

# VOTE 9

## DEPARTMENT OF ROADS AND TRANSPORT

|                                       |                                   |
|---------------------------------------|-----------------------------------|
| To be appropriated by vote in 2016/17 | R 7 299 704 000                   |
| Responsible MEC                       | MEC for Roads and Transport       |
| Administering Department              | Department of Roads and Transport |
| Accounting Officer                    | Head of Department                |

### 1. OVERVIEW

The Gauteng Department of Roads and Transport (GDRT) is the main contributor to the provincial outcome of providing a modernised public transport system which has sustainable road infrastructure and integrated transport system that is reliable, accessible, safe and affordable, and that has a broad range of socio-economic effects. These include the benefits flowing from increased accessibility, employment creation, increased efficiency and social inclusion of all citizens of the province.

#### Vision

A modern integrated, efficient and sustainable transport and road infrastructure system in Gauteng.

#### Mission

To facilitate and provide an integrated transport system that:

- Is reliable, accessible, safe and affordable;
- Promotes seamless mobility and social inclusion;
- Is environmentally sustainable; and
- Support industrialisation and radical socio-economic transformation.

#### Strategic Goals

- A modern integrated public transport system that provides customer-centric transport services.
- Strategic economic transport infrastructure that stimulate socio-economic growth
- A modern, accountable and development oriented department.

#### Core functions and responsibilities

- To contribute to the achievement of departmental outcomes;
- To develop and maintain a sustainable road infrastructure that contributes to increased economic growth and enhanced quality of life in Gauteng;
- To develop a policy framework in support of a modern, integrated and intelligent transport system;
- To contribute to the regulation of transport-related carbon emissions;
- To contribute to environmental protection through green transport;
- To provide public transport infrastructure to promote integration and inter-modality of public transport;
- To regulate public transport operations through the issuing of operating licenses and permits;
- To regulate public transport operations through the registration of associations;
- To issue valid drivers' licenses; and
- To issue valid vehicle licenses.

#### Main services

| Main services  | Actual customers   | Potential customers                                  | Standard of service   |
|--|--|--|---|
| Manage, coordinate and integrate the overall planning of transport in metropolitan areas | DRT, District and Metropolitan Municipalities, PRASA and Transnet  | Commuters and the General public                     | Provincial Land Transport Framework (PLTF)  |
| Implementation of freight plan for Gauteng   | Transport Authorities, Municipalities, Gauteng Department of Agriculture and Rural Development (GDARD), Gauteng Growth and Development Agency and Transnet | Freight industry and all road users                  | According to the Gauteng Freight implementation strategy                                      |
| Construction and upgrading of the provincial road networks                               | General public, other departments and municipalities   | General public, other departments and municipalities | GDRT's standards and code procedures  |
| Issue abnormal vehicle and load permits  | An average of 100 applications per month   | Determined by the economy                            | Two work days per permit  |
| Issuing of Operating Licenses/Permits for all public transport modes in the Province     | Public Transport Operators and commuters   | Public Transport Operators and commuters             | Operating licenses/permits issued within 120 working days upon receipt of application         |
| Testing of vehicles and issuing of road worthy certificates                              | Vehicle owners and road users  | Vehicle owners, road users and general public        | Testing of motor vehicles and issuing of road worthy certificates completed within two hours. |

### **Ten Pillar Programme of Transformation, Modernisation and Re-Industrialisation**

The functions of this department is aligned to the outcomes of the Transformation, Modernisation and Re-industrialisation (TMR) which is supported by the Pillars of Radical economic transformation; Decisive spatial transformation; Modernization of the public service; Modernization of human settlements and urban development.

The DRT has initiated the development of outcome statements in relation to the relevant government outcomes. It has consulted lead and support departments pivotal to the realization of the an efficient, competitive and responsive economic infrastructure network outcome, including consultations focused on the content, costing and budgeting for key projects that support the outcome statements.

The department plays a key role in the implementation of an efficient, competitive and responsive economic infrastructure network outcome through the provision of transport infrastructure, transport regulation services and transport planning services. The department also contributes to the modernisation of public transport infrastructure, radical economic transformation, decisive spatial transformation, modernisation of the public service, modernisation of human settlements and urban development through development strategy with the construction of the rural roads infrastructure and the Inner City Renewal Programme through the construction of road linkages

The department will also contribute to Gauteng Tshepo 500 000, an intervention of the Gauteng Provincial, which is intended at providing hope and enabling the unemployed youth, women, people with disabilities and children born of military veterans, to participate in the mainstream of Gauteng economy through training and skills development.

It will also contribute to the revitalisation of the township economy which is focused at improving the lives of the communities within townships. The Department will perform this function through the creation of opportunities by sourcing some of the materials required for road construction or transport related matters.

Furthermore, the Department will also contribute to the Ntirhisano outreach programme, an initiative by the Gauteng government aimed at ensuring that all government structures perform the functions assigned to them optimally to benefit the communities of Gauteng. The coordination of plans between government institutions is essential to maximise efficiency. The development of mechanisms to unblock bottlenecks may improve service delivery through improved decision making. The administrative functions of the Department contribute to an efficient, effective and developmental orientated public service outcome. As it is a new focus within government, the outcomes planning and budgeting process has required extra effort within limited timeframes, and departments have had to focus on developing their plans for their own lead roles and at the same time, on their supporting roles aligned with the lead roles of other departments. Ensuring proper alignment has therefore posed a challenge. The province will continue to confront this challenge during further implementation of outcomes planning and budgeting.

### **National Development plan**

The National Development Plan aims to eliminate poverty and reduce inequality by 2030. It provides a broad strategic framework to guide key choices and actions. Government recently adopted an Infrastructure Plan intended to transform the country's economic landscape, create a significant number of new jobs, strengthen the delivery of basic services and support the integration of African economies. In relation to transport, the plan aims to consolidate and expand the transport and logistics infrastructure, with key focus areas being:

- Upgrading the Durban-Gauteng freight corridor, including a new port at the old Durban airport site (SIP2); and
- Public transport infrastructure and systems, including the renewal of the commuter rail fleet, supported by enhanced links with road based services (SIP7).

In response to the NDP, the Department of Roads and Transport developed the five-year Gauteng Transport Integrated Plan (GTIP5) as well as the Integrated Transport Master Plan (ITMP 25) that both provide a framework within which an efficient and integrated transport system for Gauteng can be achieved. The ITMP25 has been widely consulted and is the framework for the department's 2014-2019 Strategic Plan. It aims to improve the lives of all Gauteng residents and to position the province as an ideal place in which to live and work, and as an attractive destination for foreign investment and tourism. It departs fundamentally from apartheid spatial planning, land use and mobility and proposes an integrated and equitable transport value chain where public transport has the highest priority. It provides a planning framework to assist government at all three levels to deliver the transport system over the next 25 years.

The ITMP25 does not replace local and provincial medium-term statutory planning in terms of the National Land Transport Act (2009) but provides an overarching framework within which integrated transport planning should be done, over the next 25 years. The founding principles for the ITMP25 are:

- Integration of land use with transport, as well as integration of networks, modes and services;
- Being "smart" by using scarce resources more effectively and applying suitable technology;
- Social inclusion and beneficiation; and
- Promotion of a more sustainable Gauteng City Region (CGR).

**External activities and events relevant to budget decisions**

The country continues to focus on accelerating the service delivery and the province has adopted a Ten Pillar programme of radical transformation, modernisation, and reindustrialisation of Gauteng over the next five to 15 years. This necessitates the Department to align to the national and provincial priorities by engaging in projects that support them. The political landscape within the country is making it imperative for the Department to deliver quality products and services, speedily, for citizens of the province to realise the impact of the work of the Department.

The report on the socio-economic impact of the Gauteng Freeway Improvement Project (GFIP) and related E-tolls requires the department to accelerate the construction of new alternative roads as well as to maintain the existing ones, so that road users have an alternative. This has been incorporated into the 2016 MTEF budget, in line with available resources.

**Acts, rules and regulations**

Schedules 4 and 5 of the Constitution of South Africa, empower provinces with concurrent competencies with national government, and with exclusive legislative competencies in specific functional areas such as public transport, provincial roads and public works.

**Key legislation and policies to the mandate of the GDRT include:**

- Gauteng Transport Framework Revision Bill, 2008;
- Government Immoveable Assets Management Bill, 2006;
- Gautrain Management Agency Act, 2006;
- Gauteng Planning and Development Act, 2003;
- Gauteng Transport Framework Revision Act, 2002;
- Planning Professions Act, 2002;
- Gauteng Public Passenger Road Transport Act, 2001;
- Gauteng Transport Infrastructure Act, 2001;
- National Spatial Development Perspective;
- Architectural Profession Act, 2000;
- Built Environment Professions Act, 2000;
- Construction Industry Development Board Act, 2000;
- Engineering Profession Act, 2000;
- Landscape Architectural Profession Act, 2000;
- National Land Transport Transition Act, 2000;
- Project and Construction Management Act, 2000;
- Property Valuers ' Profession Act, 2000;
- Road Traffic Management Corporation Act, 1999;
- National Environmental Management Act, 1998;
- National Road Traffic Act, 1996;
- Occupational Health and Safety Act, 1993 (and particularly the associated construction regulations)
- Road Traffic Act, 1989; and
- Standards Act, 1982 (and particularly the associated National Building Regulations).

**2. REVIEW OF THE CURRENT FINANCIAL YEAR (2015/16)****Pillar 8: Modernisation of Public Transport Infrastructure****Output 1: Maintenance, strategic expansion, operational efficiency, capacity and competitiveness of our logistics and transport infrastructure ensured**

The overall mandate of the department is linked to this pillar through the provision of affordable new transport infrastructure and upgrade of the current infrastructure and systems. The focus is on promoting accessibility to major economic hubs and creating jobs for citizens in the province. The department contributes to this pillar through the construction and maintenance of the provincial road network.

**Gauteng Household Travel Survey**

The household travel survey examines the provincial travel patterns in the specific provincial regions. The information obtained from the household travel survey is a critical component in planning of the province's transportation infrastructure and also valuable in optimising existing transportation operations. It is also essential in understanding travel modes of different market segments, to measure accessibility of public transport facilities and private motor vehicles, including attitudes towards this. Although the project was completed in the 2015/16 financial year, it needs a mention that the next cycle to update the information will be in 2024/25.

**Traffic engineering**

In the 2015/16 financial year, a feasibility study on the Intelligent Transport System (ITS) programme was conducted and

concluded, and it revealed that ITS measures needed to be implemented on all the freeways in Gauteng, national as well as provincial. The project will be piloted on provincial freeways on the M1 between Buccleuch and Corlett drive. A full M1 programme implementation plan was also concluded and approved during the year. The Department also initiated programmes to upscale protection, improve safety and efficient use of the provincial road network. These initiatives will result in safer and shorter travel time. Furthermore, infrastructure optimisation projects were performed within the province. These will ease congestion and improve safety at hazardous intersections.

