. PAYMENT SUMMARY

7.1. Key assumptions

The assumptions that underpin the department's MTEF 2015 budget are summarized below. The department has a 5.6 per cent wage increase for 2015, and 5 per cent over the MTEF. A 5.6 per cent increase in Goods and Services is anticipated, in line with projected consumer price inflation (CPI). The following elements have been taken into consideration when determining budgets for personnel and other economic classifications for the 2015 MTEF:

- Number of staff, vacancies and possible changes over the MTEF;
- Basic salary costs including improvement of conditions of service adjustment from 1 April each year;
- Salary increases for officials with occupation-specific dispensations (OSDs);
- Provision for filling vacant posts caused by the de-merger of the two departments;
- The need to fill CDW vacancies in wards;
- The establishment of the new PDMC;
- Provision for the merger of municipalities prior 2016 municipal elections as per proclamation by the Municipal Demarcation Board (MDB)
- Provision of funding to municipalities for the HIV/AIDS programme;
- Provision for deployment of engineers and chartered accountants to targeted municipalities; and
- Continuous provision for Operation Clean Audit initiatives.

7.2. Programme summary

TABLE 7.3: SUMMARY OF PAYMENTS AND ESTIMATES: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Administration	58 158	37 207	80 766	126 113	114 863	114 864	125 632	135 169	141 928
2. Local Governance	184 323	142 700	158 629	173 278	177 855	174 665	196 976	194 117	203 823
3. Development Planning	28 785	25 097	28 239	34 088	40 686	39 373	77 116	79 223	83 185
4. Traditional Institutional Management	3 147	3 766	6 023	7 119	7 194	7 194	7 248	8 253	8 666
Total payments and estimates	274 413	208 770	273 657	340 598	340 598	336 096	406 972	416 763	437 601

7.3. Summary of economic classification

TABLE 7.4: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	249 414	206 942	266 880	330 498	328 118	323 578	366 796	375 452	394 225
Compensation of employees	207 695	182 711	200 300	252 131	252 131	252 133	266 482	281 299	295 364
Goods and services	41 719	24 231	66 580	78 367	75 987	71 445	100 314	94 153	98 861
Transfers and subsidies to:	23 888	369	2 485	5 100	7 380	7 380	10 030	7 380	7 749
Provinces and municipalities	20 000			2 000	5 000	5 000	7 500	5 000	5 250
Households	3 888	369	2 485	3 100	2 380	2 380	2 530	2 380	2 499
Payments for capital assets	1 002	1 257	4 263	5 000	5 000	5 000	30 146	33 930	35 627
Machinery and equipment	448	830	4 263	5 000	4 986	4 986	30 146	33 930	35 627
Software and other intangible assets	554	427			14	14			
Payments for financial assets	109	202	29		100	138			
Total economic classification	274 413	208 770	273 657	340 598	340 598	336 096	406 972	416 763	437 601

The table above includes reprioritization of the budget at programme and economic classification level over the 2015/16 MTEF. During 2011/12, expenditure amounted to R274 million and decreased significantly by R65 million to R209 million in 2012/13. It increased for the 2013/14 financial year by R65 million to R274 million. This represents an increase of 31 per cent, mainly because of the department's need to support municipalities after the splitting of the two departments. The budget increased significantly by R66 million to R340 million in 2014/15. This was mainly due to the refocus on the Department's mandate to support municipalities and to ensure departmental capacity by filling critical posts.

The budget for the period under review reflects steady growth, to R407 million in 2015/16. There is a slight increase to R417 million in 2016/17 and to R438 million over the MTEF. The increase is as a result of the new PMDC; implementation of priorities identified by the new administration; and the need to address the audit outcomes of municipalities during Operation Clean Audit in 2014. The increase also results from the need to fill critical CDW positions in each ward as a result of natural attrition; and to refurbish the building that will accommodate the Department.

Programme 1: Administration expenditure declines steadily from R58 million in 2011/12 to R37 million in 2012/13, mainly because of the demerger with Human Settlements. There is a significant increase to R115 million in 2014/15, after an adjustment budget. This is to enable the department to deliver on its expanding mandate of oversight of and support for municipalities and ensuring that it is adequately capacitated. The increase over the MTEF in comparison to the 2015/16 main appropriation is mainly due to the refurbishment of the building that will accommodate the Department, and the ICT infrastructure equipment that will support the department's work. Over the MTEF, the budget increases to R135 million in 2016/17 and R142 million in 2017/18.

Programme 2: Local Governance has the largest share of the budget. This is mainly allocated to core functions of the Department to ensure that Operation Clean Audit programme continues; and to address audit outcome matters raised by the Auditor-General. The budget will also ensure that the CDW programme continues through the allocation of a worker to each ward. This will alleviate the burden on ward councillors; CDWs will direct community members to the department where services are required. This programme spent R184 million in 2011/12, R143 million in 2012/13 and R159 million in 2013/14. The budget grows from R178 million in 2014/15, after an adjustment budget to R204 million over the MTEF for hands-on support to municipalities. This includes provision for ongoing ward councillor training, implementation of revenue management, Municipal Rates Property Act (MRPA) implementation and other critical activities.

Programme 3: Growth in Development and planning was stable between R29 million in 2011/12 to R28 million in 2013/14. It increased to R41 million in 2014/15 after an adjustment budget; and increases by 88 per cent to R77 million in 2015/16 as result of the allocation for the PDMC which will be restored in the coming financial year. The budget will also enable geysers to be continuously installed in communities in targeted municipalities. The allocation increases to R79 million in 2016/17 and to R83 million in 2017/18, in line with Pillar 4: transformation of state and governance.

Programme 4: The Traditional Institutional Development budget grows slightly over the MTEF, mainly to support and enhance the capacity of traditional leadership and local governance institutions in the City of Tshwane (Amandebele Ba Lebelo and Amandebele Ndzunza Sokhulumu traditional councils). In addition, the budget will provide for continuous training of traditional council members as part of the transformation of state and governance. The Department of Traditional Affairs (DTA) and the Local Government Sector Education and Training Authority (LGSETA) will facilitate a national skills audit of traditional leaders and its councillors.

The budget for compensation of employees increased slightly from R252 million in 2014/15 to R266 million in 2015/16, with a further increase to R295 million over the MTEF. This increase mainly relates to filling critical vacant positions; implementing the Occupational Specific Dispensation (OSDs); Improvement in Condition of Service (ICS) and wage salary agreements; and ensuring CDWs in each ward.

The expenditure for goods and services grows significantly from R42 million in 2011/12 to a budget of R78 million in 2014/15. Over the MTEF, it increases to R100 million in 2015/16 and decreases to R99 million in 2017/18. The increase is due to work being carried out in relation to the PCMC; refurbishment of the building that will accommodate the Department; and ICT software licenses and servers for the new building. This increase will assist the Department to roll out Operation Clean Audit and to deal with audit issues raised by the Auditor-General; and to continue to train ward councillors, implement revenue management and implement the priorities and programmes of the new administration. This will assist the municipalities to turn around their finances, strategies and audit outcomes as part of the transformation of state and governance.

Total budget for machinery and equipment decreased by 33 per cent between the 2014/15 and 2015/16 financial years. This is mainly because procurement of tools of the trade had been completed. The allocation for the coming year is earmarked for the refurbishment of the department's building. The slight increase over the outer years of the MTEF is due to ongoing maintenance of the building, and providing tools of trade to new appointees.

7.4 Infrastructure payments

N/A

7.4.1 Departmental infrastructure payments

N/A

7.4.2 Maintenance

N/A

7.4.3. Departmental Public-private-partnership (PPP) projects

N/A

7.5 Transfers**7.5.1. Transfers to public entities**

N/A

7.5.2. Transfers to other entities

N/A

7.5.3. Transfers to local government

TABLE 7.5: SUMMARY OF DEPARTMENTAL TRANSFERS TO LOCAL GOVERNMENT BY CATEGORY

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Category A	20 000								
Ekurhuleni Metro	20 000								
Category B				2 000	5 000	5 000	7 500	5 000	5 250
Emfuleni				500	1 500	1 500	1 000	1 000	750
Lesedi				500	500	500	1 500	1 000	1 500
Randfontein				500	1 000	1 000	2 250	1 500	1 500
Westonaria				500	1 500	1 500	2 250	1 500	1 500
Merafong City					500	500	500		
Total transfers to municipalities	20 000			2 000	5 000	5 000	7 500	5 000	5 250

The table above shows transfers to municipalities by transfer type and category (A, B and C). During the current year, the department transferred R2 million to municipalities for job creation as part of the EPWP grant; this was only allocated in 2014/15. These functions mainly rest with the department of Public Works (DPW). The department has also transferred funds to municipalities to an amount of R3 million for implementation of GRAP 17 and for performance management systems (PMS). Funding from the department to municipalities in the coming financial year and over MTEF will be for various projects including continued implementation of GRAP 17, PMSs and the EPWP.

8. PROGRAMME DESCRIPTION

PROGRAMME 1: ADMINISTRATION

Programme description

The main goal of this programme is to strengthen and align the department's organizational capacity and capability to deliver on its mandate. It enables the Department's business units to perform efficiently by providing corporate support (HR, financial management, SCM, ICT, risk management and facilities management). The programme ensures effective and efficient leadership, management and administrative support to the core business of the department by refining organizational strategy and structure in compliance with appropriate legislation and practice. The programme's outputs are a reflection of Pillar 5 (modernisation of the public service which seeks to achieve an efficient, effective and developmental oriented public service and an empowered, fair and inclusive citizenry).

Programme objectives

- To ensure that HRM is a strategic partner to all units in the department;
- To provide effective legal services to the department;
- To provide efficient and effective facilities management to the department;
- To provide efficient, effective and stable ICT infrastructure and support to the department;
- To ensure prudent financial management, and efficient and effective SCM and systems, to ensure that financial planning and budgeting are aligned with the department's strategic plan;
- To maintain effective, efficient and transparent risk management and financial systems and controls in order to safeguard departmental assets; and
- To ensure good governance and improved productivity through the promotion of discipline, transparency, independence, accountability, fairness and social responsibility within departmental operations.

Key Policies, priorities and outputs

- Develop policies, provide strategic direction and monitor and evaluate the department's programmes, support services and operations;
- Render strategic and focused HRM support to ensure effective execution of the department's functions and strategy;
- Render effective and economic financial management services to the department; ensure the alignment of strategy and budget; manage expenditure, reporting and the supply chain;
- Render corporate services within the department and ensure the efficient execution of the department's functions and strategy (structure; resources: budget, physical and human; systems);
- Manage the risk strategy of the department;
- Anti-corruption enforcement;
- Building capacity and capability to professionalise the department;
- Monitor and support legislative compliance;
- Establish and support viable and accountable governance structures;
- Improved integration and planning;
- Facilitate access to information;
- Provide sound legal advice and support to the department.

TABLE 7.6: SUMMARY OF PAYMENTS AND ESTIMATES: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Office Of The MEC	6 630	1 236	2 816	2 960	2 960	3 760	3 986	4 029	4 231
2. Corporate Services	51 528	35 971	77 950	123 153	111 903	111 104	121 646	131 140	137 697
Total payments and estimates	58 158	37 207	80 766	126 113	114 863	114 864	125 632	135 169	141 928

TABLE 7.7: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	53 172	35 394	73 989	118 013	107 383	107 346	119 756	127 484	133 858
Compensation of employees	34 763	25 799	46 211	86 089	74 839	74 841	86 206	92 739	97 376
Goods and services	18 409	9 595	27 778	31 924	32 544	32 505	33 550	34 745	36 482

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Transfers and subsidies to	3 875	354	2 485	3 100	2 380	2 380	2 530	2 380	2 499
Households	3 875	354	2 485	3 100	2 380	2 380	2 530	2 380	2 499
Payments for capital assets	1 002	1 257	4 263	5 000	5 000	5 000	3 346	5 305	5 571
Machinery and equipment	448	830	4 263	5 000	4 986	4 986	3 346	5 305	5 571
Software and other intangible assets	554	427			14	14			
Payments for financial assets	109	202	29		100	138			
Total economic classification	58 158	37 207	80 766	126 113	114 863	114 864	125 632	135 169	141 928

As indicated in the table above, expenditure and budget against programme 1 fluctuate over the seven years under review. The programme showed increased expenditure from R58 million to R81 million between 2011/12 and 2013/14. This is mainly attributed to the de-merger, as Human Settlements absorbed most of the administrative and operational activities of this programme during the period of the merger. In 2013/14, the department had to fund its activities as a stand-alone entity. The budget increased significantly by R45 million in 2014/15, after the de-merger, when the department became the department of Cooperative Governance and Traditional Affairs. The programme budget in 2014/15 was R126 million; during 2015/16, it remained at this figure. It increases to R142 million over the 2015 MTEF. The growth in the budget caters for refurbishing and ongoing maintenance of the building to be occupied in the next financial year, and for the ICT infrastructure to be installed in the building. The additional funds also relate to ICS installations in the building and filling of vacant positions identified by the Department as critical to its core functions.

The growth in the budget of the MEC's office is mainly to enable it to run its functions and activities. The expenditure decreased from R6 million in 2011/12 to R1 million in 2012/13 because the MEC's outreach programs were funded from the OPSCAP budget during the merger. In 2013/14, the budget for the sub-programme was R2.8 million. It increased to R3 million in 2014/15 and R4 million in 2015/16 and remains at R4 million over the 2015 MTEF.

The sub-programme Corporate Services expenditure increased from R51 million to R78 million between 2011/12 and 2013/14. In 2014/15, the budget increases to R123 million before decreasing to R121 million in 2015/16 and increasing to R138 million in 2017/18. The growth in the budget is mainly due to refurbishment of the Department's building, ICT infrastructure, communication, software licenses and marketing for MEC events.

The programme's budget on compensation of employees was R86 million in 2014/15 and in 2015/16, increasing to R97 million in 2017/18. This increase is mainly to fill vacant positions critical the capacity of support services which is part of the recruitment drive of the department. Additional funding is allocated for the wage agreement between the state and labour unions.

The budget for goods and services increases slightly from R32 million in 2014/15 to R34 million in 2015/16. It increases to R35 million and R36 million for 2016/17 and 2017/18 respectively. The increase caters for the envisaged procurement of ICT infrastructure, software licenses, refurbishment of the new building and marketing for the MEC's outreach programmes to municipalities.

Expenditure on households fluctuates between R2.3 million and R2.5 million for the respective years of the MTEF. The budget for machinery and equipment increases marginally as result of the refurbishment of the building that will accommodate the department due to the de-merger. This will also include the supply of tools of the trade which relates to the provision of capital assets for the appointment of new staff members and to meet the priorities of the new executive.

PROGRAMME 2: LOCAL GOVERNANCE

The Local Governance Programme seeks to strengthen the developmental state by enhancing participatory governance and institutional stability as well as building the capacity and capability of local government to achieve its constitutional mandate. The goal of the programme is to promote and facilitate viable and sustainable local governance in line with Pillar 4: transformation of state and governance.

The objectives to be achieved under this programme include:

- To provide management and support services to local government within the regulatory framework;
- To monitor and support municipalities to ensure financially viable and sustainable municipalities in accordance with applicable Acts;
- To deepen democracy by promoting community participation through appropriate structures, processes and systems, and by facilitating access to government services;
- To coordinate, cooperate and integrate support and monitor capacity building initiatives;
- To improve municipal performance through enhanced monitoring, reporting and evaluation;
- To improve the image of local government;
- To implement a differentiated approach to local government in the province;
- To monitor and support legislative compliance;
- To establish and support viable and accountable governance structures;
- To promote intergovernmental and stakeholder relations, and improved integration and planning;
- To facilitate the devolution of powers and functions to ensure stable local government;
- To improve public participation;
- To implement an appropriate finance model for local government to promote sustainability and viability;
- To enforce anti-corruption measures;
- To provide urban management and built environment planning;
- To build capacity and capability towards professionalizing local government;
- To develop policy towards differentiated approaches and social inclusivity;
- To enhance participatory governance through CDW programmes; and
- To facilitate access to basic services for poor communities.

TABLE 7.8 SUMMARY OF PAYMENTS AND ESTIMATES: LOCAL GOVERNANCE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Municipal Administration	4 093	2 993	10 519	8 423	9 223	9 767	12 283	12 599	13 229
2. Municipal Finance	27 026	15 619	10 726	10 749	10 869	10 410	10 192	11 599	12 179
3. Public Participation	109 400	113 479	116 017	132 990	133 491	129 965	142 377	138 128	145 035
4. Capacity Development	43 804	10 609	11 252	10 796	11 619	11 869	18 754	17 938	18 835
5. Municipal Performance Monitoring, Reporting And Evaluation			10 115	10 320	12 653	12 654	13 370	13 853	14 546
Total payments and estimates	184 323	142 700	158 629	173 278	177 855	174 665	196 976	194 117	203 823

TABLE 7.9: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: LOCAL GOVERNANCE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	164 310	142 685	158 629	172 278	173 855	170 665	191 476	189 117	198 572
Compensation of employees	147 115	130 592	130 844	139 937	144 514	144 514	146 457	153 230	160 892
Goods and services	17 195	12 093	27 785	32 341	29 341	26 151	45 019	35 886	37 680
Transfers and subsidies to:	20 013	15		1 000	4 000	4 000	5 500	5 000	5 250
Provinces and municipalities	20 000			1 000	4 000	4 000	5 500	5 000	5 250
Households	13	15							
Payments for capital assets									
Total economic classification	184 323	142 700	158 629	173 278	177 855	174 665	196 976	194 117	203 823

The programme's expenditure decreased from R184 million to R159 million between the 2011/12 and 2013/14 financial years. The decrease was due to the changing of projects whilst the department was merged with the Department of Housing, although the needs for increased support to municipalities and deployment of CDWs for each ward remained necessary. The budget increases by R24 million from R173 million in 2014/15 to

R197 million in 2015/16. There is a decrease to R194 million in 2016/17 and an increase to R204 million in 2017/18. This increase is needed to provide continuous support to municipalities in relation to OPCA, training of ward committees and councillors, deployment of CDWs to each ward, conducting research, conducting intergovernmental relations, and filling vacant positions where necessary to the functioning of intergovernmental relations (IGR). This programme relates to the transformation of state and governance.

The budget of sub-programme Municipal administration is mainly to provide research studies and to deal with the powers and functions on intergovernmental relations in line with the transformation of state and governance. The budget increases from R8 million in 2014/15 to R12 million in 2015/16, an increase of 33 per cent. The allocation increases to R13 million in the final year of the MTEF period. These increases are as a result of the promulgation of gazettes for the holding of elections at municipalities, conducting research studies on powers and functions and the development of the oversight and accountability model. The increased allocation is also attributed to the amalgamation of various municipalities in preparation for the 2016 local government elections.

Sub-programme Municipal Finance has a budget of R11 million in 2014/15 and in 2015/16 it has an allocation of R10 million and a slight increase to R12 million in 2016/17 and R12 million 2017/18. The budget caters for continuous initiatives which include interventions on asset management, resolutions on Auditor-General issues, tariff modelling, data cleansing, GRAP 17 training, research on policies, guidelines and legislation necessary to the enhancement of revenue and improve debtor management and implementation of smart metering within municipalities as part of the transformation of the state and governance.

Sub-programme Public participation has an allocation that grows from R133 million in 2014/15 to R142 million in 2015/16, an increase of 7 per cent. There is a further increase to R145 million over the 2015 MTEF to provide for setting up 508 ward committees in all municipalities. The allocation will also cater for updating the skills audit and training ward committees in Metros and local municipalities. The training is aimed at improving the level of engagement of ward committees in planning processes, and fostering civic responsibility in planning and development. Another module of the training focuses on conflict management to empower ward committees to facilitate good community relations amongst ward stakeholders and mitigate conflicts of interest within community groups over development issues. The department is also planning to improve relations between ward committees and CDWs in order to foster coordination of activities and strengthen service delivery in communities. The CDW programme will continue to play a supporting role in the implementation of the framework by assisting with coordination between the spheres of government and monitoring service delivery points in line with Pillar 5: Modernisation of the public service.

Capacity Development: this sub-programme's expenditure remained constant at R11 million in 2012/13 and 2013/14. This was due to the fact that support to municipalities continues by deploying engineers from SAICE and chartered accountants from SAICA. The allocation increases by R7 million to R18 million in 2015/16 and 2016/17 and to R19 million in 2017/18. The sub-programme will continue to provide hands-on support to improve the audit outcomes through Operation Clean Audit, targeting identified municipalities in line with the modernisation of the public service. The sub-programme will focus on infrastructure verification and intangible assets identification to ensure prudent asset management in municipalities.

Municipal Performance Monitoring: This sub-programme's allocation amounted to R10 million in 2014/15 and R13 million in 2015/16. Over the 2015 MTEF the allocation increases to R15million. The allocation is mainly to implement the Municipal Property Rates Act (MPRA) in all municipalities.

In relation to compensation of employees, expenditure has been fluctuating over the years. It increased from R131 million in 2013/14 to R140 million in 2014/15. There is a further increase to R146 million in 2015/16, a 1.4 per cent increase. The allocation for compensation of employees over the MTEF further increased to R161 million. These increases relate to filling of positions in all sub-programmes within the programme particularly CDWs to be deployed to each ward in all municipalities; and to comply with the Exco resolution and Infrastructure Development Unit for filling engineering posts. These increases also relate to anticipated wage agreements.

Allocation on goods and services increased from R28 million in the 2013/14 financial year to R32 million in the 2014/15 financial year. It further increases to R45 million in 2015/16 before decreasing to R38 million over the MTEF. These increases relate to meeting the continuing OPCA initiatives, and catering for municipal capacity building programmes and ward and councillor training. This will include research to be conducted, and the continuous customized municipal recruitment and retention strategy and human resource development framework. It will also provide critical and scarce skills training including the deployment of technical expertise in targeted municipalities in line with transformation of state and governance.

The allocation for transfers and subsidies transfers funds to the targeted municipalities for implementation of GRAP 17 and PMS.

SERVICE DELIVERY MEASURES

PROGRAMME 2: LOCAL GOVERNANCE

Performance measures	Estimated Annual Targets		
	2015/16	2016/17	2017/18
Number of seminars held on topical local government issues	2	3	3
Number of topical local government policy issues reviewed/ commented on	1	1	1
Sub-Programme: Municipal Finance			
Number of municipalities provided with Hands-on Support to maintain their infrastructure asset registers in line with the GRAP 17 requirements	2	3	3
Number of Municipalities provided with Hands-on-Support in the areas of Revenue enhancement and debtor management	Government debt strategy implemented in all Municipalities	Government debt strategy implemented in all Municipalities	Government debt strategy implemented in all Municipalities
Sub-Programme Public Participation			
Number of advocacy initiatives undertaken to support participatory democracy	12	12	12
Number of municipalities supported to develop and adopt the current Public Participation Framework (PPF)	4	10	Review implementation of PPF
Sub-programme Capacity Development			
Number of Municipalities supported in developing and implementing a customized Municipal Recruitment and Retention Strategy	3	3	Nothing Planned
Number of targeted municipalities monitored and supported to improve the PMS	2	2	Impact Assessment of support rendered in implementation of PMS
Number of officials trained in critical and scarce skills	500	500	Induction Training for newly appointed managers.
Number of municipalities supported to spend MIG	7	7	7
Sub-programme Municipal performance monitoring, reporting and evaluation			
Number of reports compiled on municipal budget process, and assessment of AFS, APR and municipal performance in terms of the Municipal Finance Management Act (MFMA)	12	12	9 compliance reports compiled on MFMA, MPRA, POBA
Number of reports on the analysis of municipal annual budgets	12	12	4 reports on state of municipal finances
Number of reports compiled on the implementation of Remuneration of Public Office Bearers Act (POBA)	13	13	9 compliance reports compiled on MFMA, MPRA, POBA

PROGRAMME 3: DEVELOPMENT AND PLANNING

Programme description

This programme seeks to coordinate, facilitate and promote integrated development and planning in municipalities to ensure that services are delivered in an integrated and sustainable manner in line with the transformation of state and governance.

Programme objectives

- It facilitates and coordinates processes to ensure that municipal IDPs are credible, implementable and aligned with national and provincial outcomes, plans and strategies;
- It ensures strategic management of provincial land for economic and social purposes;
- It provides coordination and support for the implementation of the National Disaster Management Act and Framework to ensure the effective management of disasters at national, provincial and local level;
- It ensures the accelerated delivery of municipal basic service and infrastructure delivery to meet national targets;
- Coordination and support is provided for the implementation of the National Disaster Management Act, the Fire Brigade Services Act and the Disaster Management Framework to ensure the effective management of disasters at national, provincial and local level;
- It ensures the accelerated delivery of municipal basic service and infrastructure delivery to meet national targets;
- It facilitates integrated urban management and planning;
- It improves integration and planning; and
- It increases community based planning.

TABLE 7.10: SUMMARY OF PAYMENTS AND ESTIMATES: DEVELOPMENT AND PLANNING

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Land Use Management	4 781	4 639	4 767	5 332	5 332	3 617	5 946	6 261	6 574
2. Idp Coordination	8 463	9 494	3 387	4 844	5 584	5 549	5 870	6 372	6 690
3. Disaster Management	12 033	9 137	12 363	19 394	19 516	18 571	53 156	56 135	58 942
4. Municipal Infrastructure	3 508	1 827	7 722	4 518	10 254	11 636	12 144	10 456	10 978
Total payments and estimates	28 785	25 097	28 239	34 088	40 686	39 373	77 116	79 223	83 185

TABLE 7.11 SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: DEVELOPMENT AND PLANNING

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	28 785	25 097	28 239	33 088	39 686	38 373	48 316	50 599	53 129
Compensation of employees	23 028	23 040	19 355	21 251	27 849	27 849	28 871	30 142	31 650
Goods and services	5 757	2 057	8 884	11 837	11 837	10 524	19 445	20 456	21 479
Transfers and subsidies to				1 000	1 000	1 000	2 000		
Provinces and municipalities				1 000	1 000	1 000	2 000		
Payments for capital assets							26 800	28 625	30 056
Machinery and equipment							26 800	28 625	30 056
Payments for financial assets									
Total economic classification	28 785	25 097	28 239	34 088	40 686	39 373	77 116	79 223	83 185

Spending on the programme remained constant at R28 million between 2011/12 and 2013/14, recording a slight decline to R25 million in 2012/13. The allocation for the programme: Development and Planning increases from R28 million in 2013/14 to R34 million in 2014/15. The programme allocation increases significantly to R77 million in 2015/16, to R79 million in 2016/17 and to R83 million over the MTEF to cater for the establishment and maintenance of the PMDC in line with the transformation of state and governance. The increase is mainly for the conceptualization of the new PMDC and its infrastructure equipment; IDP coordination within municipalities; and installation of geysers for communities on targeted municipalities.

Land Management sub-programme allocation amount to R5 million in 2014/15 and increases slightly to R6 million over the MTEF. This is due to the on-going transfer of properties to beneficiaries and the vesting of properties in the state; this is taking longer than expected as only the Minister of Land Affairs can authorize vesting which relates modernisation of the public service. This increase is also due to the disposal of redundant properties on the land asset register and the allocation of title deeds which is on-going.

Integrated Development Planning sub-programme allocation increases from R5 million in 2014/15 to R6 million in 2015/16 and R7 million in the outer year of the MTEF. The allocation will be used for IDP education and training, the roll out of the IDP framework, inter-governmental IDP engagements and municipal analysis and the MEC commenting process to be conducted by the department in various municipalities. The slight additional funding request on this sub-programme is aimed at ensuring the successful implementation of the inter-governmental planning roadmap to ensure the alignment of IDPs with the NDP and the Gauteng 2055 vision, which is in line with transformation of state and governance.

The Sub-Programme Disaster Management allocation increased from R19 million in 2014/15 to R53 million in 2015/16. This was to establish the new PMDC. The increase over the MTEF to R59 million is attributed to the fact that the department will be maintaining the centre and liaising with municipalities on disaster issues as part of Pillar 4: Transformation of state and governance. The increase will be part of the implementation of the new PMDC including the maintenance and the coordination of its structures to ensure a link with the municipalities.

The sub-programme Municipal Infrastructure allocation increases from R4.5 million in 2014/15 to R11 million for the outer year of the MTEF. The allocation for this sub-programme is due to the need for increased interventions in water conservation and water demand management which will be implemented in Lesedi and Mogale, and the extension to other municipalities including Emfuleni and Westonaria. The budget caters for the continued review of sector plans; this is a legislative requirement in terms of the Water Act and the Municipal Systems Act

and informs the Gauteng Integrated Infrastructure Master Plan initiated by the GPC. The allocation to the sub-programme also relates to the development of the electricity loss management strategy and the database of alternative/efficient energy projects in the province in line with transformation of state and governance.

Compensation of employees increases from R19 million in 2013/14 to R21 million in 2014/15 and R32 million over the MTEF as a result of expected filling of OSD positions within the unit. Over the MTEF, the increases are meant to supplement costs of living as result of wage agreements.

There is a 33 per cent increase on goods and services from R9 million in 2013/14 to R12 million in 2014/15. The budget increases to R21 million over the MTEF. The growth is due to the gradual establishment of new PDMC; the connection of free basic services to registered indigent communities; the vesting and transfer of properties to beneficiaries; the review and integration of municipal IDPs; and implementation of water conservation and water demand management in four targeted municipalities. It also provides for continuous deployment of engineers to municipalities for technical support. The installation of geysers has become a cost driver for this sub-programme. Allocation of R27 million for 2015-16 has been made for the establishment of the PMDC. The allocation for the outer year of the MTEF amounts to R30 million and will be used for maintenance of and equipment for the centre.

SERVICE DELIVERY MEASURES

PROGRAMME 3: DEVELOPMENT AND PLANNING

Performance measures	Estimated Annual Targets		
	2015/16	2016/17	2017/18
Number of households with access to basic electricity supply	40 000 HH	50 000 HH	50 000 HH
Number of households reached with basic services funded by MIG	Water – 1 500 HH Sanitation- 1 500 HH	Water – 1 500 HH Sanitation- 1 500 HH	Water – 1 500 HH Sanitation- 1 500 HH
Number of households with access to basic refuse removal services	23 000 HH	23 000 HH	23 000 HH
Fully functional Provincial Disaster Management coordinating structures.	Provincial Disaster Management coordinating structures functional.	Provincial Disaster Management coordinating structures functional.	Provincial Disaster Management coordinating structures functional.
Number of quarterly reports on Disaster Risk Reduction and Management Strategies for events completed.	4 Quarterly monitoring reports completed on the Disaster Risk Reduction and Management Strategies	4 Quarterly monitoring reports completed on the Disaster Risk Reduction and Management Strategies	4 Quarterly monitoring reports completed on the Disaster Risk Reduction and Management Strategies
Number of preparedness exercises and risk reduction strategies completed for Gautrain Rapid Rail Link.	Continued monitoring and coordination of risk reduction strategies for the Gautrain Rapid Rail link.	Continued monitoring and coordination of risk reduction strategies for the Gautrain Rapid Rail link.	Continued monitoring and coordination of risk reduction strategies for the Gautrain Rapid Rail link.
Number of disaster management awareness campaigns conducted	4 awareness campaigns of Disaster Management conducted.	4 awareness campaigns of Disaster Management conducted.	4 awareness campaigns of Disaster Management conducted.
Fully functional Provincial Fire & Rescue Services coordinating structures	Provincial Fire & Rescue Services coordinating structures functional.	Provincial Fire & Rescue Services coordinating structures functional.	Provincial Fire & Rescue Services coordinating structures functional.
Number of municipalities with approved IDP's	12	12	12
Number of intergovernmental IDP engagements held through the Gauteng IDP Technical Steering Committee to ensure alignment and coordination to: Linking to IDP's outcomes Reflect provincial capital projects and budgets in IDP'S	4	4	4
Number of identified municipalities implementing the revised IDP framework	12	12	12
Number of participants receiving IDP education	100	100	150
Number of municipalities participating in the IDP analysis and receiving MEC comments	12	12	12

PROGRAMME 4: TRADITIONAL INSTITUTIONAL DEVELOPMENT

Programme description

The programme promotes and facilitates viable and sustainable traditional institutions by enhancing the capacity traditional leadership and local governance institutions in line with Pillar 4: Transformation of state and governance.

The key performance areas are:

- Traditional Institutional Administration;

- Traditional Resource Administration;
- Rural Development Facilitation; and
- Traditional Land Administration

TABLE 7.12: SUMMARY OF PAYMENTS AND ESTIMATES: TRADITIONAL INSTITUTIONAL DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Traditional Institution Administration	1 723	1 596	5 061	4 466	4 463	4 742	4 081	4 824	5 065
2. Traditional Resource Administration	919	1 481	436	1 601	1 601	940	1 687	1 776	1 865
3. Rural Development Facilitation	209	300	72	404	404		688	791	831
4. Traditional Land Administration	296	389	454	648	726	1 512	792	862	905
Total payments and estimates	3 147	3 766	6 023	7 119	7 194	7 194	7 248	8 253	8 666

TABLE 7.13: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: TRADITIONAL INSTITUTIONAL DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	3 147	3 766	6 023	7 119	7 194	7 194	7 248	8 253	8 666
Compensation of employees	2 789	3 280	3 890	4 854	4 929	4 929	4 948	5 187	5 447
Goods and services	358	486	2 133	2 265	2 265	2 265	2 300	3 066	3 219
Transfers and subsidies to									
Payments for financial assets									
Total economic classification	3 147	3 766	6 023	7 119	7 194	7 194	7 248	8 253	8 666

The budget for the programme remained constant at R7 million in 2014/15 and 2015/16 before increasing to R8 million and R9 million in 2016/17 and 2017/18 respectively. This increase is attributed to the expected National Traditional Bill still to be passed by Parliament; this recognizes Khoisan leaders as traditional leaders. The increase is also for statutory payments to tribal authorities by the department to assist them to function effectively, meet their mandate to the communities and enable the department to finance the Kings' commemorations. The allocated budget will also meet the obligations and needs of the tribal authorities.

The allocation to the sub-programme Traditional Institutional Administration remained constant at R4 million for 2014/15 and 2015/16 before increasing to R5 million in 2016/17 and 2017/18 respectively. This allocation is attributed to the increase in expenses for traditional leadership including remuneration of traditional leaders and filling of critical vacancies within the directorate.

The allocation for this sub-programme remains constant at R2 million for 2014/15 and for all the years of the 2015 MTEF. This relates to Pillar 4, which is transformation of state and governance.

The sub-programme Rural Development Facilitation receives a substantial increase from the previous years as a result of the maintenance of the new vehicles procured during the previous financial year. The increase in allocation over the MTEF also caters for the running costs of these vehicles.

The expenditure and allocation on this sub-programme's budget remains constant at R1 million for 2014/15 and for all the years of the 2015 MTEF. The allocation is used mainly for capacity building programmes in traditional leadership and the development of women within tribal communities. The funding will be utilized to continuously integrate the traditional leaders into the mainstream of the municipal councils. The allocation to this sub-programme has increased slightly as a result of the increased intake of women to be capacitated.

Compensation of employees allocation increased to R5 million for 2014/15 and remained constant for all the years of the 2015 MTEF. This is due to a slight increase of remuneration of traditional chiefs and their staff members including the increase in departmental staff members as result of wage agreements.

The allocation on goods and services remained constant at R2 million for 2014/15 and 2015/16 before increasing to R3 million in 2016/17 and 2017/18 respectively. The increase is attributed to envisaged grant, transfers and financing of commemorations of traditional leaders, and the operational activities of the department.

SERVICE DELIVERY MEASURES**PROGRAMME 4: TRADITIONAL INSTITUTIONAL DEVELOPMENT**

Performance measures	Estimated Annual Targets		
	2014/15	2015/16	2016/17
Number of traditional councils complying to legislative prescripts	2	2	2
Number of Local House of Traditional Leadership established and complying to legislative prescripts	1	1	1
Number of Traditional council members trained	20	20	20
Number of events organised to support traditional communities and their institutions	2 cultural events and 1 rural women's empowerment session.	2 cultural events and 1 rural women's empowerment session.	2 cultural events and 1 rural women's empowerment session.

9. OTHER PROGRAMME INFORMATION**9.1. Personnel numbers and costs****TABLE 7.14: PERSONNEL NUMBERS AND COSTS: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS**

Personnel numbers	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	As at 31 March 2018
1. Administration	115	115	114	114	136	136	136
2. Local Governance	752	598	598	598	504	504	504
3. Development Planning	61	61	61	61	48	48	48
4. Traditional Institutional Management	8	8	10	10	12	12	12
Total provincial personnel numbers	936	782	783	783	700	700	700
Total provincial personnel cost (R thousand)	207 695	182 711	200 300	252 133	266 482	281 299	295 364
Unit cost (R thousand)	222	234	256	322	381	402	422

TABLE 7.15: SUMMARY OF DEPARTMENTAL PERSONNEL NUMBERS AND COSTS

	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Total for province									
Personnel numbers (head count)	936	782	783	783	783	783	700	700	700
Personnel cost (R thousands)	207 695	182 711	200 300	252 131	252 131	252 133	266 482	281 299	295 364
Human resources component									
Personnel numbers (head count)	15	16	17	17	17	17	17	17	17
Personnel cost (R thousands)	5 700	5 800	5 838	5 840	5 840	5 840	5 842	5 850	6 142
Head count as % of total for department	1.6%	2.0%	2.2%	2.2%	2.2%	2.2%	2.4%	2.4%	2.4%
Personnel cost as % of total for department	2.7%	3.2%	2.9%	2.3%	2.3%	2.3%	2.2%	2.1%	2.1%
Finance component									
Personnel numbers (head count)	20	20	21	21	21	21	21	21	21
Personnel cost (R thousands)	7 200	7 400	7 727	7 730	7 730	7 730	7 780	7 790	8 179
Head count as % of total for department	2.1%	2.6%	2.7%	2.7%	2.7%	2.7%	3.0%	3.0%	3.0%
Personnel cost as % of total for department	3.5%	4.1%	3.9%	3.1%	3.1%	3.1%	2.9%	2.8%	2.8%
Full time workers									
Personnel numbers (head count)	743	745	745	745	745	745	745	745	745
Personnel cost (R thousands)	207 695	182 711	200 300	252 133	252 133	252 133	266 482	281 299	295 364
Head count as % of total for department	79.4%	95.3%	95.1%	95.1%	95.1%	95.1%	106.4%	106.4%	106.4%
Personnel cost as % of total for department	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

As a matter of urgency, the department is in the process of finalizing its service delivery model and organizational

structure as it is now a stand-alone entity. Critical vacant positions are to be filled in the next financial year to ensure that all core functions and support functions are delivered appropriately. Personnel numbers of the department may increase as placement of staff is not finalized. The difference between the current establishment and Persal is due to the fact that the department is still paying compensation of employees in the Department of Human Settlement. The figures may change as the Persal clean-up is currently under way.

9.2. Training

TABLE 7.16: PAYMENTS ON TRAINING: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Administration	482	67	1 683	6 461	6 461	6 461	5 502	6 501	6 826
Subsistence and travel	241	67							
Payments on tuition	241		1 683	6 461	6 461	6 461	5 502	6 501	6 826
Other									
2. Local Governance	1 077	4 467	1 000	1 100	1 100	1 100	1 100	1 080	1 134
Subsistence and travel									
Payments on tuition	1 077	67	1 000	1 100	1 100	1 100	1 100	1 080	1 134
Other		4 400							
3. Development Planning		4 400	2 400	3 160	3 160	3 160	2 660	2 660	2 793
Subsistence and travel									
Payments on tuition		4 400	2 400	3 160	3 160	3 160	2 660	2 660	2 793
Other									
4. Traditional Institutional Management		40	600	780	780	780	1 380	1 080	1 134
Subsistence and travel									
Payments on tuition		40	600	780	780	780	1 380	1 080	1 134
Other									
Total payments on training	1 559	8 974	5 683	11 501	11 501	11 501	10 642	11 321	11 887

TABLE 7.17: INFORMATION ON TRAINING: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Number of staff	936	782	783	783	783	783	700	700	700
Number of personnel trained	235	282	120	120	120	120	120	120	126
of which									
Male	94	94	40	40	40	40	40	40	42
Female	141	188	80	80	80	80	80	80	84
Number of training opportunities	40	47	68	68	68	68	68	68	71
of which									
Tertiary	24	24	50	50	50	50	50	50	53
Workshops	12	12	16	16	16	16	16	16	17
Seminars	2	2	2	2	2	2	2	2	2
Other	2	9							
Number of bursaries offered	9	24	50	50	50	50	50	50	53
Number of interns appointed	28	33	10	10	10	10	10	10	11
Number of learnerships appointed		5							
Number of days spent on training	19	19	100	100	100	100	100	100	105

The allocation for training for the department is related to bursaries to employees to increase capacity in departmental programmes so that the constitutional mandate can be achieved. The training offered through bursaries relates to computer training, financial management, project management and other training related to the functions of the department. The table shows the gender breakdown and types of training. The training budget is centralised in programme 1 under HR for better coordination and management. The department is funding studies of the CDWs to improve their capacity to deliver better service.

9.3. RECONCILIATION OF STRUCTURAL CHANGES

N/A

ANNEXURES TO ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE

TABLE 7.18: SPECIFICATION OF RECEIPTS: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Tax receipts									
Sales of goods and services other than capital assets	127	360	130	140	140	120 256	141	148	156
Sale of goods and services produced by department (excluding capital assets)	127	360	130	140	140	140	141	148	156
Sales by market establishments	127	360	130	140	140	140	141	148	156
Interest, dividends and rent on land	18	25	25	25	25	25	26	27	29
Interest	18	25	25	25	25	25	26	27	29
Transactions in financial assets and liabilities	468	56	300	300	300	158	314	331	347
Total departmental receipts	613	441	455	465	465	20 439	481	506	532

TABLE 7.19: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	249 414	206 942	266 880	330 498	328 118	323 578	366 796	375 452	394 225
Compensation of employees	207 695	182 711	200 300	252 131	252 131	252 133	266 482	281 299	295 364
Salaries and wages	177 680	159 860	200 300	219 354	219 431	252 133	231 917	244 652	256 884
Social contributions	30 015	22 851		32 777	32 700		34 565	36 647	38 480
Goods and services	41 719	24 231	66 580	78 367	75 987	71 445	100 314	94 153	98 861
Administrative fees	24	24	268	402	315	270	235	298	313
Advertising	192	689	4 763	3 063	2 923	2 652	5 111	3 008	3 159
Minor assets	282	163	522	689	714	605	712	579	608
Audit cost: External	869	966	399	3 246	3 346	3 116	3 199	3 658	3 840
Bursaries: Employees	26	25	254	864	864	785	929	866	910
Catering: Departmental activities	617	480	814	1 624	1 904	1 948	3 364	3 477	3 651
Communication (G&S)	8 587	6 326	4 994	7 779	7 779	9 314	6 500	7 922	8 318
Computer services	375	141	3 522	3 584	3 494	3 489	3 830	5 382	5 651
Consultants and professional services: Business and advisory services	9 655	1 390	320	6 817	5 738	5 354	1 819	1 285	1 349
Consultants and professional services: Legal costs		9	100	711	705	716	792	767	805
Contractors	1 316	329	466	2 786	2 797	2 580	3 686	1 339	1 406
Agency and support / outsourced services	2 491	3 005	24 552	13 776	10 102	9 200	27 982	23 023	24 174
Entertainment		36	145	712	548	600	20	41	43
Fleet services (including government motor transport)			1 510	1 640	1 176	1 181	2 200	2 634	2 766
Housing	12								
Inventory: Clothing material and accessories			56				800		
Inventory: Food and food supplies	2								
Inventory: Fuel, oil and gas		1							
Inventory: Learner and teacher support material									
Inventory: Materials and supplies	139		16						
Inventory: Other supplies		4							
Consumable supplies	260	194	2 804	2 542	3 057	3 195	6 061	5 628	5 909
Consumable: Stationery, printing and office supplies	1 374	1 241	2 806	2 550	3 222	2 554	3 523	3 604	3 784
Operating leases	5 657	715	400	2 200	2 200	2 200	2 100	2 541	2 668
Property payments	2 223	428	18	899	899	1 280	1 261	1 885	1 979
Transport provided: Departmental activity	28								
Travel and subsistence	4 724	3 473	3 726	6 268	7 426	7 146	7 101	7 230	7 592
Training and development	1 318	2 890	7 243	9 607	9 730	6 130	10 849	12 136	12 743

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R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Operating payments	114	270	173	636	1 027	992	1 452	1 545	1 622
Venues and facilities	1 434	1 432	6 709	5 972	6 021	6 138	6 788	5 308	5 573
Transfers and subsidies	23 888	369	2 485	5 100	7 380	7 380	10 030	7 380	7 749
Provinces and municipalities	20 000			2 000	5 000	5 000	7 500	5 000	5 250
Municipalities	20 000			2 000	5 000	5 000	7 500	5 000	5 250
Municipalities	20 000			2 000	5 000	5 000	7 500	5 000	5 250
Households	3 888	369	2 485	3 100	2 380	2 380	2 530	2 380	2 499
Social benefits	19	15		30	30		330	357	375
Other transfers to households	3 869	354	2 485	3 070	2 350	2 380	2 200	2 023	2 124
Payments for capital assets	1 002	1 257	4 263	5 000	5 000	5 000	30 146	33 930	35 627
Machinery and equipment	448	830	4 263	5 000	4 986	4 986	30 146	33 930	35 627
Transport equipment							1 000	1 925	2 021
Other machinery and equipment	448	830	4 263	5 000	4 986	4 986	29 146	32 005	33 606
Software and other intangible assets	554	427			14	14			
Payments for financial assets	109	202	29		100	138			
Total economic classification	274 413	208 770	273 657	340 598	340 598	336 096	406 972	416 763	437 601

TABLE 7.20: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	53 172	35 394	73 989	118 013	107 383	107 346	119 756	127 484	133 858
Compensation of employees	34 763	25 799	46 211	86 089	74 839	74 841	86 206	92 739	97 376
Salaries and wages	30 289	22 441	46 211	75 279	64 829	74 841	74 808	80 462	84 485
Social contributions	4 474	3 358		10 810	10 010		11 398	12 277	12 891
Goods and services	18 409	9 595	27 778	31 924	32 544	32 505	33 550	34 745	36 482
Administrative fees	10	10	40	196	96	69	92	118	123
Advertising	139	396	1 226	1 078	1 033	1 061	460	500	525
Minor assets	282	163	502	466	475	475	115	169	177
Audit cost: External	869	31	399	3 246	3 346	3 116	3 199	3 658	3 840
Bursaries: Employees	26	25	254	864	864	785	864	866	909
Catering: Departmental activities	337	237	302	611	619	693	1 187	1 034	1 086
Communication (G&S)	4 061	2 470	1 506	3 800	3 800	3 800	2 000	3 197	3 357
Computer services	178	51	2 405	2 870	2 870	2 870	3 230	4 416	4 637
Consultants and professional services:									
Business and advisory services	1 594	1 390	22	1 166	1 166	1 160	1 000	422	443
Consultants and professional services:									
Legal costs		1	100	500	494	500	570	533	559
Contractors	1 316	329	257	2 364	2 369	2 154	3 300	963	1 011
Agency and support / outsourced services	380	2	8 908	419	532	494	411	454	477
Entertainment		36	93	407	307	369	20	21	22
Fleet services (including government motor transport)			1 510	1 640	1 176	1 181	2 200	2 634	2 766
Housing	12								
Inventory: Clothing material and accessories							800		
Inventory: Food and food supplies	2								
Inventory: Fuel, oil and gas		1							
Inventory: Materials and supplies	1		16						
Inventory: Other supplies		4							
Consumable supplies	181	194	2 176	1 657	2 140	2 283	3 440	2 938	3 085
Consumable: Stationery, printing and office supplies	1 216	782	2 223	1 390	1 810	1 885	1 482	2 555	2 683
Operating leases	661	564		2 200	2 200	2 200	2 100	2 541	2 668
Property payments	2 201	427		662	662	662	500	959	1 007
Transport provided: Departmental activity	28								
Travel and subsistence	3 905	1 775	410	2 133	2 176	2 056	2 130	2 268	2 381
Training and development	241	242	2 419	2 034	2 034	2 034	2 054	2 098	2 203

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R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Operating payments	94	121	1	534	576	567	1 310	1 330	1 396
Venues and facilities	675	344	3 009	1 687	1 799	2 091	1 086	1 074	1 127
Rental and hiring									
Transfers and subsidies	3 875	354	2 485	3 100	2 380	2 380	2 530	2 380	2 499
Households	3 875	354	2 485	3 100	2 380	2 380	2 530	2 380	2 499
Social benefits	6			30	30		330	357	375
Other transfers to households	3 869	354	2 485	3 070	2 350	2 380	2 200	2 023	2 124
Payments for capital assets	1 002	1 257	4 263	5 000	5 000	5 000	3 346	5 305	5 571
Machinery and equipment	448	830	4 263	5 000	4 986	4 986	3 346	5 305	5 571
Other machinery and equipment	448	830	4 263	5 000	4 986	4 986	3 346	5 305	5 571
Software and other intangible assets	554	427			14	14			
Payments for financial assets	109	202	29		100	138			
Total economic classification	58 158	37 207	80 766	126 113	114 863	114 864	125 632	135 169	141 928

TABLE 7.21: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: LOCAL GOVERNANCE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	164 310	142 685	158 629	172 278	173 855	170 665	191 476	189 117	198 572
Compensation of employees	147 115	130 592	130 844	139 937	144 514	144 514	146 457	153 230	160 892
Salaries and wages	124 872	114 508	130 844	121 433	125 699	144 514	127 261	133 131	139 787
Social contributions	22 243	16 084		18 504	18 815		19 196	20 100	21 105
Goods and services	17 195	12 093	27 785	32 341	29 341	26 151	45 019	35 886	37 680
Administrative fees	14	12	176	85	98	116	25	44	46
Advertising	53	93	1 058	785	785	762	3 825	844	886
Minor assets			15	174	184	95	338	249	262
Audit cost: External		935							
Bursaries: Employees							65		
Catering: Departmental activities		8	87	383	398	379	556	358	375
Communication (G&S)	4 526	3 856	3 488	3 953	3 953	5 488	4 500	4 725	4 961
Computer services			547						
Consultants and professional services:									
Business and advisory services	8 014		298	3 649	2 635	2 264	597	629	661
Contractors			194		6	4			
Agency and support / outsourced services	2 111	3 003	13 205	10 156	6 904	6 101	18 262	13 544	14 221
Entertainment			52	295	231	231			
Inventory: Materials and supplies	138								
Consumable supplies	79		10	25	25	7	222	238	249
Consumable: Stationery, printing and office supplies	100	32	535	606	858	356	1 174	167	175
Travel and subsistence	591	1 018	2 228	2 851	3 856	3 644	2 880	3 174	3 333
Training and development	1 077	2 500	3 479	5 829	6 094	3 416	7 896	8 632	9 064
Operating payments		73	80	37	301	290	44	137	144
Venues and facilities	492	563	2 333	3 513	3 013	2 998	4 635	3 146	3 304
Transfers and subsidies	20 013	15		1 000	4 000	4 000	5 500	5 000	5 250
Provinces and municipalities	20 000			1 000	4 000	4 000	5 500	5 000	5 250
Municipalities	20 000			1 000	4 000	4 000	5 500	5 000	5 250
Households	13	15							
Social benefits	13	15							
Total economic classification	184 323	142 700	158 629	173 278	177 855	174 665	196 976	194 117	203 823

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7.22: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: TRADITIONAL INSTITUTIONAL DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	3 147	3 766	6 023	7 119	7 194	7 194	7 248	8 253	8 666
Compensation of employees	2 789	3 280	3 890	4 854	4 929	4 929	4 948	5 187	5 447
Salaries and wages	2 379	2 825	3 890	4 166	4 241	4 929	4 232	4 403	4 623
Social contributions	410	455		688	688		716	784	823
Goods and services	358	486	2 133	2 265	2 265	2 265	2 300	3 066	3 219
Administrative fees			22	40	40	15	40	40	42
Advertising			3						
Assets less than the capitalisation threshold			5	20	20	13	30	40	42
Catering: Departmental activities	15		89	150	150	115	150	150	157
Consultants and professional services:									
Business and advisory services	47								
Agency and support / outsourced services			989	1 104	1 104	996	744	1 298	1 363
Consumable supplies				1	1	21	1	1	1
Consumable: Stationery, printing and office supplies	38	82	48	100	100	75	365	380	399
Travel and subsistence	38	22	298	400	400	439	470	557	585
Training and development			221	200		186	200	200	210
Operating payments	20	13							
Venues and facilities	200	369	458	250	450	405	300	400	420
Total economic classification	3 147	3 766	6 023	7 119	7 194	7 194	7 248	8 253	8 666

VOTE 8

DEPARTMENT OF HUMAN SETTLEMENTS

To be appropriated by vote in 2015/16	RS 939 014 000
Responsible MEC	MEC for Human Settlements
Administering Department	Department of Human Settlements
Accounting Officer	Head of Department of Human Settlements

1. OVERVIEW

Vision

The vision of the Department of Human Settlements is to provide integrated sustainable human settlements and improved quality of household life.

Mission

The mission of the department is to provide relevant differentiated, good quality housing opportunities to qualifying beneficiaries in partnership with various stakeholders.

Values

The department's values are based on the Batho Pele (People First) principles of the South African Public Service. Its specific focus is on:

- Integrity;
- Honesty;
- Loyalty;
- Professionalism;
- Human dignity;
- Service delivery; and
- Excellence.

Strategic goals

The department's Strategic Plan gives effect to the ten pillars that drive the Gauteng Provincial Government's (GPG) five year programme. The department aims to achieve eight strategic objectives:

- To build inclusive human settlements consistent with integrated, efficient and equitable spatial patterns;
- To build cohesive and sustainable communities by ensuring that innovative services and infrastructure are provided;
- To build productive and capable human capital with the relevant and appropriate skills-base to respond to the needs of human settlements

Core functions and responsibilities

The mandate of the department is derived from the Constitution. Its primary roles are:

- To promote and facilitate the provision of adequate housing in the province;
- To develop provincial housing policies that will strengthen the ability to provide housing opportunities to qualifying beneficiaries in order to build sustainable communities.
- To develop and implement programmes and projects that give effect to the province's short, medium and long term housing plans;
- To manage the housing delivery process and transform informal settlements, especially in priority townships, into sustainable and vibrant communities; and provide services in respect of subsidies and rental housing.

Main services

The department delivers quality housing to the Gauteng province through the Human Settlement Development Grant from the National Department of Human Settlements and develops integrated infrastructure to create cohesive communities. It is responsible for managing provincial housing assets through the property management programme and for redistributing or transferring properties to beneficiaries.

Ten pillar programme of transformation, modernisation and re-industrialisation

Modernisation of the public service and transformation of the state and governance

Expenditure relating to this pillar amounts to R445 million under Programme 1: Administration to strengthen and align the department's organisational capacity and capability to deliver on its mandate. It enables the department's business units to perform efficiently by providing corporate support (HR, financial management, ICT and facilities). The programme ensures effective leadership, management and administrative support to the core business divisions through continuous refinement of organizational strategy and structure in compliance with appropriate legislation and best practice.

As part of achieving decisive spatial transformation and modernising human settlements and urban development, the Housing Needs, Research and Planning programme undertakes research; and develops policies and plans that give support to the achievement of the ideals expressed by the pillars. Examples of such policies include the Inclusionary Housing Bill, currently under development; the Densification Policy; the Gauteng Rental Housing Strategy; and the Land Invasion Framework. An amount of R30 million has been allocated to achieve this pillar.

Programme 3: Housing Development Programme aims to build cohesive and sustainable communities by ensuring that innovative services and infrastructure are provided to create sustainable human settlements. Expenditure of R5.3 billion has been allocated to the realization on this pillar. The emphasis of this programme is on providing individual subsidies and housing opportunities to beneficiaries in accordance with the housing policy. The department plans to implement mega-projects to provide various housing types, developing along nodes with economic and employment opportunities and transport. The mega projects include: Lion Park, Fleurhof Phases 1 and 2, Diepsloot East, Malibongwe Ridge, Syferfontein and Goudrand Extension 4. The programme is aligned with government's Outcome 8: "Sustainable human settlement and improved quality of household life".

This pillar is supported by Programme 4: Housing Needs, Property Maintenance and Assets. This provides for the sale and transfer of rental stock, devolution of housing assets, implementation of the Enhanced Extended Benefit Scheme, and housing property maintenance. In line with the pillar, the department provides cleaning services on its stock of flats and is also transferring ownership of them to people who qualify.

National Development Plan (NDP) and the departmental strategy for 2014-19

The national government's NDP is the overarching plan with which all departments and state agencies are aligned. In terms of the NDP Vision 2030, and Chapter eight (8) in particular, the department needs to ensure that the people of Gauteng have a decent standard of living through the elimination of poverty and reduction of inequality through the following key areas of focus:

- Shape the spatial form of Gauteng by focusing on infrastructure investment and urban regeneration in terms of infill developments between major urban centres and aggressive densification in good locations;
- Devise alternative innovative financial instruments to increase housing opportunities by increasing the supply of Finance Linked Individual Subsidy Programme (FLISP) housing products; harnessing private sector funding and investment in housing, infrastructure development and affordable rental accommodation; and servicing stands by the capital subsidy scheme;
- Play a central coordinating and facilitative role between Global City Regions (GCR) cities and capitalise on the growing integrated urban network to implement the Human Settlement Master plan (Housing Chapters), supported by transport and infrastructure plans and well located human settlements in areas of employment and economic activity;
- Prioritise the development of urban infrastructure, environment and affordability of living in urban centres in order to implement the provincial Bulk Infrastructure Plan; and align funding streams to support the plan (MIG/USDG/MISA);
- Promote social and spatial integration to achieve social cohesion through identifying and providing new human settlements; and

- Develop efficient and effective human settlements, as opposed to marginalised and dysfunctional settlements or “pockets of poverty”, through a joint effort with stakeholders. Encourage optimal use of land through densification in strategic locations.

External activities and events relevant to budget decisions

Statistics South Africa (Stats SA) has estimated Gauteng’s population growth at 0.5 per cent. It is expected to remain around this level over time. Stats SA also indicates that the percentage of unemployed South Africans stood at 23 per cent, and that the average monthly salary for South Africans stands at R8 380. The province’s unemployment rate is affected by migration, and increased funding is needed to cater for the increase in the number of poor people who cannot afford to buy houses. The slowdown in economic conditions and the reduction in government spending over the MTEF pose challenges in terms of the number of houses that the department can deliver.

Acts, rules and regulations

- Intergovernmental Relations Framework Act (Act No. 13 of 2005);
- National Environmental Management Act (Act No. 107 of 1998, as amended by Act No. 8 of 2004);
- Broad Based Black Economic Empowerment Act (Act No. 53 of 2003);
- Municipal Finance Management Act (Act No. 56 of 2003);
- Construction Industry Development Board Act (Act No. 38 of 2000);
- Extension of Security of Tenure Act (Act No. 62 of 1997);
- Land Administration Act (Act No. 2 of 1995);
- Reconstruction and Development Programme Fund Act (Act No. 7 of 1994);
- National Building Regulations and Building Standards Act (Act No. 103 of 1977);
- State Land Disposal Act (Act No. 48 of 1961); and
- Deeds Registries Act (Act No. 47 of 1937).

Legislative and other mandates

- The core mandate of the department is to ensure the provision of housing and the effective functioning of local government across the province in order to build sustainable communities and facilitate shared and equitable social and economic growth and development.

Policy mandate

The department is guided by the following policies and strategies:

- Provincial Growth and Development Strategy (PGDS);
- Breaking New Ground (BNG) Strategy;
- Gauteng City Region (GCR) Strategy;
- National Housing Policy; and
- National Housing Code.

2. REVIEW OF THE CURRENT FINANCIAL YEAR (2014/15)

Decisive spatial transformation and modernisation of human settlements and urban development

The location of housing is of vital importance. Whilst significantly altering existing spatial patterns, the department has the responsibility to “modernise urban development and human settlements” through the greening of these developments and densifying them in order to counteract the shortage and cost of land in the province. The department planned to complete a total of 748 housing units but only managed to complete 138 of these. Shack encroachment onto the construction site caused delays in the completion of the planned work in Cosmo City, for instance. However, the City of Johannesburg is addressing the issue. Under the Integrated Residential Development Programme (IRDP), the department planned to service 661 stands; however, it serviced only 238 of these. Delays in the payment of claims in relation to the Housing Subsidy System (HSS) administration were a contributory factor in this. Efforts are underway though to fast-track the payment of outstanding claims so that work on the ground can improve. In terms of providing IRDP housing units: Phase 2: Top Structure construction, the department built 948 of these against a planned total of 1 664. This was a consequence of the HSS problem referred to above. However, in relation to servicing stands for upgrading informal settlements, the department exceeded its set target of 718 and serviced 1 976.

Modernisation of human settlements and urban development

Sustainable housing accommodation remains a provincial priority and, in partnership with FLISP, the department

continues to provide subsidized and affordable housing support to first time home owners. For more information about FLISP, see under 7.4.2. Departmental Public-Private-Partnership (PPP) projects. Through the Mixed Housing Development programme, the department delivered 2 913 housing units against the target of 5 993. At the end of the third quarter of the 2014/15 financial year, the programme serviced 2 214 sites against a target of 2 183. In response to informal settlements upgrading, the department completed 2 405 housing units against the target of 4 643.

Decisive spatial transformation

The location of housing opportunities and the form that it takes relates to this Pillar. Developing human settlements along nodal lines is vitally important for maximum benefit including economies of scale. The location of land for housing is therefore critical. For this purpose, the department acquires and develops suitable and well located land, including state-owned land for the creation of sustainable human settlements. During the reporting year, R188 million was allocated to acquire land parcels. A target of 5 land parcels was to be acquired; however, none of these has been acquired to date.

Decisive spatial transformation and modernisation of human settlements and urban development

In addressing “gap”, the department aims to ensure that it provides the various segments of the housing market with access to different types of housing that suit their needs. At the same time, it has to take into account the limited amount, and the cost, of land in the province. The department planned to deliver a total of 431 community residential units (CRUs). However, it delivered only 127, in Kwa-Mazibuko Hostel in Ekurhuleni; and 54 in Kwa-Thema against a target of 79. By the end of the third quarter of 2014/15, the department constructed or converted 181 CRUs against a target of 530.

3. OUTLOOK FOR THE COMING FINANCIAL YEAR (2015/16)

Decisive spatial transformation and modernisation of human settlements and urban development

The department’s plans for consolidation of its micro-projects into mega projects are underway. Mega projects will ensure that the department undertakes its developments in areas closer to employment, economic opportunities and transport facilities so that residents save money and time and also have access to basic services and other amenities. The department’s target is to deliver 1 422 housing units and 1 660 serviced stands using project-linked subsidies. Under the IRDP: Phase 2: Top Structure Construction, the department plans to develop 230 housing units and 6 190 serviced stands as part of IRDP: Phase 1: Planning and Services under Informal Settlements. For the IRDP: Phase 2: Top Structure: Informal Settlements, the department’s target is to complete 7 480 housing units. It also plans to build and upgrade 974 CRUs and a further 355 rental units under the Social Housing Capital Grant; under rental housing, to deliver 275 units with institutional subsidies; and to build 215 rural housing units. It will make available and allocate housing in line with approved empowerment policies.

The department aims to make available housing opportunities in line with approved empowerment policies and to allocate 17 356 houses. In terms of the Gender, Youth and People with Disabilities (GEYODI) allocation policy, the distribution of the houses will be as follows:

- Women-headed households: 80 per cent (13997);
- Child-headed households: 16 per cent (2799); and
- People with disabilities: 4 per cent (560);

The department supports the important national goal of universal access to basic services, although this is primarily the responsibility of the Department of Cooperative Governance and Traditional Affairs (COGTA). In its supportive role, the department is planning to deliver 4339 serviced informal settlement stands. The services provided include access to basic water, basic sanitation and electricity.

Decisive spatial transformation

Developing human settlements along other nodal developments is vitally important to achieve maximum impact as well as economies of scale. The department plans to acquire 16 well-located land parcels for the development of affordable housing, social and rental housing initiatives and addressing the need of the gap housing market. These pockets of land range between 3-9 hectares in extent and are located within well-established residential areas across the province. However, in addressing the “gap” market needs, the department has a responsibility towards the “modernisation of human settlements and urban development.” To develop sustainable human settlements, the department has to ensure that it affords the various segments of the housing market access to

different housing typologies that suit their needs, whilst at the same time taking into account the paucity of and pricey land in the province.

The FLISP was revised to cater for people who earn up to R15 000.00 a month (R3 500.00-R15 000.00 income bracket); this is a significant increase on the previous figure of R10 000.00. As part of improving the property market, the department will set aside 16 land parcels to be developed through the FLISP and deliver 400 housing units during the financial year.

Challenges faced by the department are:

- Continuous increase in the housing demand and thus an increase in the housing backlog;
- Distressed infrastructure as a result of rapid urbanisation and inward migration;
- An increase in the number of informal settlements across the province. Providing basic services to these places a huge financial burden on the province and on the municipalities.
- Growth in the “gap” market demand in line with the revised threshold;
- Difficulties in acquiring suitable and well-located housing land, and high prices asked by its owners; and
- Lack of in-house expertise.

The following are some of the mitigating steps that need to be taken to address these difficulties:

- Joint planning with municipalities and other departments. This collaborative approach is reflected in, for example, the planned mega projects.
- Long-term planning, in co-operation with municipalities and with other departments;
- Consumer education to ensure that there is wide-spread knowledge of opportunities such as FLISP.

4. REPRIORITISATION

The department continues to review its operations in order to identify potential cost savings and eliminate inefficiencies. This will lead to reprioritisation, essential in the present tight fiscal environment. The department continues to explore less expensive building technologies and, taking the MTEF period as a whole, has examined how it can prioritise its budget to meet its primary objectives. Thus, the budgets of some programmes, such as Programme 3 where there was a very slow spending trend, have been re-directed to Programmes 1 and 2 where they can be used more effectively. The Department of Human Settlement redirects R105.9 to augment the departmental capacity and address pressures in funding the operating costs of the department. The department contained spending in non-core items such as travelling costs, operating payments and services outsourced to consultants, whilst personnel requirements is reprioritised within the line item across programmes. .

5. PROCUREMENT

The department will continue to procure goods and services in line with the budget allocation indicated by the Provincial Treasury and in terms of all prescribed policies and Acts; and will monitor and control spending as efficiently and as effectively as possible. Purchasing, receiving and using goods and services on time is essential to service delivery. All contracts are subjected to market-related price analysis and the terms and conditions are analysed to identify areas where the department can negotiate for better value for money without compromising quality. The department encourages the use of small black owned businesses to promote sustainable job creation, using a range of these businesses in order to promote fairness and transparency.

In relation to procurement, in the 2015/16 financial year the department plans to:

- Acquire a server room as part of the management of electronic information;
- Install a new telephone system to monitor and contain the cost telephone usage;
- Renovate its building to optimize office space and improve the working environment;
- Continue to train and develop its staff; and
- Honour contractual obligations.

6. RECEIPTS AND FINANCING

6.1. Summary of receipts

TABLE 8.1: SUMMARY OF RECEIPTS: HUMAN SETTLEMENTS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Equitable share	456 532	472 105	508 099	548 460	682 160	682 160	959 170	714 286	645 000
Conditional grants	3 804 647	4 003 776	4 108 399	4 419 641	4 432 595	4 432 595	4 979 844	5 473 336	5 769 301
Human Settlement Development Grant EPWP	3 804 647	4 003 776	4 108 399	4 419 641	4 432 595	4 432 595	4 979 844	5 473 336	5 769 301
				2 000	2 000	2 000			
Total receipts	4 261 179	4 475 881	4 616 498	4 970 101	5 116 755	5 116 755	5 939 014	6 187 622	6 414 301

Equitable share and conditional grants are the main source of funding for the Gauteng Department of Human Settlements. The grant allocation caters for the implementation of national and provincial housing programmes, and the equitable share is primarily for carrying out the operational activities of the department. In the 2015/16 financial year the total budget of R5.9 billion is made up R4.9 billion in conditional grant and R959 million in equitable share.

Over the seven years MTEF period, conditional grants have increased steadily from R3.8 billion in 2011/12 to R5.8 billion in the 2017/18 financial year. The conditional grant from the National Department of Human Settlements enables the provincial department to provide sustainable human settlements services and infrastructure, in line with national access and equity policy and objectives. The grant increases from R4.9 billion for 2015/16 to R 5.8 billion for the 2017/18 financial year, in line with the estimated inflation projections. The continuous increase of the conditional grant will assist in decreasing the housing backlog which the province experiences.

The provincial allocations and conditional grants allocated to the department during 2014/15 MTEF period provides for continuation of the Alexandra Urban Renewal Project, Inner City Renewal, Rehabilitation of the 20 Prioritised Township Programme (PTP) and 50 poorest wards and carrying the operational activities of the department. Over the 2015/16 MTEF, the department is allocated additional earmarked funding of R370 million of which R270 million is for Syferfontein 1 and 2 and R100 million for bulk infrastructure in Savannah City.

6.2. Departmental receipts

TABLE 8.2: DEPARTMENTAL RECEIPTS: HUMAN SETTLEMENTS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Sales of goods and services other than capital assets	595	1 825	3 255	376	376	911	393	414	435
Interest, dividends and rent on land	10			329	329	329	344	362	380
Sales of capital assets						2 007			
Transactions in financial assets and liabilities	18 856	10 876	1 633	3 530	3 530	3 530	3 692	3 888	4 082
Total departmental receipts	19 461	12 701	4 888	4 235	4 235	4 770	4 429	4 664	4 897

The department generates its revenue from parking fees, sale of tender documents and collection of rental from departmental properties. For the period under review, revenue remains stable due to the nature of the department's business. The increased revenue estimates for 2014/15 resulted from servitude rights amounting to R329 000 and sales of scrap on assets less than R5000 amounting to R376 000. This was once-off revenue. Increased parking fees, tender document prices and commission on third party payments could improve revenue collection over the MTEF. Estimated revenue grows from R4.4 million to R4.9 million over the 2015 MTEF.

6.3 Donor Funding

N/A

7. PAYMENT SUMMARY

7.1. Key assumptions

- The department has budgeted for a 5.6 per cent wage increase for the 2015 MTEF, based on assumed CPI;
- The following factors have been taken into account when determining personnel and other economic classifications:
 - Number of staff and possible changes over the MTEF;
 - Basic salary cost including improvement of conditions of service adjustments from 1 April each year;
 - Increased take-up of benefits such as medical aid and home owners' allowance based on bargaining council agreements;
 - Inflation in the cost of goods and services, based on headline CPI projections;
 - Provision for eradicating informal settlements through the province; and
 - Provision for upgrading infrastructure services.

7.2. Programme summary

TABLE 8.3: SUMMARY OF PAYMENTS AND ESTIMATES: HUMAN SETTLEMENTS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Administration	247 525	220 968	198 197	226 164	283 464	283 464	444 995	459 919	482 915
2. Housing Needs, Research And Planning	8 694	10 821	10 818	15 788	30 117	30 117	29 603	34 854	36 596
3. Housing Development	3 844 953	4 103 039	4 240 571	4 639 859	4 716 713	4 716 713	5 363 737	5 587 280	5 783 942
4. Housing Assets Management Property Management	85 024	86 769	96 857	86 290	84 461	84 461	100 679	105 570	110 848
Total payments and estimates	4 186 196	4 421 597	4 546 443	4 968 101	5 114 755	5 114 755	5 939 014	6 187 622	6 414 301

7.3. Summary per economic classification

TABLE 8.4: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HUMAN SETTLEMENTS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	340 952	362 337	392 077	458 729	458 729	459 621	566 206	593 719	623 405
Compensation of employees	247 082	298 769	316 760	348 460	348 460	348 411	372 402	393 149	412 807
Goods and services	93 870	63 568	75 317	110 269	110 269	111 210	193 804	200 570	210 598
Interest and rent on land									
Transfers and subsidies to	3 831 990	4 047 556	4 141 781	4 497 820	4 644 474	4 643 553	5 333 882	5 567 124	5 762 778
Provinces and municipalities									
Non-profit institutions									
Households	3 831 990	4 047 556	4 141 781	4 497 820	4 644 474	4 643 553	5 333 882	5 567 124	5 762 778
Payments for capital assets	13 039	10 460	12 585	11 552	11 552	11 581	38 926	26 779	28 118
Buildings and other fixed structures		5 359							
Machinery and equipment	9 096	5 101	9 099	11 552	11 552	11 552	30 926	26 779	28 118
Software and other intangible assets	3 943		3 486			29	8 000		
Payments for financial assets	215	1 244							
Total economic classification	4 186 196	4 421 597	4 546 443	4 968 101	5 114 755	5 114 755	5 939 014	6 187 622	6 414 301

The table above shows that departmental expenditure increased from R4.1 billion in the 2011/12 financial year to R4.5 billion in the 2013/14 financial year. The sharp increase in 2011/12 was mainly as a result of the recalculation of the equitable share receipts based on Stats SA data that showed Gauteng's population was higher than previously indicated. For the 2014/15 financial year, the budget was R5 billion, adjusted to R5.1 billion to cater for projects and roll overs. The largest share of the budget is allocated to the Human Settlements Programme, which aims to establish sustainable human settlements where all citizens have access to housing and other social amenities.

Programme 1: Administration expenditure significantly declined from R248 million 2011/12 to R198 million in the 2013/14 financial year. The decrease related mainly to cost containment measures on Administration programmes. In 2014/15, the budget increased slightly to R226 million and to R283 million during the adjustment

budget; this related to the realignment of the personnel budget from Programme 3: Housing Development. The budget grows from R445 million in 2015/16 to R460 million in 2016/17 and to R483 million in the outer year. Over the MTEF, the department receives additional funding to take account of improvement of conditions of employment and for province-specific outcomes.

Programme 2: Housing Needs, Planning and Research expenditure increased from R8.7 million to R10.8 million from 2011/12 to 2013/14. In 2014/15, the programme budget grew significantly from the main appropriation of R15.8 million to the adjusted budget of R30.1 million. The increase during the adjustment budget was mainly because the personnel budget from Programme 3: Housing Development was transferred to the correct cost centre. The budget grows from R29.6 million to R36.6 million over the MTEF. The programme provides the regulatory framework for housing delivery, develops policy guidelines and provides provincial inputs on housing legislation.

Programme 3: Housing Development Programme makes up the largest share of the budget. Its aim is to establish sustainable human settlements where all citizens have access to housing and other social amenities. Expenditure for the programme grew from R3.8 billion in the 2011/12 financial year to R4.2 billion in the 2013/14 financial year. From 2013/14 to 2014/15, the budget grew from R4.2 billion to R4.6 billion or by 9.5 percent year on year. In the 2014/15 financial year, the budget was adjusted to R4.7 billion to cater for roll overs and additional funding for reticulation and bulk infrastructure in Syferfontein and Savanna City and to speed up housing delivery. In the 2015/16 financial year, the budget increased to R5.4 billion mainly due to additional funding of R390 million for provincial mega projects and provision of bulk infrastructure for Syferfontein Phase 1-2 and Savanna City. Although the programme received additional funding, Human Settlements Development Grant (HSDG) was reduced by R240 million over the MTEF to make provision for the Housing Development Agency. An amount of R162 million is earmarked for the mining towns of Merafong, Randfontein and Westonaria in the 2015/16 financial year.

Programme 4: Housing Assets Property Management expenditure was R85 million in 2011/12 and R97 million in 2013/14. It decreased to R86 million in the 2014/15 main appropriation. Over the MTEF the budget increases to R101 million in 2015/16 and to R111 million in 2017/18. This allocation is mainly for coordinating, managing and overseeing the maintenance of the department's immovable assets in the form of flats, hostels and vacant stands; and to provide the tools and personnel needed for these activities.

Expenditure on compensation of employees increased from R247 million in 2011/12 to R317 million in 2013/14. In the 2014/15 financial year, the budget for personnel amounted to R348 million. The personnel budget grows from R348 million in the 2014/15 financial year to R372 million in the 2015/16 financial year. The increased allocation is mainly attributed to the yearly general increment as agreed upon by the Bargaining Council as well as the filling of critical vacant posts in the department. The total expenditure for goods and services declined considerably from R94 million in the 2011/12 financial year, to R75 million in the 2013/14 financial year. In 2014/15 the allocation for goods and services increased to R110 million mainly to address the budget pressure that the department is experiencing because of increased costs of operations. The budget increases to R211 million for the outer year of the MTEF period.

Transfers and subsidies increased from R3.8 billion in 2011/12 to R4.1 billion in 2013/14. The growth in transfers and subsidies is driven by the growth in Human Settlements Conditional Grant to build cohesive and sustainable communities by ensuring that services and infrastructure are provided to create sustainable human settlements. For the period 2014/15 the total allocation for transfers and subsidies amounted to R4.5 billion and it increases to R5.3 billion in 2015/16. The increase caters for the accelerated delivery in housing projects and the eradication of informal settlements in the province. The allocation increases to R5.7 billion for the 2017/18.

Expenditure on machinery and equipment fluctuates, decreasing from R9 million in 2011/12 to R5 million in 2012/13 and increasing to R9 million in 2013/14. The 2014/15 budget was R12 million, increasing to R28 million in the outer year of the MTEF. The budget is mainly for procuring equipment as part of the tools of trade for personnel to carry out their duties efficiently and effectively.

7.4. Infrastructure payments

7.4.1 Departmental infrastructure payments:

Please refer to the Estimates of Capital Expenditure (ECE) for details on infrastructure payments.

7.4.2. Departmental Public-Private-Partnership (PPP) projects

Municipal Accreditation Framework

- In all provinces and especially those such as Gauteng which have metropolitan municipalities within their administrative and geographical jurisdiction, the municipal accreditation process remains a key policy issue as the target for level 3 accreditation draws closer. The forthcoming financial year is expected to bring with it major developments in this regard.

Finance linked individual subsidy programme (FLISP).

- FLISP was a key policy issue during the reporting period. It was revised in order to cater for individuals earning up to R15 000.00 a month. This is a significant increase from the previous maximum of R10 000, and was the result of a comprehensive consultation and engagement process between the various stakeholders involved in the housing market. In addition to the revision of the subsidy bracket, the National Housing Finance Corporation (NHFC) was given the responsibility of managing FLISP applications directly with the financiers. This means that government departments' administrative responsibility in relation to FLISP has effectively been taken away.
- The department aims to work in partnership with the identified sectors and to empower them to become productive and to be actively involved in housing construction. The department has since vulnerable groups as including, among others, people with severe mental disabilities, people disabled by violence, particularly domestic violence, orphans and abused children, the aged, victims of war and people living with HIV/AIDS. The range of the department's beneficiaries has therefore been extended to include all vulnerable sections of society.

7.5. Transfers

7.5.1. Transfers to public entities

The Human Settlement Development Grant will be reduced by R240 million over the MTEF period (R80 million in 2015/16, R80 million in 2016/17 and 2017/18.) These funds will be allocated to the Housing Development Agency which is taking on an expanded mandate that includes some of the planning and project development work that was previously carried out by provinces. The reprioritisation therefore adheres to the principle that funds should follow functions.

7.5.2. Transfers to other entities

N/A

7.5.3 Transfers to local government

N/A

8. PROGRAMME DESCRIPTION

PROGRAMME 1: ADMINISTRATION

Programme description

The main goal of this programme is to strengthen and align the department's ability to deliver on its mandate. It enables the department's business units to perform efficiently by providing corporate support (HR, financial management, supply chain, ITC, risk management and facilities management and support). The programme ensures effective leadership, management and administrative support of the core business divisions through continuous refinement of organisational strategy and structure in compliance with appropriate legislation and practice. The programme's outputs are in line with government's Outcome 12 which seeks to achieve "An efficient, effective and developmental oriented public service and an empowered, fair and inclusive citizenship."

Programme objectives

- To ensure that the department's supply chain processes are conducted in a manner that is fair, transparent, equitable, competitive and cost effective; and that the management and operation of the function is efficient and effective and adds value to the strategic objectives of the department.
- To ensure that HRM is a strategic partner to all units in the department;
- To provide effective legal services to the department;
- To provide efficient and effective facilities management to the department;
- To provide effective, efficient and stable ICT infrastructure and support to the department;
- To ensure prudent financial management, efficient and effective procurement systems and to ensure that

- financial planning and budgeting are aligned to the department's Strategic Plan;
- To provide for the functioning of the Office of the MEC and legislative support services;
 - To ensure effective, efficient and transparent risk management, financial systems and controls in order to safeguard departmental assets; and
 - To ensure good corporate governance and improved productivity through the promotion of discipline, transparency, independence, accountability, fairness and social responsibility in departmental operations.

TABLE 8.5: SUMMARY OF PAYMENTS AND ESTIMATES: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Office Of The MEC									
2. Corporate Services	247 525	220 968	198 197	226 164	283 464	283 464	444 995	459 919	482 915
Total payments and estimates	247 525	220 968	198 197	226 164	283 464	283 464	444 995	459 919	482 915

TABLE 8.6: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	230 850	212 452	185 555	214 357	271 657	271 628	405 769	432 824	454 465
Compensation of employees	151 337	153 626	121 852	138 173	177 673	177 673	231 488	242 921	255 067
Goods and services	79 513	58 826	63 703	76 184	93 984	93 955	174 281	189 903	199 398
Interest and rent on land									
Transfers and subsidies to	14 864	2 171	72	255	255	255	300	316	332
Provinces and municipalities									
Households	14 864	2 171	72	255	255	255	300	316	332
Payments for capital assets	1 596	5 101	12 570	11 552	11 552	11 581	38 926	26 779	28 118
Buildings and other fixed structures									
Machinery and equipment	1 596	5 101	9 084	11 552	11 552	11 552	30 926	26 779	28 118
Heritage Assets									
Software and other intangible assets			3 486			29	8 000		
Payments for financial assets	215	1 244							
Total economic classification	247 525	220 968	198 197	226 164	283 464	283 464	444 995	459 919	482 915

The table above shows that the programme's expenditure decreased from R248 million in 2011/12 to R198 million in 2013/14 financial year. In 2014/15, financial year the budget was R226 million, increased by R57 million, or 25 per cent, during the adjustment budget. It increases to R445 million in 2015/16 and R483 million in the outer year of the MTEF.

The budget shows significant growth of 56 per cent from 2014/15 to 2015/16. This is mainly because the personnel budget shifted from other programmes to this one. The allocated funding will enable the department to strengthen governance, combat fraud and corruption and enhance security and risk management by conducting internal audits and facilitating external audits. It will also ensure the implementation of and compliance with minimum information security standards and other security legislation. Improved service is aligned with the organisation's core objectives delivery and is achieved through the provision of cost effective and efficient ICT solutions and services, facilities, logistics and records management support services.

The Sub-programme 1: Office of the MEC has no expenditure or budget for the period under review because the function has moved to Cooperative Governance and Traditional Affairs (COGTA). However, the sub-programme continues to provide administrative and political support by developing and implementing key systems and strategies, and submitting reports and plans for the department and COGTA at stipulated times within the financial year.

