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Estimates of Provincial Revenue and Expenditure

Vote 1: Office of the Premier

Vote 2: Provincial Legislature

Vote 3: Department of Transport, Safety and Liaison

Vote 4: Department of Education

Vote 5: Department of Roads and Public Works

Vote 6: Department of Economic Development and Tourism

Vote 7: Department of Sports, Arts and Culture

Vote 8: Provincial Treasury

Vote 9: Department of Co-Operative Governance, Human Settlements and Traditional Affairs

Vote 10: Department of Health

Vote 11: Department of Social Development

Vote 12: Department of Agriculture, Land Reform and Rural Development

Vote 13: Department of Environment and Nature Conservation

Acronyms

AADT	Average Annual Daily Traffic
ABET	Adult Basic Education and Training
AET	Adult Education and Training
AG	Auditor General
ANA	Annual National Assessment
APP	Annual Performance Plan
B2B	Back to Basic
BBEE	Broad Based Black Economic Empowerment
BEE	Black Economic Empowerment
BER	Bureau for Economic Research
BHF	Board of Health Funders
BPO	Business Process Outsourcing
BRICS	Brazil, Russia, India and China and South Africa
CAPS	Curriculum and Assessment Policy Statement
CASP	Comprehensive Agricultural Support Programme
CDW	Community Development Workers
CFO	Chief Financial Officer
CHC	Community Health Centre
CHW	Community Health Workers
CLCs	Community Learning Centres
CMAPs	Chemicals Management Action Plans
COGHTSA	Co-operative Governance, Human Settlements and Traditional Affairs
CPI	Consumer Price Index
CPIs	Comprehensive Infrastructure Plans
CRDP	Comprehensive Rural Development Programme
CSP	Comprehensive Service Plan
CSPS	Community, Social and Personal Services
CUT	Central University of Technology
CWP	Community Work Programme
DHET	Department of Higher Education
DHIS	District Health Information Systems

DOPRF	Devolution of Property Rates Fund
DoRA	Division of Revenue Act
DoRB	Division of Revenue Bill
DPSA	Department of Public Service and Administration
DRS	Debt Redemption Strategy
DTI	Department of Trade and Industry
DTSL	Department of Safety and Liaison
DWA	Department of Water Affairs
ECD	Early Childhood Development
EDI	Electronic Data Interchange
EMIS	Education Management Information System
EMS	Emergency Medical Services
EPRE	Estimates of Provincial Revenue and Expenditure
EPWP	Expanded Public Works Programme
ERP	Extension Recovery Plan
ETDP	Education Training and Development Practice Sector Education and Training Authority
EXCO	Executive Council
FARR	Foundation for Alcohol Related Research
FET	Further Education and Training
FIFA	Federation of International Football Association
FSD	Farmer Support and Development
GDP	Gross Domestic Product
GEM	Global Economic Monitor
GEMS	Government Employee Medical Scheme
GET	General Education and Training
GIAMA	Government Immoveable Asset Management Act
GRAP	Generally Recognised Accounting Practice
HCBC	Home Community Based Care
HCDS	Human Capital Development Strategy
HCWM	Health Care Waste Management
HDIs	Historically Disadvantage Individuals
HFRG	Health Facility Revitalization Grant

HIS	Hospital Information System
HIV and AIDS	Human Immunodeficiency Virus and Acquired Immunodeficiency Syndrome
HOD	Head of Department
HPTDG	Health Professional Training and Development Grant
HRP	Hospital Revitalisation Programme
HSDG	Human Settlement Development Grant
HSS	Human Settlement Subsidy System
ICS	Improvement of Conditions of Service
ICT	Information Communication Technology
IDC	Industrial Development Corporation
IDIP	Infrastructure Delivery Improvement Programme
IDPs	Integrated Development Plans
IES	Income and Expenditure Survey
IGP	Infrastructure Grant to Provinces
IGR	Intergovernmental relations
IMF	International Monetary Fund
INP	Integrated Nutrition Programme
IRDP	Integrated Residential Development Programme
ISDM	Integrated Service Delivery Model
ISRDP	Integrated Sustainable Rural Development Programme
IT	Information Technology
IYM	In-Year Monitoring
LED	Local Economic Development
LFS	Labour Force Survey
LGTAS	Local Government Turn Around Strategy
LOGIS	Logistical Information System
LRAD	Land Redistribution and Agricultural Development
LTSM	Learner Teacher Support Materials
M&E	Monitoring and Evaluation
MAFISA	Micro Agricultural Financial Institutions of South Africa
MDR-TB	Multi-Drug Resistant TB
MEC	Member of Executive Council
MFMA	Municipal Finance Management Act

MIG	Municipal Infrastructure Grant
MISA	Municipal Infrastructure Support Agency
MoA	Memorandum of Agreement
MPAT	Monitoring Performance Assessment Tool
MPL	Member of Provincial Legislature
MSIP	Municipal Support and Intervention Plan
MSWH	Mother, Child and Women`s Health
MTBPS	Medium Term Budget Policy Statement
MTEF	Medium Term Expenditure Framework
MTREF	Medium-Term Revenue and Expenditure Framework
MTSF	Medium Term Strategic Framework
MYHDP	Multi-Year Housing Development Plan
NACH	National Anti-Corruption Hotline
NAMC	National Agriculture Marketing Council
NCA	National Credit Act
NCDoE	Northern Cape Department of Education
NCEDA	Northern Cape Economic Development Trade and Investment Promotion Agency
NCFF	Northern Cape Fiscal Framework
NCGB	Northern Cape Gambling Board
NCLB	Northern Cape Liquor Board
NCOP	National Council of Provinces
NCPGDS	Northern Cape Provincial Growth and Development Strategy
NCPL	Northern Cape Provincial Legislature
NCPT	Northern Cape Provincial Treasury
NCTA	Northern Cape Tourism Authority
NDHS	National Department of Human Settlement
NDP	National Development Plan
NGO	Non-governmental Organisation
NHI	National Health Insurance
NHLS	National Health Laboratory Services
NPO	Non-profit Organisations
NQF	National Qualification Framework

NSC	National Senior Certificate
NSDA	Negotiated Service Delivery Agreement
NSDF	National Spatial Development Framework
NSDP	National Spatial Development Perspective
NSLA	National Strategy for Learner Attainment
NSNP	National School Nutrition Programme
NSNP	National School Nutrition Programme
NSP	National Strategic Plan
NT	National Treasury
NTR's	National Treasury Regulations
NTSG	National Tertiary Services Grant
OECD	Organization for Economic Co-operation and Development
OPRE	Overview of Provincial Revenue and Expenditure
OSD	Occupational Specific Dispensation
OTP	Office of the Premier
PCA	Provincial Council on AIDS
PERSAL	Personnel and Salary Administration System
PES	Provincial Equitable Share
PFMA	Public Finance Management Act
PGDS	Provincial Growth and Development Strategy
PHC	Primary Health Care
PIGF	Premier's Inter-Governmental Forum
PMTCT	Prevention of Mother-to-Child Transmission
PMTEC	Provincial Medium Term Expenditure Committee
PPHC	Personal Primary Health Care
PPI	Production Price Index
PPP	Public Private Partnerships
PRF	Provincial Revenue Fund
PSC	Public Service Commission
PSCBC	Public Service Coordinating and Bargaining Council
PSDF	Provincial Spatial Development Framework
PSETA	Public Sector Education and Training Authority
PTIF	Provincial Transport Infrastructure Fund

RCAM	Roads Classification and Access Management
RDP	Reconstruction and Development Programme
REQV	Relevant Education Qualification Value
RIFSA	Roads Infrastructure Strategic Framework for South Africa
SACSSP	South African Council for Social Service Professions
SALGA	South African Local Government Association
SANAS	South African National Accreditation System
SANCB	South African National Council for the Blind
SAPS	South African Police Services
SARCC	South African Rail Commuter Corporation
SARS	South African Revenue Services
SASSA	South African Social Security Agency
SAWs	Social Auxiliary Workers
SCM	Supply Chain Management
SCOA	Standard Chart of Accounts
SDFs	Spatial Development Frameworks
SETA	Sector Education Training Authority
SEZ	Special Economic Zone
SGB	School Governing Bodies
SIOC	Sishen Iron Ore Community Trust
SIP	Strategic Infrastructure Projects
SITA	State Information Technology Agency
SMME	Small Medium and Micro Enterprise
SMS	Senior Management Service
SMT	School Management Teams
SOEs	State Owned Enterprises
SONA	State of the Nation Address
SOPA	State of the Province Address
SPV	Special Purpose Vehicles
STI	Sexually transmitted Infection
TB	Tuberculosis
TCF	Technical Committee on Finance
TIPS	Trade and Industry Policy Service

UISP	Informal Settlement Programme
UPFS	Uniform Patient Fee Schedules
URP	Urban Renewal Programme
URS	User Requirement Statement
VIP	Ventilation Improved Pit

FOREWORD

By: J Block MEC for Finance, Economic Development and Tourism

National Government's stance on fiscal consolidation has led to unprecedented levels of budgetary reductions on the provincial fiscal framework. Whilst in the recent past the reductions in the provincial equitable share were mainly influenced by annual impact of new data updates on the provincial equitable share formula, the 2015 MTEF budget reduces with an amount of R253 million because of not only new data updates, but also as a result of direct cuts on the provincial equitable share that all provinces had to contend with. Although the cuts were implemented across all provinces, the relative small size of the budget allocated to the Northern Cape further compounded on the impact of the cuts on the budget framework. All these efforts are meant to reduce the budget deficit at a national level, which in the long-term will become beneficial to our fiscal strength as a country.

To further demonstrate the severity of the problem, all new priorities and revisions on conditional grants were funded within the baseline allocations of all grants across various sectors. Similarly at a provincial level, new provincial priorities emanating in the 2015 MTEF will have to be funded within the current budget ceilings. Discussions around additional funds will centre around movement of funds within and between sector departments. The provincial fiscal framework will be extremely constrained over 2015 MTEF period.

We are comforted by the fact that national government implemented fiscal consolidation at a time when our unauthorised expenditure as a province is within manageable levels and should be cleared over the next two years.

Notwithstanding the challenges facing us as a province in the 2015 MTEF, the net equitable share growth is set to increase on average by 6 per cent over the 2015 MTEF. Whilst own revenue account for only 2 of the total provincial receipts, the growth for own revenue is 5 per cent on average over the next three years which is slightly lower than the projected CPIX of 5.8 per cent.

One of the bigger issues that remain unresolved is the huge budgetary implications associated with the operational costs of the hospitals that will be completed during the 2015/16 financial year. A lot of money has been invested in the construction of new infrastructure and the province in consultation with national will have to find a long sustainable model to operationalise new hospitals.

We have improved our transparency when it comes to the budget process including decision-making, in an effort to clearly demonstrate the current economic realities, and therefore when we say the fiscus is constraint, all stakeholders understand because our information is subjected to public scrutiny based on the transparency and quality of our budget documentation.

I would like to extend my greatest appreciation to all role players who contributed during the crafting of this budget and will continue to play an active role in its implementation for the betterment of all the people of this province.

J. Block

MEC for Finance, Economic Development & Tourism

Overview of Provincial Revenue and Expenditure

10 March 2015

1 Socio-Economic Outlook

The South African and Northern Cape economies experienced an average annual real economic growth rate of 3.2 and 2.3 per cent respectively between 2003 and 2013. National Treasury has projected that the tax revenue will amount to R979 billion in 2014/15 or about R14.7 billion less than the budget estimate a year ago.

The following socio-economic indicators should thus be considered to optimally allocate the limited resources of government for the provision of services..

1.1. Demography

The demographic profile gives the status quo of the population of a region at a specific time or for a period. Table 1.1 below shows the population distribution between the districts for 2013.

Table 1.1: Population size and distribution between districts, 2013

District	Total population	Percentage
Namakwa DM	115 702	10.1%
Pixley ka Seme DM	186 863	16.3%
ZF Mgcawu DM	237 233	20.7%
Frances Baard DM	381 737	33.3%
John Taolo Gaetsewe DM	223 159	19.5%
Northern Cape	1 144 695	100.0%

Source: Global Insight, 2014

The Frances Baard District Municipality had the largest population share at 33.3 per cent, followed by ZF Mgcawu at 20.7 per cent, while Namakwa had the smallest share at 10.1 per cent.

Table 1.2 below illustrates the population profile of the Northern Cape Province in terms of race, gender and number of households.

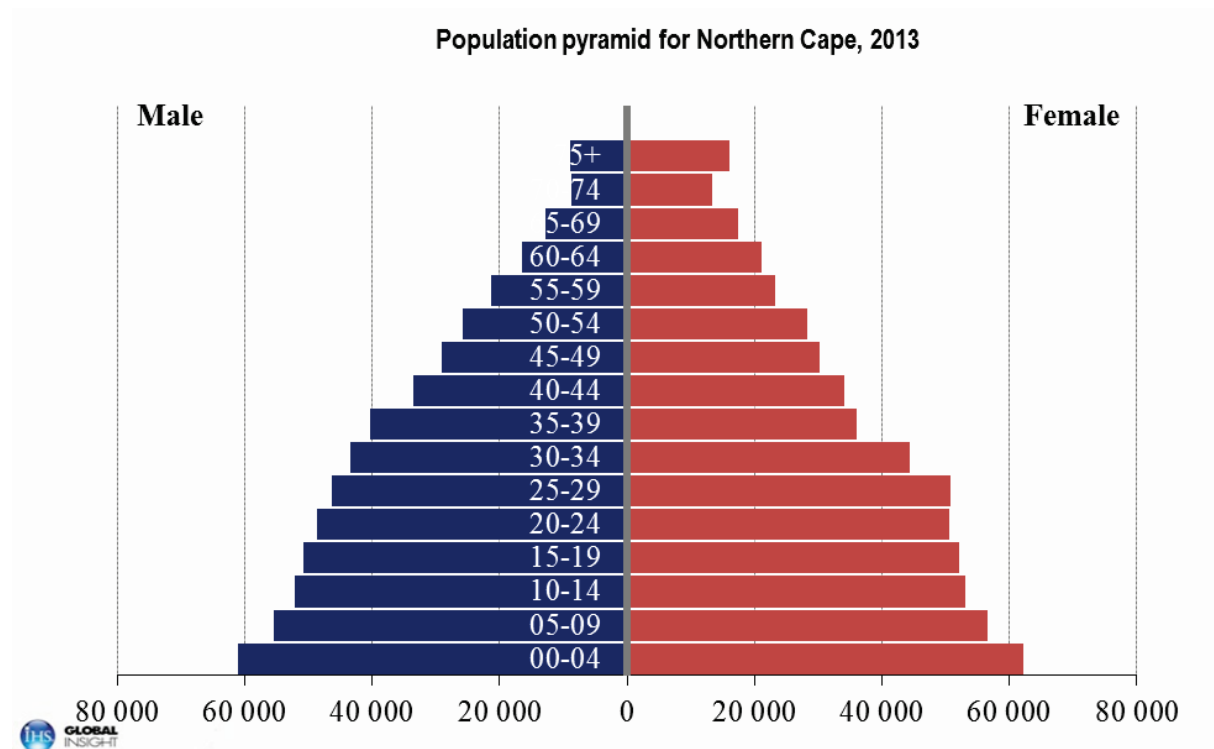
Table 1.2: Population profile for Northern Cape by race and gender 2003 and 2013

	TOTAL POPULATION		HOUSEHOLDS	
	Northern Cape	South Africa	Number of Households	Average number of people per Household
2003	1 026 950	46 556 367	280 881	3.66
2013	1 144 695	52 970 625	323 350	3.54
% Change	1.09	1.30		
	TOTAL POPULATION BY RACE AND GENDER			
	Race	Male	Female	Total
2013	African	285 636	304 286	589 922
	White	38 439	40 570	79 009
	Coloured	227 239	241 547	468 787
	Asian	3 914	3 063	6 976
	Total	555 228	589 466	1 144 695

Source: Global Insight, 2014

The population of the Northern Cape was mostly composed of Africans followed by Coloureds, representing 51.5 and 41.0 per cent respectively of the total population. In 2013, there were only 6 976 Asians residing in the Northern Cape. Females represented 51.5 per cent of the total population. The average number of people per household decreased from 3.66 in 2003 to 3.54 in 2013.