The programmes implemented within the unit have progressed in line with the plans and budget for the year.

- All 4 provincial weighbridges were maintained and calibrated
- Maintenance and upgrading of provincial traffic signals;
- Maintenance of provincial traffic survey facilities;
- Performance of road safety audits and implementation of improvements; and

These are annual activities that are performed throughout the year. The unit is also in the process of developing the design layout for the construction of the Westonaria Traffic Control Centre and will finalise this during the fourth quarter.

### Design

Progress on designs for the following projects are summarised hereunder:

- K101 from Randjiesfontein interchange to Olifantsfontein Road to New Road (private contribution) – there were budget alignment issues that hindered the start of the project, and as a result, the design will be completed in June 2016, which will include the interchange with K27.
- K154 Phase 2 Gauteng Highlands: Graceview Access Road to Old Vereeniging Road - the project did not take off as anticipated at the start of the financial year; however, it has progressed to a stage where designs are completed. The outstanding water use licence and proclamation of the road reserve will both be completed by 2017/18.
- K148/N3 construction of interchange and access road to OR Tambo/Springs – this is a 36 month project. The delay is in relation to land proclamation and the actual design as a result of the negotiations with the land owners
- K77 Gauteng Highlands Elizabeth Road to K154 (Phase 1) – this project commenced in September 2015 and the designs are being developed, while the EIA water use licence and proclamation of the road reserve will be completed in 2017/18.
- K97: (P1-3): Pretoria N4-Bonaccord – in line with the Department's plan, the project is currently at design stage and will be completed by 31 March 2016. It involves the upgrading of road K50 (D321) from K69 and Pretoria East hospital (Garsfontein). The project is being implemented by City of Tshwane under a Memorandum of Agreement with the Department of Roads and Transport.
- Upgrading of road K54 Mamelodi (Tsamaya Rd) to R104 Pretoria/Bronkhorstspuit Rd. The project involves the construction of a single carriage way for K54 (from K22 to K69) and to design the other carriage way of Road D2561 (from K54 to Tsamaya Road). The road is located in the Tshwane Metropolitan Municipality and is a North/South Corridor between Mamelodi and the R21 to the West Rand. A total of 6.8km as well as section of Road 2561 from K54 to Tsamaya Road in Mamelodi, are both constructed. Certain portion of the road is being implemented by NAD developers and work has already commenced.

### Construction

The focus of the Department during this year has been increasingly on the rehabilitation programme throughout the provincial roads network. This is further supported by the budget allocation with 50 percent of the department's allocation being within this unit.

- K46 Phase 1 - (William Nicol) Construction of a Section of the Proposed K46 (P79-1). The objective of the project was to construct a section of the proposed dual carriageway road K46 (P79-1) between 3.2km and 7.3km in order to improve access to Diepsloot and the Fourways area towards Randburg. The project was partly funded by Steyn City Development and its completion is expected in June 2015.
- K46 (P79-1): Upgrading from single to dual carriageway of Road K46 (P79-1) William Nicol from PWV5 to Diepsloot/ N14 Phase 2. The road will provide a link between Diepsloot and Johannesburg and also act as access for existing and future developments along its corridor. The project involves upgrading of an existing 7.2km single carriageway between PWV5 and Diepsloot into a dual carriageway. It is one of the open-tender projects that have been implemented within the province and is also funded partly by a developer. The site handover took place on 8 November 2015 and site establishment is currently at 85 percent. The layer works are expected to commence before the end of the financial year.
- Upgrading of road K50 (D321) from K69 and Pretoria East hospital (Garsfontein). The project involves the reconstruction

and upgrading of Garsfontein Road between Loristo and Anton Van Wouw Street. The project is being implemented by City of Tshwane under a Memorandum of Agreement with the Department of Roads and Transport. The project is currently at design stage.

- Upgrading of road K54 Mamelodi (Tsamaya Rd) to R104 Pretoria Bronkhorstspuit Rd. The project involves the construction of a single carriage way for K54 (from K22 to K69) and to design the other carriage way of Road D2561 (from K54 to Tsamaya Road). The road is located in the Tshwane Metropolitan Municipality and is a North/South Corridor between Mamelodi and the R21 to the West Rand. A total of 6.8km as well as a section of Road 2561 from K54 to Tsamaya Road in Mamelodi are both constructed. Certain portions of the road are being implemented by NAD Developers and work has already commenced.
- Upgrading of road R82 phase 2- Old Vereeniging road between Walkerville and Vereeniging (De Deur)  
This project involves upgrading of 4.58km of an existing single into a dual carriageway. The project will provide an alternative link between N1 Johannesburg and Vereeniging, including access to existing and future developments around Walkerville, Eikenhoff and De Deur. It also forms part of the Maize Belt. The project is located in the Midvaal Municipality and also acts as a feeder road to the N12 freeway. The contractor is busy with layer works and progress to date is at 85 percent. The project is expected to be complete in April 2016, which is later than the original completion date. This is due to delays in the relocation of Eskom services.
- Upgrading of road P4-1 Nederveen Rd (103) from Leondale Forsdick Rd (554) to Barry Marais Rd (R21)  
The project involves the construction of Road P4-1 (Nederveen Road) between Van Dyk Road (P58-1) and Diana Road (P140-1) in Ekurhuleni Municipality. The project involves upgrading of an existing single into a dual carriageway to act as a supporting and feeder road to the N3. The road will also serve the Roodekop industrial area and residential areas in Vosloorus, Leondale, Roodekop, Rondebult and planned future industrial townships. It also forms part of a strategic public transport network providing access from areas South East of the City of Johannesburg.
- Rehabilitation of road P158/1 (N14) from Diepsloot (km 20.7) to Hendrik Potgieter intersection (km 41.49) – Phase 1.  
The project involves the rehabilitation of the road and this route is an inter-urban freeway that serves as a transport corridor between Tshwane, the Northern suburbs of Johannesburg and the North West cities of Krugersdorp and Rustenburg. The project cuts across two municipalities, City of Johannesburg and Mogale City. The progress to date is at 58 percent; the layer works are ongoing.
- Rehabilitation of road P3-6 (N12) between Gauteng North west boarder (57.56 km) and Road P186 (90.78km). The project is located south west of Johannesburg, between P186/1 and the N12 at the border with North West Province. The road provides a major route from Johannesburg towards North West Province including Potchefstroom and Klerksdorp. It also serves as a collector/distributor to the rural areas and towns along the route. The project entails the rehabilitation of the single carriageway road between the border, P111/1 and the dual carriageway road from P111/1 to P186/1. Progress to date is at 97 percent. The contractor has completed major works and is completing the snag list.
- Rehabilitation of road P39/1 (Erasmia to Krugersdorp). The project involves the rehabilitation of 23.6km of the road and is situated within the West Rand Municipality between Laudium and Diepsloot. The progress to date is 85 percent. The project is practically complete.
- Rehabilitation of road P6/1 (R25) Kempton Park to Bronkhorstspuit. The project is located on the Southern Western fringe of Bronkhorstspuit and Road P6/1 (R25). It is a single carriageway provincial road linking Gauteng Province and Limpopo Province through Bronkhorstspuit. Traffic volumes on the road are relatively high with a high volume of heavy vehicles. A total of 40km of the road has already been surfaced, and the remainder of works will be completed by the end of the financial year. The project is practically complete.
- Upgrading and Rehabilitation of Cedar Road (D1027) from 2.95km Valley Road to 5.93km Runnymede Road – Phase 1.  
This project was the first project in the province to be subjected to the open-tender process, which was successful and created a precedent for all other open-tender projects that followed. It is also funded partly by Steyn City Development. Its objective is to complete the upgrade of Cedar Road North and South to a dual carriageway status and to improve the pavement life. The project is located in Sunninghill, Sandton. The length of the construction, complete with storm water drainage and services provision, is approximately 2.4km. Progress to date is at 75 percent and the contractor has surfaced 2.4km of single carriageway.
- The Rehabilitation of Road P186/1 between 0 and 9.54km). The project entails the rehabilitation of the single carriageway between the North West Province border and road P111/1 and the dual carriageway from P111/1 to P186/1. The road provides a major route from Johannesburg towards North West Province including Potchefstroom and Klerksdorp, and it is within the City of Joburg municipality. Progress to date is at 99 percent with the contractor back on site, to rectify the vandalised fenced.



- Rehabilitation of 9.56km of Road D1511 between the intersection with Dale and Allen Roads D51. The project entails the rehabilitation of the single carriageway link (Modderfontein Road) between Dale Road and Zuurfontein Street and the rehabilitation of the dual carriageway link (Zuurfontein Street) between Modderfontein and Chloorkop road. The project is located on the North Eastern edge of Johannesburg, east of the N1. This road provides an alternative to the N1, N3, and N1/N3 interchange. It also serves as a collector/distributor for the residential areas surrounding the route. The main objective is to rehabilitate road D1511 by recycling short sections, patching, crack sealing, constructing an asphalt overlay and repairing the drainage along the road between Dale Road and Road D51. The surfacing is 100 percent complete with the contractor nearing completion.
- P70: Rehabilitation and upgrading of Witkoppen road (P70/1) between Megawatt Park and Sunninghill hospital. The P70-1 is being rehabilitated from Main Road P71-1 Eastbound towards Rivonia road for 3.05km. The rehabilitation includes the widening of portions of P70-1 and gravel shoulders. Motorists will benefit from the rehabilitation of the road as it will reduce travelling distance. Progress to date is at 87 percent.

### Maintenance

The Provincial Roads Maintenance Grant (PRMG) supplements provincial investments for preventative, routine and emergency maintenance and roads rehabilitation of the provincial road network and ensures all the roads are classified as per Road Infrastructure Strategy Framework of South Africa (RISFSA) and Roads Classification and Access Management (RCAM) guidelines. Routine road maintenance is split into outsourced and internal workforce and roads classifications.

The scope of works for routine roads maintenance for RISFSA classes 1-6, on an annual basis, includes the following:

- Continuous re-graveling;
- Pothole patching and crack sealing;
- Cleaning and repairing of surface drainage structures like ditches and channels ;
- Cleaning and repairing of culverts and inlets;
- Vegetation control;
- Inspection of the road during the day and at night;
- Accommodation of traffic;
- Edges and shoulder repairs;
- General erosion and gabions protection;
- Cutting of grass and weed;
- Maintenance and establishment of plants, trees, shrubs and grass;
- Grass cutting;
- Cleaning of riverbeds;
- Collection and removal of debris and litter picking;
- Repairing and installation of road signs and guard rails;
- Pavement layers repairs;
- Stabilisation of slopes;
- Repair of slope failures and wash –aways;
- Repairing damaged fencing;
- Clearing refuse from roads reserve, lay byes and interchanges;
- Replace and repair damaged road signs;
- Installation of road studs;
- Road markings;
- Regular mowing of grass in the road reserve including the median and the removal of grass cuttings;
- Maintenance of trees and shrubs;
- Supply and spreading of topsoil;
- Emergency assistance; and
- Removal of wrecks and abandoned vehicles.