The programme's expenditure on compensation of employees decreases from R151 million in 2011/12 to R122 million in 2013/14 before the budget increased to R138 million in 2014/15 financial year and to R231 million in 2015/16. The increase results from the personnel budget being moved from other programmes. The budget remains relatively stable at R243 million and R255 million in the two outer years.

Goods and services expenditure declined significantly from R80 million to R64 million between the 2011/12 to

2013/14 financial year. The decrease was part of the department's cost cutting measures in which the budget allocation for goods and service was reduced. In the 2014/15 financial year, the budget amounted to R76 million and increased slightly during the adjustment budget to R94 million. The budget increased by R80 million to R174 million between 2014/15 and 2015/16 financial years. The budget increases will cater for software licences and office refurbishment and the establishment of the project management office.

PROGRAMME 2: HOUSING, NEEDS, RESEARCH AND PLANNING

Programme description

The purpose of this programme is to facilitate and undertake housing delivery planning, identify housing needs, provide a regulatory framework for housing delivery, develop policy guidelines, provide provincial inputs on housing legislation and any amendments to these, develop provincial multi-year housing delivery plans, ensure alignment of housing plans with IDPs and conduct research into the demand for housing. The programme also promotes effective and efficient delivery of provincial and local government housing programmes; integrated redevelopment of urban communities at scale; and sustainable local economies. The programme has a number of transversal functions including quality assurance, research and development and inputs into policy development, planning and housing support.

Programme objectives

- Develop and implement departmental policies and initiate research to achieve the strategic objectives;
- Facilitate the realignment of and compliance with the regulatory environment for sustainable human settlements;
- Develop Annual Performance Plans and the 5 year Strategic Plan;
- Implement, revise and review the department's Programme of Action (PoA); and
- Provide support to various directorates in the department on the development of performance indicators for both the APP and PoA.

TABLE 8.7: SUMMARY OF PAYMENTS AND ESTIMATES: HOUSING NEEDS; RESEARCH AND PLANNING

R thousand	Outcome			Main appropriation 2014/15	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Administration	3 107	3 631	4 120	4 375	14 875	7 997	11 064	10 623	11 155
2. Policy	3 194	3 650	3 171	3 847	3 847	10 704	6 931	10 254	10 767
3. Planning	2 376	3 540	3 478	3 928	5 928	5 928	7 803	9 970	10 468
4. Research	17	49	49	3 638	5 467	5 488	3 805	4 007	4 207
Total payments and estimates	8 694	10 821	10 818	15 788	30 117	30 117	29 603	34 854	36 596

TABLE 8.8: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HOUSING NEEDS; RESEARCH AND PLANNING

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	8 694	10 821	10 818	12 150	24 650	24 650	25 798	30 847	32 389
Compensation of employees	8 681	10 759	10 479	11 720	22 220	22 171	22 245	30 328	31 844
Goods and services	13	62	339	430	2 430	2 479	3 553	519	545
Interest and rent on land									
Transfers and subsidies to				3 638	5 467	5 467	3 805	4 007	4 207
Provinces and municipalities									
Households				3 638	5 467	5 467	3 805	4 007	4 207
Payments for capital assets									
Buildings and other fixed structures									
Payments for financial assets									
Total economic classification	8 694	10 821	10 818	15 788	30 117	30 117	29 603	34 854	36 596

The programme's expenditure increased from R9 million to R11 million between the 2011/12 and 2013/14 financial years. The increase was to ensure that the Inclusionary Housing Incentives chapter was completed for insertion into the Bill. The 2014/15 budget increases significantly by R14.3 million from R15.7 million to R30.1 million during the adjustment budget, an increase of 88 per cent. The increase was because the personnel budget shifted from Programme 3: Housing Development. The budget is R30 million in 2015/16, R35 million

in 2016/17 and R37 million in 2017/18. The increase in the budget is mainly to develop and implement departmental policies, initiate research to achieve strategic objectives and ensure alignment and compliance with the regulatory environment for sustainable human settlements.

The expenditure for the Sub-programme: Policy remained constant at R3 million from 2011/12 to 2013/14 and the budget was increased to R4 million in 2014/15. It increases to R11 million in 2015/16 and remains constant over the MTEF period.

The budget on Sub-programme: Planning increases from R6 million in 2014/15 to R8 million in 2015/16, or by 32 percent year on year. The growth in the budget is to support the development and alignment of the departmental planning frameworks including the Annual Performance Plans, the Integrated Multi-year Housing Development Plan, the Medium Term Budget Policy Statements and Programmes of Action, in line with national and provincial requirements.

The Sub-programme: Research had no budget allocation in the 2012/13 financial year and in 2013/14 spending amounted to R49 000 to conduct research and develop innovative methods to address housing needs. However funding was increased to R3.6 million in the 2014/15 financial year and grows to R3.8 million in the 2015/16 financial year and R4.2 million in 2017/18. The growth in the budget will fund four research projects to be conducted annually which include: FLISP target market affordability & financial Institutions lending pattern; Human Settlements Satisfaction Survey; Informal Settlements Upgrading Programme; and Understanding Demand and Backlog in the Gauteng Province.

SERVICE DELIVERY MEASURES

PROGRAMME 2: HOUSING, NEEDS, RESEARCH AND PLANNING

Performance measures	Estimated Annual Targets		
	2015/16	2016/17	2017/18
Sub Programme: Policy			
Number of Acts passed/ or policy guidelines approved	3	3	3
Sub Programme: Planning			
Number of municipalities capacitated and supported with regard to human settlements (housing) development planning	12	12	12
Sub Programme: Research			
Number of research projects approved	2	2	2
Number of research papers completed	2	2	

PROGRAMME 3: HOUSING DEVELOPMENT

Programme description

The main aim of this programme is to promote effective and efficient delivery of national and provincial housing programmes. It focuses on the integrated redevelopment of urban communities at scale to cultivate sustainable local economies.

Programme objectives

- Provide and develop integrated infrastructure for the creation of cohesive communities;
- Promote home ownership;
- Substantially reduce levels of unemployment;
- Create a healthy and clean living environment;
- Provide engineering services at an affordable and sustainable level;
- Reduce levels of crime and violence;
- Upgrade existing housing and create additional affordable housing;
- Alleviate poverty;
- Create sustainable livelihoods;
- Create a caring and responsive government;
- Create a better life for all; and
- Implement integrated, high impact, time bound and targeted interventions.

TABLE 8.9: SUMMARY OF PAYMENTS AND ESTIMATES: HOUSING DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Administration	105 336	144 423	195 719	232 222	162 422	162 422	126 236	121 645	127 727
2. Financial Interventions	332 858	344 887	577 555	572 059	622 059	808 018	475 331	697 973	732 871
3. Incremental Interventions	2 687 693	2 815 026	2 536 186	3 271 974	3 368 628	3 182 669	4 024 726	3 997 356	4 219 522
4. Social And Rental Intervention	607 081	518 942	883 058	503 444	503 444	503 444	705 971	723 607	654 787
5. Rural Intervention	111 985	279 761	48 053	60 160	60 160	60 160	31 473	46 699	49 034
Total payments and estimates	3 844 953	4 103 039	4 240 571	4 639 859	4 716 713	4 716 713	5 363 737	5 587 280	5 783 942

TABLE 8.10: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HOUSING DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	101 393	139 064	195 704	232 222	162 422	163 343	126 236	121 645	127 727
Compensation of employees	87 059	134 384	184 429	198 567	148 567	148 567	111 236	112 467	118 091
Goods and services	14 334	4 680	11 275	33 655	13 855	14 776	15 000	9 178	9 637
Interest and rent on land									
Transfers and subsidies to	3 739 617	3 958 616	4 044 852	4 407 637	4 554 291	4 553 370	5 237 501	5 465 635	5 656 214
Provinces and municipalities									
Households	3 739 617	3 958 616	4 044 852	4 407 637	4 554 291	4 553 370	5 237 501	5 465 635	5 656 214
Payments for capital assets	3 943	5 359	15						
Buildings and other fixed structures		5 359							
Machinery and equipment			15						
Software and other intangible assets	3 943								
Payments for financial assets									
Total economic classification	3 844 953	4 103 039	4 240 571	4 639 859	4 716 713	4 716 713	5 363 737	5 587 280	5 783 942

The programme expenditure grew from R3.8 billion to R4.2 billion between 2011/12 and 2013/14, a year-on-year increase of 11 per cent. In 2014/15, the programme budget was R4.7 billion and increases to R5.4 billion in 2015/16, and will be R5.6 billion in 2016/17 and R5.8 billion in 2017/18. The purpose of the programme is to assist the department to deliver in its mega projects and programmes: mixed housing development, eradication of informal settlements, alternative tenure, the urban renewal programme and the Priority Township Programme (PTP).

The expenditure for the Sub-programme: Financial Intervention was R333 million in 2011/12 and R578 million in 2013/14. The purpose of the increase was to facilitate immediate access to housing goods and services, create an enabling environment and provide implementation support. After the 2014/15 adjusted budget, the budget stood at R622 million, mainly to cater for credit linked individual housing subsidies, housing finance linked individual subsidies, the enhanced extended discount benefit scheme (EEDBS), Rectified RDP stock 1994-2002, social and economic facilities, NHBRC enrolment and procurement of land parcels. In 2015/16, the programme budget declines by R147 million from the previous financial year. This decrease is mainly because of the change in the department's strategy to focus more on mega projects. The programme budget recovers to R698 million in 2016/17 and R733 million in 2017/18. The projected budget growth will cater for the 1 725 houses targeted to be built under the Finance Linked Individual Subsidy Programme.

The expenditure for the Sub-programme: Incremental Intervention declined from R2.7 billion in 2011/12 to R2.5 billion in 2013/14. The budget increased from R3.3 billion in 2014/15 to R4 billion in 2015/16, and will provide for servicing 2 150 stands and building 1 370 houses for Project-linked Subsidies. The programme expects to service 2 695 stands and build 200 houses/units for the Integrated Residential Development Programme. Through this programme the department plans to complete 11 220 houses/units for Informal Settlements Upgrading over the MTEF. The programme budget estimates show the budgets for 2015/16 and 2017/18 as R4 billion and R4.2 billion respectively. The estimated budget growth provides for the planned mega projects Fleurhof Phase 1 & 2, Cosmo City Phase 1, Malibongwe Ridge, Lufhereng, Syferfontein and Goudrand Ext 4, Lion Park and Diepsloot and expects 73 330 new housing units to be completed over the MTEF. An additional R476 million in provincial-specific funding is earmarked for planning and bulk infrastructure for the Syferfontein and Savana City mega projects

The expenditure for the Sub-programme: Social and Rental intervention grew significantly from R607 million to R883 million between 2011/12 and 2013/14. This increase was driven by the growing demand for housing resulting, among other factors, from immigration to the province. The 2014/15 budget of R503 million shows a decline of R380 million or 43 per cent from the previous financial year. It increases to R706 million in 2015/16 and R724 million in 2016/17, declining to R655 million in 2017/18. The budget will provide for the 980 units to be built for Institutional Subsidies and 4880 CRUs to be converted/up-graded over the MTEF period. The sub-programme also plans to construct 800 units for CRUs and service 650 stands for rural housing.

Transfers and subsidies increased from R3.7 billion in 2011/12 to R4 billion in 2013/14. In 2014/15, the budget increased from R4.4 billion to R4.6 billion in the adjustment budget mainly to provide for payments to contractors and service providers involved with housing development projects including Savana City and Syferfontein. The budget grows from R5.2 billion to R5.5 billion and R5.7 billion over the years of the MTEF. The budget grows at an annual average rate of 2 per cent over the MTEF, mainly driven by growth in the Human Settlement Development Grant.

SERVICE DELIVERY MEASURES

PROGRAMME 3: HOUSING DEVELOPMENT

Performance measures	Estimated Annual Targets		
	2015/16	2016/17	2017/18
Sub-programme: Financial Interventions			
Number of houses built for individual credit-linked subsidies	600	295	495
Sub-Programme: Incremental Interventions			
Number of houses built for individual credit-linked subsidies	19 222	16 527	17 419
Number of land parcels acquired for human settlement development	8 106	8 905	15 389
Sub-Programme: Social and Rental Housing Interventions			
Number of houses built for individual credit-linked subsidies	2 265	1 408	2 135
Number of land parcels acquired for human settlement development		100	100
Sub-Programme: Rural Interventions			
Number of houses built for individual credit-linked subsidies	200	310	224
Number of land parcels acquired for human settlement development	400		150
Priority Projects			
Number of houses built for individual credit-linked subsidies	1 100	1 142	1 475
Number of land parcels acquired for human settlement development	1 901	600	800
Provincial Specific Programmes			
Number of houses built for individual credit-linked subsidies	800	280	300

PROGRAMME 4: HOUSING ASSETS AND PROPERTY MANAGEMENT

Programme description

The purpose of the programme is to promote home-ownership in historically disadvantaged communities. It coordinates, manages and oversees the maintenance of departmental immovable assets in the form of flats, hostels and vacant stands; and encourages and supports the provision of tools and personnel to maintain these departmental immovable assets. The department motivates, guides and manages the provision of tenure for occupants and promotes home ownership through sectionalisation of flats. It also disposes of the department's commercial properties

Programme objectives

- To capacitate social housing institutions so as to accelerate housing delivery;
- To facilitate the stabilisation of the sectional title environment;
- To provide housing assistance to departmental staff;
- To promote home ownership;
- To deliver housing units in targeted presidential projects; and
- To facilitate affordable rental accommodation, including upgrading backyard rentals and non-transferable stock.

TABLE 8.11: SUMMARY OF PAYMENTS AND ESTIMATES: HOUSING ASSETS AND PROPERTY MANAGEMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Administration	7 515						8 403	8 403	8 823
2. Sales And Transfer of Housing Properties	36 695	44 876	53 979	36 590	34 761	34 761	39 576	41 674	43 757
3. Devolution of Housing Properties			42 878	1 656	1 656	1 656	2 156	2 270	2 384
4. Housing Properties Maintenance	40 814	41 893		48 044	48 044	48 044	50 544	53 223	55 884
Total payments and estimates	85 024	86 769	96 857	86 290	84 461	84 461	100 679	105 570	110 848

TABLE 8.12: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HOUSING ASSETS AND PROPERTY MANAGEMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	15						8 403	8 403	8 823
Compensation of employees	5						7 433	7 433	7 805
Goods and services	10						970	970	1 019
Interest and rent on land									
Transfers and subsidies to	77 509	86 769	96 857	86 290	84 461	84 461	92 276	97 167	102 025
Provinces and municipalities									
Households	77 509	86 769	96 857	86 290	84 461	84 461	92 276	97 167	102 025
Payments for capital assets	7 500								
Buildings and other fixed structures									
Machinery and equipment	7 500								
Payments for financial assets									
Total economic classification	85 024	86 769	96 857	86 290	84 461	84 461	100 679	105 570	110 848

This programme mainly deals with the Extended Discount Benefit Scheme and transfer of housing properties to beneficiaries. The programme's expenditure increased from R85 million in 2011/12 financial year to R97 million in 2013/14. The allocation for the programme in 2014/15 is R86 million. Between 2015/16 and 2017/18 MTEF, this increases from R101 million to R111 million; much of this is due to staff placed in the programme to carry out the transfer of properties to beneficiaries and manage the processes involved with devolving rental stock to municipalities. The targets for the Sub Programme: Housing Property Maintenance largely depends on how many complaints are received in a given year, as it carries out unplanned maintenance. The targets for the 2016/17 year are estimated to be lower than in previous years as, once they are transferred, properties and their maintenance become the responsibility of the purchaser/owner.

SERVICE DELIVERY MEASURES

PROGRAMME 4: HOUSING ASSETS AND PROPERTY MAINTENANCE

Performance measures	Estimated Annual Targets		
	2015/16	2016/17	2017/18
Sub Programme: Sale and Transfer of Housing Properties	8 000	8 000	8 000
Sub Programme: Devolution of Housing Properties	2 500	2 500	2 500
Sub Programme: Housing Property Maintenance	450	450	400
Sub Programme: Housing Property Maintenance: 6 Inner City Hostels	6	6	6

9. OTHER PROGRAMME INFORMATION

9.1. Personnel numbers and costs

TABLE 8.13: PERSONNEL NUMBERS AND COSTS: HUMAN SETTLEMENTS

Personnel numbers	As at	As at	As at	As at	As at	As at	As at
	31 March 2012	31 March 2013	31 March 2014	31 March 2015	31 March 2016	31 March 2017	31 March 2018
1. Administration	498	498	498	519	519	519	519
2. Housing Needs, Research And Planning	44	44	295	38	38	38	38
3. Housing Development	466	466	466	304	304	304	304
4. Housing Assets Management Property Management	152	152	152	58	58	58	58
Total provincial personnel numbers	1 160	1 160	1 411	919	919	919	919
Total provincial personnel cost (R thousand)	247 082	298 769	316 760	348 411	372 402	393 149	412 807
Unit cost (R thousand)	213	258	224	379	405	428	449

TABLE 8.14: SUMMARY OF DEPARTMENTAL PERSONNEL NUMBER AND COSTS: HUMAN SETTLEMENTS

	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Total for province									
Personnel numbers (head count)	1 160	1 160	1 411	919	919	919	919	919	919
Personnel cost (R thousands)	247 082	298 769	316 760	348 460	348 460	348 411	372 402	393 149	412 807
Human resources component									
Personnel numbers (head count)	62	62	62	51	51	51	51	51	51
Personnel cost (R thousands)	17 411	17 411	22 729	24 070	24 070	24 070	25 177	26 562	27 890
Head count as % of total for department									
Personnel cost as % of total for department									
Finance component									
Personnel numbers (head count)	82	82	92	141	141	141	141	141	141
Personnel cost (R thousands)	24 214	24 214	15 216	16 114	16 114	16 114	16 856	17 783	18 672
Head count as % of total for department	7.1%	7.1%	6.5%	15.3%	15.3%	15.3%	15.3%	15.3%	15.3%
Personnel cost as % of total for department	9.8%	8.1%	4.8%	4.6%	4.6%	4.6%	4.5%	4.5%	4.5%
Full time workers									
Personnel numbers (head count)	793	822	861	906	906	906	906	906	906
Personnel cost (R thousands)	226 372	278 059	303 342	342 984	342 984	342 984	364 224	384 521	403 748
Head count as % of total for department	68.4%	70.9%	61.0%	98.6%	98.6%	98.6%	98.6%	98.6%	98.6%
Personnel cost as % of total for department	91.6%	93.1%	95.8%	98.4%	98.4%	98.4%	97.8%	97.8%	97.8%
Contract workers									
Personnel numbers (head count)	44	44	36	13	13	13	13	13	13
Personnel cost (R thousands)	20 710	20 710	13 418	5 427	5 427	5 427	8 178	8 628	9 059
Head count as % of total for department	3.8%	3.8%	2.6%	1.4%	1.4%	1.4%	1.4%	1.4%	1.4%
Personnel cost as % of total for department	8.4%	6.9%	4.2%	1.6%	1.6%	1.6%	2.2%	2.2%	2.2%

For the period under review the table above indicates personnel numbers and personnel cost estimates relating to the Department of Human Settlements. The departmental structure has been reviewed to ensure filling of posts in accordance with the availability of funds. The number of contract workers declines substantially from the 2011/12 financial year, with contract workers being absorbed as permanent staff members.

9.2. Training

ABLE 8.15: PAYMENTS ON TRAINING: HUMAN SETTLEMENTS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Administration	1 307	2 062	7 120	6 410	6 410	6 410	6 768	7 140	7 497
Subsistence and travel									
Payments on tuition	1 307	2 062	7 120	6 410	6 410	6 410	6 768	7 140	7 497
Other									
Total payments on training	1 307	2 062	7 120	6 410	6 410	6 410	6 768	7 140	7 497

TABLE 8.16: INFORMATION ON TRAINING: HUMAN SETTLEMENTS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Number of staff	1 160	1 160	1 411	919	919	919	919	919	919
Number of personnel trained	265	226	200	300	300	300	400	500	600
of which									
Male	106	74	90	140	140	140	160	240	240
Female	159	152	110	160	160	160	240	260	360
Number of training opportunities	54	8	20	20	20	20	20	25	25
of which									
Tertiary	27		10	10	10	10	8	10	12
Workshops	13	8	7	7	7	7	4	5	6
Seminars	3		3	3	3	3	3	3	2
Other	11						5	7	5
Number of bursaries offered	21	111	73	100	100	100	100	100	100
Number of interns appointed	32	25	29	30	30	30	30	30	30
Number of learnerships appointed			29	30	30	30	15	15	15
Number of days spent on training	21		80	80	80	80	100	120	126

The table above gives the number of staff participating in the training programmes provided by the department in order to improve efficiency and service delivery. It shows a gender breakdown in relation to various types of training as well as details of the number of bursaries and training developments. The training offered relates to computer training, secretarial courses, project management and financial management. The high training cost relates to bursaries to various institutions for different courses.

A total number of 80 employees were trained and developed through skills programmes coordinated by the department in the following programmes: Ms Excel and PowerPoint; project management; and more. The department conducted in-house training where 634 employees were trained on the performance management and Development system.

9.3. Reconciliation of structural changes

N/A

ANNEXURES TO ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE

TABLE 8.17: SPECIFICATION OF RECEIPTS: HUMAN SETTLEMENTS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Tax receipts									
Sales of goods and services other than capital assets	595	1 825	3 255	376	376	376	393	414	435
Sale of goods and services produced by department (excluding capital assets)	595	1 825	3 255	376	376	376	393	414	435
Sales by market establishments	595	1 825	3 255	376	376	376	393	414	435
Fines, penalties and forfeits									
Interest, dividends and rent on land	10			329	329	329	344	362	380
Interest	10			329	329	329	344	362	380
Other capital assets									
Sales of capital assets						2 007			
Transactions in financial assets and liabilities	18 856	10 876	1 633	3 530	3 530	3 530	3 692	3 888	4 082
Total departmental receipts	19 461	12 701	4 888	4 235	4 235	5 493	4 429	4 664	4 897

TABLE 8.18: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HUMAN SETTLEMENTS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	340 952	362 337	392 077	458 729	458 729	459 621	566 206	593 719	623 405
Compensation of employees	247 082	298 769	316 760	348 460	348 460	348 411	372 402	393 149	412 807
Salaries and wages	213 092	252 466	237 268	265 538	298 038	311 082	306 309	323 743	339 930
Social contributions	33 990	46 303	79 492	82 922	50 422	37 329	66 093	69 406	72 876
Goods and services	93 870	63 568	75 317	110 269	110 269	111 210	193 804	200 570	210 598
Administrative fees	47	60		157	157	112	60	1 224	1 285
Advertising	1 113	2 482	3 813	4 307	5 307	5 307	8 732	6 426	6 747
Minor assets	1 306	1 019	1 090	1 529	529	550	419	2 058	2 161
Audit cost: External	4 244	193	7 589	6 500	6 500	6 500	6 825	7 871	8 265
Bursaries: Employees	129	157	269	850	850	855	2 893	1 045	1 097
Catering: Departmental activities	777	1 343	1 476	739	2 839	2 839	3 269	2 345	2 463
Communication (G&S)	19 829	15 173	18 218	20 500	20 500	20 500	20 000	17 781	18 670
Computer services	867	2 932	88	1 000	5 000	5 000	15 750	7 002	7 352
Consultants and professional services: Business and advisory services	13 416	8 535	8 270	12 506	11 849	15 590	38 879	6 477	6 800
Consultants and professional services: Legal costs	1	8	25	200	200	200	210	12 095	12 699
Contractors	6 324	2 020	37	350	10 350	4 979	39 553	12 199	12 809
Agency and support / outsourced services	1 854	500	99	20 120	2 120	2 120	10 126	1 225	1 287
Entertainment		42	21						
Fleet services (including government motor transport)				11 020	11 020	11 020	11 000	32 159	33 767
Inventory: Clothing material and accessories			50			105			
Inventory: Farming supplies						150			
Inventory: Food and food supplies	11		215	150	150	13	200	682	716
Inventory: Fuel, oil and gas		10		15	15	15	16	16	17
Inventory: Materials and supplies	4	1							
Inventory: Other supplies		1 209							
Consumable supplies	837		2 833	1 230	3 230	5 230	4 660	15 025	15 776
Consumable: Stationery, printing and office supplies	6 005	4 860	4 034	1 975	3 975	3 238	3 678	10 968	11 517
Operating leases	10 346	3 865		6 300	6 300	6 800	4 000	10 266	10 779
Property payments	10 747	2 626	3 503	700	1 700	2 096	2 650	5 542	5 820
Transport provided: Departmental activity	137		15 560					2 500	2 625
Travel and subsistence	13 973	13 450	4 673	13 951	7 551	7 600	8 144	18 525	19 451
Training and development	1 178	1 490	534	4 269	4 269	4 269	3 817	15 328	16 094
Operating payments	460	854	136	1 101	2 058	2 322	3 255	2 027	2 128
Venues and facilities	265	739	2 784	800	3 300	3 300	5 668	9 785	10 274
Rental and hiring					500	500			
Transfers and subsidies	3 831 990	4 047 556	4 141 781	4 497 820	4 644 474	4 644 523	5 333 882	5 567 124	5 762 778
Provinces and municipalities									
Households	3 831 990	4 047 556	4 141 781	4 497 820	4 644 474	4 643 553	5 333 882	5 567 124	5 762 778

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R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Social benefits	28	2 171	72	255	255	255	300	316	332
Other transfers to households	3 831 962	4 045 385	4 141 709	4 497 565	4 644 219	4 643 298	5 333 582	5 566 808	5 762 446
Payments for capital assets	13 039	10 460	12 585	11 552	11 552	11 581	38 926	26 779	28 118
Buildings and other fixed structures		5 359							
Other fixed structures		5 359							
Machinery and equipment	9 096	5 101	9 099	11 552	11 552	11 552	30 926	26 779	28 118
Other machinery and equipment	9 096	5 101	9 099	11 552	11 552	11 552	30 926	26 779	28 118
Software and other intangible assets	3 943		3 486			29	8 000		
Payments for financial assets	215	1 244							
Total economic classification	4 186 196	4 421 597	4 546 443	4 968 101	5 114 755	5 114 755	5 939 014	6 187 622	6 414 301

TABLE 8.19: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	230 850	212 452	185 555	214 357	271 657	271 628	405 769	432 824	454 465
Compensation of employees	151 337	153 626	121 852	138 173	177 673	177 673	231 488	242 921	255 067
Salaries and wages	131 654	133 380	98 560	109 075	148 575	159 294	185 191	194 474	204 198
Social contributions	19 683	20 246	23 292	29 098	29 098	18 379	46 297	48 447	50 869
Goods and services	79 513	58 826	63 703	76 184	93 984	93 955	174 281	189 903	199 398
Administrative fees	47	60		50	50	54	53	1 111	1 166
Advertising	384	2 430	3 813	3 500	4 500	4 500	8 725	5 364	5 633
Minor assets	1 306	1 004	1 079	1 100	100	121	105	1 449	1 522
Audit cost: External	4 244	193		6 500	6 500	6 500	6 825	7 871	8 265
Bursaries: Employees	129	157	269	850	850	850	2 893	1 045	1 097
Catering: Departmental activities	767	1 298	1 284	550	2 550	2 550	2 678	1 994	2 094
Communication (G&S)	19 829	15 173	18 218	20 000	20 000	20 000	20 000	17 255	18 118
Computer services	867	2 932	88	1 000	5 000	5 000	15 750	7 002	7 352
Consultants and professional services: Business and advisory services	7 780	8 535	8 270	8 456	8 456	12 197	38 879	6 106	6 411
Consultants and professional services: Legal costs	1	8	25	200	200	200	210	12 095	12 699
Contractors	6 324	2 020	33	50	10 050	4 979	39 553	12 178	12 786
Agency and support / outsourced services	1 854	9	99	120	120	120	126	246	259
Entertainment		42	21						
Fleet services (including government motor transport)			(2)	11 020	11 020	11 020	11 000	32 159	33 767
Inventory: Clothing material and accessories			50						
Inventory: Farming supplies						150			
Inventory: Food and food supplies	11		215	150	150	13	200	682	716
Inventory: Fuel, oil and gas		10		15	15	15	16	16	17
Inventory: Materials and supplies	4	1							
Inventory: Other supplies		1 193							
Consumable supplies	837		2 595	1 192	3 192	5 192	4 352	14 680	15 414
Consumable: Stationery, printing and office supplies	5 914	4 598	3 930	1 000	3 000	2 263	3 000	9 886	10 380
Operating leases	3 228	3 461	(60)	3 500	3 500	4 000	4 000	10 107	10 612
Property payments	10 747	2 625	3 503	700	1 700	1 700	2 650	5 542	5 820
Transport provided: Departmental activity	137		15 560					2 500	2 625
Travel and subsistence	13 200	10 279	1 460	12 451	4 451	4 451	4 674	14 665	15 398
Training and development	1 178	1 487	534	2 380	4 180	4 180	3 724	15 135	15 891
Operating payments	460	743	87	600	1 100	600	500	1 232	1 293
Venues and facilities	265	568	2 632	800	3 300	3 300	4 368	9 585	10 064
Rental and hiring									
Transfers and subsidies	14 864	2 171	72	255	255	255	300	316	332
Provinces and municipalities									
Households	14 864	2 171	72	255	255	255	300	316	332
Social benefits	28	2 171	72	255	255	255	300	316	332

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Other transfers to households	14 836								
Payments for capital assets	1 596	5 101	12 570	11 552	11 552	11 581	38 926	26 779	28 118
Buildings and other fixed structures									
Machinery and equipment	1 596	5 101	9 084	11 552	11 552	11 552	30 926	26 779	28 118
Transport equipment									
Other machinery and equipment	1 596	5 101	9 084	11 552	11 552	11 552	30 926	26 779	28 118
Software and other intangible assets			3 486			29	8 000		
Payments for financial assets	215	1 244							
Total economic classification	247 525	220 968	198 197	226 164	283 464	283 464	444 995	459 919	482 915

TABLE 8.20: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HOUSING NEEDS; RESEARCH AND PLANNING

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	8 694	10 821	10 818	12 150	24 650	24 650	25 798	30 847	32 389
Compensation of employees	8 681	10 759	10 479	11 720	22 220	22 171	22 245	30 328	31 844
Salaries and wages	7 586	8 902	10 479	10 314	19 314	18 163	17 781	23 553	24 730
Social contributions	1 095	1 857		1 406	2 906	4 008	4 464	6 775	7 114
Goods and services	13	62	339	430	2 430	2 479	3 553	519	545
Administrative fees				7	7	7	7	7	8
Advertising				7	7	7	7	7	8
Minor assets				4	4	4	164	4	4
Catering: Departmental activities	4		5	39	139	139	441	43	45
Consultants and professional services:									
Business and advisory services					1 000	1 000			
Contractors			4						
Inventory: Clothing material and accessories						105			
Consumable supplies				8	8	8	8	8	9
Consumable: Stationery, printing and office supplies			104	75	75	75	678	82	86
Operating leases			60						
Property payments						96			
Travel and subsistence	9	15	10		400	449	800		
Training and development				89	89	89	93	98	103
Operating payments		23	22	201	201		255	269	282
Venues and facilities		24	134				1 100		
Rental and hiring					500	500			
Transfers and subsidies				3 638	5 467	5 467	3 805	4 007	4 207
Provinces and municipalities									
Households				3 638	5 467	5 467	3 805	4 007	4 207
Social benefits									
Other transfers to households				3 638	5 467	5 467	3 805	4 007	4 207
Total economic classification	8 694	10 821	10 818	15 788	30 117	30 117	29 603	34 854	36 596

TABLE 8.21: PAYMENT AND ESTIMATES BY ECONOMIC CLASSIFICATION: HOUSING DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	101 393	139 064	195 704	232 222	162 422	163 343	126 236	121 645	127 727
Compensation of employees	87 059	134 384	184 429	198 567	148 567	148 567	111 236	112 467	118 091
Salaries and wages	73 847	110 184	128 229	146 149	130 149	133 625	98 134	100 513	105 539
Social contributions	13 212	24 200	56 200	52 418	18 418	14 942	13 102	11 954	12 552
Goods and services	14 334	4 680	11 275	33 655	13 855	14 776	15 000	9 178	9 637
Administrative fees				100	100	51		105	111

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R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Advertising	729	52		800	800	800		1 054	1 107
Minor assets		15	11	425	425	425		455	478
Audit cost: External			7 589						
Bursaries: Employees						5			
Catering: Departmental activities	6	45	187	150	150	150		158	166
Communication (G&S)				500	500	500		527	553
Computer services									
Consultants and professional services:									
Business and advisory services	5 636			4 050	2 393	2 393		371	389
Contractors				300	300			21	22
Agency and support / outsourced services		491		20 000	2 000	2 000	10 000	979	1 028
Entertainment									
Fleet services (including government motor transport)			2						
Inventory: Other supplies		16							
Consumable supplies			238	30	30	30		37	39
Consumable: Stationery,printing and office supplies	91	262		900	900	900		1 000	1 050
Operating leases	7 118	404		2 800	2 800	2 800		159	167
Property payments		1				300			
Travel and subsistence	754	3 156	3 203	1 500	2 700	2 700	2 500	3 690	3 875
Training and development		3		1 800				95	100
Operating payments		88	27	300	757	1 722	2 500	527	553
Venues and facilities		147	18						
Rental and hiring									
Transfers and subsidies	3 739 617	3 958 616	4 044 852	4 407 637	4 554 291	4 553 370	5 237 501	5 465 635	5 656 214
Provinces and municipalities									
Households	3 739 617	3 958 616	4 044 852	4 407 637	4 554 291	4 553 370	5 237 501	5 465 635	5 656 214
Social benefits									
Other transfers to households	3 739 617	3 958 616	4 044 852	4 407 637	4 554 291	4 553 370	5 237 501	5 465 635	5 656 214
Payments for capital assets	3 943	5 359	15						
Buildings and other fixed structures		5 359							
Buildings									
Other fixed structures		5 359							
Machinery and equipment			15						
Transport equipment									
Other machinery and equipment			15						
Software and other intangible assets	3 943								
Total economic classification	3 844 953	4 103 039	4 240 571	4 639 859	4 716 713	4 716 713	5 363 737	5 587 280	5 783 942

TABLE 8.22: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HOUSING ASSETS AND PROPERTY MANAGEMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	15						8 403	8 403	8 823
Compensation of employees	5						7 433	7 433	7 805
Salaries and wages	5						5 203	5 203	5 463
Social contributions							2 230	2 230	2 342
Goods and services	10						970	970	1 019
Minor assets							150	150	158
Catering: Departmental activities							150	150	158
Consumable supplies							300	300	315
Travel and subsistence	10						170	170	179
Venues and facilities							200	200	210
Rental and hiring									
Transfers and subsidies	77 509	86 769	96 857	86 290	84 461	84 461	92 276	97 167	102 025
Provinces and municipalities									

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Non-profit institutions									
Households	77 509	86 769	96 857	86 290	84 461	84 461	92 276	97 167	102 025
Social benefits									
Other transfers to households	77 509	86 769	96 857	86 290	84 461	84 461	92 276	97 167	102 025
Payments for capital assets	7 500								
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	7 500								
Transport equipment									
Other machinery and equipment	7 500								
Total economic classification	85 024	86 769	96 857	86 290	84 461	84 461	100 679	105 570	110 848



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VOTE 9

DEPARTMENT OF ROADS AND TRANSPORT

To be appropriated by vote in 2015/16	R 6 605 952 000
Responsible MEC	MEC for Roads and Transport
Administering Department	Department of Roads and Transport
Accounting Officer	Head of Department

1. OVERVIEW

The Gauteng Department of Roads and Transport (GDRT) is the main contributor to the provincial outcome of providing an environmentally sustainable road infrastructure and integrated transport system that is reliable, accessible, safe and affordable and that has a broad range of socio-economic effects. These include the benefits flowing from increased accessibility, employment creation, increased efficiency and social inclusion of all citizens of the province.

Vision

A modern integrated, efficient and sustainable transport and road infrastructure system in Gauteng.

Mission

To facilitate and provide an integrated transport system that:

- Is reliable, accessible, safe and affordable;
- Promotes seamless mobility and social inclusion;
- Is environmentally sustainable; and
- Support industrialisation and radical socio-economic transformation

Strategic goals

- A modern integrated public transport system that provides customer-centric transport services.
- Strategic economic transport infrastructure that stimulates socio-economic growth
- A modern, accountable and development oriented department; and
- To ensure the efficient management and implementation of the Gautrain.

Core functions and responsibilities

- To contribute to the achievement of departmental outcomes;
- To develop and maintain a sustainable road infrastructure that contributes to increased economic growth and enhanced quality of life in Gauteng;
- To develop a policy framework in support of a modern, integrated and intelligent transport system;
- To contribute to the regulation of transport-related carbon emissions;
- Through green transport, to contribute to environmental protection;
- To provide public transport infrastructure that promotes integration and inter-modality of public transport;
- To regulate public transport operations through the issuing of operating licenses and permits;
- To regulate public transport operations through the registration of associations;
- To issue valid drivers' licenses; and
- To issue valid vehicle licenses.

Main services

Main services	Actual customers	Potential customers	Standard of service
Manage, coordinate and integrate the overall planning of transport in metropolitan areas	DRT, District and Metropolitan Municipalities, PRASA and Transnet	Commuters and public	PLTF
Implementation of freight plan for Gauteng	Transport authorities, Municipalities, GDARD, GGDA, and Transnet	Freight industry, and all road users	According to the Gauteng freight implementation strategy
Construction and upgrading of the provincial road networks and township roads under the ZOPTP programme	General public, other departments and municipalities	General public, other departments and municipalities	GDRT's standards and code procedures
Issue abnormal vehicles and loads permits	100 applications per average	Determined by the economy	2 work days per permit

Ten Pillar programme of transformation, modernisation and re-industrialisation

Pillar 8: Modernisation of the public transport infrastructure

The functions of the department relate to the delivery of outputs that support four government outcomes: an efficient, competitive and responsive infrastructure network; vibrant, equitable and sustainable rural communities contributing towards food security for all; sustainable human settlements and improved quality of household life; and an efficient, effective and development oriented public service.

The department has also aligned its plans to the province's Ten Pillar programme for the years 2014-19. The main pillar that the department supports is Modernisation of Public Transport Infrastructure. This is achieved through the provision of strategic transport infrastructure, networks and systems that promote the seamless mobility of people and goods. The integration and modernisation of public transport infrastructure and systems that are reliable, accessible and affordable are also priorities for the department. This contributes to:

- Decisive spatial transformation
- Re-industrialisation of the province and;
- Modernisation of human settlements and urban development

The department collaborates with other departments to achieve the goal of decent work through the provision of transport infrastructure, transport regulation and transport operation services; and focuses on the content, costing and budgeting of key projects that support the outcome and Pillar statements.

The department contributes to the provincial Rural Development Strategy through its responsibilities for the rural roads infrastructure. It contributes to the Inner City Renewal Programme by constructing and maintaining road linkages and arterial roads; these contribute to the provincial Pillar of modernising human settlements and urban development.

Pillar 5: Modernisation of the public service

The administrative functions of the department contribute to the Public Service and Inclusive Citizenship outcome, and to the Modernisation of the public service pillar.

Government uses outcomes based planning, aligned with the Ten Pillar programme. The budgeting process therefore requires a particular focus on the efficient use of limited resources. This requires departments to develop their lead and supporting roles, in alignment with those of other departments. The province will continue to confront this challenge during further implementation of outcomes based planning and budgeting.

National Development plan

The National Development Plan aims to eliminate poverty and reduce inequality by 2030. It provides a broad strategic framework to guide key choices and actions.

Government recently adopted an infrastructure plan intended to transform the country's economic landscape, create a significant numbers of new jobs, strengthen the delivery of basic services and support the integration of African economies.

In relation to transport, the plan aims to consolidate and expand the transport and logistics infrastructure, with key focus area being

- Upgrading the Durban-Gauteng freight corridor Strategic Infrastructure Plan (SIP2); and
- Public transport infrastructure and systems, including the renewal of the commuter rail fleet, supported by enhanced links with road based services (SIP7).

In response to the NDP the Department of Roads and Transport developed the Integrated Transport Master Plan (ITMP 25) that provides a framework within which an efficient and integrated transport system for Gauteng can be achieved. The plan has been widely consulted and is the framework for the department's 2014-2019 Strategic Plan. It aims to improve the lives of all Gauteng residents and to position the province as an ideal place in which to live and work, and as an attractive destination for foreign investment and tourism. It departs fundamentally from apartheid spatial planning, land use and mobility and proposes an integrated and equitable transport value chain where public transport has the highest priority. It provides a planning framework to assist government at all three levels to deliver the transport system over the next 25 years.

The ITMP25 does not replace local and provincial medium-term statutory planning in terms of the National Land Transport Act (2009) but provides an overarching framework within which integrated transport planning should be done over the next 25 years. The founding principles for the ITMP25 are:

- Integration of land use with transport, as well as integration of networks, modes and services;
- Being "smart" by using scarce resources more effectively and applying suitable technology;
- Social inclusion and beneficiation; and
- Promotion of a more sustainable Gauteng City Region (CGR).

External activities and events relevant to budget decisions

The country continues to focus on accelerating the service delivery and the province has adopted a Ten Pillar programme of radical transformation, modernisation, and reindustrialization of Gauteng over the next five to fifteen years. This necessitates the department to align to the national and provincial priorities by engaging in projects that support them. The political landscape within the country is making it imperative for the department to deliver quality products and services, and to do so speedily so that the citizens of the province can realise the impact of the work of the department.

The report on the socio-economic impact of the Gauteng Freeway Improvement Project (GFIP) and E-tolls require the department accelerates the construction of new alternative roads as well as to maintain the existing ones, so that road users use alternative roads. This has been incorporated into the 2015 MTEF budget in line with available resources.

Acts, rules and regulations

- Schedules 4 and 5 of the Constitution of South Africa empower provinces with concurrent competencies with national government, and with exclusive legislative competencies in specific functional areas such as public transport, provincial roads and public works.

Key legislation and policies to the mandate of the GDRT include:

- Gauteng Transport Framework Revision Bill, 2008;
- Government Immoveable Assets Management Bill, 2006;
- Gautrain Agency Management Act, 2006;
- Gauteng Planning and Development Act, 2003;
- Gauteng Transport Framework Revision Act, 2002;
- Planning Professions Act, 2002;
- Gauteng Public Passenger Road Transport Act, 2001;
- Gauteng Transport Infrastructure Act, 2001;
- National Spatial Development Perspective;
- Architectural Profession Act, 2000;
- Built Environment Professions Act, 2000;
- Construction Industry Development Board Act, 2000;
- Engineering Profession Act, 2000;
- Landscape Architectural Profession Act, 2000;
- National Land Transport Transition Act, 2000;
- Project and Construction Management Act, 2000;
- Property Valuers' Profession Act, 2000;
- Road Traffic Management Corporation Act, 1999;
- National Environmental Management Act, 1998;
- National Road Traffic Act, 1996;

- Occupational Health and Safety Act, 1993 (and particularly the associated construction regulations)
- Road Traffic Act, 1989; and
- Standards Act, 1982 (and particularly the associated National Building Regulations).

2. REVIEW OF THE CURRENT FINANCIAL YEAR (2014/15)

The projects undertaken by the department are aligned to national and provincial programme of Transformation, modernisation and re-industrialisation (TMR) as follows:

Pillar 8: Modernisation of Public Transport Infrastructure

Output 1: Maintenance, strategic expansion, operational efficiency, capacity and competitiveness of our logistics and transport infrastructure ensured

Traffic Engineering

This unit is responsible for ensuring the adequacy of the province's road infrastructure. During the reporting year, all four provincial weighbridges were regularly maintained. In conjunction with the Johannesburg Roads Agency (JRA), the unit maintained and upgraded traffic signals on the provincial roads network as well as traffic surveying facilities

Design

During the financial year, the unit completed two designs that are ready for construction. Although the Environmental Impact Assessments (EIAs) and Water-Use Licence are still in progress:

- K54 Tsamaya Ave to P154-1(K22), (SPTN) from K22 to K69 (new road) forms an important link between the R21 and the N4 to Mamelodi in the North of Tshwane.
- K46 (William Nicol Ave) (Phase 2) between PWV5 (Erling road) and Diepsloot/N14 was completed during the financial year to upgrade the road into a dual carriageway. The provision for cyclists, pedestrians and public transport facilities also forms part of the design.

The other projects are being finalised and will be completed in line with the projected contract dates:

- Detail design of K154 phase 2: East – West corridor providing access to and mobility in Eikenhoff as part of the Gauteng Highlands project already initiated (also part of the Maize Belt).
- Detail design of K77: North - South corridor providing access and mobility in Eikenhoff as part of the Gauteng highlands project already initiated (also part of the Maize Belt). Consulting engineers have been appointed for the detail design and the EIA process is underway.
- Detail design of K69: North - South corridor providing access and mobility in the area of Lynwood and Mamelodi. The K69 is an important link between the R21, N4 to Mamelodi north of Tshwane.

Construction

The department decided that all the new road infrastructure, upgrading and rehabilitation projects will be the sole responsibility of the Construction programme. As a result, projects that were in the Maintenance unit were removed during the adjustment budget and reallocated to Construction. The status of these projects is as given below:

- R82 Phase 1b (between D1083 to R557 (Town road) in Wakerville).

This project involves the construction of a dual carriageway of Road R82/K57 (P1/1) from Road D77 Eikenhof to D1073 in Walkerville. R82 Phase 1b will provide an alternative link between Johannesburg and Vereeniging including access to existing and future developments around Walkerville, Eikenhoff and De Deur.

- R82 Phase 3 (between road D1073 (Walkerville) and K164 (De Deur).

This project involves constructing the R82 Phase 3 between Road D1073 (Walkerville) and K164 (De Deur). The aim of this project is to provide an alternative link between Johannesburg and Vereeniging including access to existing and future developments around Walkerville, Eikenhoff and De Deur. It also forms part of the Maize Belt.

The scope involves dualising 11.3 km of an existing single carriageway.

- **K46 Phase 2 (PWV5 to Diepsloot/N14: doubling of the road).**
This project involves dualising an existing 7.2km single carriageway between PWV5 and Diepsloot. The road will provide a link between Diepsloot and Johannesburg, and will provide access for existing and future developments along its corridor. The tender process has commenced.
- **K69 (Upgrading and doubling of Hans Strijdom (Solomon Mahlangu) from the N4 to Mamelodi to K54).**
This project involves doubling 5km of an existing single carriageway with the aim of increasing capacity, safety and accessibility for existing and future developments along the K69 corridor.
- **City Deep Freight and Logistics Hub.**
This was established in the 1920s, and is one of the most important and strategic facilities for the transfer of goods between nodes. Feasibility assessment, preliminary design, detail design and construction for the widening of Rosherville Road from two lanes to three lanes between Vickers Road and Bonsmara Road, including upgrading of both intersections and the rail bridge. The project will provide north-south linkage and improve traffic flow conditions currently experiencing severe congestion at the existing Cleveland/Main Reef intersection.
- **P39/1 (Laudium to Diepsloot).**
The project involves reconstructing and rehabilitating Road P39/1, including sections of the M26, R511 and R114. The start of the construction is at the junction with the R55 (7.5km), from where the project stretches in a generally south-westward direction on Route M26 to the junction with the R511 (21.7km). From here, the project continues on the R511 to the intersection with the R114 (24.0 km); and then on the R114 in a generally westward direction, crosses the N14 at 28.2km and ends at 31.040km, just past the boundary between the Pretoria and Krugersdorp departmental regions. 102 job opportunities have been created for local community members.
- **P39/1 (Laudium and Atteridgeville)**
The project entailed the rehabilitation of road P39/1 starting at Maude intersection through the Iscor bridge at 4.77km ending at intersection K71 at 7.60km (Laudium). Road P39-1 (Iscor Bridge) falls under City of Tshwane Metropolitan Municipality and is located between two settlement areas, Laudium and Atteridgeville. It is an alternative north-south carriageway to the already overloaded N14/N1 freeway between Pretoria industrial and greater Johannesburg.
- **Tarlton (D1726)**
The project involves construction of approximately 7.9km of a rural, two lane, single carriageway road linking the R24 to Randfontein. The R24 in turn connects Krugersdorp with Rustenburg and the D1726 connects Tarlton and Randfontein. The project was to upgrade the road to a 9.4km wide surfaced road within a 40 km road reserve, with a stormwater system which can accommodate a 1-in-25 year flood. This project has been successfully completed.
- **Rehabilitation of road P6-1 (R25) between Bapsfontein and Bronkhorstspuit Provincial Route P36-1 (R50) Delmas Road and National Route N4 Bronkhorstspuit interchange in the Ekurhuleni and Tshwane Region.**
The project is located on the south-western fringe of Bronkhorstspuit. Road P6/1 (R25) is a single carriageway provincial road linking Gauteng and Limpopo provinces.
- **The rehabilitation of Road P70/1 (Witkoppen Road) from P71/1 to Milcliff Road between 5.0 km and 8.0km.**
The aim of the project is the rehabilitation and widening of route P70-1. The total length of rehabilitation is approximately 3.050km while the surface area of widening is approximately 16 000m².
- **The Rehabilitation of Road D1511 (8.96km), the project is located on the north-eastern edge of Johannesburg, east of the N1. Road D1511 provides an alternative to the N1, N3 and the N1/N3 interchange. It also serves as a collector/distributor for the residential areas surrounding the route.**

Maintenance

This unit is now responsible solely for maintenance and repair projects and all the rehabilitation projects are within Construction.

The programme is responsible for the maintenance of a total road network of 5637.4km of which 4248.4km is paved and the remaining 1389km is gravel. The various activities undertaken over the financial year included routine road maintenance, resealing and rehabilitation of roads and re-gravelling of gravel roads. It also includes the maintenance of bridges to prevent deterioration. A total of 113.2 km of fog sprays were

completed and 66.94 km of regravelling.

The unit also purchased the following construction fleet items:

10 graders; 5 tractor-loader-backhoes; 6 double cabs; 18 single cabs; 2 grass-cutting tractors; 333-seater buses; 2 water tankers; 2 flat-bed trucks; and 1 construction tractor.

Planning

Gauteng Transport Modelling Centre (GTMC)

The department has reevaluated the entire project and has therefore signed a MOU with the CSIR to complete and manage the project going forward. There were software changes that were required during the financial year and these are currently under way with the assistance of the CSIR.

Gautrain

The focus of the Gauteng Management Agency (GMA) over this financial year will be to continue to work to the following performance milestones:

- Stabilizing the system through audits;
- Conducting investigations on the feasibility of operating additional train services in peak periods on weekdays between Centurion and Sandton to meet any further demand and increase utilisation;
- Finalizing the new train timetable. A revised timetable is available in draft format, and there will be regular updates to improve customer satisfaction;
- Pursuing the required permits to complete feeder development and the department has requested additional capital for the required buses;
- Pretoria and Centurion station parking is currently 100 per cent occupied on weekdays. Approval to obtain additional land has been requested from the MEC. Strategic discussions to work on a joint long term plan will continue with key stakeholders such as Passenger Rail Agency of South Africa (PRASA); and
- The tender process and detailed feasibility studies for the projects that will assist with identifying and investigating possible future extensions to the system will be completed

Public Transport Integration and Special Projects

The information below is the update of activities and outputs in the first quarter:

The department continued with deployment of intermodal facilities and non-motorised transport infrastructure (walk ways and cycle lanes).

Intermodal facility infrastructure

- Roodepoort Intermodal Facility: Construction is under way and should be completed by the end of the financial year. The holding area is complete while the main area is fast tracked for completion this financial year.
- Vereeniging Intermodal Facility: This is a multi-year project and has been split into 2 phases; Phase 1 involves upgrading of the existing Taxido Junction whilst Phase 2 entails expansion of the Public Transport Intermodal Facility to the northern side. The northern side is complete and has been handed over to the taxi operators as a temporary measure. Taxido clearing, grubbing and demolition works will be completed by the end of the financial year.
- Piensaarspoort Intermodal Facility: The department has completed the concept designs and feasibility study report. Construction could not commence and the budget was adjusted downwards during the adjustment budget.
- Krugersdorp Intermodal Facility: Detailed site investigation including, geotechnical studies have been completed.
- Leratong Regional Intermodal Facility: Site establishment, clearing and grubbing has been completed.

Non motorised transport infrastructure

The projects in Winterveldt and Bophelong have either been completed or are currently having minor difficulties being solved as a precursor to completion. A total of 202 job opportunities have been created and on the job training has benefited participants through the acquisition of built environment skills

Shovakalula

The distribution of 3000 bicycles to learners that walk more than 3km was completed towards the end of the financial year. They were allocated as follows:

- COTMM – 1000 bicycles at 20 schools in the Garankuwa area
- COJMM – 500 in 5 schools in Eldorado Park as part of the Premier's Service Delivery Intervention

- WRDM – 1000 in 10 schools at Bekkersdal under the same Premiers Programme
- Sedibeng – 500 in eight schools in Emfuleni Local Municipality

TOLABS

These are one-stop service centres aimed at bringing government services closer to communities and where people live. They are also established to ensure easy access by transport operators to these services and to fast-track public transport transformation, including decentralising the registration process, thus easing congestion at the head office in central Johannesburg. These further remove unnecessary delays and enable public transport operators to comply with the law while providing an essential service to their clients.

Germiston TOLAB

The refurbishment of Germiston TOLAB was completed in November 2014 and the facility was handed over to the department during the same month.

Tshwane TOLAB

The department has identified Koedoespoort Centre as an alternative facility to be utilised whilst the main TOLAB is under construction for two years. Several alterations to the existing building must be made prior to occupation. The department is in the process of approving the successful tender for the proposed alterations to be done by qualified contractors. It is envisaged that the relocation process will be concluded in the new financial year.

Driver Licence Testing Centres (DLTCs)

The objective of this initiative is to bring service delivery (driver license testing centres and motor vehicle registration centres) closer to the historically disadvantaged communities, thereby facilitating access to services.

- Establishment of Kagiso DLTC

The contractor for the establishment of a new DLTC in Kagiso was appointed. Construction has commenced and is in progress. Demolitions are 95 per cent complete. Overall works are 16 per cent complete. It is anticipated that construction will be completed by end of July 2015.

- Establishment of Sebokeng DLTC

In the 2014/15 financial year the department commenced planning for the establishment of a DLTC in Sebokeng. The land initially identified was found not to be suitable for such services and later Emfuleni Municipality made land available for this development.

Refurbishment of existing DLTCs

- **Temba**

The DLTC is situated in Temba, Tshwane. In the 2014/15 financial year the upgrading of the testing track to increase capacity for driver license tests was completed. The construction of the building commenced thereafter and is in progress. It is anticipated that construction will be completed in the 1st quarter of the 2015/16 financial year. 26 temporary jobs were created in the construction of the test track and the building.

- **Mabopane**

Situated in Tshwane, the centre is currently operational. In the 2014/15 financial year the upgrading of the testing track to increase capacity for driver license tests was completed. The construction of the DLTC building is 75 per cent complete. It is envisaged that construction will be completed in the 1st quarter of the 2015/16 financial year. 28 temporary jobs were created in the construction of the test track and the building.

Pillar 5: Modernisation of the public service

The department continues to fill vacant posts in the structure and to develop existing staff through issuing bursaries and sending them on training programmes specific to their respective roles.

Facilities are also receiving upgrades to ensure that they are suitable for use by all employees within the department.

3. OUTLOOK FOR THE COMING FINANCIAL YEAR (2015/16)

Pillar 8: Modernisation of Public Transport Infrastructure

Output 1: Maintenance, strategic expansion, operational efficiency, capacity and competitiveness of our logistics and transport infrastructure ensured

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

Traffic engineering

The following programmes will be implemented:

- Maintenance and calibration of four provincial weighbridges;
- Develop design layout for construction of the Westonaria Traffic Control Centre;
- Maintenance and upgrading of provincial traffic signals;
- Maintenance of provincial traffic survey facilities;
- Performance of road safety audits and implementation of improvements; and
- Develop the P 206-1 (M1: Buccleuch Interchange – Corlett Drive) Intelligent Transport System Programme Implementation Plan.

Design

During the 2015/16 financial year the following designs will be completed:

- K101 from Randjesfontein interchange to Olifantsfontein Road to New Road (private contribution);
- K154 Phase 2 Gauteng Highlands: Graceview Access Road to Old Vereeniging Road;
- K148/N3 construction of interchange and access road to Tambo Springs;
- K77 Gauteng Highlands Elizabeth Road to K154 (Phase 1); and
- K97: (P1-3) : Pretoria N4-Bonnaccord to Winterveld.

Construction

The Construction Directorate will be implementing upgrading of roads and rehabilitation of roads in 2015/16:

- K46 phase 1

The objective of this project is to construct a section of the proposed dual carriageway, road K46 (P79-1) between 3.2 km and 7.3 km in order to improve access to the Diepsloot area and Fourways towards Randburg. The project is on retention: and final inspection and release of the retention will be done in the 2015/16 financial year.

- K46 phase 2 (PWV 5 to Diepsloot/N14: Doubling of road)

The scope involves the dualisation of an existing 7.2km single carriageway between PWV5 and Diepsloot. The project will be awarded for construction during the 2015/16 financial year.

- P4-1 (R103)

The project entails the construction of a dual carriageway between Van Dyk Road (P58-1) and Diana Road (P140-1). The total length of the road surfaced is 7.4km. The project will be completed within 2015/16 financial year and half of the retention amount is to be paid with the last claim from the contractor

- R82 phase 1B

The project entails a 4.2km upgrade to dual carriageway and 2.2km rehabilitation of existing carriageway of road R82/K57 (P1/1), between Eikenhof and Walkerville. The project will be completed within the 2015/16 financial year and half of the retention amount is to be paid with the last claim from the contractor.

- K50 (Garsfontein Road)

The project entails upgrade of the K54 road from single to dual carriageway. The project is at design stage for the financial year 2015/16 and will be implemented by the City of Tshwane Municipality.

- P39/1 Laudium and Diepsloot

The project entails the rehabilitation of road P39/1 starting at Maude Intersection through the Iscor Bridge at 4.77km ending at intersection K71 at 7.60 km (Laudium). The project is on retention: final inspection and release of the retention will be done in the 2015/16 financial year.

- Cedar Road (D1027)

The major objective of this project is to provide improved accessibility between Runnymede Road and Witkoppen Road. The project is at the tender stage and evaluations are under way.

- D1511 between Dale Road and D51

The main objective is to rehabilitate road D1511 by recycling short sections, patching, crack sealing, constructing an asphalt overlay and repairing the drainage between Dale Road and road D51, a distance of 8.35km of single carriageway and 0.62 km of dual carriageway.

- P186/1 between roads P3/6 and N1

The main objective of the project is to provide a dual carriageway linking Gauteng and North West Province. The project will be completed within the 2015/16 financial year and half of the retention amount is to be paid with the last claim from the contractor.

- P39/1 Laudium and Diepsloot

The main objective is to rehabilitate road P39/1 by recycling from the Tshwane Municipal boundary to road K71, a distance of 2.83km of dual carriageway. Objectives during construction are to provide black economic enterprise contractors with a substantial portion of the work, provide training to local and other labourers and to execute the work with a high degree of safety.

- Road P3/6 between Gauteng/North West border and P186

The project entails the rehabilitation of road P3/6 by in situ recycling the existing base and subbase, stabilization with cement, constructing a new base, constructing an asphalt surfacing and repairing the drainage along the road between road P186/1 and the Gauteng/North West border over a distance of 40.22km.

- Rehabilitation of Road P158/2 (N14) and P39/1 between P158/2 to Pinehaven Interchange (Muldersdrift) Phase 1. The project will focus on rehabilitation and resurfacing of P158/2 (N14) and P39/1 from Brakfontein to Hendrik Potgieter. The project will be rolled out in two different phases, by undertaking various rehabilitation measures. Phase 1 involves the section between 20.7km and Hendrik Potgieter.

Maintenance

This unit will continue with implementing maintenance and repair projects during the year. The programme will cover various activities which include, though not limited to:

- Preventative maintenance;
- Routine roads maintenance; and
- Re-gravelling.

The department will continue to purchase construction fleet to augment items purchased in the 2014/15 financial year.

Gautrain

The focus of the GMA over this financial year will be to continue to work on the annual performance milestones in line with the plans, as well as to commence planning activities for Gautrain II.

Intermodal public transport facilities

The sub-programme will continue with deployment of the Vereeniging intermodal facility as well as the walkways in the City of Johannesburg Metro and the Shovakalula programme.

TOLABS

The focus will be the planning for the Johannesburg and West Rand TOLABs.

DLTCs

The department will finalise construction of Kagiso and Sebokeng facilities, and upgrades of Mabopane and Temba. Furthermore, planning activities for the Lesedi and Soweto facilities will commence.

Bus subsidies

The Public Transport Operations Grant (PTOG), which is a conditional grant allocated by the National Department of Transport to the department to enable the subsidisation of public transport services to the public in Gauteng, is set to continue during this year. The budget is growing marginally and will be used exclusively for the provision of these services.

Pillar 5: Modernisation of Public Service

In order to build the capacity for good governance and effective service delivery, the department offers bursaries to external candidates in a range of disciplines including transport engineering and economics, as well as allocating funds for training and development of employees.

4. REPRIORITISATION

The department reprioritised the MTEF budget to make funds available for activities and outputs that were not funded within the baseline. The department's facilities are deteriorating and need urgent attention during the next MTEF period, and as a result funds were shifted to ensure maintenance and repair of the facilities. Furthermore, systems that have been identified as critical for the operations of the department and of facilities have been allocated funding post reprioritisation of funds.

The reprioritisation details per programme are as follows:

Programme 1: Administration

Funds were shifted to this programme for the following:

- The air-conditioning system that has not been operational for over 4 financial years;
- Records management; and
- Finalising the designs for the Zwartkop training centre that is to be implemented over the MTEF.

Programme 2: Transport Infrastructure

Budget reprioritisation within this programme occurred as a result of the shift of infrastructure projects from the Maintenance to the Construction unit. These projects relate to rehabilitation and refurbishment projects within the Provincial Roads Maintenance Grant (PRMG) that will be delivered by Construction as this unit is responsible for all rehabilitations within the department.

Programme 3: Transport Operations

Reprioritisation within this programme was from the Programme Support Operations to the Public Transport Services sub-programmes. It is only in relation to operational expenditure that was shifted within the Goods and Services programmes to allow the units to manage effectively and to deliver on their plans.

Programme 4: Transport Regulation

Funds were shifted to this programme for the following:

- The agency fee review;
- The CLLTs and CCTV cameras in the DLTCs.

The department reprioritises R599.4 million within "goods and services" and "buildings and other fixed structures" mainly due to the readiness of infrastructure projects to be implemented in the 2015/16 financial year.

5. PROCUREMENT

The Procurement Unit within the department will be actively driving the procurement processes that will ensure the successful implementation of all major projects as outlined above. These projects form part of the departmental procurement plan. Procurement within the department will be driven primarily by the construction of road and intermodal networks; the maintenance of the road networks; refurbishment and construction of the TOLABS and DLTCs. Supply chain management will be strictly implementing cost containment measures thereby promoting the effective and efficient utilisation of state resources.

The process of procurement for the key functions within the department is outlined below:

- Advertising: procurement for this service will occur via request for quotations as and when the services are required;
- Communications: procurement for this service will occur via a combination of quotations and open orders depending on the nature and extent of the service required;
- Computer services: procurement for this service will occur via a combination of quotations and open orders depending on the nature and extent of the service required;
- Consultants, contractors and fleet services: procurement for this service will occur via open tender processes as and when service is required in terms of project plans;

- Inventory, other supplies and inventory stationery and printing: procurement for this service will occur via a combination of quotations and open orders depending on the nature and extent of the service required;
- Travel and subsistence, training and development: procurement for this service will occur via request for quotations as and when the services are required; and
- Buildings and other fixed structures as well as machinery and equipment: procurement will occur via open tenders/transversals/national contracts depending on the nature and extent of the service required as well as specific project plans.

6. RECEIPTS AND FINANCING

6.1. Summary of receipts

TABLE 9.1: SUMMARY OF RECEIPTS: DEPARTMENT OF ROADS AND TRANSPORT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Equitable share	4 091 516	2 149 818	2 397 371	3 814 962	3 695 519	3 784 447	4 287 564	4 721 881	4 957 975
Conditional grants	2 149 988	2 213 972	2 372 592	2 337 897	2 337 897	2 337 897	2 318 388	2 421 889	2 577 906
Gautrain Rapid Link	5 300								
Public Transport Operations Grant	1 577 612	1 625 746	1 714 344	1 819 854	1 819 854	1 819 854	1 860 048	1 939 446	2 060 920
Provincial Roads Maintenance Grant	566 917	579 081	655 248	514 903	514 903	514 903	455 821	482 443	516 986
Expanded Public Works Programme Infrastructure Grant		9 145	3 000	3 140	3 140	3 140	2 519		
Transport Disaster Management Grant	159								
Total receipts	6 241 504	4 363 790	4 769 963	6 152 859	6 033 416	6 122 344	6 605 952	7 143 770	7 535 881

The department is funded from the equitable share and conditional grants. The conditional grants allocated to the department are the PTOG, for subsidising public transport providers within the province; the PRMG which is utilised for the department's routine maintenance programme, and the Expanded Public Works Programme (EPWP) Infrastructure Grant which is an incentive grant based on the number of EPWP jobs that are created annually. The growth in the equitable share is a welcome relief given the budget pressure that the department has been experiencing over the last financial years. It has allowed the department to fund vital tasks such as the maintenance of properties and the upkeep of the DLTCs.

Spending during 2011/12 and 2012/13 decreased from R5.8 billion to R5.5 billion as a result of the reduction of the Gautrain allocation in the 2012/13 financial year because the construction phase was officially completed. During 2013/14 the department received funding of R3 million in respect of the EPWP incentive grant, however there was under-spending by the department as a whole of over R300 million mainly as a result of low infrastructure spending and the inability of the department to fill some of the vacancies within the approved organisational structure.

In 2014/15 the department also received funding of R6.2 billion as equitable share and conditional grant allocation but the funding was adjusted downwards to R6 billion with the department surrendering R179 million of the infrastructure allocation because there was a high risk that the allocation would remain unspent at the end of the financial year.

The allocation for the department continues to increase over the MTEF period from R6.6 billion in 2015/16 to R7.5 billion, an increase of 14 per cent. This is mainly as a result of an allocation of about 23 per cent for the Gautrain and about 12 per cent on infrastructure. The allocated budget for the MTEF will allow the department to continue to implement some of the operational tasks and projects which were not yet ready for implementation in the past as well as to focus on the operational tasks that could not be focused on in the previous years.

6.2. Departmental receipts collection

TABLE 9.2: DEPARTMENTAL RECEIPTS: DEPARTMENT OF ROADS AND TRANSPORT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Tax receipts	2 227 725	2 401 619	2 644 876	2 743 798	2 743 798	2 743 798	2 987 393	3 142 737	3 299 874
Motor vehicle licences	2 227 725	2 401 619	2 644 876	2 743 798	2 743 798	2 743 798	2 987 393	3 142 737	3 299 874
Sales of goods and services other than capital assets	51 421	53 711	55 661	63 191	63 191	63 191	67 993	71 597	75 176
Interest, dividends and rent on land	596	133	38	723	723	723	50	55	60
Sales of capital assets		10 162	5 983						
Transactions in financial assets and liabilities	4 134	1 226	885	4 838	4 838	4 838	1 500	1 500	1 500
Total departmental receipts	2 283 876	2 466 851	2 707 443	2 812 550	2 812 550	2 812 550	3 056 936	3 215 889	3 376 610

The department is the main contributor towards own revenue generated in GPG. This revenue is generated through tax receipts which are mainly made up of motor vehicle registration and licensing fees. The revenue collected over the past three financial years grew slightly. During the 2011/12 financial year, the tariffs were increased, hence the higher collection in that year in comparison to the previous year.

Revenue in this category is expected to grow over the MTEF as a result of annual increases in tariffs. The increases in the past were from R2.3 billion in 2011/12, R2.5 billion in 2012/13 and R2.7 billion in 2013/14 to R2.8 billion in the 2014/2015 financial year. The revenue is expected to increase further over the MTEF from R3.1 billion in 2015/16 to R3.4 billion in 2017/18. No negative real growth is currently expected in the years under review. In concluding the estimates, the following factors were taken into account, namely:

- The Consumer Price Inflation Index (CPIX);
- Vehicle population;
- Direct cost expected to be paid from the revenue account;
- Interest and penalties expected to be received;
- Previous revenues collected; and
- Trends in the motor industry in the country.

The department derives its own revenue from tax receipts which comprise motor vehicle licenses; sales of goods and services other than capital assets; interest, dividends and rent on land; financial transactions in assets and liabilities and sales of capital assets. Motor vehicle licensing is by far the most important and productive source of revenue for the department. This department is the major contributor to the Provincial Revenue Fund (PRF) and as a result accounts for over half of GPG own revenue. In generating this revenue the department is also liable for direct charges: this includes amounts that are deducted from revenue collected to reimburse the primary collectors/agents of that revenue on behalf of the department.

The second contributor to revenue generation is sales of goods and services other than capital assets which consists of sale of tender documents. Expenditure from this source grew from R51.4 million in 2011/12 to R55.6 million in the 2013/14 financial year. The trend continues, growing to R63.2 million in 2014/15 due to higher than anticipated sales of documents. The increase from R67.9 million in 2015/16 to R75.1 million in the last year of the MTEF can be attributed to inflationary increments.

Interest, dividends and rent on land mainly consists of items such as interest on staff debts. The fluctuating trend can be attributed to the difficulty in accurately projecting for these items due to their uncertain nature, with receipts ranging from R596 000 in 2011/12 to R133 000 in 2012/12 and a further decrease to R38 000 in the 2013/14 financial year. During 2014/15 income from this source grew slightly to R723 000 and then decreased to R50 000 in 2015/16 to R60 000 over the MTEF.

The department also collects revenue from transactions in financial assets and liabilities, which consists of fees for recovery of debts. The fluctuations over the seven years under review can be attributed to the difficulty in budgeting for this item due to its uncertain nature. The income decreased between 2011/12 and 2012/13 from R4.1 million to R1.2 million before increasing to R4.8 million in 2014/15. Over the MTEF the expenditure is expected to remain constant at R1.5 million.

7. PAYMENT SUMMARY

7.1. Key assumptions

Guidelines for the compensation budget for the 2011 MTEF were based on the latest wage agreement within the public sector, and also take into account the CPIX inflation rate over that period. The following have been taken into account when determining personnel budgets for the new MTEF:

- Numbers of staff and possible changes over the MTEF;
- Basic salary costs including improvements to conditions of service (ICS) adjustments from 1 July (Levels 1 – 12) and January (senior management) each year;
- Salary increases for people with scarce skills;
- Grades and levels of staff;
- Increased take up of benefits such as medical aid and homeowners allowance;
- Contract employees;
- Overtime pay;
- Merit bonuses;
- Pension fund contributions, thirteenth cheque and overtime, all linked to the basic salary cost (increases at the same rate);
- Medical aid contributions which normally increase more rapidly than inflation;
- Homeowners allowance which changes with the interest rate; and
- Skills development.

7.2. Programme summary

TABLE 9.3: SUMMARY OF PAYMENTS AND ESTIMATES: ROADS AND TRANSPORT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Administration	175 629	180 069	197 786	289 457	273 457	273 846	317 637	346 030	365 309
2. Transport Infrastructure	1 151 530	1 797 355	1 673 919	2 099 296	2 087 748	2 172 100	2 259 326	2 367 583	2 501 641
3. Transport Operations	2 014 775	1 808 238	1 847 366	2 134 067	2 118 508	2 119 242	2 186 195	2 309 461	2 459 328
4. Transport Regulation	223 168	180 533	222 160	318 291	241 955	245 408	281 343	288 607	285 909
5. Gautrain	2 219 545	1 598 711	1 424 943	1 311 748	1 311 748	1 311 748	1 561 451	1 832 089	1 923 694
Total payments and estimates	5 784 647	5 564 906	5 366 174	6 152 859	6 033 416	6 122 344	6 605 952	7 143 770	7 535 881

Table 9.3 above indicates expenditure outcomes and budget allocations as categorised by the departmental programmes. The audited outcomes were less than R6 billion in each of the financial years and were very stable. The 2011/12 amount is high because the final tranche of the Gautrain construction costs was handed over in that year.

Over the MTEF, the allocation increases from R6.6 billion in 2015/16 to R7.5 billion in 2017/18. This is mainly due to inflationary increases in the departmental infrastructure allocation, and to Gautrain and the conditional grants.

Programme 1: Administration shows a significant increase from R175 million in 2011/12 to R198 million in the 2013/14 financial year due to the increase in discretionary allocation that allowed the department to deal with operational issues neglected in previous financial years as a result of the low resource base.

The increases under Programme 2 over the seven-year period are specifically related to the department's investment in the provincial road network, housed under Goods and Services and Buildings and other Fixed Structures. The increase in this programme is attributed mainly to the PRMG and to provincial earmarked infrastructure allocations for upgrading and additions to, maintenance of, and refurbishment and rehabilitation of roads and to the funding of projects that are at design implementation stage. These two allocations form the core function of the department. Expenditure for this programme amounted to R1.2 billion, R1.8 billion and R1.7 billion in the financial years 2011/12, 2012/13 and 2013/14 respectively. The downward adjustment in 2014/15 was as a result of the surrender back to the PRF of part of the infrastructure allocation. Expenditure for this programme continues to grow from R2.3 billion in 2015/16 to R2.5 billion in the last year of the MTEF as a result of the province's increasing infrastructure investment

Programme 3: Transport Operations shows a significant increase from 2011/12 onward due to the North-West Star allocation relating to the payment of bus subsidies through demarcated contracts. This is reflected against Transfers and Subsidies to public corporations and private enterprises. The increase over the MTEF is due to the growth of this allocation as well as the Public Transport Operations Grant (PTOG). The expenditure within this programme varies over a seven year period from R2 billion in 2011/12 to R1.8 billion in 2013/14. The allocations grows to R2.1 billion in 2014/15, though it was adjusted downwards during the adjustments budget as a result of infrastructure surrender. The expenditure increases from R2.2 billion in 2015/16, R2.3 billion in 2016/17 to R2.5 billion in 2017/18. These increases are mainly to account for inflation.

Programme 4 reflects steady expenditure decline from R223 million in 2011/12 to R222 million in 2013/14. This was accounted for by slow spending on the infrastructure allocations for the DLTCs and TOLABs within the province. During the 2014/15 financial year the budget was adjusted downwards as a result of the infrastructure surrender to the PRF. The increase in the budget for 2015/16 is as a result of the allocation for the CLLTs and the Agency Fee Review projects that will be conducted in that financial year. The rest of the MTEF period are only inflationary increases.

Programme 5 allocations decreased between 2011/12 and 2012/13 from R2.2 billion to R1.6 billion because the construction phase of the Gautrain was finalized during those financial years. Expenditure is expected to grow over the MTEF from R1.6 billion in 2015/16, to R1.8 billion in 2016/17 and R1.9 billion in 2017/18. This is mainly for maintenance and capacitation of the current system.

7.3. Summary of economic classification

TABLE 9.4: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ROADS AND TRANSPORT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	1 613 201	1 339 796	1 321 954	1 621 952	1 537 828	1 521 628	1 618 541	1 736 577	2 085 637
Compensation of employees	433 527	437 039	472 102	640 092	591 364	568 614	693 032	731 401	767 973
Goods and services	1 170 034	897 125	849 465	981 360	945 964	952 370	925 009	1 004 676	1 317 164
Interest and rent on land	9 640	5 632	387	500	500	644	500	500	500
Transfers and subsidies to	4 126 433	3 291 759	3 180 677	3 245 082	3 495 321	3 495 631	3 572 802	3 930 758	4 151 979
Provinces and municipalities	1 127	5 344	783	1 800	1 305	687	2 200	1 500	2 000
Departmental agencies and accounts	2 219 545	1 598 711	1 424 943	1 311 748	1 311 748	1 311 748	1 561 451	1 832 089	1 923 694
Public corporations and private enterprises	1 901 567	1 685 711	1 750 973	1 927 854	1 927 854	1 927 854	2 005 048	2 092 276	2 221 392
Households	4 194	1 993	3 978	3 680	254 414	255 342	4 103	4 893	4 893
Payments for capital assets	42 468	932 399	843 290	1 285 825	1 000 267	1 104 852	1 414 609	1 476 435	1 298 265
Buildings and other fixed structures	202	918 807	832 297	1 221 393	932 914	1 040 554	1 348 489	1 417 279	1 277 089
Machinery and equipment	19 653	9 031	9 900	64 432	60 853	57 798	58 320	51 356	13 376
Land and sub-soil assets	18 053								
Software and other intangible assets	4 560	4 561	1 093		6 500	6 500	7 800	7 800	7 800
Payments for financial assets	2 545	952	20 253			233			
Total economic classification	5 784 647	5 564 906	5 366 174	6 152 859	6 033 416	6 122 344	6 605 952	7 143 770	7 535 881

The total compensation of employees has increased steadily, from R433 million in 2011/12 to R472 million in 2013/14, as a result of the annual improvements of conditions of service (ICS) increases. The budget was adjusted downwards during the adjustment budget to allow the department to settle the legal liabilities that became due during the financial year. Over the MTEF, the allocation for compensation increases from R693 million in 2015/16 to R768 million in 2017/18, primarily due to funding departmental capacity as per the revised organisational structure, though not fully so as the allocation is inadequate for the entire structure.

The department's goods and services expenditure decreased from R1.1 billion in 2011/12 to R849 million in 2013/14 as a result of Standard Chart of Accounts (SCOA) changes to the infrastructure allocations that removed infrastructure expenditure from the goods and services item. It continues to decrease during 2013/14 because this budget also formed part of the surrender of infrastructure spending back to the PRF. Over the MTEF the budget increases because the majority of the infrastructure allocation is to allow the province to continue to invest in the maintenance of routes that are alternative to those that are tolled within the province to ensure that they do not deteriorate as a result of high usage.

The transfers and subsidies item consists mainly of the allocation for the Gautrain project as well as the PTOG. The amount against the departmental agencies and accounts relates to payments made in respect of the Gautrain. This is mainly for maintenance and capacitation of the current system. Expenditure continues to grow over the seven year period due to inflationary increases. The amounts against public corporations and private enterprises relates to transfers to the public transport operators, including the North West Star contracts.

The payment for capital assets item is for capital infrastructure projects, for the department's capital operational requirements and for the software licenses due on IT systems within the department. The land and subsoil assets item was shifted to buildings and other fixed structures from the 2012/13 financial year as a result of SCOA changes, for the same reason that expenditure under the buildings and other fixed structures only commenced from the same financial year. The increases over the MTEF are as a result of the province's increased infrastructure investment.

7.1. Infrastructure payments

7.1.1. Departmental infrastructure payments

Please refer to the 2015 Estimates of Capital Expenditure (ECE)

7.4.2. Departmental Public-Private-Partnership (PPP) projects

N/A

7.2. Transfers

7.5.1. Transfers to public entities

N/A

7.5.2. Transfers to other entities

N/A

7.5.3. Transfers to local government

N/A

8. PROGRAMME DESCRIPTION

PROGRAMME 1: ADMINISTRATION

Programme description

To provide the department with overall management and administrative, strategic, financial and corporate support services in order to ensure that it delivers on its mandate in an integrated, efficient, effective and sustainable manner.

Programme objectives

- To render advisory, Parliamentary, secretarial, administrative and office support service to the MEC;
- To provide overall management of and support to the Department; and
- To manage personnel, procurement, finance, administration and related support services.

Key policies, priorities and outputs

Key priority areas:

- Institutionalise good governance systems;
- Enhance performance management systems to deliver effective services;
- Automate business process towards achieving efficiencies;
- Establish a departmental training and developmental centre (Zwartkop);
- Develop a knowledge portal that ensures sustainability of institutional memory;
- Establish a comprehensive human resource management system;
- Enhance the contract management system; and
- Create an external and internal regulatory environment.

Key Outputs:

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- 700 employees in designated categories that have undergone compulsory training programmes;
- 60 Interns and learners trained; and
- 70 per cent customer satisfaction level achieved.

TABLE 9.5: SUMMARY OF PAYMENTS AND ESTIMATES: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Office Of The MEC	6 035	6 935	6 971	11 647	11 647	11 301	13 224	14 019	14 681
2. Management Of The Department	22 877	24 987	10 338	23 626	15 433	16 192	25 033	28 745	30 808
3. Corporate Support	142 735	148 147	179 516	248 816	241 009	240 985	274 668	298 271	314 604
4. Departmental Strategy	3 982		961	5 368	5 368	5 368	4 712	4 995	5 216
Total payments and estimates	175 629	180 069	197 786	289 457	273 457	273 846	317 637	346 030	365 309

TABLE 9.6: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	168 491	176 073	192 534	282 557	250 048	250 026	293 257	324 450	348 553
Compensation of employees	104 922	106 782	114 708	130 440	130 440	131 166	151 522	161 192	169 253
Goods and services	63 444	69 026	77 770	151 987	119 478	118 730	141 605	163 128	179 170
Interest and rent on land	125	265	56	130	130	130	130	130	130
Transfers and subsidies to	1 865	262	667	500	509	504	500	500	500
Provinces and municipalities		75			5	4			
Households	1 865	187	667	500	504	500	500	500	500
Payments for capital assets	3 543	3 510	4 494	6 400	22 900	23 283	23 880	21 080	16 256
Buildings and other fixed structures						416	3 000		
Machinery and equipment	3 533	3 254	4 441	6 400	16 400	16 367	14 880	15 080	10 256
Software and other intangible assets	10	256	53		6 500	6 500	6 000	6 000	6 000
Payments for financial assets	1 730	224	91			33			
Total economic classification	175 629	180 069	197 786	289 457	273 457	273 846	317 637	346 030	365 309

The sub-programmes within this programme are administrative in nature, therefore the allocations are funded from the equitable share portion of the departmental allocation. The spending within the MEC's office has averaged out over the 2011/12 to 2013/14 financial years. This programme then grows with inflation from 2014/15 to the end of the MTEF period. The Management sub-programme, which is made up of the HOD's office, Risk Management and the anti-fraud and corruption units, registered very low spending in the 2013/14 financial year in comparison to the previous financial years as a result of the budget shifts within that programme during the 2013/14 financial year; however from the 2014/15 financial year to the end of the MTEF period the budget increases exponentially. This is to allow the unit to capcitate the sub-units. In 2013/14 a decision was made within the department to centralise budgeting for items such as telephones, training for all employees and software licenses to Coporate Services. This meant that expenditure grew exponentially from 2011/12 to 2013/14. The budget then stabilises over the MTEF and grows only with inflationary increases. Departmental Strategy's expenditure and allocation are very low because the unit is very small and mainly needs budget for salaries and basic operational requirements only.

Compensation of employees increased steadily from R105 million in 2011/12 to R115 million in 2013/14. It then increases to R130 million in 2014/15, with this trend continuing with growth to R152 million in 2015/16, R161 million in 2016/17 and R169 million in the last year of the MTEF. The increases are as a result of improvements in the ICS.