Figure 1.1 below illustrates the population pyramid of the Northern Cape for 2013.

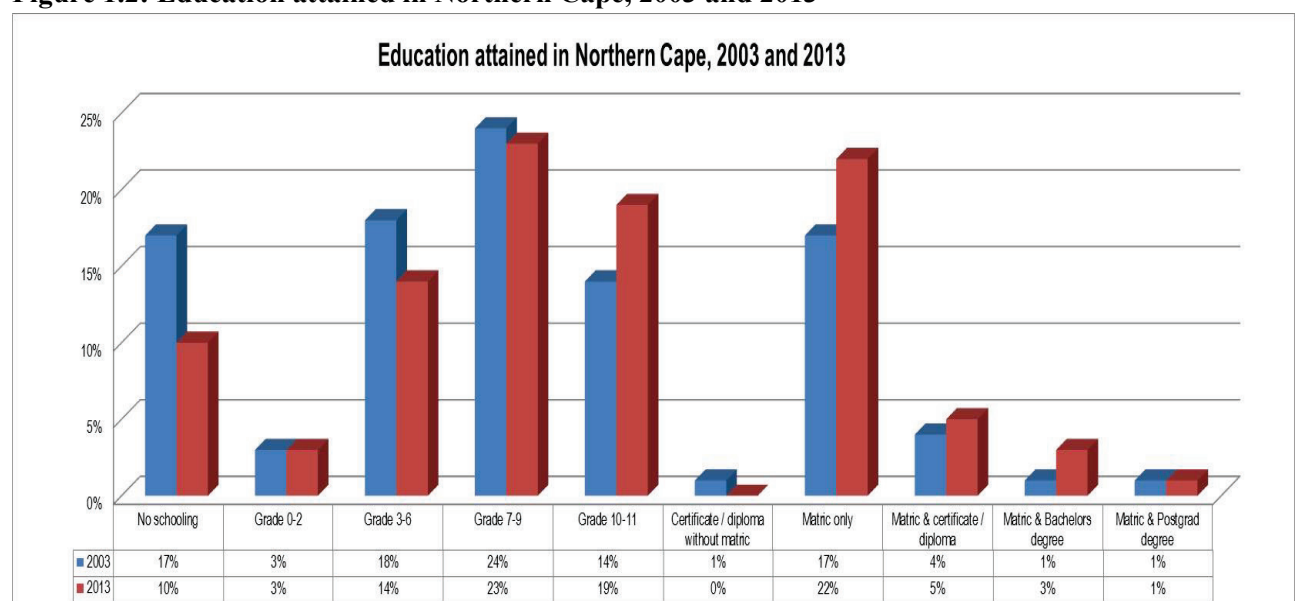


Source: Global Insight, 2014

The population pyramid above has characteristics of an expanding pyramid with a broad foundation which represents a high proportion of children and a low proportion of older people. The largest population size was in the age cohorts 0-4 and the smallest was in the age cohort 70-74.

Figure 1.2 below depicts the levels of education attained in the Northern Cape for 2003 and 2013.

Figure 1.2: Education attained in Northern Cape, 2003 and 2013



Source: Global Insight, 2014

The percentage of people who are not attending school declined from 17 in 2003 to 10 in 2013. The people who obtained grade 10-11 increased from 14 to 19 per cent, those with matric only increased from 17 to 22 per cent and those who attained matric & bachelor degree increased from 1 to 3 per cent over the same period.

Table 1.3 below, shows the number of households with and without access to basic services in the province for 2003 and 2013.

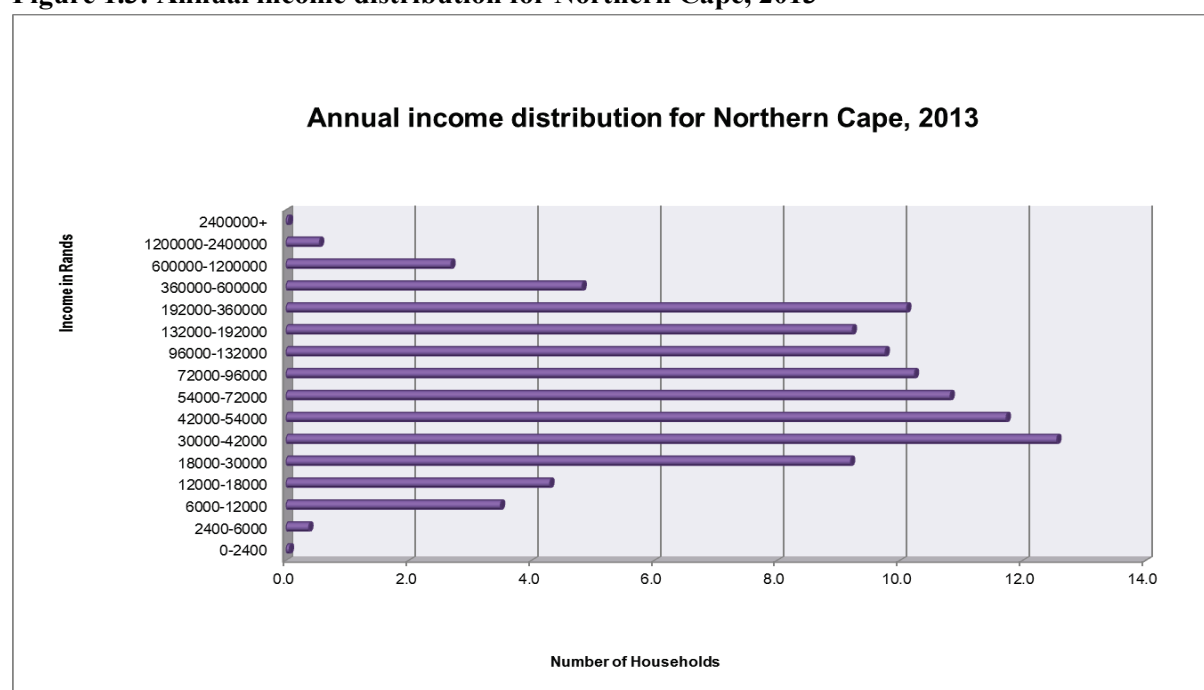
Table 1.3: Number of households with and without access to basic services for Northern Cape, 2003 and 2013

Basic services	2003		2013	
	Households with access	Households without access	Households with access	Households without access
Electricity	136 204	50 911	217 330	28 616
Flush toilets	165 030	22 187	195 680	16 206
Piped water	103 583	9 496	125 525	19 481
Refuse removal	160 292	11 762	179 396	12 301

Source: Global Insight, 2014

The numbers of households in the province with access to flush toilets, piped water, refuse removal and electricity increased between 2003 and 2013. The number of households with no access to electricity and flush toilets decreased, while the number of households without access to piped water and refuse removal increased between 2003 and 2013.

Figure 1.3: Annual income distribution for Northern Cape, 2013



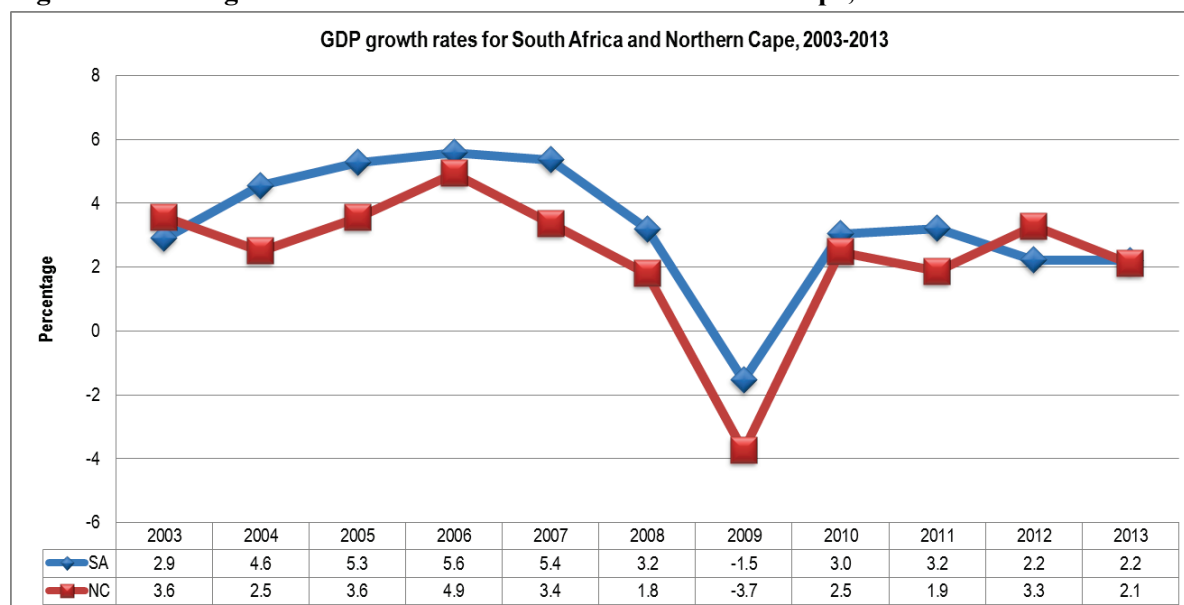
Source: Global Insight, 2014

The distribution of income within the province is uneven. The income bracket of households earning between R0 and R2 400 annually accounted for 0.1 per cent. The largest number of households fell in the R30 000 to R42 000 bracket at 12.6 per cent. The R42 000 to R54 000 per annum income bracket had the second largest portion of households at 11.7 per cent.

1.2. Economic Indicators

Figure 1.4 below compares the growth in GDP of the province with that of the country between 2003 and 2013.

Figure 1.4: GDP growth rates for South Africa and Northern Cape, 2003-2013

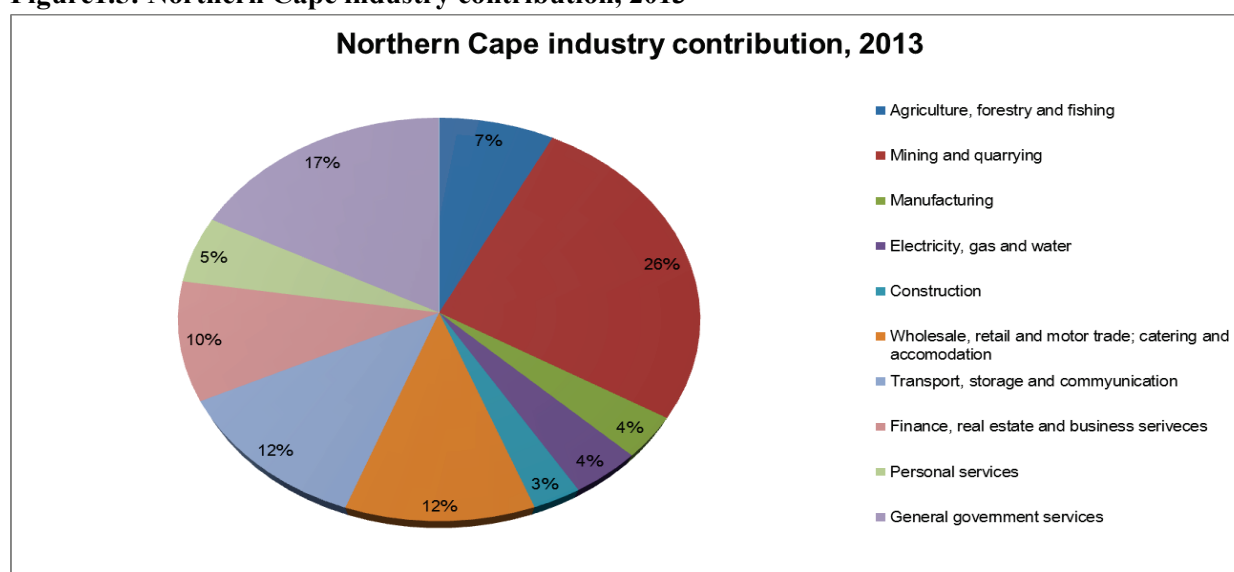


Source: Statistics South Africa P0441, 3rd Quarter, 2014

The South African and Northern Cape economies experienced an average annual real economic growth rate of 3.2 and 2.3 per cent respectively between 2003 and 2013. The economy has been battling to recover and attain the pre-recession growth rates experienced between 2004 and 2007. The country's growth rate remained unchanged between 2012 and 2013, while the Northern Cape economy lost some growth momentum in the same time period.

Figure 1.5 below shows the distribution of the provincial economy per industry contribution.

Figure 1.5: Northern Cape industry contribution, 2013



Source: Statistics South Africa P0441, 3rd Quarter, 2014

The structure of the Northern Cape economy has remained relatively unchanged in the past decade, with the tertiary sector making the largest contribution to the economy followed by the primary and the secondary. The mining and quarrying industry was the single biggest contributor to the economy at 26 per cent, followed by general government services at 17 per cent. The construction industry contributed least at 3 per cent.

1.3. Labour Status

Table 1.4 below shows the labour market status for the Northern Cape Province for 2013 and 2014.

Table 1.4: Labour market status for Northern Cape, 2013 and 2014

Labour Market	Total ('000)		% Rate	
	2013	2014	2013	2013
Employed	310	307	72.1	70.0
Unemployed	120	131	27.9	30.0
Economically active	430	438	57.5	57.8
Not economically active	318	320	42.5	42.2
Working age population (15-64)	748	758	100.0	100.0

Source: Statistics SA, QLFS, 2014

The table above shows that the number of people employed decreased by 3 000 from 310 000 in 2013 to 307 000 in 2014. The number of unemployed people increased by 11 000 over the same period. The unemployment rate increased from 27.9 to 30.0 per cent.

The employment by industry for the Northern Cape Province in 2013 and 2014 is shown in table 1.5 below.

Table 1.5: Employment by industry for Northern Cape, 2013 and 2014

Sectors	2013		2014		Total Change	
	Number ('000)	% Share	Number ('000)	% Share	Number ('000)	% Change
Primary Sector	64	20.6	63	20.1	-1	-1.6
Agriculture	44	14.1	44	14.1	0	0.0
Mining	20	6.4	19	6.1	-1	-5.0
Secondary Sector	35	11.3	43	13.7	8	22.9
Manufacturing	10	3.2	10	3.2	0	0.0
Utilities	2	0.6	9	2.7	7	325.0
Construction	23	7.4	25	7.8	2	6.5
Tertiary Sector	212	68.2	207	66.1	-5	-2.5
Trade	49	15.8	46	14.7	-3	-6.1
Transport	15	4.8	8	2.6	-7	-46.7
Finance	26	8.4	24	7.8	-2	-6.7
Community services	94	30.2	99	31.5	5	4.8
Private Households	28	9.0	30	9.6	2	7.1
Total	311	100.0	313	100.0	2	0.6

Source: Statistics SA, QLFS, 2014

The tertiary sector followed by the primary sector absorbed most of the workers in 2013 and 2014. The community services, trade and agriculture industries employed the most workers. The employment growth between 2013 and 2014 in the primary sector was -1.6 per cent, in the secondary sector it was 22.9 per cent and in the tertiary sector it was also negative at -2.5 per cent. The

secondary sector registered such a high positive year-on-year growth mainly due to the utilities industry which had the highest growth amongst all the industries at 325 per cent.