The table below indicates the number of kilometres maintained during the year in the different regions for classes 1, 2, 3, 5 & 6 roads: which also form part of the Contractor Development Programme

| Region          | Length – Class 1 & 2 | Length – Class 3 | Length – Class 5 & 6 |
|-----------------|----------------------|------------------|----------------------|
| Pretoria        | 269.43               | 235.82           | 128.27               |
| Vereeniging     | 250.80               | 208.83           | 48.18                |
| Benoni          | 260.91               | 225.38           | 114.6                |
| Bronkhorstspuit | 244.72               | 93.25            | 110.43               |
| Krugersdorp     |                      | 207.8            | 220.88               |

### **Expanded Public Works Programme (EPWP)**

As part of the EPWP frameworks, the Department is expected to continuously increase the number of jobs through the infrastructure projects that are being implemented. 1 754 jobs were created during the year, with 56 percent woman, 59 percent youth and 3.5 percent people with disabilities. Roads maintenance has seen a well-balanced level of success in and around Gauteng through outsourced maintenance with hundreds being employed in the townships contributing to the economy. The implementation of the outsourced routine maintenance and term contracts has been a boost to performance of the unit and increased overall service delivery within the maintenance programme.

### **Gautrain**

The focus of the Gautrain Management Agency over this financial year was to continue to work on the annual performance milestones in line with all the plans. The feasibility study on Gautrain II will be completed in 2016 and further information will be provided then.

### **Intermodal public transport facilities**

The Directorate continues with the deployment of intermodal facilities in line with the current 25 Year Integrated Transport Master Plan (ITMP25) that advocates an integrated approach towards planning and development of a public transport infrastructure. There are a number of intermodal facilities being constructed:

#### **Vereeniging Stations Public Transport intermodal facility**

This is a multi-year project, up for completion in the new financial year. Though marred with construction challenges during this financial year, the project is being fast-tracked for partial operation before the 2016 rainy season later in the year, having achieved completion of the major building construction as well as offices in the Taxido Junction site.

### **Non-Motorised Transport (NMT)**

The Masterplan is in a draft format up for completion in this financial year with the procurement of 3 000 bicycles for Shovakalula, but the delivery thereof will not be complete before the end of the financial year.

### **TOLABS**

The Tshwane TOLAB was to be renovated as planned. Koedoespoort regional office was identified as an alternative site in order to accommodate the staff from the old building during the renovations. The relocation took place during the year. No work commenced on the West Rand project as land could not be acquired in the area, as well as the Derek Masoek TOLAB, due to unresolved legal disputes.

### **DLTCs**

The unit is busy implementing centres throughout the province:

#### **Kagiso DLTC**

Construction of the new DLTC in Kagiso is 90 per cent complete. It is anticipated that construction will be completed by March 2016.

#### **Sebokeng DLTC**

A new Centre is being established in Sebokeng Township zone 7 Extension. The contractor for the construction of a new DLTC in Sebokeng was appointed and site establishment is complete with earthworks underway. The project will be completed in the 2016/17 financial year.

#### **Mabopane DLTC**

This centre is situated in Tshwane and is currently operational. The construction of the DLTC section and part of the Motor Vehicle Road Accident (MVRA) is complete. Refurbishment of the remaining portion of the Motor Vehicle Road Accident (MVRA) is dependent on the resolution of the eNatis court case between TASIMA and the National Department of Transport.

#### **Temba DLTC**

The centre is situated in Tshwane and was closed during construction. The objective of the upgrade was to renovate and rehabilitate the ageing infrastructure and to increase the testing capacity for better service delivery in Temba and surrounding areas. Construction of the building is complete.

In addition, the Department also initiated the planning of new DLTCs in Soweto and Lesedi however; these were withdrawn due to land acquisition issues.

### **Bus subsidies**

The objective of the programme is to provide integrated subsidised province-wide public transport services, and facilitate the provision of Public transport services that supports the movement of people through efficient transport network that is safe, reliable and accessible. The Department manages thirty four (34) bus subsidy contracts (26 tendered and 8 interim

contracts) that have been awarded to thirteen (13) bus operators. Thirty two (32) contracts are funded from the Public Transport Operations Grant (PTOG) and two ceded contracts from North West Province are funded by the Gauteng province. These contracts are operated in the three metros, namely: City of Johannesburg, City of Tshwane and Ekurhuleni as well as Sedibeng District Council. The Department's annual target on provision of subsidised bus services to commuters is based on contracted scheduled Routes; Trips and Kilometers. The annual targets are as follows: Number of Routes subsidised is **3 047**; number of kilometers subsidised is **101 296 704** and number of trips subsidised is **1 934 128**.

#### **Pillar 5: Modernisation of Public Service**

In order to build the capacity for good governance and effective service delivery, the department offers bursaries to external candidates, in a range of disciplines, including transport engineering and economics, as well as civil and other fields of engineering. Furthermore, funds are allocated for training and development of employees. The bursary recipients are continuing with their tuition and the Department continues to support them financially and otherwise, and the bursary recipients are required to offer their services to the Department, post completion of their studies and further increase capacity within the Department.

### **3. OUTLOOK FOR THE COMING FINANCIAL YEAR (2016/17)**

The projects implemented by the department are aligned to the national and provincial priorities.

#### **Pillar 8: Modernisation of Public Transport Infrastructure**

**Output 1: Maintenance, strategic expansion, operational efficiency, capacity and competitiveness of our logistics and transport infrastructure ensured**

##### **Infrastructure planning**

##### **Route Determination for strategic network**

In the review of the Strategic Road Network, amendments of the planning for the remainder of the approximately 50 routes were identified, including supporting roads for freight hubs. These are multiyear projects, of which the projects are expected to be completed in June 2016. The service providers for the fourth tender RFP 32/08/2014 (A&B) were appointed on 14 July 2015 and will be completed in October 2017, pending the outcome of the Environmental Impact Assessments (EIA's). An estimated R12 million is needed to continue with this project in the 2016/17 financial year.

##### **Transport Modelling Centre**

The department has initiated a process of establishing a Transport Modelling Centre as a tool to meet the growing requirements needed for a real world transportation system. This tool will enable the department to address the challenges of today, the needs of tomorrow and provide guidance on where, when and what is required to improve mobility of goods and people. As part of the ITMP 25, the ITMP25 consortium produced a specific Transport Demand Model which sought to quantify the future transport demand in Gauteng. A new revised proposal was recently introduced that awaits approval from the Head of Department to enhance its combined utility in 2016 onwards. Due to the nature of this project, it needs to be updated annually to ensure accurate prediction. Therefore, there is no finalisation date to this project. To drive this modelling process successfully, an amount of R3.9 million is allocated in the 2016/17 financial year.

##### **Gauteng Freight Databank**

GDRT will update freight data and information to share with all stakeholders through the established platform "Gauteng Freight Databank". Due to the scale of the freight management project, a budget of R2 million is allocated for the 2016/17 financial year to ensure that the project is successfully implemented. A service provider was appointed on 15 June 2015 for a new project RFP 23/07/2014 for the update of the Gauteng Freight Databank and its Website. The project will be completed in July 2018.

##### **Traffic engineering**

The activities within this unit occur annually and form part of the infrastructure programme of the Department. They are:

- Maintenance and calibration of four provincial weighbridges;
- Maintenance and upgrading of provincial traffic signals;
- Maintenance of provincial traffic survey facilities;
- Performance of road safety audits and implementation of improvements; and

In relation to the Intelligent Transport System (ITS), a detailed design of the programme will be concluded during 2016/17, and funding will only be requested for implementation of the project in the 2017/18 financial year and onward.



## Design

During the 2016/17 financial year, the following designs will be implemented:

- K60 construction of one carriageway from Gautrain yard to K101 (Old JHB road) and river bridge: detail design and proclamation of road reserve;
- K97 (New Road) Phase 2 from N4 southwards to Wonderboom (K14) (Pyramid Freight hub): detail design and road proclamation;
- K101 (R101) from K103 (M10) to N1: detail design and road proclamation;
- K60 New from K58 Allandale Road to K105 near the R21 Detail design and land proclamation;
- K16 new road from Watloo to Mamelodi: detail design and road reserve proclamation;
- K11 New Road from P73-1 Golden Highway to K57 (P1-1) (R82): detail design and proclamation of road reserve.

## Construction

The Construction Directorate will be implementing upgrading of roads and rehabilitation of roads in 2016/17:

- K46 (P79-1): Upgrading from single to dual carriageway of Road K46 (P79-1) William Nicol from PWV5 to Diepsloot/N14 Phase 2 - the project involves the upgrading from single to dual carriageway of road K46 Phase 2 and it will provide a link between Diepsloot and Johannesburg.
- P241/1: Rehabilitation of Road P241/1 (R554) from 17.7 to 19.75km and Road D405 from 0 to 8.75km (R82) - the project entails the rehabilitation of Road 241/1 from 15.7 to 19.75km and Road D405 from 0 to 8.75km. Road P241/1 will serve as one of two main link roads between Johannesburg and Lenasia.
- P158/2 (N14) and P39/1: Light rehabilitation of Road P158/2 (N14) and P39/1 between P158/2 (20.7km) to Pinehaven Interchange (Muldersdrift) Phase 1 - in order to extend the service life of the pavement by a further 15 years, the project will focus on rehabilitation and resurfacing of P158/2 (N14) and P39/1 from Brakfontein to Hendrik Potgieter.
- P41/1: Rehabilitation (Repair and Resurfacing) of Road P41/1 from 0.84 to 5.61km West Nigel - the project entails the repair and resurfacing of the provincial road P41/1 from 0.84 to 5.61km West of Nigel and it forms part of the Eastern corridor. The purpose of the project is to protect the pavement structure asset and to extend its serviceable life.
- P46/1: Rehabilitation of Road P46/1 from Vereeniging to Alberton and D1073 - the project entails the rehabilitation of Road P46/1 and D1073 from Meyerton to Katlehong and forms part of the Eastern Corridor.
- K69 (Upgrading and doubling of Hans Strijdom (Solomon Mahlangu) from the N4 to Mamelodi to K54) - the project involves the doubling of 5km of an existing single carriageway with the aim of increasing capacity, safety and accessibility for existing and future developments along the K69. The road forms part of the Northern corridor.
- K54: Mamelodi (Tsamaya Road) to R104 Pretoria Bronkhorstspuit Road - the project involves the construction of a new single carriage way road K54 from the Old Bronkhorstspuit Road (K22) to Road K69 (Solomon Mahlangu) in Mamelodi, Tshwane Metropolitan Municipality. This road forms part of the Northern corridor and replaces the existing gravel Road D771.
- Upgrading of gravel road D1944 (Rust de Winter) for 11.35km - the project involves surfacing of Road D1944 from gravel to tar. D1944 forms part of the Northern corridor. The road is located in the North Eastern side of Gauteng between provincial Road D2759 and the Mpumalanga boarder, near Cullinan.
- P88/1 between Roads P73/1 and P3/6 - the project entails the rehabilitation of road P88/1 by recycling the existing base and subbase. It involves stabilising cement, constructing a new base and asphalt surfacing. Repairing the drainage along the road between P79/1 and P3/6 of a single carriageway will also be completed.
- R500: Rehabilitation and addressing of sinkhole problems on Road R500(P61-3) - the rehabilitation and repair of sinkhole problems on road P61-3 (R500) for 12km between district roads D762 and D1755 near Carletonville, with the total length of approximately 400m<sup>2</sup>. The road forms part of the Western corridor. The project is located near Carletonville.
- R82 Phase 3 (K57): Upgrading from single to dual carriageway of Road K57 (R82 (P1/1)) at Walkerville - the road will provide an alternative link between Johannesburg and Vereeniging, including access to existing and future developments around Walkerville; Eikenhoff and De Deur. It also forms part of the Maize Belt.
- D904: Light rehabilitation of road D904 in Evaton - the project entails the rehabilitation of road D904 commencing at the junction with road R82 in Evaton and proceeds to South West, ending at the road rail bridge. D904 is located in Sedibeng municipality in the Southern corridor.