The programme's goods and services budget increased from R63 million in 2011/12 to R78 million two financial years later. This was for the operational requirements of the units within the programme. Expenditure increases to R152 million in 2014/15 because of the centralisation of budget and expenditure, and the increase in the total allocation for operational budget that has allowed the department to fund issues such as the maintenance of the department's priorities. The increases over the MTEF are mainly inflationary.

The only item used for transfers and subsidies within this programme is households. This is for pension benefits,

leave gratuities and injury on duty claims. All these items are very difficult to budget for, however over the years the expenditure has been steady. The budget going forward is set at R500 000 and the department will make budget shifts as and when they are required to clear any over-spending should it occur.

The R3 million within the buildings and other fixed structures item is for the designs for the Zwartkop training centre that is going to be revamped and turned into a fully fledged training centre over the MTEF period. The department will fund the designs from the discretionary allocation, and from the 2016/17 financial year when they are complete the construction will be funded from the infrastructure allocation, and will only be determined after the finalisation of the designs. In a bid to save the limited resources allocated, the department has ensured that all units re-use existing furniture rather than purchasing new furniture; hence the stable increases in spending within the machinery and equipment items from 2011/12 to 2014/15. The budget was adjusted upwards in 2014/15 to allow the department to commence with repairs on the air-conditioning system that has not been operating for a number of years. This increase also continues onto the MTEF as a result of the same air-conditioning system.

The software and intangible assets item is for the software licenses that the department pays annually to different service providers. This has remained stable through the years. The allocation was shifted to this item from the 2014/15 financial year as a result of SCOA. Previously it was paid for from goods and services.

SERVICE DELIVERY MEASURES

PROGRAMME 1: ADMINISTRATION

Performance measures	Estimated Annual Targets		
	2015/16	2016/17	2017/18
Approved Departmental HRD Implementation Plan	Approved Departmental HRD Implementation Plan	Approved Departmental HRD Implementation Plan	Approved Departmental HRD Implementation Plan
Job Access Strategic Framework Implementation Plan submitted to DPSA	Job Access Strategic Framework Implementation Plan submitted to DPSA	Job Access Strategic Framework Implementation Plan submitted to DPSA	Job Access Strategic Framework Implementation Plan submitted to DPSA
Gender Equality Strategic Framework Implementation Plan	Gender Equality Strategic Framework Implementation Plan	Gender Equality Strategic Framework Implementation Plan	Gender Equality Strategic Framework Implementation Plan
Approved Annual Human Resource Planning Implementation Report submitted to DPSA	Approved Annual Human Resource Planning Implementation Report submitted to DPSA	Approved Annual Human Resource Planning Implementation Report submitted to DPSA	Approved Annual Human Resource Planning Implementation Report submitted to DPSA
Number of employees in designated categories that have undergone compulsory training programme.	800	750	800
Number of interns and learners	65	70	80
Fully automated identified business processes and records management by 2019.	Mapping and System Design, Systems Development completed (20%).	Mapping and System Design, Systems Development completed (30%).	Mapping and System Design, Systems Development completed (40%).
Department's service standards and charter developed by 2017.	Charter and service standards document developed	Services Charters displayed at frontline services centres	Services Charters displayed at frontline services centres
% of Customer satisfaction level by 2019.	65%		75%
Stakeholder perception survey conducted	1		1
A departmental call centre established by March 2016	Departmental call centre established		
Percentage of tenders awarded within 90 days	100%	100%	100%
Percentage of BBBEE expenditure awarded to HDIs	80%	80%	80%
Percentage of BBBEE expenditure awarded to Women	30%	30%	30%
Percentage of BBBEE expenditure awarded to Youth	10%	10%	10%
Percentage of BBBEE expenditure awarded to People with Disabilities	5%	5%	5%

PROGRAMME 2: TRANSPORT INFRASTRUCTURE

Programme description

To promote accessibility and the safe, affordable movement of people, goods and services through the delivery and maintenance of transport infrastructure that is sustainable, integrated and environmentally sensitive, and which supports and facilitates social empowerment and economic growth.

Programme objectives

- Provide planning for all modes of transport including the movement of goods and passengers to integrate transport and spatial planning;

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- Provide for planning and co-ordination towards the formulation of provincial transport policies and statutory plans;
- Plan integrated modal transport facilities and systems for all modes of transport including non-motorised transport;
- Promote and improve safety on transport infrastructure;
- Facilitate the provision of road safety audits on all roads and transport infrastructure to ensure safe traffic and people movement;
- Provide data collection services and research to provide management information systems for the provincial road network;
- Provide design of road and transport infrastructure including all necessary support functions such as environmental impact assessments, traffic impact assessments, surveys, expropriations, material investigations and testing;
- Develop new roads and re-construct, upgrade and rehabilitate road and transport infrastructure; and
- Effectively maintain road and transport infrastructure.

Key policies, priorities and outputs

Key priorities:

- Non-motorised transport providing pedestrian paths and cycle ways;
- Continued provincial-wide mobility through the upgrading of road infrastructure; and
- Effective management of existing transport infrastructure.

Key Outputs

- 16 road designs completed;
- P1/1 (R82 Phase 1b) 79 624 m2 road upgraded;
- Leratong and Pienaarspoort intermodal facilities constructed;
- 15 000 m2 walkways and cycle lanes constructed in Voslorus and 20 000 m2 in Kaalfontein and Westonaria;
- 57.25 kms of roads rehabilitated;
- 30 kms of roads completed;
- 30 kms of roads regavelled; and
- 20 000 m2 blacktop patching completed.

TABLE 9.7: SUMMARY OF PAYMENTS AND ESTIMATES: TRANSPORT INFRASTRUCTURE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Infrastructure Planning	18 793	45 342	34 702	70 349	52 027	52 027	65 023	74 116	74 804
2. Infrastructure Design	110 927	106 691	129 533	237 241	113 371	163 331	231 676	219 765	186 750
3. Construction	277 481	293 396	409 078	438 878	863 849	510 251	1 135 031	925 415	1 041 380
4. Maintenance	744 231	1 305 916	1 061 276	1 309 526	760 012	1 148 000	767 735	1 083 863	1 130 819
5. Programme Support Infrastructure	98	46 010	39 330	43 302	298 489	298 489	59 861	64 424	67 888
Total payments and estimates	1 151 530	1 797 355	1 673 919	2 099 296	2 087 748	2 172 098	2 259 326	2 367 583	2 501 641

TABLE 9.8 SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: TRANSPORT INFRASTRUCTURE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	1 117 146	949 364	906 890	1 067 240	1 015 205	996 245	1 030 642	1 115 802	1 424 401
Compensation of employees	238 493	222 246	233 118	317 305	268 577	245 101	335 672	353 463	371 137
Goods and services	869 476	721 881	673 723	749 865	746 558	750 930	694 890	762 244	1 053 169
Interest and rent on land	9 177	5 237	49	70	70	214	80	95	95
Transfers and subsidies to	3 265	8 166	3 883	4 822	254 372	254 687	5 623	5 701	6 201
Provinces and municipalities	1 126	5 257	783	1 800	1 300	683	2 200	1 500	2 000
Public corporations and private enterprises	174	1 690							
Households	1 965	1 219	3 100	3 022	253 072	254 004	3 423	4 201	4 201
Payments for capital assets	30 471	839 220	748 455	1 027 234	818 171	920 968	1 223 061	1 246 080	1 071 039
Buildings and other fixed structures	202	836 565	745 046	972 102	776 318	881 337	1 182 021	1 214 944	1 069 799
Machinery and equipment	12 216	2 210	3 141	55 132	41 853	39 631	41 040	31 136	1 240

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Land and sub-soil assets	18 053								
Software and other intangible assets		445	268						
Payments for financial assets	648	605	14 691			200			
Total economic classification	1 151 530	1 797 355	1 673 919	2 099 296	2 087 748	2 172 100	2 259 326	2 367 583	2 501 641

The allocation for this programme includes the PRMG and provincial earmarked infrastructure allocations. These two allocations form the core of this programme and of the Department.

Infrastructure Planning

The unit is responsible for the infrastructure planning, which includes the route determinations, modelling centre and the freight databank. The unit was not fully funded during the 2011/12 to 2013/14 financial years, and expenditure was thus low in those years. The units's compensation of employees item was also fully funded after the organisational structure was approved in 2012. During the 2014/15 financial year the budget was adjusted downwards as a result of both the infrastructure surrender and the budget shifts to cover the legal liabilities that because due in that financial year. Over the MTEF, the budget remains stable.

Infrastructure Design

The unit is responsible for the design projects for the road infrastructure projects. The increased in expenditure from 2011/12 to 2013/14 financial years was as a result of the changes in the infrastructure allocations and the compensation of employees post the approval of the organisational structure. During the 2014/15 financial year the budget was adjusted downwards as a result of both the infrastructure surrender and the budget shifts to cover the legal liabilities that were due in that financial year. Over the MTEF, the budget remains stable, the full list of projects is available within the ECE.

Construction

The unit is responsible for the construction of roads within the province. The expenditure remained low from 2011/12 to 2013/14 financial years as a result of the fact that the focus was on maintenance of the provincial roads network rather than constructing new roads, this was also necessitated by the low infrastructure resources that were allocated in those financial years. During the 2014/15 financial year the budget was adjusted upwards as a result of the shift of rehabilitation projects from Maintenance to this unit, however there was also the infrastructure surrender in that financial year. Over the MTEF, the budget is higher than previously as a result of the increasing investment in road infrastructure within the province in order to provide alternative routes to the tolled roads.

Maintenance

The unit is responsible for the maintenance of roads within the province. The expenditure was high from 2011/12 to 2013/14 financial years as a result of the province's focus on maintenance of the provincial network rather than the construction of new roads. During the 2014/15 financial year the budget was adjusted downwards as a result of the shift of rehabilitation projects from this unit to Construction, the infrastructure surrender and the budget shifts to cover the legal liabilities that because due in that financial year. Over the MTEF, the budget is lower than previously because it is only for pure maintenance infrastructure projects.

The compensation of employees decreased steadily from R239 million in 2011/12 to R233 million in 2013/14, this was as a result of vacancies that occurred during that period. In 2014/15 the allocations increased in order to cater for the ICS, but was adjusted downwards and shifted accordingly to to cover the legal liabilities that were due in that financial year. Over the MTEF it increases from R355.7m in 2015/16 to R371.1 million in 2017/18 as a result of the improvements in the conditions of service (ICS).

The programme's goods and services budget decreased from R869.5 million in 2011/12 to R673.7 million two financial years later. This was as a result of the very low infrastructure spending in 2013/14 for all the infrastructure units. The allocation then increases to R749.8 million during 2014/15 as a result of the inflationary increases in the allocations. The increases over the MTEF increases from R694.9 million to R1.1 billion in 2017/18 mainly due to inflationary increases, and also link to the increase in the PRMG in the last financial year.

The items used for transfers and subsidies are for the payments of licensing fees for the construction fleet as well as households, which is for pension benefits, leave gratuities and all injury on duty claims. The licensing fees are funded from infrastructure and are budgeted fully each financial year. The household items however are very

difficult to budget for. The budget going forward is set at R3.4 million to R4.2 million in the last year of the MTEF and the department will make budget shifts as and when they are required to clear any over-spending should it occur. The very high increase in the households item in the 2014//15 financial year was for the payment of the legal liabilities that were due in that financial year.

The capital items are mainly for the infrastructure allocations, and the full list thereof is available in the ECE. The increases are based on the allocations per project, the project life-cycles as well as the need analysis of infrastructure within the province. The allocation increases from R1.2 billion in 2015/16 to R1.2 billion in 2016/17 and a slight decrease in 2017/18 to R1.1 billion.

SERVICE DELIVERY MEASURES

PROGRAMME 2: TRANSPORT INFRASTRUCTURE

Performance measures	Estimated Annual Targets		
	2015/16	2016/17	2017/18
Number of designs completed	16 Designs completed	20 Designs completed	19 Designs completed
Number of m2 of surfaced roads upgraded	200 984 m2	148 000 m2	568 320 m2
Number of intermodal facilities completed	1 Vereeniging phase 1	1 Park Station	2 Krugersdorp and Naledi
Number of m2 Non Motorized Transport (NMT) infrastructure completed	55 000m2	100 000 m2 at various Municipalities	100 000 m2 at various Municipalities
Number of m2 of surfaced roads rehabilitated	633 884.00 m2	1 051 910m2	996 706 m2
ITS Project Implementation Plan approved by 2016	ITS Project Implementation Plan approved		
Number of m2 of surfaced roads resealed.	350 000 m2	380 000 m2	400 000 m2
Number of kilometres of gravel roads re-gravelled	102.32km	80 km	82km
Number of m ² of blacktop patching	125 000 m2	134 000 m2	145 000 m2
Number of kilometres of gravel roads bladed	1388km	1388km	1388km
Number of weighbridges calibrated to SABS standard	4	4	5
Number of abnormal load permits issued	27 000	28 000	29 000

PROGRAMME 3: TRANSPORT OPERATIONS

Programme description

- To plan, regulate and facilitate the provision of integrated land transport services through co-ordination and co-operation with national planning authorities, CBOs, NGOs and the private sector in order to enhance the mobility of all communities particularly those currently without, or with limited, access.

Programme objectives

- Management of integrated land transport contracts to provide mobility to commuters; and
- Manage, co-ordinate and facilitate transport safety and compliance in all modes with related legislation, regulations and policies through pro-active and reactive tactics and strategies

Policies, priorities and outputs

Key Priorities:

- Province-wide integrated ticketing.
- Integrated passenger information and communication.
- Integration with the commuter rail corridor modernisation project of PRASA.
- Restructuring of subsidised road based public transport.

Key Outputs

- Number of routes subsidised - 3 130 (Non-cumulative)
- Number of kilometres subsidised - 99 931 969.72 kms
- Number of trips subsidised – 1 780 318 trips

TABLE 9.9: SUMMARY OF PAYMENTS AND ESTIMATES: TRANSPORT OPERATIONS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Public Transport Services	2 012 733	1 805 145	1 842 137	2 115 055	2 099 496	2 099 496	2 169 084	2 290 594	2 437 846
2. Programme Support Operations	2 042	3 093	5 229	19 012	19 012	19 746	17 111	18 867	21 482

Total payments and estimates	2 014 775	1 808 238	1 847 366	2 134 067	2 118 508	2 119 242	2 186 195	2 309 461	2 459 328
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TABLE 9.10: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: TRANSPORT OPERATIONS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	112 858	59 480	40 151	79 963	79 963	80 697	76 439	81 200	86 576
Compensation of employees	17 032	18 383	18 604	42 213	42 213	42 213	45 689	48 110	50 516
Goods and services	95 761	41 097	21 547	37 750	37 750	38 484	30 750	33 090	36 060
Interest and rent on land	65								
Transfers and subsidies to	1 901 510	1 684 068	1 750 999	1 927 954	1 927 954	1 927 954	2 005 168	2 092 406	2 221 522
Public corporations and private enterprises	1 901 393	1 684 021	1 750 973	1 927 854	1 927 854	1 927 854	2 005 048	2 092 276	2 221 392
Households	117	47	26	100	100	100	120	130	130
Payments for capital assets	397	64 690	50 768	126 150	110 591	110 591	104 588	135 855	151 230
Buildings and other fixed structures		64 591	50 768	125 450	109 891	109 891	104 268	135 495	150 790
Machinery and equipment	397	99		700	700	700	320	360	440
Payments for financial assets	10		5 448						
Total economic classification	2 014 775	1 808 238	1 847 366	2 134 067	2 118 508	2 119 242	2 186 195	2 309 461	2 459 328

The PTOG and the North West Star demarcation contracts are funded within this programme, which explains the high budget and expenditure in the tables above. These are both captured in the Transfers item. The expenditure has been growing steadily, though minimally, because of inflationary adjustments to the PTOG.

Expenditure within compensation of employees grew steady from the 2011/12 to 2013/14 financial years from R17 million to R18.6 million because of the approved organisational structure and the effort to fill it. The increase in the 2014/15 financial year to R42.2 million was in line with the requirements of the unit as per the revised organisational structure. The increase to R45.7 million in 2015/16; R48.1 million in 2016/17; and R50.5 million in the last year of the MTEF is only in relation to the ICS.

The programme's goods and services expenditure reduces drastically from R95.7 million in 2011/12 to R41.1 million in 2012/13. This is as a result of the SCOA changes that required that the infrastructure budget be allocated to the capital assets item. From 2012/13 expenditure within goods and services therefore only relates to operational expenditure, which includes the monitoring of the public transport operators aligned to the PTOG. As a result of budgetary constraints the amount then remains low amounting to R37.8 million in 2014/15; R30.8 million in 2015/16; and R36.1 million in the last year of the MTEF.

The department's PTOG and the North West Star are both allocated within the Transfers and Subsidies item within this programme, and there are the regular operational items of the department, i.e. the households item. Expenditure decreased slightly between 2011/12 and 2012/13 from R1.9 billion to R1.7 billion and then increases slightly again in 2013/14 to R1.8 billion. The budget continues to grow in 2014/15 to R1.9 billion, and over the MTEF, from R2.0 billion in the first year of the MTEF to R2.1 billion in 2016/17 and R2.2 billion in 2017/18. These increases are inflationary in nature.

The infrastructure budget and expenditure is within capital assets, specifically the buildings and other fixed structures item. Infrastructure projects are within the ECE, which provides more details, however the NMT, Shovakalula and the public transfer facilities projects are within this programme.

The infrastructure budget and expenditure is within the capital assets, specifically the buildings and other fixed structures item. The infrastructure projects are within the ECE, which provides more details, however the Non Motorised Transport (NMT), Shovakalula and the Public Transfer Facilities projects are within this programme. The budget over MTEF is expected to grow from R104.6 million in 2015/16 to R151.2 million in the last year of the MTEF.

SERVICE DELIVERY MEASURES**PROGRAMME 3: TRANSPORT OPERATIONS**

Performance measures	Estimated Annual Targets		
	2015/16	2016/17	2017/18
Public Transport Business and Operational Plans - Moloto Corridor (IC 52)		Public Transport Business and Operational Plans – Soshanguve (IC 51)	
Deep South (CO) (IC 48, D17-D22, GT1062/1-5)		Mamelodi (D23-D26)	Public Transport Business and Operational Plans – Vaal (GT667/1-4) and Ekurhuleni (IC 56 and GT1187/1-4)
Number of business and operational plans developed by 2018		Northern Tshwane (IC 53, IC 54, IC10, IC 08 and D28-D30)	
West Rand bus subsidisation project implemented by 2017	Project Implementation Plan approved.	West Rand bus subsidisation project implemented	
Integrated Fare Management System operationalised by 2019	IFM system business requirements report	IFM System specification approved.	IFM system implementation commenced
Number of routes subsidised	3 130 (Non-cumulative)	3 130 (Non-cumulative)	3 130 (Non-cumulative)
Number of kilometres subsidised	99 931 969.72	99 931 969.72	99 931 969.72
Number of trips subsidised	1 780 318	1 780 318	1 780 318
Number of provincial regulating entity hearings conducted in terms of Section 59 & 79 of the National Land Transport Act (NLTA) 2009	50	50	50

PROGRAMME 4: TRANSPORT REGULATION**Programme description**

To ensure the provision of a safe environment through the regulation of traffic on public infrastructure, law enforcement, implementation of road safety education and awareness programmes and registration and licensing of vehicles and drivers.

Programme objectives

- To monitor and control registration and licensing of all motor vehicles and to render services regarding the administration of applications in terms of the National Road Traffic Act (Act 93 of 1996);
- To implement laws and regulations relating to vehicle registration and licensing, vehicle fitness testing and driver fitness testing; and
- To manage, approve and control registration of transport operators and issue all licenses and permits required in terms of legislation.

Key policies, priorities and outputs**Key Priorities:**

- Regulation and enforcement of public transport;
- Transformation of the taxi industry;
- Improved institutional arrangements for effective regulation and control;
- Route compliance monitoring to ensure that public transport associations operate on allocated routes and ranks; and
- A dedicated public transport Inspectorate, critical to the verification and auditing of routes.

Key Outputs:

- Establishment of DLTCs - 1 Kagiso;
- Number of existing DLTCs refurbished - 2 Temba and Mabopane;
- Number of permits/operating licenses issued by 2019 - 9 500;
- Number of permits converted to operating licenses by 2019 - 4 000; and
- Number of TOLABs refurbished by 2019 - 1 Koedoespoort.

TABLE 9.11: SUMMARY OF PAYMENTS AND ESTIMATES: TRANSPORT REGULATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Transport Administration And									
Licensing	179 598	127 433	165 314	219 739	155 773	157 821	198 038	201 468	193 709

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
2. Operator Licence And Permits	43 570	53 100	56 846	98 552	86 182	87 587	83 305	87 139	92 200
Total payments and estimates	223 168	180 533	222 160	318 291	241 955	245 408	281 343	288 607	285 909

TABLE 9.12: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: TRANSPORT REGULATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	214 706	154 879	182 379	192 192	192 612	194 660	218 203	215 125	226 107
Compensation of employees	73 080	89 628	105 672	150 134	150 134	150 134	160 149	168 636	177 067
Goods and services	141 353	65 121	76 425	41 758	42 178	44 226	57 764	46 214	48 765
Interest and rent on land	273	130	282	300	300	300	290	275	275
Transfers and subsidies to	248	552	185	58	738	738	60	62	62
Provinces and municipalities	1	12							
Households	247	540	185	58	738	738	60	62	62
Payments for capital assets	8 057	24 979	39 573	126 041	48 605	50 010	61 280	71 620	57 940
Buildings and other fixed structures		17 651	36 483	123 841	46 705	48 910	59 200	66 840	56 500
Machinery and equipment	3 507	3 468	2 318	2 200	1 900	1 100	2 080	4 780	1 440
Software and other intangible assets	4 550	3 860	772						
Payments for financial assets	157	123	23				1 800	1 800	1 800
Total economic classification	223 168	180 533	222 160	318 291	241 955	245 408	281 343	288 607	285 909

The budget for the TOLAB and DLTC infrastructure projects are located within this programme, together with the allocations for licensing and registration functions. The audited outcome within this programme decreased marginally from R223 million in the 2011/12 financial year to R222 million in 2013/14. Over the MTEF the allocation increases from R281.3 million in 2015/16 to R285.9 million in 2017/18.

Expenditure within compensation of employees was steady from 2011/12 when it amounted to R73 million growing to R89.6 million in the 2012/13 financial year because there were no appointments during that time. The increase in the 2013/14 financial year to R105.7 million is to allow the unit to fill the revised organisational structure. The increases to R160.1 million in 2015/16; R168.6 million in 2017/18; and R177.1 million in 2017/18 is in relation to the ICS.

The programme's goods and services expenditure reduces drastically from R141.4 million in 2011/12 to R65.1 million in 2012/13. This is as a result of the SCOA changes that required that the infrastructure budget be allocated to capital assets item. This programme is responsible for the DLTCs and the TOLABS. The expenditure within goods and services from 2012/13 therefore only relates to operational expenditure, and these are high because the department has to maintain the DLTCs constructed/upgraded as part of the infrastructure programme, and for which an earmarked allocation was made to the department strictly for this purpose, thus alleviating the pressure on the department's discretionary allocation. Expenditure trends over the MTEF are decreasing slowly ranging from R57.8 million in 2015/16; R46.2 million in 2016/17; and R48.8 million in 2017/18.

The infrastructure budget and expenditure is within capital assets, specifically the buildings and other fixed structures item. This item has been funded fully since the 2011/12 financial year, however the expenditure has been low. This is as a result of operational challenges and delays in the implementation of infrastructure in general. The funding was adjusted downwards during the 2014/15 financial year as a result of infrastructure surrender and the budget shifts to cover the legal liabilities that became due in that financial year. Over the MTEF, the TOLABS have not been funded, nor the DLTC projects that are currently underway. The department will assess the need for further infrastructure investment in the DLTCs in 2015/16 and the resources will be allocated accordingly in the next MTEF.

SERVICE DELIVERY MEASURES**PROGRAMME 4: TRANSPORT REGULATIONS**

Performance measures	Estimated Annual Targets		
	2015/16	2016/17	2017/18
Establishment of DLTCs	1 Kagiso	1	1
Number of DLTCs refurbished	2 Temba and Mabopane		
Number of compliance inspections conducted	120	125	130
Agency fee review report submitted to Treasury	1 report		
Number of permits/operating license issued by 2019	9 500	9 500	9 200
Number of permits converted to operating licenses by 2019	4 000	5 000	6 500
Number of fully registered minibus taxi associations in the Gauteng Province by 2019	15	15	15
Number of audited monitored routes completed by 2019	900	1 050	850
Number of Non Mini bus Taxi modes registered by 2019	460	510	520

PROGRAMME 5: GAUTRAIN**Programme description**

To plan, design and construct the Rapid Rail Link and ensure efficient management and implementation of the Gautrain.

Management of the concession agreement will remain one of the most important functions of the GMA. The agreement was concluded between the province, through the Department of Roads and Transport, on the one hand and the concessionaire on the other for the design, construction and operation of the railway line for the Gautrain Rapid Rail Project.

The agreement was concluded in terms of Treasury Regulation 16 as a public-private partnership (PPP) on the basis that the concessionaire will perform the institutional function of the province for the design, construction and operation of the railway line, acquiring the use of the land on which the railway line is established and the use of the railway line itself when constructed.

Programme objectives

The strategic objectives of the GMA are to manage, co-ordinate and oversee the Gautrain Rapid Rail Link Project in terms of the concession agreement. In order for the GMA to manage, co-ordinate and oversee the Gautrain Project, it must discharge the following main functions:

- Manage the concession agreement;
- Manage the project's finances, financial securities, insurance, socio-economic development objectives, assets and the maintenance thereof;
- Liaise and exchange information with the three spheres of government, interested and affected parties, institutions and professional bodies in South Africa and other countries;
- Enhance integration with the province's public transport system;
- Monitor government policies and legislation;
- Perform duties assigned by the Railway Safety Regulator;
- Protect the rail reserve and provincial transport infrastructure involved in the project in terms of the Gauteng Transport Infrastructure Act; and
- Establish and operate information and management systems.

TABLE 9.13: SUMMARY OF PAYMENTS AND ESTIMATES: GAUTRAIN

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Gautrain Rapid Link	2 219 545	1 598 711	1 424 943	1 311 748	1 311 748	1 311 748	1 561 451	1 832 089	1 923 694
Total payments and estimates	2 219 545	1 598 711	1 424 943	1 311 748	1 311 748	1 311 748	1 561 451	1 832 089	1 923 694

TABLE 9.14: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: GAUTRAIN

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Transfers and subsidies to	2 219 545	1 598 711	1 424 943	1 311 748	1 311 748	1 311 748	1 561 451	1 832 089	1 923 694
Departmental agencies and accounts	2 219 545	1 598 711	1 424 943	1 311 748	1 311 748	1 311 748	1 561 451	1 832 089	1 923 694
Total economic classification	2 219 545	1 598 711	1 424 943	1 311 748	1 311 748	1 311 748	1 561 451	1 832 089	1 923 694

Total payments for the programme decreased from R2.2 billion in 2011/12 to R1.4 billion in 2013/14. This is because the construction phase of the Gautrain was already finalised. Expenditure continues to decrease between 2013/14 and 2014/15, however over the MTEF the allocation grows from R1.5 billion in 2015/16; to R1.8 billion in 2016/17; and R1.9 billion in 2017/18 mainly for the operational phase of the project

9. OTHER PROGRAMME INFORMATION

9.1. Personnel numbers and costs

TABLE 9.15: PERSONNEL NUMBERS AND COSTS

Personnel numbers	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	As at 31 March 2018
1. Administration	252	243	273	283	293	300	308
2. Transport Infrastructure	1 651	1 032	1 007	970	1 016	1 063	1 105
3. Transport Operations	55	51	51	54	57	61	64
4. Transport Regulation	325	336	382	390	403	416	428
Total provincial personnel numbers	2 283	1 662	1 713	1 697	1 769	1 840	1 905
Total provincial personnel cost (R thousand)	433 527	437 039	472 102	568 614	693 032	731 401	767 973
Unit cost (R thousand)	190	263	276	335	392	398	403

TABLE 9.16: SUMMARY OF DEPARTMENTAL PERSONNEL NUMBER AND COSTS: ROADS AND TRANSPORT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Total for province									
Personnel numbers (head count)	2 283	1 662	1 713	1 697	1 697	1 697	1 769	1 840	1 905
Personnel cost (R thousands)	433 527	437 039	472 102	640 092	591 364	568 614	693 032	731 401	767 973
Human resources component									
Personnel numbers (head count)	80	100	136	136	136	136	136	136	136
Personnel cost (R thousands)	11 000	11 000	29 206	15 000	15 000	15 000	15 000	15 000	15 000
Personnel numbers (head count)	100	100	65	63	63	63	66	69	72
Personnel cost (R thousands)	21 500	21 500	25 655	23 000	23 000	23 000	23 000	23 000	23 000
Head count as % of total for department	4.4%	6.0%	3.8%	3.7%	3.7%	3.7%	3.7%	3.8%	3.8%
Personnel cost as % of total for department	5.0%	4.9%	5.4%	3.6%	3.9%	4.0%	3.3%	3.1%	3.0%
Full time workers									
Personnel numbers (head count)	2 283	1 662	1 603	1 614	1 614	1 614	1 691	1 840	1 905
Personnel cost (R thousands)	433 527	437 039	437 706	607 075	607 075	607 075	661 065	731 401	767 971
Head count as % of total for department	100.0%	100.0%	93.6%	95.1%	95.1%	95.1%	95.6%	100.0%	100.0%
Personnel cost as % of total for department	100.0%	100.0%	92.7%	94.8%	102.7%	106.8%	95.4%	100.0%	100.0%
Personnel numbers (head count)			110	83	83	83	78		
Personnel cost (R thousands)			32 396	32 911	32 911	32 911	31 967		
Head count as % of total for department	0.0%	0.0%	6.4%	4.9%	4.9%	4.9%	4.4%	0.0%	0.0%
Personnel cost as % of total for department	0.0%	0.0%	6.9%	5.1%	5.6%	5.8%	4.6%	0.0%	0.0%

The organisational structure of the department was approved in 2012, which meant that there were recalculations and realignments of the posts within the entire organisation. This resulted in the total number of posts reducing drastically from 2 283 to 1 662. This approved structure has been revised within most of the units since the approval and this will result in the annual changes as per the table.

The allocated budget for compensation of employees will not be adequate for all the posts in the structure, therefore the department will continue to fill the structure piecemeal until it is fully implemented. It should however be noted that the department may maintain a vacancy rate of about 10 per cent of the total posts in the organisational structure throughout all the units.

9.2. Training

TABLE 9.17: PAYMENTS ON TRAINING: ROADS AND TRANSPORT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Administration	6 331	6 388	168	3 210	3 210	3 210	2 573	2 802	2 823
Subsistence and travel	118	175	68	500	500	500	300	420	441
Payments on tuition	6 213	6 213	100	2 710	2 710	2 710	2 273	2 382	2 382
2. Transport Infrastructure	1 788	1 788	152	2 420	2 420	2 420	5 535	5 862	5 890
Subsistence and travel	1 788	1 788	52	300	300	300	500	560	588
Payments on tuition			100	2 120	2 120	2 120	5 035	5 302	5 302
3. Transport Operations	536	537	124	720	720	720	805	862	869
Subsistence and travel	13	14	24	100	100	100	120	140	147
Payments on tuition	523	523	100	620	620	620	685	722	722
4. Transport Regulation			120	1 250	1 250	1 250	2 622	2 770	2 782
Subsistence and travel			20	250	250	250	220	240	252
Payments on tuition			100	1 000	1 000	1 000	2 402	2 530	2 530
Total payments on training	8 655	8 713	564	7 600	7 600	7 600	11 535	12 295	12 363

TABLE 9.18: INFORMATION OF TRAINING: ROADS AND TRANSPORT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Number of staff	2 283	1 662	1 713	1 697	1 697	1 697	1 769	1 840	1 905
Number of personnel trained	739	739	739	1 800	1 800	1 800	700	700	700
Male	636	636	636	900	900	900	450	450	450
Female	103	103	103	900	900	900	250	250	250
Number of training opportunities	50	50	50	60	60	60	80	90	95
Tertiary	50	50	50	60	60	60	80	90	95
Number of bursaries offered	53	11	53	60	60	60	80	100	100
Number of interns appointed	72	72	72	10	10	10	30	35	35
Number of learnerships appointed	148	148	148	10	10	10	30	35	35

The total training budget, that will cover all the employees within the department will be over R10 million for each of the financial years in the MTEF. This has been allocated to each unit to ensure that all employees has access to any training programme that will further enhance their ability to deliver on their mandate. The training is also available to all employees, male and female, and there are plans to ensure that the existing staff complement is trained accordingly, and to further capacitate the built environment related employees in order to support them to register with the appropriate institutions for their respective professions.

The subsistence and travel budget is very low in comparison to the training budget because most of the training will be within the province and very little is expected to be spent on transporting employees to other areas.

8.3. Reconciliation of structural changes

No changes to the programme structure.

ANNEXURES TO ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE

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TABLE 9.19: SPECIFICATION OF RECEIPTS: ROADS AND TRANSPORT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Tax receipts	2 227 725	2 401 619	2 644 876	2 743 798	2 743 798	2 743 798	2 987 393	3 142 737	3 299 874
Motor vehicle licences	2 227 725	2 401 619	2 644 876	2 743 798	2 743 798	2 743 798	2 987 393	3 142 737	3 299 874
Sales of goods and services other than capital assets	51 421	53 711	55 661	63 191	63 191	63 191	67 993	71 597	75 176
Sale of goods and services produced by department (excluding capital assets)	51 421	53 711	55 661	63 191	63 191	63 191	67 993	71 597	75 176
Sales by market establishments	51 421	53 711	55 661	63 191	63 191	63 191	67 993	71 597	75 176
Interest, dividends and rent on land	596	133	38	723	723	723	50	55	60
Interest	596	133	38	723	723	723	50	55	60
Sales of capital assets		10 162	5 983						
Other capital assets		10 162	5 983						
Transactions in financial assets and liabilities	4 134	1 226	885	4 838	4 838	4 838	1 500	1 500	1 500
Total departmental receipts	2 283 876	2 466 851	2 707 443	2 812 550	2 812 550	2 812 550	3 056 936	3 215 889	3 376 610

TABLE 9.20: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	168 491	176 073	192 534	282 557	250 048	250 026	293 257	324 450	348 553
Compensation of employees	104 922	106 782	114 708	130 440	130 440	131 166	151 522	161 192	169 253
Salaries and wages	94 431	94 796	102 098	87 673	87 673	88 399	100 448	117 177	123 037
Social contributions	10 491	11 986	12 610	42 767	42 767	42 767	51 074	44 015	46 216
Goods and services	63 444	69 026	77 770	151 987	119 478	118 730	141 605	163 128	179 170
Administrative fees	375	431	560	500	500	422	492	484	484
Advertising	9 336	3 603	8 018	5 620	5 575	4 830	6 185	6 802	6 702
Minor Assets	1 261	32	28	840	390	841	721	770	812
Audit cost: External	4 670	3 762	5 834	6 000	7 000	6 729	6 000	6 000	6 000
Bursaries: Employees	444	780	130	1 700	1 815	1 700	1 900	2 000	2 000
Catering: Departmental activities	613	534	335	2 927	2 167	2 167	2 956	3 245	3 355
Communication (G&S)	8 770	18 347	12 252	21 100	20 309	20 309	23 200	25 400	25 500
Computer services	2 611	5 765	7 468	8 450	950	5 450	9 600	10 000	10 100
Consultants and professional services: Business and advisory services	5 167	2 616	3 483	9 130	8 530	8 200	7 000	10 500	10 000
Consultants and professional services: Infrastructure and planning	219	5					2 000	2 000	
Consultants and professional services: Scientific and technological services	2 786	1 775							

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Consultants and professional services:									
Legal costs	120	477	1 747	1 600	1 708	3 310	3 000	2 500	2 500
Contractors	11 240	454	313	6 670	6 670	5 545	9 346	9 600	9 850
Agency and support / outsourced services		2 027	187						
Fleet services (including government motor transport)		3	10 296	6 698	6 756	5 833	8 600	9 800	10 900
Housing		55							
Inventory: Clothing material and accessories	20								
Inventory: Farming supplies			1			76			
Inventory: Food and food supplies	62	260	3	150	145	118			
Inventory: Fuel, oil and gas						206			
Inventory: Materials and supplies	3	115	3	1 450	3 450	1 840	2 200	2 100	100
Inventory: Medicine		38							
Medsas inventory interface		83							
Inventory: Other supplies				6 959	919	450	1 800	13 206	31 477
Consumable supplies	8	5	237		1 460	462			
Consumable:									
Stationery, printing and office supplies	1 363	2 742	4 482	6 474	6 379	6 341	6 880	7 480	7 480
Operating leases	(89)	1 308	2 365	10 000	1 000	1 000	1 000	1 000	1 000
Property payments	608	16 165	14 815	39 529	26 529	26 529	27 000	27 000	27 000
Transport provided:									
Departmental activity	84	82	96	80	180	720	110	120	140
Travel and subsistence	6 696	2 926	1 572	4 440	4 836	3 338	6 970	8 150	8 250
Training and development	1 581	675	1 375	6 450	6 450	6 450	10 395	10 971	11 520
Operating payments	4 745	2 921			40	40			
Venues and facilities	751	1 040	2 170	5 220	5 720	5 738	4 250	4 000	4 000
Rental and hiring						86			
Interest and rent on land	125	265	56	130	130	130	130	130	130
Interest	125	265	56	130	130	130	130	130	130
Transfers and subsidies	1 865	262	667	500	509	504	500	500	500
Provinces and municipalities		75			5	4			
Provinces					5	4			
Provincial Revenue Funds					5	4			
Municipalities		75							
Municipal agencies and funds		75							
Households	1 865	187	667	500	504	500	500	500	500
Social benefits	1 865	124			4				

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R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Other transfers to households		63	667	500	500	500	500	500	500
Payments for capital assets	3 543	3 510	4 494	6 400	22 900	23 283	23 880	21 080	16 256
Buildings and other fixed structures						416	3 000		
Buildings						416			
Other fixed structures							3 000		
Machinery and equipment	3 533	3 254	4 441	6 400	16 400	16 367	14 880	15 080	10 256
Other machinery and equipment	3 533	3 254	4 441	6 400	16 400	16 367	14 880	15 080	10 256
Software and other intangible assets	10	256	53		6 500	6 500	6 000	6 000	6 000
Payments for financial assets	1 730	224	91			33			
Total economic classification	175 629	180 069	197 786	289 457	273 457	273 846	317 637	346 030	365 309

TABLE 9.21: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: TRANSPORT INFRASTRUCTURE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	1 117 146	949 364	906 890	1 067 240	1 015 205	996 245	1 030 642	1 115 802	1 424 401
Compensation of employees	238 493	222 246	233 118	317 305	268 577	245 101	335 672	353 463	371 137
Salaries and wages	194 568	190 819	200 761	239 404	198 404	187 203	254 839	268 345	281 763
Social contributions	43 925	31 427	32 357	77 901	70 173	57 898	80 833	85 118	89 375
Goods and services	869 476	721 881	673 723	749 865	746 558	750 930	694 890	762 244	1 053 169
Administrative fees	235	99	117	188	243	244	194	200	200
Advertising	1 606	733	3 935	4 190	4 240	4 640	8 250	9 200	10 200
Minor Assets	(374)	174	47		29	166	260	284	310
Catering: Departmental activities	116	12	60	193	293	144	204	165	165
Communication (G&S)	2 825	1 928	2 534			28			
Computer services	87	2 063	83			78			
Consultants and professional services: Business and advisory services	994	1 996		2 800	460	460	3 300	3 800	3 800
Consultants and professional services: Infrastructure and planning	103 030	29 991	5 616	60 215	20 703	21 512	12 555	18 450	16 500
Consultants and professional services: Laboratory services			175			2	50	55	60
Consultants and professional services: Scientific and technological services		48							
Consultants and professional services: Legal costs	3 747	9 110	6 070	5 100	5 100	5 163	6 250	7 345	8 440
Contractors	639 475	600 008	532 570	657 559	678 757	681 374	628 431	685 873	975 587

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Agency and support / outsourced services	3 485	58			10	7			
Fleet services (including government motor transport)	54 565	22 944	28 374	3 316	3 516	3 458	8 100	9 120	10 150
Inventory: Clothing material and accessories			1 596						
Inventory: Food and food supplies	52	6	1						
Inventory: Fuel, oil and gas	2 997	249	145		5	5			
Inventory: Materials and supplies	17 150	19 027	66 548		330	671			
Inventory: Medical supplies		4							
Consumable supplies	2 822	8 131	55		18	41			
Consumable: Stationery, printing and office supplies	6 267	1 116	1 691	1 005	1 000	810	1 056	1 117	1 117
Operating leases	7 912	3 346							
Property payments	7 392	6 553	13 357	5 000	21 000	20 473	15 000	15 000	15 000
Transport provided: Departmental activity	(75)	2 768				31			
Travel and subsistence	11 404	7 539	10 124	10 184	10 634	11 238	11 070	11 410	11 410
Training and development	900	292	617			168			
Operating payments	2 354	3 681			5	2			
Venues and facilities	510	5	8	115	215	215	170	225	230
Interest and rent on land	9 177	5 237	49	70	70	214	80	95	95
Interest	9 177	5 237	49	70	70	214	80	95	95
Transfers and subsidies	3 265	8 166	3 883	4 822	254 372	254 687	5 623	5 701	6 201
Provinces and municipalities	1 126	5 257	783	1 800	1 300	683	2 200	1 500	2 000
Provinces		5 239	783						
Provincial agencies and funds		5 239	783						
Municipalities	1 126	18		1 800	1 300	683	2 200	1 500	2 000
Municipalities	1 126	18		1 800	1 300	683	2 200	1 500	2 000
Public corporations and private enterprises	174	1 690							
Public corporations		845							
Other transfers		845							
Private enterprises	174	845							
Other transfers	174	845							
Households	1 965	1 219	3 100	3 022	253 072	254 004	3 423	4 201	4 201
Social benefits	1 804	1 536	3 100			88			
Other transfers to households	161	(317)		3 022	253 072	253 916	3 423	4 201	4 201
Payments for capital assets	30 471	839 220	748 455	1 027 234	818 171	920 968	1 223 061	1 246 080	1 071 039

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R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Buildings and other fixed structures	202	836 565	745 046	972 102	776 318	881 337	1 182 021	1 214 944	1 069 799
Buildings			426 581						
Other fixed structures	202	836 565	318 465	972 102	776 318	881 337	1 182 021	1 214 944	1 069 799
Machinery and equipment	12 216	2 210	3 141	55 132	41 853	39 631	41 040	31 136	1 240
Transport equipment					(14 087)		40 000	30 000	
Other machinery and equipment	12 216	2 210	3 141	55 132	55 940	39 631	1 040	1 136	1 240
Land and sub-soil assets	18 053								
Software and other intangible assets		445	268						
Payments for financial assets	648	605	14 691			200			
Total economic classification	1 151 530	1 797 355	1 673 919	2 099 296	2 087 748	2 172 100	2 259 326	2 367 583	2 501 641

TABLE 9.22: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: TRANSPORT OPERATIONS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	112 858	59 480	40 151	79 963	79 963	80 697	76 439	81 200	86 576
Compensation of employees	17 032	18 383	18 604	42 213	42 213	42 213	45 689	48 110	50 516
Salaries and wages	15 330	18 089	16 211	34 203	34 203	34 203	36 136	38 051	39 954
Social contributions	1 702	294	2 393	8 010	8 010	8 010	9 553	10 059	10 562
Goods and services	95 761	41 097	21 547	37 750	37 750	38 484	30 750	33 090	36 060
Advertising	98	48	244	400	400	400	800	900	950
Minor Assets	7	6					80	90	110
Catering: Departmental activities			1	30	30	30	40	50	50
Communication (G&S)	140	15	10						
Computer services	18								
Consultants and professional services: Business and advisory services	27 833	14 028	18 805	32 000	32 000	32 000	21 000	22 000	22 800
Consultants and professional services: Infrastructure and planning	64 358								
Consultants and professional services: Legal costs	82	25 993	720	2 120	3 420	4 154	5 000	6 000	8 000
Contractors	1 690								
Fleet services (including government motor transport)			714	1 000	650	650	1 500	1 600	1 700
Inventory: Food and food supplies	1	1							
Inventory: Materials and supplies		1							
Consumable supplies	5		1			1			

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Consumable:									
Stationery,printing and office supplies	24	83	117	350	200	199	400	450	450
Operating leases	368								
Transport provided:									
Departmental activity	222								
Travel and subsistence	896	662	902	1 750	950	950	1 800	1 850	1 850
Training and development	11	260	10						
Operating payments	8								
Venues and facilities			23	100	100	100	130	150	150
Interest and rent on land	65								
Interest	65								
Transfers and subsidies	1 901 510	1 684 068	1 750 999	1 927 954	1 927 954	1 927 954	2 005 168	2 092 406	2 221 522
Public corporations and private enterprises	1 901 393	1 684 021	1 750 973	1 927 854	1 927 854	1 927 854	2 005 048	2 092 276	2 221 392
Private enterprises	1 901 393	1 684 021	1 750 973	1 927 854	1 927 854	1 927 854	2 005 048	2 092 276	2 221 392
Other transfers	1 901 393	1 684 021	1 750 973	1 927 854	1 927 854	1 927 854	2 005 048	2 092 276	2 221 392
Households	117	47	26	100	100	100	120	130	130
Social benefits				100	100	100	120	130	130
Other transfers to households	117	47	26						
Payments for capital assets	397	64 690	50 768	126 150	110 591	110 591	104 588	135 855	151 230
Buildings and other fixed structures		64 591	50 768	125 450	109 891	109 891	104 268	135 495	150 790
Buildings			50 768						
Other fixed structures		64 591		125 450	109 891	109 891	104 268	135 495	150 790
Machinery and equipment	397	99		700	700	700	320	360	440
Other machinery and equipment	397	99		700	700	700	320	360	440
Payments for financial assets	10		5 448						
Total economic classification	2 014 775	1 808 238	1 847 366	2 134 067	2 118 508	2 119 242	2 186 195	2 309 461	2 459 328

TABLE 9.23: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: TRANSPORT REGULATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	214 706	154 879	182 379	192 192	192 612	194 660	218 203	215 125	226 107
Compensation of employees	73 080	89 628	105 672	150 134	150 134	150 134	160 149	168 636	177 067
Salaries and wages	65 291	81 839	91 690	114 289	114 289	114 289	123 390	129 929	136 425
Social contributions	7 789	7 789	13 982	35 845	35 845	35 845	36 759	38 707	40 642
Goods and services	141 353	65 121	76 425	41 758	42 178	44 226	57 764	46 214	48 765
Administrative fees				12	20	20	14	16	16
Advertising	17	572	1 469	2 200	1 020	1 020	2 300	2 400	2 400
Minor Assets	843	295	138		20	73	270	320	360
Catering: Departmental activities	97	89	99	550	550	550	200	200	250
Communication (G&S)	1 584	830	1 073	1 100	1 100	1 107	1 100	1 100	1 100

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R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Computer services	47	281	5 048	400	400	866	14 300	400	400
Consultants and professional services:									
Business and advisory services	99 091	24 040	21 074	4 800	4 800	3 600	2 000	3 000	4 000
Consultants and professional services:									
Infrastructure and planning	2 644	162							
Consultants and professional services:									
Scientific and technological services		397							
Consultants and professional services:									
Legal costs	2 607	436	1 126	770	1 102	1 274	1 800	2 300	2 500
Contractors	1 287	306	2 383	1 500	1 500	1 501	1 500	1 918	1 918
Agency and support / outsourced services	1 182	1	260	1 000	1 000	1 000	2 500	1 000	1 000
Entertainment		155							
Fleet services (including government motor transport)	591		7 910	4 636	4 636	6 064	4 780	5 100	6 311
Housing		5							
Inventory: Food and food supplies	3	23	5						
Inventory: Materials and supplies	3		196		60	60			
Inventory: Other supplies						31			
Consumable supplies	1		343		560	864			
Consumable:									
Stationery, printing and office supplies	3 789	11 551	10 889	9 200	9 872	10 170	10 100	10 800	10 800
Operating leases	10 978	11 733	6 079	10 000	10 000	10 000	10 900	11 300	11 300
Property payments	7 269	8 663	17 118	4 000	4 000	4 060	4 100	4 200	4 200
Travel and subsistence	3 079	747	939	1 390	838	932	1 650	1 860	1 910
Training and development	20	465	62						
Operating payments	6 197	4 355	151		80	80			
Venues and facilities	24	15	63	200	620	954	250	300	300
Rental and hiring									
Interest and rent on land	273	130	282	300	300	300	290	275	275
Interest	273	130	282	300	300	300	290	275	275
Transfers and subsidies	248	552	185	58	738	738	60	62	62
Provinces and municipalities	1	12							
Provinces	1	12							
Provincial Revenue Funds		12							
Provincial agencies and funds	1								
Households	247	540	185	58	738	738	60	62	62
Social benefits		120			180				
Other transfers to households	247	420	185	58	558	738	60	62	62

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Payments for capital assets	8 057	24 979	39 573	126 041	48 605	50 010	63 080	73 420	59 740
Buildings and other fixed structures		17 651	36 483	123 841	46 705	48 910	59 200	66 840	56 500
Buildings			36 483	105 966	42 000				
Other fixed structures		17 651		17 875	4 705	48 910	59 200	66 840	56 500
Machinery and equipment	3 507	3 468	2 318	2 200	1 900	1 100	2 080	4 780	1 440
Other machinery and equipment	3 507	3 468	2 318	2 200	1 900	1 100	2 080	4 780	1 440
Software and other intangible assets	4 550	3 860	772				1 800	1 800	1 800
Payments for financial assets	157	123	23						
Total economic classification	223 168	180 533	222 160	318 291	241 955	245 408	281 343	288 607	285 909

TABLE 9.24: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: GAUTRAIN

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Transfers and subsidies	2 219 545	1 598 711	1 424 943	1 311 748	1 311 748	1 311 748	1 561 451	1 832 089	1 923 694
Departmental agencies and accounts	2 219 545	1 598 711	1 424 943	1 311 748	1 311 748	1 311 748	1 561 451	1 832 089	1 923 694
Provide list of entities receiving transfers	2 219 545	1 598 711	1 424 943	1 311 748	1 311 748	1 311 748	1 561 451	1 832 089	1 923 694
Total economic classification	2 219 545	1 598 711	1 424 943	1 311 748	1 311 748	1 311 748	1 561 451	1 832 089	1 923 694



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VOTE 10

DEPARTMENT OF COMMUNITY SAFETY

To be appropriated by vote in 2015/16	R 622 152 000
Responsible MEC	MEC for Community Safety
Administering Department	Department of Community Safety
Accounting Officer	Head of Department

1. OVERVIEW

Vision

To ensure that Gauteng is a safe and secure province

Mission

To be an innovative, effective and proactive department that ensures police oversight and promotion of safety of Gauteng citizens by:

- Exercising oversight over law enforcement agencies in the Province,
- To promote and strengthen relations between communities and Law Enforcement Agencies,
- To educate and empower citizens on issues of public safety and coordinating community mobilisation in safety initiatives,
- To promote road safety.

Strategic goals

The department exercises its powers and performs its duties and functions in pursuit of the following strategic goals:

- To conduct accurate, reliable and relevant qualitative and quantitative research;
- To monitor and evaluate police performance;
- To facilitate the improvement of police conduct;
- To accept and temporarily house and support victims;
- To provide volunteer-based victim support services at police station level throughout the province;
- To monitor the performance and functionality of community police relations;
- To promote youth and school safety;
- To prevent violence against women and children;
- To increase awareness through outreach programmes, internal communication, marketing and media exposure;
- To reduce road fatalities in the province;
- To convert Boekenhoutkloof Traffic College into a centre of excellence;
- To provide traffic training; and
- To increase road user compliance with the rules of the road.

Core functions and responsibilities

The core functions and responsibilities of the department are:

- To monitor police conduct;
- To oversee the effectiveness and efficiency of the province's law enforcement agencies (primarily the South African Police Service and the three metropolitan police departments of Ekurhuleni, Johannesburg and Tshwane), including receiving reports on these police services;
- To promote good relations between the police and communities;
- To assess the effectiveness of visible policing;
- To liaise with the Minister of Police with respect to crime and policing in the province;

- To record and investigate public complaints alleging police inefficiency;
- To mobilise all communities in the fight against crime;
- To promote social crime prevention through partnerships and other appropriate interventions; and
- To promote road safety, in collaboration with other law enforcement agencies, to reduce road accidents and resultant fatalities.

Main services

The services provided by the department are informed by its constitutional and legislative mandates, indicated above. These are shown in the table below.

Main services	Brief analysis of the demands	Expected changes in the services
Monitoring police conduct	In a democracy, the populace will always demand that their police service should be effective against crime and that they should police them professionally. Where members of the police service violate people's rights, enshrined in the Constitution, such violations must be reported to the department for investigation or referral to relevant institutions such as the Independent Police Investigative Directorate (IPID).	The IPID Act (2011) obliges the department, inter alia, to monitor police compliance with the Domestic Violence Act, 1998.
Overseeing the effectiveness and efficiency of the province's law enforcement agencies	Section 206 (3) of the Constitution requires the department to provide this service. It is imperative that the quality of policing be improved. The department does this primarily through the police oversight function.	The Civilian Secretariat for Police Service Act (2011) expanded the mandate of the department. No further major changes are expected.
Promotion of good relations between the police and the community	In a democratic society, it is accepted that the police are the people and the people the police. No police service can be effective unless it enjoys community support.	No major changes are expected.
Assessment of the effectiveness of visible policing	It is generally accepted that police visibility is a formidable deterrent to crime. Section 206 (3) (d) of the Constitution requires the department to perform this function. The implementation of sector policing strategies and plans by police management requires vigorous monitoring, evaluation and reporting.	Given the need to cover all police stations each year to obtain a fuller provincial picture, changes to the current organisation structure are envisaged. This will be carried out through the implementation of the Secretariat.
Liaison with the Minister of Police	This is a political responsibility carried out by the Member of the Executive Council through the Ministerial Executive Committee established in terms of Section 27 of the Civilian Secretariat for Police Service Act (2011).	No major changes are expected.
Community mobilisation against crime	The crime challenge affects all communities in the province without regard to affluence. It is thus important for the department, led by the political head, to mobilise communities against the scourge and to encourage them to take charge of their safety and security interests, within legal limits.	No major changes are expected.
Promotion of road safety for reductions in road accidents and fatalities	The current high number of road accidents and resultant fatalities is unacceptable. Road crashes kill about 1.3 million people globally each year, which translates into 3500 people per day. 90% of deaths and serious injuries related to road accidents occur in low to middle income countries, such as South Africa, costing their collective economies an estimated US\$ 100 billion each year.	No major changes are expected.

The National Development Plan

The NDP is not just a vision but a long-term strategic plan with the following four broad objectives:

- To provide overarching goals to be achieved by 2030;
- To build consensus on key obstacles and specific actions to be undertaken;
- To provide a common framework for detailed planning; and
- To create a basis for making choices about how best to use limited resources.

The NDP offers a long term strategic perspective for creating a developmental state committed to fighting the triple scourge of poverty, unemployment and inequality. It presents a three-pronged strategy focusing on social transformation, economic transformation and human-centered development. It sees safety as being the bedrock on which these are founded.

The NDP characterizes crime as a scourge that undermines the social fabric of the country and that impedes the democratic drive to create a better life for all. It also views crime as being destabilising and a threat to safety and security. It recognizes that crime negatively affects economic growth because it leads to poor perceptions of personal safety. This threatens investment and deters job creation.

Taking its cue from the NDP, the DCS highlights the need to professionalise the police service and to increase officers' crime prevention skills, and improve recruitment practices and training. Social crime prevention initiatives and community mobilisation efforts must be stepped up.

The strategic plan of the DCS reflects this awareness, with the part of the plan that deals with community safety noting the social determinants of crime and thus the complexity of this phenomenon. The plan provides for specialised in complex crime areas; enhancement of the capacity of detective services; improved crime scene

analysis; and improved capacity to assist the prosecutorial services and lower courts and thus the efficiency of the civil justice system.

Ten Pillar Programme of Transformation, Modernization and Re-industrialisation

The budget reflects support for the transformation, modernisation and re-industrialization agenda of the new administration. It is aligned to the following pillars of the Ten Pillar programme:

- Accelerated Social Transformation;
- Transformation of the State and Governance;
- Modernization of the Public Service; and
- Radical Economic Transformation.

Accelerated Social Transformation

The department's contribution to social transformation will be carried out in a number of ways. It will identify new initiatives to strengthen police oversight and to intensify existing social crime initiatives such as violence against women and children (VAWAC). It will continue to mobilize communities against crime by conducting targeted crime perception management. It will enhance the oversight model on law enforcement agencies other than the South African Police Service, such as the three Metropolitan Police Department's operating within the province. It will assist the police to achieve a reduction in violent crimes, also known as trio crimes.

The department will also endeavor to reduce corruption within the law enforcement agencies. It will refocus the community policing forums (CPFs) as agents of oversight, by re-training and capacitating them. This will allow them to play a role in community based intelligence. It will strengthen the involvement of ward councillors in policing by supporting and monitoring the Community Safety Forums (CSFs) and street committees.

The department will continue to facilitate a reduction in the province's road accident fatalities. It will manage taxi violence more effectively by establishing provincial taxi violence task team as and when the need arises, and will strengthen the process of issuing of taxi permits, and taxi rank management. Capacitating the Saturation Unit will allow the department to react to crimes as and when they occur in the province.

Transformation of the state and governance

The department's contribution to the transformation of state and governance is reflected as follows:

- Intensification of Batho Pele programmes by way of various interventions and awareness programmes.

The department is intensifying its accountability interventions through full scale implementation of enterprise risk management models, budget monitoring sessions and timely and accurate reporting to relevant authorities.

- Establishment of the integrity office to fight fraud and corruption more effectively.

Modernization of the public service

The department's contribution to modernization of the public service includes:

- The establishment of a proper electronic records management system and the introduction of an electronic performance management and evaluation system.
- Plans to enhance the capabilities of the complaints management systems; and to support the establishment of a fully integrated command center and an onboard E-NATIS system in all traffic management vehicles.

Radical economic transformation

The department will contribute to radical transformation by:

- Intensifying its affirmative procurement processes and procuring from co-operatives and other types of township enterprises.
- Adhering to the 30-day payment which will allow these businesses to flourish and grow. It will be open to innovative ways to contribute to job creation in partnership with other programmes such as the EPWP.

External activities and events relevant to budget decisions

The main external activities and events relevant to budget decisions are:

- The implementation of the Civilian Secretariat for Police Service Act, 2011 (Act no. 2 of 2011) and the Independent Police Investigative Directorate Act, 2011 (Act no. 1 of 2011);
- The demands of the Road Traffic Management Corporation (RTMC), especially in relation to implementing the administrative adjudication of Road Traffic Offences Act, 1998 (Act No. 46 of 1998); and the draft Road Traffic Law Enforcement Code (NRTLEC);
- Violence against women and children;

- Improving policing by enhancing the scope and implementation of the CCTV camera project, in conjunction GDF;
- Improvement in forensic capacity;
- Roll-out of the Patroller programme to young community members;
- Facilitating the full implementation of the Civilian Secretariat Act;
- Improving the social crime prevention interventions in the province;
- Intensifying public relations in relation to crowd management; and
- Training law enforcement agencies (LEAs) in crowd management in the light of the recent spate of service delivery protests.

Acts, rules and regulations

The department derives its mandate chiefly from the following pieces of legislation and policies:

- The Independent Police Investigative Directorate Act, 2011 (Act No. 1 of 2011);
- The Civilian Secretariat for Police Service Act, 2011 (Act No. 2 of 2011);
- Intergovernmental Relations Framework Act, 2005 (Act No. 13 of 2005);
- The Gauteng Transport Framework Revision Act, 2002 (Act No. 8 of 2002);
- The Gauteng Public Passenger Road Transport Act, 2001 (Act No. 7 of 2001);
- The National Land Transport Transition Act, 2000 (Act No. 22 of 2000);
- The South African Police Service Amendment Act, 1998 (Act No. 83 of 1998);
- The White Paper on Safety and Security, 1998;
- The Gauteng White Paper on Transport Policy, 1997;
- The National Crime Prevention Strategy, 1996;
- The White Paper on National Transport Policy, 1996;
- The National Road Traffic Act, 1996 (Act No. 93 of 1996); and
- The South African Police Service Act, 1995 (Act No. 68 of 1995).

2. REVIEW OF THE CURRENT FINANCIAL YEAR (2014/15)

The financial year 2014/15 marked the start of the 2014-2019 political term of office. As a result, it was therefore important to indicate the departments expected outcomes over the next five years to enable better planning.

Output 1: Reduction in priority crimes

Monitoring and evaluation

As part of its constitutional mandate, the department intensified its oversight of the LEAs by monitoring the co-created Policing Strategy and Detective 10 Point Plan. The department also conducted 1200 docket audits during the year 2014/15, the result of which is being used to make a significant improvement in detectives' performance. This was due to the intense scrutiny of the detective services and the steps taken by SAPS within the province to address the deficiencies in the services. SAPS monitoring of the implementation of the Domestic Violence Act also continued. The investigation into poor police service delivery continued and the capacity of SAPS to investigate such complaints was also monitored. The department continues to monitor reports received on the implementation of IPID recommendations.

Policy and Research

The department conducted research projects relating to the policing needs and priorities, 5 year Gauteng Safety Strategy and the effect of the fire arms control Act on fire arm related crimes in partnership with the National Civilian Secretariat for police.

Output 2: Reduction in crimes against women and children

In partnership with the DSD, the department continued to implement the social crime prevention strategy. It also rolled out the implementation plan for the management of victims of sexual assault and domestic violence; and implemented and monitored the implementation of the VAWAC strategy. Awareness sessions relating to vulnerable groups continue to be a focus for the department. The annual campaign "16 Days Activism against Abuse of Women and Children" was conducted with the short- and long-term strategy of empowering these vulnerable groups within our communities. 50 community based safe houses (Green doors) throughout the province were supported and monitored. In addition, the department conducted the analysis of 1000 dockets on sexual violence offences cases and provided feedback to the family violence, child protection and sexual offences clusters.

Output 3: Social crime prevention

The department strengthened and continued to intensify the substance abuse prevention programme for young people. In addition, the Department conducted a programme on substance abuse throughout the province.

The following programmes formed an integral part of the social crime prevention strategy:

- Youth Safety Desk Programme;
- Prevention of Substance Abuse Programme;
- Community Partnerships on Drug Abuse Programme;
- Promotion of School Safety Programme; and
- Youth in Conflict with the Law Programme.

Community police relations

The province's communities have over the past years developed and implemented community safety initiatives as part of their contribution to the fight against crime. In many suburban areas, residents have introduced additional security measures in their homes and used private security companies.

Members of poorer communities cannot afford such services, and instead make use of volunteer-based initiatives. These vary from formalised structures such as CPFs to informal efforts by small groups from residents such as neighbourhood watches, street committees and community patrol groups.

Active involvement by community volunteers in these structures relates to a need to contribute in the fight against crime in their localities and to possible employment prospects. The department has committed itself to sustaining these community safety initiatives through, amongst other things, ensuring that community patrollers are assisted with training programmes.

The Department continued to deploy Patrollers at schools, Metrorail and Transnet sites, rural sites and Green doors; which contributed towards job creation. The department also continued to support and enhance the Provincial Board, Cluster Boards and CPFs and provided guidance on their functioning.

Output 4: Crime perception management

Public engagements were also conducted through Izimbizos, outreach programmes and marketing. The primary focus of the Izimbizos was primarily on creating awareness of provincial and departmental programmes and services and policing needs and priorities. The media strategy remains an area of strategic focus as the department endeavours to mobilise communities and its own employees as safety ambassadors.

Output 5: Effectiveness and integration of the criminal justice system

The Criminal Justice Co-ordinating Committee continued to provide strategic direction to the Provincial Joint Operational Intelligence Structure (PROVJOINT), the operational arm. This helped to ensure the effectiveness and integration of the criminal justice system. 48 investigating officers in the province completed the Forensic Examiners course offered by the University of the Western Cape to enhance their capacity to investigate commercial crime.

Output 6: Reduction in corruption

The department continued to implement the anti-corruption strategies as adopted by the provincial government. These are aimed at eliminating fraud and corruption from the province's law enforcement agencies. The department's Fraud and Anti-Corruption unit is fully functional, and continues to create awareness by carrying out training in the department. The primary focus remains on the driver and Learners Testing Centres (DLTC) and Vehicle Testing Stations (VTSs) across the province.

Output 7: Reduction in road fatalities

Road fatality statistics show that about 60 per cent of fatalities are pedestrians, 30 per cent are moving violations and 10 per cent are caused by un-roadworthy motor vehicles. Strategies to reduce road fatalities continued to be monitored throughout the province; these included the Road Safety Strategy and the Pedestrian-Specific Strategy. The department also conducted zero-tolerance of motor vehicles violating traffic laws, with a particular focus on public transport and freight.

3. OUTLOOK FOR THE COMING FINANCIAL YEAR (2015/16)

Accelerated Social Transformation

Output 1: Reduction in priority crimes

Monitoring and evaluation

The department will intensify oversight of LEAs, using the concept of robust oversight, and will work to turn around poorly performing police stations in the province. 141 stations will be selected annually for intensive improvement of their resources and management; the aim is to ensure that no police stations are categorised as two stars. As part of carrying out its constitutional and legal obligations, the department will monitor the co-created Policing Strategy and Detective 10 Point Plan, with the oversight model continuing to be non-negotiable. The department will conduct docket audits in order to understand the generators of crime and to develop responses to it. By 2015/16, it is expected that 1200 dockets will have been audited and detective performance improved. This is due to the intense scrutiny of the detective services and the interventions undertaken by SAPS in the province to address the deficiencies in detectives. Work will continue on monitoring SAPS compliance with the Domestic Violence Act to ensure that recommendations made by the department are implemented. In addition, the investigation of poor police service delivery will continue and the capacity of SAPS to investigate such complaints will also be monitored. The department will also monitor the implementation of IPID recommendations and receive reports on it. It will also monitor the SAPS' implementation of the NDP whilst ensuring that it meets the objective of building safer communities.

Policy and research

The department will continue to conduct strategic research that impacts on the criminal justice system and social crime prevention in the province. It is assessing the Gauteng Road Safety Strategy and the Gauteng Safety Strategy, undertaking research into policing needs and priorities for the five year term and examining violent public protests in the province. The department will ensure that policing needs and priorities find expression in the IDPs of municipalities and the Annual Performance Plan of SAPS Province. It is also undertaking special projects at the request of the Secretariat of Police. The Directorate continues to serve as an information resource for the department.

Output 2: Reduction in crimes against women and children

The department continues to implement social crime prevention strategies in partnership with the DSD. It is in the process of appointing forensic social workers and legal experts to improve the systems at Ikhaya Lethemba. It is also planning to open a new one stop centre for victims of sexual offences and domestic violence (Ikhaya Lethemba) and to expand Regional Victim Offices (RVO). Ikhaya Lethemba services will be prosecutor driven to ensure that there is a positive impact on conviction rates. Policy on uniform standards of Green Doors will be developed, and there will be a roll-out of localized Green Doors in communities with high rates of domestic violence and sexual offences. Additional capacity will be sourced to ensure the sustainability of the Green doors. The department will continue to implement and monitor the VAWAC strategy, and will develop an electronic system to capture cases from inception to conviction. Boys and men camps focusing on gangsterism, substance abuse, masculinity issues, gender-based violence and establishment of Men as Safety Promoters (MASP) will be conducted.

Output 3: Social crime prevention

The department will strengthen the youth safety programme by establishing youth desk structures at institutions of higher learning, will recruit youth to join the youth desks and will conduct exhibitions about opportunities in the safety and security sector. The department has strengthened and intensified the substance abuse programme and will continue to encourage more young people to access and benefit from this service. The department is conducting quarterly substance abuse awareness camps throughout the province. It is also continuing to develop and implement intervention programmes for youth in conflict with the law, and will be conducting school safety summits throughout the province focusing on gangsterism, bullying and substance abuse.

Accelerated Social Transformation and Radical Economic Transformation

Community police relations

The department has a constitutional responsibility to promote good relations between the police and the community. To do this, it has strengthened the social movement against crime by continuing to support CPFs,

the Cluster Boards and the Provincial Board as well as giving impetus to community structures engaged in the fight against crime. During the reporting period the department continued to assist the Gauteng Provincial Community Police Board and Cluster Boards. With regard to CPFs, the department continues to ensure that Sector Crime Forums are established and that democratic representation occurs at the level of the CPFs. In this way the department supports sector policing, ensures that people are mobilised at grassroots level and that SAPS service delivery reaches people at street level. This has increased the confidence of the communities in SAPS and has improved community participation and involvement.

The department continues to assess, induct and support CPFs in the province. It also helps them to develop programmes of action so that they are able to focus on the crime problems in their areas and to mobilise their communities against crime.

Patrollers are deployed at schools, regional traffic offices and Ikhaya Lethemba, with requests for more patrollers continuing. The department will mobilise local business fora to deal with crime facing small businesses such as taverns, shebeens, spaza shops and hawkers. All of this is in an effort to ensure that there is better communication with SAPS and the CPF.

The department will continue to support and enhance the Provincial Board, Cluster Boards and CPFs as well as provide the guidance on their proper functioning as the law dictates. These are legislated structures required by law to maintain and strengthen good relations between the police and the community in the fight against crime.

Accelerated Social Transformation

Output 4: Crime perception management

Public engagements will continue through Izimbizos, outreach programmes and marketing activities. The primary focus during these Izimbizos will be on creating awareness of provincial and departmental programmes and services, and of safety-related issues. The media strategy remains a strategic focus for the department as a means to mobilise communities and employees as safety ambassadors. There will be feedback to communities after the Izimbizos.

There will be public relations exercises to market Ikhaya Lethemba, the Traffic Training College and the new Civilian Secretariat dispensation. There will also be awareness campaigns about the services provided by the province's LEAs.

Transformation of the state and governance

Output 5: Effectiveness and integration of the criminal justice system (CJS)

Since the establishment of the Criminal Justice Co-ordinating Committee in 2012 with the National Prosecuting Authority (NPA), SAPS, IPID and the State Security Agency (SSA), three subcommittees were established to deal with the trio crimes: domestic violence, violence against women and children, and substance abuse. PROVJOINTS is an operational component of the Criminal Justice Co-ordinating Committee. Case flow management meetings at cluster level are monitored to determine the level of co-operation and collaboration between agencies of the criminal justice system.

Output 6: Reduction in corruption

The department will continue to focus on the implementation of the anti-corruption strategies adopted by the provincial government to address fraud and corruption in the province's law enforcement agencies. The Fraud and Anti-Corruption unit is functioning; one of its main responsibilities is to conduct awareness training in the department. The primary focus will remain on the Driver and Learners Testing Centres (DLTC) and Vehicle Testing Stations (VTSs) across the province. Compliance audits findings will be implemented.

Accelerated Social Transformation and Modernisation of the Public Service

Output 7: Reduction in road fatalities

The Traffic Management programme is responsible for providing effective road safety education and traffic law enforcement. It also helps to combat and prevent combating through two specialized units: Saturation and Special Law Enforcement. The programme aims to reduce road traffic fatalities by 10 per cent in 2015/16 by implementing vigorous road safety and law enforcement operations.

The Traffic Management programme operates through five sub-programmes, including specialized road safety. The Traffic College provides training for aspirant and existing traffic officers. As pedestrians are the

most vulnerable category of road users, road safety officers will prioritize communities in and around hazardous locations, and will implement an integrated Pedestrian Safety Strategy. To address the speeding which contributes to road fatalities and injuries, the High Speed Unit will on a 24 hour basis conduct speed measurements and arrest offenders on the spot. There will also be intensified operations against drinking and driving; as well as overloading of freight and public passenger transport damages roads and critical vehicle parts such as brakes. A concerted effort will be made to ensure compliance with the law. Safe transportation of learners remains a key priority for the department. Therefore, all learner transport vehicles in the province will be subjected to thorough fitness inspections at vehicle testing stations.

4. REPRIORITISATION

The department reprioritised an amount of R2.2 million for the implementation of the e-policing project for the installation of CCTV cameras in the War Room. An amount of R15 million is also reprioritised to supplement projects such as Violence against Women and Children (VAWAC) and the rehabilitation of domestic violence for victims and drug abusers. With regard to traffic law enforcement, the department reprioritised an amount of R10 million to increase police visibility for the reduction of road fatalities and R10 million has also been reprioritised to road safety projects to supplement various safety campaigns..

5. PROCUREMENT

The department has recently awarded a tender for protective clothing for Patrollers from which procurement will take place during 2015/2016. The department will further engage in another tender process for uniform for Traffic Officers during the 2015/2016 financial year. The payment of stipends to Patrollers has been implemented jointly with the Department of Infrastructure Development through the EPWP. A tender for this purpose was awarded during 2013/2014 and will overlap over the 2015/2016 financial year. The department also is currently involved in the redesigning and commissioning of the SAPS War Room. The department is in the process of identifying additional crime hotspots at traffic intersections and will engage in the procurement process in 2015/2016 for the installation of additional cameras and their connectivity to the SAPS War Room. Maintenance for the current CCTV Cameras has recently expired and the department will be putting a new contract in place during 2015/2016 financial year.

6. RECEIPTS AND FINANCING

6.1. Summary of receipts

TABLE 10.1: SUMMARY OF RECEIPTS: DEPARTMENT OF COMMUNITY SAFETY

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Equitable share	423 747	436 798	496 292	573 510	643 510	643 510	620 807	639 954	671 952
Conditional grants									
Social Sector EPWP Intergraded Grant			645				1 345		
Total receipts	423 747	436 798	496 937	573 510	643 510	643 510	622 152	639 954	671 952

The department is mainly funded through the equitable share, as shown in the table above. From 2011/12 to 2013/14, the department's budget increased by R73.2 million from R423.7 million to R496.9 million. In the 2013/14 financial year, R645 000 was allocated from the Social Sector EPWP Incentive conditional grant to drive job creation through the Patroller programme.

In the 2014/15 financial year, the adjusted budget from the equitable share increased by R70 million from R573.5 million to R643.5 million. This is largely due to an additional amount allocated to traffic law enforcement in support of the reduction of road fatalities.

Over the 2015 medium term, the departmental budget grows from R622.1 million in 2015/16 and R639.9 million in 2016/17 to R671.9 million in 2017/18. This includes the carry-through of the allocation to implement the Civilian Secretariat Act and an additional R14 million allocation for the installation of CCTV cameras for the

design, construction and commissioning of CCTV control monitoring capacity in the SAPS war room in the 2015/16 financial year.

6.2. Departmental receipts

TABLE 10.2: DEPARTMENTAL RECEIPTS: DEPARTMENT OF COMMUNITY SAFETY

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Tax receipts									
Sales of goods and services other than capital assets	5 451	6 431	9 769	4 014	4 014	15 961	4 250	4 475	4 699
Transfers received									
Fines, penalties and forfeits	7 017	11 635	14 775	9 826	9 826	19 634	10 405	10 956	11 504
Interest, dividends and rent on land	37	4	4			2			
Sales of capital assets									
Transactions in financial assets and liabilities	1 276	2 542	5 304	408	408	7 451	432	455	478
Total departmental receipts	13 781	20 612	29 852	14 248	14 248	43 048	15 087	15 887	16 681

The department generates revenue from two sources: the Boekenhoutkloof Traffic Training College which generates revenue from course fees, accommodation and meals. The other main source is collection of traffic fines. The department is working on the implementation of the following proposed revenue streams:

- Traffic escort of abnormal loads;
- Escort of sporting events;
- Road closure during film shooting;
- Traffic accident reports;
- Accreditation of the Training College to issue Professional Driving Permits (PrDPs);
- Storage fees for impounded vehicles;
- Use of weighbridge at the Training College; and
- Finger print services.

The audited revenue for the three year period from 2011/12 to 2013/14 increased by R16.1 million from R13.8 million to R29.9 million which is primarily due to collection of traffic fines which is the largest contributor to the departmental revenue budget.

Revenue from the Boekenhoutkloof Traffic Training College is expected to have been R4 million in 2014/15. Over the medium term, the departmental budget is expected to grow at an annual average rate of 5 per cent to total R4.3 million in 2015/16, R4.5 million in 2016/17 and R4.7 million in 2017/18.

2014/15 revenue from traffic fines is expected to be R9.8 million. Over the medium term, this revenue item is expected to grow by an annual average rate of 5 per cent from R10.4 million in 2015/16 to R10.9 million in 2016/17 and R11.5 million in 2017/18.

7. PAYMENT SUMMARY

7.1. Key assumptions

The budget was compiled in accordance with the provincial budget guidelines. Cost saving strategies, inflation related adjustments, personnel cost increases were taken into account.

The department conducted a reprioritisation exercise within the available financial resources to enable it to fund its key programmes and projects:

- Annual updates of policing needs and priorities for the province;
- Monitoring of the police service strategy to reduce crime and improve the detective services;
- The Patroller programme;
- Community Police Forums;
- Gauteng Rural Safety Plan;
- Auditing, maintenance and expansion of CCTV;
- Monitoring the implementation of the strategy to prevent and manage sexual assault;
- Implementation of the provincial Social Crime Prevention Strategy;
- Implementation of the School Safety Programme;

- Implementation of the Sectoral, Integrity and GPG Anti-Corruption Strategies;
- Establishment of the civilian secretariat;
- Implementation of the Domestic Violence Act;
- Implementation of the Information Performance System; and
- Implementation of the Civilian Secretariat Act

7.2 Programme summary

TABLE 10.3: SUMMARY OF PAYMENTS AND ESTIMATES: DEPARTMENT OF COMMUNITY SAFETY

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Administration	53 810	56 784	75 176	79 541	79 541	79 812	85 927	91 097	96 780
2. Civilian Oversight	96 178	96 187	131 714	179 229	179 229	145 001	189 330	197 901	207 817
3. Traffic Management	251 481	261 691	286 591	314 740	384 740	407 599	346 895	350 956	367 355
Total payments and estimates	401 469	414 662	493 481	573 510	643 510	632 412	622 152	639 954	671 952

7.3 Summary of economic classification

TABLE 10.4: SUMMARY OF ECONOMIC CLASSIFICATION: DEPARTMENT OF COMMUNITY SAFETY

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	378 262	378 274	468 070	563 344	592 744	595 205	607 574	621 159	651 942
Compensation of employees	236 077	252 299	319 775	394 272	391 272	373 390	418 149	437 817	459 458
Goods and services	127 332	125 956	148 266	169 072	201 472	221 795	189 425	183 341	192 484
Interest and rent on land	14 853	19	29			20			
Transfers and subsidies	1 907	455	2 770		3 540	1 084	738	777	816
Provinces and municipalities			175			56			
Departmental agencies and accounts			4		2 882	1			
Public corporations and private enterprises	761								
Non-profit institutions									
Households	1 146	455	2 591		658	1 027	738	777	816
Payments for capital assets	21 063	35 828	22 560	10 166	47 226	36 115	13 840	18 018	19 195
Buildings and other fixed structures	16						1 000	2 600	2 730
Machinery and equipment	21 047	35 828	22 560	10 166	47 226	36 115	12 840	15 118	16 150
Software and other intangible assets								300	315
Payments for financial assets	237	105	81			8			
Total economic classification	401 469	414 662	493 481	573 510	643 510	632 412	622 152	639 954	671 952

The audited spending for the three year period from 2011/12 to 2013/14 increased by R92 million from R401.5 million for 2011/12 to R493.5 million in 2013/14. Expenditure on personnel for the period 2011/12 to 2013/14 increased by 35 per cent due to the salary escalation rate and the filling of vacant positions, while goods and services increased by an average of 5 per cent due to price inflation of the cost of goods and services. On capital expenditure, the department spent approximately R20 million, mainly on acquiring fleet for traffic law enforcement.

The sub-programme: Traffic Management contributed the largest share to total expenditure of the department due to the nature of the unit for ensuring traffic law enforcement.

For the 2014/15 financial year, the adjusted budget of the department increased by 12 per cent or R70 million from R573.5 million to R643.5 million. This is largely due to an additional amount allocated to traffic law enforcement in support of the reduction of road fatalities.

The equitable share over the medium term increases in line with CPI, with baselines at R622.1 million in 2015/16, R639.9 million in 2016/17 and R671.9 million in 2017/18. The allocation for compensation of employees increases by R41.3 million from R418.1 million in 2015/16 to R459.4 million in 2017/18, while the allocation for goods and services increases by R3 million from R189.4 million for 2015/16 to R192.4 million in 2017/18. The growth in the budget for capital assets over the medium term makes provision for renovations and for vehicles needed by the department in the course of its work.

7.4. Infrastructure payments

7.4.1. Departmental infrastructure payments

N/A

7.4.3. Departmental public-private-partnership (PPP) projects

N/A

7.5. Transfers

7.5.1. Transfers to public entities

N/A

7.5.2. Transfers to other entities

N/A

7.5.3. Transfers to local government

N/A

8. PROGRAMME DESCRIPTION

PROGRAMME 1: ADMINISTRATION

Programme description

The aim of the Administration programme is to provide strategic direction and to support the organisation through corporate support (which includes human capital resources), financial management, supply chain management, risk management, legal services and strategic planning monitoring and evaluation.

The programme is responsible for providing strategic administrative support to the department. It supports the Offices of the MEC and the HOD so that they can exercise their powers and carry out their duties and functions as required by the constitutional and legislative mandate of the department.

Programme objectives

The programme has the following objectives:

- To provide a range of strategic organizational transformation and business improvement process to the department;
- To provide effective and efficient inter-governmental relations management support to the department;
- To provide integrated risk management support to the department;
- To effectively and efficiently manage expenditure;
- To report timeously and accurately on the department's finances;
- To implement an effective and efficient demand management, acquisition, provisioning and asset management system and processes;
- To recruit, develop and retain appropriate and sufficiently skilled staff;
- To provide safety, security record keeping and facility management for the department;
- To provide cost effective integrated IT management service to the department;
- To provide general legal advisory and litigation services as well as specific policy related services to the department; and
- To provide security services.

TABLE 10.5: SUMMARY OF PAYMENTS AND ESTIMATES: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Office of The MEC	6 199	7 048	7 361	6 926	6 926	6 675	7 670	8 194	8 708
2. Office of The HOD	7 423	13 828	24 072	24 396	19 411	26 689	23 544	24 909	24 572
3. Financial Management	12 100	13 106	8 770	14 439	19 124	12 055	17 408	18 561	19 703
4. Corporate Services	28 088	22 802	34 973	33 780	34 080	34 393	37 305	39 433	43 797
Total payments and estimates	53 810	56 784	75 176	79 541	79 541	79 812	85 927	91 097	96 780

TABLE 10.6: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	51 013	54 586	71 218	77 704	77 390	78 611	84 530	89 572	95 170
Compensation of employees	32 721	36 663	50 000	55 062	55 062	57 150	62 082	67 267	68 202
Goods and services	18 292	17 904	21 218	22 642	22 328	21 441	22 448	22 306	26 968
Interest and rent on land		19				20			
Transfers and subsidies			1 804		2 143	57			
Provinces and municipalities			16						
Departmental agencies and accounts					1 837				
Households			1 788		306	57			
Payments for capital assets	2 751	2 180	2 153	1 837	8	1 144	1 397	1 525	1 610
Buildings and other fixed structures	16								
Machinery and equipment	2 735	2 180	2 153	1 837	8	1 144	1 397	1 525	1 610
Payments for financial assets	46	18	1						
Total economic classification	53 810	56 784	75 176	79 541	79 541	79 812	85 927	91 097	96 780

Between 2011/12 and 2013/14, spending increased by R21.1 million or 40 per cent from R53.8 million to R75.1 million. Payments on capital remained fairly constant at an average of R2 million per annum; this was largely spent on upgrading IT systems and increasing the fleet size of the Fraud and Corruption Unit.