2. Budget strategy and aggregates

2.1 Introduction

The provincial equitable share continues to reduce over the 2015 MTEF, this has a negative effect in the provincial fiscal framework. Over the 2015 MTEF, the equitable share was reduced as a result of new data updates, provision for 2011 census to losing provinces which was extended to the 2016/17 financial year as well as a general baseline reduction effected by National Treasury in order to reduce the national budget deficit.

The reduction in the equitable share amount to R279 million over the 2015 MTEF period. Because of the fiscal discipline that the province has maintained over the years, the said reductions were contained to a large extent within budget framework and departments were minimally affected by this budget cut, while the departments of Health and Education were totally protected. This means that Provincial Treasury maintained the stability in spending for these two priority departments.

The cushioning of the provincial departments has resulted in the depletion of provincial reserves and therefore any future equitable share reductions will be channelled to the departments. This means that the province has reached a point where it can no longer protect departments from the cuts including the social sector departments. Departments should therefore inculcate a culture of doing more with less and seek to seriously interrogate baselines in order to find resources to fund any other future pressures.

The province has managed to reduce the amount of the cumulative unauthorised expenditure from R935 million to R220 million through the passing of a Finance Act in 2014. Reserves are still being put aside in the fiscal framework in order to totally clear the balance of the unauthorised expenditure up to the end of the 2012/13 financial year. Any unauthorised expenditure incurred after the 2012/13 financial year will become a charge against the future allocation of all over spending departments. Any overspending by departments post this period will become a first charge.

The main budget provides for total expenditure of R14.1 billion in 2015/16 rising to R15 billion by 2017/18. Total revenue increases from R14.1 billion to R15.3 billion over the same period, of which equitable share increases from R10.1 billion in 2015/16 to R11.3 billion in 2017/18, conditional grants remains constant at R3.6 billion and own provincial revenue increases from R340 million to R375 million in 2015/16 and 2017/18 respectively.

The budget drives to improve efficiency and effectiveness in spending within available provincial resources. In order to stimulate economic activity and to supplement the ever dwindling equitable share, it will become necessary for the province to prudently look at own revenue collection measures, which remains an essential source of provincial funding. The province will have to find innovative ways and means to optimise collection on existing sources as well as exploring new sources of own revenue.

The state of personnel budgets across departments remains a significant risk to the fiscal sustainability of the province mainly as a result of appointments made without providing for the associated carry through costs.

2.2 Aligning provincial budgets to achieve government's prescribed outcomes

The new Medium Term Strategic Framework (MTSF) 2014-2019 is structured around 14 priority outcomes which cover focus areas as identified in the National Development Programme (NDP) and government's electoral mandate. The 12 Outcomes were the focus of the 2009-2014 administration and a further two new outcomes have been developed which relate to (social protection and social cohesion).

The MTSF contain detailed plans for the next five years for each of the outcomes areas. They set out core objective, the major challenges that have been identified and programmes and actions to be implemented during the 2014-2019 period. Each outcome is broken down into sub-outcomes containing a set of actions together with indicators for measuring progress, targets and timeframes.

2.3 Summary of Budget Aggregates

Table 1.6 below outlines the summary of the revenue, payments and own financing components of the budget.

Table 1.6: Provincial budget summary

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14	2014/15			2015/16	2016/17	2017/18
Provincial receipts									
Transfer receipts from national	10 440 259	11 285 606	12 546 276	12 982 328	13 099 432	13 027 945	13 803 138	14 196 586	14 997 485
Equitable Share	7 788 400	8 226 003	9 027 278	9 620 463	9 620 463	9 620 463	10 137 746	10 730 339	11 396 762
Conditional grants	2 651 859	3 059 603	3 518 998	3 361 865	3 478 969	3 407 482	3 665 392	3 466 247	3 600 723
Provincial own receipts	225 666	269 908	283 011	279 438	287 679	295 685	340 960	352 493	375 362
Total Provincial receipts	10 665 925	11 555 514	12 829 287	13 261 766	13 387 111	13 323 630	14 144 098	14 549 079	15 372 847
Provincial Payments									
Current payments	7 923 092	8 341 963	9 723 577	10 669 438	10 514 348	10 680 072	11 277 467	11 799 271	12 451 746
Transfers and subsidies	1 314 239	1 364 942	1 716 178	1 345 215	1 463 592	1 489 520	1 501 167	1 578 811	1 665 857
Payments for capital assets	1 506 108	1 418 285	1 620 662	1 032 584	1 411 278	1 437 141	1 381 892	983 425	916 247
Payments for financial assets	1 452	3 304	384	328	328	328	343	354	372
Unallocated contingency reserves	-	-	-	-	-	-	-	-	-
Total Provincial Payments	10 744 891	11 128 493	13 060 801	13 047 566	13 389 547	13 607 061	14 160 867	14 361 861	15 034 219
Surplus/(deficit) before financing	(78 966)	427 021	(231 514)	214 200	(2 436)	(283 431)	(16 769)	187 217	338 628
Financing									
Provincial roll-overs	62 311	101 089	77 667	-	75 884	-	-	-	-
Other (specify)	242 169	181 251	234 538	-	93 616	-	131 862	-	-
Other (specify)	-	-	-	-	-	-	-	-	-
Surplus/(deficit) after financing	225 514	709 361	80 691	214 200	167 064	(283 431)	115 093	187 217	338 628

The Northern Cape equitable share allocation for the 2015/16 financial year has increased by 5 per cent to R10.1 billion. Conditional grants have increased by 4 per cent to R3.6 billion compared to the revised estimates. The revenue generated within the province shows an increase of 18 per cent to R341 million from a revised estimate of R288 million.

The total provincial receipts amount to R14.1 billion in the 2015/16 financial year. The two outer medium term years increase to R14.5 billion and R15.4 billion respectively. The remaining surplus after factoring out provincial payments, amount to R115 million in 2015/16 and R526 million in the two outer years of the MTEF.

2.4 Financing

The budget of the province is mainly financed through transfers from national in the form of the equitable share and conditional grants and supplemented by provincial own revenue which constitutes only 2 per cent of the total provincial budget.

Surplus

The province has in total budgeted for a surplus amounting to R641 million over the 2015 MTEF. In the 2015/16 financial year, an amount of R70 million is set aside for the Debt Redemption Strategy, which increases to R150 million in the two outer years of the MTEF. The net surplus after factoring out the debt redemption amounts to R271 million over the MTEF period. R10 million is earmarked for Operation Khotso Pula Nala in relation to townships revitalisation projects and an amount of R21.5 million is earmarked for other provincial priorities.

3 Budget Process and the Medium-Term Expenditure Framework

The current economic conditions have made it almost impossible for departments to forecast with certainty what their short to medium term allocations would be, mainly as a result of the annual data updates in the provincial equitable share and a result of fiscal consolidation by national government.

It is for this reason that all stakeholders especially planners should understand the economic conditions and how these factors may impact on future allocations on the budget. However, with all these challenges, MTEF budgeting remains important in balancing short term plans against available resources.

Provincial Treasury's mandate and responsibility in terms of the budget process emanate directly from Section 215 of the Constitution, that "national, provincial and municipal budgets and budget processes must promote transparency, accountability and the effective financial management of the economy, debt and the public sector". Chapter 4 in both the Public Finance Management Act (PFMA) and Municipal Finance Management Act (MFMA) give effect to this provision, by requiring transparency in the budget process and budget documents.

Furthermore, Section 26 of the Public Finance Management Act of 1999 requires each provincial legislature to appropriate money for each financial year to fund the services it provides to the community.

Municipal Finance Management Budget Process Highlights

Municipalities must table a budget annually in council and consult with their communities. The budget must have been tabled before the 31 March and considered for approval by 31 May of each year. If no budget has been approved at the start of the municipal financial year the province must intervene in that municipality as it will have no legal power to spend. The MEC for Finance must approve all the expenditures until council can adopt the budget.

The process leading to the adoption of the budget includes number of role players like councillors, municipal officials and the community. National and provincial government plays an oversight role over the process.

Budget determines the spending priorities of the municipalities for the period it relates to. Communities must participate in the process so that they do not demand municipalities to implement programmes and projects that were not approved. This right also carries an obligation.

The local government process allows the municipality to consult with their communities during the Integrated Development Plan (IDP) process to determine their developmental priorities. The Millennium Development Goals as adopted by the United Nations and the National Development Plan of the country helps to inform the planning of the municipalities. These plans go a long way towards informing the budgeting process of the municipalities.

Since municipalities do not have access to unlimited financial resources they have to prioritise the needs of their communities. In the past municipalities focused on addressing the basic needs of the communities and sometimes neglecting the maintenance of the infrastructure. The lack of maintenance has reduced the lifespan of the infrastructure and creating new backlogs. Municipalities must prioritise maintenance and not focus on creating new infrastructures only. This should go a long way to ensure the sustainable delivery of municipal services.

Equitable Share of local government is intended to subsidise the poor households in the community that must be registered as indigents. The income of the households is used as a threshold to determine who qualifies as an indigent. The municipalities must also render services of an acceptable standard to the communities and attend to legitimate complaints from the communities.

4 Receipts

4.1 Overall position

Table 1.7 shows the actual and projected total receipts of the province over a seven year period, which includes the three year estimates of the 2015 MTEF.

The total provincial receipts consists of the equitable share, conditional grants and provincial own receipts. The equitable share and conditional grants are transfers from the national government in terms of the Division of Revenue Act. The provincial own revenue is raised by the province in terms of Section 228 of the Constitution, which allows provinces to raise their own revenue through taxes and levies.

Table 1.7: Summary of provincial receipts

R thousand	Outcome			Main appropriati on	Adjusted appropriati on	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14		2014/15		2015/16	2016/17	2017/18
Equitable share	7 788 400	8 226 003	9 027 278	9 620 463	9 620 463	9 620 463	10 137 746	10 730 339	11 396 762
Conditional grants	2 651 859	3 059 603	3 518 998	3 361 865	3 478 969	3 407 482	3 665 392	3 466 247	3 600 723
Total transfer receipts from National	10 440 259	11 285 606	12 546 276	12 982 328	13 099 432	13 027 945	13 803 138	14 196 586	14 997 485
Provincial own receipts									
Tax receipts	143 833	151 923	156 796	179 642	179 750	169 564	222 027	237 732	254 874
Casino taxes	15 154	15 309	16 158	20 275	20 275	17 597	21 370	22 524	23 650
Horse racing taxes	723	1 008	1 330	1 307	1 415	1 471	1 497	1 579	1 663
Liquor licences	3 612	3 714	3 722	3 654	3 654	3 654	3 865	4 078	4 294
Motor vehicle licences	124 344	131 892	135 586	154 406	154 406	146 842	195 295	209 551	225 267
Sales of goods and services other than capital assets	61 933	69 368	71 408	87 839	88 236	78 704	94 819	101 844	106 934
Transfers received	-	-	-	-	-	10	-	-	-
Fines, penalties and forfeits	3 763	3 046	3 676	3 020	3 030	2 716	3 149	3 313	3 472
Interest, dividends and rent on land	9 780	28 236	38 559	870	847	28 975	918	967	1 016
Sales of capital assets	1 268	4 986	2 687	733	2 786	2 560	2 905	3 103	3 258
Transactions in financial assets and liabilities	5 089	12 350	9 885	7 334	13 030	13 156	17 142	5 534	5 808
Total provincial own receipts	225 666	269 908	283 011	279 438	287 679	295 685	340 960	352 493	375 362
Total provincial receipts	10 665 925	11 555 514	12 829 287	13 261 766	13 387 111	13 323 630	14 144 098	14 549 079	15 372 847

The total projected receipts for the 2015 MTEF amount to R44.1 billion, of which R14.1 billion in 2015/16, R14.5 billion in 2016/17 and R15.4 billion in the last year. Total receipts in the form of equitable share is projected to amount to R32.265 billion over the MTEF and conditional grants are projected at R10.7 billion.

The remaining portion of the projected total receipts is derived from own revenue, which constitute 2.4 per cent of the overall receipts of the province. There has been consistent growth in own revenue over the recent past years and the trend is anticipated to continue in the coming financial years. The total projected own revenue amounts to R1.1 billion over the MTEF which represents average growth of 10 per cent, whilst average growth in the equitable share amount to 6 per cent for the same period.

4.2 Equitable share

The provincial equitable share is nationally raised revenue and is divided amongst the three spheres of government based on a formula. The formula comprises of six components namely; Education, Health, Basic Share, Poverty, Economic Activity and Institutional. The six components of the formula are updated annually with the release of official data from Statistics South Africa.

The equitable share is the largest source of funding and the biggest contributor to the total provincial receipts over the 2015 MTEF period. The equitable share amounts to R10.1 billion, which makes up 71.7 per cent of the total provincial receipts in the 2014/15 financial and will rise to R11.4 billion in the 2016/17 financial year.

4.3 Conditional grants

Conditional grants funding is the second largest source of funding for the province and averages 25.9 per cent of the total receipts over the next three years. Conditional grants amount to R3.7 billion and decreases marginally to R3.6 billion in the 2017/18 financial year.

Table 1.8 shows an increase of 4 per cent in 2015/16 from the revised estimate of R3.522 billion in 2014/15.