## Maintenance

The Department continues with road infrastructure maintenance which covers various activities and objectives.

- The Provincial gravel road network length, under jurisdiction of the Department, is 1 388km, including rural development and promotion of access to the Maize Belt.
- The Department also maintains a total of 4 248.44km of paved roads. The National Department of Transport directive on the PRMG directs that provincial roads classification, throughout the country, be based on the Road Infrastructure Framework of South Africa (RISFSA) Classification. The PRMG funding is aimed at reducing the backlog of road maintenance on Provincial roads as well as to assist Provincial Departments in building capacity, in terms of Road Asset Management Systems. Road safety is key to the PRMG funding and as such, it is important that the targets are met in terms of the Division of Revenue Act (DORA) requirements, which includes street lights and storm water structure maintenance.

- The Department undertakes emergency road maintenance activities requiring the procurement of materials and services on an ad hoc basis, and as such, need to make provision for term contracts to provide services as, and when it is required. Activities that are within these contracts include road markings, emergency work at intersections, road signs replacement and repairs, etc.

The Departmental Roads Maintenance Programme includes preventative maintenance under which the rehabilitation and resealing of roads form a major part. The needs analysis conducted, using the 2010 visual condition assessment data, indicated that the Annual Average Daily Traffic (AADT) on the provincial paved roads, under the jurisdiction of the department, totals 24 billion vehicles per km annually (66 million x 365).

The above statistics translate to a required minimum of not less than 200km of resealing and rehabilitation of the paved roads per annum. The current resurfacing rate on the network is on average, since 2000, 165km per year. This translates to a surfacing cycle of 24 years and the cycle is increasing. The road network will continue to deteriorate drastically if the resurfacing frequency is not increased on all paved roads.

The outsourced routine roads maintenance plan strategy focuses on efficiency and cost saving for the department. The model is cost effective and includes contractor development which comprises 29 learner contractors who will exit the programme at higher level.

### **Public Transport Integration and Special Projects**

This sub-programme is tasked with systems and infrastructure interventions to facilitate integration - an initiative that seeks to modernise the provision of public transport, as part of the TMR. The initiatives are meant to transform the transit landscape, thus enhancing public transportation patronage.

Roodepoort Public Transport Intermodal Facility: having achieved practical completion, snagging and retention will be provided to achieve true transformation of the station precinct as special consideration has been made for pedestrians and motorists.

Leratong Public Transport Intermodal Facility: recommissioning of the Leratong Intermodal Facility following the termination of the contract. The scope of work will entail review of the designs allowing for further studies and assessment of stability of the work initially completed.

Vereeniging Public Transport Intermodal Facility: the project is under construction and was delayed as a result of a number of issues; however, it is up for completion during 2016/17.

Park Station Public Transport Intermodal Facility: the project is a partnership between the City of Joburg (COJ) and Gauteng Department of Roads and Transport. As the prefeasibility studies were underway, the Ntirhisano consultations reflected the urgent requests relating to signage and other public transport comfort considerations, to which government has to respond. All these will be implemented, accordingly, in the designs.

Shovakalula – as part of the Non-Motorised Transport Programme, the learner programme of distributing bicycles to get learners to school, is going to be enhanced through an agreement with The Innovation Hub within the Department of Economic Development. This will help the Department to contribute to all aspects of the TMR imperative through deployment of the bike sharing scheme that will facilitate mobility at stations, thus transforming the last mile transit for the chosen corridors. The Bike Share Scheme will be supported by advanced technology, a wireless tracking system such as Radio Frequency Identification Device (RFID's) which will locate the bicycle's position at pick-up and return. This is real-time monitoring to aid security. Furthermore, real-time user information, through various platforms including the web, mobile and/or on-site terminals.

### **TOLABS**

During the 2016/17 financial year, this unit will be engaging in finalisation of the planning and designs of the Sedibeng TOLAB, as well as the commencement of the construction thereof, later in the year. The refurbishment of the Tshwane TOLAB is also set to commence during the year as all the relocation procedures to Koedoespoort regional office, would have been finalised.

### **DLTCs**

The major deliverable during the year will be the finalisation of the construction of the Sebokeng DLTC. No other budget amounts have been allocated for other projects in order to allow the Department to commence with the identification and land acquisition for two additional new DLTCs that will be established over the MTEF period.

## 4. REPRIORITISATION

The Department was requested to reprioritise the allocated budget over the MTEF to augment allocations towards national and provincial priorities and core spending activities. This exercise focused on the infrastructure allocation as well as the operational budget. Based on the plans of the Department, some of the infrastructure projects that formed part of the Estimates of Capital Expenditure (ECE) in 2015/16 and beyond will not be realised in total or in the period that had been anticipated when drafting that ECE. This resulted in the units, therefore, aligning their ECE to the ITMP25 as well as the mandates of the new political leadership in the province.

The reprioritisation details per programme are:

### Programme 1: Administration

The reprioritisation within this programme was within the Management and Departmental Strategy sub-programmes, where the operational expenditure was shifted within the goods and services items.

### Programme 4: Transport Regulation

The reprioritisation within this programme was within the two sub-programmes, and only in relation to the operational expenditure that was shifted within the goods and services programmes.

## 5. PROCUREMENT PLAN

The supply chain management unit within the department continues to actively drive the procurement processes that will ensure the successful implementation of all major projects as outlined below. These projects form part of the department's overall procurement plan for the 2016/17 financial year. Over the 2016/17 financial year, the department will be embarking on the roll out of the Infrastructure Delivery Management System (IDMS). Supply chain management is one of the key components within the IDMS model. The successful implementation of this IDMS model will allow for a fully capacitated and competent supply chain management unit which will drive the effective, efficient and timely utilisation of state resources, within the department.

The table below depicts the major procurement for the 2016/17 financial year:

- Supply and application of diluted emulsion and supply and delivery of small plant, equipment, tools and accessories that was advertised in December 2015 and envisaged to be awarded in April 2016 by the Department.
- Supply and application of herbicides to be advertised in May 2016 and the tender will be awarded in November 2016.
- Rental of mobile toilets for Tshwane, Ekurhuleni, Motsweding, Sedibeng and West Rand for a period of 24 months to be done in April 2016 and the contract to be awarded in September 2016.
- Execution of routine roads maintenance contract for selected RISFSA classes 1 and 2 at West Rand, Tshwane, and Ekurhuleni, Sedibeng and Motsweding regions, contractor development programme, Re-graveling for Motsweding, Ekurhuleni, Sedibeng, West Rand, Tshwane, and Professional engineering services RISFSA Classes 1 and 2 all of these projects will be done by roads maintenance directorate and the tender will be awarded in August 2016.
- Number of roads rehabilitation will be done through construction directorate which is envisaged to start during April and May 2016 and expected to be awarded tender during July to September 2016.
- K142: Construction of road over rail to provide a link with Lenasia from Protea Glen, K145 from K22 to K34, K77 Phase 2 Elizabeth road to K154, K198: New road from Leratong to Corlett Drive (Witpoortjie), PWV 5 link west from Krugersdorp/Johannesburg and PWV5 Eastern/Central from PWV9 to R21 all these are envisaged to start with the tender advertisements in June and the awarding is envisaged to be in August 2016 by design directorate

Included in the major procurement for the 2016/17, are the key procurement functions that will be procured within the department:

- Advertising: procurement for this service will occur via request for quotations as when the services are required;
- Communications, computer service these services will occur via a combination of quotations and open orders depending on the nature and extend of the service required
- Consultants, contractors and fleet services: procurement for these services will occur via open tender processes as and when service is required in terms of the project plans
- Inventory, other supplies and inventory stationery and printing: procurement of these services will occur via a combination of quotations and open orders depending on the nature of extend of the service required
- Travel and subsistence, training and development and venues and facilities: procurement of these services will occur via request for quotations as and when the service are required

## 6. RECEIPTS AND FINANCING

### 6.1. Summary of receipts

TABLE 9.1: SUMMARY OF RECEIPTS: DEPARTMENT OF ROADS AND TRANSPORT

| R thousand   | Outcome          |                  |                  | Main appropriation | Adjusted appropriation<br>2015/16 | Revised estimate | Medium-term estimates |                  |                  |
|--|------------------|------------------|------------------|--------------------|-----------------------------------|------------------|-----------------------|------------------|------------------|
|  | 2012/13          | 2013/14          | 2014/15          |                    |                                   |                  | 2016/17               | 2017/18          | 2018/19          |
| Equitable share                                      | 2 149 818        | 2 397 371        | 3 814 962        | 4 287 564          | 4 163 213                         | 4 146 703        | 4 761 881             | 4 948 396        | 5 206 196        |
| Conditional grants                                   | 2 213 972        | 2 372 592        | 2 337 897        | 2 318 388          | 2 318 388                         | 1 529 517        | 2 537 823             | 2 686 446        | 2 817 974        |
| Public Transport Operations Grant                    | 1 625 746        | 1 714 344        | 1 819 854        | 1 860 048          | 1 860 048                         | 1 204 076        | 2 033 590             | 2 155 063        | 2 255 767        |
| Provincial Roads Maintenance Grant                   | 579 081          | 655 248          | 514 903          | 455 821            | 455 821                           | 325 441          | 501 784               | 531 383          | 562 207          |
| Expanded Public Works Programme Infrastructure Grant | 9 145            | 3 000            | 3 140            | 2 519              | 2 519                             |                  | 2 449                 |                  |                  |
| <b>Total receipts</b>                                | <b>4 363 790</b> | <b>4 769 963</b> | <b>6 152 859</b> | <b>6 605 952</b>   | <b>6 481 601</b>                  | <b>5 676 220</b> | <b>7 299 704</b>      | <b>7 634 842</b> | <b>8 024 170</b> |

The department is funded from the equitable share and conditional grants. The conditional grants allocated to the department are the Public Transport Operations Grant (PTOG), for subsidising public transport providers within the province; the Provincial Roads Maintenance Grant (PRMG), which is utilised for the department's routine maintenance programme, construction of roads and the Expanded Public Works Programme (EPWP) Infrastructure Grant which is an incentive grant, based on the number of EPWP jobs that are created annually.