In the 2014/15 financial year, funds appropriated from the equitable share to this programme were R79.5 million, an increase of R4.3 million on the 2013/14 figure of R75.1 million. The increase enabled the programme to continue providing administrative support to the department.

Over the medium term, the amount appropriated to the Administration programme increases in line with the projected inflation (CPI) with the figures standing at R85.9 million in 2015/16, R91 million in 2016/17 and R96.7 million in the 2017/18 financial year. The allocation for compensation of employees increased by R6.1 million from R62 million in 2015/16 to R68.2 million in 2017/18. Goods and services increases by R4.5 million from R22.4 million for 2015/16 to R26.9 million in 2017/18.

PROGRAMME 2: CIVILIAN OVERSIGHT

Programme description

The central aim of the programme is to contribute towards improved police performance by overseeing the effectiveness and efficiency of the province's law enforcement agencies, which includes receiving reports on these agencies of law enforcement. The programme is also responsible for the determination of policing needs and priorities for the province to give effect to the provisions of section 206 (1) of the Constitution. Research into a variety of policing matters is conducted through this programme to make a positive contribution in the decision-making processes of the Department.

Furthermore the aim of the programme is to promote safety of all communities in the province through the provision of education and awareness programmes relevant to crime prevention. It is also the responsibility of the programme to coordinate social crime prevention initiatives in the province, particularly focussing on

the prevention of violence against women and children. In addition, the programme aims to enhance the empowerment of victims across the province, through the provision of a package of services such as counselling and medico-legal services at Ikhaya Lethemba, the province's flagship project in the battle against domestic violence and crimes against the most vulnerable members of our society. Furthermore, the programme aims to give effect to the constitutional mandate of the department on the promotion of good relations between the police and the community. Communities are also mobilised through this programme, especially against the abuse of drugs and other dependence-producing substances by young people.

The work done by this programme contributes towards the implementation of Outputs: Reduction in priority crimes; Reduction in crimes against women and Children; Effectiveness of the Integrated Criminal Justice System; Social Crime Prevention and Crime Perception Management.

In a nutshell, the programme takes responsibility for the performance of the functions of a Provincial Secretariat for Police, which is established in keeping with the dictates of section 16 of the Civilian Secretariat for Police Service Act, 2011 (Act No. 2 of 2011).

Programme objectives

The programme performs its functions in pursuit of the following objectives:

- To conduct accurate, reliable and relevant qualitative and quantitative research;
- To monitor and evaluate police performance;
- To facilitate the improvement of police conduct;
- To accept and temporarily house and support victims;
- To provide volunteer-based victim support services at police stations throughout the province;
- To monitor the performance and functionality of community police relations;
- To promote youth safety;
- To promote school safety;
- To prevent violence against women and children;
- To implement alcohol and drug abuse prevention programmes;
- To mainstream Social Crime Prevention programmes; and
- To increase awareness through outreach programmes, internal communication, marketing and media exposure.

TABLE 10.7: SUMMARY OF PAYMENTS AND ESTIMATES: CIVILIAN OVERSIGHT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Programme Support	2 227	3 331	3 661	6 460	6 460	4 615	4 040	4 297	4 533
2. Policy And Research	3 123	5 569	6 081	7 905	26 055	22 167	8 063	8 499	8 924
3. Monitoring And Evaluation	8 841	9 735	9 495	44 004	25 854	11 674	47 841	50 277	52 791
4. Safety Promotion	40 294	44 761	70 966	84 303	84 303	68 630	88 809	93 493	98 167
5. Community Police Relations	41 693	32 791	41 511	36 557	36 557	37 915	40 577	41 335	43 402
Total payments and estimates	96 178	96 187	131 714	179 229	179 229	145 001	189 330	197 901	207 817

TABLE 10.8: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: CIVILIAN OVERSIGHT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	93 734	92 859	129 657	171 675	171 475	142 519	184 856	189 823	199 109
Compensation of employees	33 690	35 344	55 033	89 087	86 087	66 565	97 544	101 206	106 674
Goods and services	58 931	57 515	74 595	82 588	85 388	75 954	87 312	88 617	92 435
Interest and rent on land	1 113		29						
Transfers and subsidies	870	29	4		470	96			

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R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Provinces and municipalities			4			1			
Departmental agencies and accounts					270	1			
Public corporations and private enterprises	761								
Non-profit institutions									
Households	109	29			200	94			
Payments for capital assets	1 448	3 273	2 035	7 554	7 284	2 386	4 474	8 077	8 708
Buildings and other fixed structures							1 000	2 600	2 730
Machinery and equipment	1 448	3 273	2 035	7 554	7 284	2 386	3 474	5 177	5 663
Software and other intangible assets								300	315
Payments for financial assets	126	26	18						
Total economic classification	96 178	96 187	131 714	179 229	179 229	145 001	189 330	197 901	207 817

The expenditure for the three year period from 2011/12 to 2013/14 increased by R35.5 million from R96.1 million to R131.7 million. Expenditure on personnel for the period 2011/12 to 2013/14 increased by 63 per cent or R21.3 million, averaging 5 per cent per annum due to cost of living adjustments. The main contributing factors to the increase in compensation is the salary escalation rate, while goods and services increase from R57.5 million in 2012/13 to R74.5 million in 2013/14.

For the 2014/15 financial year, the total budget of the programme is R179.2 million, an increase of R47.5 million on the R131.7 million of 2013/14. In the 2014/15 financial year, the allocation for compensation of employees increased by R34 million from the 2013/14 allocation of R55 million. In 2014/15 the budget for the sub- programme Policy and Research was adjusted by R18.5 million to make provision for the implementation of the E- policing project which is linked to the war room to improve service delivery.

Over the medium term, the amount allocated to the programme increases from R189.3 million in 2015/16 to R197.9 million in 2016/17 and R207.8 million in 2017/18. This includes the carry-through effect of the allocation for the Civilian Secretariat. The allocation for compensation of employees increases by R9.1 million from R97.5 million in 2015/16 to R106.7 million in 2017/18, while goods and services increases by R5.1 million from R87.3 million in 2015/16 to R92.4 million in 2017/18.

SERVICE DELIVERY MEASURES

PROGRAMME 2: CIVILIAN OVERSIGHT

Performance measures	Estimated Annual Targets		
	2015/16	2016/17	2017/18
Number of police stations monitored and reports compiled	141	141	141
Number of report on the implementation of National Monitoring Tool (NMT) recommendations compiled	4	4	4
Number of Domestic Violence Act compliance reports compiled	4	4	4
Number of reports compiled on implementation of IPID recommendations by SAPS	4	4	4
Number of management reports compiled on service delivery and complaints against SAPS	4	4	4
Number of reports on monitoring and evaluation special projects compiled	1	1	1
Number of research reports on special projects compiled	1	1	1
Number of functional Community Police Forum (CPFs) assessed	142	142	142
Number of crime prevention programmes implemented	12	12	12

PROGRAMME 3: TRAFFIC MANAGEMENT

Programme description

The aim of the programme is to promote road safety and to contribute towards the reduction of the number of road crashes and resultant fatalities. The programme is also responsible for improving road-user knowledge, skills and attitude as well as for road traffic incident management. The programme also provides training to traffic officers from other LEAs in the province, including basic traffic training to newly-appointed Traffic Officers. The Administrative Adjudication of Road Traffic Offences Act, 1998 (Act No. 46 of 1998) is implemented and/or administered by the department through this programme, in conjunction with the RTMC.

Programme objectives

The programme performs its functions in pursuit of the following objectives:

- To reduce road fatalities in the province;
- To convert Boekenhoutkloof Traffic College into a Centre of Excellence;
- To provide traffic training; and
- To increase road user compliance with the rules of the road.

TABLE 10.9: SUMMARY OF PAYMENTS AND ESTIMATES: TRAFFIC MANAGEMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Gds Alloc Intelligent Transport									
System	3 605	403		7 911	7 911	894	8 640	9 152	9 609
2. Management	933	1 615	1 466	2 507	2 507	5 339	1 630	1 744	1 846
3. Public Transport Inspection	28 531	36 601	33 373	36 044	37 561	37 187	35 377	37 853	40 312
4. Road Safety Education	10 652	12 327	14 291	32 636	29 800	16 438	17 076	18 230	19 370
5. Road Safety Project	44 478	26 702	26 745	31 183	33 202	31 942	25 644	27 434	29 222
6. Special Services	17 374	20 450	25 062	22 688	16 515	14 210	24 137	25 470	26 744
7. Traffic Law Enforcement	127 337	144 716	160 722	151 313	226 086	262 737	201 473	196 356	203 799
8. Training Traffic College	18 571	18 877	24 932	30 458	31 158	38 852	32 918	34 716	36 452
Total payments and estimates	251 481	261 691	286 591	314 740	384 740	407 599	346 895	350 956	367 355

TABLE 10.10: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: TRAFFIC MANAGEMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	233 515	230 829	267 195	313 965	343 879	374 075	338 188	341 763	357 663
Compensation of employees	169 666	180 292	214 742	250 123	250 123	249 675	258 523	269 344	284 582
Goods and services	50 109	50 537	52 453	63 842	93 756	124 400	79 665	72 419	73 081
Interest and rent on land	13 740								
Transfers and subsidies	1 037	426	962		927	931	738	777	816
Provinces and municipalities			155			55			
Departmental agencies and accounts			4		775				
Households	1 037	426	803		152	876	738	777	816
Payments for capital assets	16 864	30 375	18 372	775	39 934	32 585	7 969	8 416	8 876
Buildings and other fixed structures									
Machinery and equipment	16 864	30 375	18 372	775	39 934	32 585	7 969	8 416	8 876
Payments for financial assets	65	61	62			8			
Total economic classification	251 481	261 691	286 591	314 740	384 740	407 599	346 895	350 956	367 355

The amount spent by the programme increased by R35.1 million from R251.4 million in 2011/12 to R286.5 million in 2013/14. Expenditure on personnel for the period 2011/12 to 2013/14 increased by R45 million or 27 per cent, averaging 9 per cent per annum. The main contributing factor to the increase in compensation is the filling of vacant positions and the salary escalation rate. Payments for capital assets for the period 2011/12 to 2013/14 is approximately R21 million per annum; this is mainly as a result of the acquisition of fleet to enable the unit to carry out its mandate of traffic law enforcement.

For the 2014/15 financial year, the main budget for Traffic Enforcement was adjusted upwards by 49 per cent which is R74.7 million from the R151 million to R226 million, due to additional funding of R70 million which was received from The Road Traffic Management Corporation (RTMC).

For the 2014/15 financial year, the adjusted budget increased by R70 million from R314.7 million to R384.7 million. The allocation for compensation of employees has increased by R35.4 million from the 2013/14, to R250.1 million in 2014/15. Expenditure on goods and services decrease by R11.4 million, from R52.5 million in 2013/14 to R63.8 million in 2014/15. The increase in expenditure on compensation of employees is mainly due to filling of vacant positions and estimated salary escalations while the increase in expenditure on goods and services is relates mainly to inflation and to the cost of maintaining the fleet.

Over the medium term, the amount appropriated to traffic management increases by the rate of inflation, averaging 6 per cent from R346.8 million in 2015/16 to R350.9 million in 2016/17 and R367.3 million in 2017/18. The allocation for compensation of employees increases by R26.1 million from R258.5 million in 2015/16 to R284.5 million in 2017/18. Goods and services increase by R6.5 million from R79.6 million in 2015/16 to R73 million in 2017/18. The programme will reduce road fatalities, provide traffic training and ensure compliance with the rules of the road. The department is also planning to increase the visibility of policing in the province; funds were therefore allocated to payments for capital assets to expand the current fleet.

SERVICE DELIVERY MEASURES

PROGRAMME 3: TRAFFIC MANAGEMENT

Performance measures	Estimated annual targets		
	2015/16	2016/17	2017/18
Number of speed operations conducted	4 000	4 290	4 290
Number of drunken driving operations conducted	838	878	878
Number of vehicles stopped and checked	3 056	3 211	3 211
Number of pedestrian operations conducted on identified hazardous locations	389 pedestrian operations conducted	408 pedestrian operations conducted	408 pedestrian operations conducted
Crime prevention measures/intervention/operations supported	612 crime prevention operations 96 special operations	640 crime prevention operations 96 special operations	640 crime prevention operations 96 special operations
Number of compliance inspections conducted	144	144	144
Number of vehicles weighed	8 800	9 000	9 100
Number of road safety awareness programmes	450	470	470
Number of schools involved in road safety education programme	2 100	2 200	2 200

9. OTHER PROGRAMME INFORMATION

9.1. Personnel numbers and costs

TABLE 10.11: PERSONNEL NUMBERS AND COSTS: DEPARTMENT OF COMMUNITY SAFETY

Personnel numbers	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	As at 31 March 2018
1. Administration	142	142	208	165	236	236	236
2. Civilian Oversight	119	119	292	200	299	299	299
3. Traffic Management	677	677	1 128	885	959	959	959
Total provincial personnel numbers	938	938	1 628	1 250	1 494	1 494	1 494
Total provincial personnel cost (R thousand)	236 077	252 299	319 775	373 390	418 149	437 817	459 458
Unit cost (R thousand)	252	269	196	299	280	293	308

Since the promulgation of the Civilian Secretariat for Police Act in July 2012, the department began working on the structure and organogram for this entity that resides with the department. The total head count of 1 494 for 2014/15 and over the MTEF period remains constant in which provision has been made for the appointment of staff related to this function. The department has already started with the process of appointing the head of the unit which is anticipated to be filled by the beginning of the new financial year.

TABLE 10.12 : SUMMARY OF DEPARTMENTAL PERSONNEL NUMBERS AND COSTS

	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Total for province									
Personnel numbers (head count)	938	938	1 628	1 494	1 494	1 250	1 494	1 494	1 494
Personnel cost (R thousands)	236 077	252 299	319 775	394 272	391 272	373 390	418 149	437 817	459 458
Human resources component									
Personnel numbers (head count)	19	16	17	19	19	19	19	19	19
Personnel cost (R thousands)	5 843	5 064	8 325	7 240	7 240	7 240	7 595	7 921	8 436
Head count as % of total for department									
Personnel cost as % of total for department									
Finance component									
Personnel numbers (head count)	25	30	34	28	28	28	43	43	43
Personnel cost (R thousands)	9 773	9 985	12 870	11 082	11 082	11 082	14 073	22 175	23 517
Head count as % of total for department									
Personnel cost as % of total for department									
Full time workers									
Personnel numbers (head count)	871	871	999	1 192	1 192	1 000	1 192	1 192	1 192
Personnel cost (R thousands)	219 214	234 278	193 671	369 574	369 574	351 692	392 111	410 477	430 752
Head count as % of total for department	93%	93%	61%	80%	80%	80%	80%	80%	80%
Personnel cost as % of total for department	93%	93%	61%	94%	94%	94%	94%	94%	94%
Part-time workers									
Personnel numbers (head count)									
Personnel cost (R thousands)									
Head count as % of total for department	0%	0%	0%	0%	0%	0%	0%	0%	0%
Personnel cost as % of total for department	0%	0%	0%	0%	0%	0%	0%	0%	0%
Contract workers									
Personnel numbers (head count)	67	67	629	302	302	250	302	302	302
Personnel cost (R thousands)	16 863	18 021	126 104	24 698	21 698	21 698	26 038	27 340	28 706
Head count as % of total for department	7%	7%	39%	20%	20%	20%	20%	20%	20%
Personnel cost as % of total for department	7%	7%	39%	6%	6%	6%	6%	6%	6%

9.2. Training

TABLE 10.13 : PAYMENTS ON TRAINING

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Administration	2 015	1 207	1 098	1 296	1 296	1 296	3 223	1 977	2 076
Subsistence and travel	2 015	1 207	1 098	1 296	1 296	1 296	3 223	1 977	2 076
Payments on tuition									
Other									
2. Civilian Oversight	3 050	2 071	2 314	2 494	2 494	2 494	2 321	2 574	2 702
Subsistence and travel	3 050	2 071	2 314	2 494	2 494	2 494	2 321	2 574	2 702
Payments on tuition									
Other									
3. Traffic Management	23 575	802	365	1 051	1 051	1 051	1 008	1 065	1 118
Subsistence and travel	23 575	802	365	1 051	1 051	1 051	1 008	1 065	1 118
Payments on tuition									
Other									
Total payments on training	28 640	4 080	3 777	4 841	4 841	4 841	6 552	5 616	5 896

The medium term budget shown in the table above will enable the department to continue to provide bursaries to internal employees and thus over time to improve the department's effectiveness. Training will also be provided for members of the Civilian Secretariat.

TABLE 10.14 : INFORMATION ON TRAINING: DEPARTMENT OF COMMUNITY SAFETY

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Number of staff	938	938	1 628	1 494	1 494	1 494	1 494	1 494	1 494
Number of personnel trained	520	604	628	650	650	650	700	700	735
of which									
Male	275	289	329	300	300	300	325	350	368
Female	245	315	299	350	350	350	375	350	368
Number of training opportunities	27	20	21	20	20	20	25	27	28
of which									
Tertiary	5	5	6	5	5	5	5	7	7
Workshops	16	15	15	15	15	15	20	20	21
Seminars									
Other	6								
Number of bursaries offered	112	87	90	100	100	100	110	130	137
Number of interns appointed	10	31	31	40	40	40	40	40	42
Number of learner ships appointed									
Number of days spent on training	782	949	850	900	900	900	900	900	945

Skills retention and development is one of the Department's objectives as they contribute towards improved service delivery. Training is essential for this. The department continues to increase the number of staff members trained and to be trained over the MTEF period. It has allocated approximately 1.2 per cent of the budgeted for compensation of employees to staff training and development costs. Male, female and people with disabilities are all included. However, in 2015/16 the priority will be females. The department's budget for staff training is R4 million in 2014/15 and R6 million in 2015/16.

9.3. Reconciliation of structural changes

TABLE 10.15: RECONCILIATION OF STRUCTURAL CHANGES: DEPARTMENT OF COMMUNITY SAFETY

2014/15		2015/16	
Programmes	R'000	Programmes	R'000
Administration	79 541	Administration	85 927
1. Office Of The MEC	6 926	1. Office Of The MEC	7 670
2. Office Of The HOD	6 863	2. Office Of The HOD	23 544
3. Financial Management	15 300	3. Financial Management	17 408
4. Corporate Services	46 281	4. Corporate Services	37 305
5. Legal	2 701	Civilian Oversight	189 330
6. Security	1 470	1. Programme Support	4 040
Civilian Oversight	54 135	2. Policy And Research	8 063
1. Policy And Research	7 905	3. Monitoring And Evaluation	47 841
2. Monitoring And Evaluation	44 004	4. Safety Promotion	88 809
3. Management	2 226	5. Community Police Relations	40 577
Crime Prevention and Community Police Relations	125 094	Traffic Management	332 895
1. Social Crime Prevention	49 802	1. GDS Alloc Intelligent Transport System	8 640
2. Community Police Relations	36 557	2. Management	1 630
3. Promotion Of Safety	16 061	3. Public Transport Inspection	35 377
4. Public Awareness and Information	18 440	4. Road Safety Education	17 076
5. Management	4 234	5. Road Safety Project	25 644
Traffic Management	314 740	6. Special Services	24 137
1. GDS Alloc Intelligent Transport System	7 911	7. Traffic Law Enforcement	201 473
2. Management	2 507	8. Training Traffic College	32 918
3. Public Transport Inspection	36 044		
4. Road Safety Education	32 636		
5. Road Safety Project	21 355		
6. Special Services	22 688		
7. Traffic Law Enforcement	161 141		
8. Training Traffic College	30 458		
Total	573 510		622 152

With effect from 1 April 2015, the budget structure has been amended to ensure compliance with the Civilian Secretariat Act (2011). This requires the department to amend its budget structure by consolidating Programme Two: Civilian Oversight and Programme Three: Crime Prevention and Community Police Relations into a single programme named Provincial Secretariat. In addition, to ensure compliance with good governance, the Risk Management Unit and the Fraud & Compliance Unit have been moved to the Office of the Head of Department.

ANNEXURES TO ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE

TABLE 10.17: SPECIFICATION OF RECEIPTS: DEPARTMENT OF COMMUNITY SAFETY

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Tax receipts									
Casino taxes									
Sales of goods and services other than capital assets	5 451	6 431	9 769	4 014	4 014	15 961	4 250	4 475	4 699
Sale of goods and services produced by department (excluding capital assets)	5 451	6 431	9 769	4 014	4 014	15 961	4 250	4 475	4 699
Sales by market establishments	2 290	1 496	1 523	1 267	1 267	7 078	1 225	1 290	1 354
Administrative fees									
Other sales	3 161	4 935	8 246	2 747	2 747	8 883	3 025	3 185	3 345
Of which									
Health patient fees	138	961	1 530	204	204	46	194	204	214
Other (Specify)	161	184	204	192	192	163	204	215	226
Other (Specify)	2 258	2 785	3 436	1 606	1 606	2 327	2 002	2 108	2 214
Other (Specify)	604	1 005	3 076	745	745	373	625	658	691
Transfers received from:									
Households and non-profit institutions									
Fines, penalties and forfeits	7 017	11 635	14 775	9 826	9 826	19 634	10 405	10 956	11 504
Interest, dividends and rent on land	37	4	4			2			
Interest	37	4	4			2			
Sales of capital assets									
Other capital assets									
Transactions in financial assets and liabilities	1 276	2 542	5 304	408	408	7 451	432	455	478
Total departmental receipts	13 781	20 612	29 852	14 248	14 248	43 048	15 087	15 887	16 681

TABLE 10.18: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	51 013	54 586	71 218	77 704	77 390	78 611	84 530	89 572	95 170
Compensation of employees	32 721	36 663	50 000	55 062	55 062	57 150	62 082	67 267	68 202
Salaries and wages	32 566	36 663	50 000	50 110	50 110	57 150	56 901	61 811	62 474
Social contributions	155			4 952	4 952		5 181	5 456	5 728
Goods and services	18 292	17 904	21 218	22 642	22 328	21 441	22 448	22 306	26 968
Administrative fees	54	63	106	76	81	106	94	99	104
Advertising	369	439	466	401	401	262	240	250	267
Minor assets	124	106	400	3 891	1 948	709			353
Audit cost: External	2 239	2 644	3 211	3 763	3 763	3 204	988		3 272
Bursaries: Employees	807	646	1 029	937	937	896	1 045	1 102	1 163
Catering: Departmental activities	165	69	278	55	148	181	318	336	364
Communication (G&S)	2 132	2 562	1 840	3 438	1 983	3 363	2 075	2 190	2 310
Computer services	2 902	972	1 983	2 295	2 295	4 135	2 300	2 429	2 562
Consultants and professional services: Business and advisory services	1 372	661	2 060	1 198	1 524	1 825	1 827	1 927	2 032

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R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Consultants and professional services: Legal costs	1 224	1 274	1 148	415	415	630	419	442	464
Contractors	358	367	61	1 256	1 318	187	3 332	2 815	2 620
Agency and support / outsourced services	265	504	141	66	114	77	340	359	378
Entertainment									119
Fleet services (including government motor transport)	3	58	386		91	587	1 119	1 180	1 242
Inventory: Clothing material and accessories						5			
Inventory: Farming supplies									
Inventory: Food and food supplies	3	7	182	15	15	5	94	99	104
Inventory: Fuel, oil and gas		21	7				246	260	217
Inventory: Learner and teacher support material									
Inventory: Materials and supplies	75	26	6	106	106	4			
Inventory: Medical supplies				105	105	60			269
Consumable supplies	8	160	159	472	760	422	570	603	879
Consumable: Stationery, printing and office supplies	646	1 005	1 075	13	1 354	1 453	1 440	1 519	1 501
Operating leases	584	496	668	839	976	793	2 121	2 100	2 114
Property payments		86	284			9			
Transport provided: Departmental activity	61								
Travel and subsistence		1 907	2 549	668	1 115	661	1 989	2 098	2 231
Training and development	2 015	578	728	1 132	1 132	1 011	1 381	1 457	34
Operating payments	786	2 506	99	532	532	74			
Venues and facilities	1 574	747	1 994	969	1 132	591	510	1 040	2 368
Rental and hiring	526		358		83	191			
Interest and rent on land		19				20			
Interest		19				20			
Rent on land									
Transfers and subsidies to			1 804		2 143	57			
Provinces and municipalities			16						
Provinces			16						
Provincial Revenue Funds									
Provincial agencies and funds			16						
Departmental agencies and accounts					1 837				
Social security funds									
Provide list of entities receiving transfers					1 837				
Non-profit institutions									
Households			1 788		306	57			
Social benefits			1 788		306	57			
Other transfers to households									
Payments for capital assets	2 751	2 180	2 153	1 837	8	1 144	1 397	1 525	1 610

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Buildings and other fixed structures	16								
Buildings									
Other fixed structures	16								
Machinery and equipment	2 735	2 180	2 153	1 837	8	1 144	1 397	1 525	1 610
Transport equipment		891							
Other machinery and equipment	2 735	1 289	2 153	1 837	8	1 144	1 397	1 525	1 610
Payments for financial assets	46	18	1						
Total economic classification	53 810	56 784	75 176	79 541	79 541	79 812	85 927	91 097	96 780

TABLE 10.19: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: CIVILIAN OVERSIGHT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	93 734	92 859	129 657	171 675	171 475	142 519	184 856	189 823	199 109
Compensation of employees	33 690	35 344	55 033	89 087	86 087	66 565	97 544	101 206	106 674
Salaries and wages	33 690	35 344	55 033	83 863	80 863	66 565	92 077	95 450	100 629
Social contributions				5 224	5 224		5 467	5 757	6 045
Goods and services	58 931	57 515	74 595	82 588	85 388	75 954	87 312	88 617	92 435
Administrative fees	2 345	399	1			13		300	315
Advertising	5 596	5 042	7 441	1 578	4 172	6 577	4 646	4 982	5 231
Minor assets	243	53	809	73	300	112	183	238	250
Audit cost: External							200		
Bursaries: Employees			7			21			
Catering: Departmental activities	5 847	4 921	8 322	2 271	8 259	9 584	7 128	11 983	12 582
Communication (G&S)	1 291	1 377	1 153	8 000	3 815	1 996	2 460	4 858	5 101
Computer services				806	806	2	200	100	105
Consultants and professional services: Business and advisory services	816	826	1 478	920	950	1 181	16 886	18 506	19 431
Consultants and professional services: Infrastructure and planning							1 000	600	630
Consultants and professional services: Laboratory services							100	100	105
Consultants and professional services: Scientific and technological services							1 200	1 500	1 575
Consultants and professional services: Legal costs									
Contractors	22 747	8 148	8 716	4 174	23 916	18 656	3 862	4 591	4 754
Agency and support / outsourced services	1 824	7 512	15 919	4 267	10 199	10 069	7 738	8 006	8 406
Entertainment									
Fleet services (including government motor transport)			3 814	8 141	6 527	2 253	6 669	6 550	6 332
Housing									

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R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Inventory: Clothing material and accessories			1 071	250	1 180	3 057	400	300	315
Inventory: Farming supplies			17			45			
Inventory: Food and food supplies	17	69	106			223			
Inventory: Fuel, oil and gas		2	1	2 800	801	1	3 297	2 201	2 311
Inventory: Learner and teacher support material			1	1 115	30		1 172	600	630
Inventory: Materials and supplies	206	653	383	5	25	125	543	45	48
Inventory: Medical supplies		87	59	50	110	122	203	200	210
Inventory: Medicine					80				
Inventory: Other supplies			4			2	10	711	747
Consumable supplies	1 571	2 795	791	1 496	1 971	807	3 280	866	910
Consumable: Stationery, printing and office supplies	566	775	1 266	2 216	2 021	2 228	2 007	2 299	2 414
Operating leases	132	1 260	30	4 000			4 196	3 576	3 754
Property payments		851	2 721	2 675	975	1 439	2 000	2 000	2 100
Transport provided: Departmental activity	1 970	45						250	263
Travel and subsistence		6 360	6 042	27 033	8 663	3 979	6 929	3 357	3 525
Training and development	3 050	2 171	2 486	2 802	3 181	4 174	5 279	4 094	4 298
Operating payments	1 716	9 037	475	4 079	1 567	895	1 833	1 273	1 336
Venues and facilities	5 748	5 132	10 815	3 837	5 467	6 063	3 892	4 531	4 758
Rental and hiring	3 246		667		373	2 330			
Interest and rent on land	1 113		29						
Interest	1 113		29						
Rent on land									
Transfers and subsidies to	870	29	4		470	96			
Provinces and municipalities			4			1			
Provinces			4			1			
Provincial Revenue Funds			2						
Provincial agencies and funds			2			1			
Departmental agencies and accounts					270	1			
Provide list of entities receiving transfers					270	1			
Public corporations and private enterprises	761								
Public corporations	761								
Subsidies on production									
Other transfers	761								
Non-profit institutions									
Households	109	29			200	94			
Social benefits	109	29			200	94			
Other transfers to households									
Payments for capital assets	1 448	3 273	2 035	7 554	7 284	2 386	4 474	8 077	8 708

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Buildings and other fixed structures							1 000	2 600	2 730
Buildings								300	315
Other fixed structures							1 000	2 300	2 415
Machinery and equipment	1 448	3 273	2 035	7 554	7 284	2 386	3 474	5 177	5 663
Transport equipment	235	2 264		4 016	4 016		1 500	1 000	1 252
Other machinery and equipment	1 213	1 009	2 035	3 538	3 268	2 386	1 974	4 177	4 411
Software and other intangible assets								300	315
Payments for financial assets	126	26	18						
Total economic classification	96 178	96 187	131 714	179 229	179 229	145 001	189 330	197 901	207 817

TABLE 10.20: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: TRAFFIC MANAGEMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	233 515	230 829	267 195	313 965	343 879	374 073	338 188	341 763	357 663
Compensation of employees	169 666	180 292	214 742	250 123	250 123	249 675	258 523	269 344	284 582
Salaries and wages	169 666	180 292	214 742	210 145	210 145	249 675	216 696	225 300	245 802
Social contributions				39 978	39 978		41 827	44 044	38 780
Goods and services	50 109	50 537	52 453	63 842	93 756	124 398	79 665	72 419	73 081
Administrative fees	68	41	381		77	77			
Advertising	533	458	1 703	1 347	1 098	490	500	528	554
Minor assets	1	395	418		964	811			
Audit cost: External									
Bursaries: Employees		2							
Catering: Departmental activities	2 349	37	292	25	482	300	77	81	85
Communication (G&S)	1 025	1 340	1 339	2 645	2 690	1 935	2 348	2 483	2 611
Computer services	2 840	400		6 042	6 042		4 960	5 215	5 415
Contractors	1 050	1 142	1 098	4 506	11 066	1 563	16 882	2 171	2 058
Agency and support / outsourced services		2 471	1 335	3 468	8 568	9 275	6 404	7 254	7 617
Entertainment									
Fleet services (including government motor transport)	(2)	274	8 499	2	27 623	56 517	21 929	21 115	21 938
Housing									
Inventory: Clothing material and accessories			1 104		1 999	970	1 029	332	418
Inventory: Farming supplies									
Inventory: Food and food supplies	4	6						689	723
Inventory: Fuel, oil and gas	8	216	317	50	50	22	54	57	60
Inventory: Learner and teacher support material						2			
Inventory: Materials and supplies	97	378	433	31	1 077	387	21	22	23
Inventory: Medical supplies		56	41	6	68	155	5	5	6
Inventory: Other supplies	8					28	418	23	463
Consumable supplies	352	2 849	3 358	3 225	3 234	5 727	335	431	454
Consumable: Stationery, printing and office supplies	613	396	608	1 425	1 717	2 067	2 145	2 265	2 298
Operating leases	13 434	24 718	19 887	14 827	19 827	36 310	10 713	10 059	8 187

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R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Property payments		2 186	5 442	2 668	874	1 134	2 141	2 261	2 374
Transport provided: Departmental activity	3 218								
Travel and subsistence		9 557	5 707	23 313	5 618	5 792	8 818	9 221	9 180
Training and development	23 575	546	468	160	560	454	556	587	616
Operating payments	26	2 594						7 272	7 636
Venues and facilities	828	475	23	102	122	112	330	348	365
Rental and hiring	82					270			
Interest and rent on land	13 740								
Interest	8 736								
Rent on land	5 004								
Transfers and subsidies to	1 037	426	962		927	931	738	777	816
Provinces and municipalities			155			55			
Provinces			155			55			
Provincial agencies and funds			155			55			
Departmental agencies and accounts			4		775				
Provide list of entities receiving transfers			4		775				
Non-profit institutions									
Households	1 037	426	803		152	876	738	777	816
Social benefits	1 037	426	803		152	876	738	777	816
Other transfers to households									
Payments for capital assets	16 864	30 375	18 372	775	39 934	32 585	7 969	8 416	8 876
Buildings and other fixed structures									
Machinery and equipment	16 864	30 375	18 372	775	39 934	32 585	7 969	8 416	8 876
Transport equipment	13 255	30 049					7 619	8 046	8 488
Other machinery and equipment	3 609	326	18 372	775	39 934	32 585	350	370	388
Payments for financial assets	65	61	62			8			
Total economic classification	251 481	261 691	286 591	314 740	384 740	407 597	346 895	350 956	367 355

TABLE 10.21: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: SOCIAL SECTOR EPWP INTEGRATED GRANT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments			645				1 345		
Compensation of employees									
Social contributions									
Goods and services			645				1 345		
Contractors			645				1 345		
Payments for capital assets									
Buildings and other fixed structures									
Payments for financial assets									
Total economic classification			645				1 345		

VOTE 11

DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

To be appropriated by vote in 2015/16	R 707 387 000
Responsible MEC	MEC for Agriculture and Rural Development
Administering Department	Department of Agriculture and Rural Development
Accounting Officer	Head of Department

1. OVERVIEW

Vision

The vision of the Gauteng Department of Agriculture and Rural Development (GDARD) as reflected in its revised 2014-2019 Strategic Plan is: An economically transformed agricultural sector and sustainable environmental management for healthy, food secure, developed rural and urban communities in Gauteng.

Mission

The mission of the GDARD as reflected in its revised 2014-2019 Strategic Plan is to radically modernize and transform agriculture, environment and rural development by:

- Promoting environmental protection and management;
- Expanding access to agricultural opportunities;
- Maximising food security;
- Up-scaling rural development;
- Promoting the One Health System; and
- Supporting sustainable livelihoods and communities.

Values

The GDARD's value driving approach focuses on developing synergies and working towards a common goal. The values of the GDARD include:

- Integrity ;
- Commitment;
- Accountability;
- Respect;
- Empowerment ;
- Team orientation;
- Trend setting and; and
- Responsiveness.

Strategic Goals

The strategic goals of the department are derived from the provincial priorities, support the Ten Pillar Programme and are reflected in the 2014-19 Strategic Plan. They are:

Goal 1: A modernised and transformed agriculture sector increasing food security, economic inclusion and equality

Strategic objectives:

- Enable and support transformation of the agriculture sector to actively contribute to economic growth, inclusion, equality and the creation of decent work;
- Boost food security for all and ensure the sustainability thereof; and
- Ensure comprehensive socio-economic development in Gauteng's rural areas.

Goal 2: Sustainable natural resource management

Strategic objectives:

- Protect and manage Gauteng's natural resources and environment;
- Advance eco-tourism in the province;
- Support sustainable development including waste management, recycling and the development and utilisation of green technologies and processes; and
- Boost energy security including through the development of suitable energy mix solutions.

Goal 3: Enhanced the capacity of the GDARD to implement projects effectively

Strategic objectives:

- Effective and efficient governance;
- Provision of effective planning, monitoring and evaluation (M & E), policy and research co-ordination and security and risk management;
- Provision of sound and compliant financial management;
- Provision of effective human resource (HR) management;
- Transformation within GDARD through mainstreaming of women, youth and persons with disabilities;
- Provision of sound and reliable legal advice and support;
- Promote and facilitate effective communications between GDARD and the people of Gauteng; and
- Provision of information and communication technology (ICT) support and services.

Core functions and responsibilities

The department's mandate is derived from Sections 24 and 27 and Schedules 4 and 5 of the Constitution of the Republic of South Africa, 1996. These deal with ensuring an environment that supports human well-being, conservation of the environment, provision of sufficient food and water, animal disease control, management of abattoirs and provision of veterinary services in the province.

Main services

In terms of agriculture, the department's focus over the next five years will be to firmly harness and maximise the economic potential of the agricultural sector. This has been identified as one of the province's eleven key economic sectors. Nationally, the sector is set to create a million jobs by 2030. The department will ensure that the sector is involved with all interventions to radically transform, modernise and re-industrialise Gauteng.

Specific activities include:

- Encouraging the establishment of individual homestead or backyard gardens to serve, mainly, the province's resource-poor communities. The target groups include the elderly, the unemployed, woman, youth, people with disabilities and HIV/AIDS affected/infected households;
- The ecological management of six provincial nature reserves with their associated people and parks programmes (Community-based Natural Resource Management, and Environmental Education);
- Issuing nature conservation permits for live game, hunting and fishing licences to the general public, traders and hunters;
- Conducting ecological research in order to provide decision-support to all internal and external stakeholders in the province;
- The development of provincial spatial planning tools such as the Provincial Conservation Plan and bioregional plans;
- Issuing of environmental authorisations in terms of the National Environmental Management Act (NEMA) (No. 107 of 1998) and;
- Issuing of certificates for the export of animals and animal products.

The operational areas of environmental management for which the department is responsible are air quality management, waste management, environmental impact management and conservation and sustainable use of biodiversity. The department's new strategic approach, and its location within the Economic sub-committee, changes the interpretation of its environmental management and protection mandate to include a focus on supporting and facilitating:

- Energy security, including through the energy mix;
- Sustainable development including the development of green and environmentally friendly and sustainable technologies and processes ;
- Eco-tourism;
- Increased participation by previously disadvantaged individuals and communities in environmental

- management and protection and;
- A proactive role for the sector in radically transforming, modernising and re-industrialising Gauteng's economy.

Ten Pillar Programme of Transformation, Modernisation and Re-industrialisation

The Gauteng Provincial Government has identified 10 Provincial Pillars which contribute to radical socio-economic transformation. Based on the department's new strategic approach, it responds to six of these pillars. Several of the pronouncements on actions and interventions fall within the GDARD's core functions and areas of responsibility of agriculture, environmental management and rural development, as can be seen in the table below.

PROVINCIAL PILLARS AND POLICY IMPERATIVES/ACTIONS, AND THE GDARD'S RESPONSES

PROVINCIAL PILLARS	POLICY IMPERATIVES/ACTIONS
<ul style="list-style-type: none"> • Pillar 1 - Radical economic transformation • Pillar 2 - Decisive spatial transformation • Pillar 4 - Transformation of the state and governance • Pillar 5 - Modernisation of the public service • Pillar 6 - Modernisation of the economy • Pillar 7 - Re-industrialisation of Gauteng Province 	<ul style="list-style-type: none"> • Addressing structural problems (high unemployment, casualization of labour, income inequalities and exclusion of the majority of the black population). • Investing in skills, research, innovation and economic infrastructure. • Revitalising and mainstreaming township economies e.g. through the production of food for schools and hospitals. • Support growth and development, and unlock the job creation and economic inclusion potential of key economic sectors e.g. through facilitating participation of SMMEs and township entrepreneurs in these sectors. • Fast-track the development of new industries that will usher Gauteng into an innovation-driven, knowledge-based, smart and green economy. The potential for Gauteng to be the key driver of new sectors such as mineral beneficiation and agro-processing is also to be enhanced. • Work with the Mayors of metros and districts and with the private sector, within the National Policy Framework, to develop a plan for the healthy energy mix (with an emphasis on smart and green energy solutions) • Facilitate the formation of co-operatives and SMMEs by young people, women and people with disabilities who have demonstrable commitment to succeed in the world of entrepreneurship. • Take radical steps to transform the spatial configuration and landscape of Gauteng province through better and co-ordinated land use management and spatial development. • Ensure that all township roads and streets are tarred; eradicate the bucket system; turn all hostels into family units; and prevent illegal land invasion and the growth of informal settlements. • Implement a comprehensive and integrated EPWP and CWP that will create over one million job opportunities within a period of five years.

External activities and events relevant to budget decisions

Since 2004, the GDARD has established itself as a leader in natural resource management, committed to providing an integrated provincial management system for the sustainable use of natural resources towards a better quality life for all.

Gauteng as a whole is committed to ensuring a brighter future for all its inhabitants, and aims to enhance competitiveness and encourage inclusive and sustainable growth. Ultimately, the local economy needs to grow, compete and create more jobs particularly for those who have been historically disadvantaged. This implies a focus on competitiveness; enterprises that are able to thrive in competitive markets; and locations which sustain employment at the local level.

The growing demand for agricultural services, following the world-wide economic downturn, puts pressure on capacity within the sector. Limited availability of and access to financial resources by small-holder farmers further exacerbate these pressures. This is especially critical as prices of agricultural inputs such as fuel, electricity, labour, fertilizers and seeds have significantly increased. This leads to a potential decline in farm incomes. There is therefore a need for structured and focused intervention to support farmers and to ensure the long-term sustainability and transformation of the sector. Empowering farmers through agricultural programmes such as the Comprehensive Agricultural Support Programme (CASP), the Micro Agricultural Financial Institutions of South Africa (MAFISA) scheme and Letsema/Ilima will ensure that the sector will continue to fulfil its role in ensuring food security and creating jobs. Agro-processing development is linked to the priorities of the New Growth Path which aims to strengthen the foundation of accelerated economic growth; and to ensure that the benefit of the growth translates into reduced unemployment, inequality and poverty. The increased demand for household food security due to the socio-economic impact of in-migration into the province means that the roll-out of household and community food gardens is particularly urgent.

A Performance of Veterinary Services (PVS) review and follow up gap analysis by the World Organisation for Animal Health (OIE) identified a number of vulnerabilities in South Africa's veterinary services. These could not only put South Africa's exports of animal and animal products in jeopardy but also place the livestock sector at risk of major outbreaks of disease. It will require additional resources and new operational mechanisms to overcome these weaknesses.

Compulsory community service for newly qualified veterinarians is likely to be introduced during the 2015-2016 financial year, and 17 veterinarians will be allocated to the department and used to realise the new national Primary Animal Health Policy within the province.

As a result of a High Court decision on the Performing Animals Act and the inclusion of animal welfare in the OIE Code, which places the responsibility for welfare in the hands of veterinary services, the mandate for welfare is now vested with veterinary services country wide. Some major importing countries may also soon include animal welfare conditions and certification for the export of animals and animal products. This new mandate will require additional capacity.

There is an increasing demand for coordinated veterinary certification and export facilitation services, especially to ensure markets for small holder farmers.

While Gauteng may not be rural by conventional standards, it does have relatively rural and semi-urban areas that require attention. An estimated four per cent of the province is classified rural and thus requires rural development interventions. Rural development is the responsibility of every department and person, with GDARD plays the coordinating role. The department has facilitated the signing of the Rural Social Compact Plan; this is a pact by stakeholders including organised labour, organised agriculture and government to work together to improve the livelihoods of people and communities in the rural areas.

As a result of the transfer of the air quality licensing function to the province, and the promulgation of the Waste Act (No. 59 of 2008), the department carries out additional environmental compliance and monitoring functions.

Acts, rules and regulations

- NEMA EIA Regulations, 2014 (Government Notice R982 of December 2014) and Listing Notice 1, 2 and 3;
- NEMA EIA Regulations (Government Notice R546 of June 2010) and Listing Notice 1, 2 and 3;
- National Environmental Management: Waste Act, 2008 (Act 59 of 2008);
- National Environmental Management: Air Quality Act, 2004 (Act 39 of 2004);
- Gauteng Waste Information Regulations, 2004;
- Gauteng Health Care Waste Management Regulations, 2004;
- National Environment Management: Biodiversity Act, 2003 (Act 10 of 2004);
- National Environmental Management: Protected Areas Act, 2003 (Act 57 of 2003);
- Disaster Management Act, (Act 57 of 2002);
- Animal Identification Act, (Act 6 of 2002);
- Meat Safety Act, 2000 (Act 40 of 2000);
- National Heritage Resources Act, 1999 (Act 25 of 1999);
- World Heritage Convention Act, 1999 (Act 49 of 1999);
- Gauteng Noise Control Regulations, 1999;
- National Environment Management Act, 1998 (Act 107 of 1998);
- National Water Act, 1998 (Act 36 of 1998);
- Medicines and Related Substances Act, (Act 90 of 1997);
- Environment Conservation Act, 1989 (Act 73 of 1989);
- Agriculture Products Standards Act, 1990 (Act 1990);
- Animal Diseases Act, 1984 (Act 35 of 1984);
- Endangered and Rare Species of Fauna and Flora, 1984;
- Conservation of Agricultural Resources Act, 1983 (Act 43 of 1983);
- Perishable Products Export Control Act, 1983 (Act 9 of 1983);
- Nature Conservation Ordinance, 1983 (Ordinance 12 of 1983);
- Gauteng Nature Conservation Regulations, 1983;
- Veterinary and Para-Veterinary Professions Act, 1982 (Act 19 of 1982);
- Plant Breeders' Rights Act, 1976 (Act 15 of 1976);
- Plant Improvement Act, 1976 (Act 53 of 1976);
- Hazardous Substances Act, 1973 (Act 15 of 1973);
- Subdivision of Agricultural Land Act, 1970 (Act 10 of 1970);
- Animal Protection Act, (Act 71 of 1962);
- Stock Theft Act, (Act 57 of 1959);
- Fertilisers, Farm Feeds, Agricultural Remedies and Stock Remedies Act, 1947 (Act 36 of 1947); and
- Performing Animals Protection Act, (Act 24 of 1935).

Policy directives

- Land and Agrarian Reform Programme (LARP);
- National Comprehensive Rural Development Programme (CRDP),(2009);
- Gauteng Air Quality Management Plan (2008);
- National Biodiversity Strategy and Action Plan;
- National Waste Management Strategy;
- Land Care guidelines; and
- Expanded Public Works Programme (EPWP) guidelines.

2. REVIEW OF THE CURRENT FINANCIAL YEAR (2014/15)**Radical Economic Transformation and Re-industrialisation of Gauteng province****Agricultural technical and extension advisory support**

A total of 1200 smallholder farmers are being supported with technical, agricultural extension and advisory services. Similarly, 412 farmers have been provided with non-accredited training on topics which include: vegetable production on open field; broiler production; piggery management and branding; tractor utilization; pest control; co-operative and enterprise business; barley production; weed control; calibration of tractor; veld burning; Water Act; food safety; health worker hygiene; improving farming with soil organic matter; sheep management; poultry bio-security measures; GMP livestock management; and animal health demonstration. Furthermore, 43 farmers from the City of Tshwane, City of Johannesburg, West Rand District Municipality, Ekurhuleni, Lesedi and Emfuleni have also been provided with accredited training on topics which include broiler production, beef production and water saving technology.

Production inputs support and infrastructure

A total of 123 land and agrarian reform projects/smallholder farmers across the province were supported with production inputs and infrastructure. These include broiler production inputs; day old chicks; starter, grower and finisher feeds; vaccines for Gumboro and Newcastle diseases; layer production inputs; pullets; laying mash; vaccines; piggery production inputs; pregnant gilts; boars and creep; grower and finisher feeds; and borehole infrastructure. The impact of this project is intended to be increased productivity and efficiency of smallholder farmers; sustainable land reform; and agrarian transformation. Furthermore, 30 farm plans were developed in support of farmers in the Tshwane, Randfontein and Germiston regions. Farm plan reports are pivotal as they guide farmers about the farming enterprises most suitable for their farm or land.

Maize Triangle

The GDARD has been the leading provincial department in assisting farmers to export maize to Lesotho from 2012 to date. The project is implemented by the Department of Agriculture, Forestry and Fisheries (DAFF) in conjunction two United Nations agencies, namely WFP and FAO. There are two projects in Nigal, which have consistently exported maize to Lesotho since the inception of the programme. The projects are Temareth farming project as well as Zivuseni Agricultural cooperative and sold 747 MT white maize worth of R 2 million to the World Food Programme. Both projects use Pride Milling in Nigal to process and export their maize. During the planting season, 46 farmers have been assisted to plant over 3000 hectares of white and yellow maize through the provision of production inputs such as seeds, fertilizers, animal feed as well as training and capacity building.

Disaster relief interventions

Flood relief schemes were implemented, assisting 35 farmers in Sedibeng, City of Johannesburg, Ekurhuleni and City of Tshwane. 19 hydroponics tunnels damaged during the 2010 floods were repaired. The Flood disaster relief project, which commenced in January 2012, was completed in 2014. The scheme also provided 23 farmers with maize seeds, including 300 bags of yellow maize and 210 bags of white maize. A further 28 farmers received 6000 bags of LAN fertilizers and 23 received bags of 4:3:4 fertilizers. 490 50kg bags of Potassium Nitrate were distributed to 8 hydroponics farmers. Spinach, cabbage, tomato, broccoli, rape, chimolia and lettuce seeds were distributed to Midvaal vegetable farmers. Eleven jobs were created through the flood scheme including casuals, project managers, truck drivers and general labourers.

Research and Development

One research paper was published on chemical compositions and antimicrobial activities of Athrixia phylicoides DC. Bush tea, Monsonia burkeana special tea and the synergistic effects of both herbal teas combined. An additional eight research projects were undertaken namely:

- Survey and identification of vegetable diseases in Gauteng Province: Publication of vegetable pests and

- diseases booklet;
- Farmers Participatory Evaluation of Vitamin A-rich tomato germ plasm in Gauteng Province, South Africa;
- Comparison of oocyte quality and viability in the Nguni and Hereford when exposed to a high protein diet;
- Investigating and improvement of bovine brucellosis culturing, serology and molecular assays using milk from infected farms in Gauteng;
- Genomic Sequencing and Annotation of a Selected Entomopathogenic Nematode;
- Comparing enteric methane production from steers receiving feedlot diets with different fibre and energy content;
- Investigating the potential use of grey water irrigation in peri-urban agriculture and;
- Identification of Ehrlichia ruminantium proteins involved in host and vector cell invasion.

Biotech Science Park

In collaboration with The Innovation Hub (TIH), the Gauteng Biotech Science Park (also known as the Gauteng Biopark) was launched on 13 October 2014 at the Innovation Hub in Lynwood, Pretoria.

Land under cultivation

As at the third quarter of the financial year, 1810 hectares had been ploughed with the tractors allocated to the five municipalities in Gauteng: City of Joburg, City of Tshwane, Ekurhuleni, West Rand District and Sedibeng. As well as tractors, they were provided with implements and trailers to support them in cultivating agricultural land, food production and job creation. Six tractor drivers were interviewed in November 2014, to be employed on 6-month contracts. This will help to accelerate the land preparation service.

Agri-parks

Progress is being made with establishing flower Agri-parks within agricultural hubs:

- Tarlton Agri-park City;
- The Hydroponics Tunnel Infrastructure suffered storm damage early in the 1st quarter of 2014/15. Repairs and monitoring are continuing and the work is progressing in line with the plans. Completion is scheduled for March 2015. Activities scheduled for early 2015 were: electricity connection; delivery of the generator; and the casing of the borehole will, the generator will be at Wattville Agri-park in Ekurhuleni;
- Vegetable production has already started under hydroponics tunnels as well as open field production;
- Rooivaal Agri-park;
- Two agri-entrepreneurs beneficiaries have been appointed for the tunnels and the open field, and have started cleaning the tunnels. The plastic tunnels intended to be installed in Soshanguve will be moved to Rooivaal due to unavailability of space. Shade nets will then be procured for Soshanguve Agri-park;
- Soshanguve Agri-park; and
- Vegetable squash is currently in production under shade nets.

Equity schemes

The Tropical Mushroom Farm equity scheme was launched in November 2014. Based on the share structure, 61 farm workers are benefiting as they own 35 per cent of the farm.

Agro processing

The agro-processing programme has assisted small holder farmers with packaging facilities, vegetable wrapping machines, weighing scales and cold rooms for smallholder farmers. Agro-processing projects were supported with infrastructure and equipment such as citrus/vegetable pack houses, egg grading machines; vegetable packaging machines. The department has been working with farmers to get them involved in agro-processing, and there are now two maize milling plants, one in Pretoria and the other in Randfontein. The Tshwane milling plant belongs to a youth co-operative that is producing animal feed and exporting to Zimbabwe. GDARD contributes to the running costs of the milling plants for the first three years in order to create sustainability before exiting the project. The Phase 1 of the Randfontein milling facility has also commenced with site clearance, fencing and basic training of beneficiaries on various agribusiness & entrepreneurship aspects. The department has also assisted smallholder farmers to establish abattoirs over the next 5 years. Focus is on the establishment of poultry, red meat as well as pork abattoirs.

Veterinary export licenses

A total of 5 211 veterinary export certificates were issued. A number of animal diseases in the country were brought under control. As a result, export bans were lifted by our trading partners and this gave the province's exporters access to these markets. This in turn increased the need for veterinary export certification. Favorable exchange rates boosted exports.

Decisive spatial transformation and Modernisation of human settlements and urban development

A total of 12 awareness campaigns were conducted, including training on permaculture, project management and plant propagation. A further 20 people were trained on plant propagation at the Abe Bailey Nature Reserve. Likewise, 190 EPWP jobs were created for project participants between October and December 2014. Vegetable seedlings were distributed to various farmers in Gauteng Province. The Phaphamang Environmental Organisation was first runner up in the Best Subsistence Producer competition at the 2014 Agri-Business Young Farmer of the Year awards. A total of 151 jobs were created for project participants from September 2014. Capacity building exercises were carried out within approved land care 6 Junior LandCare Schools projects. Furthermore, 12 LandCare community based natural resource management (CBNRM) projects are being implemented. Protective clothing, garden tools, seeds, seedlings and compost have been delivered to all projects.

Food gardening, distribution of trees and seeds and seedlings and training in garden design continues in Land Care schools. Ten fruit and fifteen indigenous trees have been planted in all six schools; 34 EPWP beneficiaries were appointed, and job opportunities were created.

A total of 151 jobs were created for project participants from September 2014. Through alien vegetation control, working on fire and EPWP river clean-up projects, 483 work opportunities were achieved in the third quarter, against a target of 460. The short-fall was caused by delays in transferring funds. The LandCare Conditional Grant funded the third quarter target of 25 jobs; this was exceeded by 93 jobs. Also in the third quarter, three junior camps took place in Enkanyezeni Primary, Seroto Masenthla Primary and Ratanda Primary schools. The camps took place at the Suikerbosrand Nature Reserve and Abe Bailey Nature Reserve. The participants included 196 learners: 103 girls and 88 boys.

Accelerated social transformation

Through the Siyazondla food security programme, the department has established 32 community gardens, 24 school food gardens and 5 945 household/homestead food gardens in the prioritised townships of the province. The aim is to mitigate hunger and urban poverty. Discussions were held with illegal slaughterers in the province about the possible use of a mobile abattoir to address the issue of illegal slaughtering. This intervention can be a game changer and is in line with the province's township revitalization strategy.

3. OUTLOOK FOR THE COMING FINANCIAL YEAR (2015/16)

Radical economic transformation and re-industrialisation of Gauteng province

The province hosts the headquarters of most commercial agricultural and food companies. This creates a concentration of agro-processing infrastructure plants, and horticulture and livestock and markets such as fresh fruit and vegetable markets. Increasing the participation of smallholder farming enterprises in agri-enterprises has the potential to enhance sustainability and profitability of farming operations. The agricultural potential of the GCR is to a large extent in the secondary agricultural sector, although the primary sector is also important. GDARD fully understands its responsibility to provide support to farmers, including new market entrants. However, few emerging farmers have become sustainable although emerging farmers continue to enter the sector.

There is a need to enhance the quality of service delivery to farmers. This will be done by strengthening collaboration with commodity organisations and creating relationships with sources of financial and technical expertise. The aim is to ensure that a broad range of farmers can access support through existing commodity networks. GDARD will also initiate research into innovative technologies that can increase yields and reduce costs. The department will also assist with information packaging, technical communication, technology transfer and resource utilisation services including spatial analysis support and decision-making support tools. Services that GDARD currently provides and which will be continued and expanded include business plan development and evaluations, market analysis and information dissemination, economic viability studies, entrepreneurship development, value adding to products and assistance with market research and the provision of veterinary export certification services.

Ownership is one of the B-BBEE elements that has been retained and prioritised in the new B-BBEE Codes of Good Practice which now has five elements rather than the original seven. The transformation of the agriculture and agribusiness sector through the AgriBEE Sector Charter will continue. This will be done in line with Pillar 1: Radical Economic Transformation. GDARD will continue to partner with the National Departments of Agriculture, Forestry and Fisheries and Rural Development to increase the number of workers who are owners of agri-businesses through AgriBEE/Farmworker Equity Scheme projects. Suitable equity schemes will be identified

through closer relationships with agribusinesses and potential beneficiaries in fora such as the MEC-Industry AgriBEE Summit. Relevant stakeholders such as agribusinesses, farmers, funders will be invited, and they will identify opportunities and share best practices.

SMMEs in rural areas often complain that they are excluded from products and services offered by external service providers. It is becoming increasingly difficult to provide services using service providers outside the rural nodes or wards. In line with the policy of local procurement, GDARD will continue to ensure that SMMEs in the rural nodes benefit from preferential procurement opportunities offered by various government departments.

Growth and transformation of the sector

There is a definite need to proactively support the growth, development, sustainability, competitiveness, economic inclusion and job creation potential of the agricultural sector. This will be achieved through focused research into a range of relevant issues, including adapting to climate change. Market access is essential for the growth of the sector and GDARD will assist with enabling this. It will also focus on improved production technology and infrastructure, coordination of services, regulatory issues and access to finance. An important aspect of market access is the ability to meet the stringent and complex requirements laid down by the importers of South Africa's agricultural products. The GDARD will respond to this by continuing to monitor animal and plant diseases. It will also assist with market intelligence, especially new markets, and with product differentiation.

The department will commission a study into alternative niche crops. This will inform technical research to be conducted, and technical advisors' knowledge and the advice given to farmers including about secondary and tertiary forms of agricultural activity.

There will be particular emphasis on linking agriculture and food security to revitalising and modernising township economies. Issues explored will include:

- Vertical integration opportunities;
- Increasing movement from tariffs to non-tariff barriers to protect markets abroad;
- Increasing competition in the domestic market from producers abroad
- The effects on trade of the very high standards set by importing countries increasing, and their expectations in relation to issues such as social responsibility and animal welfare;
- Responding to dumping and the import of cheap food;
- Understanding and supporting export drives by specific industries;
- The need for affordable food in a context of increasing poverty and high food prices. It is important to protect agricultural land, but provision must also be made for nature conservation, biodiversity, tourism and urban development.
- Infrastructure issues that can negatively affect the agricultural sector:
- Toll roads which affect farmer profitability through additional costs; and
- Deterioration of the rail infrastructure, forcing farmers to use expensive road transport.

Building the capacity of the sector

There are some skills shortages in the province's agricultural sector. This will be addressed through the comprehensive Gauteng Agricultural Skills Development Strategy (GASDS), the Provincial Agricultural Education and Training Forum (PAETF) and steering committee with its multi-stakeholder structure. The PAETF will also provide feedback and make recommendations to the National Agricultural Education and Training Forum (NAETF).

The need to improve extension services skills will be addressed by implementing the national Norms and Standards for Extension and Advisory Services in Agriculture and the Extension Revitalisation Programme. This programme focuses on recruitment, training and bursaries, information and communication technology, visibility and accountability and improved image and professionalism. In Gauteng, there will be a particular focus on the rollout of the Digital Green book, Smart Pen technology and the in-field technical information system Extension Suite Online.

Decisive spatial transformation and Modernisation of human settlements and urban development

The effect of climate change on agriculture in Gauteng will be one of the major determinants of the sustainability of the natural resource base, the agricultural sector and the competitiveness of the province's farmers. An example is the scarcity of water which will limit the extent to which the province can stimulate agricultural development. This challenge will be addressed by:

- Promoting optimal and efficient use of agricultural water;
- Actively focusing on and pursuing agricultural practices that mitigate the effects of climate change;

- Providing decision-making support on the choice of farming activity, optimal use of water and land, promotion of conservation agricultural practises and generation of appropriate and sustainable technologies and information;
- Development of a climate change plan for the agricultural sector;
- Implementing projects that support a change from conventional to conservation farming. Conservation farming combines minimum tillage, retention of crop residues as cover on the field, crop rotation to optimally utilise soil potential and for higher production, fertiliser use, alternative farming practises and possible new and alternative crops;
- Supporting the optimum use of water resources for aquaculture as a new and alternative farming option;
- Building human and infrastructure capacity to support the research needs of this new farming option for Gauteng; and
- Implementing water wise and biodiversity awareness campaigns.

Environmental management

Environmental protection and management challenges facing the province are:

- Difficulty in enforcing environmental compliance. Cases are delayed, there is a lack of adequate knowledge to prosecute environmental crimes and a lack of holding facilities for confiscated dangerous animals;
- Illegal imports and exports of endangered species;
- Human informal settlements in sensitive areas;
- Land with high agricultural potential being used for development;
- Destruction of ecosystems and wetlands;
- High level of air and waste pollution; and
- The constitutional split of functions and autonomous mandates amongst the spheres of government makes regulation difficult and leads to duplication of effort.

GDARD will address these by:

- Providing support and capacity;
- Financing the sector;
- Promoting compliance and strengthening enforcement;
- Improving environmental information for decision-making;
- Communication and awareness;
- Performing regulatory functions in collaboration with local government entities; and
- Monitoring of adherence to environmental regulations and by-laws.

Activities related to climate change and related environmental management will include:

- Climate change mitigation: measures to reduce greenhouse gas emissions and improve air quality management will include promoting energy efficiency and renewable energy production and reducing the burning of fossil fuels;
- Water Resource Management: measures will be taken to improve agricultural, industrial, commercial and household water use efficiency, planning and management;
- Pollution and Waste Management: measures will be taken to improve pollution and waste planning and management;
- Biodiversity Management: measures will be taken to improve biodiversity planning, management and conservation; and
- Land-Use Management and Agriculture: measures will be taken to ensure optimal management and use of land and natural resources for productive purposes.

Accelerated social transformation

Food Security

Given the problem of food insecurity especially in the fifty poorest wards in the twenty six prioritised townships, the department will continue to support vulnerable households and communities, schools, churches and community centres with the means to produce their own food. Previously funded projects will also be provided with inputs and agricultural advice to bring them back into production.

Food production and agricultural productivity to mitigate against food insecurity is dependent on good land use practices, water management and climate. To minimise risks to these, the department will focus on, for example, managing the risk of veld fires and assisting land owners to recover after fires or other disasters that may have occurred. It will draw on the province's Agricultural Disaster and Risk Mitigation/Management Plan, and will evaluate its impact and success. Other actions will include:

- Promoting food security to lessen dependence on food imports;

- Introducing Food for All programmes by procuring and distributing basic foods at affordable prices to poor households and communities;
- Improving food logistics such as transportation, warehousing, procurement for distribution and outsourcing in order to reduce food prices in the long term;
- Expanding access to food production schemes and resources in rural and peri-urban areas to enable people to grow their own food; and
- Ensuring emergency food relief programme, with food assistance projects to the poorest households and communities through partnerships with religious and other community organizations.

GDARD will continue to work with the four existing rural nodes of Kwa-Sokhulumi, Hekpoort, Bantu Bonke/Mamello and Devon, and the four new rural nodes, to ensure that they have functional stakeholders. This will assist local people to participate in and monitor their own development. The Comprehensive Rural Development Programme (CRDP) will be expanded by declaring additional four rural nodes in 2015/16. The declaration of a node puts the area in the spotlight and attracts stakeholders to provide services. It is expected that 10 GPG departments will provide services to the rural nodes in line with their mandates. Rural learners will receive career guidance to ensure that they are well-informed about subject and career choices.

The department will continue to assist the signatories of the Gauteng Rural Social compact Plan the National African Farmers Union (NAFU), African Farmers Association of South Africa (AFASA), AGRI-GAUTENG, Food and Allied Workers Union (FAWU), Women in Agriculture and Rural Development (WARD) and Youth in Agriculture and Rural Development (YARD) with implementing their social cohesion projects. Some of the projects will expand previous support, such as the Goat Kraal project for YARD in Kwa-Sokhulumi.

Capacity of GDARD to deliver

Implementation of all the above activities requires strengthened collaborative efforts between all key government departments including Rural Development and Land Reform; Water Affairs; Agriculture; Forestry and Fisheries; Social Development; Environmental Affairs; Health and Social Development; and Education, and with municipalities. The department also needs a more integrated approach to service delivery, with a redefinition of services to farmers and farm workers so that client expectations can be managed well. Also needed is a clearer definition of extension within the context of the Extension Revitalisation Programme.

The GDARD will also carry out the following actions:

- Review the organisational structure so that roles and responsibilities are allocated appropriately and issues of human resource capacity are properly addressed;
- Improve internal working processes, management styles and templates including automating and centralising internal processes and creating an electronic document management system (EDMS);
- Introduce automated systems for environmental impact assessments (EIAs);
- Strengthen and capacitate the M&E department and ensure proper evaluation and monitoring of internal and external projects;
- Collaborate with other government structures and departments for improved effectiveness; and
- Work to ensure that GDARD's potential to contribute to the province's economy is widely recognised.

Re-industrialisation of Gauteng province

Gauteng Province continues to be the powerhouse of the South African economy. The contribution of agricultural sector to the Gauteng economy is about R4.27 billion, which translate to about 0.4% (REX 2014). The agro-food value chain (inputs, primary production, processing) contributes approximately R124 billion to South Africa's Gross Domestic Product (GDP) and employs in excess of 451 000 people in the formal sector.

The department will assist smallholder farmers to establish abattoirs, provision of value adding equipment and infrastructure for herbs, essential oils, soyabean processing over the next 5 years. Focus will also be on the establishment of poultry, red meat as well as abattoirs. GDARD has already signed a Service Level Agreement (SLA) with the South African Poultry Association to support the establishment of abattoirs in the Province and this facilitates the development and entry of successful emerging poultry producers into the main-stream broiler value chain in order to grow the domestic industry as well as improve its competitiveness. To date one abattoir has been established in Sedibeng and continues to expand in terms of markets and job creation opportunities for local communities. Particular emphasis will be placed on increased barley production in support to the Heineken Malting facility. This entails providing production inputs as well as irrigation throughout the maize triangle area. Pursue an Incubation model to capacitate and skill 40 small holder farmers per year over a 5 year period. The Incubation model involves an acceleration form of learning in equipping Incubatees on farming skills and the business aspect of the farm. Upscale the maize production to support the milling plants. One of the milling plants will be used for the

grain and animal feed export programme.

4. REPRIORITISATION

The budget bids from internal business units' links to the government's modernisation, transformation and re-industrialisation (MTR) priorities were analysed, and funds allocated according to departmental priorities. Funds have been shifted from non-essential items to priority items to improve value-for-money in government performance. The personnel budget was reprioritised within the programmes in order to fill critical vacant posts and fund key, job-creating projects such as an agro-processing Agri-parks and milling plants, mobile abattoir, the Maize Belt Project and the Bantu Bonke agricultural project. Funds were also allocated to the Clean and Green Campaign and the Bontle Ke Botho programme which contributes to job creation and economic development. Savings identified under non-core spending items were allocated to core projects. The department has reprioritised R3.2 million towards expanding departmental ICT capacity as it supports modernisation of the public service and transformation of the state and governance. In addition, an amount of R34 million is reprioritised in favour of expanding the Maize Belt Project as the department supports radical economic transformation. An amount of R7.5 million is reallocated to expand its oversight role and increase the number of compliance monitoring inspections conducted.

5. PROCUREMENT

It is anticipated that Terms of Reference for 2015/16 projects will be finalised by the end of the current financial year. This will help the department to start the procurement process early and therefore to carry out its plans and projects on time.

The Departmental Acquisition Committee (DAC) has been replaced by the Bid Adjudication Committee (BAC). This meets each week, reducing the time taken to approve procurement and tenders.

6. RECEIPTS AND FINANCING

6.1 Summary of receipts

TABLE 11.1: SUMMARY OF RECEIPTS: DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Equitable share	408 275	428 301	463 510	514 681	525 858	525 858	593 655	581 289	610 353
Conditional grants	69 849	87 587	80 188	88 144	88 144	88 144	113 732	119 976	129 973
Agricultural Disaster Management Grant	1 745								
Comprehensive Agricultural Support Programme Grant	44 060	60 474	55 880	60 816	60 816	60 816	82 454	89 132	97 177
Illima/Letsema Projects Grant	20 000	17 221	17 538	20 126	20 126	20 126	24 234	26 059	27 673
Land Care Programme Grant: Poverty Relief and Infrastructure Development	4 044	5 961	6 163	4 748	4 748	4 748	4 601	4 785	5 123
Expanded Public Works Programme Incentive Grant for Provinces		3 931	607	2 454	2 454	2 454	2 443		
Total receipts	478 124	515 888	543 698	602 825	614 002	614 002	707 387	701 265	740 326

The department is financed through equitable share and conditional grants. A portion of the equitable share is earmarked for agro-processing and farmer support extension services. The CASP grant supports and promotes agricultural development by targeting subsistence, emerging and commercial farmers, and by funding projects such as land and agrarian reform, food security and agricultural cooperatives. The LandCare Programme conditional grant funds poverty relief and infrastructure development to sustain natural resources create job opportunities and improve food security. The Illima/Letsema grant promotes universal access to agricultural support services.

The department's receipts, made up of equitable share and conditional grants, have increased from R478 million in 2011/12, R543.7 million in 2013/14 and R602 million in 2014/15. It will increase from R707 million to R740 million over the 2015 MTEF. The increase will enable interventions to ensure food security in the province through programmes such as Siyazondla through which households, schools and community organisations are provided with production inputs and implements so that they can grow their own food. Assistance in the form of on- and off-farm infrastructure, mechanization and production inputs is also given to maize farmers.

The Integrated EPWP conditional grant decreased from R3.9 million in 2012/13 to R606 000 in 2013/14. This was because of a change in policy at national level. However, the EPWP conditional grant allocation increased to R2.4 million in 2014/15, to enable job creation in areas where labor intensive methods can be maximized. In 2015/16, the grant remains at R2.4 million; it will support job creation, and increased duration of existing jobs, in conservation and land care. Projects include CBNRM indigenous ornamental and food crop production, waste management and stream restoration; Emfuleni alien vegetation removal EPWP Project; and the Kaalspruit River Clean-up project in the City of Joburg.

The conditional grant appropriation has increased from R69.8 million in 2011/12, R80.2 million in 2013/14 and R88.1 million in 2014/15. The conditional grant for 2015/16 grows to R113.7 million because of an increase in the CASP grant and Ilima/Letsema grants, as well as the allocation of EPWP conditional grant. Over the outer years of the MTEF, the conditional grant increases to R120 million and R130 million respectively, due to the fact that the department did not receive confirmation of the EPWP conditional grant allocation for 2016/17 and 2017/18.

The equitable share grant was R408.3 million in 2011/12, R463.5 million in 2013/14 and R525.8 million in 2014/15. It will be R593.7 million in 2015/16 and R610 million in 2017/18. The increase is linked to the prioritizing of support for mobile abattoirs, Agri-parks, milling plants and agro-processing and agriculture.

6.2 Departmental receipts

TABLE 11.2: DEPARTMENTAL RECEIPTS: DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Tax receipts									
Sales of goods and services other than capital assets	587	671	743	1 421	1 421	1 427	1 850	1 953	2 058
Interest, dividends and rent on land	70	80		42	42	3	4	5	6
Transactions in financial assets and liabilities	401	1 355	287			307			
Total departmental receipts	1 058	2 106	1 030	1 463	1 463	1 737	1 854	1 958	2 064

Departmental own receipts are generated from parking fees, fees charged for access cards issued to employees, environmental application fees and interest on debt. New legislation relating to the fees for considering and processing applications by environmental authorities contributed to the increase in this revenue item in over the 2015 MTEF. The contribution to total revenue of interest, dividends and rent on land is limited and is projected to remain relatively constant over the 2015 MTEF.

Revenue collected was R1 million in 2011/12 and R2.1 million in 2012/13. The increase was due to a once-off debt recovery. Revenue in 2013/14 returned to more normal levels. In 2014/15, revenue is expected to have been R1.4 million, and to be R1.8 million in 2015/16 and R2 million in 2017/18.

7. PAYMENT SUMMARY

7.1 Key assumptions

When compiling this budget, the department considered the following factors:

- Assessment of baselines to identify activities and items that are no longer policy priorities or regarded as essential. Their funds would therefore be transferred to more urgent activities;
- Improving alignment with the province's TMR vision for the next five years;

- Improving alignment with government's policy priorities as stated in the NDP, the 2014-2019 MTSF, provincial government plans and plans of the sector and institutions;
- Basic salary costs including annual improvement in conditions of service adjustments;
- Items linked to rates of increase in basic salary costs: pension fund contributions, thirteenth cheques and overtime;
- Medical aid contributions, which normally increase more rapidly than inflation;
- Homeowners allowance, which changes in line with interest rates; and
- Skills development levies.

7.2 Programme summary

TABLE 11.3: SUMMARY OF PAYMENTS AND ESTIMATES BY PROGRAMME: AGRICULTURE AND RURAL DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Administration	161 016	143 517	155 615	157 914	157 009	157 009	166 732	174 457	183 180
2. Agriculture And Rural Development	190 089	243 637	253 150	283 037	298 533	298 533	377 189	356 256	378 067
3. Environmental Affairs	127 019	128 734	134 933	161 874	158 460	158 460	163 466	170 553	179 080
Total payments and estimates	478 124	515 888	543 698	602 825	614 002	614 002	707 387	701 265	740 326

TABLE 11.4: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: AGRICULTURE AND RURAL DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	443 875	460 343	493 122	536 870	531 957	529 048	648 989	645 927	690 436
Compensation of employees	254 125	267 441	291 624	326 875	325 143	324 246	354 462	374 136	392 843
Goods and services	189 641	192 888	201 491	209 995	206 794	204 782	294 527	271 791	297 593
Interest and rent on land	109	14	7		20	20			
Transfers and subsidies to:	15 140	30 806	38 791	38 476	57 884	60 793	30 275	29 916	31 411
Provinces and municipalities	2 144	6 185	7 325	8 694	14 151	14 151	10 984	9 533	10 009
Departmental agencies and accounts	5 822	4 343	6 056	3 886	15 013	14 998	9 616	10 201	10 711
Higher education institutions	3 270	3 797	3 156	2 402	2 402	2 402	3 806	4 763	5 001
Public corporations and private enterprises	3 800	16 422	21 645	23 283	25 883	28 634	5 273	4 791	5 031
Households	104	59	609	211	435	608	596	628	659
Payments for capital assets	18 344	23 984	11 760	27 479	24 151	24 151	28 123	25 423	18 479
Buildings and other fixed structures	7 792	8 600	5 838	16 300	9 105	9 775	10 950	15 765	8 338
Machinery and equipment	9 906	14 791	5 922	11 179	14 676	14 006	17 173	9 657	10 140
Software and other intangible assets	646	593			370	370			
Payments for financial assets	765	755	25		10	10			
Total economic classification	478 124	515 888	543 698	602 825	614 002	614 002	707 387	701 265	740 326

The department's overall budget is linked to national and provincial TMR priorities, and to the NDP.

Expenditure from 2011/12 to 2013/14 was restated in line with the function shift. During the 2012/13 adjustment budget, the procurement function was decentralized in the province. This meant that staff migrated from the Gauteng Department of Finance to the GDARD. In the same year, the department decentralized most of its overhead cost from Administration to the department's other two programmes. The main reason for this was to prevent the Administration allocation being inflated by the other programmes' overhead costs.

The allocation increased from R478 million in 2011/12, R543.7 million in 2013/14 and R614 million 2014/15. It will be R707 million in 2015/16 and will fund, amongst others priorities, the permanent appointment of extension officers to support farmers; and inflation-related increases in compensation of employees. At 53 per cent, the Agriculture and Rural Development Programme receives the largest share of the budget. It assists farmers with mechanisation inputs; and establishes mobile abattoirs, agro- processing, Agri-parks and milling plant. Conditional grants under this programme are allocated to farmer support in the form of infrastructure, production inputs and flood relief; for clearing alien vegetation from agricultural land; and for extension services

for farmers. The Environmental Affairs programme receives the second largest share. It carries out biodiversity programmes on nature reserves; reviews and approves EIAs; implements waste management activities; and carries out programmes for cleaning and greening the province and thus improving the sustainable use of the environment.

The total appropriation increases from R701 million in 2016/17 and R740 million in the 2017/18 financial year. The goods and services budget was R189.6 million in 2011/12, R192.9 million in 2012/13 and R201 million in 2013/14. It is R206.7 million in 2014/15. It increases to R294.5 million in 2015/16 because of once-off additional funding for mobile abattoirs, Agri-parks, milling plant, agricultural support services to farmers and ensuring adherence with regulatory requirements. In the outer years of the 2015 MTEF, the budget will be R271.8 million in 2016/17 and R297.6 million in 2017/18. During the 2015 MTEF, the department will receive an additional R10 million for mobile abattoirs to support meat processing businesses in townships, R20 million to establish job-creating Agri-parks in Eikenhof and Khutsong and R20 million for milling plant for the barley-malt project.

In 2015/16, the department will allocate R16 million to infrastructure projects in the Nature Reserves. R5.1 million of this is for maintenance of existing infrastructure and R10.9 million for buildings and fixed structures. The budget for these projects will be R17.6 million in 2016/17 and R18.5 million in 2017/18.

Transfers to higher education institutions amounted to R2.4 million in 2014/15 and increase to R5 million in 2017/18, with more funds allocated to priority research projects and implementation of the biotechnology strategy.

Under departmental agencies and accounts, R7 million will be transferred in 2015/16 to the Agricultural Research Council (ARC) for research projects and R1.9 million to South African National Biodiversity Institution (SANBI) for wetlands rehabilitation in Kwa-Sokhulumi.

Transfers to households relate to injury on duty payments. The allocation fluctuates since leave gratuity pay-outs are demand driven. They amounted to R104 000 in 2011/12, R59 000 in 2012/13, R609 000 in 2013/14 and R211 000 in 2014/15. Over the 2015 MTEF, the allocation increases to R596 000 in 2015/16 and R659 000 in the outer year.

Under public corporations and private enterprises, in 2015/16, R5.2 million will be transferred to the Rand Water Foundation. This will fund the removal of alien vegetation at Tweefontein and Zuurbekom small holdings. This allocation decreases to R5 million in 2016/17.

The allocation for machinery and equipment fluctuates significantly from R9.9 million in 2011/12 to R14.8 million in 2012/13 and R11 million in 2014/15. The allocation of R17.1 million in 2015/16 is higher because of the change in policy priorities.

7.4 Infrastructure payments

7.4.1 Departmental infrastructure payments

Please refer to the 2015 Estimates of Capital Expenditure (ECE)

7.4.2 Departmental Public-Private-Partnership (PPP) projects

N/A

7.5 Transfers

7.5.1 Transfers to public entities

N/A

7.5.2 Transfers to other entities

N/A

7.6 Transfers to local government

TABLE 11.5: SUMMARY OF DEPARTMENTAL TRANSFERS TO LOCAL GOVERNMENT BY CATEGORY

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Category A	500	3 000	4 025	4 497	4 497	4 497	3 503	2 613	2 744
Category B	1 644	3 185	3 300	2 709	2 709	4 285	1 993	2 137	2 243
Category C				1 488	1 488	1 488	5 488	4 783	5 022
Total departmental transfers	2 144	6 185	7 325	8 694	8 694	10 270	10 984	9 533	10 009

Transfers to municipalities were R2.1 million in 2011/12, R6.2million in 201/13, R7.3 million in 2013/14 and R8.6 million in 2014/15. This fluctuation results from changes in policy priorities by the national department concerning the EPWP conditional grant allocation. A large part of this grant is transferred to municipalities to create jobs using labour intensive methods. In 2014/15, the budget for transfers to local government is R8.7 million. This increases to R10.9 million in 2015/16 and decreases to R10 million in 2017/18. Under Category A transfers, R3.5 million will be transferred to the City of Johannesburg in 2015/16 for the Klipspruit River clean up. This will provide for the creation of temporary jobs, removal of waste, reeds and grass from the river, skills development and pollution awareness campaigns. In Category B, R1.9 million will be transferred in the same financial year to Lesedi and Merafong for alien vegetation eradication projects. This will contribute to job creation and skills development, and the projects will continue over the 2015 medium term. In Category C, R5.5 million will be transferred to West rand and Sedibeng for agro processing and Maize Belt projects.

8. PROGRAMME DESCRIPTION**PROGRAMME 1: ADMINISTRATION****Programme description**

The purpose of the programme is to provide leadership, management, efficient and effective monitoring and evaluation, policy and research co-ordination and security and risk management, financial management, HR management and development, facilities management services, professional legal services and enforcement services, communication and awareness as well as knowledge and project management services to the department in response to Outcome 12. The programme's aim is an efficient, effective and development-oriented public service and empowered, fair and inclusive citizenship, through the following strategic objectives which are in line with the department's 5 Year Strategic Plan.

Programme objectives

- Service delivery quality and access;
- HR management and development;
- Efficient and effective governance;
- Business process, systems, decision rights and accountability; and
- Promotion of active and responsible citizenship.

Key policies, priorities and outputs

- Institutionalise long term planning;
- Forge a disciplined, people-centred and professional public service;
- Empower citizens to play a role in developing and building an ethical public service;
- Implement a less hierarchical approach;
- Improve the skills of public servants;
- Strengthen procurement processes;
- Pay suppliers promptly;
- Customise and adapt the IT system to specific areas of service delivery; and
- Revitalise the Batho Pele programme and implement the Public Service Charter.