Table 1.8: Summary of Conditional Grant 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	2017/18
Agriculture	270 269	504 723	734 981	459 957	514 665	466 415	214 530	197 395	214 876
Agricultural Disaster Management Grant	131 862	-	-	-	50 000	-	-	-	-
Comprehensive Agricultural Support Programme Grant	72 052	424 999	639 149	378 390	380 339	380 339	135 768	134 729	148 302
Ilima/Letsema Projects Grant	60 000	63 000	81 633	72 003	74 762	74 762	69 460	55 050	58 480
Land Care Programme Grant: Poverty Relief and Infrastructure Development	6 355	12 724	12 055	7 462	7 462	7 462	7 302	7 616	8 094
Expanded Public Works Programme Incentive Grant for Provinces	-	4 000	2 144	2 102	2 102	3 852	2 000	-	-
Education	414 837	442 215	514 441	509 178	509 746	509 739	620 195	538 145	489 208
Dinaledi Schools Grant	2 380	3 391	3 267	3 782	3 782	3 782	-	-	-
Education Infrastructure Grant	289 158	307 609	365 548	346 445	346 445	346 445	446 998	359 545	300 000
HIV and Aids (Life Skills Education) Grant	4 357	4 579	5 205	5 059	5 059	5 059	5 281	5 281	5 547
National School Nutrition Programme Grant	105 116	113 136	119 859	134 645	134 645	134 645	142 724	150 289	157 803
Technical Secondary Schools Recaptalisation Grant	7 667	12 500	12 429	13 978	13 978	13 978	-	-	-
Expanded Public Works Programme Incentive Grant for Provinces	6 159	1 000	4 465	2 025	2 593	2 593	2 077	-	-
Social Sector Expanded Public Works Programme Incentive Grant for Provinces	-	-	3 668	3 237	3 237	3 237	1 000	-	-
OSD for Therapists	-	-	-	7	7	-	2	-	-
Maths, Science and Technology Grant	-	-	-	-	-	-	22 113	23 030	25 858
Further Education and Training College Sector Grant	-	-	-	-	-	-	-	-	-
Health	1 037 087	1 046 497	1 133 153	1 156 093	1 212 758	1 212 758	1 364 457	1 206 733	1 283 629
Comprehensive HIV and Aids Grant	212 923	248 372	302 259	342 789	355 972	355 972	371 253	417 987	471 327
Forensic Pathology Services Grant	24 240	-	-	-	-	-	-	-	-
Health Professions Training and Development Grant	65 510	68 583	77 395	76 697	76 697	76 697	78 445	81 815	86 939
Health Facility Revitalization Grant	496 393	450 421	452 952	421 428	464 910	464 910	593 590	380 727	378 727
National Tertiary Services Grant	235 948	266 621	282 616	298 727	298 727	298 727	305 477	318 661	338 620
Expanded Public Works Programme Incentive Grant for Provinces	2 073	1 000	2 605	2 115	2 115	2 115	2 000	-	-
Social Sector Expanded Public Works Programme Incentive Grant for Provinces	-	-	8 798	7 337	7 337	7 337	6 488	-	-
National Health Insurance Grant	-	11 500	6 528	7 000	7 000	7 000	7 204	7 543	8 016
Human Settlements	332 989	339 551	577 450	377 668	377 668	377 668	382 561	402 276	427 374
Housing Disaster Relief Grant	-	-	-	-	-	-	-	-	-
Human Settlements Development Grant	332 989	339 551	577 450	374 832	374 832	374 832	380 408	402 276	427 374
Expanded Public Works Programme Incentive Grant for Provinces	-	-	-	2 836	2 836	2 836	2 153	-	-
National Treasury	-	-	-	-	-	-	-	-	-
Infrastructure Grant to Provinces	-	-	-	-	-	-	-	-	-
Roads and Public Works	416 543	529 532	704 399	643 436	643 436	640 472	825 923	870 464	932 790
Devolution of Property Rate Funds Grant to Provinces	41 754	43 911	4 915	-	-	-	-	-	-
Social Sector Expanded Public Works Programme Incentive Grant for Provinces	-	-	-	-	-	-	-	-	-
Expanded Public Works Programme Incentive Grant for Provinces	4 810	1 915	-	2 964	2 964	-	3 493	-	-
Provincial Roads Maintenance Grant	308 760	483 706	699 484	640 472	640 472	640 472	822 430	870 464	932 790
Transport Disaster Management Grant	61 219	-	-	-	-	-	-	-	-
Sport, Art and Culture	96 272	101 366	110 834	154 528	159 691	143 932	179 517	186 410	203 089
Community Library Services Grant	69 900	72 395	78 785	118 396	123 559	107 522	147 121	153 424	166 645
Mass Participation and Sport Development Grant	26 372	27 404	30 807	31 450	31 450	32 207	29 181	32 986	36 444
Expanded Public Works Programme Incentive Grant for Provinces	-	1 000	733	2 102	2 102	1 889	2 000	-	-
Social Sector Expanded Public Works Programme Incentive Grant for Provinces	-	567	509	2 580	2 580	2 314	1 215	-	-
Transport	37 565	39 255	41 586	46 640	46 640	46 640	45 907	46 824	49 757
Public Transport Operations Grant	37 565	39 255	41 390	43 937	43 937	43 937	44 907	46 824	49 757
Expanded Public Works Programme Incentive Grant for Provinces	-	-	196	2 703	2 703	2 703	1 000	-	-
Expanded Public Works Programme Incentive Grant for Provinces	-	1 000	2 100	6 204	6 204	2 059	4 000	-	-
Economic Development And Tourism	-	1 000	1 550	4 102	4 102	2 059	2 000	-	-
Environment And Nature Conservation	-	-	550	2 102	2 102	-	2 000	-	-
Social Development	5 658	1 506	5 689	8 161	8 161	7 799	28 301	18 000	-
Social Sector Expanded Public Works Programme Incentive Grant for Provinces	5 658	1 506	5 689	6 161	6 161	7 799	6 301	-	-
Substance Abuse Treatment Grant	-	-	-	2 000	2 000	-	22 000	18 000	-
Total conditional grants	2 611 220	3 005 645	3 824 633	3 361 865	3 478 969	3 407 482	3 665 391	3 466 247	3 600 723

Further Education and Training (FET) Colleges Grant will shift to the Department of Higher Education (DHET) with effect from the 1st of April 2015.

Dinaledi and Technical Secondary Schools Recapitalisation Grants have been combined to form the new Maths, Science and Technology Grant. The province has been allocated an amount of R22.1 million in 2015/16, R23 million in 2016/17 and R25.8 million in 2017/18.

National School Nutrition Programme Grant will from the 2015/16 financial year be extended to include provision for the deworming of learners to ensure that they receive maximum nutritional benefit from school meals. This will not impact on the allocation of the Department of Education as this additional responsibility will be funded through the nutrition education and food production activities component in the grant which has a 0.5 per cent weight.

Comprehensive HIV and AIDS Grant has been revised to make provision for the direct funding of the National Health Laboratory Services functions. The province is allocated an amount of R371.2 million in 2015/16, R417.9 million in 2016/17 and R471.3 million in 2017/18.

Total conditional grants allocations to the province increased by 6 per cent when compared with the 2014/15 adjustment budget and average growth of 4 per cent over the MTEF.

Provincial own revenue

Table 1.9: Summary of provincial own receipts 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	2017/18
Vote 1: Office of the Premier	96	173	336	162	162	274	162	162	170
Vote 02: Provincial Legislature	3 233	3 271	507	2 548	2 548	3 161	2 665	2 806	2 947
Vote 03: Transport, Safety and Liaison	140 657	150 213	158 253	177 662	183 531	172 157	231 420	237 203	254 302
Vote 04: Education	6 720	13 509	7 660	8 346	8 346	8 155	8 799	9 274	9 738
Vote 05: Roads and Public Works	4 349	4 521	4 268	5 469	5 469	5 469	4 064	4 385	4 604
Vote 06: Economic Development	19 786	20 309	21 463	25 429	25 628	23 007	26 992	28 446	29 877
Vote 07: Sport, Arts and Culture	617	228	257	156	237	252	191	200	208
Vote 08: Provincial Treasury	9 464	27 690	38 170	848	848	28 326	895	943	991
Vote 09: Co-Operative Governance, Human Settlement and Traditional Affairs	744	458	1 628	480	572	709	501	528	554
Vote 10: Health	33 887	42 323	43 163	51 781	53 781	46 115	58 379	61 228	64 289
Vote 11: Social Development	737	672	1 143	846	846	820	900	948	995
Vote 12: Agriculture, Land Reform and Rural Development	2 291	3 442	3 577	1 949	1 949	1 949	2 055	2 165	2 273
Vote 13: Environment and Nature Conservation	3 085	3 099	2 586	3 762	3 762	5 291	3 937	4 205	4 414
Total provincial own receipts by Vote	225 666	269 908	283 011	279 438	287 679	295 685	340 960	352 493	375 362

The provincial own revenue collection between 2011/12 to 2013/14 financial years shows a fluctuating growth from R225.6 million in 2011/12 which increased by 19.6 per cent to R269.9 million in 2012/13 financial year and thereafter only increased by 4.9 per cent to R283 million in 2013/14 financial year. The fluctuation in the growth was mainly caused by the transactions in financial assets and liabilities as well as the sale of capital assets that are of once-off nature.

Northern Cape mainly generates its own revenue through motor vehicle licenses, patient fees, casino taxes as well as interest on investment made by the Provincial Treasury. Therefore, the main departments that contribute significantly towards provincial own revenue are; Transport, Safety and Liaison; Health; Economic Development and Tourism; and Provincial Treasury. The total revenue budget from the major revenue generating items averages 81.8 per cent over the 2015 MTEF; with Provincial Treasury interest comprising 6.2 per cent of the revised estimated revenue to be collected as at end of 2014/15 financial year.

In addition to the above-mentioned major sources of revenue, the province also collects own revenue from the following sources:

Sale of goods and services other than capital assets: is mainly made up of receipts from patient fees; rental dwellings; commission on insurance and garnishees; applications for learners licenses and renewal of drivers licenses, which contributes an average of 28.3 per cent over the 2015 MTEF; of which 15 per cent relates to the patient fees item.

Transactions in financial assets and liabilities: mainly comprises of other types of receipts, such as revenue from loans, receivables, and other receipts (such as overpayments, and stale cheques). The budget for this item contributes an average of 2.8 per cent over the 2015 MTEF.

Fines, penalties and forfeits: This item caters for compulsory non-exchange revenue, enforced by a court of law or similar judicial body or mutually agreed settlement outside the courts. The items that mainly contribute to this source of revenue are the fines charged by the Department of Transport, Safety, and Liaison on road offenders; and the fines charged by the Department of Environment and Nature Conservation on waste removal and pollution of environment. The budget for this item contributes an average of 0.9 per cent over the 2015 MTEF.

Sale of Capital Assets: This item caters for the sale of assets that costs more than R0.005 million as well as the sale of intangible items such as computer software. The budget for this item contributes an average of 0.9 per cent over the 2015 MTEF.

Interest, dividends and rent on land caters for receipts arising from the ownership of interest-bearing financial instruments such as bank deposits, loans extended to other parties and bills and bonds issued by other parties. This item is mainly comprised of the interest raised by the Provincial Treasury on the positive bank account of the province. The budget for this item contributes an average of 0.3 per cent over the 2015 MTEF.

Provincial own revenue is projected at R340.9 million in 2015/16 financial year, rising to R375.3 million in the outer year of the 2015 MTEF. Own revenue is projected to increase by 18.5 per cent from 2014/15 adjusted budget to the 2015/16 financial year projected collection. The revenue growth is expected to amount to 3.4 per cent from 2015/16 to 2016/17 financial years and 6.5 per cent from 2016/17 to 2017/18 financial years.

Major revenue collecting departments

The departments that contribute a large portion of the provincial own revenue is the Department of Transport, Safety and Liaison, Department of Health, and the Department of Economic Development and Tourism. These departments account for 92.9 per cent of the total provincial own revenue budget in the 2015/16 financial year.

Transport, Safety and Liaison

Department of Transport, Safety and Liaison continues to be the main contributor to total provincial own revenue, accounting for an average of 67.6 per cent of total provincial own revenue over the 2015 MTEF. Motor vehicle license taxes is the main contributor to the own revenue of the department and the province.

To enhance revenue, the department is embarking on numerous projects in addition to the appointment of New Integrated Credit Solutions (NICS) to collect outstanding motor vehicle license fees on behalf of the department, the department is considering the option of renewing motor vehicle licenses at the Post Office; capacitation of the E-Natis help desk so that it would take over the

collection of the E-Natis long outstanding debts from the New Integrated Credit Solutions (NICS) service provider.

Motor vehicle licenses

Revenue from motor vehicle license fees has been showing an unstable growth, rising from R124.3 million in the 2011/12 financial year to R135.5 million in the 2013/14 financial year which peaked by 8.3 per cent growth to the 2014/15 revised estimates. This increase is set to continue to R195.2 million in 2015/16 financial year, R209.5 million in 2016/17 financial year and R225.2 million in 2017/18 financial year, growing at an annual average rate of 13.8 per cent over the MTEF period.

These increases are linked to the net growth of the motor vehicle live population, coupled with the annual increase in motor vehicle license fees.

Fines, penalties and forfeits

The department is also collecting revenue from the fines issued by the traffic officers. The fines will be administered by the Adjudicative Administration of Roads Traffic Offence (AARTO). The AARTO processes are still being piloted in certain provinces and have been introduced in the Northern Cape Province as well, and its implementation will impact the department's future revenue collection.

Health

The Department of Health remains the second largest contributor towards the own revenue of the province, accounting for an average of 17.2 per cent of total provincial own revenue over the 2015 MTEF. The revenue budget for the department is projected to increase by an average of 6.1 per cent over the MTEF. Patient fees are the main source of revenue of the department contributing an average of 86.9 per cent to the total revenue of the department over the 2015 MTEF.

Patient fees

Health Patient fees are the second largest revenue source of the province. The department is focusing on patient billing for revenue collection. One of the major objectives is to eliminate leakages in the system, and to shorten patient payment intervals. More attention is being paid to the assessment of patients' ability to pay, the correct billing of patients and the timeous recovery of debts from patients and other third parties, such as medical aids. During the 2014/15 financial year engagements were held with the patient management system service providers with the aim to address challenges experienced by the department within the system as these affect revenue collection.

Revenue enhancement remains the strategy of the department, with revenue targets being increased over the 2015 MTEF to accommodate additional revenue expected to be generated from the West End Specialised Hospital which was registered during 2014 with the Board of Health Funders as a 'practice'. In addition to this, Kimberley hospital has been upgraded to a tertiary hospital and therefore the hospital provides advanced and improved service to the public and charges higher level tariffs and that will contribute positively to the revenue of the department.

The department has also started with the process of filling vacant posts at head office so to strengthen revenue monitoring and support function.

Economic Development and Tourism

Department of Economic Development and Tourism is the third biggest contributor to total provincial own revenue, accounting for an average of 8 per cent of total provincial own revenue over the 2015 MTEF. Casino Taxes is the main contributor to the collection of the department.

Casino Taxes

Casino taxes are the third biggest revenue source in the province. They contribute 6.3 per cent to the total own revenue of the province. Revenue from casino taxes has been showing constant growth, rising from R15.1 million in 2011/12 financial year to revised estimated revenue to be collected of R17.5 million in the 2014/15 financial year. The revenue from casino taxes is expected to increase considerably by 21.4 per cent from the 2014/15 revised estimate to the 2015/16 financial year as a result of the expected roll-out of the Limited Pay-out Machines (LPM) operators. Thereafter, the growth is expected to decline to be in line with inflation throughout the 2015 MTEF period.

In addition to the roll-out of the LPMs, the business operations of the Kuruman casino that commenced in December 2014 will also improve the revenue of the department considerably as it will first address the under collections that were experienced and are expected in the 2013/14 and the 2014/15 financial year, and will also improve the collections during the 2015 MTEF.

Additional revenue enhancement strategies

In addition to the strategies that are applied by the major collecting departments as discussed above, Provincial Treasury continues to give support to other departments on own revenue matters by ensuring that there are initiatives in place to supplement the provincial receipts and that the own revenue collected is optimized.

Roads and Public Works

The budget of the department reflects a slight decrease of 25.7 per cent from the 2014/15 revised estimate of R5.4 million to a budget of R4 million in 2015/16 financial year, which is thereafter expected to grow by an average of 6.5 per cent during the two last years of the 2015 MTEF. The decrease in projections from the 2014/15 revised estimate is due to the expiring of a big lease at the end of the 2014/15 financial year and there is no indication of it being renewed.

In order to close the gap, the department needs to look at ways to increase the revenue by amongst others revise the tariffs. The Provincial Treasury is currently developing a rental policy which intends to guide the department to manage the rental accommodation for all government employees in the province.

Environment and Nature Conservation

The department is showing constant growth, linked to inflation, averaging 5.5 per cent over the 2015 MTEF. The revenue growth is a as result of Provincial Treasury's intervention by funding the department to renovate the nature reserves that are expected to contribute significantly to the revenue collection. The improvement in the business processes by the department has resulted in the timely procurement of the tender for the curling of game that has resulted to the increased 2014/15 revised estimate collection, which if continued will increase the revenue of the department.