The growth in the equitable share is a welcome relief, given the budget pressure that the department has been experiencing over the past financial years. The equitable share allocations relates to infrastructure funds which have been revised to factor in the provision for the internal capacity building for the project or programme management and planning in 2016/17. During 2012/13 and 2013/14 the department received R4.4 billion and R4.8 billion as a form of equitable share allocation and conditional grant allocation, the allocation was then increased to R6.2 billion in 2014/15 in order to fund vital tasks such as the maintenance of properties and the upkeep of Driver licence Testing Centres (DLTC's)

The department also received funding in 2013/14 and 2014/15 amounting to R3 million, respectively, in terms of Expanded Public Works Programme (EPWP) grant for Provinces to be utilised for the creation of job opportunities. However, there was under-spending by the department, as a whole, of R300 million in 2013/14, mainly as a result of low infrastructure spending and the inability of the department to fill some of the vacancies within the approved organisational structure. The allocation was then decreased to R2.5 million in 2015/16 to R2.4 million in 2016/17.

The allocation for the department continues to increase over the MTEF period from R7.3 billion in 2016/17 to R8 billion in 2018/19, an increase of 7 per cent, on average. This is mainly as a result of the province's increasing infrastructure investment.

### 6.3. Departmental receipts

TABLE 9.2: DEPARTMENTAL RECEIPTS: DEPARTMENT OF ROADS AND TRANSPORT

| R thousand  | Outcome          |                  |                  | Main appropriation | Adjusted appropriation<br>2015/16 | Revised estimate | Medium-term estimates |                  |                  |
|---|------------------|------------------|------------------|--------------------|-----------------------------------|------------------|-----------------------|------------------|------------------|
|   | 2012/13          | 2013/14          | 2014/15          |                    |                                   |                  | 2016/17               | 2017/18          | 2018/19          |
| Tax receipts  | 2 401 619        | 2 644 876        | 2 949 662        | 2 987 393          | 2 987 393                         | 3 180 635        | 3 142 737             | 3 299 874        | 3 491 267        |
| Motor vehicle licenses                                | 2 401 619        | 2 644 876        | 2 949 662        | 2 987 393          | 2 987 393                         | 3 180 635        | 3 142 737             | 3 299 874        | 3 491 267        |
| Sales of goods and services other than capital assets | 53 711           | 55 661           | 53 937           | 67 993             | 67 993                            | 67 993           | 71 597                | 75 176           | 79 537           |
| Interest, dividends and rent on land                  | 133              | 38               | 28               | 50                 | 50                                | 50               | 55                    | 60               | 63               |
| Sales of capital assets                               | 10 162           | 5 983            |                  |                    |                                   |                  |                       |                  |                  |
| Transactions in financial assets and liabilities      | 1 226            | 885              | 2 236            | 1 500              | 1 500                             | 1 500            | 1 500                 | 1 500            | 1 587            |
| <b>Total departmental receipts</b>                    | <b>2 466 851</b> | <b>2 707 443</b> | <b>3 005 863</b> | <b>3 056 936</b>   | <b>3 056 936</b>                  | <b>3 250 178</b> | <b>3 215 889</b>      | <b>3 376 610</b> | <b>3 572 454</b> |

As reflected in table 9.2 above, the bulk of the department's revenues is derives from Tax receipts (Motor Vehicle Licence). Revenue in this category is expected to grow over the MTEF as a result of annual increases in tariffs. The increases in the past were from R2.5 billion in 2012/13, R2.7 billion in 2013/14 and R2.8 billion in 2014/15 to R3.1 billion in the 2015/2016 financial year. The revenue is expected to increase further over the MTEF from R3.2 billion in 2016/17 to R3.6 billion in 2018/19. In concluding the estimates, the following factors were taken into account, namely:

- The Consumer Price Inflation Index (CPIX);
- Vehicle population;

- Direct cost expected to be paid from the revenue account;
- Interest and penalties expected to be received;
- Previous revenues collected; and
- Trends in the motor industry in the country.

The increase of motor vehicle licences from 2012/13 to 2018/19 of the MTEF can be attributed to the growth in vehicle population and higher than anticipated application of new and, renewal of motor vehicle licences. This department is the major contributor to the Provincial Revenue Fund (PRF) and as a result, accounts for over half of GPG own revenue. In generating this revenue, the department is also liable for direct charges: this includes amounts that are deducted from revenue collected to reimburse the primary collectors/agents of that revenue, on behalf of the department.

Sale of goods and services, other than capital assets, consists of motor vehicle registration, sale of personalised and specific number plates, registration of classification of vehicles such as abnormal loads and special vehicles, as well as applications for learners and drivers licences. Additional to this revenue, is the sale of tender documents. Revenue from this source grew from R54 million in 2012/13 to R63 million in the 2014/15 financial year. The trend continues, growing to R68 million in 2015/16 due to higher than anticipated sales of documents. The increase from R72 million in 2016/17 to R80 million in the last year of the MTEF, can be attributed to inflationary increments.

Interest, dividends and rent on land mainly consists of items such as interest on staff debts. The fluctuating trend can be attributed to the difficulty in accurately projecting for these items, due to their uncertain nature. During 2015/16, income from this source declined to R50 000 from R723 000 in 2014/15 and then increased to R55 000 in 2016/17 to R63 000 over the MTEF.

The department also collects revenue from transactions in financial assets and liabilities, which consists of fees for recovery of debts. The fluctuations over the seven years under review, can be attributed to the difficulty in budgeting for this item due to its uncertain nature. The expenditure is expected to remain constant over the MTEF at R1.5 million.

## 7. PAYMENT SUMMARY

### 7.1. Key assumptions

Guidelines for the compensation budget for the 2016 MTEF, were based on the latest wage agreement within the public sector and also take into account the CPIX inflation rate, over that period. The following have been taken into account when determining personnel budgets for the new MTEF:

- Number of staff and possible changes over the MTEF;
- Basic salary cost, including improvements to conditions of service (ICS) adjustments, from 1 July (Levels 1 – 12) and January (senior management) each year;
- Salary increases for people with scarce skills;
- Grades and levels of staff;
- Increased take up of benefits such as medical aid and homeowners allowance;
- Contract employees;
- Overtime;
- Merit bonuses;
- Pension fund contributions, thirteenth cheque, all linked to the basic salary cost (increases at the same rate);
- Medical aid contributions which normally increase more rapidly than inflation;
- Homeowners allowance which changes with the interest rate; and
- Skills development

In relation to the infrastructure projects that are yet to commence, the budget assumptions made are based on previous experience in running infrastructure projects, as well as the anticipated magnitude of the project. The final budget figures are confirmed post the awarding of the tender.

### 7.2. Programme summary

TABLE 9.3: SUMMARY OF PAYMENTS AND ESTIMATES: ROADS AND TRANSPORT

| R thousand                  | Outcome   |           |           | Main appropriation | Adjusted appropriation<br>2015/16 | Revised estimate | Medium-term estimates |           |           |
|-----------------------------|-----------|-----------|-----------|--------------------|-----------------------------------|------------------|-----------------------|-----------|-----------|
|                             | 2012/13   | 2013/14   | 2014/15   |                    |                                   |                  | 2016/17               | 2017/18   | 2018/19   |
| 1. Administration           | 180 069   | 197 786   | 271 476   | 317 637            | 309 110                           | 309 761          | 317 797               | 304 576   | 325 896   |
| 2. Transport Infrastructure | 1 797 355 | 1 673 919 | 2 096 198 | 2 259 326          | 2 197 685                         | 2 200 435        | 2 552 176             | 2 720 081 | 2 846 045 |
| 3. Transport Operations     | 1 808 238 | 1 847 366 | 1 986 669 | 2 186 195          | 2 148 764                         | 2 133 122        | 2 298 425             | 2 453 180 | 2 520 447 |



| R thousand                          | Outcome          |                  |                  | Main appropriation | Adjusted appropriation<br>2015/16 | Revised estimate | Medium-term estimates |                  |                  |
|-------------------------------------|------------------|------------------|------------------|--------------------|-----------------------------------|------------------|-----------------------|------------------|------------------|
|                                     | 2012/13          | 2013/14          | 2014/15          |                    |                                   |                  | 2016/17               | 2017/18          | 2018/19          |
| 4. Transport Regulation             | 180 533          | 222 160          | 205 993          | 281 343            | 264 591                           | 260 322          | 299 217               | 233 310          | 296 514          |
| 5. Gautrain                         | 1 598 711        | 1 424 943        | 1 311 748        | 1 561 451          | 1 561 451                         | 1 561 451        | 1 832 089             | 1 923 694        | 2 035 268        |
| <b>Total payments and estimates</b> | <b>5 564 906</b> | <b>5 366 174</b> | <b>5 872 084</b> | <b>6 605 952</b>   | <b>6 481 601</b>                  | <b>6 465 091</b> | <b>7 299 704</b>      | <b>7 634 841</b> | <b>8 024 170</b> |

The services rendered by the department are categorised under five programme, which are largely aligned to the uniform budget and programme structure as approved by the transport sector. The table above indicates expenditure outcomes and budget allocations as categorised by the departmental programmes. The audited outcomes were less than R6 billion in each of the financial years and were very stable. Over the MTEF, the allocation increases from R7.3 billion in 2016/17 to R8 billion in 2018/19. This is mainly due to inflationary increases in the departmental infrastructure allocation, and to Gautrain and the conditional grants.

**Programme 1: Administration** shows a significant increase from R180 million in 2012/13 to R271 million in the 2014/15 financial year due to the increase in discretionary allocation that allowed the department to deal with operational issues, neglected in previous financial years, as a result of the low resource base. However, the decision was made to decentralise budget for items such as telephones, IT, property payments and operating leases from Corporate Services. This is the reason for the budget not growing from the 2015/16 financial year, and the average marginal growth over the MTEF.