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TABLE 11.6: SUMMARY OF PAYMENTS AND ESTIMATES: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Office Of The MEC	4 213	6 176	6 795	7 032	5 532	5 532	5 480	5 767	6 055
2. Senior Management	32 996	28 728	34 791	36 293	37 063	37 063	36 658	39 776	41 765
3. Corporate Services	66 134	64 936	64 157	69 864	69 225	69 225	72 090	74 100	77 805
4. Financial Management	57 673	43 677	49 872	44 725	45 189	45 189	52 504	54 814	57 555
Total payments and estimates	161 016	143 517	155 615	157 914	157 009	157 009	166 732	174 457	183 180

TABLE 11.7: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	151 138	135 907	149 229	152 370	148 960	148 896	161 907	169 380	177 849
Compensation of employees	74 392	81 509	87 892	96 197	95 265	95 410	105 038	110 072	115 575
Goods and services	76 637	54 384	61 330	56 173	53 675	53 466	56 869	59 309	62 274
Interest and rent on land	109	14	7		20	20			
Transfers and subsidies to:	104	59	1 505	1 195	1 419	1 483	1 502	1 582	1 661
Departmental agencies and accounts			896	984	984	969	906	954	1 002
Households	104	59	609	211	435	514	596	628	659
Payments for capital assets	9 009	6 796	4 856	4 349	6 620	6 620	3 323	3 495	3 670
Buildings and other fixed structures						71			
Machinery and equipment	8 363	6 203	4 856	4 349	6 620	6 549	3 323	3 495	3 670
Software and other intangible assets	646	593							
Payments for financial assets	765	755	25		10	10			
Total economic classification	161 016	143 517	155 615	157 914	157 009	157 009	166 732	174 457	183 180

The table above shows the budget for Administration. Expenditure was restated from the 2011/12 financial year to 2013/14 as a result of the decentralisation of the procurement function in the province which resulted in the migration of staff from the province's Department of Finance to GDARD. Expenditure for this programme was R161 million in 2011/12, R155 million in 2013/14 and R157.9 million in 2014/15. The 2013/14 budget was adjusted upwards to enable the filling of critical vacancies under Corporate Services. To accommodate cost of living increases in compensation of employees, the budget increases to R105 million in 2015/16. This is in line with the increases approved by National Treasury relating to cost of living and annual increases in goods and services. The sub-programme that particularly influences expenditure is Corporate Services, which provides enabling services to the department. The programme budget increases to R174 million in 2016/17 and R183 million in 2017/18.

The compensation of employees budget was R74 million in 2011/12 and R87.8 million in 2013/14. Under the 2014/15 main appropriation, it increases to R96 million. It increases from R105 million in 2015/16 to R115.6 million in 2017/18 to allow for cost of living adjustments to personnel.

The goods and services budget declined substantially from R76.6 million in 2011/12 to R61.3 million in 2013/14, as the department decentralised the budget to where costs are incurred in the programme. This relates to property payments, lease payments and overheads (telephone, cell phone and photocopier charges) associated with the various programmes. The budget is R53.6 million in 2014/15, R56.8 million in 2015/16 and R62.3 million in 2017/18.

Under departmental agencies and accounts, in 2015/16 a skills levy of R906 000 will be transferred to sector education and training authorities (SETAs). The figure will be R1 million in the outer year of the 2015 MTEF.

The transfer to SETA was only allocated in the 2013/14 allocations because of the new DPSA directive on the

use of the skills development levies to build employee capacity and external talent management initiatives. Internal training needs are identified through the performance management and development process, and are aligned to strategic priorities. They are incorporated into workplace skills plans which are submitted to PSETA for endorsement. The plan is implemented on an annual basis. Payments for capital assets increased from R4.8 million in 2013/14 to R6.6 million in 2014/15 due to the once-off acquisition of machinery and equipment and the improvement of information technology facilities in 2011/12. The allocation for 2015/16 is R3.3 million and R3.7 million for 2017/18. This is due to planned replacement of old furniture.

PROGRAMME 2: AGRICULTURE AND RURAL DEVELOPMENT

Programme description

The programme aims to optimise the contribution of sustainable agriculture to the equitable development of all communities in the province, by enhancing food security, income, employment and the quality of life; and to control and manage health risks of animal origin by ensuring healthy livestock production and the availability and affordability of healthy high quality food and animal products, thus stimulating economic growth and contributing to poverty alleviation and international trade.

Programme objectives

- Sustainable agriculture reform with a thriving small and large farming sector;
- Improved access to affordable and diverse food;
- Improved rural services to support livelihoods;
- Improved employment opportunities and economic livelihoods; and
- Institutional arrangements that support rural development.

TABLE 11.8: SUMMARY OF PAYMENTS AND ESTIMATES: AGRICULTURE AND RURAL DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1.Sustainable Resource Management	20 963	29 217	30 157	36 629	36 448	36 448	36 968	36 408	38 228
2.Farmer Support & Development	78 823	116 272	114 670	122 863	124 863	124 863	161 312	175 650	188 431
3.Veterinary Services	42 371	46 901	53 584	61 330	64 430	64 430	72 770	66 606	69 937
4.Research & Technology Development									
Services	24 693	25 475	22 673	28 131	35 131	35 131	53 581	39 649	41 631
5.Agricultural Economics Services	20 359	22 323	26 601	26 580	28 080	28 080	44 750	29 721	31 207
6.Rural Development Coordination	2 880	3 449	5 465	7 504	9 581	9 581	7 808	8 222	8 633
Total payments and estimates	190 089	243 637	253 150	283 037	298 533	298 533	377 189	356 256	378 067

TABLE 11.9: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: AGRICULTURE AND RURAL DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	173 510	204 302	216 333	238 926	237 218	234 467	334 566	321 759	341 845
Compensation of employees	78 858	90 640	105 328	113 238	112 438	112 487	128 151	137 928	144 825
Goods and services	94 652	113 662	111 005	125 688	124 780	121 980	206 415	183 831	197 021
Transfers and subsidies to:	15 036	30 747	35 861	37 281	53 585	56 336	28 773	28 334	29 751
Provinces and municipalities	2 144	6 185	5 900	8 694	11 271	11 271	10 984	9 533	10 009
Departmental agencies and accounts	5 822	4 343	5 160	2 902	14 029	14 029	8 710	9 247	9 710
Higher education institutions	3 270	3 797	3 156	2 402	2 402	2 402	3 806	4 763	5 001
Public corporations and private enterprises	3 800	16 422	21 645	23 283	25 883	28 634	5 273	4 791	5 031
Payments for capital assets	1 543	8 588	956	6 830	7 730	7 730	13 850	6 162	6 471
Machinery and equipment	1 543	8 588	956	6 830	7 360	7 360	13 850	6 162	6 471
Software and other intangible assets					370	370			
Total economic classification	190 089	243 637	253 150	283 037	298 533	298 533	377 189	356 256	378 067

The table above shows the budget for Agriculture and Rural Development. Total expenditure under this programme increased from R190 million during 2011/12 to R253 million in 2013/14 due to an increase in funding for agriculture, agro-processing, veterinary services and rural development projects. Over the 2015

MTEF, the budget increases due to a once-off allocation for mobile abattoirs, Agri-parks and milling plant. The total budget increases significantly from R377 million in 2015/16 to R378 million in 2017/18. A substantial portion of the budget is assigned to the Farmer Support and Development sub-programme; this implements the plans associated with the CASP and Ilima/Letsema conditional grants. Key projects under these two conditional grants are land and agrarian reform; provision of on- and off-farm infrastructure; food security; the Gauteng Farmer Settlement Programme (GFSP); and agricultural cooperatives which include piggery, poultry and maize production. The budget under Farmer Support and Development grows from R161.3 million in 2015/16 to R188.3 million in 2017/18 due to additional allocations for permanently appointed extension officers; projects associated with the Extension Recovery Plan; land reform; and provision of disaster relief assistance to farmers.

The sub-programme Veterinary Services received R42.3 million in 2011/12, R53.5 in 2013/14 and R64 million in 2014/15. This increases to R72.7 million in 2015/16. These funds will assist with ensuring that whole and healthy foods of animal origin are provided to consumers through services including veterinary certification, laboratory diagnostic services, abattoir audits and monitoring and animal health regulatory control. The allocation decreases to R69.9 million in 2017/18. During the 2015 MTEF, the department receives a once-off additional R10 million for mobile abattoirs to support meat processing businesses in townships.

Sustainable Resource Management is largely driven by implementation of the EPWP and provides for removing waste from rivers, rehabilitating wetlands, burning firebreaks and removing alien vegetation. Implementation of the national LandCare programme is limited to community-based natural resource management projects, tree and shrub planting and Junior LandCare rather than LandCare support to farmers. The allocation to Sustainable Resource Management increases from R20.9 million in 2011/12 to R36.9 million in the 2015/16 main appropriation and R38.2 million in 2017/18.

Research and Technology Development and Support promote agricultural technology and science. It was allocated R24.6 million in 2011/12, R22.6 million in 2013/14 and R28 million in 2014/15. It will receive a significant increase to R53.5 million in 2015/16 financial year and will decrease to R41.6 million in 2017/18. During the 2015 MTEF, the department receives an additional R20 million to establish Agri-parks in Eikenhof and Khutsong in order to contribute to job creation.

The Agricultural Economics budget was R20.3 million in 2011/12 and R26.6 million in 2013/14. It grows to R44.7 million in 2015/16 before decreasing to R31.2 million in 2017/18. It will provide for agro-processing infrastructure such as plant, horticulture, livestock and agricultural cooperatives. The programme offers agricultural economic advice and financial support to farmers, processors and agri-businesses. During the 2015 MTEF, the department receives an additional R20 million for milling plant needed for the barley-malt project.

Compensation of employees grows was R78.8 million in 2011/12, R105 million in 2013/14 and R113 million in 2014/15. It is R128 million in 2015/16 and R144.8 million in 2017/18 and allows for cost of living adjustments, filling critical vacant posts and permanent appointment of extension officers.

Goods and services under this programme were R94.6 million in 2011/12 and R125.7 million in 2014/15. It increases significantly to R206.4 million in 2015/16 before decreasing slightly to R197 million in 2017/18. This is due to the budget being decentralised to where costs are incurred.

Transfers to higher education institutions amounted to R2.4 million in 2014/15, and increase to R3.8 million in 2015/16 with additional funding for priority research projects and the implementation of the biotechnology strategy. The allocation for departmental agencies is R8.7 million in 2015/16 and is disaggregated as follows: R6.8 million to be transferred to the ARC to fund farmer training, capacity building and research projects; and R1.9 million to SANBI for wetlands rehabilitation in Kwa-Sokhulumi. Over the MTEF, transfers to departmental agencies increase to R9.7 million in 2017/18.

Transfers to public corporations and private enterprises were R3.8 million in 2011/12, R16.4 million in 2012/13 and R21.6 million in 2013/14. The increase in 2012/13 was due to transfers to RWF to assist with various agriculture projects which had not been done previously. Under public corporations and private enterprises, R5.2 million will be transferred to the RWF for removal of alien vegetation at Tweefontein, Sluis and Zuurbekom small holdings in the 2015/16 financial year. These transfers amount to R5.2 million in 2015/16, R4.7 million in 2016/17 and R5 million in 2017/18.

In 2015/16, R10.9 million will be transferred to municipalities for the alien vegetation eradication project, maintenance of mechanization inputs and to establish milling plant. This transfer is reduced to R10 million in 2017/18.

The machinery and equipment allocation was R1.5 million in 2011/12, R956 000 in 2013/14 and R6.8 million in 2014/15. In 2015/2016, there will be once-off acquisition of mobile abattoirs amounting to R13.8 million. The budget is reduced to R6.1 million and R6.4 million in the outer years of the MTEF. This allocation is used to fund mechanization input costs thus contributing to food security and job creation in the province.

SERVICE DELIVERY MEASURES

PROGRAMME 2: AGRICULTURE AND RURAL DEVELOPMENT

Performance measures	Estimated Annual Targets		
	2015/16	2016/17	2017/18
Number of hectares protected/rehabilitated to improve agricultural production	800	800	800
Number of green jobs created (through LandCare)	370 WO	380 WO	380 WO
Number of disaster relief schemes managed	1	1	1
Number of disaster risk reduction programmes managed	1 disaster awareness campaign	1 disaster awareness campaign	1 disaster awareness campaign
Number of agricultural infrastructure established	27	30	30
Number of smallholder producers receiving support (to improve food production and to become commercial farmers)	166	172	178
Number of smallholder producers supported with agricultural advice	2000	2200	2200
Number of households benefitting from agricultural food security initiatives	6000	4000	4000
Number of hectares cultivated for food production in communal areas and land reform projects	500	500	500
Number of epidemiological units visited for veterinary interventions	3700	3700	3700
Number of clients serviced for animal and animal products export control	7 000	7 000	7 000
Percentage level of abattoir compliance to meat safety legislation	75%	80%	83%
Number of tests performed the quality of which meets the ISO 17025 standard and OIE requirements	60 000	60 000	60 000
Number of Agri-businesses supported with agricultural economic services towards accessing markets	30	30	30
Number of clients who have benefitted from Agriculture economic advice provided	100	100	100
Number of agricultural economic information responses provided	400	400	400
Number of economic reports completed	5	5	5
Number of research and technology development projects implemented to improve agricultural production	8	10	12
Number of scientific papers published nationally or internationally	5	5	5
Number of research presentations made nationally or internationally	40	40	40
Number of participants trained in agricultural skills development programmes	500	560	560

PROGRAMME 3: ENVIRONMENTAL AFFAIRS

Programme description

The programme promotes equitable and sustainable use of ecosystems, goods and services and contributes to economic development by managing biodiversity and its components, processes, habitats and functions. The programme also ensures that the province implements the principles of integrated waste management; promotes sustainable development and quality of life by ensuring acceptable ambient air quality and sustainable mining practices; and manages hazardous chemicals and industrial related activities.

Programme objectives

- Enhanced quality and quantity of water resources;
- Reduced atmospheric pollutants/carbon emissions and adaptation to the impacts of climate change;
- Sustainable environmental management; and
- Protected biodiversity.

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TABLE 11.10: SUMMARY OF PAYMENTS AND ESTIMATES: ENVIRONMENTAL AFFAIRS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1.Environmental Policy, Planning And									
Coordination	11 285	10 478	17 285	15 800	14 383	14 383	15 555	15 932	16 729
2.Compliance And Enforcement									
	25 606	28 111	33 572	35 215	35 215	35 215	37 340	38 198	40 108
3. Environmental Quality Management									
	29 106	27 192	29 891	36 466	38 294	38 294	35 011	35 435	37 206
4.Biodiversity Management									
	61 022	62 953	54 185	74 393	70 568	70 568	75 560	80 988	85 037
Total payments and estimates	127 019	128 734	134 933	161 874	158 460	158 460	163 466	170 553	179 080

TABLE 11.11: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ENVIRONMENTAL AFFAIRS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	119 227	120 134	127 560	145 574	145 779	145 685	152 516	154 787	170 742
Compensation of employees	100 875	95 292	98 404	117 440	117 440	116 349	121 273	126 137	132 444
Goods and services	18 352	24 842	29 156	28 134	28 339	29 336	31 243	28 651	38 298
Transfers and subsidies to:			1 425		2 880	2 974			
Provinces and municipalities			1 425		2 880	2 880			
Households						94			
Payments for capital assets	7 792	8 600	5 948	16 300	9 801	9 801	10 950	15 765	8 338
Buildings and other fixed structures	7 792	8 600	5 838	16 300	9 105	9 704	10 950	15 765	8 338
Machinery and equipment			110		696	97			
Total economic classification	127 019	128 734	134 933	161 874	158 460	158 460	163 466	170 553	179 080

The table above shows the budget for Environmental Affairs. This programme supports the efficient use of water and includes various initiatives for farmers and schools. It envisages the planting of twenty thousand trees in Tembisa as part of the strategy of adapting to and mitigating the impact of climate change. Total expenditure increased from R127 million in 2011/12 to R158.4 million in 2014/15. The budget over the 2015 MTEF grows steadily from R163.4 million in 2015/16 to R179 million in 2017/18, and funds priority projects such as the development of a climate change strategy; projects related to the expansion of protected areas; issuing of biodiversity permits; and a review of nature conservation ordinances.

Biodiversity management influences expenditure, which increases from R75.5 million in 2015/16 to R85 million in 2017/18.

During 2015/16, the department will continue with nine LandCare projects in communities. These aim at rehabilitating degraded ecosystems. The department will also continue to sensitize communities about recycling by establishing three buy-back centers (BBCs) and Work for Waste (WFW) depots at Sedibeng (WFW), Ekurhuleni (BBC), Tshwane (BBC) and West Rand (BBC) while also working on the separation of waste at source in Tembisa. The establishment of a biogas plant in Mogale City is a result of a joint venture between the City of Johannesburg and the private sector while the Clean and Green campaign will be supported by the establishment of parks.

The goods and services budget was R18.4 million in 2011/12, R29.2 million in 2013/14 and R28.1 million in 2014/15. The decrease was due to transfer payments which were previously budgeted under goods provided to Ekurhuleni for separation of waste at source in Tembisa. This is part of the department's Clean and Green campaign. Over the MTEF, the budget is R31.2 million in 2015/16, R28.7 million in 2016/17 and R38.3 million in 2017/18.

The allocation for buildings and other fixed structure was R7.8 million in 2011/12, R5.8 million in 2013/14 and R16.3 million 2014/15. The main reason for these differences is the readiness of the Department of Infrastructure Development (DID) to implement infrastructure project in a given financial year. Over the 2015 MTEF, the capital infrastructure budget for the Biodiversity Management sub-programme is R16 million in 2015/16, R16.7 million in 2016/17 and R18.5 million in 2017/18. In 2014/15, R16.2 million is allocated to existing infrastructure assets including a booster pump for the Northern Water Line, a New Adventure Centre and the Southern Water Line all at the Suikerbosrand Nature Reserve. At the Marievale Nature Reserve, a new road will be constructed between the reserve and mine. At the Roodeplaat Nature Reserve a new swimming pool, an interpretative trail and a new

pipe network for the reserve from the municipal line will be constructed.

Existing infrastructure assets will be rehabilitated or refurbished at Roodeplaat Nature Reserve, Leeuwfontein Nature Reserve and Suikerbosrand Nature Reserve. This will increase the reserves' economic viability. Maintenance work on existing infrastructure assets will continue with R5.1 million in 2015/16 increasing to R10.2 million in the outer year of the 2015 MTEF.

SERVICE DELIVERY MEASURES

PROGRAMME 3: ENVIRONMENTAL AFFAIRS

Performance measures	Estimated Annual Targets		
	2015/16	2016/17	2017/18
Number of inter-governmental sector tools reviewed (IDPs)	12	12	12
Number of legislative tools developed	1	1	1
Number of environmental research projects undertaken (research and development electronic EIA System)	1	1	1
Number of functional environmental information management systems (waste info system, NAEIS, GIS - report) maintained	3	3	3
Number of climate change response tools developed	1	1	1
Number of enforcement actions finalised for non-compliance with environmental legislation	110	110	125
Number of compliance inspections conducted	250	250	250
Number of S24G applications received	15	10	10
Number of S24G fines paid	15	15	10
Percentage of EIA applications finalised within legislated timeframes	100%	100%	100%
Percentage of waste licence applications finalised within legislated timeframes	80%	80%	80%
Percentage of atmospheric emission licences with complete applications issued within legislated timeframes	100%	100%	100%
Percentage of facilities with atmospheric licences reporting to the NAEIS	100%	100%	100%
Number of designated organs of state with approved and implemented AQMPs	5	5	5
Number of hectares in the conservation estate	73 756	73 756	73 756
Number of permits issued within legislated timeframes	7 600	7 800	8 000
Percentage of area of state managed protected areas with a METT score above 67%	83%	83%	83%
Number of work opportunities created through environmental programmes	136	136	136
Number of environmental capacity building activities conducted	64	53	53
Number of environmental awareness activities conducted	39	39	39
Number of quality environmental education resources materials developed	1	1	1

9. OTHER PROGRAMME INFORMATION

9.1 Personnel numbers and costs

TABLE 11.12: PERSONNEL NUMBERS AND COSTS: DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

Personnel numbers	As at	As at	As at	As at	As at	As at	As at
	31 March 2012	31 March 2013	31 March 2014	31 March 2015	31 March 2016	31 March 2016	31 March 2016
1. Administration	233	233	233	261	257	257	257
2. Agriculture and Rural Development	310	310	310	333	333	333	333
3. Environmental Affairs	361	361	361	310	310	310	310
Total provincial personnel numbers	904	904	904	904	900	900	900
Total provincial personnel cost (R thousand)	254 125	267 441	297 065	324 515	354 462	374 136	392 843
Unit cost (R thousand)	281	296	329	359	394	416	436

TABLE 11.13: SUMMARY OF DEPARTMENTAL PERSONNEL NUMBERS AND COSTS

	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Total for department									
Personnel numbers (head count)	904	904	904	904	904	904	900	900	900
Personnel cost (R thousands)	254 125	267 441	297 065	326 875	325 143	324 515	354 462	374 136	392 843
Human resources component									
Personnel numbers (head count)	31	31	31	31	31	31	31	31	31

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	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Personnel cost (R thousands)	3 119	4 661	661	4 705	4 705	4 705	4 820	4 820	
Finance component									
Personnel numbers (head count)	48	48	48	60	60	60	60	60	60
Personnel cost (R thousands)	11 148	13 105	13 105	16 386	16 386	16 386	16 638	16 638	
Head count as % of total for department	5%	5%	5%	6%	6%	6%	6%	6%	6%
Personnel cost as % of total for department	4%	4%	4%	5%	5%	5%	4%	4%	
Full time workers									
Personnel numbers (head count)	904	904	904	949	949	949	900	900	900
Personnel cost (R thousands)	254 125	264 441	303 085	326 875	326 875	326 875	347 362	366 660	
Head count as % of total for department	100%	100%	100%	105%	105%	105%	100%	100%	100%
Personnel cost as % of total for department	100%	99%	102%	100%	100%	100%	100%	100%	0%
Part-time workers									
Contract workers									
Personnel numbers (head count)	31	31	31	80	80	80	80	80	80
Personnel cost (R thousands)	6 360	6 200	6 200	7 100	7 100	7 100	7 100	7 476	
Head count as % of total for department	3%	3%	3%	8%	8%	8%	8%	8%	8%
Personnel cost as % of total for department	2%	2%	2%	2%	2%	2%	2%	2%	

The table above indicates the number of personnel in post on 31 March 2014 as reflected on the 2013/14 Annual Report, plus the 25 Agricultural Advisor posts that have been created additional to the establishment. Personnel expenditure increases from R254.1 million in 2012/13 to R392.8 million in 2017/18. This increase is attributed to the implementation of the upgrade of Administration Clerks, the general annual improvement of conditions of service and the 2014/15 implementation of grade progression.

9.2 Training

TABLE 11.14: PAYMENTS ON TRAINING

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Administration	4 578	6 519	6 909	5 579	5 579	5 579	3 805	4 110	4 439
Payments on tuition	4 578	6 519	6 909	5 579	5 579	5 579	3 805	4 110	4 439
2. Agriculture And Rural Development	675								
Payments on tuition	675								
3. Environmental Affairs	862								
Payments on tuition	862								
Total payments on training	6 115	6 519	6 909	5 579	5 579	5 579	3 805	4 110	4 439

The appropriation for training in the years 2011/12 to 2013/14 was R6.1 million, R6.5 million and R6.9 million respectively. The decrease in the training allocation from 2013/14 to 2014/15 resulted from the implementation of the DPSA directive on utilisation of training budgets in the public service, and the review of the distribution of the branch allocation.

To enable effective monitoring and reporting, the training budget is centralised in Programme 1 under the Sub-programme: Corporate Services. The department provides bursaries to internal employees and externally to members of the community in relation to scarce occupations and continued formal development. In 2013/14, R5.2 million was spent on skills development initiatives to build internal and external capacity. The department identifies training needs through the performance management process, and then addresses these gaps through

workplace skills plans. These are submitted to PSETA for endorsement. Implementation of the workplace skills plans is cascaded into the DPSA's Human Resources Development implementation plan which provides the action plan about how these activities will unfold. To assist with scarce skills development, the department conducts career awareness sessions at venues such as communities, schools and higher education institutions. Financial assistance in the form of bursaries is granted to deserving applicants, and workplace exposure/internships are provided to assist graduates with their workplace readiness.

TABLE 11.15: INFORMATION ON TRAINING: DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Number of staff	904	904	904	904	904	904	900	900	900
Number of personnel trained	901	901	901	711	711	711	675	675	675
of which									
Male	414	414	414	327	327	327	310	310	310
Female	487	487	487	384	384	384	365	365	365
Number of training opportunities	176	176	176	194	194	194	176	176	176
of which									
Tertiary	150	150	150	169	169	169	146	146	146
Workshops	20	20	20	20	20	20	20	20	20
Seminars	6	6	6	5	5	5	10	10	10
Other									
Number of bursaries offered	33	42	42	38	38	38	38	38	40
Number of interns appointed	99	48	48	40	40	40	40	40	42
Number of learnerships appointed	5								
Number of days spent on training	3	3	3	5	5	5	5	5	5

This table provides information about persons trained and to be trained, their gender profile and the number of bursaries awarded internally and externally.

Development opportunities are provided in line with individual officials' development plans and with the performance management and development system. The department assists officials through implementation of the bursary scheme.

In the 2014/15 financial year, the department made a concerted effort to meet and exceed the provincial target of 5 per cent of the establishment on internship programmes. This target will be maintained and partnerships established to assist with funding future programmes.

The department continues to assist officials with further development of knowledge within their respective areas of competence through the implementation of the bursary scheme.

ANNEXURES TO ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE

TABLE 11.16: SPECIFICATION OF RECEIPTS: AGRICULTURE AND RURAL DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Sales of goods and services other than capital assets	587	671	743	1 421	1 421	1 428	1 850	1 953	2 058
Sale of goods and services produced by department (excluding capital assets)	587	671	743	1 421	1 421	1 428	1 850	1 953	2 058
Administrative fees									
Other sales	587	671	743	1 421	1 421	1 428	1 850	1 953	2 058
Of which									
Health patient fees	396	529	138	1 201	1 201	109	300	315	331
Other (Specify)	190	141	252	220	220	207	350	368	386
Other (Specify)	1	1	353			258	400	420	441
Other (Specify)						854	800	850	900
Interest, dividends and rent on land	70	80	1	42	42	42	4	5	6
Interest	70	80	1	42	42	42	4	5	6
Transactions in financial assets and liabilities	401	1 355	285			310			
Total departmental receipts	1 058	2 106	1 029	1 463	1 463	1 780	1 854	1 958	2 064

TABLE 11.17: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	151 138	135 907	149 229	152 370	148 960	148 896	161 907	169 380	177 849
Compensation of employees	74 392	81 509	87 892	96 197	95 265	95 410	105 038	110 072	115 575
Salaries and wages	64 051	70 809	79 192	82 300	81 368	90 319	89 879	93 902	98 597
Social contributions	10 341	10 700	8 700	13 897	13 897	5 091	15 159	16 169	16 978
Goods and services	76 637	54 384	61 330	56 173	53 675	53 466	56 869	59 309	62 274
Administrative fees	477	247	(371)	245	346	402	260	270	283
Advertising	4 767	5 803	1 574	1 688	2 039	1 890	2 119	1 731	1 818
Minor assets	87	71	47		59	70	16	17	18
Audit cost: External	3 120	2 895	4 048	3 744	3 744	3 453	3 778	3 976	4 174
Bursaries: Employees	242	820	947	900	855	588	1 020	1 074	1 128
Catering: Departmental activities	896	579	1 579	1 100	1 099	1 057	1 254	1 320	1 386
Communication (G&S)	5 148	2 208	4 029	2 545	2 737	4 421	2 526	2 664	2 797
Computer services	8 616	5 760	4 954	7 470	6 233	4 833	6 756	7 112	7 467
Consultants and professional services: Business and advisory services	1 071	815	1 194	945	945	1 218	1 033	1 088	1 142
Consultants and professional services: Legal costs	2 923	1 020	1 168	2 048	1 198	1 198	1 884	1 984	2 083
Contractors	1 072	1 389	681	2 277	1 114	1 154	1 294	1 363	1 431
Agency and support / outsourced services	715	121	149	239	239	324	267	282	296
Entertainment	20	106	604	50	150	114			
Fleet services (including government motor transport)	365	1 974	3 551	2 723	3 468	2 105	2 923	3 256	3 419
Inventory: Clothing material and accessories			597	14	14	74	35	37	39
Inventory: Farming supplies			161			1			
Inventory: Food and food supplies		20	549	9	9	31	257	271	284
Inventory: Fuel, oil and gas	3 361	3 650	5 211	344	360	3 977	2 161	3 026	3 178
Inventory: Learner and teacher support material	17						36	38	40
Inventory: Materials and supplies	281	64	172	228	253	268	229	241	253
Inventory: Other supplies			4	5	5	5			
Consumable supplies	256	101	329	538	556	377	518	545	573
Consumable: Stationery, printing and office supplies	1 414	1 330	1 112	2 176	2 164	3 012	2 171	2 270	2 384
Operating leases	12 188	4 238	(7 138)	2 490	2 959	1 899	2 857	2 508	2 634
Property payments	20 327	12 696	27 479	12 433	13 752	13 945	13 615	14 334	15 051

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R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Transport provided: Departmental activity			4 364	6 482	3 781	3 218	4 303	3 653	3 836
Travel and subsistence	2 927	3 895							
Training and development	1 475	1 826	512	2 051	1 881	1 077	1 922	3 073	3 226
Operating payments	4 040	1 728	2 716	1 976	1 792	1 010	2 428	2 405	2 525
Venues and facilities	832	1 028	1 187	1 453	1 923	1 745	1 207	771	810
Rental and hiring			(79)						
Interest and rent on land	109	14	7		20	20			
Interest	109	14	7		20	20			
Rent on land									
Transfers and subsidies	104	59	1 505	1 195	1 419	1 483	1 502	1 582	1 661
Municipal agencies and funds									
Departmental agencies and accounts			896	984	984	969	906	954	1 002
Social security funds									
Provide list of entities receiving transfers			896	984	984	969	906	954	1 002
Households	104	59	609	211	435	514	596	628	659
Social benefits	104	59	609	211	435	514	596	628	659
Payments for capital assets	9 009	6 796	4 856	4 349	6 620	6 620	3 323	3 495	3 670
Buildings and other fixed structures						71			
Buildings						71			
Machinery and equipment	8 363	6 203	4 856	4 349	6 620	6 549	3 323	3 495	3 670
Transport equipment	865	2 643		685	685	685	1 651	1 734	1 821
Other machinery and equipment	7 498	3 560	4 856	3 664	5 935	5 864	1 672	1 761	1 849
Software and other intangible assets	646	593							
Payments for financial assets	765	755	25		10	10			
Total economic classification	161 016	143 517	155 615	157 914	157 009	157 009	166 732	174 457	183 179

TABLE 11.18: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: AGRICULTURE AND RURAL DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	173 510	204 302	216 333	238 926	237 218	234 467	334 566	321 759	341 845
Compensation of employees	78 858	90 640	105 328	113 238	112 438	112 487	128 151	137 928	144 825
Salaries and wages	69 408	78 931	105 328	101 946	101 146	112 487	110 978	119 132	125 089
Social contributions	9 450	11 709		11 292	11 292		17 173	18 796	19 736
Goods and services	94 652	113 662	111 005	125 688	124 780	121 980	206 415	183 831	197 021
Administrative fees	231	37	417	150	278	441	152	160	168
Advertising	2 538	1 035	457	331	231	540	423	445	468
Minor assets	31	218	175	1 013	392	567	1 036	1 091	1 145
Audit cost: External				60	60	60	60	63	66
Bursaries: Employees	106					42	37	39	41
Catering: Departmental activities	918	1 292	1 662	5 396	4 360	5 125	5 491	5 800	6 090
Communication (G&S)	987	2 666	2 756	2 791	2 611	2 513	3 012	3 163	3 321
Computer services		784			150	150			
Consultants and professional services: Business and advisory services	154	255	263			95			
Consultants and professional services: Infrastructure and planning	45 166	15 068	7 278	7 193	16 113	14 168	14 652	12 545	13 173
Consultants and professional services: Laboratory services		651	132	306	46	2 780		679	713
Contractors	6 900	5 910	1 839	3 737	3 737	2 718	3 961	4 171	4 379
Agency and support / outsourced services	25	10	193	20	20	20			
Entertainment			340	100	100	80	1	1	1

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R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Fleet services (including government motor transport)				40	40	40	40	42	44
Inventory: Clothing material and accessories	638	1 835	496	750	972	502	923	790	829
Inventory: Farming supplies	8 721	49 924	58 326	57 033	53 520	44 777	123 607	103 610	112 691
Inventory: Food and food supplies	628	58	465	4	47	47	5	5	6
Inventory: Fuel, oil and gas	40	3	5	1 183	1 183	554	1 625	1 256	1 319
Inventory: Materials and supplies	560	380	1 837	1 370	1 409	1 450	1 505	1 585	1 664
Inventory: Medical supplies	314	211	28	325	1 025	1 491	385	405	426
Inventory: Medicine	2 212	2 328	1 407	3 210	2 440	2 189	4 084	4 300	4 515
Consumable supplies	7		1 586	3 246	2 869	2 762	3 494	3 679	3 863
Consumable: Stationery, printing and office supplies	1 829	676	73	1 100	1 502	1 530	1 206	1 270	1 333
Operating leases		6 756	6 156	5 167	3 082	3 524	5 422	5 711	5 997
Property payments	433	3 535	1 701	4 017	2 383	3 195	3 414	3 539	3 715
Transport provided: Departmental activity									
Travel and subsistence	9 278	11 752	14 967	12 264	12 818	14 147	17 721	14 497	15 320
Training and development	1 478	1 220	924	4 346	1 486	3 978	3 835	4 009	4 209
Operating payments	7 994	1 685	1 588	3 672	4 020	3 588	4 389	4 288	4 502
Venues and facilities	3 464	5 373	5 934	6 864	7 886	8 907	5 935	6 688	7 022
Transfers and subsidies	15 036	30 747	35 861	37 281	53 585	56 336	28 773	28 334	29 751
Provinces and municipalities	2 144	6 185	5 900	8 694	11 271	11 271	10 984	9 533	10 009
Provinces	—								
Municipalities	2 144	6 185	5 900	8 694	11 271	11 271	10 984	9 533	10 009
Municipalities	2 144	6 185	5 900	8 694	9 694	9 694	10 984	9 533	10 009
Municipal agencies and funds					1 577	1 577			
Departmental agencies and accounts	5 822	4 343	5 160	2 902	14 029	14 029	8 710	9 247	9 710
Provide list of entities receiving transfers	5 822	4 343	5 160	2 902	14 029	14 029	8 710	9 247	9 710
Higher education institutions	3 270	3 797	3 156	2 402	2 402	2 402	3 806	4 763	5 001
Public corporations and private enterprises	3 800	16 422	21 645	23 283	25 883	28 634	5 273	4 791	5 031
Public corporations	3 800	16 422	21 645	23 283	25 883	28 634	5 273	4 791	5 031
Subsidies on production									
Other transfers	3 800	16 422	21 645	23 283	25 883	28 634	5 273	4 791	5 031
Payments for capital assets	1 543	8 588	956	6 830	7 730	7 730	13 850	6 162	6 471
Buildings and other fixed structures									
Machinery and equipment	1 543	8 588	956	6 830	7 360	7 360	13 850	6 162	6 471
Transport equipment							8 000		
Other machinery and equipment	1 543	8 588	956	6 830	7 360	7 360	5 850	6 162	6 471
Software and other intangible assets					370	370			
Total economic classification	190 089	243 637	253 150	283 037	298 533	298 533	377 189	356 256	378 067

TABLE 11.19: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ENVIRONMENTAL AFFAIRS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	119 227	120 134	127 560	145 574	145 779	145 685	152 516	154 787	170 742
Compensation of employees	100 875	95 292	98 404	117 440	117 440	116 349	121 273	126 137	132 444
Salaries and wages	85 708	82 179	98 404	102 574	102 574	116 349	107 856	111 572	117 150
Social contributions	15 167	13 113		14 866	14 866		13 417	14 565	15 293
Goods and services	18 352	24 842	29 156	28 134	28 339	29 336	31 243	28 651	38 298
Administrative fees	44		80	45	45	111	15	16	17
Advertising	541	468	537	280	396	519	579	399	419
Minor assets	33	262	310	379	379	346	413	382	401

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R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Bursaries: Employees	3								
Catering: Departmental activities	106	163	223	654	531	565	506	480	504
Communication (G&S)	1	1 019	1 184	1 886	1 886	1 481	2 534	1 622	1 703
Computer services		1 117	14						
Consultants and professional services: Business and advisory services	1 077	320	5 425	3 370	2 215	2 488	2 277	2 404	2 524
Consultants and professional services: Infrastructure and planning	192	6							
Contractors	6 448	2 455	1 529	750	2 395	380	5 531	2 334	10 666
Agency and support / outsourced services	34	12	52		5	5			
Entertainment				30	30	206	30	32	33
Fleet services (including government motor transport)		741					100		
Inventory: Clothing material and accessories	393	621	462	700	1 506	1 326	500	527	553
Inventory: Farming supplies	1 924	673	1 211	1 935	1 218	1 997	6 471	6 526	6 852
Inventory: Food and food supplies	1	1	17			1			
Inventory: Fuel, oil and gas	511	155	21	1 259	1 259	223	572	610	640
Inventory: Learner and teacher support material									
Inventory: Materials and supplies	474	1 184	591	900	951	960	913	961	1 009
Inventory: Medical supplies		42				120			
Inventory: Medicine		55	30	117	117	88	122	128	135
Inventory: Other supplies						1			
Consumable supplies	116	1 974	3 829	4 038	4 038	4 037	1 336	1 046	1 098
Consumable: Stationery, printing and office supplies	1 712	78	481	11	89	19	1	106	112
Operating leases		1 610	982	1 951	1 951	1 304	2 637	2 774	2 913
Property payments	53	4 779	5 868	1 129	1 129	5 186	1 255	2 252	2 365
Transport provided: Departmental activity		174							
Travel and subsistence	4 182	5 922	4 995	6 348	5 951	5 644	3 871	4 594	4 823
Training and development	55	22	55	295	295	295	275	132	138
Operating payments	112	499	260	738	755	825	695	732	768
Venues and facilities	340	461	921	1 319	1 198	1 152	610	594	624
Rental and hiring		29	79			57			
Transfers and subsidies			1 425		2 880	2 974			
Provinces and municipalities			1 425		2 880	2 880			
Municipalities			1 425		2 880	2 880			
Municipalities			1 425		2 880	2 880			
Households						94			
Other transfers to households						94			
Payments for capital assets	7 792	8 600	5 948	16 300	9 801	9 801	10 950	15 765	8 338
Buildings and other fixed structures	7 792	8 600	5 838	16 300	9 105	9 704	10 950	15 765	8 338
Buildings	7 792	8 600	5 838	16 250	9 105	9 144	10 950	15 765	8 338
Other fixed structures				50		560			
Machinery and equipment			110		696	97			
Transport equipment					549	97			
Other machinery and equipment			110		147				
Total economic classification	127 019	128 734	134 933	161 874	158 460	158 460	163 466	170 553	179 080

VOTE 12

DEPARTMENT OF SPORT, ARTS, CULTURE AND RECREATION

To be appropriated by vote in 2015/16	R788 034 000
Responsible MEC	MEC for Sport, Arts, Culture and Recreation
Administering Department	Department of Sport, Arts, Culture and Recreation
Accounting Officer	Head of Department

1. OVERVIEW

Vision

"An active, creative and modernised Gauteng City Region contributing to sustainable economic growth and social cohesion."

Mission

In pursuit of the above vision, the Department of Sport, Arts, Culture and Recreation (DSACR) will work in an integrated manner to create an enabling environment towards radical economic and accelerated social transformation for sporting, artistic, and cultural excellence through:

- Facilitating talent identification and development in partnership with key stakeholders;
- Positioning the business of sport and creative industries as catalysts for sustainable economic growth;
- Modernizing the economy through the hosting major sporting and cultural events;
- Providing universal access to sport, arts, cultural activities, library, archival services and facilities; and
- Identifying, promoting and preserving heritage.

Strategic goals

The DSACR's strategic goals are:

- Transformed and modernised sport and cultural landscape which contributes to social cohesion and nation building
- Gauteng economically transformed through creative industries and the business of sport
- Develop, transform, promote, modernise sustainable library, information and archival services
- Capable and activist administration which contributes to a modern developmental state in order to promote good governance.

Core functions and responsibilities

The core mandate of DSACR is to ensure access, increased participation and transformation of the sport, arts, culture and recreation sectors through radical economic and accelerated social transformation that benefits all in the province, promoting nation building and social cohesion.

Main services

The following are the department's main services:

- Support the development of safe and secure communities through implementation of integrated and sustainable recreation programmes at community level;
- Promote sustainable livelihoods for artists, crafters and sports people;
- Develop young sporting and artistic talent to take its rightful place in competitive sport and in mainstream arts and culture events;
- Build the Gauteng Carnival into a world class event that will contribute to the Growth and Development Strategy of the province;
- Implement mass sport participation programmes in schools across Gauteng in partnership with the Gauteng Department of Education (GDE) and other strategic partners;

- Develop, transform, promote and modernise sustainable library, information and archival services;
- Attract opportunities for the sporting, artistic and cultural sectors to stage major events and tournaments in Gauteng; and
- Promote nation building and deepen democracy through the commemoration of national days, celebration of heroes and heroines of the liberation struggle; and development of heritage sites and monuments.

Ten pillar programme of transformation, modernisation and re-industrialisation

In the second phase of transition, as articulated in the mandate of the fifth administration, the department's programmes are characterised by radical economic and accelerated social transformation. This is part of the ten-pillar programme aimed at radically transforming, modernising and re-industrialising Gauteng over the next five to fifteen years.

In order to radically change the structure of the economy and unlock the potential of different sectors, the department's programme will contribute towards the following priorities:

- Revitalising and building township economies through creative industries and support for township businesses through procurement of sports equipment and attire;
- Supporting the development of key new projects and programmes that have the potential to address the policy imperatives of creating decent employment and providing greater economic inclusion. The support will be through digitalization of archives and libraries; tourism projects such as heritage liberation routes; creative industries; construction of an archives centre, monuments, libraries; and
- Expanding youth employment through EPWP, school sports assistants, water safety instructors, cultural officers and library assistants in all the planned interventions.

To accelerate social and economic transformation the following key priorities will be implemented:

- Consolidate gains in education to further improve the quality of education through construction and operationalisation of community and modular libraries; inculcate the culture of reading and deepening knowledge through implementation of born to read, debates, public speaking and recreational reading programmes;
- Significantly up-scale skills development for the Gauteng City Region (GCR) economy in partnership with industry through training educators and volunteers to implement sport; training water safety instructors; providing bursaries for library science, archival and record management, visual and performing arts;
- Promote healthy lifestyles through sport, arts, culture, recreation and library services. This will be done through such projects as Operation Mabaleng, Siyadlala Games, and community recreational programmes targeting children, youth, people with disabilities (PWD) and the elderly;
- Build a united province and promote social cohesion, leveraging sport and creative talent to expand inclusive economic opportunities, transform social relations and address social ills like xenophobia, racism, sexism, etc. For example, the Nelson Mandela Remembrance Walk, social cohesion dialogues, celebration and commemoration of liberation struggle icons;
- Transform spatial development patterns; ensure decent living conditions and sustainable human settlements through the construction of community libraries, provincial archives, monuments; sport and recreation facilities such as Mabaleng sports fields. During this term, construction of heritage sites such Wonderboom Valley Monument, the Workers Monument, the Chris Hani Monument and a life size resin statue of Bertha Gxowa at the Ke-Ditselana cultural village will be implemented. Operation Mabaleng, a flagship programme of this administration, will see construction of 10 infrastructure projects in Gauteng; and
- Strengthen collaboration between local government and the province, to enhance integrated planning and service delivery through political and technical intergovernmental relations, and cluster/hub programmes.

The National Development Plan (NDP)

In response to the NDP the department will ensure effective measures to promote arts and culture. This will include: providing financial and information communication technology (ICT) support to artists; enabling the creation of work opportunities and expressing national creativity, while opening space for vibrant debate; supporting income-smoothing for artists in a special unemployment insurance scheme and evaluating funding models for such initiatives; developing sectoral determination legislation frameworks to protect arts-sector employees. The NDP locates sports and recreation at the centre of well-being and social cohesion, and positions sport as a cross-cutting issue that relates to proposals on education, health and nation building. DSACR will respond to the NDP's mandate by ensuring community access to sport and recreational facilities and adequate resourcing of school sports, to realize the NDP's transformative vision that participation in sporting codes should approximate the country's demographics and that there should be excellence in a number of sporting codes. DSACR will expand opportunities for participation in sports and recreation by providing a conducive environment for sport development to thrive in the province.

External activities and events relevant to budget decisions

External activities that relate to discharging the DSACR mandate relate to inter- and intra-governmental engagement, as well as to the private sector and civil service organisations such as sport federations and councils.

Migration within and from outside the province is one of the key factors impacting on the work of the department, thus effecting budget decisions. Inward migration from other provinces and neighbouring countries is particularly critical as it shapes the province's demographics. According to the GCRO 2012 Data Brief, the percentage share of the provincial population to the country as a whole is expected to grow by 2.8 per cent by 2020; from 23 per cent (12 272 263) in 2011 to 26.5 per cent (15 617 283). Unfortunately, this growth does not necessarily translate to concurrent budgetary increases. As such, it has a huge impact on programme planning and levels of service delivery. The state of the economy and the reduction in government spending over the MTEF pose a challenge in to service delivery over this period.

Acts, rules and regulations:**Cultural Affairs**

- National Heritage Resources Act, 1999;
- National Heritage Council Act, 1999;
- South African Geographical Names Council Act, 1998;
- Cultural Institutions Act, 1998;
- Culture Promotion Amendment Act, 1998;
- Gauteng Arts and Culture Council Act, 1998;
- National Arts Council Act, 1997, 1997;
- National Film and Video Foundation Act, 1997;
- Pan South African Language Board Act, 1995 as amended (PANSALB);
- Heraldry Act, 1962; and
- Gauteng Heritage Resources Regulations (Notice 103 of 2003).

Sports and Recreation

- National Sports and Recreational Act, 1998, as amended 2007.

Libraries, Information and Archival Services

- Gauteng Library and Museum Service Ordinance (1982), as amended by the Gauteng General Law Amendment Act, 2005;
- National Council for Library and Information Services Act, 2001;
- National Library for the Blind Act, 1998;
- Legal Deposit Act, 1997; and
- National Archives and Record Services of South Africa Act, 1996.

Generic National Good Governance Legislation

- Intergovernmental Relations Framework Act, 2005;
- Public Service Act, 1994, as amended;
- Broad Based Black Economic Empowerment Act, 2003;
- Public Service Regulations, 2001, as amended;
- Promotion of Access to Information Act, 2000;
- Promotion of Administrative Justice Act, 2000;
- Preferential Procurement Policy Framework Act, 2000;
- Public Finance Management Act (PFMA), 1999;
- Employment Equity Act, 1998;
- Skills Development Act, 1998;
- Basic Conditions of Employment Act, 1997;
- South African Qualifications Authority Act, 1995;
- Labour Relations Act, 1995, as amended;
- Occupational Health and Safety Act, 1993;
- Companies Act, 1973; and
- Building Regulations.

2. REVIEW OF THE CURRENT FINANCIAL YEAR (2014/15)

Accelerated Social Transformation

Output 1: Improved quality basic education through School Sport

Thirty two school sport coordinators appointed in August 2013 work in the 15 GDE districts and DSACR head office, supporting school sport in Gauteng. The Department also supported learners with special education needs (LSEN) football league finals held at Gress World Special School on 11 September 2014. The Gauteng school games, the Rugby sevens tournament in Tshwane, the Regional summer games, the Provincial Primary Schools Games, the Indigenous Games and the Provincial Summer Games were hosted. The department also hosted and supported the District Level Tournament Games, the Farm and Rural School festival and the mild and Mentally Handicapped Provincial Tournament; and learners participated in all these events.

Output 2: Gauteng Schools' Carnival

The 2014 Gauteng Carnival was successfully hosted on 6 September 2014, with 22 488 participants. The parade commenced from University of Johannesburg sports fields to the Johannesburg Botanical Gardens. The Carnival created 3 103 jobs during this period.

Four Arts and Culture programmes implemented (Drama, Dance, Visual Arts and Music). The four programmes were rolled out in the 108 schools identified by the GDE to form part of the Carnival Programme.

Output 4: Siyadlala Recreational Hub Programme

The department hosted various recreation programmes that enhanced active participation by communities, impacting on healthy life style and physical wellbeing. A total of 769 167 people participated in these sport and recreation programmes.

Output 5: National/significant days commemorative events

Six significant days (Freedom Day, Youth Day, Nelson Mandela Day, Women's Day, Heritage Day, and the Mandela Remembrance Walk on 13 December 2014 from Freedom Park to the Union Buildings, a contribution to the Day of Reconciliation) were commemorated in the first and second quarter of 2014/15.

Output 6: Promote social cohesion through Heritage

Twenty two sites were researched and verified, of which ten were researched and verified only, while the remaining seven were also graded; four were also declared as heritage sites, which will form part of the Gauteng Chapter of the National Heritage Liberation Route. The database of provincial heritage sites was compiled and maintained on a monthly basis to provide information to the community on the history of Gauteng. This database also serves as a repository of information on the sites researched, verified, graded and declared.

The department commemorated Sam Ntuli on 20 October 2014 and Bertha Gxowa on 21 November 2014, and declared their graves as heritage sites. A memorial boulder where Ntuli was assassinated was unveiled on the same day he was commemorated. Five monuments- the Kagiso Memorial, O.R. Tambo Narrative Centre, Women's Living Heritage Monument, Boipatong Monument as well as the June 16 Monument were established and supported.

Output 7: Social Cohesion

Social Cohesion dialogues were held to promote building a caring and inclusive society. A Social Cohesion worker's dialogue was held on 30 May 2014 at the Emmerentia Botanical Gardens. GPG employees attended the dialogue. A Youth dialogue was held on 21 June 2014, at the June 16 Youth Centre. A social cohesion sport tournament against drugs was held on 28 June 2014 in Meadowlands Fiat Stadium; about 800 people attended.

The department hosted a Provincial Social Cohesion summit in Ekurhuleni on 22 August 2014 with over 850 delegates in attendance. The summit developed and adopted a Provincial Social Cohesion declaration. The Deputy President of the country, the Premier of Gauteng, various MECs and a number of community structures attended the event.

In the months of November and December 2014, a further five Social Cohesion Dialogues were held. The first in Bophelong in the Emfuleni Local Municipality with 79 participants, followed by a dialogue in Westbury in the City of Johannesburg with 63 participants; Silverton in Tshwane Municipality with 69 participants. During the Disability month and one held specifically to focus on issues of people with disabilities where 91 people participated. Finally, the Department held a Social Cohesion Healthy Lifestyles Fun-Run in Kwa-Themba where

700 members of the community participated in sport and recreational activities in commemoration of the World HIV/AIDS Day.

Output 8: Youth Camp

A Youth Camp was held on the 5 – 11 October at Meulstroom, Bronkhorstspuit. There were 216 trailblazers, 20 camp stewards, and 10 camp assurers with officials. The 2014/2015 camp was based on celebrating 20 years of democracy; therefore all trailblazers were 20 years old.

Radical Economic Transformation

Output 1: Music

In the year under review the department hosted five Puisano live music auditions; and hosted the five more Puisano live music showcases in all regions in the province. These showcases promoted local talent of 126 musicians and stimulates local economic growth.

Output 2: Film

One hundred and twenty-one film productions were facilitated by the Gauteng Film Commission (GFC); resulting in the creation of 707 temporary jobs. The GFC trained 215 individuals Gauteng film industry towards employability and participation within the sector.

Modernization of Human Settlements And Urban Development & Decisive Spatial Transformation

Output: Funding for municipal library services

The department concluded 19 service level agreements with compliant municipalities for the transfer of DORA funds to improve library services to communities; this will ensure that Gauteng citizens gain access to knowledge and information that will improve their socio-economic situation.

3. OUTLOOK FOR THE COMING FINANCIAL YEAR (2015/16)

Accelerated Social Transformation

Output 1: Improved Quality Basic Education School Sport

The department will implement the School Sport Mass Participation Programme in partnership with the GDE. This will be done in accordance with directives from the national government and will focus on under-performing schools. Training programmes for sport assistants and educators will be conducted to improve the standard of school sport, whilst at the same time working to ensure continuity of the programme at schools. Other events will include winter games, LSEN sports programmes and summer games. The Learn to Swim Programme will continue to be implemented.

Output 2: Gauteng Schools' Carnival

The Gauteng Schools' Carnival will be implemented in partnership with GDE. Learners from 100 schools will be identified and trained to prepare for, and participate in, the Schools' Carnival.

Output 3: Arts in School

The Arts in Schools Strategy will be implemented in partnership with GDE and the National Department of Arts and Culture, with an emphasis on art focused schools. The Department will coordinate and facilitate the implementation of arts (performing and/or visual) and culture programmes in schools. Arts and culture programmes (Marimba, Choreography, Choral and Carnival Costume making) will be introduced to more schools.

Output 4: Siyadlala Recreational Hub Programme

This mass participation programme will be implemented in decentralised hubs within Gauteng communities to provide an opportunity for community members to embrace a healthy and active lifestyle. The programmes will include Volleyball, Indigenous Games, Gymnaestrada and Fun Run/Walks Programmes. The Active Ageing Programme will be introduced to more old age homes in the province in support of long and healthy life styles, in partnership with the Department of Social Development and the Department of Health.

Operation Mabaleng is a new flagship project which will be facilitated, coordinated and implemented through recreation programmes. It aims to address the shortage of sporting facilities in communities, thereby encouraging and increasing participation in sports. Operation Mabaleng will reach out to many inactive and deprived townships, informal settlements and rural areas through sports such as football, netball, rugby, cricket and other codes. Physical infrastructure development for sport and recreation to enhance and promote a healthier lifestyle amongst communities will be prioritised. Stakeholder engagement will be the key focus in the recreation programme so as to ensure that inputs from the communities are incorporated and contribute to the improvement of the services provided.

Output 5: Theatre and Dance Programmes

The department will continue to host auditions for theatre and dance where talent can be identified with the aim of developing it further. This will also encourage communities to live active healthy lifestyles.

Output 6: Creative Arts Programme

The Creative Arts Programme will implement various arts and culture mass participation programmes across the Province, including dance, theatre, poetry and music.

Output 7: National/significant days commemorative events

The department will work closely with strategic partners to continue to host, or co-host events to commemorate national/significant days, in a bid to strengthen nation building in the Province. The department will also commemorate the heroes and heroines of the liberation struggle, and this will include the Mandela Remembrance walk on an annual basis.

Output 8: Heritage resources

The DSACR will identify, grade, preserve, protect, brand and promote heritage resources, in partnership with strategic role-players, including national and local government, the South African Heritage Resources Agency (SAHRA) and the Provincial Heritage Resource Agency of Gauteng (PHRA-G).

Output 9: Youth Camps

One provincial youth camp will be hosted annually, in partnership with other role-players, to provide youth at risk with valuable life skills. This will be done to contribute to creating safer and more secure communities.

Radical Economic Transformation

Output 1: Craft

The department will explore all opportunities to implement the Craft Strategy so that crafting and related industries will gain maximum benefit from the programmes offered. In addition to the four craft hubs (Mogale, Sedibeng, Tshwane and Ekurhuleni), the Department will establish new hubs in rural areas. This will enable crafters to create sustainable livelihoods for themselves, which will also benefit the province. The focus is on facilitating and improving access to various regional market platforms (Soweto Expo, Sea Expo, and Ekurhuleni Trade Fair) to display their talents and skills. The Department aims at improving skill levels by designing a mentorship programme, by improving enterprise and product development and by fostering links with heritage sites and museums.

Output 2: Music

The department will explore all opportunities to implement the Music Strategy focusing on Puisano live music showcases and hosting of Creative Industries Fair and Gauteng Carnival so that musicians and other related professionals will gain maximum benefit from the programmes offered. It will enable them to create sustainable livelihoods for themselves and to have access to various platforms to display their talents and skills for the benefit of the province.

Output 3: Film

The GFC will continue to create an enabling environment for all role-players in the sector to ensure that individuals, organisations and companies benefit from filming in Gauteng. It will actively market Gauteng as a niche market for filming.

Output 4: Financial Aid

The department will provide funding for municipal libraries, in accordance with the directives from the National Department of Arts and Culture. It will also provide funding to individuals, organisations and companies in the sport, arts and culture sectors whose missions are aligned to radical economic transformation. The Department will continue to support clubs and federations through the grant-in-aid programme.

Output 5: Major events

The province will continue to bid for and host national and international sport events through strategic partnerships according to approved agreements. It will continue to leverage opportunities, supporting and coordinating initiatives to attract major arts and culture events to be staged in Gauteng.

Modernisation of the Economy**Output 1: Host major events**

In order to change the structure of the economy radically and to unlock the potential of different sectors, township economies will be revitalised and strengthened by supporting the development of township enterprises and SMMEs that will produce sports equipment and attire that will meet the needs of township residents.

Modernization of Human Settlements And Decisive Spatial Transformation Of Urban Areas**Output 1: Library services**

The department will continue to support municipal library services through funding and the provision of other resources. Training will also be provided to improve library, information and archival services. Bursaries for library science and archival and record management services students will be awarded.

Output 2: Provincial Archives Centre

The construction of the Provincial Archives Centre is under way and will continue to the next financial year. The Archives Council will operate to comply with the constitutional mandate. The DORA grant will be utilized for the building of six new libraries.

Transformation of The State And Governance**Output 1: Sport Development**

The Sport Development Plan for Gauteng will be rolled out, assisting the targeted approach to sports development. Capacity building and training programmes for coaches, technical officials, and administrators will be conducted. The Department will also provide bursaries in the arts, libraries and archival sector.

4. REPRIORITISATION

The department will continue to implement sound fiscal discipline and review its operations to identify cost savings while implementing cost cutting measures and redirecting resources towards essential services. The department reprioritised funds to host events such as the annual commemoration of heroes and heroines of the liberation struggle and the Mandela Remembrance Walk in support of the accelerated social transformation and radical economic transformation pillars. Funds were also reprioritised to support new libraries with resources, thus contributing to the accelerated social transformation pillar. The department reprioritised funds for Operation Mabaleng, a flagship project which speaks to the decisive spatial transformation pillar, the aim of the project being to address the shortage of sporting facilities in communities, thereby encouraging and increasing participation in sports.

The department reallocated R2 million to fund the building of sporting facilities in support of Operation Mabaleng, an intervention which aims to increase participation by communities in sporting activities. This intervention is linked to Decisive Spatial Transformation. In order to scale up support to municipalities the department reallocated R47 million to contribute towards the effective and efficient library, information and archival services in the province. To support radical economic transformation and accelerated social transformation, the department also reprioritized R3.5 million for the Mandela Remembrance Walk, R2 million for the Commemoration of Heroes and Heroines of the liberation struggle and R10 million for the operationalization of the Hubs.

5. PROCUREMENT

The Supply Chain Unit in the department subscribes to and complies with all procurement guidelines, policies and regulations. In our business plan and annual performance document we adhere to core principles of behaviour in procurement which is made up of the five pillars of procurement. We strive to be the best performing unit in the province. The department will continue to ensure that the procurement of services is done in a timely manner to ensure the service delivery is not compromised.

The major procurement the department will be undertaking relates to the National Commemorative Days, Gauteng Creative industry fair, Craft hubs, Mandela remembrance walk, Operation Mabaleng, Gauteng Carnival, the completion of Provincial Archive Centre and the building of six new libraries.

6. RECEIPTS AND FINANCING

6.1. Summary of receipts

TABLE 12.1: SUMMARY OF RECEIPTS: DEPARTMENT OF SPORT, ARTS, CULTURE AND RECREATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Equitable share	259 334	306 263	368 120	489 259	438 305	438 305	539 477	395 600	399 000
Conditional grants	130 494	132 375	156 072	225 103	225 103	225 103	248 557	266 036	283 753
Community Library Services									
Grant	55 297	56 763	66 470	125 608	125 608	125 608	155 693	164 450	176 073
Mass Participation and Sport Development Grant	75 197	74 612	88 269	94 915	94 915	94 915	89 864	101 586	107 680
Expanded Public Works Programme Integrated Grant for Provinces				2 000	2 000	2 000	2 000		
Social Sector Expanded Public Works Programme Incentive Grant for Provinces		1 000	1 333	2 580	2 580	2 580	1 000		
Total receipts	389 828	438 638	524 192	714 362	663 408	663 408	788 034	661 636	682 753

The department is funded through the provincial equitable share and conditional grants. The provincial equitable share increased from R259.3 million in 2011/12 to R306.2 million in 2012/13, an increase of R46.9 million. This is due to the allocation for once-off projects and annual inflation related increases. The increase in equitable share from R368 million in 2013/14 to R489.2 million in 2014/15 is mainly due to earmarked allocations for building of the Provincial Archives Centre and the upgrading of the Bob van Reneen Stadium. The increase is also due to R17 million received in 2013/14 and R24.7 million in 2014/15 following the shift of the GFC to the Department.

The conditional grants are composed of the Community Library Services Grant, the Mass Participation and Sport Development Grant, the Expanded Public Works Programme (EPWP) Integrated Grant and the Social Sector Expanded Public Works Programme Grant. The total conditional grant allocation increased from R130.4 million in 2011/12 to R156 million in 2013/14, an increase of 20 per cent for these three years. The Community Library Services Grant increased from R55.2 million to R125.6 million from 2011/12 to 2014/15, mainly due to the building and upgrading of new libraries. The Mass Participation and Sport Development Grant increased from R75.1 million in the 2011/12 financial year to R88.2 million in 2013/14, an increase of R13.1 million.

The budget allocation of R89.8 million in 2015/16 growing to R107.6 million in 2017/18 over the 2015 MTEF period for the Mass Participation and Sport Development Grant is allocated in line with the integrated approach to community transformation and development, rendering integrated sport and cultural services within communities. The increase in the Community Library Services Grant by 13.1 per cent from 2015/16 to 2017/18 is to support learning opportunities, facilitate lifelong learning, complement formal education systems and expand the learning capacity of local communities.

6.2. Departmental receipts collection

TABLE 12.2: DEPARTMENTAL RECEIPTS: DEPARTMENT OF SPORT, ARTS, CULTURE AND RECREATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Sales of goods and services other than capital assets	91	94	168	141	141	264	237	242	247
Fines, penalties and forfeits		1							
Interest, dividends and rent on land	31	3	30	11	11	11	12	13	14
Sales of capital assets	60								
Transactions in financial assets and liabilities	113	86	115	56	56	181	60	65	68
Total departmental receipts	295	184	313	208	208	456	309	320	329

The department's revenue generating capacity is limited and revenue collected consists mainly of parking fees from officials, and recoveries of expenditure or payments with regards to claims for recovery of goods or services. Other revenue sources include miscellaneous interest from debt recoveries and commission received for collection of insurance premiums. Total departmental own receipts show an increase from R208 000 in 2014/15 to R309 000 in 2015/16. This increase was informed by the increase in the parking fees from R30 to R100 per month per employee using parking bays.

7. PAYMENT SUMMARY

7.1. Key assumptions

The key assumption underpinning this budget is the reprioritisation process during the 2015 MTEF, aligning the strategic plan of the department with the mandate and outcomes of the provincial government.

The department has budgeted for a 7.1 per cent increase in compensation of employee and 5.6 per cent for non-compensation increase for the 2015 MTEF. The assumptions are based on the projected consumer price index (CPI). The following key elements have been taken into account when determining personnel and other economic categories for the 2015 MTEF:

- Number of staff;
- Basic salary cost including improvements of conditions of service adjustments from 1st April each year;
- Increase of benefits such as medical aid and home owners allowance based on bargaining council agreements, long service recognition and performance bonuses;
- Inflation related items such as goods and services based on headline CPI projections; and
- Provision for upgrading of infrastructure facilities.

7.2. Programme summary

TABLE 12.3: SUMMARY OF PAYMENTS AND ESTIMATES: DEPARTMENT OF SPORT, ARTS, CULTURE AND RECREATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Administration	95 852	86 844	119 330	110 102	120 941	116 384	101 597	112 993	112 368
2. Cultural Affairs	95 856	86 973	99 167	95 493	94 931	99 488	97 112	117 602	122 010
3. Library And Archives Services	66 333	68 016	109 032	291 893	240 662	240 662	377 120	217 630	218 991
4. Sport And Recreation	151 582	192 192	192 073	216 874	206 874	206 874	212 205	213 411	229 383
Total payments and estimates	409 623	434 025	519 602	714 362	663 408	663 408	788 034	661 636	682 753

7.3. Summary of economic classification

TABLE 12.4: SUMMARY OF ECONOMIC CLASSIFICATION: DEPARTMENT OF SPORT, ARTS, CULTURE AND RECREATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	277 044	321 786	339 378	368 172	364 527	364 084	382 077	402 162	419 203
Compensation of employees	111 667	109 238	143 333	176 109	175 402	177 761	184 440	193 920	203 586
Goods and services	165 068	212 548	196 045	192 063	189 125	186 323	197 637	208 242	215 617
Interest and rent on land	309								
Transfers and subsidies to	129 399	81 485	90 369	104 689	106 233	106 609	159 107	143 198	152 358
Provinces and municipalities	79 563	37 287	37 488	55 228	56 018	56 018	117 143	81 591	87 671
Departmental agencies and accounts	18 747	23 453	21 563	24 747	24 747	24 747	25 993	27 397	28 767
Higher education institutions	900	437							
Non-profit institutions	28 810	19 648	30 629	24 414	24 299	24 579	15 808	34 067	35 770
Households	1 379	660	689	300	1 169	1 265	163	143	150
Payments for capital assets	3 115	30 738	89 710	241 501	192 648	192 715	246 850	116 276	111 191
Buildings and other fixed structures		22 789	79 448	235 000	184 661	184 807	237 350	111 522	106 118
Machinery and equipment	3 115	7 949	10 262	6 501	7 987	7 908	9 500	4 754	5 073
Payments for financial assets	65	16	145						
Total economic classification	409 623	434 025	519 602	714 362	663 408	663 408	788 034	661 636	682 753

Expenditure increased from R409.6 million in 2011/12 to R519.6 million in 2013/14, an increase of R110 million. This is due to additional expenditure for the Women's Monument, upgrading of the Bob van Reneen Stadium, sports facilities in townships and library services. Spending on compensation of employees increased by 28 per cent from R111.6 million in 2011/12 to R143.3 million in 2013/14 due to the implementation of the re-engineered recruitment plan of the Department.

The significant decrease of R42.1 million in transfers to municipalities, from R79.5 million in 2011/12 to R37.4 million in 2013/14, is largely attributable to a once off allocation for the OR Tambo Memorial.

Payments for capital assets show an increase from R3.1 million in 2011/12 to R89.7 million in 2013/14. The significant increase is due to infrastructure projects undertaken by the department.

The significant increase from R519.6 million in 2013/14 to R714.3 million in the main allocation for 2014/15 is due to the additional allocation of R132 million for the construction of the Provincial Archives Centre.

The 2015 MTEF allocation to compensation of employees showed an increase of R19.1 million from R184.4 million in 2015/16 to R203.5 million in 2017/18. This is due to the planned implementation of the recruitment plan which aims to fill all vacant positions in 2015/16 thus ensuring that good governance is enhanced and service delivery improved.

The allocation to goods and services shows an increase from R197.6 million in 2015/16 to R215.6 million, in 2017/18 an increase of R18 million or 9 per cent over the 2015 MTEF.

The 2015 MTEF allocation to transfers and subsidies shows a decrease from R159.1 million in 2015/16 to R152.3 million in 2017/18, a decrease of R6.8 million. This is due to the departmental decrease in allocations to municipalities to cater for the building of new libraries for designated municipalities.

For the 2015/16 financial year the allocation increases to R788 million in from R714.3 million in 2014/15 main budget. This is largely due to an additional amount of R26.4 million for the completion of the Provincial Archives Centre, an additional amount of R5 million for a national monument and an increase in the conditional grant allocation to build community libraries.

7.4. Infrastructure payments

7.4.1. Departmental infrastructure payments

Please refer to the 2015 Estimates of Capital Expenditure (ECE)

7.4.2. Departmental public-private-partnership (PPP) projects

N/A

7.5. Transfers**7.5.1. Transfers to public entities**

N/A

7.5.2. Transfers to other entities

TABLE 12.5: SUMMARY OF DEPARTMENTAL TRANSFERS TO OTHER ENTITIES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Gauteng Film Commission	18 747	23 453	21 563	24 747	24 747	24 747	25 993	27 397	28 767
Total departmental transfers	18 747	23 453	21 563	24 747	24 747	24 747	25 993	27 397	28 767

The aim of the GFC is to develop and support the film and TV industry in the province. The R2.8 million increase in allocation from R25.9 million in 2015/16 to R28.7 million in 2017/18 is to ensure that the Department creates employment opportunities from supported projects, and that companies support enterprise development, industry training and development initiatives.

Some of the key interventions the GFC will embark on with regard to industry support and development include production support which will look at feature films, documentaries, short films, partnership with broadcasters and narrowcast and distribution partnerships. The entity will also facilitate film permits for productions, audience development initiatives and regional and premiere screenings.

Other interventions include training and development initiatives for individuals within the Gauteng film industry and marketing campaigns like the Gauteng Film Friendly campaign as well as public relations campaigns. Further marketing and communication programmes include industry awards support and film festivals as well as advertising and a promotion plan focusing on the entire value chain from preproduction, production, postproduction to marketing and distribution, social media and SMS bundles.

7.5.3 Transfers to local government

TABLE 12.6: SUMMARY OF DEPARTMENTAL TRANSFERS TO LOCAL GOVERNMENT BY CATEGORY

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Category A	49 947	14 837	15 688	20 179	20 579	19 465	27 184	28 505	29 676
Category B	28 800	21 950	21 000	34 549	34 939	35 053	91 002	49 378	51 254
Category C	816	500	800	500	500	1 500	1 205	1 050	1 020
Total departmental transfers to local government	79 563	37 287	37 488	55 228	56 018	56 018	119 391	78 933	81 950

Transfers to category A municipalities decreased by R42.1 million, from R79.5 in 2011/12 to R37.4 million in 2013/14. This was due to the once off transfer to Ekurhuleni Metropolitan Municipality for the OR Tambo Memorial and the reallocation of funds to municipalities for the building of new libraries.

Transfers to category B municipalities decreased by R8 million from R28.8 million in 2011/12 to R21 million in 2013/14 due to the reallocation of funds for the building of new libraries. The increase of 113 per cent for the period 2014/15 to 2015/16 is mainly due to an increase in the allocation to ensure that Category B municipalities are adequately supported in the operationalization of libraries. The 2015 MTEF allocation decreases from R91 million to R51.2 million, a decrease of R40 million, due to a once off allocation to build libraries in designated category B municipalities.

The total transfers to category C municipalities decreased by R16 000 from R816 000 in 2011/12 to R800 000 in 2013/14 due to the reallocation of funds for the building of new libraries. The 2015 MTEF allocation decreases from R1.2 million in 2015/16 to R1 million in 2017/18, a decrease of R200 000.

The 2015 MTEF allocation decreases from R119.3 million in 2015/16 to R81.9 million in 2017/18, a decrease of R37 million due to the Department completing the building of new libraries in selected municipalities.

8. PROGRAMME DESCRIPTION

PROGRAMME 1: ADMINISTRATION

Programme description

The aim of the Administration Programme is first and foremost to provide political and strategic direction and also to support the organization through financial management, supply chain management, risk management, legal services, human resources, communications, information technology, office administration and facilities management and policy development, research and strategic planning support. It also supports the co-ordination of the provincial commemoration of national days in Gauteng, as well as the development, upgrading, management and refurbishment of sport, arts, culture and library facilities, in collaboration with local and national government, the private sector and communities.

The Programme is led by the Head of Department. It primarily contributes to DSACR Strategic Goal 4: "Capable and activist administration which contributes to a modern developmental state in order to promote good governance."

Administration sub-programmes

The programme comprises the following sub-programmes: Corporate Communications, Events Management and Marketing; Stakeholder Management, Human Resource Administration, Management and Development; Office Administration and Facilities Management; Information Technology; Legal Services; Audit and Risk Management; Financial Management and Financial Accounting; Supply Chain Management; Strategic Planning and Performance Reporting; Monitoring and Evaluation; Gender Youth and Disability; Research, Policy and Knowledge Management; Intergovernmental Relations and Strategic Partnerships and Special Projects.

Programme objectives

Provide innovative and integrated strategic support services.

TABLE 12.7: SUMMARY OF PAYMENTS AND ESTIMATES: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Office of the MEC	6 109	5 876	5 904	5 324	6 868	6 868	5 961	6 277	6 591
2. Corporate Services	89 743	80 968	113 426	104 778	114 073	109 516	95 636	106 716	105 777
Total payments and estimates	95 852	86 844	119 330	110 102	120 941	116 384	101 597	112 993	112 368

TABLE 12.8: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	93 605	79 557	110 165	107 122	117 705	112 939	99 369	110 872	110 060
Compensation of employees	45 051	50 392	62 585	62 239	73 078	73 078	68 420	71 863	71 637
Goods and services	48 336	29 165	47 580	44 883	44 627	39 861	30 949	39 009	38 423
Interest and rent on land	218								
Transfers and subsidies	13	200	377	130	349	388	136	143	150
Households	13	200	377	130	349	388	136	143	150
Payments for capital assets	2 224	7 085	8 734	2 850	2 887	3 057	2 092	1 978	2 158
Buildings and other fixed structures						146			
Machinery and equipment	2 224	7 085	8 734	2 850	2 887	2 911	2 092	1 978	2 158
Payments for financial assets	10	2	54						
Total economic classification	95 852	86 844	119 330	110 102	120 941	116 384	101 597	112 993	112 368

Programme expenditure increased from R95.8 million in 2011/12 to R119.3 million in 2013/14. The reason for the increase was filling of vacancies in line with the recruitment plan of the Human Resource Department to capacitate the Department as new strategies are adopted.

Expenditure on compensation of employees increased by R17 million from R45 million in 2011/12 to R62 million in 2013/14 as a result of the implementation of the new recruitment plan initiated by the department.

Expenditure on goods and services decreased by 2 per cent during the period 2011/12 to 2013/14. This is due to the movement of commemorative days to programme 2 and the implementation of cost cutting measures. The increase of R7.5 million from R30.9 million in 2015/16 to R38.4 million in 2017/18 is due to inflation adjustments and the reprioritising of funding to core functions.

The significant increase of R6.5 million in the expenditure on payments for capital assets, from R2.2 million in 2011/12 to R8.7 million in 2013/14, is due to the procurement of new information technology equipment to make provision for newly appointed staff. Thereafter the 2015 MTEF allocation grows at a marginal rate of 3 per cent from R2 million in 2015/16 to R2.1 million in 2017/18. This is for maintenance of the information technology equipment and modernising the public sector.

PROGRAMME 2: CULTURAL AFFAIRS

Programme description

The aim of the Cultural Affairs Programme is to identify, develop, support, promote, preserve and protect arts and heritage resources in the province. In so doing, the Programme contributes to the following DSACR strategic goals:

- Transformed, modernized sport and cultural landscape which contribute to social cohesion and nation building; and
- Gauteng economically transformed through creative industries and the business of sport.

The programme comprises the following sub-programmes: Creative Arts, Creative Industries (including GFC) and Heritage (including museums, language, indigenous knowledge systems (IKS) and geographical names).

Programme objectives

- Reposition and retain Gauteng as the home of creative industries through intensified talent identification, development and nurturing in arts and culture;
- Cultivate, facilitate and enhance a conducive environment which will allow Gauteng to excel in creative industries;
- Host and retain major events through vigorous marketing and bidding which will contribute to sustainable economic growth and opportunities;
- Accelerate transformation of the provincial heritage landscape by Identifying, preserving, protecting, and promoting provincial heritage resources; and
- Promote multilingualism to redress past linguistic imbalances or intolerances.

Key Policies, Priorities and Outputs

Mzansi Golden Economy Strategy

TABLE 12.9: SUMMARY OF PAYMENTS AND ESTIMATES: CULTURAL AFFAIRS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Management	4 090	3 178	5 667	5 651	5 641	5 641	6 232	6 562	6 890
2. Arts & Culture	65 049	67 747	68 027	65 062	64 510	64 510	60 904	72 823	75 831
3. Museum Services									
4. Heritage Resource Services	26 129	15 879	25 198	21 909	23 509	28 066	26 425	34 882	35 788
5. Language Services	588	169	275	2 871	1 271	1 271	3 551	3 335	3 502
Total payments and estimates	95 856	86 973	99 167	95 493	94 931	99 488	97 112	117 602	122 010

TABLE 12.10: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: CULTURAL AFFAIRS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	39 731	47 174	62 759	63 792	61 092	65 752	65 090	75 332	77 627
Compensation of employees	10 164	10 613	14 927	20 241	19 479	20 692	24 540	23 671	24 744
Goods and services	29 567	36 561	47 832	43 551	41 613	45 060	40 550	51 661	52 882
Transfers and subsidies to	56 067	39 773	36 349	31 506	33 606	33 606	29 493	42 156	44 264
Provinces and municipalities	20 000								
Departmental agencies and accounts	18 747	23 453	21 563	24 747	24 747	24 747	25 993	27 397	28 767
Non-profit institutions	16 026	15 956	14 777	6 759	8 859	8 859	3 500	14 759	15 497
Households	1 294	364	9						
Payments for capital assets	54	26	5	195	233	130	2 529	114	120
Buildings and other fixed structures									
Machinery and equipment	54	26	5	195	233	130	2 529	114	120
Payments for financial assets	4		54						
Total economic classification	95 856	86 973	99 167	95 493	94 931	99 488	97 112	117 602	122 010

The programme's total expenditure decreased by R8.8 million from R95.8 million in 2011/12 to R86.9 million in 2012/13, this is mainly due to the capital transfer of the OR Tambo project to the Ekurhuleni municipality.

Compensation of employee's expenditure increased by 47 per cent from R10.1 million in 2011/12 to R14.9 million in 2013/14, as a result of the filling of vacancies as per the new recruitment plan. The increase in goods and services of R18.2 million from R29.5 million in 2011/12 to R47.8 million in 2013/14 is as a result of the movement of the commemorative days from Programme 1.

From 2015/16 to 2017/18 the allocation to transfers and subsidies increases by R11.2 million from R33 million to R44.2 million as a result of the enhanced implementation of various arts and culture mass participation programmes across the province.

Payments for capital assets decreased by R54 000 in 2011/12 to R5 000 in 2013/14 due to the centralisation of the procurement of computers in the department. However, over the 2015 MTEF period the allocation for payments for capital assets increases by R5 million in 2015/16 due to an additional allocation for the construction of the national monument.

The 2015 MTEF allocation for the programme increases by R10.8 million from R97.1 million in 2015/16 to R122 million in 2017/18 due to the up-scaling of the National Commemorative Days, the Gauteng Carnival, provision for commemoration of the heroes and heroines of the liberation struggle and the Mandela Remembrance Walk.

SERVICE DELIVERY MEASURES

PROGRAMME 2: CULTURAL AFFAIRS

Performance measures	Estimated Annual Targets		
	2015/16	2016/17	2017/18
Provincial Performance Measure Indicators			
Number of bursaries awarded to visual and performing arts students	14	14	14
Percentage of grants-in-aid awarded to organizations	25	25	25
Number of craft hubs established to implement product development and enterprise development programmes	5	5	5
Number of art and cultural major events hosted	2 (Gauteng Creative Industries Fair & Gauteng Carnival hosted)	2 (Gauteng Creative Industries Fair & Gauteng Carnival hosted)	2 (Gauteng Creative Industries Fair & Gauteng Carnival hosted)
Number of market access initiatives supported	2	2	2
Number of Puisano live music showcases hosted	10	10	10

Performance measures	Estimated Annual Targets		
	2015/16	2016/17	2017/18
Number of emerging Dance and Theatre Productions supported	6 (3 Theatre and 3 Dance Productions)	6 (3 Theatre and 3 Dance Productions)	6 (3 Theatre and 3 Dance Productions)
2.2 MUSEUM AND HERITAGE			
National Performance Measure Indicators			
Number of structures supported (PHRA, Geographic Names Council, and Gauteng Arts and Culture Council)	3	3	3
Number of significant days hosted as per cultural calendar	6	6	6
Provincial Performance Measure Indicators			
Number of heroes and heroines of the liberation struggle commemorated	3	3	3
Mandela Remembrance Walk held	Mandela Remembrance Walk held	Mandela Remembrance Walk held	Mandela Remembrance Walk held
Number of geographical names systems advocacy campaigns held	1	1	1
Number of monuments supported	3	3	3
Provincial heritage resource legislation developed, approved and implemented	Heritage legislation certified	Heritage legislation promulgated	Heritage legislation implemented
Number of national heritage liberation route sites established (Gauteng chapter)	25	25	25
2.3 LANGUAGE SERVICES			
Provincial Performance Measure Indicators			
Provincial language policy implemented and legislation promulgated	language legislation certified	Language Legislation promulgated	Language Legislation implemented
Number of language coordinating structure supported	1	1	1
2.4 GAUTENG FILM COMMISSION			
Provincial performance measures indicators			
Number of productions supported and funded by the GFC	12	12	12
Number of temporary jobs created in the sector	330	330	330
Number of film permits for Productions facilitated by GFC	165	165	165
Number of individuals trained and developed in the film industry towards "employability" and participation within the sector	296	296	296
Number of audience development initiatives implemented	11	11	11
Number of audiences reached through exhibition of local content	2 840	2 840	2 840

PROGRAMME 3: LIBRARY AND ARCHIVES SERVICES

Programme description

The purpose of the Directorate of Library and Archival Services is to establish and maintain community libraries which will in turn provide access to knowledge, resources and services to meet the needs of individuals and groups for education, information and personal development. Libraries, as knowledge hubs, strive to achieve the broad imperatives of socio-economic development and nation building. This aim is supported by the strategic, operational and legislative framework for the effective and efficient functioning of library, information and archival services in the province.

In so doing, the Programme contributes to DSACR's strategic goal:

- Develop, transform, promote, modernise sustainable library, information and archives services."

The programme has no sub-programmes.

Programme objectives

- Expand and recapitalise community-based library, sport and cultural facilities;
- Modernize libraries in terms of technological transformation;
- Inculcate the culture of reading in order to enhance knowledge;
- Transform and modernise the governance of library and information services through relevant legislation, norm and standards, regulations and by laws; and
- Collect, preserve the knowledge base and providing access to Gauteng archival records.