5 Payments

5.1 Overall Position

Financial year 2015/16: R14.161 billion

Financial year 2016/17: R14.362 billion

Financial year 2017/18: R15.034 billion

5.2 Payments by Vote

Table 1.10: Summary of provincial payments and estimates by Vote

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14	2014/15			2015/16	2016/17	2017/18
Vote 01: Office of the Premier	152 079	151 787	180 120	173 394	194 799	194 799	183 852	194 292	204 007
Vote 02: Provincial Legislature	126 521	136 825	143 278	156 483	159 510	159 242	194 283	165 359	173 627
Vote 03: Transport, Safety and Liaison	257 285	282 063	310 301	328 902	334 406	341 765	341 985	360 091	378 687
Vote 04: Education	3 973 750	4 126 127	4 489 622	4 669 199	4 717 167	4 770 249	5 083 072	5 240 925	5 421 899
Vote 05: Roads and Public Works	1 055 695	1 016 536	1 280 918	1 152 494	1 214 474	1 214 474	1 354 650	1 429 944	1 520 244
Vote 06: Economic Development	206 956	223 288	266 380	235 601	273 328	279 778	266 436	279 702	293 687
Vote 07: Sport, Arts and Culture	268 610	221 908	256 651	290 801	310 978	293 535	321 203	336 381	360 559
Vote 08: Provincial Treasury	117 844	151 597	180 289	202 393	210 062	209 062	211 546	218 814	229 754
Vote 09: Co-Operative Governance, Human Settlement and Traditional Affairs	589 541	581 941	841 569	648 810	651 974	659 854	668 407	702 224	740 639
Vote 10: Health	3 005 742	3 165 498	3 401 801	3 696 293	3 757 988	3 919 442	4 074 388	4 071 341	4 291 480
Vote 11: Social Development	522 687	531 722	604 415	651 206	660 623	660 623	709 856	739 084	757 138
Vote 12: Agriculture, Land Reform and Rural Development	369 638	436 462	987 816	715 690	776 638	776 638	619 947	486 914	518 871
Vote 13: Environment and Nature Conservation	98 543	102 739	117 641	126 300	127 600	127 600	131 245	136 791	143 631
Total provincial payments and estimates by Vote	10 744 891	11 128 493	13 060 801	13 047 566	13 389 547	13 607 061	14 160 870	14 361 861	15 034 222

The above table shows an annual average growth for the provincial payments over the 2015 MTEF at 3.5 per cent. The Department of Education's share is 36 per cent of the total provincial budget which is the highest compared with other departments, followed by the Department of Health at 29 per cent and the Department of Roads and Public Works at 10 per cent which mainly relates to infrastructure investments.

5.3 Payment by Economic Classification

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

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14	2014/15			2015/16	2016/17	2017/18
Current Payments	7 923 092	8 341 963	9 723 577	10 669 438	10 514 348	10 680 072	11 277 467	11 799 271	12 451 746
Compensation of employees	5 486 036	5 973 869	6 640 101	7 261 520	7 267 399	7 283 456	7 823 516	8 202 983	8 642 299
Goods and services	2 433 624	2 366 526	3 080 398	3 406 895	3 245 955	3 393 540	3 452 909	3 595 192	3 808 297
Interest and rent on land	3 431	1 568	3 078	1 023	994	3 076	1 042	1 095	1 150
Transfers and subsidies to:	1 314 239	1 364 942	1 716 178	1 345 215	1 463 592	1 489 520	1 501 167	1 578 811	1 665 857
Provinces and municipalities	119 349	97 788	119 187	93 221	98 843	95 345	111 073	115 378	121 966
Departmental agencies and accounts	145 468	104 876	78 126	75 934	82 048	77 041	90 032	107 228	113 210
Universities and technikons	1 326	2 634	2 874	2 109	2 109	2 107	2 246	2 360	2 484
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	77 287	84 202	205 796	93 417	132 932	134 290	134 856	139 238	146 782
Non-profit institutions	544 999	601 293	620 067	646 276	697 860	699 321	707 216	735 923	773 771
Households	425 810	474 149	690 128	434 258	449 800	481 416	455 744	478 684	507 645
Payments for capital assets	1 506 108	1 419 285	1 620 662	1 032 584	1 411 278	1 437 141	1 381 892	983 425	916 247
Buildings and other fixed structures	1 264 636	1 209 199	1 401 808	843 814	1 178 748	1 181 838	1 090 880	728 196	661 850
Machinery and equipment	238 666	204 853	210 753	187 986	229 903	249 952	287 168	254 381	253 506
Heritage assets	39	-	15	-	-	70	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	743	943	928	-	1 071	1 923	-	-	-
Land and sub-soil assets	-	-	-	-	-	2	-	-	-
Software and other intangible assets	2 024	4 290	7 158	784	1 556	3 356	3 844	849	891
Payments for financial assets	1 452	3 304	384	328	328	328	343	354	372
Total economic classification	10 744 891	11 129 493	13 060 801	13 047 566	13 389 547	13 607 061	14 160 870	14 361 861	15 034 222

5.4 Payments by Policy Area

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

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14	2014/15			2015/16	2016/17	2017/18
General public services	1 452 139	1 456 745	1 784 605	1 684 764	1 778 845	1 777 577	1 944 331	2 008 409	2 127 631
Public order and safety	189 993	219 199	244 925	255 837	261 341	268 700	267 995	282 033	296 727
Economic affairs	643 886	722 614	1 319 572	1 024 356	1 123 031	1 129 481	960 373	844 673	894 518
Environmental protection	98 543	102 739	117 641	126 300	127 600	127 600	131 245	136 791	143 631
Housing and community amenities	589 541	581 941	841 569	648 810	651 974	659 854	668 407	702 224	740 639
Health	3 005 742	3 165 498	3 401 801	3 696 293	3 757 988	3 919 442	4 074 388	4 071 341	4 291 480
Recreation, culture and religion	268 610	221 908	256 651	290 801	310 978	293 535	321 203	336 381	360 559
Education	3 973 750	4 126 127	4 489 622	4 669 199	4 717 167	4 770 249	5 083 072	5 240 925	5 421 899
Social protection	522 687	531 722	604 415	651 206	660 623	660 623	709 856	739 084	757 138
Total provincial payments and estimates by policy area	10 744 891	11 128 493	13 060 801	13 047 566	13 389 547	13 607 061	14 160 870	14 361 861	15 034 222

5.5 Infrastructure Payments

Since 2011/12 an amount of R6.9 billion has been spent on infrastructure, this is part of the commitment of the provincial government to increase investments on infrastructure development. The total infrastructure budget of the province for the 2015/16 financial year amounts to R2.2 billion as shown in Table 1.13 (a), which is an increase of R615 million or 27 per cent from the 2014/15 revised estimate. The projected spending on infrastructure in the province amounts to R5.1 billion over the MTEF. The departments of Health, Education and Roads and Public Works are major infrastructure driven departments.

Table 1.13(a) shows capital infrastructure by Vote.

Table 1.13(a): Summary of provincial infrastructure payments and estimates 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
Vote 04: Education	314 554	307 609	340 405	336 481	-	-	420 998	333 545	274 000
Vote 05: Roads and Public Works	582 434	612 018	920 771	771 112	832 242	832 495	953 061	1 002 222	1 069 562
Vote 07: Sport, Arts and Culture	35 168	18 113	40 090	32 521	41 548	25 592	24 840	25 405	27 410
Vote 10: Health	489 740	479 546	494 766	443 206	486 688	486 688	634 779	410 727	408 727
Vote 11: Social Development	-	-	-	-	-	-	25 547	21 724	3 921
Vote 12: Agriculture, Land Reform and Rural Development	99 249	83 982	391 340	280 685	280 685	280 685	181 287	80 403	84 429
Total provincial infrastructure payments and estimates by Vote	1 521 145	1 501 268	2 187 372	1 864 005	1 641 163	1 625 460	2 240 512	1 874 026	1 868 049

Table 1.13(b) below shows payments and estimates of provincial infrastructure by category, the province is projected to spend R1.5 billion on construction and replacement of infrastructure in the province during 2015/16 financial year and R4.5 billion over the MTEF. Furthermore, the province will spend R1 billion on the upgrading, rehabilitation and maintenance of existing infrastructure in 2015/16 and R3.1 billion over the MTEF.

Table 1.13(b): Summary - Payments and estimates of provincial infrastructure 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
New and replacement assets	730 131	651 512	315 904	727 307	727 307	727 307	774 629	88 025	1 583 631
Existing infrastructure assets	780 292	835 406	1 303 184	1 142 348	1 142 348	1 142 348	1 198 622	1 127 132	808 449
Upgrades and additions	515 450	547 993	215 617	210 001	210 001	210 001	206 531	159 633	465 031
Rehabilitation, renovations and refurbishments	101 818	85 755	319 712	218 900	218 900	218 900	222 305	202 351	59 000
Maintenance and repairs	163 024	201 658	767 855	713 447	713 447	713 447	769 786	765 148	284 418
Infrastructure transfers	17 525	19 937	30 971	-	4 092	4 092	-	-	-
Current	17 525	19 937	30 971	-	4 092	4 092	-	-	-
Capital	-	-	-	-	-	-	-	-	-
Total provincial infrastructure	1 510 423	1 486 918	1 619 088	1 869 655	1 869 655	1 869 655	1 973 251	1 215 157	2 392 080

Table 1.13 (c) below shows the summary of provincial infrastructure payments and estimates by source of funding.

Table 1.13(c): Summary of provincial infrastructure payments and estimates by Source of Funding

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Provincial Equitable Share	429 035	423 257	672 424	455 660	189 336	173 633	377 494	263 290	256 532
Conditional grants	1 092 110	1 078 011	1 514 948	1 408 345	1 451 827	1 451 827	1 863 018	1 610 736	1 611 517
Education Infrastructure Grant	290 426	248 939	364 966	346 445	346 445	346 445	446 998	359 545	300 000
Health Infrastructure Grant	104 930	101 038	71 660	-	-	-	-	-	-
Hospital Revitalisation Grant	387 995	364 981	378 839	421 428	464 910	464 910	593 590	380 727	378 727
Provincial Road Maintenance Grant	308 759	363 053	699 483	640 472	640 472	640 472	822 430	870 464	932 790
Public Works	76	1 915	4 915	2 964	2 964	2 964	3 493	-	-
Own Revenue	-	-	-	-	-	-	-	-	-
	1 521 145	1 501 268	2 187 372	1 864 005	1 641 163	1 625 460	2 240 512	1 874 026	1 868 049

Reforms were made to the provincial infrastructure grant system that is intended to institutionalize proper planning for infrastructure. Provinces were informed in 2012 that they will be required to bid for these allocations two years in advance and financial incentives will be built into the grant for provinces that implement best practices in delivering infrastructure. The process will move:

- a) From an approach where allocations are determined through an upfront formula and are paid out according to a payment schedule in compliance with the Division of Revenue Act,

- b) To allocations being awarded to appropriately planned infrastructure programmes and projects that are packaged efficiently in line with best practice approaches.

Infrastructure Delivery Improvement Programme (IDIP)

The government initiated Infrastructure Delivery Improvement Programme (IDIP) which is based on the government's need to perform on its service delivery mandate and has been implemented in a series of phases. The first phase was initiated in July 2004 as a pilot programme which developed and tested the methodologies and tools used to build and sustain infrastructure management capacity in selected provincial departments. The second phase commenced in 2006 taking the lessons from the pilot phase, a well-conceived programme approach and programme management system was developed for a larger scale roll out as IDIP Phase II. IDIP Phase II was implemented in the provincial departments of Health, Education and Public Works and was completed on 31 March 2010.

The IDIP Phase III commenced in April 2010. The overall goal of Phase III of the programme was “To contribute to the improvement of public sector infrastructure delivery in South Africa”. The specific purpose of IDIP III is “To improve the effectiveness and efficiency of infrastructure delivery by selected provincial government departments.” The goal is closely linked to outcome 12 of the Presidency’s framework for measurable performance and applicable delivery which focuses on the establishment of an efficient and development oriented public service.

During the initial pilot phase typical programme management methodologies and structures were tested. However, given the environment where infrastructure management and implementation is devolved to provinces and based on an intra-governmental system, it was found that the typical programme management approach did not work. The absence of structured rules based system for infrastructure delivery was also a challenge to the management of the programme. Consequently, it was decided to design the programme to form a virtual inter- and intra-governmental system for infrastructure delivery management.

A dual approach to the implementation of the programme in the provinces is being followed. This entails both a provincial and a sector specific approach. In terms of the provincial approach the programme is implemented through provincial management arrangements developed during IDIP Phase II. In the province, these provincial management arrangements have been institutionalized into existing provincial management structures for infrastructure delivery. In the province, the Provincial Treasury fulfils a leading role and serves as anchor for the programme, whilst the provincial departments of Health, Education and Public Works are responsible for implementation within their specific departments. The national departments of Basic Education and Health fulfils a leadership role in relation to infrastructure delivery in their respective sectors. Currently National Treasury has succeeded in gaining the needed participation of the National Department of Public Works. This decentralized management arrangement enables the programme to meet the constitutional requirements regarding exclusive and concurrent functional areas of national and provincial competence.

The programme previously supported three aspects of infrastructure management, namely:

- a) The development and testing of best practice methodologies and systems with regards to infrastructure planning and management;
- b) Capacity building in the participating provincial departments, and

- c) Change enablement which entailed the creation of an organizational environment for infrastructure planning and management.

In Phase III the programme aimed to follow a comprehensive capacity building approach which incorporates all the elements that are common in best practice capacity building programmes. Therefore the programme primarily focused on two key areas of leverage, that is:

- a) The first of these focuses on the implementation of management systems and tools that were previously developed and tested during earlier phases of IDIP; and
- b) The second aspect concentrates on the development and implementation of a comprehensive inter- and intra-governmental IDMS underpinned through the strengthening of human resources capacity essential to sustain the IDMS and to decrease its dependency on the use of consultants.

IDIP is currently commencing with the fourth phase of implementation which seeks to complete the work done in Phase III, while implementing the Infrastructure Delivery Management System (IDMS).

During next three years IDIP will focus on the achievement of the following outputs:

- **Output One:** Effective functioning of the institutional arrangements and enabling environment for infrastructure delivery;
- **Output Two:** Skills development in accordance with the HR Strategy supporting the IDMS;
- **Output Three:** Improved infrastructure programme and project planning, budgeting and management;
- **Output Four:** Implement improved infrastructure procurement systems and practices in accordance with legislative imperatives; and
- **Output Five:** IDIP is effectively managed.

5.6. Public-Private Partnership (PPP) projects

The current status of PPP projects within the province are as follows:

Renosterberg Municipality: Vanderkloof Tourism PPP project: M064

The Renosterberg Local Municipality identified the development of the Vanderkloof Holiday Resort into a 'preferred destination resort' in order to attain a position as a high potential tourism area of South Africa. The Municipality proposes to modernize and develop this resort through a Public-Private-Partnership (PPP) with the objective of maximizing the high developmental potential of the area arising out of its scenic location and strategic eco-tourism positioning. This project has been registered with National Treasury PPP Unit on the 6th September 2010 with the reference number M064.

Transaction advisor fees granted from Project Development Facility on the 13th December 2010 amounted to R400 000. PD Naidoo & Associates Consulting Engineers (Pty) Ltd (PDNA) was appointed on 25th August 2011, by the Renosterberg Local Municipality as the transaction advisor for the PPP project. The feasibility study was completed and the close-out report was submitted.