**Programme 2: Transport Infrastructure** increase over the seven-year period are specifically related to the department's investment in the provincial road network, housed under Goods and Services and Buildings and other Fixed Structures. The increase in this programme is attributed mainly to the Provincial Roads Maintenance Grant (PRMG) and to provincial earmarked infrastructure allocations for upgrading and additions, maintenance, and refurbishment and rehabilitation of roads and to the funding of projects that are at design implementation stage. This programme forms the core function of the department. Expenditure for the programme amounted to R1.8 billion, R1.7 billion and R2 billion in the financial years 2012/13, 2013/14 and 2014/15, respectively. The expenditure in the 2015/16 financial year will be in line with the allocation and the Department will effect shifts between the projects to ensure that the budget and expenditure is aligned correctly. Over the MTEF, the budget for this programme continues to grow from R2.6 billion in 2016/17 to R2.8 billion in the last year of the MTEF, the increase relates to the department's investment in the provincial road network

**Programme 3: Transport Operations** show a significant increase from 2012/13 onward due to the North-West Star allocation relating to the payment of bus subsidies through demarcated contracts. This is reflected against Transfers and Subsidies to public corporations and private enterprise. The increase over the MTEF is due to the growth of this allocation as well as the Public Transport Operations Grant (PTOG). The expenditure within this programme varies over a seven-year period from R1.8 billion in 2012/13 to R2 billion in 2014/15. The budget increases from R2.3 billion in 2016/17, R2.4 billion in 2017/18 to R2.5 billion in 2018/19. These increases are mainly to account for inflation.

**Programme 4** reflects an increase in expenditure from R180 million in 2012/13 to R206 million in 2014/15. This was accounted for by slow spending on the infrastructure allocations for the DLTCs and TOLABs within the province. The increase in the budget for 2015/16 is as a result of the allocation for the Computerised Learners Licence Testing (CLLTs) and the Agency Fee Review projects that will be conducted in that financial year. In relation to the MTEF, the programme experienced cuts as a result of the Department's budget cuts in the operational budget, also the majority of the infrastructure projects will be reaching finality in 2016/17 and identification and land proclamations for new DLTC's need to be finalised first, before resources can be allocated.

**Programme 5** allocations decreased between 2013/14 and 2014/15 from R1.4 billion to R1.3 billion as those were the amounts agreed to in line with the concession agreement. Expenditure is expected to grow over the MTEF from R1.8 billion in 2016/17, to R1.9 billion in 2017/18 and R2 billion in 2018/19. This is mainly for maintenance and capacitation of the current system.

### 7.3. Summary of economic classification

TABLE 9.4: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ROADS AND TRANSPORT

| R thousand                | Outcome          |                  |                  | Main appropriation | Adjusted appropriation<br>2015/16 | Revised estimate | Medium-term estimates |                  |                  |
|---------------------------|------------------|------------------|------------------|--------------------|-----------------------------------|------------------|-----------------------|------------------|------------------|
|                           | 2012/13          | 2013/14          | 2014/15          |                    |                                   |                  | 2016/17               | 2017/18          | 2018/19          |
| <b>Current payments</b>   | <b>1 339 796</b> | <b>1 321 952</b> | <b>1 339 452</b> | <b>1 618 541</b>   | <b>1 571 200</b>                  | <b>1 568 577</b> | <b>1 825 192</b>      | <b>1 885 886</b> | <b>2 227 886</b> |
| Compensation of employees | 437 039          | 472 100          | 488 559          | 693 032            | 548 968                           | 548 968          | 631 320               | 647 972          | 702 514          |
| Goods and services        | 897 125          | 849 465          | 850 666          | 925 009            | 1 021 732                         | 1 019 109        | 1 193 502             | 1 237 594        | 1 525 112        |

| R thousand                                  | Outcome          |                  |                  | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term estimates |                  |                  |
|---|------------------|------------------|------------------|--------------------|------------------------|------------------|-----------------------|------------------|------------------|
|   | 2012/13          | 2013/14          | 2014/15          | 2015/16            |                        |                  | 2016/17               | 2017/18          | 2018/19          |
| Interest and rent on land                   | 5 632            | 387              | 227              | 500                | 500                    | 500              | 370                   | 320              | 260              |
| <b>Transfers and subsidies to:</b>          | <b>3 291 759</b> | <b>3 180 677</b> | <b>3 470 779</b> | <b>3 572 802</b>   | <b>3 591 921</b>       | <b>3 592 402</b> | <b>4 025 902</b>      | <b>4 245 925</b> | <b>4 469 364</b> |
| Provinces and municipalities                | 5 344            | 783              | 1 256            | 2 200              | 1 606                  | 1 606            | 2 500                 | 2 000            | 3 000            |
| Departmental agencies and accounts          | 1 598 711        | 1 424 943        | 1 311 748        | 1 561 451          | 1 561 451              | 1 561 451        | 1 832 089             | 1 923 694        | 2 035 268        |
| Public corporations and private enterprises | 1 685 711        | 1 750 973        | 1 900 024        | 2 005 048          | 2 024 761              | 2 024 761        | 2 186 420             | 2 315 535        | 2 425 546        |
| Households                                  | 1 993            | 3 978            | 257 751          | 4 103              | 4 103                  | 4 584            | 4 893                 | 4 696            | 5 550            |
| <b>Payments for capital assets</b>          | <b>932 399</b>   | <b>843 291</b>   | <b>1 001 973</b> | <b>1 414 609</b>   | <b>1 318 480</b>       | <b>1 303 928</b> | <b>1 448 610</b>      | <b>1 503 030</b> | <b>1 326 920</b> |
| Buildings and other fixed structures        | 918 806          | 832 298          | 938 410          | 1 348 489          | 1 256 998              | 1 241 900        | 1 413 961             | 1 472 902        | 1 293 797        |
| Machinery and equipment                     | 9 032            | 9 900            | 63 299           | 58 320             | 58 382                 | 58 928           | 31 849                | 27 228           | 30 123           |
| Software and other intangible assets        | 4 561            | 1 093            | 264              | 7 800              | 3 100                  | 3 100            | 2 800                 | 2 900            | 3 000            |
| <b>Payments for financial assets</b>        | <b>952</b>       | <b>20 254</b>    | <b>59 880</b>    |                    |                        | <b>184</b>       |                       |                  |                  |
| <b>Total economic classification</b>        | <b>5 564 906</b> | <b>5 366 174</b> | <b>5 872 084</b> | <b>6 605 952</b>   | <b>6 481 601</b>       | <b>6 465 091</b> | <b>7 299 704</b>      | <b>7 634 841</b> | <b>8 024 170</b> |

Compensation of employees has increased steadily, from R437 million in 2012/13 to R489 million in 2014/15, as a result of the annual improvements of conditions of service (ICS) increases. Over the MTEF, the allocation for compensation increases moderately from R631 million in 2016/17 to R703 million in 2018/19. The department will be undertaking a detailed review of the current organisational structure in order to focus on the full implementation of the Infrastructure Development Management System (IDMS) over the MTEF. The adoption of IDMS will allow the department to align the compensation of employees' budget over the MTEF to infrastructure service delivery and will also assist the department to effectively manage the overall wage bill, without negatively impacting on service delivery.

The department's goods and services expenditure decreased to R849 million in 2013/14 from R897 million in 2012/13 and increased to R851 million in 2014/15, as a result of Standard Chart of Accounts (SCOA) changes to the infrastructure allocations that removed infrastructure expenditure from the goods and services item. Over the MTEF, the budget increases because the majority of the infrastructure allocation will allow the province to continue to invest in the maintenance of routes that are alternative to those that are tolled, within the province, to ensure that they do not deteriorate, as a result of high usage.

The total transfers and subsidies item consists mainly of the allocation for the Gautrain project as well as the Public Transport Operations Grant (PTOG). The amount against the departmental agencies and accounts, relates to payments made in respect of the Gautrain. This is mainly for maintenance and capacitation of the current system. Expenditure continues to grow over the seven-year period from R1.8 billion in 2016/17 to R1.9 billion in 2017/18 and to R2 billion in the last year of the MTEF, due to inflationary increases. The amounts against public corporations and private enterprises relate to transfers to the public transport operators, including the North West Star contracts the allocation continues to grow over MTEF from R2.2 billion in 2016/17 to R2.4 billion in 2018/19, and the changes in the allocation are mainly inflationary, in line with the allocations from the National Department of Transport.

The payment for capital assets is for capital infrastructure projects, capital operational requirements and software licenses due on IT systems, within the department. The increases over the MTEF are as a result of the province's increased infrastructure investment. The department's capital assets expenditure decreased from R843 million in 2013/14 from R919 million in 2012/13 and increased to R1.3 billion in 2014/15, as a result of the increasing focus on capital rehabilitation projects on the provincial roads network. Over the MTEF, the allocation grows from R1.4 billion in 2016/17; to R1.5 billion in 2017/18 and then decrease to R1.3 billion in 2018/19 and the fluctuations in the budget are attributed to the differing projects' life-cycles within the entire infrastructure programme.

#### 7.4. Infrastructure payments

##### 7.4.1. Departmental infrastructure payments

Please refer to the 2016 Estimates of Capital Expenditure (ECE)

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

N/A

### 7.5.1. Transfers to public entities

TABLE 9.5: SUMMARY OF DEPARTMENTAL TRANSFER TO PUBLIC ENTITIES: ROADS AND TRANSPORT

| R thousand                          | Outcome          |                  |                  | Main appropriation | Adjusted appropriation<br>2015/16 | Revised estimate | Medium-term estimates |                  |                  |
|-------------------------------------|------------------|------------------|------------------|--------------------|-----------------------------------|------------------|-----------------------|------------------|------------------|
|                                     | 2012/13          | 2013/14          | 2014/15          |                    |                                   |                  | 2016/17               | 2017/18          | 2018/19          |
| Gauteng Management Agency           | 1 598 711        | 1 424 943        | 1 311 748        | 1 561 451          | 1 561 451                         | 1 561 451        | 1 832 089             | 1 923 693        | 2 035 268        |
| <b>Total departmental transfers</b> | <b>1 598 711</b> | <b>1 424 943</b> | <b>1 311 748</b> | <b>1 561 451</b>   | <b>1 561 451</b>                  | <b>1 561 451</b> | <b>1 832 089</b>      | <b>1 923 693</b> | <b>2 035 268</b> |

Total payments to Gautrain have been for the operational maintenance since the 2012/13 financial year, as well as the payments due as per the patronage guarantee. Feasibility studies are underway to investigate the possibilities of implementing the second phase of the project, and it is expected that the results thereof, will be available towards the end of the 2016/17 financial year. However, it is to be noted that this will be budget permitting.

## 8. PROGRAMME DESCRIPTION

### PROGRAMME 1: ADMINISTRATION

#### Programme description

To provide the department with overall management and administrative, strategic, financial and corporate support services in order to ensure that it delivers on its mandate in an integrated, efficient, effective and sustainable manner.