TABLE 12.11: SUMMARY OF PAYMENTS AND ESTIMATES: LIBRARY AND ARCHIVES SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Management	954	947	1 031	1 284	1 284	1 284	1 443	1 519	1 595
2. Library Services	64 727	66 601	87 193	156 847	148 438	148 438	185 397	198 531	215 317
3. Archives	652	468	20 808	133 762	90 940	90 940	190 280	17 580	2 079
Total payments and estimates	66 333	68 016	109 032	291 893	240 662	240 662	377 120	217 630	218 991

TABLE 12.12: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: LIBRARY AND ARCHIVES SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	6 649	7 934	6 205	20 171	8 435	8 378	21 978	26 171	28 939
Compensation of employees	2 566	2 826	3 701	15 646	5 419	5 419	12 373	9 901	10 396
Goods and services	4 083	5 108	2 504	4 525	3 016	2 959	9 605	16 270	18 543
Transfers and subsidies to	59 617	37 287	37 638	55 398	56 088	56 145	117 170	81 591	87 671
Provinces and municipalities	59 563	37 287	37 488	55 228	56 018	56 018	117 143	81 591	87 671
Households	54		150	170	70	127	27		
Payments for capital assets	53	22 795	65 184	216 324	176 139	176 139	237 972	109 868	102 381
Buildings and other fixed structures		22 789	64 180	215 000	173 612	173 612	235 400	109 522	102 018
Machinery and equipment	53	6	1 004	1 324	2 527	2 527	2 572	346	363
Payments for financial assets	14		5						
Total economic classification	66 333	68 016	109 032	291 893	240 662	240 662	377 120	217 630	218 991

Programme expenditure shows an increase of R43 million from R66.3 million in 2011/12 to R109 million in 2013/14. This is due to an increase in the number of infrastructure projects that the department has embarked on. The allocation over the 2015 MTEF period decreases from R377.1 million in 2015/16 to R218.9 million in 2017/18, a decrease of R158.3 million due the completion of the Provincial Archives.

For the 2015 MTEF period the allocation for compensation of employees decreases by R2 million from R12.3 million in 2015/16 to R10.3 million in 2017/18. This is due to the alignment of personnel budget in the department where the actual expenditure incurs. The allocation for goods and services increases from R9.6 million in 2015/16 to R18.5 million in 2017/18 to make provision for the operationalization of libraries built by the department.

The department allocated an amount of R2.5 million in 2015/16 for machinery and equipment for the modernisation of library collections and provision of information technology.

The 2015 MTEF allocation to transfers and subsidies decreases by R29.5 million from R117.1 million in 2015/16 to R87.6 million in 2017/18 due the building of fewer new libraries.

SERVICE DELIVERY MEASURES

PROGRAMME 3: LIBRARY AND ARCHIVES SERVICES

Performance measures	Estimated Annual Targets		
	2015/16	2016/17	2017/18
National performance measure indicators			
Number of monitoring visits done	124	124	84
Library materials procured	130	140	140
Provincial performance measure indicators			
Number of new libraries built	6	6	6
Number of new libraries supported with resources for operationalization	15	15	15
Number of book clubs established at libraries	10	15	20
Library and information services (LIS) regulations developed and approved	LIS regulations approved	LIS regulations promulgated	
Number of business plans approved for transfer of funds to municipalities	21	21	21

Performance measures	Estimated Annual Targets		
	2015/16	2016/17	2017/18
Number of library reading programmes implemented (group public speaking and recreational programmes)	2	2	2
Number of bursaries awarded to library science students	5	6	8
Number of libraries upgraded with ICT hardware and internet connectivity	15 (Emfuleni libraries)	15	15
3.2. ARCHIVES			
National performance measures indicators			
Number of records managers trained	30	30	30
Number of governmental bodies inspected	12	14	16
Number of records classification systems approved	2	2	2
Number of awareness and promotional projects rolled out in communities	2	2	2
Provincial performance measure indicators			
Archives centre established	Archive Centre constructed Operationalisation of the Provincial Archives		
Number of bursaries awarded for archival and records management services	5	5	5

PROGRAMME 4: SPORT AND RECREATION

Programme description

The aim of the Sport and Recreation Programme is to promote sport and recreation and school sport, and also to facilitate talent identification and to promote sport development and high performance to make Gauteng the home of champions. In so doing, the programme contributes towards nation building, social cohesion, economic growth and the creation of job opportunities, as well as promoting sustainable livelihoods for sportsmen and sportswomen. It is also responsible for ensuring the effective and efficient co-ordination of preparations for hosting major events in Gauteng and other special projects.

The programme contributes to the following DSACR strategic goals:

- Transformed, modernized sport and cultural landscape which contribute to social cohesion and nation building; and
- Gauteng economically transformed through the business of sport.

The programme comprises of the following sub-programmes: Mass Participation/Siyadlala hubs, School Sport, Sport Development and Co-ordination, and Competitive Sport.

Programme objectives

- Reposition and retain Gauteng as the home of champions through intensified talent identification, development and nurturing in sport toward excellence;
- Transform and promote socially inclusive sport and recreational programmes;
- Expand community based library, sport and cultural facilities; and
- Create a competitive edge that will enhance Gauteng as a cornerstone for business in sport to contribute to sustainable economic growth and opportunities.

Key policies, priorities and outputs:

National Sport Plan

TABLE 12.13: SUMMARY OF PAYMENTS AND ESTIMATES: SPORT AND RECREATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Management	3 981	4 994	5 744	5 976	5 397	6 486	6 546	6 888	7 231
2. Sport	74 536	100 388	78 421	86 626	78 023	80 055	56 954	74 979	80 489
3. Recreation	48 717	49 308	68 261	82 179	81 361	78 080	105 000	80 298	87 856
4. School Sport	24 348	37 502	39 647	42 093	42 093	42 253	43 705	51 246	53 808
Total payments and estimates	151 582	192 192	192 073	216 874	206 874	206 874	212 205	213 411	229 383

TABLE 12.14: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: SPORT AND RECREATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	137 059	187 121	160 249	177 087	177 295	177 015	195 640	189 787	202 578
Compensation of employees	53 886	45 407	62 120	77 983	77 426	78 572	79 107	88 485	96 808
Goods and services	83 082	141 714	98 129	99 104	99 869	98 443	116 533	101 302	105 769
Interest and rent on land	91								
Transfers and subsidies to:	13 702	4 225	16 005	17 655	16 190	16 470	12 308	19 308	20 273
Higher education institutions	900	437							
Non-profit institutions	12 784	3 692	15 852	17 655	15 440	15 720	12 308	19 308	20 273
Households	18	96	153		750	750			
Payments for capital assets	784	832	15 787	22 132	13 389	13 389	4 257	4 316	6 532
Buildings and other fixed structures			15 268	20 000	11 049	11 049	1 950	2 000	4 100
Machinery and equipment	784	832	519	2 132	2 340	2 340	2 307	2 316	2 432
Payments for financial assets	37	14	32						
Total economic classification	151 582	192 192	192 073	216 874	206 874	206 874	212 205	213 411	229 383

For the period 2011/12 to 2013/14 expenditure increased by R40.5 million from R151.5 million to R192 million as a result of funds earmarked for specific major sports events during 2012/13, such as the South African Open Championship. The 2015 MTEF allocation increases by 8 per cent from R212.2 million in 2015/16 to R229.3 million to ensure community access to sport and recreational facilities through Operation Mabaleng, and adequate resourcing of school sports, to realize the NDP's transformative vision 2030 that participation in sporting codes should approximate the country's demographics and that there should be excellence in a number of sporting codes.

Expenditure on compensation of employees increased by R8.3 million, from R53.8 million in 2011/12 to R62.1 million in 2013/14. This was due to the alignment of personnel costs to Programme 4. During the 2015 MTEF the allocation to compensation of employees increases from R79.1 million in 2015/16 to R96.8 million in 2017/18 due to inflationary adjustments.

Expenditure on goods and services increased by R15.1 million from R83 million in 2011/12 to R98.1 million in the 2013/14 financial year. The increase was due to competitive sporting events, such the Soweto Marathon and the Gauteng Challenge. Over the 2015 MTEF allocation to goods and services decreases from R116.5 million in 2015/16 to R105.7 million in 2016/17, a decrease of R10.8 million.

Expenditure on payments for capital assets increased by R15 million from R784 000 in 2011/12 to R15.7 million in 2013/14, due to an increased allocation for the upgrading of the Bob van Reenen Stadium. During the 2015 MTEF allocation there is R2 million in 2015/16 is due to the implementation of the Operation Mabaleng infrastructure project.

SERVICE DELIVERY MEASURES

PROGRAMME 4: SPORT AND RECREATION

Performance measures	Estimated Annual Targets		
	2015/16	2016/17	2017/18
4.1 SPORTS DEVELOPMENT			
National performance measure indicators			
Number of jobs created	37	40	40
Number of schools, hubs and clubs provided with equipment and/or attire as per the established norms and standards.	450 GDE schools 27 hubs 180 clubs	350 GDE schools 27 hubs 200 clubs	350 GDE schools 27 hubs 200 clubs
Number of sport academies supported	3	4	5
Number of athletes supported by the sport academies	1600	1600	1600
Number of affiliated provincial sport federations supported	10	10	10

Performance measures	Estimated Annual Targets		
	2015/16	2016/17	2017/18
Number of people trained to deliver sport academies programme	200	200	200
Number of people trained as part of the club development programme	1 220	1 220	1 220
Number of leagues and tournaments staged to foster club development	21	21	21
Number of sport and recreation projects supported by sport council	6	6	6
Provincial performance measure indicators			
Water safety programmes implemented	Water safety implemented in 5 regions (1 per cluster)	Water safety implemented in 5 regions (1 per cluster)	Water safety implemented in 5 regions (1 per cluster)
Gauteng sports awards held	1	1	1
4.2 RECREATION			
National performance measure indicators			
Number of active sustainable active recreation events organised and implemented	8	8	8
Number of people actively participating in organized active recreation events	186 520	186 520	186 520
Provincial performance measure indicators			
Number of Operation Mabaleng infrastructures developed	2	2	2
Minister's outreach programme facilitated and coordinated	1	1	1
Number of youth camps held	1	1	1
Number of people trained as part of community sport	275	300	325
Number of jobs created	48	50	55
4.3 SCHOOL SPORTS			
National performance measure indicators			
Number of educators trained to deliver school sports programmes	450	450	450
Number of volunteers trained to deliver school sports programmes	32	32	32
Number of learners participating in school sport tournaments at district level	19 428	19 428	19 428
Gauteng school sport games hosted	Gauteng school sport games hosted (1 provincial and 4 regional)	Gauteng school sport games hosted (1 provincial and 4 regional)	Gauteng school sport games hosted (1 provincial and 4 regional)
Number of school sport contract workers appointed	32	32	32
Provincial performance measure indicators			
Number of LSEN programmes provided with support	2	2	2
Number of sport focus schools supported	5	5	5
Number of lead schools supported in two codes (athletics and netball)	60	60	60

9. OTHER PROGRAMME INFORMATION

9.1. Personnel numbers and costs

TABLE 12.15: PERSONNEL NUMBERS AND COSTS: DEPARTMENT OF SPORT, ARTS, CULTURE AND RECREATION

Personnel numbers	As at	As at	As at	As at	As at	As at	As at
	31 March 2011	31 March 2012	31 March 2013	31 March 2014	31 March 2015	31 March 2016	31 March 2016
1. Administration	148	130	158	171	171	171	171
2. Cultural Affairs	32	32	53	84	84	84	84
3. Library And Archives Services	21	9	19	155	155	155	155
4. Sport And Recreation	444	396	466	329	329	329	329
Total provincial personnel numbers	645	567	696	739	739	739	739
Total provincial personnel cost (R thousand)	111 667	109 238	143 333	177 761	184 440	193 920	203 586
Unit cost (R thousand)	173	193	206	241	250	262	275

TABLE 12.16: SUMMARY OF DEPARTMENTAL PERSONNEL NUMBERS AND COSTS

	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Total for province									
Personnel numbers (head count)	645	567	696	739	739	739	739	739	739
Personnel cost (R thousands)	111 667	109 238	143 333	176 109	175 402	177 761	184 440	193 920	203 586
Human resources component									
Personnel numbers (head count)	371	441	469	697	697	697	697	697	697

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	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Personnel cost (R thousands)	100 468	99 933	131 441	166 351	166 351	166 351	172 843	180 647	189 494
Finance component									
Personnel numbers (head count)	15	18	34	42	42	42	42	42	42
Personnel cost (R thousands)	5 083	5 414	9 758	9 758	9 758	9 758	11 597	13 273	14 092
Head count as % of total for department	2.3%	3.2%	4.9%	5.7%	5.7%	5.7%	5.7%	5.7%	5.7%
Personnel cost as % of total for department	4.6%	5.0%	6.8%	5.5%	5.6%	5.5%	6.3%	6.8%	6.9%
Full time workers									
Personnel numbers (head count)	445	367	414	463	463	463	463	463	463
Personnel cost (R thousands)	103 117	100 238	147 266	164 335	164 335	164 335	172 222	180 971	189 849
Head count as % of total for department	69.0%	64.7%	59.5%	62.7%	62.7%	62.7%	62.7%	62.7%	62.7%
Personnel cost as % of total for department	92.3%	91.8%	102.7%	93.3%	93.7%	92.4%	93.4%	93.3%	93.3%
Part-time workers									
Personnel numbers (head count)	371	441	469						
Personnel cost (R thousands)	91 918	110 799	142 405						
Head count as % of total for department	57.5%	77.8%	67.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Personnel cost as % of total for department	82.3%	101.4%	99.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Contract workers									
Personnel numbers (head count)	528	410	487	276	276	276	276	276	276
Personnel cost (R thousands)	8 550	5 570	9 986	11 774	11 774	11 774	12 218	12 949	13 737
Head count as % of total for department	81.9%	72.3%	70.0%	37.3%	37.3%	37.3%	37.3%	37.3%	37.3%
Personnel cost as % of total for department	7.7%	5.1%	7.0%	6.7%	6.7%	6.6%	6.6%	6.7%	6.7%

Expenditure on compensation of employees increased by R36 million from R111.6 million to R143.3 million for the period 2011/12 to 2013/14. This was due to a once-off allocation of R20 million to fill critical posts.

The 2015 MTEF allocation to compensation of employees showed an increase of R14 million from R184.4 million in 2015/16 to R203.5 million in the 2017/18 financial year. However, from 2015/16 to 2017/18 the head count remains constant with the increase in allocation to compensation of employees to cater for the cost of living adjustment and other personnel related cost, such as home owners allowance and long service awards.

9.2. Training

TABLE 12.17: PAYMENT ON TRAINING

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Administration	498	997	1 045	1 101	1 101	1 101	1 200	1 280	1 300
Payments on tuition	498	997	1 045	1 101	1 101	1 101	1 200	1 280	1 300
2. Cultural Affairs	130	230	243	256	256	256	260	280	300
Payments on tuition	130	230	243	256	256	256	260	280	300
3. Library And Archives Services	62	45	47	50	50	50	60	50	87
Payments on tuition	62	45	47	50	50	50	60	50	87
4. Sport And Recreation	115	287	296	312	312	312	320	330	350
Payments on tuition	115	287	296	312	312	312	320	330	350
Total payments on training	805	1 559	1 631	1 719	1 719	1 719	1 840	1 940	2 037

The department allocated 1 per cent of personnel costs towards training interventions which will focus on improving generic and functional skills of employees. This will include seminars and workshops in line with the Workplace Skills Development Plan as well as individual personal development plans.

The allocation for training and development over the 2015 MTEF period increases from R1.8 million to R2 million in 2017/18, an increase of R200 000.

TABLE 12.18: INFORMATION ON TRAINING: DEPARTMENT OF SPORT, ARTS, CULTURE AND RECREATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Number of staff	645	567	696	739	739	739	739	739	739
Number of personnel trained	310	310	310	310	310	310	310	350	368
of which									
Male	130	130	130	130	130	130	130	150	158
Female	180	180	180	180	180	180	180	200	210
Number of training opportunities	82	82	82	82	82	82	82	78	82
of which									
Tertiary	45	45	45	45	45	45	45	40	42
Workshops	30	30	30	30	30	30	30	30	32
Seminars	2	2	2	2	2	2	2	5	5
Other	5	5	5	5	5	5	5	3	3
Number of bursaries offered	75	75	75	75	75	75	75	40	42
Number of interns appointed	50	50	50	50	50	50	50	55	58
Number of learnerships appointed	100	100	100	100	100	100	100	30	32
Number of days spent on training	100	100	100	100	100	100	100	100	105

The department is committed to build and improve the capacity of staff members. This is done by encouraging participation in skills development programmes, management development programmes and by providing bursary opportunities. The department continues to provide internships, learnerships and bursary opportunities to young people in the province to build the capacity of the state and to operate as a developmental state.

9.3. Reconciliation of structural changes

N/A

ANNEXURES TO ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE

TABLE 12.19: SPECIFICATION OF RECEIPTS: DEPARTMENT OF SPORT, ARTS, CULTURE AND RECREATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Sales of goods and services other than capital assets	91	94	168	141	141	264	237	242	247
Sale of goods and services produced by department (excluding capital assets)	91	94	168	141	141	264	237	242	247
Sales by market establishments	47	42	110	98	98	221	192	195	198
Administrative fees	44	52	58	43	43	43	45	47	49
Transfers received from:									
Fines, penalties and forfeits		1							
Interest, dividends and rent on land	31	3	30	11	11	11	12	13	14
Interest	31	3	30	11	11	11	12	13	14
Sales of capital assets	60								
Other capital assets	60								
Transactions in financial assets and liabilities	113	86	115	56	56	181	60	65	68
Total departmental receipts	295	184	313	208	208	456	309	320	329

TABLE 12.20: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	93 605	79 557	110 165	107 122	117 705	112 939	99 369	110 872	110 060
Compensation of employees	45 051	50 392	62 585	62 239	73 078	73 078	68 420	71 863	71 637
Salaries and wages	40 095	50 392	62 585	55 394	66 233	65 039	58 885	62 197	61 488
Social contributions	4 956			6 845	6 845	8 039	9 535	9 666	10 149
Goods and services	48 336	29 165	47 580	44 883	44 627	39 861	30 949	39 009	38 423
Administrative fees	103	41	41	78	78	78	40	236	281
Advertising	4 677	1 766	1 984	1 119	704	811	1 365	1 290	1 341
Minor Assets	70	50	160	754	837	486	509	487	595
Audit cost: External	2 515	2 184	2 155	2 350	2 350	3 326	1 529	2 579	2 752
Bursaries: Employees	7	290	528	540	540	616	445	425	446
Catering: Departmental activities	1 857	273	493	1 525	1 325	880	381	401	462
Communication (G&S)	2 801	2 739	4 304	2 623	2 633	2 413	2 107	2 561	2 963
Computer services	1 703	1 294	6 401	1 280	1 280	490	1 609	1 590	1 728
Consultants and professional services:									
Business and advisory services	461	381	530	1 480	1 480	952	1 522	2 014	2 216
Consultants and professional services:									
Legal costs	204	628	873	1 200	1 200	739	1 835	2 507	2 831
Contractors	5 244	105	726	1 440	2 553	3 405	2 943	2 416	2 636
Agency and support / outsourced services	9 891	6 447	10 877	7 940	7 023	5 904	1 758	3 934	2 959
Entertainment	16			30	30		21	22	45
Fleet services (including government motor transport)	1 360		1 902	4 219	3 759	1 832	2 319	4 299	2 539
Inventory: Clothing material and accessories			29		1	1			
Inventory: Food and food supplies		222	235	367	217	392			
Inventory: Learner and teacher support material	48						2		
Inventory: Materials and supplies	33	286	62	3	613	622	5		
Inventory: Medical supplies	1			4	3		23	16	18
Consumable supplies	201	10	38	518	427	337	768	229	239
Consumable: Stationery, printing and office supplies	1 946	1 646	2 036	2 412	2 312	1 850	3 568	2 554	2 742

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R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Operating leases	1 308	1 215	28	1 500			909	257	318
Property payments	3 491	2 811	4 248	1 500	2 992	2 419	2 490	3 754	1 902
Transport provided: Departmental activity	3 044	295	382	150	203	372			
Travel and subsistence	1 644	3 094	3 754	6 574	4 823	4 040	1 403	2 876	4 451
Training and development	498	824	976	2 728	2 682	2 366	1 637	1 212	1 301
Operating payments	31	760	2 464	685	2 518	3 527	404	945	989
Venues and facilities	5 182	1 804	2 354	1 864	2 044	2 003	1 357	2 405	2 670
Rental and hiring									
Interest and rent on land	218								
Interest	218								
Transfers and subsidies	13	200	377	130	349	388	136	143	150
Households	13	200	377	130	349	388	136	143	150
Social benefits	12					2			
Other transfers to households	1	200	377	130	349	386	136	143	150
Payments for capital assets	2 224	7 085	8 734	2 850	2 887	3 057	2 092	1 978	2 158
Buildings and other fixed structures						146			
Machinery and equipment	2 224	7 085	8 734	2 850	2 887	2 911	2 092	1 978	2 158
Payments for financial assets	10	2	54						
Total economic classification	95 852	86 844	119 330	110 102	120 941	116 384	101 597	112 993	112 368

TABLE 12.21: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: CULTURAL AFFAIRS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	39 731	47 174	62 759	63 792	61 092	65 752	65 090	75 332	77 627
Compensation of employees	10 164	10 613	14 927	20 241	19 479	20 692	24 540	23 671	24 744
Salaries and wages	9 046	10 613	14 927	16 981	16 219	18 049	19 666	18 780	19 616
Social contributions	1 118			3 260	3 260	2 643	4 874	4 891	5 128
Goods and services	29 567	36 561	47 832	43 551	41 613	45 060	40 550	51 661	52 882
Administrative fees		5	130	10	10	10			
Advertising	2 180	3 878	3 278	3 898	3 029	3 323	5 484	5 071	5 382
Minor Assets	35	2	4	170	160	20	23	55	58
Catering: Departmental activities	3 759	2 832	5 255	2 105	3 657	5 520	5 148	5 257	4 608
Communication (G&S)	372	233	199	389	399	233	399	460	483
Computer services					3				
Consultants and professional services:									
Business and advisory services	576	538	850	297	159	484	97		
Consultants and professional services:									
Legal costs		108		286	282	37	20	30	40
Contractors	5 848	8 008	9 899	10 391	9 413	11 614	13 350	15 131	15 509
Agency and support / outsourced services	10 528	13 812	18 193	18 249	16 084	13 906	9 470	16 922	17 802
Fleet services (including government motor transport)	167			105	105				
Inventory: Food and food supplies				12					
Inventory: Materials and supplies			1						
Inventory: Medical supplies			1						
Consumable supplies	1	4		25	228	413	12	14	15
Consumable: Stationery, printing and office supplies	72	33	14	798	241	53	47	629	660
Operating leases		686							

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R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Property payments	55	5	66						
Transport provided: Departmental activity	1 317	2 845	5 121	2 899	4 696	7 078	2 551	3 268	3 431
Travel and subsistence	1 058	896	1 856	2 010	1 670	1 317	1 053	2 144	2 000
Training and development	130	34	7	203	274	51	392	280	294
Operating payments	11	377	74	233	417	275	309	715	833
Venues and facilities	3 458	2 265	2 884	1 471	786	726	2 195	1 685	1 769
Rental and hiring									
Transfers and subsidies	56 067	39 773	36 349	31 506	33 606	33 606	29 493	42 156	44 264
Provinces and municipalities	20 000								
Departmental agencies and accounts	18 747	23 453	21 563	24 747	24 747	24 747	25 993	27 397	28 767
Provide list of entities receiving transfers	18 747	23 453	21 563	24 747	24 747	24 747	25 993	27 397	28 767
Non-profit institutions	16 026	15 956	14 777	6 759	8 859	8 859	3 500	14 759	15 497
Households	1 294	364	9						
Social benefits	1 294	364	9						
Payments for capital assets	54	26	5	195	233	130	2 529	114	120
Machinery and equipment	54	26	5	195	233	130	2 529	114	120
Other machinery and equipment	54	26	5	195	233	130	2 529	114	120
Payments for financial assets	4		54						
Total economic classification	95 856	86 973	99 167	95 493	94 931	99 488	97 112	117 602	122 010

TABLE 12.22: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: LIBRARY AND ARCHIVES SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	6 649	7 934	6 205	20 171	8 435	8 378	21 978	26 171	28 939
Compensation of employees	2 566	2 826	3 701	15 646	5 419	5 419	12 373	9 901	10 396
Salaries and wages	2 284	2 826	3 701	15 108	4 881	4 806	11 025	8 660	9 093
Social contributions	282			538	538	613	1 348	1 241	1 303
Goods and services	4 083	5 108	2 504	4 525	3 016	2 959	9 605	16 270	18 543
Administrative fees	1	133	33	199	40	80	18	67	90
Advertising	354	387	471	957	399	186	396	68	478
Minor Assets	7	142	161		328	265	386	394	435
Catering: Departmental activities	70	98	185	285	240	164	498	209	301
Communication (G&S)	31	32	45	115	24	44	57	60	81
Computer services		50	54	460	125	141	82	86	90
Consultants and professional services: Business and advisory services					20	124			
Consultants and professional services: Legal costs				80	140	33			
Contractors							4 241	9 651	10 186
Agency and support / outsourced services	1 771	1 337	371	460	909	1 109	567	1 287	1 871
Entertainment									
Fleet services (including government motor transport)	51			50		41			
Inventory: Learner and teacher support material	211	45	261		61	43	2 046	3 074	3 401
Inventory: Materials and supplies									
Consumable supplies				5			65	68	117

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R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Consumable: Stationery, printing and office supplies	28	40	1	215	37	37	167	176	185
Transport provided: Departmental activity	6		(3)	10	46	9			
Travel and subsistence	147	82	93	263	102	84	247	250	366
Training and development	62	96		228		3	52	55	65
Operating payments	1 262	2 602	677	1 058	392	404	783	825	878
Venues and facilities	82	64	155	140	153	192			
Transfers and subsidies	59 617	37 287	37 638	55 398	56 088	56 145	117 170	81 591	87 671
Provinces and municipalities	59 563	37 287	37 488	55 228	56 018	56 018	117 143	81 591	87 671
Households	54		150	170	70	127	27		
Social benefits	54		150			37	27		
Other transfers to households				170	70	90			
Payments for capital assets	53	22 795	65 184	216 324	176 139	176 139	237 972	109 868	102 381
Buildings and other fixed structures		22 789	64 180	215 000	173 612	173 612	235 400	109 522	102 018
Buildings		22 789	64 180						
Other fixed structures				215 000	173 612	173 612	235 400	109 522	102 018
Machinery and equipment	53	6	1 004	1 324	2 527	2 527	2 572	346	363
Transport equipment									
Other machinery and equipment	53	6	1 004	1 324	2 527	2 527	2 572	346	363
Payments for financial assets	14		5						
Total economic classification	66 333	68 016	109 032	291 893	240 662	240 662	377 120	217 630	218 991

TABLE 12.23: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: SPORT AND RECREATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	137 059	187 121	160 249	177 087	177 295	177 015	195 640	189 787	202 578
Compensation of employees	53 886	45 407	62 120	77 983	77 426	78 572	79 107	88 485	96 808
Salaries and wages	47 959	41 480	62 120	67 451	66 894	69 619	67 669	77 841	85 204
Social contributions	5 927	3 927		10 532	10 532	8 953	11 438	10 644	11 604
Goods and services	83 082	141 714	98 129	99 104	99 869	98 443	116 533	101 302	105 769
Administrative fees	414	252	348	196	196	196	18	363	444
Advertising	10 543	7 654	3 361	2 223	2 494	2 425	14 749	2 631	2 876
Assets less than the capitalisation threshold	50	191	21	907	585	395	324	918	964
Audit cost: External									
Bursaries: Employees				80	80	80	60	88	92
Catering: Departmental activities	2 880	3 329	5 474	9 090	3 003	2 894	6 646	8 848	8 483
Communication (G&S)	1 601	1 577	1 452	995	1 188	1 415	1 028	1 240	1 302
Computer services			255	20			1 000		
Consultants and professional services: Business and advisory services				1					
Contractors	15 623	61 867	30 291	27 568	37 389	37 250	23 603	26 770	26 960
Agency and support / outsourced services	15 324	15 599	10 865	16 415	13 194	12 996	24 135	14 974	14 921
Entertainment									
Fleet services (including government motor transport)	224		810	326	526	578	845	361	379
Inventory: Clothing material and accessories			37						

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R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Inventory: Food and food supplies		8	38	56					
Inventory: Materials and supplies	18 759		16 006	12 496	16 072	14 233	9 935	12 545	13 486
Inventory: Medical supplies	99			3					
Consumable supplies	24	14 587	6	52	23	66	23	61	64
Consumable: Stationery, printing and office supplies	207	149	122	426	422	7	455	470	493
Operating leases	563	431	46	350	300	519	700	886	739
Property payments	512	568	611	784	784	765	2 820	2 858	2 455
Transport provided: Departmental activity	4 317	4 060	8 750	11 135	10 585	10 872	9 155	10 738	12 245
Travel and subsistence	5 079	2 898	2 698	3 497	3 089	2 751	5 576	3 586	4 226
Training and development	115	52	714	640	489	383	734	421	453
Operating payments	263	12 208	662	100	1 453	1 168	4 850	2 820	3 784
Venues and facilities	6 485	16 284	15 562	11 744	7 997	9 450	9 877	10 724	11 403
Rental and hiring									
Interest and rent on land	91								
Interest	91								
Transfers and subsidies	13 702	4 225	16 005	17 655	16 190	16 470	12 308	19 308	20 273
Provinces and municipalities									
Higher education institutions	900	437							
Non-profit institutions	12 784	3 692	15 852	17 655	15 440	15 720	12 308	19 308	20 273
Households	18	96	153		750	750			
Social benefits	18	96	153		750	750			
Payments for capital assets	784	832	15 787	22 132	13 389	13 389	4 257	4 316	6 532
Buildings and other fixed structures			15 268	20 000	11 049	11 049	1 950	2 000	4 100
Buildings			15 268		49	49		2 000	4 100
Other fixed structures				20 000	11 000	11 000	1 950		
Machinery and equipment	784	832	519	2 132	2 340	2 340	2 307	2 316	2 432
Transport equipment				200	200		550	218	229
Other machinery and equipment	784	832	519	1 932	2 140	2 340	1 757	2 098	2 203
Payments for financial assets	37	14	32						
Total economic classification	151 582	192 192	192 073	216 874	206 874	206 874	212 205	213 411	229 383

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TABLE 12.24: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: COMMUNITY LIBRARY SERVICES GRANT (LIBRARY AND ARCHIVE SERVICES)

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2012/13				2015/16	2016/17	2017/18
Current payments	2 770	4 754	1 215	3 380	1 826	1 856	3 716	14 415	16 753
Compensation of employees		300	400	1 000	850	850	1 100	1 200	1 400
Salaries and wages		261	356	890	740	740	990	1 068	1 246
Social contributions		39	44	110	110	110	110	132	154
Goods and services	2 770	4 454	815	2 380	976	1 006	2 616	13 215	15 353
Administrative fees		40							
Advertising	223	415	205	600	115	115	600	1 634	1 897
Minor Assets		300							
Audit cost: External									
Bursaries: Employees									
Catering: Departmental activities	5	105	51	150	150	150	200	211	226
Agency and support / outsourced services	1 308	1 627	240	700	547	547	750	6 243	7 869
Entertainment									
Inventory: Learner and teacher support material	165				61	61			
Consumable supplies			10	30		30	66	70	75
Consumable: Stationery, printing and office supplies	1								
Transport provided: Departmental activity	6				30	30			
Travel and subsistence	104	75			20	20			
Training and development		30	103	300			350	370	396
Operating payments	887	1 862	205	600			650	4 687	4 890
Venues and facilities	71				53	53			
Rental and hiring									
Transfers and subsidies	52 216	30 285	19 588	39 228	39 850	39 850	96 602	48 000	47 000
Provinces and municipalities	52 216	30 285	19 588	39 228	39 850	39 850	96 602	48 000	47 000
Municipalities	52 216	30 285	19 588	39 228	39 850	39 850	96 602	48 000	47 000
Payments for capital assets		21 723	42 667	83 000	83 932	83 932	55 375	102 035	112 320
Buildings and other fixed structures		21 723	41 100	83 000	82 200	82 200	55 375	102 035	112 320
Buildings		21 723	41 100	83 000	82 200	82 200	55 375	102 035	112 320
Machinery and equipment			1 567		1 732	1 732			
Other machinery and equipment			1 567		1 732	1 732			
Payments for financial assets									
Total economic classification	54 986	56 762	63 470	125 608	125 608	125 638	155 693	164 450	176 073

TABLE 12.25: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: MASS SPORT AND RECREATION PARTICIPATION PROGRAMME CONDITIONAL GRANT (SPORT AND RECREATION)

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	73 313	74 130	77 590	81 364	81 636	81 636	78 326	88 086	94 175
Compensation of employees	1 465	4 436	10 420	8 826	8 826	8 826	10 222	10 923	11 553
Salaries and wages	1 342	3 859	9 843	7 978	7 678	7 678	9 635	10 117	10 623
Social contributions	123	577	577	848	1 148	1 148	587	806	930
Goods and services	71 757	69 679	67 170	72 538	72 810	72 810	68 104	77 163	82 622
Administrative fees	414	201	212	224	196	196	237	237	237
Advertising	4 289	3 673	3 155	2 482	2 329	2 329	1 050	1 047	1 047
Minor Assets	48	175	100	167	320	320	40	177	177
Audit cost: External									
Bursaries: Employees									
Catering: Departmental activities	2 452	3 600	4 660	5 915	2 783	2 783	950	997	1 500
Communication (G&S)	1 391	865	1 148	944	1 032	1 032	371	1 001	1 001
Computer services									
Contractors	4 089	2 855	8 909	4 365	16 830	16 830	25 460	26 733	28 070

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R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Agency and support / outsourced services	11 821	16 948	12 121	15 546	12 343	12 343	9 080	13 447	14 119
Fleet services (including government motor transport)			792		426	426			
Housing									
Inventory: Food and food supplies	3	54	39	60			63	63	63
Inventory: Fuel, oil and gas			43						
Inventory: Materials and supplies			11 520	16 587	15 471	15 471	9 687	10 271	12 570
Inventory: Medical supplies	100	120		134					
Inventory: Medicine									
Inventory: Other consumables	18 602	15 242	100	105	58	58	110	116	116
Inventory: Stationery and printing	203	447	1 111	575	337	337	611	611	611
Lease payments	550	612	530	280			297	297	400
Property payments	512	110	554	696	331	331	738	738	890
Transport provided: Departmental activity	4 143	3 860	6 198	6 935	10 325	10 325	6 231	6 543	6 870
Travel and subsistence	4 819	3 143	2 888	2 765	1 992	1 992	2 678	3 872	4 066
Training and development	104	56	88	62	353	353	66	66	66
Operating expenditure	12 816	11 412	494	196	590	590	206	206	206
Venues and facilities	5 401	6 306	12 508	14 500	7 094	7 094	10 229	10 741	10 613
Rental and hiring									
Interest and rent on land	91	15							
Interest	91	15							
Rent on land									
Transfers and subsidies	400	10 332	11 541	11 541	10 989	10 989	10 908	12 870	12 875
Provinces and municipalities									
Non-profit institutions	400	10 332	11 541	11 541	10 989	10 989	10 908	12 870	12 875
Households									
Social benefits									
Other transfers to households									
Payments for capital assets	771	482	347	2 010	2 290	2 290	630	630	630
Buildings and other fixed structures									
Machinery and equipment	771	482	347	2 010	2 290	2 290	630	630	630
Transport equipment	607	213		275	400	400	300	300	300
Other machinery and equipment	164	269	347	1 735	1 890	1 890	330	330	330
Payments for financial assets	31								
Total economic classification	74 515	74 612	88 269	94 915	94 915	94 915	89 864	101 586	107 680

TABLE 12.26: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: EXPANDED PUBLIC WORKS PROGRAMME INTEGRATED GRANT FOR PROVINCES (CULTURAL AFFAIRS)

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2016/17
Current payments				2 000		2 000	2 000		
Compensation of employees				1 800		2 000	2 000		
Salaries and wages				1 602		2 000	1 780		
Social contributions				198			220		
Goods and services				200					
Administrative fees				50					
Travel and subsistence									
Training and development				150					
Transfers and subsidies									
Total economic classification				2 000		2 000	2 000		

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TABLE 12.27: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: SOCIAL SECTOR EXPANDED PUBLIC WORKS PROGRAMME INCENTIVE GRANT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments			1 333	2 580	2 580	2 846	1 000		
Compensation of employees			1 067	2 064	2 257	2 257	1 000		
Salaries and wages			1 067	1 837	2 194	2 194	890		
Social contributions				227	63	63	110		
Goods and services			266	516	323	589			
Administrative fees				116		116			
Advertising			55		39	39			
Audit cost: External									
Communication (G&S)			50						
Agency and support / outsourced services					20	20			
Entertainment									
Inventory: Materials and supplies			60		178	178			
Inventory: Other supplies					20	20			
Consumable supplies									
Consumable: Stationery, printing and office supplies			10	150		150			
Transport provided:									
Departmental activity			25						
Travel and subsistence					30	30			
Training and development			66	250	36	36			
Transfers and subsidies									
Payments for financial assets									
Total economic classification			1 333	2 580	2 580	2 846	1 000		

TABLE 12.28: TRANSFERS TO LOCAL GOVERNMENT: SPORT, ARTS, CULTURE AND RECREATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Category A	49 947	14 837	15 688	20 179	20 579	19 465	27 184	28 505	29 676
Ekurhuleni Metro	27 400	2 775	3 700	5 100	5 200	4 386	8 023	8 304	8 635
City of Johannesburg	9 547	6 872	7 888	9 490	9 690	9 490	11 338	11 897	12 407
City of Tshwane	13 000	5 190	4 100	5 589	5 689	5 589	7 823	8 304	8 635
Category B	28 800	21 950	21 000	34 549	34 939	35 053	91 002	49 378	51 254
Emfuleni	7 200	1 730	800	4 640	4 640	4 640	14 686	8 654	9 002
Midvaal	2 800	3 940	2 600	4 080	4 080	4 080	11 686	5 854	6 062
Lesedi	3 850	2 770	4 050	5 004	5 004	5 004	11 686	5 854	6 062
Mogale City	5 400	4 770	4 125	8 280	8 502	8 484	14 686	8 654	9 002
Randfontein	2 600	2 820	2 700	3 650	3 650	3 650	11 886	5 854	6 062
Westonaria	2 600	2 240	2 700	3 564	3 732	3 864	11 886	5 854	6 062
Merafong City	4 350	3 680	4 025	5 331	5 331	5 331	14 486	8 654	9 002
Category C	816	500	800	500	500	1 500	1 205	1 050	1 020
Sedibeng District Municipality									
West Rand District Municipality	816	500	800	500	500	1 500	1 205	1 050	1 020
Total transfers to municipalities	79 563	37 287	37 488	55 228	56 018	56 018	119 391	78 933	81 950

VOTE 13

DEPARTMENT OF FINANCE

To be appropriated by vote in 2015/16	R1 171 505 000
Responsible MEC	MEC for Finance
Administering Department	Department of Finance
Accounting Officer	Head of Department

1. OVERVIEW

Vision

A Connected Gauteng City Region that uses Information and Communication Technology to support the delivery of quality services and equitable and inclusive social economic development of its citizens.

Mission

To provide GPG citizens with state-of-the-art Information and Communication Technology infrastructure that connects them to improved service delivery and greater economic opportunities in collaboration between government, citizens and the private sector through:

A high speed broadband network connecting government to its citizens;

- Digitization of back office support for enhanced service delivery;
- Coordination and regulation of information and communication technology infrastructure and applications to integrate e Government - services in the province;
- Support radical economic transformation by facilitating the development of an ICT linked economy that leverages off the Broadband Network;

Strategic goals

The strategic goals of the GDF are derived from an analysis of the environment, key challenges and strategic issues that the department should address; and are aligned to national and provincial strategic priorities. The department's strategic goals are to:

- To strategically invest in broadband to promote internal efficiencies and improved government and community connectivity;
- To re-engineer and transform back office processes to realize efficiencies and improve front line service delivery;
- To create regulatory and enabling environment and systems for sound corporate governance of ICT in GPG;
- To Facilitate an ICT-linked economy that leverages off the broadband network;

Core functions and responsibilities

- To rollout the GBN;
- To develop and maintain all provincial government owned ICT infrastructure;
- To develop and maintain applications, networks, and services;
- To improve and provide customer driven HR services;
- To implement e-Recruitment solution for job seekers; and
- To deploy HR systems in the province.

Main services

The main services will be delivered by:

- Providing universal access to broadband (as defined by the national broadband policy) for citizens, businesses and government institutions;

- Building network infrastructure and the information super-highway to encourage the development of an advanced workforce with better ICT skills;
- Enhancing economic productivity through ICT infrastructure development in order to lower the cost of doing business and increase connectivity for companies, especially small, medium and micro enterprises (SMMEs);
- Improving service delivery by providing high quality ICT services through e-government;
- Building capability and improving the quality of service and client experience in the provision of human resource services, through the automation of transactional services to improve efficiency; and

Ten-pillar programme of transformation, modernisation and re-industrialisation

The GDF has been repositioned towards being an ICT-centred and -oriented hub for the GPG, and the department's overall budget reflects this basic positioning. The budget for ICT services is the largest component of the department's overall allocation in the 2015 MTEF.

The department contributes to Pillar 4: Transformation of the state and governance and Pillar 5: Modernisation of the public service. It aims to invest strategically in broadband to promote internal efficiencies and improved government and community connectivity.

Over the 2015/16 financial year, the department will explore how it can coherently leverage the digitization of the back office ; to transform back office processes to realize efficiencies and improve front line service delivery in support of various projects, such as the rollout of Automated E-PMDS to 6 GPG Departments that are SAP ESS enabled The department intends to review , redesign and digitize all back office processes in GPG to improve internal efficiencies and the quality of service to citizen and digitize; automate paper based services GDF offers to GPG departments. For the past three years, the department has offered an e-recruitment service to the provincial government.

The department supports GPG Pillar 3 that relates to accelerated social transformation. Its contribution in this regard is through the provision of employee health and wellness programmes for the province. The GDF also supports Pillar 1: Radical economic transformation and Pillar 6: Modernisation of the economy. This relates to ensuring decent employment through inclusive economic growth.

The Premier's Hotline and the e-recruitment services are two services which will be catalysts in changing the way communities interact with government. GDF is constantly in consultation with relevant stakeholders to explore ways to improve these services. E-recruitment contributes towards job creation by providing wider access to job opportunities through the Job Centres located in the urban Thusong Centre at Maponya Mall. This enables job-seekers to access job opportunities offered by various departments. It is also the department's intention to change the collection and management of information from the Hotline to improve government's responsive standards.

National Development Plan

The NDP Vision 2030 is an overarching plan based on constitutional imperatives, and sets out the development trajectory of the country. The National Broadband Policy gives expression to South Africa's vision in the NDP of a "seamless information infrastructure by 2030 that will underpin a dynamic and connected vibrant information society and a knowledge economy that is inclusive, equitable and prosperous". It is in pursuit of this that the GDF promotes digital inclusion by connecting citizens to high-speed broadband through the Thusong centres located in townships across the province, and acts as an economic enabler by ensuring that priority townships and economic regeneration zones have access to high speed broadband.

External activities and events relevant to budget decisions

The department's budget has been prepared in accordance with the 10 provincial Pillars, and intends to contribute to radical transformation, modernisation and re-industrialisation of the province in the next 10 years. The key activity for the department is the maintenance and improvement of ICT service delivery and the implementation of government-wide solutions that are modern, reliable and secure.

Acts, rules and regulations

- Treasury Regulations 2005 and Delegations;
- Municipal Finance Management Act, 2004;
- Public Administrative and Management Act 11 of 2014
- Prevention and Combating of Corrupt Activities Act,2004;
- Broad-Based Black Economic Empowerment Act, 2003;
- Government Employees Pension Law Amendment Act 35 of 2003;
- The Tender Board Repeal Act, 2002;

- Municipality Systems Act, 2000;
- Preferential Procurement Policy Framework Act, 2000;
- Promotion of Access to Information Act, 2000 (Act 2 of 2000);
- Promotion of Administrative Justice Act, 2000;
- Public Finance Management Act, 1999;
- Employment Equity Act, 1998;
- Basic Conditions of Employment Act, 1997;
- Intergovernmental Fiscal Relations Act, 1997 (Act 97 of 1997);
- Public Service Laws Amendment Act, 1997;
- Borrowing Powers of Provincial Government Act, 1996 (Act 48 of 1996);
- The Constitution of the Republic of South Africa, 1996;
- The National Archives Act, 1996;
- Development Facilitation Act, 1995;
- Labour Relations Act, 1995;
- Occupational Health and Safety Act, 1995;
- Public Service Act, 1994 Regulations and Delegations; and
- Division of Revenue Act.

2. REVIEW OF THE CURRENT FINANCIAL YEAR (2014/15)

Pillar 1: Strategic investment in broadband

The department is leading the delivery of the GBN in the province, with strategic investment in broadband the backbone on which e-government services are to be provided to the citizens. The project is currently in the design phase and will result in a fibre optic transmission network of 1 600 kilometres across the province which will connect provincial buildings, all Thusong Centres, hospitals and schools. It is envisaged that the GBN will improve government efficiency, save government and citizen's time and money, and promote digital inclusion by connecting citizens to high speed fibre. The department is planning on migrating 7 piloting digital schools to the GBN fiber connectivity by the end of the 2014/15.

The GBN is aimed at promoting government efficiencies and service delivery by designing, building and rolling out a core network. The department expected to achieve high speed broadband connectivity to 137 government buildings by the end of the 2014/15 financial year. The department has built 6 core sites, 60 access sites have been connected with high speed connectivity.

The department achieved 98 per cent of server availability (uptime of all management servers) for 2 187 hours per quarter, 99 per cent of wide area network (WAN) availability (uptime of all lines per SLA) for Bronze Sites translating to 390 hours for the third quarter per site, 99 per cent of WAN availability (uptime of all data lines per SLA) for Silver standard sites 727 hours for the third quarter, 100 per cent of WAN availability (uptime of all data lines per SLA) for Gold Core Site of 1 452 hours for the third quarter per site and 100 per cent of WAN availability (uptime of all data lines per SLA) for Silver premium sites 1 448 hours per quarter per site. Overall 99 per cent was achieved for applications availability.

Pillar 2: Digitise back office services

The e-recruitment system launched under the Talent Attraction Services unit simplifies access to government employment opportunities. Through this, 6 790 job applicants gained access to job opportunities through the GPG Job Centre at the Maponya Mall Thusong Service Centre, and 10 GPG mobile recruitment campaigns were conducted. The Department initiated strategic partnerships with institutions of higher learning in order to source interns with scarce skills. Partnerships with CIDA, Vaal Technical College, Tshwane University of Technology and the University of Johannesburg were concluded and 24 interns were placed in the department's ICT division.

The department updated 39 (100 per cent) of GPG's transversal contracts in the central repository of awarded contracts within 25 days of the date of receipt of the award. Nine performance evaluations were conducted on suppliers awarded contracts through transversal contracts. The department processed 59 388 (100 per cent) of invoices within 4 working days of their receipt, and 606 procurement officials were trained on SCM processes and the SAP/SRM system. However the availability of training rooms remains a problem; because of this, the Department has decided to do one-on-one training across departments.

The department has initiated automated services and provided interactive applications such as implementing a pilot leave management at GPT and GDF, the department is deploying automated organisation development survey tool by 31 March 2015.

The department completed 10 GPG Mobile recruitment campaigns were conducted as planned. The department is committed to the quality of services and client department experiences in human resources as well as transforming the human resources environment as, 3 departments went live with automated PMDS under SAP ESS system.

Pillar 3: Coordination, regulation and standards

The department successfully completed 3 of organisational structure and post establishment investigations as per letter of engagement (LOE) for the following client departments; Economic Development, Gauteng Provincial Treasury and Department of Roads and Transport. Provincial debtors are expected to be reduced by 20 per cent by end of the 2014/15 financial year.

3. OUTLOOK FOR THE COMING FINANCIAL YEAR (2015/16)

Pillar 1: Strategic investment in broadband

The GDF will implement the establishment of core network infrastructure and connection onto the GBN of government buildings, Thusong Centres, urban renewal zones and targeted economic zones; the GBN has three key objectives which are to firstly improve government efficiency and to save government and citizens time and money; secondly to promote digital inclusion by connecting citizens to high-speed broad band initially, through the Thusong Centres located in townships across the province and thirdly to act as an economic enabler by ensuring that priority townships and economic regeneration zones have access to high speed broad band.

The department plans to promote government efficiencies and service delivery by designing, building and rolling out a core network; widening the reach of the contact centre; implementing Voice over IP (VoIP) telephony, video conferencing, Wi-Fi hotspots, SOS lines, kiosks and access points; build knowledge creation by migrating the current e-Learning network to the GBN; build universal access to broadband through connecting community centres, economic zones and urban renewal zones; stimulate cloud services for SMMEs: for example, infrastructure and applications as a service.

The department will continue to ensure the stability of provincial ICT services by:

- Sustaining stable LAN and WANs;
- Prioritising VoIP as soon as 1Gbps bandwidth is available from the GBN;
- Leveraging from the fully managed data centre and fibre optic network; and
- Integrating the Design and Validation (DAV) Centre with the rest of the GBN and current GPG networks.

Pillar 2: Digitise Back Office Services

During 2015/16, the department will implement a digitized back office service. This will lead to reengineering of business processes and end-to-end processes for case management on the Premier's Hotline; creation of digitized documents; improved internal efficiencies through business process reengineering; and enhanced quality of service through the automation of business processes in line with the e-government framework.

The department will implement a Case Management System that will enable efficient case resolution of all cases logged, and will implement video conferencing solution for end-user awareness, video conferencing is an alternative for physical meeting will develop a business intelligence capability and implement multiple channels to enable government, business, employees and citizens access to government services. In automating manual HR processes, the department will roll out the automated performance management development system. Service terminations will be extended to GPG departments already on SAP: ESS. The department will allocate time and resources to concluding the approval and issuing of letters of concurrence for GPG departments still finalising their organisational structures.

The Maponya Mall Professional Job Centre will continue to create access to available GPG vacancies. The department expects to receive 9000 prospective job applicants at the centre. It will inform communities about GPG vacancies through 10 mobile recruitment campaigns. The Employee Wellness Programme will generate the annual GPG EHWP trend analysis, and will aim for a 20 per cent reduction in GPG's recoverable debts. It will also design, pilot and rollout an e-tendering system.

The GDF will continue to provide transversal and operational support to all GPG departments. It will also

offer specialised consulting services to enhance departmental procurement performance. It will also provide operational support during emergency and other exceptional circumstances. Planned activities include managing the processing of requests for transversal contract-related proposals on behalf of departments; supporting departments implementing National Treasury's Contract Management Framework by facilitating electronic call-offs; processing supplier invoice payment within 30 days; automating procurement processes including the e-invoicing system, purchase orders and purchasing cards (the P-card project); providing procurement-related training to GPG officials; and managing the GPG supplier databases.

The department will continue to automate all transversal contracts awarded in the SAP/SRM systems and will pilot e-tendering systems. It will build capacity for SMMEs to qualify to register in GPG's supplier database, and will configure the procurement database to track procurement spend in targeted townships.

Pillar 3: Co-ordination, regulation and standards

The department will develop and implement Technology Blueprints and a Master Systems Plan for the GPG. It will streamline ICT policy frameworks, assess the GPG ICT Open Source Software environment and implement a governance risk and compliance system as part of the implementation of the province's ICT strategy. The department further plans to design and operationalise a functional DAV centre.

In 2015, the E-government political coordinating committee will drive the implementation of an up to date e-government strategy and ensure that all ICT initiatives in GPG are compliant in this regard. It will also ensure synergy with the provincial ICT standards, and facilitate the coordination between all spheres of government in the province. The Department will formulate ICT Standards as well as developing governance risk and compliance system.

Pillar 4: Facilitate an ICT economy in the province that leverages off the Broadband Network

The department aims to ensure that the work of GDF supports the township economy by promoting entrepreneurship through broadband to achieve radical economic transformation in the province. In order to meet this objective the department plans to partner with business industry to enhance the township ICT economy

The department will develop a Public Awareness and Communication strategy which will show incentives for citizens, business and government entities. This will ensure rolling out of two 2 Partnerships with ICT industry as well as offer technologies to SMMEs for the growth of ICT economy.

Pillar 5: Promote usage of e-Government services.

GPP wide technology standards will be adopted for validation of common technology standards that will be utilised GCR wide to assess the environment and produce technology blue prints. The results will be improvement government efficiency.

4. REPRIORITISATION

The GDF is the custodian and catalyst of e-governance in GPG. At the centre of the department's approach to reprioritisation are the following budget principles:

- Keep expenditure within aggregate ceilings set in the 2015 MTEF;
- Increase allocations to ICT infrastructure expenditure; and
- Increase the efficiency of ICT infrastructure programme delivery.

The belt-tightening approach to budget formulation and development has entailed providing budget resources to those initiatives and projects that will have maximum impact at the least possible cost. Tight fiscal conditions both nationally and provincially have compelled the department to prioritise funding for maintenance and upkeep of GPG's ICT infrastructure and platforms. An amount R91 million for 2015/16 and R68 million for 2016/17 was prioritised from Administration to ICT infrastructure to succeed in strategically investing in broadband to promote internal efficiencies and improved government and community connectivity. An amount of R540 000 for 2015/16 and R495 000 for 2016/17 was reprioritised towards E recruitment model, the department has expanded the scope of the model to include public awareness campaigns such as GPG Mobile campaigns.

Furthermore the department aligned projected spending of R63 million for 2015/16 and R70 million for 2016/17 under compensation of employees budget with total establishment to reposition the department into an effective e-government department, The department took its cue from the Premier's State of the Province Address and its associated programme of action, which relates to the modernisation of Gauteng's public service

as well as the radical transformation concept of connected government that lies at the centre of Gauteng's current modernisation and transformation.

To give expression to the priority being placed on ICT's role in the modernisation and connected government effort, the department reprioritised the ICT programme.

5. PROCUREMENT

GDF's major commitment in the 2015/16 financial year is to implement and rollout GBN. This will ensure that Gauteng's citizens have access to affordable, high speed broadband infrastructure and services that they can use in their day to day lives.

This rollout is part of the digitisation of government services and is in line with the Premier's concept of modernised government business. It promotes:

- More efficient and effective government services ;
- Knowledge creation by using broadband to transfer knowledge, support skills development and improve educational outcomes;
- Economic enablement by stimulating economic growth and job creation through gains in productivity and improved information exchange;
- Universal access through broadband which will enable new responses to socio-economic challenges.
- R750 million (R250 million in each financial year of the MTEF) has been earmarked for implementing and rolling out the GBN project.

Major procurement includes office furniture for establishing a walk-in centre at 77 Fox Street.

6. RECEIPTS AND FINANCING

6.1. Summary of receipts

TABLE: 13.1: SUMMARY OF RECEIPTS: DEPARTMENT OF FINANCE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Equitable share	1 088 382	1 118 628	1 024 284	1 213 112	1 245 762	1 245 726	1 171 505	1 133 914	1 175 274
Total receipts	1 088 382	1 118 628	1 024 284	1 213 112	1 245 762	1 245 726	1 171 505	1 133 914	1 175 274

The department is funded through the equitable share. The allocation decreased from R1.2 billion in 2014/15 to R1.1 billion in 2015/16 to 2017/18.

The 2011/12 allocations funded the department's personnel requirements and implementation of the provincial e-governance plan and the former Gauteng-Online project. The e-governance plan related to the provision of ICT-related services in the province. Funding for these items continued in 2012/13, with the allocations adjusted in that year to align the budget with the shifting of the accounts payable to the GDF and accounts receivable function from the provincial Treasury as required by the mandates of these departments.

The total allocation decreased to R1 billion in 2013/14 because the contract of the former Gauteng Online project had expired in December 2012; no more allocations were made to the project. The decrease was also caused by the decentralisation of the HR and procurement functions from the GDF to the province's departments. The department was allocated funds additional funds for the personnel requirements of the Hotline project. It also received an additional allocation to fund interim arrangements after the expiry of the Gauteng Online contract in 2013/14.

The higher total allocation of R1.2 billion in 2014/15 included funds for finalising the commitments of the former Gauteng Online project during the transition to the e-Learning project that provides connectivity for schools; and continued funding for the Hotline's personnel requirements. The total allocation increased to R1.25 billion in the adjustments period to fund a further implementation of the GBN project and ICT-related capital projects.

Compared with 2014/15, the allocations are lower over the MTEF mainly because of functions transferred to provincial departments to reposition the GDF and the province for optimal service delivery. The Office of the Premier received the functions relating to organisational development, employee relations and function and the GPG Hotline. The Provincial Treasury received functions relating to the Gauteng Audit Services and transversal procurement.

6.2. Departmental receipts

13.2: DEPARTMENTAL RECEIPTS: GAUTENG DEPARTMENT OF FINANCE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Sales of goods and services other than capital assets	1 095	1 313	953	795	795	795	744	751	759
Interest, dividends and rent on land			41	16	16	10	10	11	12
Transactions in financial assets and liabilities	1 477	1 042	416	150	150	507	160	155	150
Total departmental receipts	2 572	2 355	1 410	961	961	1 312	914	917	921

The department generates revenue on a cost recovery basis from sources such as gym and parking fees. The departments collect revenue from fees charged on the issue of tender documents and commission earned on third-party payments for insurance premiums on behalf of GDF employees.

The department's revenue decreases from R2.6 million in 2011/12 to R1.0 million in 2013/14 financial years; this shows a decrease of 59 per cent. The decrease in the staff complement as a result of the demerger from GPT and the reverse migration of functions that led to the transfer of officials to other GPG departments both had a negative impact on revenue collection, as both gym and parking fees are volume sensitive. The department projected to collect R961 000 in the 2014/15 financial year however due to unexpected increase in fees for issuing tender documents, this was revised to R1.3 million. The department projects to collect R914 000 in 2015/16 and this increase minimally to R921 000 in 2017/18 showing an annual growth rate of 1 per cent over the 2015 Medium Term Revenue Framework (MTRF).

7. PAYMENT SUMMARY

7.1. Key assumptions

The 2015 MTEF budget is informed by the GDF's Strategic Plan and Annual Performance Plan, the provincial pillars and the GPG's programme of action (POA). The key assumptions underpinning the budget are: provision for annual salary adjustments at 5.6 per cent average projected CPI plus 1.5 per cent salary notch increase for 2015/16; 5.5 percentage average projected CPI plus 1.5 per cent notch increase for 2016/17; 5 per cent average projected CPI plus 1.5 per cent notch increase for 2017/18. Funds have also been allocated for the following key priorities of the department:

Gauteng Broadband Network;

GPG ICT infrastructure maintenance and support; and
E-recruitment.

7.2. Programme summary

TABLE 13.3 : SUMMARY OF PAYMENTS AND ESTIMATES BY PROGRAMME: GAUTENG DEPARTMENT OF FINANCE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Administration	144 170	154 781	262 618	299 170	191 184	191 018	215 271	222 968	265 700
2. ICT Shared Services	878 845	896 722	685 131	829 958	973 962	974 072	867 096	816 224	809 264
3. Business Process Services	65 367	67 125	76 535	83 984	80 616	80 636	89 138	94 722	100 310
Total payments and estimates	1 088 382	1 118 628	1 024 284	1 213 112	1 245 762	1 245 726	1 171 505	1 133 914	1 175 274

7.3. Summary of economic classification

TABLE 13.4: SUMMARY OF PAYMENTS AND ESTIMATES: GAUTENG DEPARTMENT OF FINANCE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	1 077 206	1 019 000	1 011 506	1 187 931	879 169	879 114	1 160 925	1 133 274	1 174 697
Compensation of employees	209 015	220 276	245 369	352 320	280 289	280 289	343 540	366 376	389 090
Goods and services	856 858	798 724	766 137	835 611	598 880	598 825	817 385	766 898	785 607
Interest and rent on land	11 333								
Transfers and subsidies to	220	223	388	2 089	2 075	2 039	525	550	577
Departmental agencies and accounts				1 589	1 589	1 589			
Public corporations and private enterprises			5						
Households	220	223	383	500	486	450	525	550	577
Payments for capital assets	10 158	99 060	11 343	23 092	364 518	364 517	10 055	90	
Machinery and equipment	7 403	16 079	10 708	1 200	279 776	279 775	10 055	90	
Software and other intangible assets	2 755	82 981	635	21 892	84 742	84 742			
Payments for financial assets	798	345	1 047			56			
Total economic classification	1 088 382	1 118 628	1 024 284	1 213 112	1 245 762	1 245 726	1 171 505	1 133 914	1 175 274

The department's budget shows a slight increase over the seven-year period under review, from R1 billion in 2011/12 to an estimated R1.2 billion in 2017/18. Between 2011/12 and 2012/13, the spending increased by R30 million and by 8 per cent between 2013/14 and 2014/15, from R1 billion to R1.2 billion. This was due to the annual adjustments to compensation of employees and increases in capital expenditure for the purchase of SAP limited/unlimited licences. The increase in the department's from 2014/15 and throughout the 2015 MTEF is the result of earmarked allocations for the GBN project amounting to R250 million in 2015/16 and R250 million in 2016/17 and 2017/18.

Compensation has steadily decreased for the period under review from R209 million in 2011/12 to R389.1 million in 2017/18, R245.4 million in 2013/14 and R280.3 million in 2014/15. This is very largely explained by the repositioning of the GDF and its projected capacitation to carry out its mandate of creating a connected government. Included in the compensation estimates is provision for filling vacant posts and provision for notch progressions and annual performance bonuses as regulated by the DPSA and required by National Treasury. The average increase in compensation over the 2015 MTEF reflects annual cost-of-living adjustments in line with CPI.

Expenditure on goods and services will continue to fall in the period under review, from R856.9 million in 2011/12 to a projected R785.6 million in 2017/18. This is the result of changes to the e-Learning funding model. The decrease in expenditure on goods and services is also due to the GDF's decision to use consultants only when the department does not have the necessary skills and competencies; and to compliance with National Treasury's call for government departments and agencies to minimise waste and allocate limited resources so that the state has a sustainable financial future.

Under payments for capital assets, provision has been made for refreshing computer equipment over the MTEF. This includes buying servers for the department and payments for software licenses and for the security operations centre. A significant part of the capital expenditure is related to the capital outlay in rolling out broadband in the province. This is the reason for the spike in capital investment from the original appropriation of R23.1 million to a projected R364.5 million in 2014/15. The GBN project is allocated R250 million per annum from 2015/16 to 2017/18.

The department's major cost drivers are ICT infrastructure maintenance and upgrade, digitisation of the back-office functions, rollout of the broadband in the province, licence support and maintenance, and leases and operating costs.

Over the 2015 MTEF, the total allocation to the department increases. This is because of funds allocated for the operationalization of GBN

No new projects or initiatives are planned for the period under review. Given the prevailing tight fiscal conditions, the department has matched its planned expenditure to the allocated resources. The spending plans cover the department's operational costs such as utilities, building maintenance and other administrative costs. A large portion of the budget is assigned to maintenance and upkeep of the provincial ICT infrastructure, in accordance with the department's responsibility to provide modern, reliable and secure ICT infrastructure for the GPG.

Allocations for transfers and subsidies relate to households. These include payment of leave gratuities to former employees, employee social benefits and injury on duty and severance packages. Under this heading, the department spent R220 000 in 2011/12 and R223 000 in 2012/13. Expenditure is projected to be R450 000 in 2014/15, and there are budget allocations of R525 000 in 2015/16 and R577 000 in 2017/18.

R1.6 million is allocated to skills development levies to PSETA in 2014/15, as per the National Treasury directive.

7.4. Infrastructure payments

N/A

7.4.1. Departmental infrastructure payments

N/A

7.4.2. Departmental public-private-partnership (PPP) projects

N/A

7.5. Transfers

7.5.1. Transfers to public entities

N/A

7.5.2. Transfers to other entities

TABLE 13.5: SUMMARY OF DEPARTMENTAL TRANSFERS TO DEPARTMENTAL AGENCIES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Departmental Agencies and Accounts				1 589	1 589	1 589			
Total departmental transfers				1 589	1 589	1 589			

As noted above, R1.6 million in 2014/15 is allocated for payments to PSETA. This falls under departmental agencies and accounts and is in line with the DPSA directive that provision for training and development is needs-based and responds to priority skills.

7.5.3. Transfers to local government

N/A

8. PROGRAMME DESCRIPTION

PROGRAMME 1: ADMINISTRATION

Programme description

To provide strategic leadership, administrative support, sound financial management and management support services that enable the GDF to achieve its objectives

Programme objectives

- To provide strategic financial planning support, financial management and high quality supply chain management services to the GDF;
- To provide effective and efficient risk management services within GDF;
- To provide strategic support, advice and interventions to develop and retain employees; and

- To establish and maintain processes and systems that provide good quality organizational performance information.

TABLE 13.6: SUMMARY OF PAYMENTS AND ESTIMATES: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Office of the HOD	24 685	2 695	6 222	8 236	6 615	6 615	8 824	9 397	9 976
2. Risk Management		1 721	2 992	3 237	3 003	3 003	3 507	3 741	3 968
3. Office of the CFO	31 308	47 032	150 981	118 054	38 598	37 166	44 152	46 660	48 704
4. Corporate Services	88 177	103 333	102 423	169 643	142 968	144 234	158 788	163 170	203 052
Total payments and estimates	144 170	154 781	262 618	299 170	191 184	191 018	215 271	222 968	265 700

TABLE 13.7: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	139 749	145 818	257 863	296 881	188 030	187 988	214 691	222 328	265 123
Compensation of employees	79 476	75 946	85 499	135 945	98 806	98 807	121 283	129 352	137 359
Goods and services	60 273	69 872	172 364	160 936	89 224	89 181	93 408	92 976	127 764
Transfers and subsidies to	93	88	138	2 089	1 977	1 811	525	550	577
Departmental agencies and accounts				1 589	1 589	1 589			
Public corporations and private enterprises			5						
Households	93	88	133	500	388	222	525	550	577
Payments for capital assets	3 543	8 662	3 581	200	1 177	1 177	55	90	
Machinery and equipment	3 543	8 567	2 946	200	1 177	1 177	55	90	
Software and other intangible assets		95	635						
Payments for financial assets	785	213	1 036			42			
Total economic classification	144 170	154 781	262 618	299 170	191 184	191 018	215 271	222 968	265 700

Expenditure on Administration grows from R144.2 million in 2011/12 to a projected R265.7 million in 2017/18. The increase from R154.8 million in 2012/13 to R262.6 million in 2013/14 resulted from the structural change that located the Documents and Records Management Centre (DRMC) in the Corporate Services sub-programme; and provision for building and facilities, utilities, communication costs, office automation, and shared and common items such as stationery and printing.

Personnel spending increased from R79.5 million to R85.5 million in the three years from 2011/12. This included payment of stipends for the interns and payment of annual performance bonuses. The inclusion of the DMC in the programme contributes to the higher expenditure in 2014/15. The budget is set to increase to R121.3 million in 2015/16 and to R137.4 million in 2017/18 in line with prescribed salary increase rates.

Goods and services increases from R60.3 million in 2011/12 to a projected R127.8 million in 2017/18. The increase is caused by the centralisation of shared items under the Office of the CFO; provision for operational costs; and provision for HR-related payments. The HR-related payments and provisions include performance bonuses, overtime, notch progression and service-based payments. Operational costs include utility payments, audit fees, lease payments, property payments, travel and subsistence claims, building and facilities maintenance, staff development and training.

The department will focus its spending on improving internal efficiencies to improve front-line service delivery over the MTEF.

SERVICE DELIVERY MEASURES**PROGRAMME 1: ADMINISTRATION**

Performance measures	Estimated Annual Targets		
	2015/16	2016/17	2017/18
Reviewed and approved GDF Risk Management Strategy by 30 May 2015	Reviewed and approved GDF Risk Management Strategy by 30 May 2015	Reviewed and approved GDF Risk Management Strategy by 30 May 2016	Reviewed and approved GDF Risk Management Strategy by 30 May 2017

PROGRAMME 2: ICT SHARED SERVICES**Programme description**

Creation of an enabling environment and systems for sound corporate governance of ICT.

Programme objectives

- Provide a central point for coordinating continuous improvement, and manage e-services;
- Provide effective and efficient applications development to GPG departments;
- Support the GPG SAP ERP;
- Ensure compliance with information security governance across GPG;
- Manage ICT infrastructure and operations; and
- Support GPG's ICT systems.

TABLE 13.8 : SUMMARY OF PAYMENTS AND ESTIMATES: ICT SHARED SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. ICT Programme Support	1 706	1 544	1 612	2 222	1 803	1 803	2 629	2 810	2 990
2. Applications	630 632	678 185	463 637	525 568	640 564	640 597	561 034	487 612	494 599
3. ICT Infrastructure	237 409	205 281	207 404	275 371	305 925	305 942	276 201	296 723	280 738
4. Business Alignment	9 098	11 712	12 478	26 797	25 670	25 730	27 232	29 079	30 937
Total payments and estimates	878 845	896 722	685 131	829 958	973 962	974 072	867 096	816 224	809 264

TABLE 13.9 : SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ICT SHARED SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	872 168	806 121	677 324	807 066	610 531	610 532	857 096	816 224	809 264
Compensation of employees	66 771	77 807	84 096	133 232	101 965	101 964	134 508	143 656	152 711
Goods and services	794 068	728 314	593 228	673 834	508 566	508 568	722 588	672 568	656 553
Interest and rent on land	11 329								
Transfers and subsidies to:	62	89	35		90	200			
Households	62	89	35		90	200			
Payments for capital assets	6 615	90 398	7 762	22 892	363 341	363 340	10 000		
Machinery and equipment	3 860	7 512	7 762	1 000	278 599	278 598	10 000		
Software and other intangible assets	2 755	82 886		21 892	84 742	84 742			
Payments for financial assets		114	10						
Total economic classification	878 845	896 722	685 131	829 958	973 962	974 072	867 096	816 224	809 264

Expenditure decreased from R878.8 million to R685.1 million in the three years from 2011/12 to 2013/14. The expiry of the former Gauteng Online project's contract in December 2012 contributed to the lower spending in 2013/14 as the funds were no longer allocated to the project. Included in R685.1 million in 2013/14 is the approved expenditure incurred whilst interim arrangements were in place to conclude the project.

The allocation increased to R974.1 million in 2014/15 because of an allocation for finalising commitments to the former Gauteng Online project during the transition to the e-Learning project. The revised approach to the e-Learning project (which replaces the Gauteng Online project) lowers the annual expenditure. Annual

connectivity costs are considerably less than the costs under the former project. The allocations to the programme therefore fall from R974.1 million in 2014/15 to 867.1 million in 2015/16 and to R809.3 million in 2017/18.

Total allocations include R250 million a year for the GBN project over the MTEF. It is projected that six core sites will have been connected for internet by the end of 2014/15: Chris Hani Baragwanath Hospital; 75 Fox Street; 82 Grayston Drive; West Rand District Offices, Randfontein; Teraco, Kempton Park and Telkom for the government data centre. The core sites are distribution nodes to which other government buildings can be connected. Voice and data services will be the first applications available to 130 000 GPG employees between 2014/15 to 2015/16.

Compensation of employees significantly increases over the seven year period under review, from R66.8 million in 2011/12 to an estimated R152.7 million in 2017/18. Factors contributing to this significant increase include the reorganisation of the GDF after the demerger with the provincial Treasury. As a result of the reorganisation:

- The Centre of Innovation sub-unit was transferred to the ICT shared services programme; and
 - A new chief directorate (Business Alignment) was created; its roles include housing the Centre of Innovation.
- One purpose of expenditure on personnel is to provide the skills needed for GPG's ICT strategy. Aside from the impact of the reorganisation referred to above, the personnel budget over the MTEF increases to provide for annual salary adjustments. The annual changes in compensation are consistent with the projected increases over the MTEF period.

The budget for goods and services decreases from R794.1 million in 2011/12 to R656.6 million in 2017/18. Between 2011/12 and 2012/13, more than 90 per cent of the total goods and services budget was allocated to the three main cost drivers under the ICT shared services programme: the former Gauteng Online project; computer services; and license support and maintenance. The budget increases to R722.5 million in 2015/16, and will be used to maintain and support GPG's ICT infrastructure.

This pattern reflects GDF's prioritisation of critical operational costs. Beyond 2012/13, with the exception of financial years 2014/15 and 2015/16 when special allocation was made for GBN, the budget for goods and services is mainly for maintaining GPG's ICT infrastructure, licences, support and maintenance, and computer services such as SITA, the fully managed data centre and information security service.

Expenditure in 2013/14 was for procurement of an Intrusion Protection Services (IPS) device to strengthen GPG's information security; and replacing redundant switches in the ICT operations environment. The Auditor General had identified this as a risk factor.

SERVICE DELIVERY MEASURES

PROGRAMME 2: ICT SHARED SERVICES

Performance measures	Estimated Annual Targets		
	2015/16	2016/17	2017/18
% of server availability (uptime of all managed servers)	98% of server availability (uptime of all managed servers) for 8585 hrs per annum	99% of server availability (uptime of all managed servers) for 8672 hrs per annum	99% of server availability (uptime of all managed servers) for 8672 hrs per annum
% applications availability	95%	95%	95%
Standard Operating Procedures approved	Standard Operating procedures approved	Standard Operating procedures approved	Standard Operating procedures approved
GCR wide technology standards adopted	Adopted Technology Architecture	Adopted Technology Architecture	Adopted Technology Architecture
Governance Risk and Compliance system developed	Implemented Access control	Implemented Risk Management	Maintenance of governance risk and compliance system
Change and Request Manager implemented	Change and Request Manager implemented	Maintenance of Change and Request Manager	Maintenance of Change and Request Manager
Public Awareness and Communication strategy approved	Public awareness and communication strategy approved	Public awareness and communication strategy implemented	Public awareness and communication strategy implemented
Omni-Channel CRM strategy approved	Omni-channel strategy approved	Omni-channel strategy implemented	Omni-channel strategy implemented
Partnerships with ICT industry established	2 Partnerships established with ICT industry	Adopted roadmap for software and infrastructure as a service for SMME	SMME's use of ICT infrastructure and software as a service from government
Number of technologies offered	2 Technologies offered	2 Technologies offered	2 Technologies offered
Number of additional automated business/mobile applications implemented for the GPG	3	3	
Number of additional source ICT systems to be monitored by Security Operations Centre	1	1	

Performance measures	Estimated Annual Targets		
	2015/16	2016/17	2017/18
Number of additional automated business/mobile applications implemented for the GPG	3	3	3
Number of GBN core sites built	2	8	8
Number of access sites connected with high speed broadband connectivity	263	400	400

PROGRAMME 3: BUSINESS PROCESS SERVICES

Programme description

Improvement of back-office services to support service delivery.

Programme objectives

- Provide strategic advisory services relating to human capital management
- Coordinate the GPG Employee Relations Health and Wellness Programme;
- Provide HR information management systems (HRIMS);

TABLE 13.10 : SUMMARY OF PAYMENTS AND ESTIMATES BY SUB-PROGRAMME: BUSINESS PROCESS SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Human Resources	65 367	67 125	76 535	83 984	80 616	80 636	89 138	94 722	100 310
Total payments and estimates	65 367	67 125	76 535	83 984	80 616	80 636	89 138	94 722	100 310

TABLE 13.11 : SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: BUSINESS PROCESS SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	65 289	67 061	76 319	83 984	80 608	80 594	89 138	94 722	100 310
Compensation of employees	62 768	66 523	75 774	83 143	79 518	79 518	87 749	93 368	99 020
Goods and services	2 517	538	545	841	1 090	1 076	1 389	1 354	1 290
Interest and rent on land	4								
Transfers and subsidies to	65	46	215		8	28			
Households	65	46	215		8	28			
Payments for capital assets									
Software and other intangible assets									
Payments for financial assets	13	18	1			14			
Total economic classification	65 367	67 125	76 535	83 984	80 616	80 636	89 138	94 722	100 310

The Business Process Services budget, which currently provides only for HR services functions after the migration of Procurement Services to the provincial Treasury, increased from R65.4 million in 2011/12 to R100.3 million in 2017/18. It increases from R76.5 million in 2013/14 to a projected R80.6 million in 2014/15. As most of the automation initiatives of previous years have been completed, compensation of employees accounts for more than 97 percent of the programme's estimated expenditure. The main cost drivers are personnel-related costs, which account for more than 97 percent of the programme's expenditure estimates.

Aggregate compensation of employees increases from R62.8 million in 2011/12 to an estimated R99.0 million in 2017/18. A steady increase from R66.5 million to R75.8 million between 2012/13 and 2013/14, a further increase from R79.5 million in 2014/15 to R87.7 million in 2015/16, The spending focus over the 2015 MTEF planning period is on the annual changes in the compensation of employees, taking in to account annual cost of living adjustments. Compensation of employees represents the biggest spending item under the Business Process Services programme. With most of the automation initiatives finalised in 2014/15, compensation of employees accounts for more than 95 percent of actual and projected expenditure in the programme. The programme will continue on supporting GPG departments on automated PMDS.

The budget for goods and services decreases from R2.5 million in 2011/12 to R1.3 million in 2017/18. The main cost drivers under this heading relate to the Maponya Mall Jobs Centre. The department will also continue to support the process of digitising back-office services as part of the GBN project to transform and modernise the public service.

It will also provide GPG's e-Recruitment service which, Over the last three years, has handled 666 056 online applications for 5 959 jobs. The benefits to GPG departments of this service include:

- Reduction of recruitment advertising costs from R13 million to R2 million in 2011/12;
- Improved turnaround times for processing of applications from 10 working days to 2 working days;
- Promoting a paperless environment; and
- Availability of candidate records for enquiry and audit purposes.

The benefits to the job applicant include:

- Viewing and applying GPG vacancies electronically;
- Immediate SMS notifications and automated responses;
- Access to GPG job opportunities through the internet, saving time and transport costs; and
- Information from GPG's mobile recruitment campaigns. During these, candidates are assisted to register on the e-Recruitment system, search for vacancies and find out information about other government-supported opportunities, such as learnerships.

SERVICE DELIVERY MEASURES

PROGRAMME 3: BUSINESS PROCESS SERVICES

Performance measures	Estimated Annual Targets		
	2015/16	2016/17	2017/18
Number of GPG departments with SAP ESS to go live on automated PMDS	4	3	Monitor and improve functionality
Number of GPG departments with SAP ESS to go live on automated termination services(HR21 and 24)	2	Monitor and improve functionality	Monitor and improve functionality
Number of people accessing the Maponya Mall Thusong Service Centre	10000	9000	9000
Number of GPG mobile recruitment campaigns conducted	10	10	10
Number of reports issued on the GPG's EHWP trend analysis	1	1	1
% of organisational structures and post establishment investigations completed as per letters of engagement (LOE)	100%	100%	100%
% reduction of the GPG's recoverable debtors book by 31 March 2015	20%	20%	20%

9. OTHER PROGRAMME INFORMATION

9.1. Personnel numbers and costs

TABLE 13.12: PERSONNEL NUMBERS AND COSTS: DEPARTMENT OF FINANCE

Personnel numbers	As at	As at	As at	As at	As at	As at	As at
	31 March 2012	31 March 2013	31 March 2014	31 March 2015	31 March 2016	31 March 2016	31 March 2016
1. Administration	259	259	259	330	330	330	330
2. ICT Shared Services	158	157	157	254	254	254	254
3. Human Resources Services	309	309	309	334	334	334	334
Total provincial personnel numbers	726	725	725	918	918	918	918
Total provincial personnel cost (R thousand)	209 015	220 276	245 369	280 289	343 540	366 376	389 090
Unit cost (R thousand)	288	304	338	305	374	399	424

TABLE 13.13: PERSONNEL NUMBERS AND COSTS: DEPARTMENT OF FINANCE

	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Total for department									
Personnel numbers (head count)	726	725	725	918	918	918	918	918	918
Personnel cost (R thousands)	209 015	220 276	245 369	352 320	280 289	280 289	343 540	366 376	389 090

	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Human resources component									
Personnel numbers (head count)	35	35	35	42	42	42	42	42	42
Personnel cost (R thousands)	13 831	13 353	13 753	13 249	13 249	13 249	15 281	16 312	17 350
Head count as % of total for department	4.8%	4.8%	4.8%	4.6%	4.6%	4.6%	4.6%	4.6%	4.6%
Personnel cost as % of total for department	6.6%	6.1%	5.6%	3.8%	4.7%	4.7%	4.4%	4.5%	4.5%
Finance component									
Personnel numbers (head count)	36	36	40	52	52	52	52	52	52
Personnel cost (R thousands)	31 308	18 544	19 694	19 393	19 393	19 393	21 731	23 210	24 656
Head count as % of total for department	5.0%	5.0%	5.5%	5.7%	5.7%	5.7%	5.7%	5.7%	5.7%
Personnel cost as % of total for department	15.0%	8.4%	8.0%	5.5%	6.9%	6.9%	6.3%	6.3%	6.3%
Full time workers									
Personnel numbers (head count)	726	725	725	918	918	918	918	918	918
Personnel cost (R thousands)	209 015	220 276	245 369	280 289	280 289	280 289	343 540	366 376	389 090
Head count as % of total for department	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Personnel cost as % of total for department	100.0%	100.0%	100.0%	79.6%	100.0%	100.0%	100.0%	100.0%	100.0%

Personnel cost are aligned with the GDF's approved structure, and overall growth assumptions have been taken into account. The department is streamlining its functions to be a provider of ICT maintenance and support to the GPG. The department migrated procurement services as well the GPG hotline to the OoP as well as the Gauteng Audit Services programme, Forensic unit to the GPT. This is line with the repositioning of the three department to ensure effective service delivery.

9.2. Training

TABLE 13.14: PAYMENTS OF TRAINING : DEPARTMENT OF FINANCE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Administration	696	1 899	1 648	2 805	3 458	3 458	2 000	2 300	2 415
Payments on tuition	696	1 899	1 648	2 805	3 458	3 458	2 000	2 300	2 415
Total payments on training	696	1 899	1 648	2 805	3 458	3 458	2 000	2 300	2 415

TABLE 13.15: INFORMATION ON TRAINING: DEPARTMENT OF FINANCE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Number of staff	726	725	725	918	918	918	918	918	918
Number of personnel trained	320	283	820	535	535	535	600	600	630
Male	101	108	380	215	215	215	200	200	210
Female	219	175	440	320	320	320	400	400	420
Number of training opportunities	505	486	562	776	776	776	900	900	945
Tertiary	173	173	320	227	227	227	350	350	368
Workshops	90	90	150	128	128	128	100	100	105
Seminars	38	38	40	56	56	56	50	50	53
Other	204	185	52	365	365	365	400	400	420
Number of bursaries offered	173	171	266	227	227	227	350	350	368
Number of interns appointed	25	40	40	40	40	40	40	40	42
Number of learnerships appointed	14			40	40	40	40	40	42
Number of days spent on training									

Transforming the GDF into an ICT department for the province requires continuous acquisition of the necessary skills. Lifelong learning is a vital mind-set to enable the GDF to thrive in the 21st century and to respond to the service requests of the people of Gauteng. The department will do this through relevant skills programmes, internships and learnership programmes.

The GDF's most important asset are its employees, who must be appropriately enabled and managed to ensure the continued success of the department. To maintain employees' productivity, well-being and motivation in a rapidly changing technological environment, the GDF must provide support through adequate and appropriate development and training opportunities. It must:

- Provide a wide set of options for capacity development to respond to varying needs and requirements;
- Provide a framework that aligns training and development with the GDF's objectives and targets;
- Promote a positive environment for learning and development;
- Provide a work environment that is supportive and receptive to development opportunities and activities;
- Ensure ownership that ownership of training and development lies with managers and employees; and
- Capitalise on the investment in training and development activities through monitoring, review and evaluation.