The municipality experienced many institutional changes during the feasibility study phase of the project, which subsequently caused delays in the PPP process. Interventions were made by appointed consultants to develop an economic master plan for the Renosterberg Municipality, which would include the Vanderkloof Resort as part of the scope of works. Provincial Treasury then developed a request for information that assisted the municipality in addressing the gaps with the initial feasibility study.

The appointed consultants Karah Assets undertook to address the gaps and ensure that the feasibility study is conclusive, thus informing the decision of which procurement option would be suitable. The municipality then solicited views and recommendations from National and Provincial Treasury in accordance to the municipal PPP regulations and cycle. The aforementioned process is set for duration of 30 days to ensure that the municipality is guided in the decision that is taken in terms of the procurement options that are suitable to implement the project. The feedback is envisaged to be provided to the municipality on the 13 March 2015.

Siyathemba Municipality: Prieska - The "Die Bos" Resort as a potential PPP

The Die Bos Resort was identified as a potential Public Private Partnership (PPP), the resort was subsequently registered as a potential PPP project with National Treasury. The rationale behind the registration of this project is the various challenges that the municipality is faced with regard to the proper management and revenue collection from this asset. This is caused by the lack of human resources capital at the municipality. The PPP procurement initiative will make the municipality realise effective and efficient management of this particular asset. The municipality does not have the funding within their budget allocation for the operations and maintenance of the resort. The PPP route will enhance and generate additional revenue for the municipality.

Northern Cape Renal Replacement Therapy with the Department of Health:

In the Northern Cape there is one Tertiary Hospital i.e. Kimberley Hospital Complex and two new referral hospitals namely the new Upington and De Aar hospitals. For the optimal functioning of these hospitals in the province, it is imperative that the renal replacement service be available at the above mentioned institutions. The renal replacement service has been identified as a potential Public Private Partnership (PPP) and the Department of Health requested that the project be registered as a PPP. The Renal Replacement Therapy (RRT) was subsequently registered with National Treasury as a potential PPP Project on the 12th February 2013, with the reference number being P134. Ignis Project and Finance Solutions were appointed in January 2014 as Transaction Advisors (TA) to conduct a Feasibility Study to ascertain whether PPP is the most suitable procurement method for this project. According to the Feasibility Study, PPP was found to be the most suitable procurement method for the implementation of the RRT in the Northern Cape. Treasury Approval 1 (TA 1) to continue to the procurement phase of the PPP process was received in December 2014.

Northern Cape Information Society E-Infrastructure Broadband

Department of Economic Development and Tourism has identified the Information Society E-Infrastructure as a potential Public Private Partnership (PPP) and registration thereof with National Treasury as a PPP was endorsed by the Department of Economic Development and Tourism. The department has a responsibility to ensure the province does not fall behind the rest of the nation and world in the digital era. The information and technologies that encompass a quality E-Infrastructure are strategic in ensuring the province has a role to play in the future.

The Department of Economic Development and Tourism is looking at partnering with a private party through a PPP to acquire e-infrastructure thus addressing challenges faced within the Province with regard to internet connectivity. The introduction of broadband in the public sector would then allow various departments to leverage on digital processes to enhance efficiency in delivering their mandates.

COGHSTA office accommodation

COGHSTA has identified challenges in terms of not having sufficient office space for the current staff establishment and the projected growth in human resources. The department then opted to explore the PPP procurement method for the procurement of suitable office accommodation. The project was subsequently registered with National Treasury on 10 February 2015, as a potential PPP project with reference number P144. The project is currently in its inception phase with the Provincial and National Treasury assisting COGHSTA with the development of Terms of Reference to appoint a Transaction Advisor, who will then investigate the feasibility/ viability of the identified procurement option.

5.7 Transfers

5.7.1 Transfers to Public Entities

Table 1.15: Summary of provincial transfers to public entities by transferring department

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14	2014/15			2015/16	2016/17	2017/18
Vote 06: Economic Development	39 365	35 312	36 838	38 500	38 500	38 500	42 199	44 479	46 704
Vote 12: Agriculture, Land Reform and Rural Dev	3 200	6 400	2 550	2 550	2 550	2 685	2 550	2 550	2 685
Total provincial transfers to public entities	42 565	41 712	39 388	41 050	41 050	41 185	44 749	47 029	49 389

The province has allocated an amount of R44.7 million towards transfers to listed public entities and the budget is projected to rise to R49.3 million in the 2017/18 financial year. Department of Economic Development and Tourism will transfer R133.3 million over the next three years to Northern Cape Gambling Board, Northern Cape Liquor Board, Northern Cape Economic Development, Trade and Investment Promotion Agency and the Northern Cape Tourism Authority.

Department of Agriculture, Land Reform and Rural Development will transfer an amount of R7.7 million over the MTEF to Kalahari Kid Corporation for the marketing of live animals and animal products.

5.7.2 Transfers to Development Corporations

The province does not have any development corporations

5.7.3 Transfer to Local Government

Refer to the annexures i.e. Table A.5

5.8 Personnel Numbers and Costs

Table 1.18: Summary of personnel numbers and costs by Vote¹

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
Vote 01: Office of the Premier	230	237	247	248	278	278	278
Vote 02: Provincial Legislature	-	-	-	-	-	-	-
Vote 03: Transport, Safety and Liaison	347	369	408	389	404	404	407
Vote 04: Education	12 237	12 345	13 187	13 563	13 591	13 591	13 591
Vote 05: Roads and Public Works	766	794	808	824	987	987	987
Vote 06: Economic Development	157	157	154	153	188	188	188
Vote 07: Sport, Arts and Culture	511	633	417	652	465	426	426
Vote 08: Provincial Treasury	243	287	286	295	334	334	334
Vote 09: Co-Operative Governance, Human Settlement and	652	654	657	657	659	658	659
Vote 10: Health	6 372	6 455	6 731	7 070	7 137	7 204	7 204
Vote 11: Social Development	944	945	929	921	921	1 008	1 008
Vote 12: Agriculture, Land Reform and Rural Development	579	547	585	623	628	630	631
Vote 13: Environment and Nature Conservation	225	225	225	241	241	241	241
Total provincial personnel numbers	23 263	23 648	24 634	25 636	25 833	25 949	25 954
Total provincial personnel cost (R thousand)	5 043 978	5 551 766	6 030 171	6 802 609	7 332 773	7 752 650	8 152 119
Unit cost (R thousand)	217	235	245	265	284	299	314

Table 1.19: Summary of provincial personnel numbers and costs

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14		2014/15		2015/16	2016/17	2017/18
Total for province									
Personnel numbers (head count)	23 263	23 648	24 634	25 660	25 636	25 636	25 833	25 949	25 954
Personnel cost (R thousands)	5 486 036	5 973 869	6 640 101	7 261 520	7 267 399	7 283 456	7 823 516	8 202 983	8 642 299
Human resources component									
Personnel numbers (head count)	434	539	576	588	588	588	595	601	601
Personnel cost (R thousands)	90 667	104 199	125 604	136 744	136 744	136 744	144 790	151 468	119 480
Head count as % of total for province	1.9%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%
Personnel cost as % of total for province	1.7%	1.7%	1.9%	1.9%	1.9%	1.9%	1.9%	1.8%	1.4%
Finance component									
Personnel numbers (head count)	492	565	588	690	690	690	707	712	712
Personnel cost (R thousands)	95 505	121 937	136 602	162 767	162 767	162 767	177 685	187 942	164 817
Head count as % of total for province	2.1%	2.4%	2.4%	2.7%	2.7%	2.7%	2.7%	2.7%	2.7%
Personnel cost as % of total for province	1.7%	2.0%	2.1%	2.2%	2.2%	2.2%	2.3%	2.3%	1.9%
Full time workers									
Personnel numbers (head count)	21 080	21 885	22 877	24 039	24 039	24 039	24 381	24 571	24 573
Personnel cost (R thousands)	4 889 873	5 375 564	6 031 243	6 671 326	6 671 326	6 671 326	7 150 619	7 528 011	3 376 062
Head count as % of total for province	90.6%	92.5%	92.9%	93.7%	93.8%	93.8%	94.4%	94.7%	94.7%
Personnel cost as % of total for province	89.1%	90.0%	90.8%	91.9%	91.8%	91.6%	91.4%	91.8%	39.1%
Part-time workers									
Personnel numbers (head count)	151	38	39	276	276	276	150	40	40
Personnel cost (R thousands)	29 725	9 588	10 535	16 301	16 301	16 301	15 509	13 693	12 572
Head count as % of total for province	0.6%	0.2%	0.2%	1.1%	1.1%	1.1%	0.6%	0.2%	0.2%
Personnel cost as % of total for province	0.5%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.1%
Contract workers									
Personnel numbers (head count)	1 930	1 681	1 796	1 010	1 010	1 010	872	822	822
Personnel cost (R thousands)	376 394	364 097	383 891	257 950	257 950	257 950	227 501	215 758	58 112
Head count as % of total for province	8.3%	7.1%	7.3%	3.9%	3.9%	3.9%	3.4%	3.2%	3.2%
Personnel cost as % of total for province	6.9%	6.1%	5.8%	3.6%	3.5%	3.5%	2.9%	2.6%	0.7%

5.9 Payments on Training

Table 1.20 : Summary of provincial payments on training 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	2017/18
Vote 01: Office of the Premier	892	838	897	952	952	952	999	1 052	1 105
Vote 02: Provincial Legislature	170	-	190	906	906	906	208	219	230
Vote 03: Transport, Safety and Liaison	454	948	1 174	595	595	670	1 798	1 789	1 878
Vote 04: Education	12 298	22 086	17 823	18 306	18 306	18 306	28 998	30 448	31 970
Vote 05: Roads and Public Works	1 127	1 714	2 273	2 420	2 420	2 420	2 591	2 728	2 864
Vote 06: Economic Development	2 288	1 708	811	2 333	2 368	1 426	3 499	3 684	3 868
Vote 07: Sport, Arts and Culture	296	514	321	532	532	532	3 943	4 027	4 264
Vote 08: Provincial Treasury	1 602	1 719	1 652	1 573	1 573	1 993	2 094	2 439	2 229
Vote 09: Co-Operative Governance, Human Settlement and Traditional Affairs	1 100	2 398	2 726	3 420	3 420	3 420	3 890	4 085	4 290
Vote 10: Health	10 801	6 981	15 813	21 172	21 172	21 172	26 563	25 542	26 819
Vote 11: Social Development	1 326	2 145	2 580	2 867	2 867	2 867	3 011	3 180	3 339
Vote 12: Agriculture, Land Reform and Rural Development	1 257	1 570	1 660	1 760	1 760	1 760	1 848	1 959	2 057
Vote 13: Environment and Nature Conservation	1 287	1 364	1 306	1 000	1 000	1 000	1 640	1 658	1 740
Total provincial payments on training	34 898	43 985	49 226	57 836	57 871	57 424	81 082	82 810	86 653

Annexure: Overview of Provincial Revenue and Expenditure Estimates

Table A.1: Details of total provincial own receipts

R thousand	Audited Outcome			Revised estimate			Medium-term estimates		
	2009/10	2010/11	2011/12	2012/13			2013/14	2014/15	2015/16
Tax receipts	143 833	151 923	156 796	179 642	179 750	169 564	222 027	237 732	254 874
Casino taxes	15 154	15 309	16 158	20 275	20 275	17 597	21 370	22 524	23 650
Horse racing taxes	723	1 008	1 330	1 307	1 415	1 471	1 497	1 579	1 663
Liquor licences	3 612	3 714	3 722	3 654	3 654	3 654	3 865	4 078	4 294
Motor vehicle licences	124 344	131 892	135 586	154 406	154 406	146 842	195 295	209 551	225 267
Sales of goods and services other than capital assets	61 933	69 368	71 408	87 839	88 236	78 704	94 819	101 844	106 934
Sale of goods and services produced by department (excluding capital assets)	61 813	69 368	71 408	87 839	88 236	78 704	94 819	101 844	106 934
Sales by market establishments	11 842	8 836	9 270	12 963	12 964	12 162	11 793	12 314	12 929
Administrative fees	20 378	22 667	24 818	25 931	25 931	22 669	29 078	32 669	34 302
Sales of scrap, waste, arms and other used current goods (excluding capital assets)	120	-	-	-	-	-	-	-	-
Transfers received from:	-	-	-	-	-	10	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households and non-profit institutions	-	-	-	-	-	10	-	-	-
Fines, penalties and forfeits	3 763	3 046	3 676	3 020	3 030	2 716	3 149	3 313	3 472
Interest, dividends and rent on land	9 780	28 236	38 559	870	847	28 975	918	967	1 016
Interest	9 762	28 175	38 524	869	846	28 779	918	967	1 016
Dividends	-	-	-	-	-	-	-	-	-
Rent on land	18	61	35	1	1	196	-	-	-
Sales of capital assets	1 268	4 986	2 687	733	2 786	2 560	2 905	3 103	3 258
Land and subsoil assets	-	-	22	-	-	-	-	-	-
Other capital assets	1 268	4 986	2 665	733	2 786	2 560	2 905	3 103	3 258
Transactions in financial assets and liabilities	5 089	12 350	9 885	7 334	13 030	13 156	17 142	5 534	5 808
Total provincial own receipts	225 666	269 908	283 011	279 438	287 679	295 685	340 960	352 493	375 362