#### Programme objectives

- To render advisory, Parliamentary, secretarial, administrative and office support services to the MEC;
- To provide overall management of and support to the Department; and
- To manage personnel, procurement, finance, administration and related support services.

TABLE 9.6: SUMMARY OF PAYMENTS AND ESTIMATES: ADMINISTRATION

| R thousand                          | Outcome        |                |                | Main appropriation | Adjusted appropriation<br>2015/16 | Revised estimate | Medium-term estimates |                |                |
|-------------------------------------|----------------|----------------|----------------|--------------------|-----------------------------------|------------------|-----------------------|----------------|----------------|
|                                     | 2012/13        | 2013/14        | 2014/15        |                    |                                   |                  | 2016/17               | 2017/18        | 2018/19        |
| 1.Office Of The MEC                 | 6 935          | 6 971          | 7 905          | 13 224             | 9 400                             | 9 400            | 10 758                | 11 213         | 12 035         |
| 2. Management Of The Department     | 24 987         | 10 338         | 11 858         | 25 033             | 19 330                            | 19 330           | 20 411                | 22 091         | 29 825         |
| 3.Corporate Support                 | 148 147        | 179 516        | 250 446        | 274 668            | 275 668                           | 278 670          | 280 935               | 265 116        | 277 463        |
| 4. Departmental Strategy            |                | 961            | 1 267          | 4 712              | 4 712                             | 2 361            | 5 693                 | 6 156          | 6 573          |
| <b>Total payments and estimates</b> | <b>180 069</b> | <b>197 786</b> | <b>271 476</b> | <b>317 637</b>     | <b>309 110</b>                    | <b>309 761</b>   | <b>317 797</b>        | <b>304 576</b> | <b>325 896</b> |

TABLE 9.7: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

| R thousand                           | Outcome        |                |                | Main appropriation | Adjusted appropriation<br>2015/16 | Revised estimate | Medium-term estimates |                |                |
|--------------------------------------|----------------|----------------|----------------|--------------------|-----------------------------------|------------------|-----------------------|----------------|----------------|
|                                      | 2012/13        | 2013/14        | 2014/15        |                    |                                   |                  | 2016/17               | 2017/18        | 2018/19        |
| <b>Current payments</b>              | <b>176 073</b> | <b>192 533</b> | <b>203 629</b> | <b>293 257</b>     | <b>282 919</b>                    | <b>283 570</b>   | <b>300 396</b>        | <b>292 387</b> | <b>313 465</b> |
| Compensation of employees            | 106 782        | 114 707        | 124 169        | 151 522            | 142 995                           | 145 869          | 161 542               | 164 936        | 173 328        |
| Goods and services                   | 69 026         | 77 770         | 79 451         | 141 605            | 139 794                           | 137 571          | 138 754               | 127 371        | 140 077        |
| Interest and rent on land            | 265            | 56             | 9              | 130                | 130                               | 130              | 100                   | 80             | 60             |
| <b>Transfers and subsidies to:</b>   | <b>262</b>     | <b>667</b>     | <b>345</b>     | <b>500</b>         | <b>500</b>                        | <b>500</b>       | <b>500</b>            | <b>500</b>     | <b>550</b>     |
| Provinces and municipalities         | 75             |                | 4              |                    |                                   |                  |                       |                |                |
| Households                           | 187            | 667            | 341            | 500                | 500                               | 500              | 500                   | 500            | 550            |
| <b>Payments for capital assets</b>   | <b>3 510</b>   | <b>4 495</b>   | <b>7 909</b>   | <b>23 880</b>      | <b>25 691</b>                     | <b>25 691</b>    | <b>16 901</b>         | <b>11 689</b>  | <b>11 881</b>  |
| Buildings and other fixed structures |                |                | 27             | 3 000              | 3 000                             | 3 000            |                       |                |                |
| Machinery and equipment              | 3 254          | 4 442          | 7 618          | 14 880             | 21 691                            | 21 691           | 15 901                | 10 589         | 10 681         |
| Software and other intangible assets | 256            | 53             | 264            | 6 000              | 1 000                             | 1 000            | 1 000                 | 1 100          | 1 200          |
| <b>Payments for financial assets</b> | <b>224</b>     | <b>91</b>      | <b>59 593</b>  |                    |                                   |                  |                       |                |                |
| <b>Total economic classification</b> | <b>180 069</b> | <b>197 786</b> | <b>271 476</b> | <b>317 637</b>     | <b>309 110</b>                    | <b>309 761</b>   | <b>317 797</b>        | <b>304 576</b> | <b>325 896</b> |

The sub-programmes within this programme are administrative in nature; therefore the allocations are funded from the equitable share portion of the departmental allocation. The spending within the MEC's office has slightly increased from

2012/13 to 2013/14 financial years. This programme then grows with inflation from 2015/16 to the end of the MTEF period. The Management sub-programme is made up of the HOD's office support, Risk Management, anti-fraud and corruption and mandated war room unit. However, from 2015/16 financial year to the end of the MTEF period, the budget increases exponentially. This is to allow the unit to capacitate the sub-units.

A strategic decision was made within the department to decentralise budgeting for items such as telephones, part of property payments for all employees and software licenses from Corporate Services to the core directorates. The budget then stabilises over the MTEF and grows only with inflationary increases. Departmental Strategy's expenditure and allocation are very low because the unit is very small and mainly needs budget for salaries and basic operational requirements only.

Compensation of employees increased slightly from R107 million in 2012/13 to R115 million in 2013/14. The allocation then further increases to R151 million in 2015/16, with this trend continuing to growth to R162 million in 2016/17, R165 million in 2017/18 and R173 million in the last year of the MTEF. The increases are as a result of improvements in the Improvement of Conditions of Service (ICS).

Goods and services budget increased from R69 million in 2012/13 to R79 million in 2014/15 financial years. This was for the operational requirements of the units within the programme. Expenditure increases to R142 million in 2015/16 because of the centralisation of budget and expenditure, and the increase in the total allocation for operational budget that has allowed the department to fund issues such as the maintenance of the department's priorities. The increases over the MTEF from R139 million to R140 million are mainly inflationary.

Transfers and subsidies to Households caters mainly for pension benefits, leave gratuities and injury on duty claims. All these items are very difficult to budget for, however, over the years the expenditure has been steady. The budget going forward is estimated to be constant at R500 000 as is difficult to accurately project for this item due to their uncertain nature and the department will make budget shifts as and when they are required to clear any over-spending, should it occur.

Payment for capital assets reflects a decrease during 2014/15 and 2015/16, from R25.7 million to R16.9 million because the structure was not fully funded hence the provision of equipment was not done during the said period for the appointment of new staff. The software and intangible assets item is for the software licenses that the department pays annually to different service providers. This has remained stable through the years. The allocation was shifted to this item from the 2014/15 financial year as a result of SCOA changes. Previously it was paid for from goods and services.

## PROGRAMME 2: TRANSPORT INFRASTRUCTURE

### Programme description

To promote accessibility and the safe, affordable movement of people, goods and services through the delivery and maintenance of transport infrastructure that is sustainable, integrated and environmentally sensitive, which supports and facilitates social empowerment and economic growth.

### Programme objectives

- Provide for planning and co-ordination towards the formulation of provincial transport policies and statutory plans;
- Plan integrated modal transport facilities and systems for all modes of transport including non-motorised transport;
- Promote and improve safety on transport infrastructure
- Facilitate the provision of road safety audits on all roads and transport infrastructure to ensure safe traffic and people movement;
- Provide data collection services and research to provide management information systems for the provincial road network;
- Provide design of road and transport infrastructure including all necessary support functions such as environmental impact assessments, traffic impact assessments, surveys, expropriations, material investigations and testing;
- Develop new roads and reconstruct, upgrade and rehabilitate road and transport infrastructure; and
- Effectively maintain road and transport infrastructure.

TABLE 9.8: SUMMARY OF PAYMENTS AND ESTIMATES: TRANSPORT INFRASTRUCTURE

| R thousand                          | Outcome          |                  |                  | Main appropriation | Adjusted appropriation<br>2015/16 | Revised estimate | Medium-term estimates |                  |                  |
|-------------------------------------|------------------|------------------|------------------|--------------------|-----------------------------------|------------------|-----------------------|------------------|------------------|
|                                     | 2012/13          | 2013/14          | 2014/15          |                    |                                   |                  | 2016/17               | 2017/18          | 2018/19          |
| 1. Infrastructure Planning          | 45 342           | 34 702           | 33 156           | 65 023             | 52 248                            | 45 966           | 72 924                | 74 300           | 78 567           |
| 2. Infrastructure Design            | 106 691          | 129 533          | 98 038           | 231 676            | 161 751                           | 162 963          | 230 298               | 252 526          | 154 357          |
| 3. Construction                     | 293 396          | 409 078          | 902 122          | 1 135 031          | 1 046 287                         | 1 047 754        | 1 161 626             | 1 243 660        | 1 177 616        |
| 4. Maintenance                      | 1 305 916        | 1 061 276        | 782 757          | 767 735            | 882 459                           | 888 812          | 1 029 504             | 1 091 744        | 1 372 708        |
| 5. Programme Support Infrastructure | 46 010           | 39 330           | 280 125          | 59 861             | 54 940                            | 54 940           | 57 824                | 57 851           | 62 797           |
| <b>Total payments and estimates</b> | <b>1 797 355</b> | <b>1 673 919</b> | <b>2 096 198</b> | <b>2 259 326</b>   | <b>2 197 685</b>                  | <b>2 200 435</b> | <b>2 552 176</b>      | <b>2 720 081</b> | <b>2 846 045</b> |