9.3 Reconciliation of structural changes

TABLE 13.16 : RECONCILIATION OF STRUCTURAL CHANGES: DEPARTMENT OF FINANCE

2014/15		2015/16	
Programmes	R'000	Programmes	R'000
1. Administration	238 427	1. Administration	215 271
1. Office Of The HOD	6 615	1. Office Of The HOD	8 824
2. Forensic Services	15 085	2. Risk Management	3 507
3. Risk Management	3 003	3. Office of the CFO	44 152
4. Office Of The CFO	38 598	4. Corporate Services	158 788
5. Corporate Services	175 126		
2. Gauteng Audit Services	60 969		
1. Gas Programme Support	4 564		
2. Risk & Compl Audit Serv clus 12	14 893		
3. Risk & Compl Audit Serv Clus 345	20 066		
4. Performance And Computer Audit	15 911		
5. Audit Centre Of Excellence	5 535		
3 ICT Shared Services	974 052	2. ICT Shared Services	867 096
1. ICT Programme Support	1 803	1. ICT Programme Support	2 629
2. Applications	640 654	2. Applications	561 034
3. Ict Infrastructure	305 925	3. Ict Infrastructure	276 201
4. Business Alignment	25 670	4. Business Alignment	27 232
4. Business Process Services	164 406	4. Business Process Services	89 138
1. Human Resources	106 591	1. Human Resources	89 138
2. Procurement Services	57 815		
Total	1 437 854		1 171 505

As part of repositioning the department, there was a need to migrate functions to the GPT in order to re align the GPT with the uniform generic structure of the Treasuries. The changes will enable the GPT to deliver effectively on its mandate, and will also reposition the GDF as an ICT-centered and -oriented hub for the GPG.

ANNEXURES TO ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE

TABLE 13.17: SPECIFICATION OF RECEIPTS: DEPARTMENT OF FINANCE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Sales of goods and services other than capital assets	1 095	1 313	970	795	795	795	744	751	759
Sale of goods and services produced by department (excluding capital assets)	1 095	1 313	970	795	795	795	744	751	759
Sales by market establishments	1 095	1 313	970	795	795	795	744	751	759
Administrative fees									
Interest, dividends and rent on land			16	16	16	10	10	11	12
Interest			16	16	16	10	10	11	12
Transactions in financial assets and liabilities	1 477	1 042	62	150	150	507	160	155	150
Total departmental receipts	2 572	2 355	1 048	961	961	1 312	914	917	921

TABLE 13.18: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	139 749	145 818	257 863	296 881	188 030	187 988	214 691	222 328	265 123
Compensation of employees	79 476	75 946	85 499	135 945	98 806	98 807	121 283	129 352	137 359
Salaries and wages	71 535	57 307	84 937	120 866	85 976	88 927	105 973	113 302	120 500
Social contributions	7 941	18 639	562	15 079	12 830	9 880	15 310	16 050	16 859
Goods and services	60 273	69 872	172 364	160 936	89 224	89 181	93 408	92 976	127 764
Administrative fees	261	114	155	295	402	417	226	235	247
Advertising	489	534	1 297	450	1 065	1 065	460	470	476
Minor Assets	986	880	75	25	255	292			
Audit cost: External	5 871	3 639	4 989	5 230	4 612	4 612	5 753	6 328	6 644
Bursaries: Employees	1 456	1 620	2 038	1 750	2 310	2 310	581	620	659
Catering: Departmental activities	240	118	194	430	139	139	133	134	136
Communication (G&S)	8 360	1 433	1 325	1 933	1 818	1 819	1 321	1 317	1 318
Computer services	56	15 053	123 486	12	16	132	12	13	13
Consultants and professional services:									
Business and advisory services	2 425	1 116	2 665	250	250	2 092	4 250	250	250
Consultants and professional services:									
Legal costs	22 652	3 448	2 771	3 619	3 619	3 619	3 785	3 960	4 158
Contractors	385	479	656	86 516	6 135	4 155	11 304	11 308	11 246
Agency and support / outsourced services	39								
Entertainment		2							
Fleet services (including government motor transport)	25		1 532	2 474	2 254	2 254	2 448	2 615	2 746
Inventory: Clothing material and accessories				50					
Inventory: Food and food supplies	115	60		177					
Inventory: Fuel, oil and gas		11							
Inventory: Materials and supplies	68	54				1			
Consumable supplies	17	197	519	31	638	639	387	495	520
Consumable: Stationery, printing and office supplies	1 967	1 725	1 520	1 349	1 587	1 596	637	669	701
Operating leases	5 662	6 549	6 868	8 007	8 196	8 196	7 071	6 683	6 982
Property payments	6 205	25 246	15 483	40 127	44 847	44 753	48 249	50 702	84 228

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Transport provided: Departmental activity									
Travel and subsistence	1 606	2 302	2 103	1 500	2 000	2 000	1 627	1 870	1 963
Training and development	691	1 899	1 648	2 749	3 427	3 427	1 050	1 112	1 175
Operating payments	212	1 965	1 987	2 121	2 829	2 838	2 613	2 638	2 666
Venues and facilities	483	1 428	1 053	1 841	2 825	2 825	1 501	1 558	1 636
Rental and hiring	2								
Transfers and subsidies	93	88	138	2 089	1 977	1 811	525	550	577
Departmental agencies and accounts				1 589	1 589	1 589			
Provide list of entities receiving transfers				1 589	1 589	1 589			
Public corporations and private enterprises			5						
Private enterprises			5						
Subsidies on production			5						
Non-profit institutions									
Households	93	88	133	500	388	222	525	550	577
Social benefits	93	88	133	500	388	222	525	550	577
Other transfers to households									
Payments for capital assets	3 543	8 662	3 581	200	1 177	1 177	55	90	
Machinery and equipment	3 543	8 567	2 946	200	1 177	1 177	55	90	
Transport equipment									
Other machinery and equipment	3 543	8 567	2 946	200	1 177	1 177	55	90	
Software and other intangible assets		95	635						
Payments for financial assets	785	213	1 036			42			
Total economic classification	144 170	154 781	262 618	299 170	191 184	191 018	215 271	222 968	265 700

TABLE 13.19: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ICT SHARED SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	872 168	806 121	677 324	807 066	610 531	610 532	857 096	816 224	809 264
Compensation of employees	66 771	77 807	84 096	133 232	101 965	101 964	134 508	143 656	152 711
Salaries and wages	57 178	69 664	84 096	119 231	90 551	91 775	119 556	127 854	136 065
Social contributions	9 593	8 143		14 001	11 414	10 189	14 952	15 802	16 646
Goods and services	794 068	728 314	593 228	673 834	508 566	508 568	722 588	672 568	656 553
Advertising	5								
Minor assets	513	37	17	200	176	678	100	100	105
Communication (G&S)		2 325	5 856	5 532	7 036	7 036	5 140	5 393	5 701
Computer services	144 827	131 020	558 882	196 991	387 156	366 329	662 797	609 502	577 625
Consultants and professional services:									
Business and advisory services	645 485	581 438	3 687	392 270	69 221	89 954	4 873	2 349	8 816
Contractors	717	5 511	6 150	41 255	12 859	12 328	6 689	5 855	7 377
Consumable supplies			4			30			
Consumable: Stationery, printing and office supplies	332			308	1	78			
Operating leases	208	7 815	18 495	34 212	30 771	30 771	41 519	47 898	55 389
Property payments	148			2 454	761	760	798	798	837
Travel and subsistence	50			467	467	484	419	419	441
Training and development				56	31	31	50	50	52
Operating payments	1 783	160	107	89	87	89	133	134	136

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R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Venues and facilities		8	30				70	70	74
Interest and rent on land	11 329								
Interest	11 329								
Transfers and subsidies	62	89	35		90	200			
Households	62	89	35		90	200			
Social benefits	62	89	35		90	200			
Payments for capital assets	6 615	90 398	7 762	22 892	363 341	363 340	10 000		
Machinery and equipment	3 860	7 512	7 762	1 000	278 599	278 598	10 000		
Transport equipment									
Other machinery and equipment	3 860	7 512	7 762	1 000	278 599	278 598	10 000		
Software and other intangible assets	2 755	82 886		21 892	84 742	84 742			
Payments for financial assets		114	10						
Total economic classification	878 845	896 722	685 131	829 958	973 962	974 072	867 096	816 224	809 264

TABLE 13-20 PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: BUSINESS PROCESS SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	65 289	67 061	76 319	83 984	80 608	80 594	89 138	94 722	100 310
Compensation of employees	62 768	66 523	75 774	83 143	79 518	79 518	87 749	93 368	99 020
Salaries and wages	56 332	65 007	75 774	71 188	67 864	72 430	75 148	80 202	85 265
Social contributions	6 436	1 516		11 955	11 654	7 088	12 601	13 166	13 755
Goods and services	2 517	538	545	841	1 090	1 076	1 389	1 354	1 290
Administrative fees			29	166	166	166	166	166	166
Advertising		244	42	5					
Minor assets			1						
Catering: Departmental activities		2	2	4	8	8	10	11	11
Communication (G&S)				42					
Computer services	1 245	228	385	477	439	387	542	547	474
Consultants and professional services:									
Business and advisory services	7		1						
Contractors	1 258	64			111	55	141	149	155
Inventory: Materials and supplies		1							
Consumable supplies			2						
Consumable: Stationery, printing and office supplies			10						
Operating leases	(1)				129	129	136	145	
Property payments					25	64	29	32	166
Travel and subsistence	3	(1)				3	80		
Training and development	5								
Operating payments			72	105	84	84	100	108	113
Venues and facilities			1	42	128	180	185	195	205
Rental and hiring									
Interest and rent on land	4								
Interest									
Rent on land	4								
Transfers and subsidies	65	46	215		8	28			
Households	65	46	215		8	28			
Social benefits	65	46	215		8	28			
Other transfers to households									
Payments for capital assets									
Payments for financial assets	13	18	1			14			
Total economic classification	65 367	67 125	76 535	83 984	80 616	80 636	89 138	94 722	100 310



VOTE 14

GAUTENG PROVINCIAL TREASURY

To be appropriated by vote in 2015/16	R584 362 000
Responsible MEC	MEC for Finance
Administering Department	Gauteng Provincial Treasury
Accounting Officer	Head of Department

1. OVERVIEW

Vision

To provide strategic leadership in financial and fiscal matters to ensure sustainable and inclusive social and economic development of the people of Gauteng so that all may enjoy value for money services of the highest quality.

Mission

We are an activist Treasury that enables and promotes quality service delivery for the citizens of Gauteng through:

- Sustainable financing and funding that ensures developmentally focused allocation of resources and innovative revenue generation;
- Efficient cash management that ensures sustainable liquidity levels in the province;
- Effective financial management and reporting that ensures responsible stewardship and transparent resource utilization and expenditure; and
- A well-structured governance framework that ensures accountability, transparency and fiscal discipline in line with statutory obligations.

Strategic Goals

The strategic objectives for the department are:

- To promote better planning and budgeting synergy across all spheres of government in the province;
- To ensure balanced budgeting and sustainable funding for the legislative mandates and strategic priorities of the province;
- To ensure approved financial resources are spent efficiently, effectively and economically across the province;
- To support all departments, entities and municipalities to achieve unqualified audits;
- To promote accountable and transparent financial governance in the province; and
- To ensure statutory obligations are met and that decision makers facilitate appropriate interventions.

Core functions and responsibilities

The functions or powers of the Gauteng Provincial Treasury are described in the Public Finance Management Act (PFMA), 1999 and the Municipal Finance Management Act, 2003. These can be summarized as follows:

- To manage the budget allocation for the Gauteng Provincial Government (GPG);
- To ensure the instilling of fiscal discipline and corporate governance in the province;
- To ensure proper cash management;
- To ensure the effective and efficient utilization of resources – value for money, compliance with all relevant legislation;
- To develop, implement and monitor compliance with corporate governance norms and standards relating to provincial and local government; and
- To ensure adequate financial accountability.

Overview of the main services

The mandate of Gauteng Treasury is to promote good governance by providing stewardship on all financial matters in the province and to ensure that provincial budgets and budgetary processes promote transparency, accountability and the effective financial management of the economy. In essence, the role of Gauteng Treasury is to ensure that strategies are funded through projects and other initiatives that are aligned to the provincial priorities and the principles of Batho Pele

- To manage the budget allocation for the Gauteng Provincial Government;
- To ensure the instilling of fiscal discipline and corporate governance in the Province;
- To ensure proper cash management;
- To ensure the effective and efficient utilization of resources – value for money, compliance with all relevant legislations;
- To develop, implement and monitor compliance with corporate governance norms and standards relating to provincial and local governments;
- To ensure adequate financial accountability.

Ten Pillar Programme of Transformation, Modernisation and Re-industrialisation

The GPG has adopted the Ten-Pillar Programme (TPP) which aims to radically transform, modernise and re-industrialise Gauteng over the next five years. The GPT has defined key game changers and catalytic projects in its Strategic Plan for the 2014 – 2019 term, which will contribute to repositioning government as responsive and activist. As the custodian of the provincial financial resources, GPT supports all 14 national outcomes and directs resources to the TPP.

The key focus areas over the MTEF will be exploration of alternative sources of funding and other revenue streams to supplement the fiscus, and improvement of planning synergies between the different spheres of government in order to ensure efficiency in the planning and budgeting processes.

Furthermore the department intends to ensure that the limited resources available are allocated and spent on provincial priorities. It will also eliminate wastage of resources and enhance transparency and accountability by enhancing investigations through the introduction of business intelligence (BI) tools that have digital forensic capabilities. The aim of the BI tools are to detect and prevent fraud and also monitor contract management in the province in order to ensure that services are rendered timeously and cost effectively.

The GPT, as an enabler of service delivery in Gauteng province, will endeavor to ensure resource allocation alignment to the Gauteng Plan which is based on the GPG's Ten-Pillar Programme. This aims to fast-track service delivery to ensure real impact on the Gauteng citizenry, and automate cash management and in-year monitoring processes. This is in order to improve operational efficiencies and the quality and credibility of data, stabilise the GPG wage bill and improve on delivery of infrastructure projects in order to stimulate economic growth and contribute towards job creation.

The department will continue to provide training and technical support to provincial departments, public entities and local municipalities that will yield improved audit outcomes.

National Development Plan

The Medium Term Strategic Framework (MTSF) is informed by the National Development Plan (NDP) which aims to eliminate poverty and reduce inequality by 2030 through uniting South Africans, unleashing the energies of its citizens, growing an inclusive economy, building capabilities, enhancing the capability of the state and encouraging leaders to work together to solve complex problems.

In addition, Gauteng Province has adopted the Gauteng Vision 2030. This vision is as follows: "A livable, equitable, prosperous and united GCR, established through the combined efforts of a developmental state, an engaged civil society and an active citizenry – together targeting the objectives of equitable growth, sustainable development and infrastructure, social inclusivity and cohesion, and the necessary condition of good governance."

The GPT contributes to all 14 national outcomes. In allocating financial resources and funding in alignment with the provincial priorities as espoused in the provincial TPP, in alignment with the NDP and G2030, the department will ensure that budget reviews and reforms are developmentally focused on the allocation of resources in terms of the National Treasury guidelines, promoting growth and creating sustainable jobs.

External activities and events relevant to budget decisions

The 5th administration of Gauteng Province has adopted a TPP of transformation, modernisation and re-industrialisation. The GPT is aware that its work is central to the achievement of this broad programme of ensuring that Gauteng is developed into an integrated, socially cohesive, economically inclusive city region, underpinned by a smart and green industrial economy. The generic structures for provincial treasuries will be deliberated on to ensure that the GPT's organisational structure and establishment supports the executive optimally in discharging its key statutory and other strategic mandates.

Act, rules and regulations

- Division of Revenue Act (DORA), 2008;
- Treasury Regulations 2005, and Delegations;
- Prevention and Combating of Corrupt Activities Act, 2004;
- Municipal Finance Management Act, 2004;
- Broad-Based Black Economic Empowerment Act, 2003;
- The Tender Board Repeal Act, 2002;
- Unemployment Insurance Contributions Act, 2002
- Preferential Procurement Policy Framework Act, 2000;
- Promotion of Access to Information Act, 2000;
- Municipality Systems Act, 2000;
- Development Facilitation Act, 1995;
- Promotion of Administrative Justice Act, 2000;
- Public Finance Management Act, 1999;
- Employment Equity Act, 1998;
- Skills Development Act, 1998;
- Basic Conditions of Employment Act, 1997;
- Intergovernmental Fiscal Relations Act, 1997;
- Public Service Laws Amendment Act, 1997;
- Government Employees Pension Act, 1996;
- The National Archives Act, 1996;
- Borrowing Powers of Provincial Government Act, 1996;
- The Constitution of the Republic of South Africa, 1996;
- Labour Relations Act, 1995;
- Occupational Health and Safety Act, 1995; and
- Public Service Act, 1994 and Regulations and Delegations.

2. REVIEW OF THE CURRENT FINANCIAL YEAR (2014/15)

The 2014/15 financial year saw to the beginning of a new political term of office for the South African government. The 5th administration of Gauteng Province immediately set to work and adopted a TPP of radical transformation, modernisation and re-industrialisation for the province. The GPT identified catalytic projects that will fulfil its mandate and developed plans and strategies for implementation.

The GPT's role is transversal and cuts across all spheres of government. It is therefore better positioned to facilitate better planning and budgeting synergy across all spheres of government. Thus collaboration and partnership with stakeholders is crucial in fulfilling its mandate and in ensuring that oversight structures function optimally. As a proactive and solution-driven department, the GPT continued with its activist interventions in GPG, aimed at eliminating wastage of financial resources and ensuring that spending is aligned with provincial priorities.

One of our successes in the current financial year was that of maintaining sustainable liquidity levels for the province. Cash outflows for provincial departments remained within the available provincial revenue streams. This was as a result of the efficient cash management processes put in place. The department has also developed an automated cash flow forecasting model so that GPT and departments can monitor and plan cash flows. Revenue forums were successfully conducted with GPG departments and revenue reports prepared accordingly.

With regard to promoting effective and efficient financial management in the province, the GPT developed improved municipal administrative and financial capabilities through supporting and monitoring municipal capacity initiatives. The Municipal Finance Hands-on Support Programme was extended and other supplementary support initiatives explored as a means of improving the financial viability of certain local municipalities. The

department assessed municipal budgets to improve their credibility and the affordability of their plans and their alignment with integrated development plans (IDPs).

The province saw improvement in 2014/15 in increasing the number of unqualified audits. The GPT supported departments in the compilation of their annual and interim financial statements and further analysed their appropriation statements, providing them with feedback to help monitor their annual expenditure. A clean audit opinion was maintained for the GPT and the Provincial Revenue Fund.

The Health Intervention Programme has continued in the current financial year and the support provided focused on inventory management, compiling a credible budget, reviewing finance structures in hospitals and enhancing finance systems and processes in hospitals and at head office. The online payroll certification tool has been successfully rolled out to seven provincial departments. A business intelligence tool to identify and recall fictitious payments to government employees has been developed.

The payment of suppliers within 30 days is a key priority for the province as the impact of non- and late payments to suppliers has a crippling effect on the Gauteng economy and ultimately, that of our country. In tackling this issue, the GPT started a process of exploring an electronic platform that can be accessed by all current and prospective GPG suppliers enabling them to send invoices directly and communicate with us about non-payments.

The South African Institute of Professional Accountants (SAIPA) learnership programme which is a joint collaboration between the GPT (which is now an approved training centre) and the SAIPA, started in February 2013. Its primary objective is to improve the level of financial and accounting skills in the province, whilst also providing learning and work opportunities to the youth. The learners are rotated within the various provincial departments so that they can be exposed to various functions and roles.

With regard to performing statutory obligations and promoting transparent and accountable government, the department continued to research topical economic issues jointly with research and academic institutions. The provincial main and adjustment budgets were tabled at the Provincial Legislature timeously and economic publications such as the Provincial Economic Review and Outlook, Socio-Economic Review and Outlook and the Medium Term Budget Policy Statements were published.

Legislated reports including in-year monitoring (IYM) reports, quarterly performance reports, PFMA compliance reports and evaluation reports on the performance of conditional grants were prepared and submitted timeously to the department's various stakeholders. The consolidated financial statements for the 2013/14 financial year were prepared and submitted to the Auditor General (AG) according to the prescribed timeframes.

Consultations on the new generic structure for the GPT have been carried out successfully with various stakeholders to ensure a smooth transition in the coming financial year.

3. OUTLOOK FOR THE COMING FINANCIAL YEAR (2015/16)

The generic structure adopted by the GPT in the 2014/15 financial year will be implemented in the 2015/16 financial year. The new structure will reposition the GPT as a department that will be able to accelerate service delivery, enhance institutional capacity, create synergistic relations between related service delivery nodes and thus create a more responsive government.

Pillar 4: Transformation of state and governance

Although the GPT has achieved its key objectives in the previous year to a significant extent, the new financial year represents an opportunity to continue positively impacting on service delivery to the people of Gauteng. The slowing economic growth, resulting in a shrinking fiscus, necessitates that GPT be innovative, developing new ways of ensuring that the provincial departments get value for money. The GPT will explore alternative sources of funding and other revenue streams to supplement the fiscus. This will be achieved through development of a revenue strategy which will seek to protect surplus income, whilst encouraging provincial departments to pursue revenue maximization progressively as a financial incentive and to maximize and optimize revenue streams in a sustainable manner.

In order to ensure efficiency in planning and budgeting processes, GPT will ensure that the limited resources are spent on provincial priorities, eliminating wastage of resources. Furthermore the department will continue to

improve planning and spending synergy between provincial and local government as well as with state enterprises who are engaged in significant capital projects in the Gauteng Province. To achieve this synergy in government planning and programmes, the GPT will work with the Gauteng Planning Commission, the Department of Cooperative Governance and Traditional Affairs and local municipalities to develop an integrated planning framework to inform resource allocation and efficiency as well as process improvement.

The GPT will continue to provide structural training to provincial departments, entities and local municipalities. The audit outcomes from the prior financial years will be improved and an online tracking system will be implemented in order to ensure implementation of recommendations by the AG and thus reduce recurring audit findings.

In dealing decisively with incidents of fraud and corruption, the department will continue to strengthen transparency and accountability by enhancing investigations through the introduction of BI tools with digital forensic capabilities to detect and prevent fraud. It will also monitor contract management in the province to ensure that services are rendered timeously and in a cost effective manner. The department has vetted all officials responsible for financial and procurement duties.

GPG wage bill stabilization is one of the department's key projects. The department will keep track of the province's personnel spending, keeping the budget within a reasonable level.

Pillar 5: Modernization of the public service

As part of maintaining sustainable liquidity levels for the province and improving on the department's cash management processes, the GPT will automate the cash management environment. The cash flow forecasting model developed in the prior financial year will be deployed to provincial departments.

The IYM reporting process will also be automated in order to provide access to an accurate and complete dataset. This will enable compilation of IYM timeously and improve quality analysis and feedback to enable stakeholders to improve decision making. It will also be beneficial to have the processes automated to ensure improvement on data credibility, free from human error. IYM could function as an early warning detector for over and underspending.

Strengthening financial management in the province is one of the GPT's key focus areas. This is important in ensuring that resources are used to support provincial priorities, thereby optimizing service delivery. The department will build institutional capacity and enhance transparency in government accounting and procurement processes as measures to combat corruption and fraud.

Contract management for infrastructure is the proactive monitoring, review and management of contractual terms secured through the procurement process, to ensure that the appointed service providers deliver the right outputs timeously and cost effectively. The purpose of this is to promote the use of the limited resources most effectively towards delivering services in areas of need. Through contract management an efficient infrastructure programme can stimulate economic growth, contribute to job creation, and accelerate delivery of infrastructure projects in the province.

The success of the Identification Verification System (IVS) resulted in the introduction of other business intelligence platforms in the department. The IVS was implemented to verify that all employees currently paid through PERSAL by GPG are legitimate; to ensure that employees are allocated to correct cost centres; and to update PERSAL with accurate information. In 2015/16, the GPT will implement the Know your Patient project which will focus on identification of patients for correct billing, thus resulting in revenue increase, reduction in debt write-offs and opportunities to generate more revenue which will be redistributed back to the provincial departments.

Pillar 1: Radical economic transformation

GPT will actively support the Department of Economic Development (DED) in driving the radical economic transformation of township enterprises and re-industrialisation of the province by ensuring that township enterprises, co-operatives and SMMEs are registered on the government service provider database and are compliant with the regulatory requirements in order for them to do business with government. This will be done through actively utilising the five DED enterprise hubs already functioning in the province to implement on-site assistance with vendor registration, register suppliers on the online invoice submission and tracking system, provide training sessions on "how to tender for government business", and provide purchasing-card registration and the verification of township suppliers.

The SAIPA learnership programme will reach its last year in 2015. Successful learners who will have completed the three-year programme will be recognized as suitably qualified accountants. They will then be in a position to plough back their knowledge into the public service.

4. REPRIORITISATION

The department has identified areas of reprioritization in order to remain within the allocated budget. During the 2015-18 MTEF budget process the department reprioritised within compensation of employees to align and cater for the new departmental structure and reprioritization goods and services to compensation of employees for Municipalities Advisors as well as additional personnel.

The department reprioritized its budget mainly to align the current GPT structure with the uniform budget structure for treasuries in order to ensure that the GPT fulfils its legislated role. Funds were also reprioritized towards the establishment of a new Municipal Financial Governance unit. This will involve new automation projects as part of the department's role in fulfilling the provincial pillar of Modernisation of the Public Sector.

5. PROCUREMENT

The main projects that will be funded and that will influence major procurement over the 2015 MTEF are stated below:

In-Year Monitoring Automation

The project entails automating the compilation of the monthly financial reports that provincial departments submit to the GPT as per the requirements stipulated in the PFMA.

The system will generate monthly financial reports by sourcing data from the existing Basic Accounting System (BAS) automation portal and the Personnel Forecasting Model and then populate the prescribed IYM report with this information. The aim is to reduce potential human error that might render provincial figures unreliable. The automated process will improve accuracy and efficiency in the overall provincial reporting system, generate more reliable financial information, and enable stakeholders to focus on credibility of information.

Implementation of the infrastructure delivery management system

The department intends to support provincial departments with infrastructure by monitoring infrastructure performance and offering relevant advice where necessary. This is aimed at ensuring rapid infrastructure delivery as well as maintaining existing infrastructure. The department envisages that by appointing an external service provider with the necessary skills internal capacity will be enhanced.

Professional service providers will be appointed on a full-time basis to work in the department. They will provide technical support especially in specialised engineering. Specialist skills are required in developing the construction procurement system and institutionalisation of infrastructure planning and budgeting. On appointment, the professional service providers will be required to work closely with all provincial departments responsible for infrastructure delivery.

6. RECEIPTS AND FINANCING

6.1 Summary of receipts

TABLE 14.1: SUMMARY OF RECEIPTS: GAUTENG PROVINCIAL TREASURY

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Equitable share	321 764	346 250	454 547	560 060	527 514	557 697	584 362	596 933	628 756
Conditional grants									
Total receipts	321 764	346 250	454 547	560 060	527 514	557 697	584 362	596 933	628 756

The department is funded through the equitable share. Funds allocated to the department during the period under review include resources for the new functions received from the Gauteng Department of Finance as part of aligning the GPT with the revised treasury structure. The functions are: Gauteng Audit Services, Provincial Forensic Audit Services, Specialised Provincial Supply Chain Management and a newly established dedicated programme for Municipal Financial Governance. The allocations also cater for personnel requirements, printing of GPT publications, provision of support to departments, public entities and municipalities, the infrastructure capacity building programme, the IVAS personal verification expansion and Operation Clean Audit.

The new GPT configuration and the planned interventions such as the core programmes capacity building programmes and business intelligence projects will see allocations increase from R560 million to R629 million over the 2015 MTEF.

6.2 Departmental receipts

TABLE 14.2: DEPARTMENTAL RECEIPTS: GAUTENG PROVINCIAL TREASURY

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Tax receipts									
Motor vehicle licenses									
Sales of goods and services other than capital assets		175	235	211	211	311	222	234	245
Transfers received									
Fines, penalties and forfeits									
Interest, dividends and rent on land	164 758	187 570	247 283	80 000	80 000	335 835	88 000	100 000	105 000
Sales of capital assets									
Transactions in financial assets and liabilities		66	375			399	395	415	436
Total departmental receipts	164 758	187 811	247 893	80 211	80 211	356 545	88 617	100 649	105 681

Departmental receipts are made up of interest, dividends and rent on land; sale of goods and services other than capital assets; and financial transactions in assets and liabilities, with most revenue generated from interest earned from positive cash balances from the Corporation of Public Deposits (CPD) account. Actual collection in 2012/13 amounted to R187.8 million while actual collection for 2013/14 is R247.8 million, an increase of R60 million.

Interest, dividends and rent on land contribute the most revenue with R247.2 million or 99.75 per cent towards total revenue. Financial transactions in assets and liabilities contributed R399 000; this revenue item consists mainly of debt recoveries from previous years as well as transactions with other institutions. Sales of goods and services other than capital assets contributed R235 000; this revenue source consists mainly of parking for officials.

The department conservatively projected interest revenue at R80 million in 2014/15. However, this budget was reached within three months of the 2014/15 financial year and therefore there is a revised estimate of R356 million to be collected in the 2014/15 financial year.

Given the measures in place to improve the department's spending, potentially minimizing cash balances, GPT prudently projects its revenue collection as R89 million in 2015/16, gradually increasing to R106 million in 2017/18. This includes transactions in financial assets and liabilities in respect of money received relating to previous years.

7. PAYMENT SUMMARY

7.1 Key assumptions

The 2015 Medium Term Expenditure Framework (MTEF) budget is informed by GPT's Strategic Plan, Annual Performance Plan, provincial outcomes and the GPG's programme of action (POA). Provision for annual salary adjustments is made as follows: 5.6 per cent in 2015/16; 5.5 per cent in 2016/17; 5 per cent in 2017/18. Provision has also been made for notch progressions and performance bonuses.

7.2 Programme Summary

TABLE 14.3: SUMMARY OF PAYMENTS AND ESTIMATES: GAUTENG PROVINCIAL TREASURY

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Administration	47 417	59 768	79 876	95 852	98 752	97 871	111 528	116 725	122 562
2. Sustainable Fiscal Resource Management	99 549	100 757	109 128	162 426	144 756	176 404	183 781	169 099	177 939
3. Financial Governance	48 081	54 318	102 359	135 194	121 680	142 336	98 608	105 894	111 439
4. Provincial Supply Chain And Movable Asset Management	66 235	65 002	58 311	69 572	61 856	61 603	86 592	94 924	100 055
5. Municipal Financial Governance	16 532	17 958	27 526	32 412	28 630	28 480	30 097	31 919	33 520
6. Gauteng Audit Services	43 950	48 672	52 705	64 604	60 969	61 004	73 756	78 372	83 241
Total payments and estimates	321 764	346 475	429 905	560 060	516 643	567 698	584 362	596 933	628 756

7.3 Summary of economic classification

TABLE 14.4: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: GAUTENG PROVINCIAL TREASURY

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	268 694	294 558	375 064	509 149	437 974	488 973	513 184	543 041	572 169
Compensation of employees	238 190	257 114	291 210	388 004	349 612	359 265	417 813	442 901	467 028
Goods and services	30 439	37 444	83 854	121 145	88 362	129 708	95 371	100 141	105 142
Interest and rent on land	65								
Transfers and subsidies to	50 208	50 244	51 119	50 000	76 757	76 796	70 225	52 888	55 533
Provinces and municipalities									
Departmental agencies and accounts	50 000	50 000	50 000	50 000	75 000	75 000	70 000	52 650	55 283
Households	208	244	1 119		1 757	1 796	225	238	250
Payments for capital assets	2 426	1 573	3 718	911	1 912	1 929	953	1 004	1 054
Buildings and other fixed structures									
Machinery and equipment	2 426	1 559	3 557	911	1 620	1 627	953	1 004	1 054
Software and other intangible assets		14	161		292	302			
Payments for financial assets	436	100	4						
Total economic classification	321 764	346 475	429 905	560 060	516 643	567 698	584 362	596 933	628 756

GPT has been reconfigured to align to the generic structure prescribed for provincial treasuries as from 1 April 2015. The department has created new specialized and focused programmes, also taking over functions formerly existing at the Gauteng Department of Finance (GDF). Functions moving to the GPT from GDF are Forensic Audit Services, Procurement and Gauteng Audit Services. The move has impacted the outcomes and the 2015 MTEF, as this shows historical expenditure of the functions moving from GDF and the 2015 MTEF budget inclusive of the adopted functions.

Spending increased from R321.7 million in 2011/12 to R429.9 million in 2013/14. Projected spending increases to R527 million in 2014/15. The increased spending and allocation was due to the health intervention programme during the 2013/14 and 2014/15 financial years. In the 2015 MTEF period the allocation increases further to R584.3 million, peaking at R628.7 million in the 2017/18 outer year.

Compensation of Employees has steadily increased for the period under review, particularly between financial years 2013/14 and 2014/15 where the outcome had been R291.2 million in the 2013/14 financial year and the projected spending R362.1 million. This was due to higher than expected salary adjustments and also the cost of re-establishing GPT as a stand-alone department. The budget continues to grow in the 2015 MTEF period, R417.8 million in 2015/16 to R467.0 million in 2017/18, which corresponds with departmental plans to fully implement the approved structure and to align the GPT as closely as possible with the uniform budget structure. Provision for notch progression and annual performance bonuses has been made.

Goods and Services expenditure was R84 million in the 2013/14 financial year. The main appropriation increased to R121 million in 2014/15, this inclusive of the R30 million allocations to the Health Intervention Project. Over the MTEF the department is funding various key projects, such as the expansion of the IVS project and various automation projects (IYM and Budget Database). There is also a focus on capacity building for contract management in infrastructure projects. The department also continues to strengthen initiatives in support of Operation Clean Audit. The department continues to run the municipal advisor hands on support programme and various training on generally recognised accounting practices (GRAP) and modified cash standard to GPG departments and entities. The 2015 MTEF period goods and services estimate indicates the amount of R100 million in 2015/16, R100 million in 2016/17 and R105.1 million in 2017/18.

Provision has been made under Households for employee social benefits as well as severance packages, the increase in spending in 2012/13 of R244 000 to R1.1 million 2013 is as a result of severance packages paid to a retiring official.

The department spending under Capital Assets represent purchasing of laptops as well as desktops, the decrease from R2.4 million in 2011/12 to R1.1 million in 2012/13 represents a bulk purchase of laptops in 2011/12. The department's projected spending over the MTEF is for computer refreshment and replacement where necessary.

7.4 Infrastructure payments

N/A

7.4.1 Departmental Infrastructure payments

N/A

7.4.2 Departmental Public – Private Partnerships (PPP) projects

N/A

7.5 Transfers

7.5.1 Transfers to public entities

N/A

7.4.1 Transfers to other entities

14.5: SUMMARY OF DEPARTMENTAL TRANSFERS TO DEPARTMENTAL AGENCIES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Gauteng Infrastructure Funding Agency	50 000	50 000	50 000	50 000	75 000	75 000	70 000	52 650	55 283
Total departmental transfers	50 000	50 000	50 000	50 000	75 000	75 000	70 000	52 650	55 283

During the 2014/15 financial year, the budget for the Gauteng Infrastructure Funding Agency (GIFA) increased from R50 million to R75 million due to the re-establishment of the agency and provision for the project preparation facility. For the 2015/16 financial year GIFA receives an amount of R70 million to ensure a sustainable pipeline of strategic infrastructure projects that are catalysts for socio-economic development in the province.

8. PROGRAMME DESCRIPTION

Programme 1: Administration

Programme purpose

The programme aims to provide effective leadership, management and administrative support to treasury programmes as well as to the Member of the Executive Council and the Head of Treasury. This is done in fulfilment of the mission and mandate of the Treasury.

Programme objectives

- To ensure statutory obligations are met and that decision makers facilitate appropriate interventions.

TABLE 14.6: SUMMARY OF PAYMENTS AND ESTIMATES: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Office of the MEC	6 715	6 385	7 033	7 386	7 827	7 869	7 719	8 188	8 598
2. Office of the HOD	2 376	6 607	10 314	14 391	15 955	15 341	15 523	16 565	17 393
3. Corporate Management	24 901	29 891	41 855	52 968	55 757	54 835	64 241	66 519	69 845
4. Financial Management Services (CFO)	13 425	16 885	20 674	21 107	19 213	19 826	24 045	25 453	26 726
Total payments and estimates	47 417	59 768	79 876	95 852	98 752	97 871	111 528	116 725	122 562

TABLE 14.7: SUMMARY OF PAYMENTS BY ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	44 633	58 195	77 006	94 941	95 601	94 701	110 350	115 484	121 258
Compensation of employees	26 539	32 629	44 926	66 568	65 419	65 210	73 160	77 120	80 976
Goods and services	18 029	25 566	32 080	28 373	30 182	29 491	37 190	38 364	40 282
Interest and rent on land	65								
Transfers and subsidies to	22		75		1 281	1 293	225	238	250
Provinces and municipalities									
Households	22		75		1 281	1 293	225	238	250
Payments for capital assets	2 426	1 573	2 795	911	1 870	1 877	953	1 004	1 054
Machinery and equipment	2 426	1 559	2 774	911	1 595	1 602	953	1 004	1 054
Software and other intangible assets		14	21		275	275			
Payments for financial assets	336								
Total economic classification	47 417	59 768	79 876	95 852	98 752	97 871	111 528	116 725	122 562

The budget for Administration increased from R47.4 million in 2011/12 to R59.7 million in 2012/13. The budget continues to increase from R98.7 million in the 2014/15 financial year to R122.5 million in the 2017/18 financial year.

The main costs drivers in Goods and Services are utilities, external audit, lease payments, communication and property payments. The department also has various projects earmarked and catered for under Goods and Services, the hosting of network servers externally, IT equipment refreshment programme, corporate performance and evaluation information systems and disaster recovery site establishment.

Compensation of Employees increases from R32.6 million in the 2012/13 financial year to R44.9 million in 2013/14, R65.4 million in 2014/15 and R80.9 million in the 2017/18 financial year. The increase in Compensation of Employees is due to the establishment of new posts after demerger from the GDF and the implementation of the approved structure. Other contributions to the increase include the annual cost of living salary increases, notch progressions and personnel related costs such as performance and service bonuses as well as implementation of the approved structure and the re-grading of clerk posts.

Over the MTEF, spending for payments for capital assets is expected to stay within the baseline at average allocation of R1 million per financial year, making provision for replacement of capital assets, the estimated allocations being R953 000, R1 million, R1 million for the 2015/16, 2016/17 and 2017/18 financial years respectively.

SERVICE DELIVERY MEASURES

PROGRAMME 1: ADMINISTRATION

Performance Measures	Estimated Annual Targets		
	2015/16	2016/17	2017/18
Administration			
Unqualified audit opinion with no other matters from the previous financial year	Unqualified audit opinion with no other matters from the previous financial year	Unqualified audit opinion with no other matters from the previous financial year	Unqualified audit opinion with no other matters from the previous financial year
% of external audit report recommendations implemented before next audit cycle	100%	100%	100%

Performance Measures	Estimated Annual Targets		
	2015/16	2016/17	2017/18
% of supplier payments paid within 30 days after receipt of final and correct invoice	100%	100%	100%
% compliance with regulatory and legislated reporting requirements as per the compliance dashboard	100%	100%	100%

PROGRAMME 2: SUSTAINABLE FISCAL RESOURCES MANAGEMENT

Programme purpose

The programme aims to promote accountability through substantive reflection of financial activities as well as compliance with financial norms and standards in PFMA compliant institutions.

Programme objectives:

- To promote better planning, budgeting and resourcing synergy across all spheres of government in the province;
- To ensure government programmes are adequately resourced within the tight fiscal envelope; and
- To ensure approved financial resources are spent efficiently, effectively and economically across the province.

14.8: SUMMARY OF PAYMENTS BY ESTIMATES: SUSTAINABLE FISCAL RESOURCES MANAGEMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Programme Support/Office Of The DDG	51 855	52 867	55 911	79 154	80 934	103 341	102 810	85 509	89 785
2. Budget Management	10 006	10 959	12 406	22 983	14 005	15 850	22 127	21 740	22 827
3. Economic And Fiscal Policy Oversight	7 925	7 610	8 058	10 176	9 514	10 129	11 193	11 858	12 451
4. Infrastructure Management	3 520	2 984	3 114	3 465	3 515	3 404	8 159	8 916	9 746
5. Financial Asset And Liabilities Management	15 656	15 416	16 962	20 820	20 650	20 417	21 846	23 262	24 425
6. Public Finance	10 587	10 921	12 677	25 828	16 138	23 263	17 646	17 814	18 704
Total payments and estimates	99 549	100 757	109 128	162 426	144 756	176 404	183 781	169 099	177 939

TABLE 14.9: SUMMARY OF PAYMENTS AND ESTIMATES: SUSTAINABLE FISCAL RESOURCES MANAGEMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	49 449	50 727	59 088	112 426	69 446	101 136	113 781	116 449	122 656
Compensation of employees	45 959	47 986	53 562	82 244	62 434	71 751	80 381	83 108	87 649
Goods and services	3 490	2 741	5 526	30 182	7 012	29 385	33 400	33 341	35 008
Interest and rent on land									
Transfers and subsidies to	50 000	50 030	50 040	50 000	75 310	75 268	70 000	52 650	55 283
Departmental agencies and accounts	50 000	50 000	50 000	50 000	75 000	75 000	70 000	52 650	55 283
Households		30	40		310	268			
Payments for capital assets									
Software and other intangible assets									
Payments for financial assets	100								
Total economic classification	99 549	100 757	109 128	162 426	144 756	176 404	183 781	169 099	177 939

The Sustainable Fiscal Resource Management Programme is one of the programmes affected by the re-configuration of the GPT. It has received Financial Asset Management and Infrastructure Management as new functions and is also expected to provide specialized capacity in the areas of data management, monitoring and evaluation.

The budget for Sustainable Resource Management increased from R99.5 million in the 2011/12 financial year to R109.1 million in the 2013/2014 financial year. In the 2014/15 financial year the budget decreased to R145.6million million. In the MTEF period the allocation is as follows: R183.7 million in the 2015/16 financial year, R169 million in the 2016/17 financial year and R177.9 million in the 2017/18 financial year. The spending focus over the MTEF period will be on catering for additional capacity in infrastructure management, data management, monitoring and evaluation, and also for the various business systems projects.

Compensation of Employees increased from R45.9 million in the 2011/12 financial year to R47.9 million in the 2012/13 financial year. It further increased from R53.5 million in the 2013/14 financial year to R71.7million in the 2014/15 financial year. In the MTEF period the allocation is as follows: R80.3 million in the 2015/16 financial year, R83.1 million in the 2016/17 financial year and R87.6 million in the 2017/18 financial year. The increase in the budget will cater for the additional capacity in infrastructure management, data management, monitoring and evaluation.

Goods and Services expenditure was at R3.4 million for 2011/12 and R2.7 million for the 2012/13 financial years. There was an increase of R3 million in expenditure to R5.5 million in the 2013/14 financial year. In 2014/15 the budget increased to R30 million. For the MTEF period the allocations are as follows: R33 million for both the 2015/16 and 2016/17 financial years, and R35.0 million in the 2017/18 financial year. The main cost drivers under this programme are capacity building projects, system development projects as well as the printing of provincial publications such as the Provincial Economic Review Outlook (PERO), Socio-economic Review and Outlook (SERO), Medium-term Budget Policy Statement (MTBPS), and Estimates of Provincial Revenue and Expenditure (EPRE).

Transfers and subsidies to GIFA for the 2014/15 financial year are at 75million.For the MTEF period allocations are as follows : R70million for 2015/16,R52million for 2016/17 and 55 million for 2017/18

PROGRAMME2: SUSTAINABLE FISCAL RESOURCES MANAGEMENT

SERVICE DELIVERY MEASURES

Performance Measures	Estimated Annual Targets		
	2015/16	2016/17	2017/18
Economical & Fiscal Policy Oversight			
Average % increase in own revenue collection	10%	12%	12%
Table the SERO, PERO and MTBPS at Legislature according to the prescribed timeframes	SERO published in March 2016	SERO published in March 2017	SERO published in March 2018
	PERO published in October 2015	PERO published in October 2016	PERO published in October 2017
	MTBPS tabled in November 2015	MTBPS tabled in November 2016	MTBPS tabled in November 2017
Budget Management			
Number of engagements conducted with GPG departments on the alignment of budgets to provincial plan	14 MTEC sessions and key MTEC resolutions prepared	14 MTEC sessions held and key MTEC resolutions prepared	14 MTEC sessions held and key MTEC resolutions prepared
	15 budget fora held	15 budget fora held	15 budget fora held
Number of budgets tabled according to the prescribed timeframes	1 credible MTEF budget that resources the 10 pillars tabled	1 credible MTEF budget that resources the 10 pillars tabled	1 credible MTEF budget that resources the 10 pillars tabled
	1 credible adjustment budget that resources the 10 pillars tabled	1 credible adjustment budget that resources the 10 pillars tabled	1 credible adjustment budget that resources the 10 pillars tabled
Number of strategic projects resourced from the fiscus and implemented (game changers)	1	2	2
% variance between projections and actuals	10% variance between quarterly projections and actual for transfers	7% variance between quarterly projections and actual resources spend	5% variance between quarterly projections and actual resources spend
	10% variance between quarterly projections and actual spending on personnel		
Develop automated IYM	User requirements for the automation of IYM approved	Automated IYM developed	N/A
Public Finance			
% reduction of accruals as disclosed in the Annual Financial Statements	10%	15%	20%
Number of budget bilaterals conducted	1	1	1
Number of annual budget assessments for identified key programmes/ departments conducted	GPT and 2 entities budget assessed	DED budget assessed	3 entities budgets assessed
% of GPG wage bill against budget	60%	60%	60%
% spent on conditional grants expenditure	90%	95%	95%
Develop a value for money framework	Value for money framework developed	VFM framework implemented in 3 departments	VFM framework implemented in 4 departments
Infrastructure Management			
Number of budgets tabled according to the prescribed timeframes	Credible budget for infrastructure tabled as per the provincial budget timeline	Credible budget for infrastructure table as per the provincial budget timeline	Credible budget for infrastructure table as per the provincial budget timeline

Performance Measures	Estimated Annual Targets		
	2015/16	2016/17	2017/18
Develop unit cost model for roads	Unit cost model for roads developed	10% of roads designed and costs be based on the unit cost	25% of roads designed and costs be based on the unit cost
% utilization of cost benefit analysis model to analyse mega projects	100% utilization of CBA to analyse mega projects	100% utilization of CBA to analyse mega projects	100% utilization of CBA to analyse mega projects
% spent on infrastructure allocation	90%	95%	95%
Number of local municipalities with provincial infrastructure plans aligned to the Gauteng Infrastructure Master Plan	2 local municipalities	2 local municipalities	2 local municipalities
Develop draft guideline for infrastructure projects	Draft guideline for infrastructure projects developed	Conduct legislative compliance on draft guideline for infrastructure projects	Contract management guideline for infrastructure projects approved
Revenue Fund Management			
Unqualified audit opinion with no matters for the Provincial Revenue Fund	Unqualified audit opinion for the with no other matters from the previous year maintained	Unqualified audit opinion for the with no other matters from the previous year maintained	Unqualified audit opinion for the with no other matters from the previous year maintained
Cash Management			
Monthly cash-outflows for departments does not exceed the provincial revenue streams	Cash-outflow does not exceed the provincial revenue streams	Cash-outflow does not exceed the provincial revenue streams	Cash-outflow does not exceed the provincial revenue streams
Number of departments with ring-fenced funds for compensation of employees, conditional grants, critical services, local municipalities and infrastructure grants	All	All	All
	Ring fence COE, conditional grants, infrastructure and critical services funds at 4 central hospitals	Ring fence COE, conditional grants, infrastructure and critical services funds at 4 central and 3 tertiary hospitals	
Number of departments deployed with the CFF model	All departments	N/A	N/A
% of monthly cash allocated in-line with cash forecast	70%	90%	70%

PROGRAMME 3: FINANCIAL GOVERNANCE

Programme description

The programme aims to promote accountability through substantive reflection of financial activities as well as compliance with financial norms and standards in PFMA compliant institutions.

Programme objectives

- To reduce fraud and corruption and promote clean government across the province; and
- To support all departments, entities and municipalities in achieving unqualified audits.

TABLE 14.10: SUMMARY OF PAYMENTS AND ESTIMATES: FINANCIAL GOVERNANCE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Programme Support/Office Of The DDG	857	1 746	28 986	43 349	36 599	56 357	3 464	3 688	3 872
2. Provincial Accounting Services	21 978	26 105	30 896	33 276	33 451	33 080	37 147	39 605	41 585
3. Provincial Forensic Audits	8 887	10 177	14 341	17 156	15 085	15 085	19 194	20 558	21 836
4. Transversal Internal Audit And Risk Management	8 429	7 587	10 377	13 847	12 347	13 195	14 704	15 725	16 511
5. Compliance	3 505	3 300	6 075	19 243	16 300	16 608	13 699	13 301	13 966
6. Financial Information Management Systems	4 425	5 403	11 684	8 323	7 898	8 011	10 400	13 018	13 669
Total payments and estimates	48 081	54 318	102 359	135 194	121 680	142 336	98 608	105 894	111 439

TABLE 14.11: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: FINANCIAL GOVERNANCE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	48 081	54 252	100 557	135 194	121 571	142 208	98 608	105 894	111 439
Compensation of employees	44 878	50 934	64 490	84 456	77 353	78 073	86 364	90 206	94 969
Goods and services	3 203	3 318	36 067	50 738	44 218	64 135	12 244	15 688	16 470
Interest and rent on land									
Transfers and subsidies to		66	879		75	94			
Households		66	879		75	94			
Payments for capital assets			923		34	34			
Buildings and other fixed structures									
Machinery and equipment			783		25	25			

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Software and other intangible assets			140		9	9			
Payments for financial assets									
Total economic classification	48 081	54 318	102 359	135 194	121 680	142 336	98 608	105 894	111 439

The Financial Governance Programme is one of the programmes affected by the re-configuration of the GPT. The programme has received Provincial Forensic Audit and Accounting Services and has additional capacity in the area of compliance. The outcomes (historical expenditure) and 2015 MTEF is inclusive of the new functions.

The budget for Financial Governance increases from R48 million in the 2011/12 financial year to R102.3 million in the 2013/14 and R135.1 million in the 2014/15 financial years. The main factor in the increasing trend was the R70 million allocation to the Health Intervention Project between the 2013/14 and 2014/15 financial years. For the MTEF period the financial governance allocation is R98.6 million in the 2015/16 financial year, R105.8 million in the 2016/17 and R111.4 million in 2017/18 financial years. The main factors contributing to the increase in the budget over the MTEF is the allocation of additional funding for Compensation of Employees, the Systems Development Project, infrastructure project management information systems, SAP inventory management information systems, forensic laboratory establishment and GRAP/modified cash standard training for the department and entities. The automation project is part of the department's commitment to modernizing the public service for effective service delivery.

Compensation of Employees increases from R44.8 million in the 2011/12 financial year to R64.9 million in the 2013/14 financial year. The budget further increases from R78 million in the 2014/15 financial year to R94.9 million in the 2017/18 financial year. The increase in Compensation of Employees is due to filling of critical positions as per reconfiguration to align to generic structures prescribed for provincial treasuries, and for salary settlements that have been above inflation over the period as well as notch progressions.

Goods and Services increase from R3.2 million in 2011/12 to R3.3 million in 2012/13. They increased from R36.0 million in the 2013/14 financial year to R54.2 million in the 2014/15 financial year. The 2015 MTEF period sees a significant decrease in Goods and Services as the R70 million allocated to the Health Intervention Project ended in 2014/15. The allocation for the MTEF period is R12.2 million in the 2015/16 financial year, and is at R15.6 million and R16.4 million for 2016/17 and 2017/18 respectively. The spending focus over the MTEF will be on conducting fraud detection reviews as well as implementation of audit recommendations.

SERVICE DELIVERY MEASURES

PROGRAMME 3: FINANCIAL GOVERNANCE

Performance measures	Estimated annual targets		
	2015/16	2016/17	2017/18
Financial Accounting			
% of audit recommendations implemented by entities and departments before the next audit cycle	85% of recommendations	90% of recommendations	95% of recommendations
Number of departments and public entities receiving structured targeted training	All departments and public entities	All departments and public entities	All departments and public entities
Number of departments and entities with unqualified audit outcomes for the 2014/15 financial year	13 departments All GPG entities	14 departments All GPG entities	All departments
Statutory Deductions			
Number of departments with the online payroll certificate system	6	All remaining departments	N/A
% of fictitious payments recalled	100%	100%	100%
Transversal Internal Audit & Risk Management			
Number of strategic risk assessment workshops conducted in GPG departments	14	14	14
Financial Information Management Systems			
Develop the BI tool	BI tool developed Pilot the BI tool with 2 departments	Deploy BI tool in all remaining departments	Monitor compliance in all departments
Number of departments with BI tool deployed	4	Hand over the tool to remaining departments	N/A
Provincial Forensic Audit			
% of committed investigations completed as per the letter of engagement with the client	100%	100%	100%
Number of fraud detection reviews conducted	14	14	14

Performance measures	Estimated annual targets		
	2015/16	2016/17	2017/18
Number of fraud risk assessments reports issued	14	14	14
Develop a fraud detection system	Fraud detection system developed		
Develop a case management system	Case management system developed		
Accounts Payable			
Number of departments and institutions implementing P-card	36	36	
Number of departments with payment system for leases, contracts and utilities	10		

PROGRAMME 4 : PROVINCIAL SUPPLY CHAIN MANAGEMENT & MOVEABLE ASSET MANAGEMENT

Programme purpose

The programme aims to promote and enforce transparency and effective supply chain management and asset Management.

Programme objectives

- To reduce fraud and corruption and promote clean government across the province; and
- To ensure that service providers (especially SMME's from targeted groups) are registered and paid timeously.

TABLE 14.12: SUMMARY OF PAYMENTS AND ESTIMATES: PROVINCIAL SUPPLY CHAIN & MOVABLE ASSET MANAGEMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Programme Support/ Office of the DDG	1 792	2 303	2 347	3 396	3 391	3 787	11 490	12 357	12 975
2. SCM Policy, Norms and Standards				650	650		7 000	10 000	10 500
3. Governance, Compliance, Monitoring and Evaluation							3 200	3 400	3 570
4. SCM Client Support							29 120	31 025	32 576
5. Strategic Procurement							7 373	7 868	8 261
6. Transversal Contract Management							16 642	17 761	18 649
7. Movable Asset Management							3 000	3 165	3 708
8. Procurement Services	64 443	62 699	55 964	65 526	57 815	57 816	8 767	9 348	9 815
Total payments and estimates	66 235	65 002	58 311	69 572	61 856	61 602	86 592	94 924	100 055

TABLE 14.13: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: PROVINCIAL SUPPLY CHAIN & MOVABLE ASSET MANAGEMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	66 054	64 926	58 228	69 572	61 830	61 576	86 592	94 924	100 055
Compensation of employees	61 821	63 051	56 132	66 984	58 779	58 779	80 457	88 503	93 313
Goods and services	4233	1875	2096	2588	3051	2797	6135	6421	6742
Transfers and subsidies to	181	19	79			18	9		
Households	181	19	79			18	9		
Payments for capital assets						8	18		
Software and other intangible assets						8	18		
Payments for financial assets		57	4						
Total economic classification	66 235	65 002	58 311	69 572	61 856	61 603	86 592	94 924	100 055

Provincial Supply Chain and Movable Asset Management is a new programme in the GPT. This is also one of the programmes created after re-configuration of the GPT as mentioned earlier. It is made up of the former GDF procurement functions and GPT supply chain management (SCM) and asset management oversight functions. Specialist capacity has been added in the areas of SCM governance, asset management, SCM compliance monitoring and evaluation.

Outcomes (historical expenditure) and 2015 MTEF is inclusive of the of the procurement function from GDF. The new functions have no outcomes (historical expenditure).

Expenditure was R66.2 million in the 2011/12 financial year. There was a decrease to R58.3 million in the

2013/14 financial year. The allocation over the MTEF is as follows: R86.5 million in the 2015/16 financial year, R94.9 million in the 2016/17 financial year and R100 million in the 2017/18 financial year. The main contributor to the increase in the budget is the additional capacity to be added in SCM governance, asset management and SCM compliance monitoring and evaluation.

Compensation of Employees expenditure was R61.8 million in the 2011/12 financial year, increasing to R63.0 million in the 2012/13 financial year. Expenditure then decreased to R56.1 million in the 2013/14 financial year. The budget is R58.7 million for the 2014/15 financial year. The allocation over the MTEF is as follows: R80.4 million for the 2015/16 financial year, R88.5 million for the 2016/17 financial year and R93.3 million for the 2017/18 financial year. The main contributor to the increase in the budget is the additional capacity to be added in the areas of SCM governance, asset management and SCM compliance monitoring and evaluation.

Goods and Services expenditure was R4.2 million in the 2011/12 financial year, decreasing to R1.8 million in 2012/13 and remaining at R2 million in the 2013/14 financial year. The budget in the 2014/15 financial year is R3 million. The allocation over the MTEF is as follows: R6 million for both the 2015/16 and 2016/17 financial years and R7 million for the 2017/18 financial year.

SERVICE DELIVERY MEASURE

PROGRAMME 4: PROVINCIAL SUPPLY CHAIN & MOVEABLE ASSET MANAGEMENT

Performance measures	Estimated annual targets		
	2015/16	2016/17	2017/18
Provincial Supply Chain Management			
Number of institutions with contract management framework implemented	Contract management framework implemented in 3 departments, 3 public entities and 2 local municipalities	Contract management framework implemented in 3 departments, 4 trading entities and 4 local municipalities	Contract management framework implemented in all departments, all public entities and all local municipalities
Develop a price scheduling index	1 price scheduling index developed	1 price scheduling index developed	1 price scheduling index developed
Number of approved SCM frameworks for GPG Departments and Municipalities	1 approved SCM framework for GPG departments	1 approved SCM framework for GPG departments	1 approved SCM framework for GPG departments
	1 approved SCM framework for local municipalities	1 approved SCM framework for GPG departments	1 approved SCM framework for GPG departments
Number of reports on the analysis of compliance to the cost containment measures strategy	4	4	4
Establishment of a procurement hub in GPG	Procurement hub established in GPG	Monitor to ensure all tenders awarded in the province are published	
Number of departments targeted for open tender projects	2	2	2
Procurement			
Number of suppliers identified and registered in township hubs across the 5 commodity groups	30	50	100
% of transversal term agreements established within SLA of 90 days from the date a tender is published in the Tender Bulletin to the date of tender award	100%	100%	100%
% of GPG transversal contracts available and updated in the central repository of awarded contracts within 15 days from the date of receipt of the contract	100%	100%	100%
% of suppliers registered on the GPG centralized database of suppliers within 12 working days upon receipt of the application form	100%	100%	100%

PROGRAMME 5 : MUNICIPAL FINANCIAL GOVERNANCE

Programme purpose

The programme aims to ensure effective and efficient management in municipalities and municipal entities and coordinate the provisioning of capacity building.

Programme objective

To support all departments, entities and municipalities in achieving unqualified audits.

TABLE 14.14: SUMMARY OF PAYMENTS AND ESTIMATES: MUNICIPAL FINANCIAL GOVERNANCE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Programme Support/ Office of the DDG	16 532	17 958	27 526	32 412	28 630	28 480	2 899	3 040	3 192
2. Municipal Budget							5 439	5 781	6 070
3. Municipal Accounting and Reporting							5 439	5 775	6 064
4. Municipal Financial Assets And Liabilities							5 440	5 774	6 063
5. Municipal Supply Chain and Asset Management							5 440	5 774	6 063
6. Municipal Governance and Institutional Management							5 440	5 775	6 069
Total payments and estimates	16 532	17 958	27 526	32 412	28 630	28 480	30 097	31 919	33 520

TABLE 14.15: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: MUNICIPAL FINANCIAL GOVERNANCE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	16 527	17 946	27 526	32 412	28 558	28 384	30 097	31 919	33 520
Compensation of employees	16 072	17 309	20 061	25 715	27 643	27 469	29 298	31 079	32 638
Goods and services	455	637	7 465	6 697	915	915	799	839	881
Transfers and subsidies to	5	12			72	96			
Departmental agencies and accounts					72	96			
Households	5	12							
Payments for capital assets									
Buildings and other fixed structures									
Payments for financial assets									
Total economic classification	16 532	17 958	27 526	32 412	28 630	28 480	30 097	31 919	33 520

Municipal Financial Governance is a new programme in the GPT. This is also one of the programmes created after re-configuration of the GPT as mentioned earlier. This function existed in GPT as Local Government Financial Services.

Outcomes (historical expenditure) and the 2015 MTEF is inclusive of the of the Local Government Financial Services function from GPT. The expenditure for Municipal Financial Governance was R 16.5 million in the 2011/12 financial year and increased to R32.4 million by the 2014/15 financial year. The increase in allocation was mainly to fund the Municipal Advisor Programme for hands-on financial management support at municipalities. The allocation for the programme over the MTEF period is as follows: R30.0 million in the 2015/16 financial year and R31.9 million in the 2016/17 financial year, peaking at R33.5 million in the 2017/18 financial year.

Compensation of Employees expenditure was R16.0 million in the 2011/12 financial year. The budget increased to R20.0 million by the 2013/14 financial year. The allocation over the MTEF period is as follows: R29.2 million in the 2015/16 financial year, R31.0 million in the 2016/17 financial year and R32.6 million in the 2017/18 financial year. The increase caters for the annual cost of living adjustment, notch progression and performance bonuses.

Goods and Services expenditure was R455 thousand in the 2011/12 financial year. The budget increased to fund various interventions at municipalities and was R7.4 million in 2013/14. The allocation for Goods and Services for the programme over the MTEF is as follows: R799 thousand in the 2015/16 financial year, R839 thousand in the 2016/17 financial year and R881 thousand in the 2017/18 financial year. The main cost drivers in the programme are printing of gazettes, travel expenditure to municipalities, software licenses, training and development. The programme will also embark on a project to develop asset management strategies for municipalities.

SERVICE DELIVERY MEASURE**PROGRAMME 5: MUNICIPAL FINANCIAL GOVERNANCE**

Performance measures	Estimated annual targets		
	2015/16	2016/17	2017/18
Local Government Financial Services			
Number of local municipalities with draft budget assessments conducted to check alignment to IDPs	9	9	9
Number of local municipalities final budget assessments conducted	9	9	9
Number of municipalities receiving structured targeted training on GRAP standards	9	9	9
Track the implementation of recommendations on assessment on municipalities level of compliance and financial sustainability	Track the implementation of recommendations and corrective measures from the assessment monitored Conduct an impact analysis of the MFHSP and make recommendations	Track the implementation the recommendations from the impact analysis	
% of audit recommendations and commitments implemented by management to address AG findings	85%	90%	95%
Number of local municipalities with unqualified audit opinions for the financial year under review	Maintain all unqualified audit outcomes for the financial year under review 85% reduction in repeat findings as per the GPT Action Plan dashboard in the 2 qualified local municipalities (Westonaria & Randfontein)	Maintain all unqualified audit outcomes for the financial year under review Improve 1 qualified local municipality outcome to unqualified	All local municipalities with unqualified audit outcomes for the financial year under review
Dissemination of the Estimates of Capital Expenditure to municipalities and metros	Estimates of Capital Expenditure disseminated to municipalities and metros	Estimates of Capital Expenditure disseminated to municipalities and metros	Estimates of Capital Expenditure disseminated to municipalities and metros
Number of assessments conducted on local municipal annual reports	All local municipalities	All local municipalities	All local municipalities
Facilitation of the installation of prepaid meters in the CoT, CoJ and Ekurhuleni in government facilities in the province	Conduct assessment on installation of prepaid meters in government facilities in the province (CoT, COJ, Ekurhuleni) Pilot the installation of prepaid meters in identified departments (buildings in the precinct)	Roll-out the installation of prepaid meters to 50% of the identified government facilities in the province	Roll-out the installation of prepaid meters to all remaining government facilities in the province

PROGRAMME 6 : GAUTENG AUDIT SERVICES**Programme purpose**

To enhance transparency, good governance and clean government through strengthening the internal control and regulatory environment in the province.

Programme objectives

To support all departments, entities and municipalities to achieve clean audits.

TABLE 14.16: SUMMARY OF PAYMENTS AND ESTIMATES: GAUTENG AUDIT SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Programme Support/ Office of the DDG	1 739	2 269	1 910	4 134	4 564	4 564	7 302	7 313	7 701
2. Risk and Compliance Audit Services (Cluster 1 & 2)	16 013	17 398	15 136	15 564	14 893	14 893	16 881	18 066	19 209
3. Risk and Compliance Audit Services (Cluster 3; 4 & 5)	10 941	11 638	16 569	21 432	20 066	20 074	23 375	24 987	26 559
4. Performance and Computer Audit Services	11 040	13 438	14 204	17 884	15 911	15 938	19 815	21 193	22 535
5. Audit Centre of Excellence	4 217	3 929	4 886	5 590	5 535	5 535	6 383	6 811	7 237
Total payments and estimates	43 950	48 672	52 705	64 604	60 969	61 004	73 756	78 372	83 241

TABLE 14.17: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: GAUTENG AUDIT SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	43 950	48 512	52 659	64 604	60 968	60 968	73 756	78 372	83 241
Compensation of employees	42 921	45 205	52 039	62 037	57 984	57 983	68 153	72 884	77 483
Goods and services	1 029	3 307	620	2 567	2 984	2 985	5 603	5 488	5 758
Transfers and subsidies to		117	46		1	36			
Non-profit institutions									
Households		117	46		1	36			
Payments for capital assets									
Software and other intangible assets									
Payments for financial assets		43							
Total economic classification	43 950	48 672	52 705	64 604	60 969	61 004	73 756	78 372	83 241

Gauteng Audit Services (GAS) is a new programme in the GPT. This is also one of the programmes created after re-configuration of the GPT as mentioned earlier.

Outcomes (historical expenditure) and 2015 MTEF is inclusive of the of the GAS function from GDF.

The GAS budget increases from R43.9 million in 2011/12 to a revised estimate of R83.2 million in 2017/18. More than 95 per cent of the GAS budget lies under Compensation of Employees. Due to the scarce skills in the audit industry in general, priority has been directed toward ensuring adequate capacitation of the programme in order to execute its provincial obligations, primarily to contribute towards the achievement of clean audits in the province. Whilst the programme has historically relied on external audit services, the decision to desist from the use of consultants resulted in the shifting of funds away from Goods and Services into Compensation to enable the programme to be sufficiently capacitated in this regard.

The GAS Compensation budget increases from R42.9 million in 2011/12 to R77.4 million in 2017/18. The trend is consistent with the need to fully capacitate the programme by filling critical vacant posts. Although the effort to fill vacant posts in the programme was accelerated in 2012/13, resulting in the decrease in the vacancy rate in the programme, the competition with the private sector for scarce audit skills has resulted in a regression. Of the total staff establishment of 138 posts, 104 posts were active as of 1 July 2014, with the number of vacancies doubling from 17 to 34 posts. The programme is actively recruiting in the audit market and adopting various strategies to attract and retain audit talent.

Goods and Services under this programme consist mainly of provisions for specialised audits skills for which are not available internally, necessitating the filling of this gap by the use of consultants to assist with the execution of these specialised audits. The Goods and Services budget increases from R1 million in 2011/12 to just R5.7 million in 2017/18. This pattern is in keeping with both the departmental decision to move away from the use of consultants, and giving priority to building sufficient capacity within the programme to execute its audit functions in the province.

SERVICE DELIVERY MEASURE

PROGRAMME 6: GAUTENG AUDIT SERVICES

Performance measures	Estimated annual targets		
	2015/16	2016/17	2017/18
Gauteng Audit Services			
Number of planned risk audits completed - risk and compliance clusters 1 & 2	86	86	86
Number of planned risk audits completed - risk and compliance clusters 3; 4 & 5	86	86	86
Number of planned computer audits completed	24	24	24
Number of planned performance audits completed	39	39	39
Number of information technology (IT) risk assessments completed	14	14	14
Number of cost containment circular compliance audits completed	32	32	32
Number of follow-up audits on 2014/15 AG significant findings completed	56 Follow-up audits on 2014/15 AG significant findings completed	56 Follow-up audits on 2015/16 AG significant findings completed	56 Follow-up audits on 2016/17 AG significant findings completed

Performance measures	Estimated annual targets		
	2015/16	2016/17	2017/18
% implementation of AG and internal audit findings	80%	80%	98%
Establish internal capacity for consulting (advisory) activities	Internal capacity established	Advisory support provided to departments	Advisory support Provided to departments and municipalities
Number of key controls reviews conducted	12	12	12

9. OTHER PROGRAMME INFORMATION

9.1 Personnel numbers and costs

TABLE 14.18 PERSONNEL NUMBERS AND COSTS: GAUTENG PROVINCIAL TREASURY

Personnel numbers	As at	As at	As at	As at	As at	As at	As at
	31 March 2012	31 March 2013	31 March 2014	31 March 2015	31 March 2016	31 March 2017	31 March 2018
1. Administration	148	120	175	226	264	264	264
2. Sustainable Fiscal Resource Management	89	69	72	80	117	117	117
3. Financial Governance	126	92	101	258	257	257	257
4. Provincial Supply Chain and Movable Asset Management					157	157	157
5. Municipal Financial Governance					52	52	52
6. Gauteng Audit Services	120	109	135	103	105	105	105
Total provincial personnel numbers	483	390	483	667	952	952	952
Total provincial personnel cost (R thousand)	238 190	257 114	291 210	359 265	417 813	442 901	467 028
Unit cost (R thousand)	493	659	603	539	439	465	491

14.19: SUMMARY OF DEPARTMENTAL PERSONNEL NUMBERS AND COSTS: GAUTENG PROVINCIAL TREASURY

	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Total for department									
Personnel numbers (head count)	483	390	483	667	667	667	952	952	952
Personnel cost (R thousands)	238 190	257 114	291 210	359 265	359 265	359 265	417 813	442 901	467 028
Human resources component									
Personnel numbers (head count)	55	18	24	29	29	29	39	39	39
Personnel cost (R thousands)	29 974	5 437		10 974	10 974	10 974	10 730	11 481	12 227
Head count as % of total for department									
Personnel cost as % of total for department									
Finance component									
Personnel numbers (head count)	68	23	36	35	35	35	52	52	52
Personnel cost (R thousands)	6 726	7 406	3 299	11 842	11 842	11 842	14 165	15 156	16 141
Head count as % of total for department	14.1%	5.9%	7.5%	5.2%	5.2%	5.2%	5.5%	5.5%	5.5%
Personnel cost as % of total for department	2.8%	2.9%	1.1%	3.1%	3.3%	3.3%	3.4%	3.4%	3.5%
Full time workers									
Personnel numbers (head count)	483	390	483	667	667	667	952	952	952
Personnel cost (R thousands)	238 190	257 114	291 210	359 265	233 771	359 265	417 813	442 901	467 028
Head count as % of total for department	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Personnel cost as % of total for department	100.0%	100.0%	100.0%	92.6%	99.2%	100.0%	100.0%	100.0%	100.0%
Contract workers									
Personnel numbers (head count)	26		44	59	59	59	67	70	76
Personnel cost (R thousands)	1 670			3 854	3 854	3 854	8 093	4 277	4 491
Head count as % of total for department	5.4%	0.0%	9.1%	8.8%	8.8%	8.8%	7.0%	7.4%	8.0%
Personnel cost as % of total for department	0.7%	0.0%	0.0%	1.0%	1.1%	1.1%	1.9%	1.0%	1.0%

The human resource component of the GPT maintains a consistent pattern throughout the period under review, in both personnel numbers and cost. The increases in cost over the period are mainly a reflection of projected compensation adjustments in keeping with the cost of living. The increases in cost over the MTEF for part-time/contract workers are mainly a reflection of projected compensation adjustments in keeping with the cost of living.

The increase in personnel between 2014/15 to 2015/16 indicates the department's plans to fully capacitate in order to full fill its mandate.

9.2 Training

TABLE 14.20: PAYMENTS ON TRAINING

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Administration	298	1 119	3 199	532	2 262	1 863	560	501	526
Subsistence and travel									
Payments on tuition	298	1 119	3 199	532	2 262	1 863	560	501	526
Other									
2. Sustainable Fiscal Resource Management	574	1 344	268	406		406	428	451	473
Subsistence and travel	574	574							
Payments on tuition		770	268	406		406	428	451	473
Other									
3. Financial Governance	573	1 175	3 776	1 880	2 349	1 880	3 090	3 256	3 421
Subsistence and travel	573	573							
Payments on tuition		602	3 776	1 880	2 349	1 880	3 090	3 256	3 421
Other									
4. Provincial Supply Chain And Movable Asset Management				560	560	560	1 229	1 303	1 369
Subsistence and travel									
Payments on tuition				560	560	560	1 229	1 303	1 369
Other									
5. Municipal Financial Governance			167						
Subsistence and travel									
Payments on tuition			167						
Other									
6. Gauteng Audit Services							682	729	775
Subsistence and travel									
Payments on tuition							682	729	775
Other									
Total payments on training	1 445	3 638	7 410	3 378	5 171	4 709	5 989	6 240	6 563

TABLE 14.21: INFORMATION ON TRAINING: GAUTENG PROVINCIAL TREASURY

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Number of staff	483	390	483	667	667	667	952	952	952
Number of personnel trained	239	271	366	350	350	350	450	500	525
of which									
Male	106	115	148	140	140	140	160	180	189
Female	133	156	218	210	210	210	290	320	336
Number of training opportunities	290	271	333	490	490	490	600	710	746
of which									
Tertiary	192	98	150	250	250	250	300	350	368
Workshops	98	173	153	200	200	200	250	300	315
Seminars			30	40	40	40	50	60	63
Other									
Number of bursaries offered	192	98	150	173	173	173	200	200	210
Number of interns appointed	21	46	26	35	35	35	40	45	50
Number of learnerships appointed	13	40	18	18	18	18	20	25	26
Number of days spent on training									

The above tables reflect the department's commitments on the training and development of employees. The focus remains on the development of females. The department intends to continue implementing focussed leadership development programmes aimed at women.

The department considers training and development of employees as one of its key priorities, especially in the scarce and critical skills categories, and has allocated approximately 2.5 per cent of the personnel compensation budget for training. Funds will be utilised for bursaries, learnerships, internships and training and development interventions. The human resource development (HRD) strategy was approved by the head of department on 18 April 2013 and the implementation plan is developed and reviewed on an annual basis for the rest of the MTEF period as one of the integrated systems and processes for workforce development. However, it is challenging to retain these employees once having invested in their growth.

Strategic management, management and leadership, and people management training for all management are prioritised for the 2014/15 Workplace Skills Plan (WSP) as critical skills to address the gap identified during the culture survey and competency assessment.

The Management Advancement Programme for all middle management service members was implemented with effect from the 2013/14 financial year and again in the 2014 academic year in order to create the talent pipeline for filling the senior management positions internally. The department will also participate in the GCRA Integrated Management Development Programme in the 2014 academic year. It will also prioritise the Emerging Management Development Programme and the Middle Management Development Programme to develop the skills of staff.

The department should therefore consider including contract obligations with training and development interventions, including obligatory skills transfer programmes, to ensure that skills remain within the department. Furthermore, the review of the budgeting process for training and development should ensure that allocated funds are ring-fenced and used only for skills development. Additionally, the department should strengthen its 'buying power' within the province in order to negotiate reduced rates with institutions of higher learning.

Training interventions, including seminars and workshops, will focus on improving the generic and functional skills of employees. All training interventions will be in line with the approved WSP, as well as individual personal development plans (PDPs) which form part of the performance management and development system.

The department is continuously committed to addressing skills shortages and scarce skills, and aims to appoint at least 8 per cent of the staff establishment as interns each financial year. This exceeds the mandated 5 per cent. In implementing the above-mentioned programmes, the department is contributing towards reducing poverty, creating jobs, youth development and ultimately addressing skills shortages in the country. Interns and learners are appointed additional to the staff establishment, and must therefore be budgeted for.

While the department is committed to providing workplace experience, permanent placement of high performing interns in the department is not guaranteed, as this depends on the availability of positions and their success during normal recruitment processes. In instances where interns are trained by the department but these skills are later not absorbed, our interns are of such high calibre that they do not experience too much difficulty in being recruited by the private sector.

9.3 Reconciliation of structural changes

TABLE 14.22: RECONCILIATION OF STRUCTURAL CHANGES: GAUTENG PROVINCIAL TREASURY

2014/15		2015/16	
Programmes	R'000	Programmes	R'000
1. Administration	98 752	1. Administration	111 528
1. Office of the MEC	7 827	1. Office of the MEC	7 719
2. Office of the HOD	15 955	2. Office of the HOD	15 523
3. Corporate Services	55 757	3. Corporate Management	64 241
4. Financial Management Services (CFO)	19 213	4. Financial Management Services (CFO)	24 045
2. Sustainable Fiscal Resource Management	157 106	2. Sustainable Fiscal Resource Management	183 781
1. SRM Programme Support	104 034	1. Programme Support/ Office of the DDG	82 810
2. Budget Management	15 994	2. Budget Management	22 127
		3. Economic and Fiscal Policy Oversight	11 193

2014/15		2015/16	
Programmes	R'000	Programmes	R'000
3. Fiscal Policy and Economic Analysis	10 285	4. Infrastructure Management	28 159
4. Public Private Partnership	3 515	5. Financial Asset and Liabilities Management	21 846
5. Public Finance	23 278	6. Public Finance	17 646
3. Financial Governance	114 274	3. Financial Governance	98 608
1. FG Programme Support	46 649	1. Programme Support/ Office Of The DDG	3 464
2. Risk Management	13 347	2. Provincial Accounting Services	37 147
3. Norms and Standards	16 950	3. Provincial Forensic Audits	19 194
4. Local Government Financial Services Support	28 630	4. Transversal Internal Audit and Risk Management	14 704
5. Financial Business System	8 698	5. Compliance	13 699
4. Provincial Accounting Services	58 142	6. Financial Information Management Systems	10 400
1. PAS Programme Support	4 041	4. Provincial Supply Chain And Movable Asset Management	86 592
2. Financial Asset and Liabilities	20 650	1. Programme Support/ Office of the DDG	11 490
3. Accounting Services	21 357	2. SCM Policy, Norms and Standards	7 000
4. Statutory Deductions Management	12 094	3. Governance, Compliance, Monitoring and Evaluation	3 200
		4. SCM Client Support	29 120
		5. Strategic Procurement	7 373
		6. Transversal Contract Management	16 642
		7. Movable Asset Management	3 000
		8. Procurement Services	8 767
		5. Municipal Financial Governance	30 097
		1. Programme Support/ Office Of The DDG	2 899
		2. Municipal Budget	5 439
		3. Municipal Accounting and Reporting	5 439
		4. Municipal Financial Assets and Liabilities	5 440
		5. Municipal Supply Chain and Asset Management	5 440
		6. Municipal Governance and Institutional Management	5 440
		6. Gauteng Audit Services	73 756
		1. Programme Support/ Office of the DDG	7 302
		2. Risk and Compliance Audit Services(Cluster 1 & 2)	16 881
		3. Risk And Compliance Audit Services(Cluster 3; 4 & 5)	23 375
		4. Performance and Computer Audit Services	19 815
		5. Audit Centre of Excellence	6 383
Total	428 274		584 362

The department is receiving the functions of the Gauteng Audit Services programme and the forensic services unit from the GDF. The department is creating a new municipal financial governance programme, which aims to ensure effective and efficient management in municipalities and municipal entities and to coordinate the provisioning of capacity building. The department also aims to align with the generic structures for treasuries.