Table A2: Information relating to Conditional grants

Vote and Grant	Adjusted appropriation	Actual transfer	Audited expenditure	Adjusted appropriation	Actual transfer	Audited expenditure	Adjusted appropriation	Actual transfer	Audited expenditure	Adjusted appropriation	Revised transfer estimate	Revised expenditure estimate	Medium-term estimates		
R thousand	2011/12			2012/13			2013/14			2014/15			2015/16	2016/17	2017/18
Agriculture	279 598	279 598	142 721	504 723	504 723	504 723	739 899	739 899	734 981	514 665	514 665	466 415	214 530	197 395	214 876
Agricultural Disaster Management Grant	131 862	131 862	-	-	-	-	-	-	-	50 000	50 000	-	-	-	-
Comprehensive Agricultural Support Programme Grant	75 865	75 865	72 052	424 999	424 999	424 999	655 665	641 306	639 149	380 339	380 339	380 339	135 768	134 729	148 302
Imaletsena Projects Grant	60 336	60 336	60 000	63 000	63 000	63 000	70 034	84 933	81 633	74 762	74 762	74 762	69 460	55 050	58 480
Land Care Programme Grant: Poverty Relief and Infrastructure Development	7 201	7 201	6 335	12 724	12 724	12 724	12 055	12 055	12 055	7 462	7 462	7 462	7 302	7 616	8 094
Infrastructure Grant to Provinces	4 334	4 334	4 334	-	-	-	-	-	-	-	-	-	-	-	-
Expanded Public Works Programme Incentive Grant for Provinces	-	-	-	4 000	4 000	4 000	2 145	2 145	2 144	2 102	2 102	3 852	2 000	-	-
Education	416 105	416 105	414 837	442 390	443 390	442 215	517 154	517 154	514 441	509 746	509 746	509 739	620 195	538 145	489 208
Drafted Schools Grant	2 380	2 380	2 380	3 391	3 391	3 391	3 577	3 577	3 267	3 762	3 762	3 762	-	-	-
OSD for Therapists	-	-	-	-	-	-	-	-	-	7	7	-	2	-	-
Education Infrastructure Grant	290 426	290 426	289 158	307 609	307 609	307 609	365 548	365 548	365 548	346 445	346 445	346 445	446 998	359 545	300 000
HIV and Aids (Life Skills Education) Grant	4 357	4 357	4 357	4 754	5 754	4 579	5 205	5 205	5 205	5 059	5 059	5 059	5 281	5 281	5 547
National School Nutrition Programme Grant	105 116	105 116	105 116	113 136	113 136	113 136	119 859	119 859	119 859	134 645	134 645	134 645	142 724	150 289	157 803
Technical Secondary Schools Recapitalisation Grant	7 667	7 667	7 667	12 500	12 500	12 500	13 188	13 188	12 429	13 978	13 978	13 978	-	-	-
Expanded Public Works Programme Incentive Grant for Provinces	-	-	-	-	-	-	3 932	3 932	4 465	2 593	2 593	2 593	2 077	-	-
Social Sector Expanded Public Works Programme Incentive Grant for Provinces	6 159	6 159	6 159	1 000	1 000	1 000	5 845	5 845	3 668	3 237	3 237	3 237	1 000	-	-
Maths, Science and Technology Grant	-	-	-	-	-	-	-	-	-	-	-	-	22 113	23 030	25 858
Further Education and Training College Sector Grant	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Health	1 060 846	1 060 846	1 037 087	1 083 638	1 083 638	1 046 497	1 178 929	1 178 929	1 133 153	1 212 758	1 212 758	1 212 758	1 364 457	1 206 733	1 283 629
Comprehensive HIV and Aids Grant	215 736	215 736	212 923	248 372	248 372	248 372	321 150	321 150	302 259	355 972	355 972	355 972	371 253	417 987	471 327
Forensic Pathology Services Grant	26 977	26 977	24 240	-	-	-	-	-	-	-	-	-	-	-	-
Health Professions Training and Development Grant	65 510	65 510	65 510	72 902	72 902	68 583	72 356	72 356	77 395	76 697	76 697	76 697	78 445	81 815	86 939
Health Facility Revitalization	514 602	514 602	496 393	477 518	477 518	450 421	478 428	478 428	452 952	464 910	464 910	464 910	593 590	380 727	378 727
National Tertiary Services Grant	235 948	235 948	235 948	277 766	277 766	266 621	282 618	282 618	282 616	298 727	298 727	298 727	305 477	318 661	336 620
Expanded Public Works Programme Incentive Grant for Provinces	2 073	2 073	2 073	1 000	1 000	1 000	3 330	3 330	2 605	2 115	2 115	2 115	2 000	-	-
Social Sector Expanded Public Works Programme Incentive Grant for Provinces	-	-	-	-	-	-	9 516	9 516	8 798	7 337	7 337	7 337	6 488	-	-
National Health Insurance Grant	-	-	-	6 080	6 080	11 500	6 428	6 428	-	7 000	7 000	7 000	7 204	7 543	8 016
Nursing Colleges and Schools Grant	-	-	-	-	-	-	5 103	5 103	6 528	-	-	-	-	-	-
Human Settlements	332 989	332 989	332 989	339 551	339 551	339 551	395 724	395 724	577 450	377 668	377 668	377 668	382 561	402 276	427 374
Housing Disaster Relief Grant	10 350	10 350	10 350	16 949	16 949	16 949	17 150	17 150	-	-	-	-	-	-	-
Expanded Public Works Programme Incentive Grant for Provinces	-	-	-	-	-	-	-	-	-	2 836	2 836	2 836	2 153	-	-
Human Settlements Development Grant	322 639	322 639	322 639	322 602	322 602	322 602	378 534	378 534	577 450	374 832	374 832	374 832	380 408	402 276	427 374
National Treasury	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Infrastructure Grant to Provinces	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Roads and Public Works	418 924	418 924	416 543	540 632	540 632	529 532	519 326	519 326	704 399	643 436	643 436	640 472	823 923	870 464	932 790
Devolution of Property Rate Funds Grant to Provinces	44 135	44 135	41 754	55 011	55 011	43 911	2 646	2 646	4 915	-	-	-	-	-	-
Expanded Public Works Programme Incentive Grant for Provinces	4 810	4 810	4 810	1 915	1 915	1 915	4 915	4 915	-	2 964	2 964	-	3 493	-	-
Expanded Public Works Programme Incentive Grant for Provinces	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Provincial Roads Maintenance Grant	308 760	308 760	308 760	483 706	483 706	483 706	511 765	511 765	699 484	640 472	640 472	640 472	820 430	870 464	932 790
Transport Disaster Management Grant	61 219	61 219	61 219	-	-	-	-	-	-	-	-	-	-	-	-
Sport, Art and Culture	100 174	100 174	96 272	104 602	104 602	101 366	118 535	118 535	110 834	159 691	159 691	143 932	179 517	186 410	203 089
Community Library Services Grant	73 802	73 802	69 900	73 026	73 026	72 395	86 689	86 689	78 785	123 559	123 559	107 522	147 121	153 424	166 645
Mass Participation and Sport Development Grant	26 372	26 372	26 372	30 009	30 009	27 404	30 806	30 806	30 807	31 450	31 450	32 207	29 181	32 986	36 444
Expanded Public Works Programme Incentive Grant for Provinces	-	-	-	1 000	1 000	1 000	550	550	733	2 102	2 102	1 889	2 000	-	-
Social Sector Expanded Public Works Programme Incentive Grant for Provinces	-	-	-	567	567	567	490	490	509	2 580	2 580	2 314	1 215	-	-
Transport	37 565	37 565	37 565	40 561	40 561	39 255	41 586	41 586	41 586	46 640	46 640	46 640	44 907	46 824	49 757
Gautrain Rapid Rail Link Grant	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Overload Control Grant	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Public Transport Operations Grant	37 565	37 565	37 565	40 561	40 561	39 255	41 390	41 390	41 390	43 937	43 937	43 937	44 907	46 824	49 757
Social Sector Expanded Public Works Programme Incentive Grant for Provinces	-	-	-	-	-	-	196	196	196	2 703	2 703	2 703	-	-	-
Expanded Public Works Programme Incentive Grant for Provinces	-	-	-	1 000	1 000	1 000	2 100	2 100	2 100	6 204	6 204	2 059	4 000	-	-
Economic Development And Tourism	-	-	-	1 000	1 000	1 000	1 550	1 550	1 550	4 102	4 102	2 059	2 000	-	-
Environment and Nature Conservation	-	-	-	-	-	-	550	550	550	2 102	2 102	-	2 000	-	-
Social Development	5 658	5 658	5 658	1 506	1 506	1 506	5 745	5 745	5 689	8 161	8 161	7 799	28 301	18 000	-
Social Sector Expanded Public Works Programme Incentive Grant for Provinces	5 658	5 658	5 658	1 506	1 506	1 506	5 745	5 745	5 689	6 161	6 161	7 799	6 301	-	-
Substance Abuse Treatment Grant	-	-	-	-	-	-	-	-	-	2 000	2 000	-	22 000	18 000	-
Total conditional grants	2 651 859	2 651 859	2 483 672	3 058 603	3 059 603	3 005 645	3 518 998	3 518 998	3 824 633	3 478 969	3 478 969	3 407 482	3 662 391	3 466 247	3 600 723

Table A.3 : Details of provincial payments and estimates by economic classification

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium term estimate		
R thousand	2011/12	2012/13	2013/14	2014/15			2015/16	2016/17	2017/18
Current payments	7 923 092	8 341 963	9 723 577	10 669 438	10 514 348	10 680 072	11 277 468	11 799 271	12 451 746
Compensation of employees	5 486 036	5 973 869	6 640 101	7 261 520	7 267 399	7 283 456	7 823 516	8 202 983	8 642 299
Salaries and wages	4 815 879	5 263 618	5 869 169	6 348 724	6 355 943	6 617 533	6 896 704	7 220 666	7 611 623
Social contributions	670 157	710 251	770 932	912 796	911 456	665 923	926 812	982 317	1 030 676
Goods and services	2 433 624	2 366 526	3 080 398	3 406 895	3 245 955	3 393 540	3 452 909	3 595 192	3 808 297
Administrative fees	10 693	12 322	12 178	23 411	23 829	21 859	25 283	27 015	28 407
Advertising	38 049	27 823	34 178	26 873	29 276	32 714	25 778	26 611	27 857
Assets less than the capitalisation threshold	21 372	34 488	36 629	41 343	41 442	41 804	49 580	58 892	63 252
Audit cost: External	48 047	53 313	55 990	51 827	52 593	58 910	57 015	57 492	61 354
Bursaries: Employees	7 563	6 158	7 073	9 912	8 350	11 495	7 977	8 321	9 799
Catering: Departmental activities	43 463	40 093	40 708	34 118	37 424	40 202	33 702	35 486	36 752
Communication (G&S)	56 200	58 108	50 860	48 972	46 431	44 486	57 261	59 104	62 503
Computer services	48 989	55 504	77 024	84 205	82 246	96 303	96 613	98 219	103 266
Consultants and professional services: Business and advisory services	79 216	129 353	96 467	49 931	89 948	104 189	67 204	56 798	61 351
Consultants and professional services: Infrastructure and planning	32 725	26 049	4 943	64 624	54 335	47 075	24 012	21 398	20 684
Consultants and professional services: Laboratory services	102 469	91 505	98 319	149 881	142 258	115 918	146 480	153 735	162 540
Consultants and professional services: Scientific and technological services	-	-	-	-	-	1 935	-	-	-
Consultants and professional services: Legal costs	8 601	12 242	23 879	10 732	14 774	21 453	11 954	12 584	13 235
Contractors	197 017	310 785	729 919	1 075 570	853 923	798 439	1 054 186	1 092 539	1 167 193
Agency and support / outsourced services	134 608	143 951	147 324	252 039	179 923	173 657	193 516	180 115	191 345
Entertainment	1 633	2 110	1 839	1 218	1 077	1 112	1 852	2 021	2 133
Fleet services (including government motor transport)	6 796	43 239	97 762	67 034	87 168	109 736	91 248	98 776	104 108
Housing	5	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	1 979	5 495	5 495	3 035	5 912	6 068	6 371
Inventory: Farming supplies	-	-	14 902	54	46 095	58 089	35 066	18 059	26 477
Inventory: Food and food supplies	47 739	21 903	19 601	22 340	22 314	18 374	28 162	35 387	38 155
Inventory: Fuel, oil and gas	64 661	46 871	21 178	43 685	42 696	25 322	43 864	54 620	57 353
Inventory: Learner and teacher support material	70 883	95 194	93 885	68 454	64 571	51 872	42 068	44 099	47 020
Inventory: Materials and supplies	41 431	10 585	9 779	12 902	12 066	14 132	9 180	10 633	11 134
Inventory: Medical supplies	19 171	82 412	111 035	142 255	140 361	150 687	132 374	154 427	162 528
Inventory: Medicine	197 020	191 800	221 709	207 583	184 495	208 901	217 485	256 640	273 471
Medas inventory interface	56 416	-	-	85	85	-	620	779	818
Inventory: Other supplies	1 006	1 532	1 597	240	291	4 586	10 725	2 475	1 004
Consumable supplies	50 467	63 323	105 613	71 026	90 909	130 682	79 569	83 768	83 597
Consumable: Stationery, printing and office supplies	53 485	42 844	41 610	53 437	59 093	59 568	54 546	61 306	64 828
Operating leases	199 102	175 074	283 947	154 947	196 918	261 614	152 852	154 095	162 420
Property payments	333 870	214 686	258 553	260 359	257 777	276 405	324 167	334 653	352 655
Transport provided: Departmental activity	122 456	29 684	14 896	17 198	17 682	17 669	9 713	11 593	12 043
Travel and subsistence	223 303	248 779	271 111	237 317	253 365	288 332	253 389	263 047	275 194
Training and development	53 558	46 832	44 937	61 682	51 249	44 077	54 812	56 409	55 576
Operating payments	26 303	22 838	27 703	30 021	27 888	32 781	24 372	25 798	28 075
Venues and facilities	30 221	22 986	14 889	25 079	25 638	23 270	28 498	30 487	31 934
Rental and hiring	5 086	2 140	6 382	1 046	1 970	2 857	1 885	1 833	1 865
Interest and rent on land	3 431	1 568	3 078	1 023	994	3 076	1 043	1 095	1 150
Interest	2 593	682	1 930	43	14	2 300	15	16	17
Rent on land	838	886	1 148	980	980	776	1 028	1 079	1 133
Transfers and subsidies to:	1 314 239	1 364 942	1 716 178	1 345 215	1 463 592	1 489 520	1 501 167	1 578 811	1 665 857
Provinces and municipalities	119 349	97 788	119 187	93 221	98 843	95 345	111 073	115 378	121 966
Provinces	5	-	-	7 686	7 686	-	8 063	8 490	8 915
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	5	-	-	7 686	7 686	-	8 063	8 490	8 915
Municipalities	119 344	97 788	119 187	85 535	91 157	95 345	103 010	106 888	113 051
Municipal bank accounts	108 915	86 066	111 845	76 693	81 470	81 697	92 738	96 227	101 858
Municipal agencies and funds	10 429	11 722	7 342	8 842	9 687	13 648	10 272	10 661	11 193
Departmental agencies and accounts	145 468	104 876	78 126	75 934	82 048	77 041	90 032	107 228	113 210
Social security funds	-	-	-	-	-	-	-	-	-
Departmental agencies (non-business entities)	145 468	104 876	78 126	75 934	82 048	77 041	90 032	107 228	113 210
Universities and technicians	1 326	2 634	2 874	2 109	2 109	2 107	2 246	2 360	2 484
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	77 287	84 202	205 796	93 417	132 932	134 290	134 856	139 238	146 782
Public corporations	3 200	8 823	106 662	2 750	44 800	43 588	44 450	46 596	48 916
Subsidies on products and production (pc)	-	2 423	8 122	200	200	200	200	211	212
Other transfers to public corporations	3 200	6 400	98 540	2 550	44 600	43 388	44 250	46 385	48 704
Private enterprises	74 087	75 379	99 134	90 667	88 132	90 702	90 406	92 642	97 866
Subsidies on products and production (pe)	36 259	40 285	41 397	43 937	43 937	43 944	44 907	46 824	49 757
Other transfers to private enterprises	37 828	35 094	57 737	46 730	44 195	46 758	45 499	45 818	48 109
Non-profit institutions	544 999	601 293	620 067	646 276	697 860	699 321	707 216	735 923	773 771
Households	425 810	474 149	690 128	434 258	449 800	481 416	455 744	478 684	507 645
Social benefits	10 560	9 961	16 119	11 555	15 119	15 659	11 965	12 522	13 169
Other transfers to households	415 250	464 188	674 009	422 703	434 681	465 757	443 779	466 162	494 476
Payments for capital assets	1 506 108	1 418 285	1 620 662	1 032 584	1 411 278	1 437 141	1 381 892	983 425	916 247
Buildings and other fixed structures	1 264 636	1 220 285	1 401 808	843 814	1 176 748	1 179 638	1 120 880	728 196	661 850
Buildings	862 821	332 782	1 188 606	728 066	797 387	777 345	902 793	615 589	545 788
Other fixed structures	401 815	887 503	213 202	115 748	379 361	402 493	218 087	112 607	116 062
Machinery and equipment	238 666	192 767	210 753	187 986	231 903	251 952	257 168	254 381	253 506
Transport equipment	73 729	41 727	16 885	34 430	67 082	70 337	37 526	36 921	38 812
Other machinery and equipment	164 937	151 040	193 868	153 556	164 821	181 615	219 642	217 460	214 694
Heritage assets	39	-	15	-	-	70	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	743	943	928	-	1 071	1 923	-	-	-
Land and sub-soil assets	-	-	-	-	-	2	-	-	-
Software and other intangible assets	2 024	4 290	7 158	784	1 556	3 356	3 844	849	891
Payments for financial assets	1 452	3 304	384	328	328	328	343	354	372
Total economic classification	10 744 891	11 128 493	13 060 801	13 047 566	13 389 547	13 607 061	14 160 870	14 361 861	15 034 222

Table A.3 (a): Details of provincial payments and estimates: "Goods and Services level 4 items"

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2011/12	2012/13	2013/14	2014/15			2015/16	2016/17	2017/18
Current payments									
Goods and services									
<i>of which</i>									
Administrative fees	10 693	12 322	12 178	23 411	23 829	21 859	25 283	27 015	28 407
Advertising	38 049	27 823	34 178	26 873	29 276	32 714	25 778	26 611	27 857
Assets less than the capitalisation threshold	21 372	34 488	36 629	41 343	41 442	41 804	49 580	58 892	63 252
Audit cost: External	48 047	53 313	55 990	51 827	52 593	58 910	57 015	57 492	61 354
Bursaries: Employees	7 563	6 158	7 073	9 912	8 350	11 495	7 977	8 321	9 799
Catering: Departmental activities	43 463	40 093	40 708	34 118	37 424	40 202	33 702	35 486	36 752
Communication (G&S)	56 200	58 108	50 860	48 972	46 431	44 486	57 261	59 104	62 503
Computer services	48 989	55 504	77 024	84 205	82 246	96 303	96 613	98 219	103 266
Consultants and professional services: Business and advisory services	79 216	129 353	96 467	49 931	89 948	104 189	67 204	56 798	61 351
Consultants and professional services: Infrastructure and planning	32 725	26 049	4 943	64 624	54 335	47 075	24 012	21 398	20 684
Consultants and professional services: Laboratory services	102 469	91 505	98 319	149 881	142 258	115 918	146 480	153 735	162 540
Consultants and professional services: Scientific and technological services	-	-	-	-	-	1 935	-	-	-
Consultants and professional services: Legal costs	8 601	12 242	23 879	10 732	14 774	21 453	11 954	12 584	13 235
Contractors	197 017	310 785	729 919	1 075 570	853 923	798 439	1 054 186	1 092 539	1 167 193
Agency and support / outsourced services	134 608	143 951	147 324	252 039	179 923	173 657	193 516	180 115	191 345
Entertainment	1 633	2 110	1 839	1 218	1 077	1 112	1 852	2 021	2 133
Fleet services (including government motor transport)	6 796	43 239	97 762	67 034	87 168	109 736	91 248	98 776	104 108
Housing	5	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	1 979	5 495	5 495	3 035	5 912	6 068	6 371
Inventory: Farming supplies	-	-	14 902	54	46 095	58 089	35 056	18 059	26 477
Inventory: Food and food supplies	47 739	21 903	19 601	22 340	22 314	18 374	28 162	35 387	38 155
Inventory: Fuel, oil and gas	64 661	46 871	21 178	43 685	42 696	25 322	43 864	54 620	57 353
Inventory: Learner and teacher support material	70 883	95 194	93 885	68 454	64 571	51 872	42 068	44 099	47 020
Inventory: Materials and supplies	41 431	10 585	9 779	12 902	12 066	14 132	9 180	10 633	11 134
Inventory: Medical supplies	19 171	82 412	111 035	142 255	140 361	150 687	132 374	154 427	162 528
Inventory: Medicine	197 020	191 800	221 709	207 583	184 495	208 901	217 485	256 640	273 471
Medsas inventory interface	56 416	-	-	85	85	-	620	779	818
Inventory: Other supplies	1 006	1 532	1 597	240	291	4 586	10 725	2 475	1 004
Consumable supplies	50 467	63 323	105 613	71 026	90 909	130 682	79 569	83 768	83 597
Consumable: Stationery, printing and office supplies	53 485	42 844	41 610	53 437	59 093	59 568	54 546	61 306	64 828
Operating leases	199 102	175 074	283 947	154 947	196 918	261 614	152 852	154 095	162 420
Property payments	333 870	214 686	258 553	260 359	257 777	276 405	324 167	334 563	352 655
Transport provided: Departmental activity	122 456	29 684	14 896	17 198	17 682	17 669	9 713	11 593	12 043
Travel and subsistence	223 303	248 779	271 111	237 317	253 365	288 332	253 389	263 047	275 194
Training and development	53 558	46 832	44 937	61 682	51 249	44 077	54 812	56 409	55 576
Operating payments	26 303	22 838	27 703	30 021	27 888	32 781	24 372	25 798	28 075
Venues and facilities	30 221	22 986	14 889	25 079	25 638	23 270	28 498	30 487	31 934
Rental and hiring	5 086	2 140	6 382	1 046	1 970	2 857	1 885	1 833	1 865
Total economic classification	2 433 624	2 366 526	3 080 398	3 406 895	3 245 955	3 393 540	3 452 909	3 595 192	3 808 297

Table A.4(a): Payments summary by functional area

Function	Category	Department	Programme
General Public Services	Legislative	Office of the Premier	Administration Institutional Development Policy and Governance
		Provincial Legislature	Administration Facilities for Members and Political Parties Parliamentary Services
		Provincial Treasury	Administration Sustainable Resource Assets and Liabilities Management Financial Governance Provincial Internal Audit
		Public Works	Administration Public Works Infrastructure Transport Infrastructure Community Based Programme
		Cooperative Governance and Traditional Affairs	Administration Co-Operative Governance Traditional Affairs
Public Order and Safety	Police Services	Transport, Safety and Liaison	Administration Civilian Secretariat Transport Operations
Economic Affairs	General Economic Affairs	Economic Development and Tourism	Administration Integrated Economic Development Services Trade And Sector Development Business Regulation And Governance Economic Planning Tourism
	Agriculture	Agriculture	Administration Sustainable Resource Management Farmer Support and Development Veterinary Services Research and Technology Development Services Agricultural Economics Services Structured Agricultural Education and Training Rural Development
	Transport	Transport	Transport Regulations
Environmental Protection	Environmental protection	Environment and Nature Conservation	Administration Environmental Policy, Planning and Coordination Compliance and Enforcement Environmental Quality Management Biodiversity Management Environmental Empowerment Services
Housing and Community Amenities	Housing Development	Human Settlements	Human Settlements
Health	Health	Health	Administration District Health Services Emergency Medical Services Provincial Hospital Services Central Hospital Services Health Sciences and Training Health Care Support Services Health Facilities Management
Recreation, Culture and Religion	Recreational and sporting services Cultural services	Sport, Arts and Culture	Administration Cultural Affairs Library and Archives Services Sport and Recreation
Education	Pre-primary & Primary Phases Secondary Education Phase Subsidised Services to Education Education not defined by level	Education	Administration Public Ordinary School Education Independent Schools Education Public Special Schools Education Early Childhood Development Infrastructure Development Examinations and Education Related Services
Social protection	Social Security Services	Social Development	Administration Social Welfare Services Children and Families Restorative Services Development and Research

Table A4(b): Details of provincial payments and estimates by policy area

Outcome				Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2011/12	2012/13	2013/14		2014/15		2015/16	2016/17	2017/18
General Public Services									
Executive and Legislature	278 600	288 612	323 398	329 877	354 309	354 041	378 135	359 651	377 634
Office of the Premier	152 079	151 787	180 120	173 394	194 799	194 799	183 852	194 292	204 007
Provincial Legislature	126 521	136 825	143 278	156 483	159 510	159 242	194 283	165 359	173 627
Financial and Fiscal Services	117 844	151 597	180 289	202 393	210 062	209 062	211 546	218 814	229 754
Provincial Treasury	117 844	151 597	180 289	202 393	210 062	209 062	211 546	218 814	229 754
General Services (Public Works, Local Government)	1 055 695	1 016 536	1 280 918	1 152 494	1 214 474	1 214 474	1 354 650	1 429 944	1 520 244
Total: General Public Services	1 452 139	1 456 745	1 784 605	1 684 764	1 778 845	1 777 577	1 944 331	2 008 409	2 127 631
Public Order and Safety									
Police Services	189 993	219 199	244 925	255 837	261 341	268 700	267 995	282 033	296 727
Transport, Safety and Liaison	189 993	219 199	244 925	255 837	261 341	268 700	267 995	282 033	296 727
Total: Public Order and Safety	189 993	219 199	244 925	255 837	261 341	268 700	267 995	282 033	296 727
Economic Affairs									
General Economic Affairs	206 956	223 288	266 380	235 601	273 328	279 778	266 436	279 702	293 687
Dept of Economic Affairs	206 956	223 288	266 380	235 601	273 328	279 778	266 436	279 702	293 687
Agriculture	369 638	436 462	987 816	715 690	776 638	776 638	619 947	486 914	518 871
Dept of Agriculture Affairs	369 638	436 462	987 816	715 690	776 638	776 638	619 947	486 914	518 871
Transport	67 292	62 864	65 376	73 065	73 065	73 065	73 990	78 057	81 960
Department of Transport	67 292	62 864	65 376	73 065	73 065	73 065	73 990	78 057	81 960
Total: Economic Affairs	643 886	722 614	1 319 572	1 024 356	1 123 031	1 129 481	960 373	844 673	894 518
Environmental Protection									
Environmental Protection	98 543	102 739	117 641	126 300	127 600	127 600	131 245	136 791	143 631
Total: Environmental Protection	98 543	102 739	117 641	126 300	127 600	127 600	131 245	136 791	143 631
Housing and Community Amenities									
Housing Development	589 541	581 941	841 569	648 810	651 974	659 854	668 407	702 224	740 639
Department of Housing	589 541	581 941	841 569	648 810	651 974	659 854	668 407	702 224	740 639
Total: Housing and Community Amenities	589 541	581 941	841 569	648 810	651 974	659 854	668 407	702 224	740 639
Health									
Outpatient services	1 269 211	1 280 366	1 465 610	1 594 139	1 604 902	1 659 390	1 675 928	1 791 458	1 917 740
R and D Health (CS)	665 511	729 538	739 655	786 472	791 172	816 370	681 448	722 665	767 346
Hospital Services	1 071 020	1 155 594	1 196 536	1 315 682	1 361 914	1 443 682	1 717 012	1 557 218	1 606 394
Total: Health	3 005 742	3 165 498	3 401 801	3 696 293	3 757 988	3 919 442	4 074 388	4 071 341	4 291 480
Recreation, Culture and Religion									
Sporting and Recreational Affairs	268 610	221 908	256 651	290 801	310 978	293 535	321 203	336 381	360 559
Sport, Arts and Culture	268 610	221 908	256 651	290 801	310 978	293 535	321 203	336 381	360 559
Total: Recreation, Culture and Religion	268 610	221 908	256 651	290 801	310 978	293 535	321 203	336 381	360 559
Education									
Pre-primary & Primary Phases	1 985 305	2 115 256	2 023 864	2 280 163	2 118 378	2 104 671	2 256 560	2 381 412	2 500 512
Secondary Education Phase	940 696	961 027	1 261 241	1 134 743	1 334 460	1 391 660	1 539 114	1 611 973	1 664 040
Subsidised Services to Education	680 162	689 019	831 013	846 166	840 611	882 399	990 103	940 653	945 941
Education not defined by level	367 587	360 825	373 504	408 127	423 718	391 519	297 295	306 887	311 407
Total: Education	3 973 750	4 126 127	4 489 622	4 669 199	4 717 167	4 770 249	5 083 072	5 240 925	5 421 899
Social protection									
Social Security Services									
Social Services and Population Development	522 687	531 722	604 415	651 206	660 623	660 623	709 856	739 084	757 138
Total: Social protection	522 687	531 722	604 415	651 206	660 623	660 623	709 856	739 084	757 138
Total provincial payments and estimates by policy area	10 744 891	11 128 493	13 060 801	13 047 566	13 389 547	13 607 061	14 160 870	14 361 861	15 034 222

Table A.5: Transfer to local government by category and Municipality

Entity	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2011/12	2012/13	2013/14	2014/15			2015/16	2016/17	2017/18
Type of transfer / grant name									
Category A	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Category B	103 009	81 268	71 974	87 846	90 624	91 100	104 285	108 042	113 683
Joe Morolong	467	1 034	590	970	970	970	1 506	1 542	1 639
Ga-Segonyana	1 203	1 542	1 644	1 814	1 814	1 814	2 529	2 591	2 766
Gammagara	590	590	626	1 099	1 099	1 099	1 647	1 679	1 795
Richtersveld	1 297	746	718	796	796	796	1 208	1 228	1 311
Nama Khoi	3 536	1 960	2 654	1 644	1 644	1 688	2 246	2 303	2 456
Kamiesberg	1 532	512	698	971	971	971	1 283	1 314	1 395
Hantam	1 401	758	814	1 348	1 348	1 348	1 827	1 870	1 993
Karoo Hoogland	1 333	642	1 224	1 131	1 131	1 131	1 751	1 783	1 909
Khai-Ma	868	412	689	920	920	920	1 208	1 315	1 411
Ubuntu	2 703	1 091	1 379	1 393	1 393	1 388	1 853	1 901	2 022
Umsobomvu	731	941	948	1 228	1 228	1 228	1 779	1 817	1 940
Emthanjeni	2 694	3 256	2 644	2 646	2 646	2 640	3 086	3 199	3 381
Kareeberg	1 673	1 229	1 097	1 356	1 356	1 355	1 810	1 855	1 974
Renosterberg	2 123	736	-	836	836	836	1 194	1 217	1 295
Thembelihle	1 336	501	819	1 073	1 073	1 073	1 475	1 508	1 605
Siyathemba	1 655	1 403	2 173	1 992	1 992	1 992	2 471	2 546	2 703
Siyancuma	726	568	861	1 412	1 412	1 412	1 795	1 841	1 958
Mier	1 446	1 195	-	1 174	1 174	1 174	686	696	737
!Kai! Garib	3 151	3 273	1 537	2 517	2 517	2 517	3 529	3 659	3 317
//Khara Hais	3 218	5 805	12 063	4 134	4 134	4 284	4 828	4 997	5 300
!Kheis	979	357	332	608	608	608	869	883	938
Tsantsabane	2 387	2 144	868	2 378	2 378	2 371	3 045	3 141	3 335
Kgatelopele	1 155	986	631	1 126	1 126	1 124	1 411	1 453	1 536
Sol Plaatje	56 119	47 706	35 197	50 426	53 204	53 507	56 225	58 709	61 773
Dikgatlong	950	-	-	787	787	787	3	3	3
Magareng	6 558	540	781	682	682	682	1 099	1 025	1 092
Phokwane	1 178	1 345	987	1 385	1 385	1 385	1 922	1 967	2 098
Category C	32 316	24 164	33 838	3 188	7 280	7 242	3 500	3 500	3 688
John Taolo Gaetsewe District Municipality	9 293	1 589	2 503	636	636	630	700	700	735
Namakwa District Municipality	7 323	1 191	8 251	635	4 727	4 722	700	700	735
Pixley Ka Seme District Municipality	11 813	5 990	11 411	638	638	630	700	700	735
Siyanda District Municipality	1 855	4 374	4 274	640	640	630	700	700	735
Frances Baard District Municipality	2 032	11 020	7 399	639	639	630	700	700	748
Total transfers to local government	135 325	105 432	105 812	91 034	97 904	98 342	107 785	111 542	117 371