ANNEXURE TO ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE

TABLE 14.23: SPECIFICATIONS OF RECEIPTS: GAUTENG PROVINCIAL TREASURY

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Tax receipts									
Casino taxes									
Sales of goods and services other than capital assets		175	235	211	211	311	222	234	245
Sale of goods and services produced by department (excluding capital assets)		175	235	211	211	311	222	234	245
Sales by market establishments		175	235	211	211	311	222	234	245
Administrative fees									
Health patient fees		175							
Interest, dividends and rent on land	164 758	187 570	247 283	80 000	80 000	355 835	88 000	100 000	105 000
Interest	164 758	187 570	247 283	80 000	80 000	355 835	88 000	100 000	105 000
Sales of capital assets									
Land and sub-soil assets									
Other capital assets									
Transactions in financial assets and liabilities		66	375			399	395	415	436
Total departmental receipts	164 758	187 811	247 893	80 211	80 211	356 545	88 617	100 649	105 681

TABLE: 14.24 PAYMENTS AND ESTIMATES BY ECONOMIC CLASIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	44 633	58 195	77 006	94 941	95 601	94 701	110 350	115 484	121 258
Compensation of employees	26 539	32 629	44 926	66 568	65 419	65 210	73 160	77 120	80 976
Salaries and wages	23 111	26 103	35 941	56 050	54 901	52 168	59 888	62 580	65 709
Social contributions	3 428	6 526	8 985	10 518	10 518	13 042	13 272	14 540	15 267
Goods and services	18 029	25 566	32 080	28 373	30 182	29 491	37 190	38 364	40 282
Administrative fees	111	105	116	271	82	80	284	299	314
Advertising	210	2	1 284	1 155	1 155	1 155	1 257	1 374	1 443
Assets less than the capitalisation threshold	422	1 013	195	303	161	177	270	232	244
Audit cost: External	2 516	2 260	1 082	2 209	2 209	2 209	2 311	2 433	2 555
Bursaries: Employees	624	759	1 217	1 318	1 186	1 128	1 550	1 535	1 612
Catering: Departmental activities	114	630	1 580	461	432	136	437	460	483
Communication (G&S)	3 556	1 489	1 835	3 351	3 030	3 020	5 169	5 339	5 606
Computer services	—	5	283	2 103	2 086	2 086	3 697	3 896	4 091
Consultants and professional services: Business and advisory services	999	613	1 302	964	1 516	1 516	1 026	1 204	1 264
Consultants and professional services: Legal costs	955	7	—	792	392	392	926	27	28
Contractors	177	248	5 597	2 952	1 810	1 810	3 108	3 340	3 507
Agency and support / outsourced services	18	32							
Entertainment	145	27		32	32		35	37	39
Fleet services (including government motor transport)	13	30	1 452	25	914	899	1 452	1 536	1 612
Inventory: Food and food supplies	53	94							
Inventory: Fuel, oil and gas	7	59							
Inventory: Materials and supplies	29	15							

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Consumable supplies	8	146	797	571	638	340	603	636	668
Consumable: Stationery, printing and office supplies	842	844	1 051	1 374	1 375	1 413	1 310	1 380	1 449
Operating leases	2 419	582	1 443	970	1 970	2 041	1 014	1 068	1 121
Property payments	3 011	9 978	4 291	2 580	4 814	4 814	6 864	7 455	7 828
Transport provided: Departmental activity									
Travel and subsistence	1 140	3 576	3 391	3 315	1 780	1 743	2 010	2 116	2 222
Training and development	298	1 119	3 199	532	1 863	1 819	560	501	526
Operating payments	157	256	539	687	709	660	728	775	814
Venues and facilities	205	1 677	1 426	2 408	2 028	2 053	2 579	2 720	2 856
Interest and rent on land	65								
Interest	65								
Transfers and subsidies	22	75			1 281	1 293	225	238	250
Households	22	75			1 281	1 293	225	238	250
Social benefits	22	75			1 149	1 293			
Other transfers to households					132		225	238	250
Payments for capital assets	2 426	1 573	2 795	911	1 870	1 877	953	1 004	1 054
Machinery and equipment	2 426	1 559	2 774	911	1 595	1 602	953	1 004	1 054
Other machinery and equipment	2 426	1 559	2 774	911	1 595	1 602	953	1 004	1 054
Software and other intangible assets		14	21		275	275			
Payments for financial assets	336								
Total economic classification	47 417	59 768	79 876	95 852	98 752	97 871	111 528	116 725	122 562

TABLE: 14.25 PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: SUSTAINABLE RESOURCES MANAGEMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	49 449	50 727	59 088	112 426	69 446	101 136	133 781	116 449	122 656
Compensation of employees	45 959	47 986	53 562	82 244	62 424	71 751	80 381	83 108	87 649
Salaries and wages	40 408	38 389	42 580	71 907	54 855	57 401	68 658	71 377	75 331
Social contributions	5 551	9 597	10 982	10 337	7 579	14 350	11 723	11 731	12 318
Goods and services	3 490	2 741	5 526	30 182	7 012	29 385	53 400	33 341	35 008
Advertising	326	596	1 124	442	492	492	462	486	511
Audit cost: External						497	692	748	785
Catering: Departmental activities			44	247	247	198	260	274	287
Computer services				16 018	18	16 018	20 318	19 546	20 523
Consultants and professional services: Business and advisory services	1 626	100	1 427	1 601	1 665	1 060	20 810	853	895
Consultants and professional services: Legal costs		49	917	7 798	798	7 798	6 502	6 847	7 189
Contractors					68	68	100		
Consumable: Stationery, printing and office supplies	1 471	570	542	587	617	617	647	682	716
Travel and subsistence	21	301	106	1 393	1 001	1 022	1 370	1 548	1 625
Training and development		770	268	406	406	416	428	451	473
Operating payments	46	173	1 098	940	940	940	987	1 039	1 091
Venues and facilities		182		750	750	249	824	868	911
Interest and rent on land									
Transfers and subsidies	50 000	50 030	50 040	50 000	75 310	75 268	70 000	52 650	55 283
Departmental agencies and accounts	50 000	50 000	50 000	50 000	75 000	75 000	70 000	52 650	55 283
Provide list of entities receiving transfers	50 000	50 000	50 000	50 000	75 000	75 000	70 000	52 650	55 283

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Households		30	40		310	268			
Social benefits		30	40		310	268			
Payments for capital assets									
Software and other intangible assets									
Payments for financial assets	100								
Total economic classification	99 549	100 757	109 128	162 426	144 756	176 404	183 781	169 099	177 939

TABLE: 14.26: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: FINANCIAL GOVERNANCE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	48 081	54 252	100 557	135 194	121 571	132 208	98 608	105 894	111 439
Compensation of employees	44 878	50 934	64 490	84 456	77 353	78 073	86 364	90 206	94 969
Salaries and wages	39 116	49 814	51 592	73 135	67 039	62 458	76 040	79 084	83 288
Social contributions	5 762	1 120	12 898	11 321	10 314	15 615	10 324	11 122	11 681
Goods and services	3 203	3 318	36 067	50 738	54 218	54 135	12 244	15 688	16 470
Administrative fees					3	2	10	11	12
Advertising	25				94	94			
Minor assets less than the capitalisation threshold			2		24	24			
Audit cost: External	515	1 098	1 082	1 210	1 210	1 210	615	664	697
Bursaries: Employees		6						211	222
Catering: Departmental activities				228	185	234	240	253	265
Communication (G&S)							129	129	129
Computer services	126	719	2 828	188	169	535	458	271	285
Consultants and professional services: Business and advisory services	2 287	655	27 980	46 345	39 712	49 462	6 158	9 057	9 510
Consultants and professional services: Legal costs	174	114							
Contractors					9	32			
Agency and support / outsourced services			58						
Fleet services (including government motor transport)							24	25	26
Consumable supplies					2	4			
Consumable: Stationery, printing and office supplies	39	15	10	73			41	43	45
Operating leases							41	44	48
Travel and subsistence	35	86	160	294	224	200	462	488	513
Training and development		602	3 776	1 880	1 880	1 879	3 090	3 256	3 421
Operating payments	2	23	171	70	256	259	502	737	774
Venues and facilities				450	450	200	474	499	524
Transfers and subsidies		66	879		75	94			
Households		66	879		75	94			
Social benefits		66	879		75	94			
Other transfers to households									
Payments for capital assets			923		34	34			
Machinery and equipment			783		25	25			

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Other machinery and equipment	783	25	25	
Software and other intangible assets	140	9	9	
Payments for financial assets				
Total economic classification	48 081	54 318	102 359	135 194 121 680 132 336 98 608 105 894 111 439

TABLE 14.27: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: PROVINCIAL SUPPLY CHAIN & MOVEABLE ASSETS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	66 054	64 926	58 228	69 572	61 830	61 576	86 592	94 924	100 055
Compensation of employees	61 821	63 051	56 132	66 984	58 779	58 779	80 457	88 503	93 313
Salaries and wages	60 872	54 320	44 906	57 893	50 141	47 023	65 412	74 696	78 816
Social contributions	949	8 731	11 226	9 091	8 638	11 756	15 045	13 807	14 497
Goods and services	4 233	1 875	2 096	2 588	3 051	2 797	6 135	6 421	6 742
Administrative fees			165			57			
Advertising	76	175	195	200	200	225	259	269	283
Catering: Departmental activities				30	30	8	32	34	35
Communication (G&S)							366	366	384
Computer services							1 703	1 804	1 894
Consultants and professional services: Business and advisory services	4 151	1 683	1 700	1 165	1 633	1 739	1 219	1 275	1 338
Contractors	5		2			3			
Fleet services (including government motor transport)							97	103	108
Inventory: Materials and supplies		5							
Consumable supplies			2						
Consumable: Stationery, printing and office supplies						2	183	191	201
Operating leases							639	683	717
Travel and subsistence			8	150	75	162	113	83	88
Training and development				560	560	347	1 229	1 303	1 369
Operating payments	1	12	1	283	353	194	95	99	104
Venues and facilities			23	200	200	60	200	211	221
Transfers and subsidies	181	19	79	18	9				
Households	181	19	79	18	9				
Social benefits	181	19	79	18	9				
Other transfers to households									
Payments for capital assets					8	18			
Software and other intangible assets					8	18			
Payments for financial assets		57	4						
Total economic classification	66 235	65 002	58 311	69 572	61 856	61 603	86 592	94 924	100 055

TABLE 14.28: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: MUNICIPAL FINANCIAL GOVERNANCE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	16 527	17 946	27 526	32 412	28 558	28 384	30 097	31 919	33 520
Compensation of employees	16 072	17 309	20 061	25 715	27 643	27 469	29 298	31 079	32 638
Salaries and wages	14 289	13 847	16 049	22 376	24 304	21 975	25 250	26 770	28 114

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Social contributions	1 783	3 462	4 012	3 339	3 339	5 494	4 048	4 309	4 524
Goods and services	455	637	7 465	6 697	915	915	799	839	881
Advertising		73	116						
Computer services			79	220	219	219	137	144	151
Consultants and professional services:									
Business and advisory services			6 621	6 179				0	0
Consumable:									
Stationery, printing and office supplies	136	219	132	265	394	394	279	294	308
Operating leases									
Travel and subsistence	283	345	336	33	301	301	383	401	421
Training and development			167						
Operating payments	36		14						
Transfers and subsidies	5	12			72	96			
Non-profit institutions									
Households	5	12			72	96			
Social benefits	5	12			72	96			
Other transfers to households									
Payments for capital assets									
Software and other intangible assets									
Total economic classification	16 532	17 958	27 526	32 412	28 630	28 480	30 097	31 919	33 520

TABLE: 14.29: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: GAUTENG AUDIT SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	43 950	48 512	52 659	64 604	60 968	60 968	73 756	78 372	83 241
Compensation of employees	42 921	45 205	52 039	62 037	57 984	57 983	68 153	72 884	77 483
Salaries and wages	38 199	39 949	41 631	54 484	51 373	46 386	60 160	64 440	68 589
Social contributions	4 722	5 256	10 408	7 553	6 611	11 597	7 993	8 444	8 894
Goods and services	1 029	3 307	620	2 567	2 984	2 985	5 603	5 488	5 758
Administrative fees						1			
Communication (G&S)							579	579	579
Computer services	620	2 477	255				470	501	526
Consultants and professional services: Business and advisory services	393	732	263	2 462	2 801	2 801	2 924	2 676	2 810
Fleet services (including government motor transport)							70	73	77
Consumable supplies			2						
Consumable: Stationery, printing and office supplies							121	127	133
Operating leases					78		479	511	546
Property payments									

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R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Transport provided: Departmental activity									
Travel and subsistence	6						93	98	108
Training and development							682	729	775
Operating payments	10	98	100	105	105	183	185	194	204
Transfers and subsidies		117	46		1	36			
Non-profit institutions									
Households		117	46		1	36			
Social benefits		117	46		1	36			
Other transfers to households									
Payments for capital assets									
Software and other intangible assets									
Payments for financial assets		43							
Total economic classification	43 950	48 672	52 705	64 604	60 969	61 004	73 756	78 372	83 241

VOTE 15

DEPARTMENT OF INFRASTRUCTURE DEVELOPMENT

To be appropriated by vote in 2015/16	R 2 050 698 000
Responsible MEC	MEC for Infrastructure Development
Administering Department	Department of Infrastructure Development
Accounting Officer	Head of Department

1. OVERVIEW

Vision

To be a leading sustainable infrastructure provider and facilitator that positions Gauteng as a global competitive city region with inclusive economic growth and decent work for all.

Mission

To contribute towards the radical transformation, modernisation and re-industrialisation of Gauteng by accelerating integrated service delivery, maintenance and management of public infrastructure and deploying built environment professionals while encouraging the active participation of an empowered citizenry.

Values

Values of the Department of Infrastructure Development

• Integrity:	The department will encourage conduct by its employees and contractors that engenders reliability, veracity, honour and truthfulness.
• Honesty:	The department promotes sincere, frank and open service to its clients and to the citizens of the province.
• Professionalism:	The department commits to a service that is proficient and exceptional, displaying high levels of competence.
• Transparency:	The department promotes simplicity and intelligibility in all its communication, engagements and services in general, to ensure that the citizens know and understand its functions and interventions.
• Accountability:	The department commits its staff and service providers to be answerable to the public and oversight institutions of government for the services they render and commitments they make.
• Collective responsibility:	The department espouses a culture of collective work, resourcefulness, ingenuity and initiative to ensure seamless service delivery.
• Compassion:	The department pledges to deliver its services to clients and Gauteng residents with care, kindness and empathy in selfless pursuit of a better life for all.
• Innovation:	The department commits to upholding the highest standards of novelty and uniqueness in all the services that it provides, using all its potential to introduce fresh ideas and new ways of doing things.
• Value addition:	The department promotes service delivery that improves the quality of business processes, state conduct and the lives of the people of Gauteng.

Strategic Goals

- **Sustainable infrastructure:**
Goal statement: Expanded and well maintained public infrastructure which keeps abreast of the growing demand, so as to promote the development of the province and redress economic disparities.
- **Accelerate service delivery:**
Goal statement: Delivery of infrastructure and maintenance accelerated in order to meet the direct and derived needs and expectations of the department's client organisations and citizens.
- **Organisational development for building state capacity:**
Goal statement: Technical and administrative capacity of the department improved towards an efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship.
- **Optimise state assets for economic development and the support of entrepreneurs:**
Goal statement: Department leverages all state assets in a way that makes a significant contribution to the economic development of the province and supports emerging and existing BBBEE entrepreneurs.
- **Empowering communities through job creation in partnership with the public and private sector:**
Goal statement: Department acts as a catalytic enabler for job creation, resulting in economic empowerment of communities in the province, with specific focus on women, youth and people with disabilities.

- **Integrated planning:**

Goal statement: Department adopts an integrated planning process that involves all stakeholders in pursuance of sustainable infrastructure and economic empowerment and job creation.

Core functions and responsibilities

- To ensure the implementation of all infrastructure programmes and projects reflected in the short, medium and long term plans of the Gauteng Provincial Government (GPG);
- To manage the construction of GPG capital expenditure (CAPEX) projects such as schools, hospitals, clinics and recreation centres;
- To manage the provision of maintenance services for all GPG infrastructure;
- To manage the provincial property portfolio;
- To ensure participation and involvement of communities through the implementation of the Extended Public Works Programme (EPWP) within GPG CAPEX projects and other departmental projects; and
- To utilise the construction sector as a catalyst for the development of skills, the creation of jobs and the development of sustainable communities.

Main services

Service	Level and quality of service
Delivery of integrated public infrastructure (capital works and maintenance)	Strategically integrate infrastructure in Gauteng to ensure effective and efficient planning, construction and maintenance including generic model development. Ensure that service quality includes 100 per cent statutory compliance of all new infrastructure, adherence to planned time, cost and quality indicators, and compliance with minimum statutory maintenance standards.
Plan and co-ordinate implementation of EPWP by all provincial departments	Establish an appropriate centralized coordination and management structure to ensure solid roll out of EPWP projects across the province by municipalities and GPG departments. Up-scale EPWP in all sectors, including application of EPWP principles in all infrastructure projects. Address unemployment by creating work opportunities and skills needed for the formal job market. Facilitate skills development through technical and institutional training. Facilitate job opportunities by targeting vulnerable sectors of society especially women, youth and people with disabilities.
Provision of accommodation	Provide functional, safe, secure office accommodation for the nine GPG line departments. Manage the property portfolio of the province in line with the Government Immovable Asset Management Act (GIAMA) requirements and other departmental focuses. Fully implement market related rentals for all rental properties.
Provision of accessible infrastructure and buildings to all citizens of the province	Promote access to persons with disabilities and ensure compliance with the Occupational Health and Safety Act (OHS) for all buildings under the control of DID

Game Changers

In line with the strategic themes outlined earlier and in response to the strategic priorities of the GPG, the department has identified the following interventions as Game Changers:

- Development of a complete immovable asset register;
- Implementation of a maintenance turn-around strategy;
- Development of smart class room designs;
- Development of standard health infrastructure designs;
- Implementation of an infrastructure delivery management system (IDMS) as a turnaround intervention for the department
- The Gauteng Planning House;
- Gauteng Integrated Infrastructure Master plan (GIIMP); and
- Implementation of the Green Agenda.

National Development plan

The department has developed the 5 years strategic planning document and also updated the 2014/15 Annual Performance Plans to ensure that it is in line with the newly appointed governments priorities and also aligned to the NDP.

External activities and events relevant to budget decisions

The Department of Infrastructure Development (DID) plays a pivotal role in the establishment and provisioning of social infrastructural resources for the province. Developing and maintaining good working relationships with client departments is important in accomplishing this. During the planning processes, the provincial Treasury plays a critical oversight management role in the drawing up of infrastructure development plans. Once developed, these plans require agreements to be entered into by client departments and by DID. This sets

governing principles and terms of references. The budget process of the department is then informed by the projects agreed upon and endorsed in the signed service level agreements.

As part of DID's project implementation role, it also focuses on the provision of building maintenance. In coming years, the provision to fund maintenance of buildings is expected to increase, as many buildings owned by the state require extensive rehabilitation. DID supports initiatives relating to revenue increases, which will assist in managing the province's budget. Sufficient funding in this regard assists with the well-being not only of state buildings but the residents of Gauteng at large.

Part of DID's responsibility is to facilitate projects relating to EPWP, and to ensure skills development in Gauteng communities. This relates particularly to skills improvement for artisans. Investment in training programmes ensures the delivery of effective and efficient services to the citizens of the province. The department also conducts skills profile surveys relating to engineers, architects, project managers and quantity surveyors to ensure adequate numbers of people in professional fields relating to infrastructure.

The newly developed Gateway Model introduced by the national department will help to ensure retention of personnel with scarce skills who will see to the implementation of projects planned and to the fast-tracking of projects across the province.

Acts, rules and regulations

- Government Immovable Assets Management Act, 2007;
- Rental Housing Amendment Act, 2007;
- Space Planning Norms and Standards Notice, No. 1665 of 2005;
- Local Government: Municipal Property Rates Act, 2004;
- Broad Based Black Economic Empowerment Act, 2003;
- Gauteng Planning and Development Act, 2003;
- Planning Professions Act, 2002;
- Project and Construction Management Act, 2000;
- Property Valuers' Profession Act, 2000;
- Preferential Procurement Policy Act, 2000;
- Framework for Supply Chain Management, 1999;
- Rental Housing Act, 1999;
- Prevention of Illegal Eviction from and Unlawful Occupation of Land Act, 1998;
- Constitution of the Republic of South Africa, 1996;
- Gauteng Land Administration Act, 1996;
- Occupational Health and Safety Act, 1993 (and particularly the associated construction regulations);
- Rating of State Property Act, 1984;
- Deeds Registries Act, 1937; and
- Expanded Public Works Programme Guidelines for implementation of labour intensive construction.

2. REVIEW OF THE CURRENT FINANCIAL YEAR (2014/15)

The planning and budgeting of the department is aligned to the Ten Pillar Programme of Transformation, Modernisation and Re-industrialisation. The planning and outputs are thus informed by alignment to the pillars, which have been identified by the Executive for the new term and next 10 to 15 years.

Radical economic transformation

Expanded public works

Provincial departments, to date, created 27 680 work opportunities within the Province and 63 178 in municipalities. Out of the total work opportunities created, 47 075 were for women, 49 642 for youth and 301 for persons with disabilities. Work opportunities include the Zivuseni Reloaded project with short term employment created for 6 428 to date.

Accelerated social transformation

Education infrastructure

The department has completed projects on restorative repairs at 14 schools. Restorative repairs entail ensuring that schools comply with health and safety regulations relating to habitable infrastructure. The restorative

repair projects were completed at the following schools: Anchor Secondary School, Baleseng Primary School in Soshanguve, Mathaga Primary School also in Soshanguve, Moditela Middle School in Hammanskraal, Emndeni Primary School in Soweto, Tshgegofatsong LSEN School in Mamelodi, Hoër Skool Kempton Park, Amogelang LSEN School, Minerva Secondary School, Phuthanang Primary School, Thuthong Secondary School, Tiyeelelani Secondary School, Khutso AET School, and Reneilwe Primary School. The Department also completed the construction of eight new schools in different communities. These schools are: Magaliesburg Secondary School in West Rand Municipality, Mamelodi Primary School, Slovoville Primary School, Freedom Park Secondary School, Fochville Secondary School, Oosrand Secondary School, Magaliesburg Boarding Facility and Naturena Primary School.

The construction of new schools assists in ensuring convenient access to schools, shortened the time travelled by learners to schools and reduces the number of learners in the classrooms, making them more manageable. To ensure that early childhood development is prioritized, the department successfully completed eight Grade R classrooms at various schools namely: Sizwile Primary School in Dobsonville, Laerskool Noordhoek in Vanderbijlpark, Shalimar Primary School in Heidelberg, Ikaneng Primary School, Lukholweni Primary School, Mokonyama Primary School, Entandweni Primary School and Ema Primary School. The department also completed 15 palisade fencing projects at various primary and secondary schools namely; Rodney Mokoena Junior Secondary School, Ntsako Secondary School, Seageng Secondary School, Hoërskool FH Odendaal, Rapelego Secondary School, Ramabele Secondary School, Kgetse ya Tsie Secondary School, Tswaing Secondary School, Refalotse Primary School, Lowe Primary School, Letsha Primary School, Esibonelwesihle Secondary School, Motsewapele Primary School, Heidelberg Public School and Arcon Park Primary School.

Health infrastructure

To date, eight health projects have been completed. Health projects completed include: Tshwane District Hospital, Chris Hani Baragwanath Hospital, South Rand Hospital, Weskoppies Hospital, Pretoria West Hospital, Tembisa Hospital, Pholosong Hospital and Leratong Hospital. Amongst these completed health projects were two new health facilities that were opened by the department during the first and second quarter of the 2014/15 financial year. These were Natalspruit Hospital in Vosloorus which was officially opened on the 28 August 2014 while Zola Hospital in Soweto was opened in the second quarter of the 2014/15 financial year.

Health infrastructure is prioritized by the department to make health facilities available to all communities and also to improve the delivery of health services.

3. OUTLOOK FOR THE COMING FINANCIAL YEAR (2015/16)

This section reviews the activities of the department for the 2015/16 financial year and focuses on new policy priorities, significant events and challenges.

Pillar 1: Radical Economic Transformation

Over the next five years, Gauteng Provincial Government (GPG) is determined to revitalise and mainstream the township economy by supporting the development of township enterprises, co-operatives and SMMEs that will produce goods and services that meet the needs of Gauteng township residents.

The provincial government has identified key sectors that have the potential to address the twin policy imperatives of creating decent employment and greater economic inclusion. These sectors include finance, automotive industry, manufacturing, ICT, tourism, pharmaceuticals, creative industries, construction and real estate. The promotion of new SMMEs and township enterprises will also be brought into these key sectors of the economy.

Key initiatives to deliver on the stated objectives include:

The department, through the Extended Public Works Programme (EPWP), will coordinate the creation of 109 616 work opportunities within the GPG. This will include creation of work opportunities for 108 501 women and youth and 3 945 for people with disabilities.

The department will further coordinate the creation of 50 000 decent sustainable jobs through Gauteng Tshepo 500 000 initiatives. This programme will aim to address the following:

- The decline in entrepreneurship activity in South Africa;
- Forge economic inclusion of youth, women and people with disabilities through inspiring wider economic activities;
- Address the need to redefine the entrepreneurship space and inculcate values of being an entrepreneur;

- To shift from the short term focus of job creation towards economic participation ;
- Bring in skills training and development to graduates and give them opportunities to gain working experience.

The department will further coordinate the creation of 50 000 opportunities for decent sustainable jobs through the Gauteng Tshepo 500 000 initiative. This will include training and accreditation in entrepreneurship. Furthermore, about 3 200 young people will participate in the NYS and Zivuseni Re-loaded programme. In an effort to empower emerging contractors for economic growth, the department will train 20 contractors with a grading of CIDB level 1-3, as well as 100 Military Veterans will be empowered with accredited skills and training.

Additionally, the department will contribute towards the revitalisation of Gauteng Township economies by:

- Procuring 75 per cent South African manufactured technologies and goods, with an emphasis on procuring from SMMEs. To enable this procurement practice, the Department will institutionalise a 30% SMME Beneficiation condition in all procurement processes;
- Refurbishing old government buildings in partnership with the private sector/SMMEs for mutual revenue generation benefit and leveraging these buildings to furnish the service delivery needs of the township communities;
- Availing land that is not immediately required for service delivery infrastructure for new revenue generating opportunities for the private sector and SMMEs;
- Mobilising its communications capability to engage in social facilitation that enables the promotion of SMMEs participation in revenue generating opportunities; and
- Provision of skills development opportunities for unemployed youth through Artisan Training, Internships, Bursaries and Learnerships.

Pillar 2: Decisive Spatial Transformation

The provincial government wants to radically transform the spaces people live in by connecting and integrating places of work and human settlements. It is true that even after the end of apartheid; government has continued to build houses and human settlements that reproduce the spatial legacy of apartheid – far from work and economic opportunities and away from public transport nodes.

In addition, radical steps will be taken to transform the spatial configuration and landscape of Gauteng province through better and coordinated land use management and spatial development. The provincial government will work with municipalities and state-owned enterprises to ensure that a new built environment and inclusive spatial landscape emerges across the Gauteng city-region. This will be done through public transport infrastructure development and the creation of new integrated and sustainable human settlements and post-apartheid cities that are more connected, liveable, smart and green.

Key initiatives to deliver on the stated objectives include:

The department endeavours to champion the creation of the Gauteng Planning House (GPH) which will act as an interactive platform to showcase and guide the Gauteng Provincial Government's future infrastructure development plans in line with National and Provincial Scenario planning outcomes. The GPH will host the Gauteng Integrated Infrastructure Masterplan (GIIMP) which is a scale architectural model of the Gauteng City Region indicating current, existing and future development aligned to the TPP. The Department will leverage its Research capability to gather and share knowledge leading practises for implementing GIIMP so as to overcome pressures due to backlogs for readdressing Apartheid spatial planning and rapid in-migration.

Additionally, key to the department's priority to foster spatial transformation, is the need to engage in integrated planning with other spheres of government to enable:

- The New Schools Programme which looks to bridge spatial architecture between urban areas and other areas on the urban periphery;
- The Refurbishment of GPG non-compliant buildings using allocated funds;
- Identification of expropriated GPG properties for offloading to Human Settlements Department to deliver human settlements in areas that are closely located to urban opportunities; and
- Partnerships in identifying strategic land for development of intergovernmental strategic infrastructure e.g. Rhodesfield property used for the Aerotropolis in Ekurhuleni.
- Collaboration to ensure social infrastructure (Hospitals) is integrated into new/existing human settlement.

To enhance social transformation, the Department also delivers on behalf of Departments of Social Development and Sports and Recreation to ensure the achievement of their set infrastructure deliverables.

Accelerated Social Transformation

Economic and spatial transformation must be underpinned by and support an accelerated programme of social transformation at the centre of which is raising the living standards, and quality of life of the all the people of Gauteng. At the centre of Gauteng's social transformation is our determination to improve the quality of education and healthcare, provide social protection to the vulnerable in particular women and children and eradicate poverty and build social cohesion and social solidarity.

Key initiatives to deliver on the stated objectives include:

The department will continue to contribute to this pillar by implementing the construction of education infrastructure projects. To this effect, construction of 121 education projects will be completed. This includes construction of 15 new schools, one boarding facility, 83 Restorative Repairs, 5 Grade R Classrooms, 15 Fencing projects, 3 Septic tanks and further complete 93 capital infrastructure within the agreed time frame, as well as 140 projects completed within agreed budget.

The department will continue with its interventions to stabilise the health infrastructure. To this effect, renewal and replacement of electromechanical equipment, such as statutory boilers, chillers, lifts, generators and laundry's in various health institutions will continue in the 2015/16 financial year. Furthermore, the department will complete the construction of 97 health infrastructure projects. This includes 4 conditional assessments (IDMS Gate 4), 39 detailed designs (Gate 6) and 54 projects in construction (IDMS Gate 7). To prolong the life of health infrastructure and keep equipment's in a functional state, the Department will continue with maintenance of all equipment's at various health institutions.

To enable swift delivery of infrastructure projects to reduce poverty, inequality and unemployment, the department will look to:

Develop infrastructure based on proven prototype designs;

- Implement and enforce the use of the IDMS planning model;
- Provision of skills and systems to build health and education infrastructure;
- Play a pivotal role in skills development and training of local communities during implementation and maintenance of infrastructure projects;
- Provide for incubation through the implementation of the PPP projects;
- Ensure inclusion of unemployed youth built environment graduates in SMME and private partnership development refurbishments and new development projects; and
- Utilisation of state assets to promote communication ownership of national buildings.

Pillar 4: Transformation of State and Governance

The second phase of our transition to a national democratic society needs public representatives, public servants and leaders of other sectors who will remain true to the values of loyal service to the people

Key initiatives to deliver on the stated objectives include:

The Department of Infrastructure Development is the custodian of a significant portion of immovable assets vested in the provincial government. As a key priority towards the cleaning-up of all negative audit findings, the compilation of a compliant baseline Immovable Asset Register is paramount. To achieve this, the Department of Infrastructure Development has established a project management office through the appointment of a service provider to manage the verification and updating of the Immovable Asset Register. The Department commits to register and verify 7 000 immovable assets in the Immovable Asset Register in accordance with the mandatory requirements of National Treasury.

The department will further complete 14 U-AMP's and one Customised Asset Management Portfolio will be submitted to the relevant Treasury in accordance with GIAMA. The Department also taking into account to deliver on 2000 condition assessments conducted on state-owned buildings, two GPG owned property refurbishments for government service delivery imperatives. In addition, four old government properties refurbished in partnership with the private sector or SMMEs for revenue generation purposes as well as 70 MRR leases concluded to ensure marked related rentals.

Additionally, the department will continue to put the citizens of Gauteng first through community outreach and sectoral engagements. Feedback will be collected from the citizens through deployment of stakeholder officials to Municipal "War Rooms" to ensure resolution of infrastructure service delivery challenges and these will be supplemented by quarterly IGR engagement sessions with all relevant stakeholders.

The department has also seriously noted that in order to optimise the delivery of public infrastructure in Gauteng, it

needs to operationalise the IDMS to ensure that the Department is adequately capacitated to manage the delivery of infrastructure projects in an efficient and effective manner. IDMS will enable standardised and consistent delivery of infrastructure projects, contributing to reduced turnaround times when leverage in conjunction with developed infrastructure prototypes.

Key to transforming state and governance to redress the injustices of Apartheid, the department will:

- Protect the efforts for optimised service delivery by engaging in continuous vetting of staff and service providers to eradicate fraud and corruption;
- Manage Employment Equity and Affirmative Action through internal recruitment and skills development processes;
- Award Bursaries to staff and unemployed youth to further their education;
- Provide Internship Opportunities to Graduates;
- Appointment of learners on structured learnership programmes, leading to formally recognised qualifications in critical and scarce skills;
- Implementation of accurate Market Related Rentals (MRR) for leased out properties; and
- Ensure optimal utilisation of state properties through the implementation of space and cost norms.

Pillar 5: Modernisation of the Public Service

Government cannot talk about radical socio-economic transformation without fundamentally changing the way state institutions relate to society.

Part of the radical shift in government involves how it deals with and eradicates corruption among public officials and public servants, including in the private sector. Gauteng government will introduce measures to strengthen the integrity of public institutions and public processes so that fraud and corruption are prevented and detected early in the value chain to prevent losses. It is not enough to just talk about fighting corruption.

Key initiatives to deliver on the stated objectives include:

The department will continue to leverage the operationalization of IDMS to broadly realign its structure across people, process and technology to enable the delivery of effective and efficient infrastructure development. In effect, the Department will leverage IDMS to ensure the Department's functions are underpinned by transparency and integrity by ensuring that all service delivery related activities are performed through automated processes that provide audit trails.

Continued innovation is viewed by the Department as a key enabler for radically shifting government's ability to provide effective service delivery to all Gauteng citizens. The Department will implement eMaintenance (with the target of resolving minor defects in 24 hours and major defects in 7 days), Project Eye, SAP and a document management system that will ensure transparency in all our business dealings.

To support Gauteng citizens and enable staff further, the Department will foster transparency and accessibility to the Department's services through innovative and electronic communication avenues including the following:

- Print and electronic publications;
- Interactive websites;
- Social media presence;
- Outreach Information Education and Communication (IEC) products aligned to revenue collection in accordance with GPG CI; and
- Provision of both human and capital resources to support Provincial War Rooms.

Pillar 6: Modernisation of the Economy

The provincial government has identified key sectors of that have the potential to address the twin policy imperatives of creating decent employment and greater economic inclusion. These sectors include finance, automotive industry, manufacturing, ICT, tourism, pharmaceuticals, creative industries, construction and real estate.

Key initiatives to deliver on the stated objectives include:

- Design and construct facilities incorporating energy efficient aspects. Six hospitals have been identified to have trigen/cogen plants installed in the 2015/16 financial year. The Department will also convert 13 coal boilers to GAS and supply the gas for 24 dual fired boilers;
- The Green Technologies Unit in partnership with the maintenance will embark on the replacement of inefficient lighting system with more efficient LED lighting systems. The target for 2015/16 financial year is 65,200. In addition there are 76 health institutions targeted for the installation of rooftop solar PV;

- Proactively identify opportunities to implement water conservation systems;
- DID will design and implement smart schools with state of the art infrastructure. In addition, the department will convert existing schools to Smart Schools;
- DID will create and implement township supplier database, listing all the manufacturing, construction & real estate companies that are resident in the township.
- Modernisation of Human Settlements and Urban Development
- New post-apartheid cities will be a combination of modern public transport modes, integrated and sustainable human settlements that are socially and economically inclusive and promote urban green development
- Key initiatives to deliver on the stated objectives include:
- Establish an integrated planning function within DID to ensure that the construction of schools, hospitals, clinics, recreation facilities and social amenities are optimised and coordinated to deliver an optimised impact on identified townships.
- Based on experience, work with the Department of Human Settlements to share lessons learned, leading practice, as well as provide skills and systems to assist with the building of hospitals in new post-apartheid cities;
- Partner with Facility Management Units to provide skills and systems for the maintenance services to hospitals;

Pillar 7: Modernisation of Public Transport Infrastructure

Gauteng will look different over the next five to fifteen years. Combined with public transport infrastructure rollout and the development of the Aerotropolis and OR Tambo Special Economic Zone, driven by the provincial government and municipalities. This infrastructure investment has a major potential to create more than 300 000 jobs and boost the development of new SMMEs and township enterprises that are owned and managed by black people, women and youth.

Key initiatives to deliver on the stated objectives include:

- Create a forum to understand the intended infrastructure development requirements to share in economies of skill and scale.

Pillar 9: Re-industrialisation of Gauteng Province

Another radical intervention the GPGP will focus on is the reindustrialisation of the Gauteng economy through strategic infrastructure development. The massive rollout of public transport infrastructure across the province shall be utilised to revitalise and modernise old industries that will locally manufacture or assemble buses, trains and locomotives. In order to boost employment and economic inclusion, the provincial government and municipalities will procure 75 per cent of all goods and services from South African producers, especially SMMEs, township enterprises and black-owned, women and youth enterprises. The government is working closely with state-owned enterprises, PRASA and TRANSNET, to re-industrialise our province and build economic infrastructure that will boost employment creation and economic inclusion through investing more than R300 billion in post, freight, rail and pipeline capacity

Key initiatives to deliver on the stated objectives include:

- Contribute to the development of industries through leasing GPG owned warehouses and industrial zoned properties, this will further promote industrial development objectives;
- Establish policies to ensure the procurement of technologies & goods that are manufactured in key townships and development areas e.g. LED lights, maintenance uniforms, etc.
- Partner with Public works to establish and conduct a CIDB1 contractor incubator. DID will identify 20 companies to be loaded into the term contractor's database & incubated to qualify as CIDB 4.
- Proactively seek opportunities to commercialise innovations shaped through the partnership with the innovation hub.
- Formalise and monitor compliance to a policy that directs Supply Chain Management to procure 75% locally manufactured goods – maintenance materials from builders warehouse, all goods & services, maintenance uniforms, etc.

Pillar 10: Taking the Lead in Africa's New Industrial Revolution

As we undertake the onerous task of radical economic transformation, we do so knowing fully well that Gauteng is currently the leading economy in the country and SADC region and a key player in Africa's economy. This underscores the strategic significance of our province in strengthening economic trade and partnerships with African and BRIC countries.

Key initiatives to deliver on the stated objectives include:

The African economy, more specifically, the South African economy has undergone fundamental changes over

the last decade. This in turn has fuelled demand for infrastructure services including energy, transportation, ICT, water supply, growing agriculture and urban infrastructure. Partnerships will pave the way for development and DID must play a critical role in bringing together Africa's most senior business leaders, policy makers and regulators to advance debate and champion delivery of Africa's critical infrastructure requirements, while providing expert advice on the current state of infrastructure and the anticipated impact of future development. More specifically, the DID will be required to focus on the following to contribute to the New Industrial Revolution in Africa:

- Pursue the procurement of natural gas, from Mozambique, as a green clean fuel to drive the re-industrialisation of Gauteng. Currently there are a number of Gauteng based companies that are looking to bring natural gas from Mozambique to South Africa and DID should seek to create sustainable partnerships on behalf of the province;
- Leverage the opportunity presented by the Infrastructure Africa Conference to identify suitable partnerships for knowledge exchange, skills development and to find a way to turn around excruciatingly slow pace of infrastructure developments at the ground level;
- Assist GPG to identify and create new partnerships at the Africa Energy Indaba;
- Seek to position GPG as a driving force behind the reindustrialization of Africa at the Industrialisation Summit.

4. REPRIORITISATION

The department continues to review its operations to identify cost savings and eliminate inefficiencies. These savings will assist the department to continue to reprioritise planning and funds toward achievement of the transformation, modernisation and reindustrialisation (TMR) programme. The department will continue to implement cost containment measures and to reduce spending obligations on non-core items. The department continues to explore cheaper alternative technologies including prioritising the green agenda in GPG building. In addition, over the 2015 MTEF, funds will continue to be reprioritised towards programmes and outputs where delivery and efficiency gains are high.

The province prioritised the establishment of the Infrastructure Delivery Management System (IDMS) to improve the delivery of infrastructure to stimulate economic growth. Infrastructure Development reallocated R59 million to purchase the tools of the trade for personnel who will be employed in the IDMS. Also included is the reprioritisation of R55.7 million towards infrastructure projects that are ready for implementation in 2015/16.

5. PROCUREMENT

The procurement plans for the 2015/16 financial year will include the recruitment of approximately 2500 NYS students together with approximately 4 000 Zivuseni beneficiaries. These beneficiaries will be trained and provided with protective clothing to enable them to perform the relevant duties. The department will procure a biometric system to monitor the attendance and the training of beneficiaries.

The Tshepo 500 000 project is allocated a budget of R55 million for the 2015/16 financial year and the Project Management team will be appointed to monitor and report on the training and placement of the new recruits throughout the province.

The Old Natalspruit Hospital receives funding for the erection of a fence in order to safeguard the building and to finalise the feasibility study to demolish or rehabilitate the building. The Planning House is funded for the 2015/16 financial year. The architectural design competition and the acquisition of land will be undertaken during the 2015/16 financial year and will enable the department to start with the construction of the Planning House during the 2016/17 financial year.

6. RECEIPTS AND FINANCING

6.1. Summary of receipts

TABLE 15.1 : SUMMARY OF RECEIPTS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Equitable share	1 347 606	1 406 841	1 529 044	1 970 117	1 880 117	1 847 432	2 041 493	2 186 171	2 295 480
Conditional grants		1 502	3 037	5 511	5 511	5 511	9 205		
Expanded Public Works Programme Incentive Grant for Provinces		1 502	3 037	5 511	5 511	5 511	9 205		
Total receipts	1 347 606	1 408 343	1 532 081	1 975 628	1 885 628	1 852 943	2 050 698	2 186 171	2 295 480

Departmental receipts increase from R1.3 billion in 2011/12 to R1.5 billion in the 2013/14 financial year. The allocation in the main appropriation amounts to R2 billion and is adjusted down to R1.9 billion for the 2014/15 financial year. Over the MTEF the department's allocation increases to R2.1 billion in 2015/16 and again to R2.2 billion in 2017/18. The increase in funding relates to increases brought about by the continuation of projects carried through from the 2014/15 financial year anticipated for completion during the 2015/16 financial year. Added to this is funding received relating to new projects such as the Kopanong Precinct, the Planning House projects and Tshepo 500 000.

A budget of R9.2 million has been allocated for the EPWP incentive grant, which will be used to fund the payment of stipends to the National Youth Service (NYS) beneficiaries. The allocation of this incentive grant over the MTEF period is dependent on performance of the project and the terms of the outcomes achieved in line with the set objectives.

The budget allocation for the 2015/16 financial year accommodates the departmental plans for the increase of its human capital in line with the IDMS strategy. This in turn supports the transformation agenda of the provincial government in ensuring job creativity.

6.2. Departmental receipts

TABLE 15.2: SUMMARY OF DEPARTMENTAL RECEIPTS COLLECTION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Tax receipts									
Sales of goods and services other than capital assets	13 400	13 545	16 184	18 470	18 470	18 470	20 440	22 410	23 531
Interest, dividends and rent on land	30	43	(5)			16			
Transactions in financial assets and liabilities	2 206	1 467	1576	530	530	712	560	590	619
Total departmental receipts	15 636	15 055	17 755	19 000	19 000	19 198	21 000	23 000	24 150

The departmental revenue is generated mainly from property rental while other sources of revenue which are on a cost recovery basis includes sales of scrap metals and tender documents. The department aims to improve its revenue collection strategies by ensuring that proper systems are in place in the recording and reporting of State owned properties that can be leased out for public consumptions, thereby bringing in revenue.

The actual collection for the 2011/12 financial year was R15.6 million and this increased to R17.8 million in 2013/14 financial year thus showing an annual average growth rate of 5.27 per cent. The department projected to collect R19 million in 2014/15 financial year; this was not adjusted but was revised to R19.2 million. Over the 2015 Medium Term revenue Framework (MTRF); the department estimate to collect R21 million in 2015/16 financial year and this increase to R24.2 million in 2017/18 financial year thus showing an annual average growth rate of 7.24 per cent. There is a need to continuously strive to charge market related rentals (MRR) to residential and commercial properties thus the department will strongly ensure compliance to over the 2015/16 financial year. Materials that cannot be donated to NGOs and other Government departments will be sold during the 2015/16 financial year.

7. PAYMENT SUMMARY

7.1. Key assumptions

The department will continue to provide for the infrastructure needs of the province as mandated by the provincial administration. In this regard new schools will be built, refurbishments and rehabilitations to existing buildings be completed and day to day maintenance be conducted on state owned buildings

The following elements have been taken into account when determining budgets for the 2015/16 MTEF:

Personnel:

Over the MTEF, personnel costs will increase by 5.6 per cent in 2015/16, by 5.5 per cent in 2016/17 and by 5 per cent in the 2017/18 financial year. An additional 1.5 per cent will be added to all salary related items to address personnel pay progression. With its structure being approved, the department will be receiving an amount of R200 million for the continuous filling of posts in line with the IDMS strategy. Added to this is an allocation of R23.8 million for filling critical posts.

Goods and services:

The consumer price index (CPI) inflation projection will be used for all non-personnel items over the MTEF. For the 2015/16 financial year it will be 5.6 per cent, 5.5 per cent in 2016/17 and 5 per cent in the 2017/18 financial year.

7.2. Programme summary

TABLE 15.3: SUMMARY OF PAYMENTS AND ESTIMATES BY PROGRAMME: INFRASTRUCTURE DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Administration	140 513	198 309	205 289	296 829	304 529	348 660	437 834	296 350	311 167
2. Public Works Infrastructure	919 400	1 035 397	1 051 669	1 255 746	1 249 646	1 181 645	1 244 095	1 527 213	1 603 574
3. Expanded Public Works Programme	200 506	174 637	272 533	423 053	331 453	322 638	368 769	362 608	380 739
Total payments and estimates	1 260 419	1 408 343	1 529 491	1 975 628	1 885 628	1 852 943	2 050 698	2 186 171	2 295 480

7.3. Summary of economic classification

TABLE 15.4: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: INFRASTRUCTURE DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	907 585	968 915	1 068 663	1 298 654	1 352 836	1 319 678	1 474 312	1 683 830	1 768 021
Compensation of employees	415 543	448 790	551 709	737 869	677 219	647 088	746 450	912 075	957 679
Goods and services	489 243	519 463	514 375	560 135	674 967	670 992	727 062	771 070	809 624
Interest and rent on land	2 799	662	2 579	650	650	1 598	800	685	719
Transfers and subsidies to	244 423	317 894	314 785	318 913	307 044	307 019	333 534	350 538	368 065
Provinces and municipalities	242 693	309 511	308 686	312 676	300 676	300 676	327 094	344 720	361 956
Departmental agencies and accounts		129		2	2	2	1	3	3
Households	1 730	8 254	6 099	6 235	6 366	6 341	6 439	5 815	6 105
Payments for capital assets	21 795	90 558	145 495	358 061	225 748	226 145	242 852	151 803	159 394
Buildings and other fixed structures		66 589	114 584	338 659	205 786	205 786	225 286	122 319	128 436
Machinery and equipment	16 564	23 969	30 911	19 302	19 962	19 862	13 566	21 060	22 113
Software and other intangible assets	5 231			100		497	4 000	8 424	8 845
Payments for financial assets	86 616	30 976	548			101			
Total economic classification	1 260 419	1 408 343	1 529 491	1 975 628	1 885 628	1 852 943	2 050 698	2 186 171	2 295 480

The establishment of the department stems from the provincial government's objective which is to provide proper

health care and quality education to the people of Gauteng. This means that the department's key programme is the Public Works Programme which is central to the implementation of the department's mandate.

Departmental expenditure increased from R1.3 billion in 2011/12 to R1.5 billion in 2013/14. The allocated budget for the 2014/15 financial year has increased significantly, by R180 million, for construction of the Women's Monument Heritage. This project is in its second phase of construction, with the first phase being constructed at a cost of approximately R57 million during the 2013/14 financial year. An amount of R150 million was allocated for the implementation of the IDMS, to enable the department to attract the skilled professionals who will ensure delivery on the department's mandate.

Over the MTEF the allocated budget increases from R2.1 billion in 2015/16 to R2.2 billion in the 2017/18 financial year. This increase includes an amount of R200 million allocated for IDMS in the 2015/16 financial year and R250 million in the 2016/17 financial year.

Compensation of employees

The Compensation of Employees expenditure amounted to R416 million in 2011/12 and increased to R552 million in 2013/14. In 2014/15 the allocation increased to R737.9 million due to the implementation of the IDMS which accounted for approximately R200 million. The allocation for 2015/16 amounts to R746.4 million and also includes a budget of R200 million for IDMS. The compensation amount also includes the allocation for NYS stipends which is allocated due to SCOA classification. An amount of R66 million has been allocated for NYS stipends in the 2015/16 financial year and R69 million is allocated in the 2016/17 financial year. Added to the 2015/16 compensation budget is an amount of R23.8 million for filling of critical posts in line with the approved structure. Over the MTEF the allocation increases to R957.7 million.

Goods and services

The budget allocated in this regard will increase from R489.2 million in 2011/12 to R514.4 million in 2013/14. The allocation for 2014/15 increases to R560 million and R675 million is to make provision for the necessary tools for persons employed in the IDMS. This is informed by the allocation of the Tshepo 500 000 project which is allocated R55 million in 2015/16. An amount of R11 million has been allocated for the maintenance turn-around strategy in 2015/16 and R12 million in the 2016/17 financial year. Over the MTEF the allocation to goods and services increases from R727 million in 2015/16 to R809.6 million in the 2017/18 financial year.

Transfers and subsidies:

Transfers include the allocation for payments of rates and taxes to municipalities. In 2013/14 the department spent R315 million, which was R12 million over the allocated budget. At the end of the 2013/14 financial year, accruals amounting to R18 million were carried over to the 2014/15 financial year. The year 2014/15 has seen a downward adjustment to the budget as a result of payment of the rates and taxes catered for during the 2013/14 financial year. The budget for transfers and subsidies increased to R327 million in the 2015/16 financial year. Over the MTEF the allocation will increase to approximately R362 million in the 2017/18 financial year.

Payment for capital assets

This budget will increase from R21.8 million in 2011/12 to R145.4 million in 2013/14. In 2014/15 the allocation increases to R358 million in the main appropriation before decreasing to R206 million in the 2014/15 adjusted budget as a result of completion of the Women's Monument. Over the MTEF the allocation increases to R225 million in the 2015/16 financial year as a result of the anticipated completion of the Women's Living Heritage project and the commencement of the new Planning House project. Over and above the infrastructure project budget increases, the department has received an amount of R93 million for refurbishments which forms part of the R244 million budget allocation on capital assets. In total the department has received an amount of R54 million as a result of increased capital projects such as the Old Natalspruit, the Planning House project, and continuation of the precinct building project.

Machinery and equipment includes the acquisition of moveable assets for the newly appointed personnel and the replacement of ageing equipment. Over the MTEF the budget will increase from R13.6 million in 2015/16 to R22.1 million in 2017/18. This is as a result of other minor equipment or assets that will be purchased from goods and services.

7.4. Infrastructure payments

7.4.1 Departmental infrastructure payments

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

7.4.2 Departmental Public-Private-Partnership (PPP) projects

A detailed needs analysis has been conducted by appointed Transactional Advisors Aloe Cap (Pty) Ltd. This analysis will examine the current needs of the project and also explore all the various value for money options of delivering this project.

A conditions assessment technical due diligence study has been completed (30 October 2014) by appointed technical service providers Focus PM (Pty) Ltd and Pro-Plan Engineering Consultants (Pty) Ltd. This exercise was to determine the fit for purpose conditions study of various principles including structural analysis, environmental, heritage, town planning, electrical...etc.

The legal due exercise is currently at 75 per cent completion. This objective of this study is to address all the legal issues surrounding the project including the legal terminations of historical works of Precinct buildings. The expected date of completion of this exercise is the 27th February 2015.

The Financial model is currently in progress. This model will inform project viability and affordability of the refurbishment project. The model uses the current GPG funding allocated for building maintenance of R315 million per annum to set the affordability limits of the overall project. Model has been updated with the actual results of the technical due diligence to test affordability. Final delivery date set for 27th February 2015. The draft procurement plan is currently being developed. This draft 1 RFP pack is expected to be finalised 31st March 2015.

Key Challenges (PPP)

- Stakeholder consultation with Tau Pride Moteko (Pty) Ltd is highly critical for the completion process of the Legal Due Diligence; and
- Competition commission notification of all mergers and acquisitions. A study needs to be undertaken to determine if notification was conducted during the purchases of the Precinct buildings. This challenge although not a bottleneck in the current project progress does however pose an issue of future hindrance to the project.

Key Successes (PPP)

- Conditions assessment/project due diligence exercise has been completed on time and on budget;
- The precinct's master plan has been developed and is currently at 80 per cent completion rate. This master plan will exhibit the look and feel of the potential future of the precinct; and
- Legal due diligence (LDD) exercise has made great progress at 75 per cent final completion still pending GDID- legal input and amendments if necessary.

7.5 Transfers

7.5.1. Transfers to public entities

N/A

7.5.2. Transfers to other entities

N/A

7.5.3. Transfers to local government

TABLE 15.5: SUMMARY OF DEPARTMENTAL TRANSFERS TO LOCAL GOVERNMENT BY CATEGORY

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Category A	187 220	269 138	272 847	267 630	255 630	244 565	266 832	281 487	295 561
Category B	55 461	40 365	35 840	45 046	45 046	56 111	50 601	53 131	55 787
Unallocated			(1)						
Total departmental transfers	242 681	309 503	308 686	312 676	300 676	300 676	327 059	344 720	361 956

The spending on devolution has been fluctuating in the past. It has increased from R243 million in the 2011/12 financial year to R309 million in the 2012/13 financial year. This 27 per cent increase results from funds being rolled over from the prior financial year. In the 2013/14 financial year expenditure decreased to R296 million. Accruals amounting to R18 million were carried over to the 2014/15 financial year resulting in a possible overspending to the same amount.

Over the MTEF the budget will increase by approximately 4 per cent per annum, from R327 million in 2015/16, to R345 million in 2016/17 and R362 million in the 2017/18 financial year.

8. PROGRAMME DESCRIPTION

PROGRAMME 1:

Programme description

To conduct the overall management and administrative support function for the Office of the Member of the Executive Council (MEC) and the department.

Programme objectives

To render advisory, secretarial, administrative and office support services to the MEC and to render strategic support to the department in the areas of finance, human resources, procurement, information and communication systems and policy.

TABLE 15.6: SUMMARY OF PAYMENTS AND ESTIMATES: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Office Of The MEC	9 702	12 419	12 794	11 938	11 938	8 394	8 158	14 681	15 415
2. Corporate Support	120 278	168 451	179 604	272 930	280 630	319 914	423 594	269 121	282 577
3. Management Of The Department	10 533	17 439	12 891	11 961	11 961	20 352	6 082	12 548	13 175
Total payments and estimates	140 513	198 309	205 289	296 829	304 529	348 660	437 834	296 350	311 167

TABLE 15.7: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	129 582	181 980	182 067	273 317	280 977	325 115	416 238	273 180	286 839
Compensation of employees	67 711	84 610	84 336	128 829	114 179	139 679	172 019	159 663	167 646
Goods and services	61 106	97 139	97 715	144 188	166 498	185 299	243 719	113 201	118 861
Interest and rent on land	765	231	16	300	300	137	500	316	332
Transfers and subsidies to	237	6 433	3 189	4 330	4 370	3 957	4 030	4 216	4 427
Provinces and municipalities		1					10		
Departmental agencies and accounts		128							
Households	237	6 304	3 189	4 330	4 370	3 957	4 020	4 216	4 427
Payments for capital assets	10 540	9 436	20 033	19 182	19 182	19 487	17 566	18 954	19 902
Buildings and other fixed structures									
Machinery and equipment	5 309	9 436	20 033	19 182	19 182	18 990	13 566	10 530	11 057
Software and other intangible assets	5 231					497	4 000	8 424	8 845
Payments for financial assets	154	460				101			
Total economic classification	140 513	198 309	205 289	296 829	304 529	348 660	437 834	296 350	311 167

The allocation has increased from R140.5 million in 2011/12 to R205.3 million in 2013/14. In 2014/15 the allocation increased to R296.8 million. The increase in budget allocation emanates from the need to fill critical posts within the administration programme and also to ensure the operationalization of the IDMS. The budget will decrease from R437.8 million in 2015/16 to R311.1 million in 2017/18. The reduction in allocation is to provide more financial support to core functions of the department.

Compensation of employees has increased from R67.7 million in 2011/12 to R84 million in the 2013/14 financial year and again to R129 million in the 2014/15 financial year due to the allocation of funds for filling of all vacant posts in Supply Chain Management (SCM) that are IDMS related. Over the MTEF the budget increases from R172 million in the 2015/16 financial year to R168 million in the 2017/18 financial year.

Goods and services have increased from R61.1 million in 2011/12 to R98 million in the 2013/14 financial year

further increasing to R144.1 million in the 2014/15 financial year. This increase includes an allocation of R32 million for Security Management which is now managed under Corporate Services. It was previously managed under Property Management. This budget will decrease from R243.7 million in the 2015/16 financial year to R118.9 million in 2017/18 because the security management function is allocated to Property Management in the new organizational structure.

Households includes the allocation for bursaries for non-employees and gratuities. Payment for bursaries has been centralised with Human Resource Development. The budget will increase from R4 million in the 2015/16 financial year to R4.4 million over the MTEF.

In previous years machinery and equipment increased from R5.3 million in 2011/12 to R9.4 million in the 2012/13 financial year due to the increased staff complement and the replacement of old equipment. In the 2013/14 financial year the SCOA allocations were changed to also include payment of the lease element in cell phone contracts used by the department, now to be classified as capital assets. This amounted to a new allocation of R20 million. Over the MTEF the allocation decreases to R13.6 million for 2015/16 and further decreases to R11 million for the outer year of the MTEF.

SERVICE DELIVERY MEASURES

PROGRAMME 1: ADMINISTRATION

Performance measures	Estimated Annual targets		
	2015/16	2016/17	2017/18
Revenue collected	R 21 million	R 23 000 million	25 000 million
Number of vacant critical posts filled	216 vacant critical posts filled	55 vacant critical posts filled	60 vacant critical posts filled
Percentage of contracts awarded to Gauteng Service Providers	75%	80%	85%

PROGRAMME 2: PUBLIC WORKS INFRASTRUCTURE

Programme description

To provide accommodation outside the CBD precinct area for all provincial departments, manage the provincial property portfolio for the optimum benefit of all concerned, and construct and maintain buildings and render professional and technical services to departments in respect of buildings and related infrastructure.

Programme objectives

To construct new facilities and to upgrade, rehabilitate and maintain existing facilities as identified in consultation with the relevant user departments and to manage the property portfolio of the province in line with GIAMA requirements.

TABLE 15.8: SUMMARY OF PAYMENTS AND ESTIMATES: PUBLIC WORKS INFRASTRUCTURE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Construction	51 326	69 428	60 980	95 109	107 909	104 919	104 076	123 700	129 886
2. Maintenance	286 852	327 234	347 212	415 308	374 808	339 610	409 809	583 468	612 642
3. Immovable Asset Management	581 222	638 735	643 477	745 329	766 929	737 116	730 210	820 044	861 046
Total payments and estimates	919 400	1 035 397	1 051 669	1 255 746	1 249 646	1 181 645	1 244 095	1 527 213	1 603 574

TABLE 15.9: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: PUBLIC WORKS INFRASTRUCTURE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	657 503	668 645	700 428	819 804	846 326	777 834	795 825	1 064 451	1 117 674
Compensation of employees	333 921	345 030	390 051	506 020	464 520	408 020	481 493	630 334	661 851
Goods and services	321 548	323 366	307 814	313 484	381 506	368 353	314 032	433 801	455 491
Interest and rent on land	2 034	249	2 563	300	300	1 461	300	316	332
Transfers and subsidies to	244 180	311 426	311 582	314 483	302 574	302 973	329 404	346 217	363 528
Provinces and municipalities	242 693	309 510	308 686	312 676	300 676	300 676	327 084	344 720	361 956

Vote 15 - Infrastructure Development • EPRE - 2015/16

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Departmental agencies and accounts		1		2	2	2	1	3	3
Households	1 487	1 915	2 896	1 805	1 896	2 295	2 319	1 494	1 568
Payments for capital assets	11 255	55 326	39 659	121 459	100 746	100 838	118 866	116 545	122 372
Buildings and other fixed structures		41 091	28 934	121 239	99 966	99 966	118 866	106 015	111 316
Machinery and equipment	11 255	14 235	10 725	120	780	872		10 530	11 057
Software and other intangible assets				100					
Payments for financial assets	6 462								
Total economic classification	919 400	1 035 397	1 051 669	1 255 746	1 249 646	1 181 645	1 244 095	1 527 213	1 603 574

DID's mandate is primarily delivered through this Programme. In terms of staff, 2006 out of the complement of 2410 are employed under this programme. Costs of this programme alone constitute 64 to 70 per cent of the department's budget allocation. Expenditure on this programme increases from R919.4 million in 2011/12 to R1.1 billion in 2013/14 before increasing to R1.3 billion in 2014/15. Over the MTEF the allocation will increase from R1.2 billion in 2015/16 to R1.6 billion in 2017/18.

The compensation of employees' budget within Programme 2 consumes between 60 and 70 per cent of the overall programme budget. Most of the staff is placed in schools and other government facilities for refurbishment and maintenance projects. Expenditure amounts to R334 million in 2011/12 and increases to R390 million in 2013/14 due to the employment of additional technical staff. The allocation increases to R506 million in 2014/15 before decreasing to R481 million in the 2015/16 financial year. Compensation will increase to R630 million in 2016/17 and R662 million in the 2017/18 financial year. This amount includes an additional allocation provided by Treasury to fund the IDMS staff compliment.

Devolution of rates and taxes in the 2013/14 financial year was overspent by R12 million with accruals amounting to R18 million carried over to the 2014/15 financial year. The goods and services budget in 2013/14 was used partly to fund the R12 million overspending which contributed to the R89 million accruals (excluding devolution accruals of R18 million). An additional amount of R12 million was added to the allocation of R313 million for the 2014/15 financial year to cover the accruals on goods and services. Over the MTEF the allocation will increase from R327 million in 2015/16 to R362 million in 2017/18.

The maintenance turn-around strategy has been allocated an amount of R11 million in the 2015/16 financial year. This will grow to R12 million in the 2016/17 financial year, representing a 5.4 per cent increase. The green agenda project has not been allocated any funding and in 2014/15 the department has reprioritised about R1 million to fund the feasibility studies conducted.

Allocations for projects related to payment of capital asset engenders an adjusted budget of R100 million in 2014/15, increasing to R119 million in 2015/16. The increase in budget allocation results from the new Planning House project which is funded with R10.5 million. Added to this programme is an allocation of R15 million towards the demolition and fencing of the Old Natalspruit hospital. The balance of approximately R80 million is allocated for the rehabilitation and refurbishment of the precinct buildings. Over the MTEF this allocation decreases to R68 million.

SERVICE DELIVERY MEASURES

PROGRAMME 2: PUBLIC WORKS INFRASTRUCTURE

Performance measures	Estimated Annual targets		
	2015/16	2016/17	2017/18
Design/Planning			
Number of infrastructure designs ready for tender	3	20	
Construction			
Number of capital infrastructure projects completed within the agreed timeframe	93		
Number of capital infrastructure projects completed within agreed budget	139		
DID Maintenance			

Performance measures	Estimated Annual targets		
	2015/16	2016/17	2017/18
Number of planned maintenance projects awarded	7	2	Dependant on PPP scope
Number of planned maintenance projects completed within agreed contract period	4	4	Dependant on PPP scope
Number of scheduled maintenance projects completed within budget	3	4	Dependant on PPP scope
Number of condition assessments conducted on state owned buildings	2 000	2 000	2 000
Immovable Assets			
Number of immovable assets verified in the Immovable Asset Register in accordance with the mandatory requirements of National Treasury	7 000	7 000	7 000
Number of buildings leased out for revenue generation	3	4	5
Number of MRR leases concluded for residential properties	70	6	10

PROGRAMME 3: EXPANDED PUBLIC WORKS PROGRAMME

Programme description

Facilitation of multi-sectoral projects across the province whereby particularly youth, women and people with disabilities are provided with relevant training and productive employment opportunities, so that skills and enterprises are developed and sustained, infrastructure is developed and maintained, and local economies are enhanced.

Programme objectives

To coordinate and lead EPWP in Gauteng province by promoting linkages between sectors; addressing unemployment by generating decent and sustainable jobs; monitoring and facilitating evaluation of EPWP projects in Gauteng; facilitating skills development through technical and institutional training; and facilitating job opportunities by targeting the vulnerable sectors of the community especially women, youth and people with disabilities.

TABLE 15.10: SUMMARY OF PAYMENTS AND ESTIMATES: EXPANDED PUBLIC WORKS PROGRAMME

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Programme Support Cbp	64 171	113 991	101 873	106 743	116 743	126 321	123 398	239 269	251 233
2. Community Development	136 335	60 646	170 660	316 310	214 710	196 317	245 371	123 339	129 506
Total payments and estimates	200 506	174 637	272 533	423 053	331 453	322 638	368 769	362 608	380 739

TABLE 15.11: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: EXPANDED PUBLIC WORKS PROGRAMME

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	120 500	118 290	186 168	205 533	225 533	216 729	262 249	346 198	363 509
Compensation of employees	13 911	19 150	77 322	103 020	98 520	99 389	92 938	122 078	128 182
Goods and services	106 589	98 958	108 846	102 463	126 963	117 340	169 311	224 068	235 272
Interest and rent on land		182		50	50			53	55
Transfers and subsidies to	6	35	14	100	100	89	100	105	110
Households	6	35	14	100	100	89	100	105	110
Payments for capital assets		25 796	85 803	217 420	105 820	105 820	106 420	16 304	17 120
Buildings and other fixed structures		25 498	85 650	217 420	105 820	105 820	106 420	16 304	17 120
Machinery and equipment		298	153						
Payments for financial assets	80 000	30 516	548						
Total economic classification	200 506	174 637	272 533	423 053	331 453	322 638	368 769	362 608	380 739

The department has seen much progress in expenditure in this programme. Expenditure in the prior years has increased from R175 million in the 2012/13 financial year and increases to R273 million in 2013/14 financial year. During the 2013/14 financial year, the department decided to move all capital projects to the Capital Works branch because of the skills required to complete these projects. These projects have progressed well and

all EPWP projects that are on the Estimates of Capital Expenditure (ECE) will be completed in this current financial year.

Spending for the 2013/14 financial year includes R57 million that was spent on phase 1 of the Women's Monument project. The allocation for this programme has increased to R423 million in the 2014/15 financial year due to an additional budget allocation of R180 million for the Women's Monument. Over the MTEF the budget will decrease to R368 million because the Women's Monument is expected to be completed during the 2014/15 financial year. The allocation will increase to R381 million in the 2017/ financial year.

Compensation of employees includes the payment of stipends to the NYS students. Over the MTEF an amount of R93 million was allocated for the 2015/16 financial year and R128.2 million in the 2017/18 financial year. The department is anticipating an intake of approximately 2 500 NYS beneficiaries, commencing during 2015/16. The stipends for the next financial years will be adjusted from R1 650 to R2 200. The increase came as a result of inflationary adjustments and is also based on the need to align payments with those of the Zivuseni beneficiaries. The NYS programme has not received any adjustments to stipends over the past two financial years.

SERVICE DELIVERY MEASURES

PROGRAMME 3: EXPANDED PUBLIC WORKS PROGRAMME

Performance measures	Estimated Annual targets		
	2015/16	2016/17	2017/18
*Number of work opportunities created (GPG Departments)	109 616	110 311	111 421
*Number of Work opportunities provided for Women (GPG Departments)	108 501	111 294	114 436
*Number of Work opportunities provided for Youth (GPG Departments)	108 501	111 294	114 436
*Number of Work opportunities provided for People with Disabilities (GPG Departments)	3 945	4 047	4 161
Number of Work opportunities created through Municipal Projects	87 659	92 042	96 644
*Number of Beneficiary Empowerment Intervention	12	12	12

9. OTHER PROGRAMME INFORMATION

9.1. Personnel numbers and costs

TABLE 15.12: PERSONNEL NUMBERS AND COSTS BY PROGRAMME

Personnel numbers	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	As at 31 March 2018
1. Administration	283	262	270	312	346	377	389
2. Public Works Infrastructure	1 526	1 849	2 006	1 677	1 781	1 878	1 960
3. Expanded Public Works Programme	62	68	120	48	54	69	76
Total provincial personnel numbers	1 871	2 179	2 396	2 037	2 181	2 324	2 425
Total provincial personnel cost (R thousand)	415 543	448 790	551 709	647 088	746 450	912 075	957 679
Unit cost (R thousand)	222	206	230	318	342	392	395

The departmental structure has been approved and includes the implementation of IDMS which will ensure that the department acquires the required qualified and skilled personnel to deliver on its mandate. The department is implementing the filling of posts through a phased strategy in order to ensure that critical posts are filled first.

TABLE 15.13: SUMMARY OF DEPARTMENTAL PERSONNEL NUMBERS AND COSTS: INFRASTRUCTURE DEVELOPMENT

	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Total for province									
Personnel numbers (head count)	1 871	2 179	2 396	2 037	2 037	2 037	2 181	2 324	2 425
Personnel cost (R thousands)	415 543	448 790	551 709	737 869	677 219	647 088	746 450	912 075	957 679
Human resources component									
Personnel numbers (head count)	68	68	68	68	68	68	68	68	68
Personnel cost (R thousands)	16 622	15 922	13 789	13 709	13 709	13 709	13 669	13 669	
Finance component									
Personnel numbers (head count)	92	90	90	90	90	90	90	90	90
Personnel cost (R thousands)	23 439	19 466	22 249	27 555	27 555	27 555	30 804	33 962	
Head count as % of total for department	5%	4%	4%	4%	4%	4%	4%	4%	4%
Personnel cost as % of total for department	5%	4%	4%	4%	4%	4%	4%	4%	
Full time workers									
Personnel numbers (head count)	1 871	2 179	2 396	2 410	2 410	2 410	2 417	2 417	2 417
Personnel cost (R thousands)	415 543	448 790	592 324	737 869	737 869	737 869	827 246	912 075	
Head count as % of total for department	100%	100%	100%	118%	118%	118%	110%	104%	99%
Personnel cost as % of total for department	100%	100%	107%	100%	109%	114%	110%	100%	
Contract workers									
Personnel numbers (head count)	36	100	100	100	100	100	100	100	100
Personnel cost (R thousands)	9 172	21 628	24 721	30 617	30 617	30 617	34 226	37 736	
Head count as % of total for department	2%	4%	4%	5%	5%	5%	4%	4%	4%
Personnel cost as % of total for department	2%	5%	4%	4%	4%	5%	4%	4%	

9.2 Training

TABLE 15.14: PAYMENTS ON TRAINING: INFRASTRUCTURE DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Administration	2 396	5 665	7 555	5 652	5 652	5 652	5 969	6 297	6 612
Subsistence and travel	1 335								
Payments on tuition	1 061	900	1 900	1 760	1 760	1 760	1 859	1 961	2 059
Other		4 765	5 655	3 892	3 892	3 892	4 110	4 336	4 553
2. Public Works Infrastructure	3 806	5 812	6 869	8 305	8 305	8 305	8 770	9 252	9 715
Subsistence and travel	200								
Payments on tuition	3 606	3 997	2 419	4 400	4 400	4 400	4 646	4 902	5 147
Other		1 815	4 450	3 905	3 905	3 905	4 124	4 350	4 568
3. Expanded Public Works									
Programme	606	184	81	5 885	5 885	5 885	6 238	6 546	6 873
Subsistence and travel	70								
Payments on tuition	536	30	81	165	165	165	198	173	182
Other		154		5 720	5 720	5 720	6 040	6 373	6 691
Total payments on training	6 808	11 661	14 505	19 842	19 842	19 842	20 977	22 095	23 199

Due to shortages of skills, and to address a number of bursary needs required by communities, the department has decided to invest in bursaries to both non employees and employees in line with the skills that are required within DID. This has resulted in increase in expenditure under Household in Transfers and Subsidies. In the 2014/15 financial year the department was not planning to issue any bursaries to non-employees since these were issued in the 2013/14 financial year, but due to the increase in students requiring such assistance the department will issue approximately 60 additional bursaries this year.

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TABLE 15.15: INFORMATION ON TRAINING: INFRASTRUCTURE DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Number of staff	1 871	2 179	2 396	2 037	2 037	2 037	2 181	2 324	2 425
Number of personnel trained	983	1 717	1 878	1 310	1 310	1 310	1 410	1 510	1 510
of which									
Male	494	951	985	603	603	603	635	680	680
Female	489	766	893	707	707	707	775	830	830
Number of training opportunities	1 624	1 469	1 464	1 040	1 040	1 040	1 070	1 200	1 200
of which									
Tertiary	50	64	55	60	60	60	70	90	90
Workshops	1 574	1 405	44	328	328	328	334	400	400
Seminars			74	326	326	326	333	400	400
Other			1 291	326	326	326	333	310	310
Number of bursaries offered	113	139	223	100	100	100	170	100	100
Number of interns appointed	64	53	98	110	110	110	80	90	90
Number of learnerships appointed	45	56	93	60	60	60	90	80	80
Number of days spent on training									

The department is investing a lot in skills development within the department and also contributing to communities through issuing of bursaries to non-employees whom are expected to return to the department after they obtain their qualifications. This is also to provide them with experience which is required in the market. Training of all technical staff within the department will be focused on the professional registration requirements of the various professional bodies (Engineering Council of South Africa and others). All support services employees will be trained so as to improve the professional image of the Department and improve service delivery.

9.2. Reconciliation of structural changes

N/A



ANNEXURES TO ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE



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TABLE 15.16: SPECIFICATION OF RECEIPTS: INFRASTRUCTURE DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Tax receipts									
Sales of goods and services other than capital assets	13 400	13 545	16 688	18 470	18 470	18 470	20 440	22 410	23 531
Sale of goods and services produced by department (excluding capital assets)	13 400	13 545	16 688	18 470	18 470	18 470	20 440	22 410	23 531
Sales by market establishments	13 400	13 545	16 688	18 470	18 470	18 470	20 440	22 410	23 531
Interest, dividends and rent on land	30	43	32			16			
Dividends	30	43	32			16			
Transactions in financial assets and liabilities	2 206	1 467	607	530	530	712	560	590	619
Total departmental receipts	15 636	15 055	17 327	19 000	19 000	19 198	21 000	23 000	24 150

TABLE 15.17: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	129 582	181 980	182 067	273 317	280 977	325 101	416 238	273 180	286 839
Compensation of employees	67 711	84 610	84 336	128 829	114 179	139 679	172 019	159 663	167 646
Salaries and wages	61 104	75 195	84 336	113 365	98 715	139 679	149 560	140 046	147 049
Social contributions	6 607	9 415		15 464	15 464		22 459	19 617	20 598
Goods and services	61 106	97 139	97 715	144 188	166 498	185 299	243 719	113 201	118 861
Administrative fees	103	97	686	341	341	306	306	136	143
Advertising	1 069	2 187	5 265	7 680	7 680	9 371	9 230	1 711	1 797
Minor assets	360	505	1 081	2 754	2 754	493	1 888	772	811
Audit cost: External	7 540	5 912	7 451	7 938	7 788	2 034	10 000	7 754	8 142
Bursaries: Employees	132	1 128	1 648	2 500	2 500	1 898	2 807	274	288
Catering: Departmental activities	909	1 520	2 917	1 151	1 591	5 375	1 100	1 763	1 851
Communication (G&S)	992	1 114	6 930	1 963	1 978	3 576	8 589	2 168	2 276
Computer services	422	3 247	3 202	5 960	5 961	6 189	4 200	5 081	5 335
Consultants and professional services:									
Business and advisory services	2 533	3 730	10 335	14 922	37 142	15 012	3 360	8 313	8 728
Consultants and professional services:									
Legal costs	9 441	13 885	26 084	17 039	20 139	52 180	21 000	18 822	19 763
Contractors	3 383		19	6	6		1 380		
Agency and support / outsourced services	18 837	7 151	1 706	50 037	50 187	64 352	134 300	6 959	7 307
Entertainment	152	53						22	23
Fleet services (including government motor transport)		37	33	4 377	406	34	2 585	2 213	2 324
Inventory: Clothing material and accessories			45			38	207		
Inventory: Food and food supplies	43	133		463	443	268	150	251	264
Inventory: Fuel, oil and gas	32	44		56	56	47		61	64
Inventory: Learner and teacher support material	1	3		218	218			24	25
Inventory: Materials and supplies		1 364	14	1	6	5		238	250

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R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Inventory: Medical supplies					20	13			
Consumable supplies	6 779	43	2 012	590	590	1 258	642	7	7
Consumable: Stationery, printing and office supplies	177	6 928	5 304	9 288	9 208	5 801	6 072	8 237	8 649
Operating leases	2 428	30 479	1 386	4 551	4 551	3 955	4 000	30 818	32 359
Property payments	46	37							
Transport provided:									
Departmental activity	325	27		31	31	55	400	35	37
Travel and subsistence	3 223	7 892	10 311	3 622	4 162	3 984	7 609	7 483	7 857
Training and development	1 458	4 085	6 476	5 290	5 290	5 200	15 000	5 221	5 482
Operating payments	721	4 088	816	310	250	158	700	4 258	4 471
Venues and facilities		1 450	3 994	3 100	3 200	3 697	8 194	580	609
Interest and rent on land	765	231	16	300	300	123	500	316	332
Interest	765	231	16	300	300	123	500	316	332
Rent on land									
Transfers and subsidies	237	6 433	3 189	4 330	4 370	3 971	4 030	4 216	4 427
Provinces and municipalities		1					10		
Provinces		1					10		
Provincial agencies and funds		1					10		
Departmental agencies and accounts		128							
Provide list of entities receiving transfers		128							
Households	237	6 304	3 189	4 330	4 370	3 971	4 020	4 216	4 427
Social benefits	5	2 369		1 000	1 040	1 031	1 000	1 054	1 107
Other transfers to households	232	3 935	3 189	3 330	3 330	2 940	3 020	3 162	3 320
Payments for capital assets	10 540	9 436	20 033	19 182	19 182	19 487	17 566	18 954	19 902
Buildings and other fixed structures									
Machinery and equipment	5 309	9 436	20 033	19 182	19 182	18 990	13 566	10 530	11 057
Transport equipment	900								
Other machinery and equipment	4 409	9 436	20 033	19 182	19 182	18 990	13 566	10 530	11 057
Software and other intangible assets	5 231					497	4 000	8 424	8 845
Payments for financial assets	154	460				101			
Total economic classification	140 513	198 309	205 289	296 829	304 529	348 660	437 834	296 350	311 167

TABLE 15.18: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: PUBLIC WORKS INFRASTRUCTURE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	657 503	668 645	700 428	819 804	846 326	777 834	795 825	1 064 451	1 117 674
Compensation of employees	333 921	345 030	390 051	506 020	464 520	408 020	481 493	630 334	661 851
Salaries and wages	296 322	304 592	390 051	470 900	429 400	408 020	442 477	574 976	603 724
Social contributions	37 599	40 438		35 120	35 120		39 016	55 358	58 126
Goods and services	321 548	323 366	307 814	313 484	381 506	368 353	314 032	433 801	455 491

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R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Administrative fees		1	(2)	1			148	1	1
Advertising	2 538	2 422	3 448	428	428	1 433		622	653
Minor assets	50	33	3 458	4 940	4 168	108	4 337	11 615	12 195
Bursaries: Employees			127						
Catering: Departmental activities	80	36	47	34	18	43		36	38
Communication (G&S)	4 467	2 689	4 025	3 276	2 967	4 617	2 007	3 835	4 027
Computer services	1 118	1 129	97	6 028	2 743	47		3 516	3 692
Consultants and professional services: Business and advisory services	493	1 066		1 000	43 500	28 500		29 835	31 326
Consultants and professional services: Infrastructure and planning	9 317								
Consultants and professional services: Legal costs	5 366	119		125		1 265		145	153
Contractors	62 618	24 608	24 548	22 891	26 964	25 964	17 900	32 616	34 246
Agency and support / outsourced services	6 198	38 781	6 328	35 130	57 130	59 667	47 025	95 759	100 547
Entertainment			41			151			
Fleet services (including government motor transport)			35	6 822	7 042	2	5 604		
Housing									
Inventory: Clothing material and accessories			933		3 330	344	900		
Inventory: Farming supplies									
Inventory: Food and food supplies	128	40		46	47	110		75	79
Inventory: Fuel, oil and gas	204	5		1	1	1	2	7	8
Inventory: Learner and teacher support material		8							
Inventory: Materials and supplies	100	1 128	253	14	44	38		2 909	3 055
Inventory: Medical supplies						13			
Consumable supplies	17 916	2 851	1 036	2 164	1 646	947	2 994	3 351	3 518
Consumable: Stationery, printing and office supplies	279	1 861	1 796	1 000	1 136	1 331	1 747	2 327	2 443
Operating leases	139 952	133 701	142 033	164 829	164 829	158 773	162 459	165 385	173 654
Property payments	58 781	82 058	89 440	57 000	57 000	63 201	62 618	48 512	50 937
Transport provided: Departmental activity	13	2						2	2
Travel and subsistence	18 004	30 436	29 806	7 745	8 388	21 293	6 191	32 051	33 654
Training and development	103		3						
Operating payments	(6 177)	392	22	10	125	505		1 203	1 263
Venues and facilities			340				100		
Rental and hiring									

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R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Interest and rent on land	2 034	249	2 563	300	300	1 461	300	316	332
Interest	2 034	249	2 563	300	300	1 461	300	316	332
Transfers and subsidies	244 180	311 426	311 582	314 483	302 574	302 973	329 404	346 217	363 528
Provinces and municipalities	242 693	309 510	308 686	312 676	300 676	300 676	327 084	344 720	361 956
Provinces	12	8					25		
Provincial agencies and funds	12	8					25		
Municipalities	242 681	309 502	308 686	312 676	300 676	300 676	327 059	344 720	361 956
Municipalities	242 681	309 502	308 686	312 676	300 676	300 676	327 059	344 720	361 956
Departmental agencies and accounts		1		2	2	2	1	3	3
Provide list of entities receiving transfers		1		2	2	2	1	3	3
Households	1 487	1 915	2 896	1 805	1 896	2 295	2 319	1 494	1 568
Social benefits	83	1 882		1 805	1 735	2 295	2 319	1 494	1 568
Other transfers to households	1 404	33	2 896		161				
Payments for capital assets	11 255	55 326	39 659	121 459	100 746	100 838	118 866	116 545	122 372
Buildings and other fixed structures		41 091	28 934	121 239	99 966	99 966	118 866	106 015	111 316
Buildings		41 091	28 934	121 239	99 966	99 966	118 866	106 015	111 316
Machinery and equipment	11 255	14 235	10 725	120	780	872		10 530	11 057
Transport equipment								10 530	11 057
Other machinery and equipment	11 255	14 235	10 725	120	780	872			
Software and other intangible assets				100					
Payments for financial assets	6 462								
Total economic classification	919 400	1 035 397	1 051 669	1 255 746	1 249 646	1 181 645	1 244 095	1 527 213	1 603 574

TABLE 15.19: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: EXPANDED PUBLIC WORKS PROGRAMME

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	120 500	118 290	186 168	205 533	225 533	216 729	262 249	346 198	363 509
Compensation of employees	13 911	19 150	77 322	103 020	98 520	99 389	92 938	122 078	128 182
Salaries and wages	12 935	17 855	77 322	96 732	92 232	99 389	87 820	113 449	119 122
Social contributions	976	1 295		6 288	6 288		5 117	8 628	9 060
Goods and services	106 589	98 958	108 846	102 463	126 963	117 340	169 311	224 068	235 272
Administrative fees	7								
Advertising	155	203	1 753	185	185	198	371	207	218
Minor assets	9								
Bursaries: Employees			9						
Catering: Departmental activities	499	161	1 040	25	3 025	3 071	200	28	30
Communication (G&S)	435	145	1 120	203	203	1 916		224	235
Consultants and professional services: Business and advisory services	1 447	2 617		4 728	19 228	257		10 763	11 301

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R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Consultants and professional services: Legal costs			13 740			605			
Contractors	23 457				3 000				
Agency and support / outsourced services	50 737	77 003	80 060	94 995	96 995	105 868	139 570	210 274	220 787
Entertainment	313								
Fleet services (including government motor transport)							2 240		
Inventory: Clothing material and accessories			2 216				6 000		
Inventory: Food and food supplies	52	52		33	33			37	39
Inventory: Materials and supplies		8	6 906	27	27	496		29	31
Consumable supplies	563	302	5	60	60	3 659	2 550	66	69
Consumable: Stationery, printing and office supplies	140	308	41	353	353	227	1 200	390	410
Operating leases	34								
Property payments			90						
Transport provided: Departmental activity	93								
Travel and subsistence	118	1 582	1 844	1 087	1 087	1 018	1 680	1 202	1 262
Training and development	362	144	22				15 000		
Operating payments	28 124	16 337		767	767	25		848	890
Venues and facilities	44	96			2 000		500		
Rental and hiring									
Interest and rent on land		182		50	50			53	55
Interest		182		50	50			53	55
Transfers and subsidies	6	35	14	100	100	89	100	105	111
Non-profit institutions									
Households	6	35	14	100	100	89	100	105	111
Social benefits	6	35		100	100	89	100	105	111
Other transfers to households			14						
Payments for capital assets		25 796	85 803	217 420	105 820	105 820	106 420	16 304	17 120
Buildings and other fixed structures		25 498	85 650	217 420	105 820	105 820	106 420	16 304	17 120
Buildings		25 498	85 650	217 420	105 820	105 820	106 420	16 304	17 120
Other fixed structures									
Machinery and equipment		298	153						
Other machinery and equipment		298	153						
Payments for financial assets	80 000	30 516	548						
Total economic classification	200 506	174 637	272 533	423 053	331 453	322 638	368 769	362 608	380 739