TABLE 9.9: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: TRANSPORT INFRASTRUCTURE

| R thousand                                  | Outcome          |                  |                  | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term estimates |                  |                  |
|---|------------------|------------------|------------------|--------------------|------------------------|------------------|-----------------------|------------------|------------------|
|   | 2012/13          | 2013/14          | 2014/15          |                    |                        |                  | 2016/17               | 2017/18          | 2018/19          |
| <b>Current payments</b>                     | <b>949 541</b>   | <b>906 889</b>   | <b>933 081</b>   | <b>1 030 642</b>   | <b>1 040 764</b>       | <b>1 043 330</b> | <b>1 296 683</b>      | <b>1 379 704</b> | <b>1 673 353</b> |
| Compensation of employees                   | 222 246          | 233 117          | 226 994          | 335 672            | 241 260                | 243 826          | 346 727               | 358 696          | 389 030          |
| Goods and services                          | 722 058          | 673 723          | 705 872          | 694 890            | 799 424                | 799 424          | 949 886               | 1 020 948        | 1 284 273        |
| Interest and rent on land                   | 5 237            | 49               | 215              | 80                 | 80                     | 80               | 70                    | 60               | 50               |
| <b>Transfers and subsidies to:</b>          | <b>7 888</b>     | <b>3 883</b>     | <b>258 134</b>   | <b>5 623</b>       | <b>5 029</b>           | <b>5 029</b>     | <b>6 701</b>          | <b>6 001</b>     | <b>7 780</b>     |
| Provinces and municipalities                | 5 258            | 783              | 1 252            | 2 200              | 1 606                  | 1 606            | 2 500                 | 2 000            | 3 000            |
| Public corporations and private enterprises | 845              |                  |                  |                    |                        |                  |                       |                  |                  |
| Households                                  | 1 785            | 3 100            | 256 882          | 3 423              | 3 423                  | 3 423            | 4 201                 | 4 001            | 4 780            |
| <b>Payments for capital assets</b>          | <b>839 220</b>   | <b>748 455</b>   | <b>904 705</b>   | <b>1 223 061</b>   | <b>1 151 892</b>       | <b>1 151 892</b> | <b>1 248 792</b>      | <b>1 334 376</b> | <b>1 164 912</b> |
| Buildings and other fixed structures        | 836 565          | 745 047          | 851 823          | 1 182 021          | 1 123 301              | 1 123 301        | 1 241 590             | 1 326 736        | 1 156 522        |
| Machinery and equipment                     | 2 210            | 3 140            | 52 882           | 41 040             | 28 591                 | 28 591           | 7 202                 | 7 640            | 8 390            |
| Software and other intangible assets        | 445              | 268              |                  |                    |                        |                  |                       |                  |                  |
| <b>Payments for financial assets</b>        | <b>706</b>       | <b>14 692</b>    | <b>278</b>       |                    |                        | <b>184</b>       |                       |                  |                  |
| <b>Total economic classification</b>        | <b>1 797 355</b> | <b>1 673 919</b> | <b>2 096 198</b> | <b>2 259 326</b>   | <b>2 197 685</b>       | <b>2 200 435</b> | <b>2 552 176</b>      | <b>2 720 081</b> | <b>2 846 045</b> |

The allocation for this programme includes the PRMG and provincial earmarked infrastructure allocations, which form the core of this programme and of the Department.

### Infrastructure Planning

The unit is responsible for the infrastructure planning, which includes the route determinations, modelling centre and the freight databank. The unit was not fully funded during the 2012/13 to 2013/14 financial years, and expenditure was thus low in those years. The unit's compensation of employees item was also fully funded after the organisational structure was approved in 2012. During the 2015/16 financial year, the budget was adjusted as a result of both the infrastructure projects. Over the MTEF, the budget remains stable.

### Infrastructure Design

The unit is responsible for the design projects for the road infrastructure projects. The increase in expenditure from 2011/12 to 2012/13 financial years was as a result of the changes in the infrastructure allocations and the compensation of employees, post the approval of the organisational structure. Over the MTEF, the budget remains stable - the full list of projects is available within the ECE.

### Construction

The unit is responsible for the construction, upgrade and management of strategic transport infrastructure that integrates non-motorised transport facilities. The expenditure remained low from 2012/13 to 2013/14 financial years as a result of the fact that the focus was on maintenance of the provincial roads network rather than constructing new roads. This was also necessitated by the low infrastructure resources that were allocated in those financial years. Over the MTEF, the budget is higher than previously, as a result of the increasing investment in capital rehabilitation road infrastructure within the province.

### Maintenance

The unit is responsible for the maintenance of roads within the province. The expenditure was high from 2012/13 to 2013/14 financial years as a result of the province's focus on maintenance of the provincial network rather than the construction of new roads.

The compensation of employees increases steadily from R222 million in 2012/13 to R233 million in 2013/14; this was as a result of vacancies that occurred during that period. In 2014/15 the allocations increased in order to cater for the ICS. Over the MTEF, it increases from R346 million in 2016/17 to R389 million in 2018/19, as a result of the improvements in the conditions of service (ICS).

The programme's goods and services budget decreased to R674 million in 2013/14 from R722 million in 2012/13 and increased to R707 million in 2014/15 financial year. This was as a result of high infrastructure spending in 2014/15 for all the infrastructure units. The allocation then decreases to R695 million during 2015/16 as a result of shifting all the rehabilitation projects from Maintenance to construction.

The items used for transfers and subsidies are for the payments of licensing fees for the construction fleet as well as households, which is for pension benefits, leave gratuities and all injury on duty claims. The licensing fees are funded from infrastructure and are budgeted fully each financial year.



The household items, however, are very difficult to budget for. The budget going forward is set at R4.2 million to R4.8 million in the last year of the MTEF and the department will make budget shifts as and when they are required to clear any over-spending should it occur. The very high increase in the household item in the 2014/15 financial year was for the payment of the legal liabilities that were due in that financial year.

The capital items are mainly for the infrastructure allocations, and the full list thereof is available in the ECE. The increases are based on the allocations per project, the project life-cycles as well as the need analysis of infrastructure within the province. The allocation increases from R1.2 billion in 2016/17, R1.3 billion in 2017/18 and a slight decrease in 2018/2019 financial year.

## SERVICE DELIVERY MEASURES

### PROGRAMME2: TRANSPORT INFRASTRUCTURE

| Performance measures   | Estimated Annual Targets  |                           |                          |
|--|---------------------------|---------------------------|--------------------------|
|  | 2016/17                   | 2016/17                   | 2018/19                  |
| Number of designs completed.                                     | 23 Designs completed      | 21 Designs completed      | 18 Designs completed     |
| Number of m2 of surfaced roads upgraded:                         | 187 165.00 m <sup>2</sup> | 568 320.00 m <sup>2</sup> | 269 360.00m <sup>2</sup> |
| Number of kilometres of gravel roads upgraded to surfaced roads. | 6km                       | 6.5km                     | 12.4km                   |
| Number of m2 of surfaced roads rehabilitated                     | 645 502.00m2              | 996 706 m2                | 506 752.00m2             |
| Number of m2 of surfaced roads resealed.                         | 380 000m2                 | 400 000m2                 | 420 000m2                |
| Number of kilometres of gravel roads re-gravelled                | 80.09km                   | 82km                      | 84km                     |
| Number of m <sup>2</sup> of blacktop patching                    | 134 000m2                 | 145 000m2                 | 150 000m2                |
| Number of kilometres of gravel roads bladed                      | 1 388km                   | 1 388km                   | 1 388km                  |

### PROGRAMME 3: TRANSPORT OPERATIONS

#### Programme description

- To plan, regulate and facilitate the provision of integrated land transport services through co-ordination and co-operation with national planning authorities, CBOs, NGOs and the private sector in order to enhance the mobility of all communities, particularly those currently without, or with limited, access.

#### Programme objectives

- Management of integrated land transport contracts to provide mobility to commuters; and
- Manage, co-ordinate and facilitate transport safety and compliance in all modes with related legislation, regulations and policies through pro-active and reactive tactics and strategies.

TABLE 9.10: SUMMARY OF PAYMENTS AND ESTIMATES: TRANSPORT OPERATIONS

| R thousand                          | Outcome          |                  |                  | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term estimates |                  |                  |
|-------------------------------------|------------------|------------------|------------------|--------------------|------------------------|------------------|-----------------------|------------------|------------------|
|                                     | 2012/13          | 2013/14          | 2014/15          |                    | 2015/16                |                  | 2016/17               | 2017/18          | 2018/19          |
| 1. Public Transport Services        | 1 805 145        | 1 842 137        | 1 974 799        | 2 169 084          | 2 136 374              | 2 120 894        | 2 283 945             | 2 439 347        | 2 504 967        |
| 2. Programme Support Operations     | 3 093            | 5 229            | 11 870           | 17 111             | 12 390                 | 12 228           | 14 480                | 13 833           | 15 480           |
| <b>Total payments and estimates</b> | <b>1 808 238</b> | <b>1 847 366</b> | <b>1 986 669</b> | <b>2 186 195</b>   | <b>2 148 764</b>       | <b>2 133 122</b> | <b>2 298 425</b>      | <b>2 453 180</b> | <b>2 520 447</b> |

TABLE 9.11: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: TRANSPORT OPERATIONS

| R thousand                                  | Outcome          |                  |                  | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term estimates |                  |                  |
|---|------------------|------------------|------------------|--------------------|------------------------|------------------|-----------------------|------------------|------------------|
|   | 2012/13          | 2013/14          | 2014/15          |                    | 2015/16                |                  | 2016/17               | 2017/18          | 2018/19          |
| <b>Current payments</b>                     | <b>59 480</b>    | <b>40 151</b>    | <b>46 589</b>    | <b>76 439</b>      | <b>55 314</b>          | <b>54 370</b>    | <b>64 385</b>         | <b>59 295</b>    | <b>62 136</b>    |
| Compensation of employees                   | 18 383           | 18 604           | 22 103           | 45 689             | 24 564                 | 24 020           | 28 575                | 29 575           | 32 106           |
| Goods and services                          | 41 097           | 21 547           | 24 486           | 30 750             | 30 750                 | 30 350           | 35 810                | 29 720           | 30 030           |
| <b>Transfers and subsidies to:</b>          | <b>1 684 051</b> | <b>1 750 999</b> | <b>1 900 024</b> | <b>2 005 168</b>   | <b>2 024 881</b>       | <b>2 024 881</b> | <b>2 186 550</b>      | <b>2 315 665</b> | <b>2 425 696</b> |
| Public corporations and private enterprises | 1 684 021        | 1 750 973        | 1 900 024        | 2 005 048          | 2 024 761              | 2 024 761        | 2 186 420             | 2 315 535        | 2 425 546        |
| Households                                  | 30               | 26               |                  | 120                | 120                    | 120              | 130                   | 130              | 150              |
| <b>Payments for capital assets</b>          | <b>64 690</b>    | <b>50 768</b>    | <b>40 056</b>    | <b>104 588</b>     | <b>68 569</b>          | <b>53 871</b>    | <b>47 490</b>         | <b>78 220</b>    | <b>32 615</b>    |
| Buildings and other fixed structures        | 64 591           | 50 768           | 39 012           | 104 268            | 68 249                 | 53 151           | 45 850                | 76 340           | 30 635           |
| Machinery and equipment                     | 99               |                  | 1 044            | 320                | 320                    | 720              | 1 640                 | 1 880            | 1 980            |
| <b>Payments for financial assets</b>        | <b>17</b>        | <b>5 448</b>     |                  |                    |                        |                  |                       |                  |                  |
| <b>Total economic classification</b>        | <b>1 808 238</b> | <b>1 847 366</b> | <b>1 986 669</b> | <b>2 186 195</b>   | <b>2 148 764</b>       | <b>2 133 122</b> | <b>2 298 425</b>      | <b>2 453 180</b> | <b>2 520 447</b> |

The PTOG and the North West Star demarcation contracts are funded within this programme, which explains the high budget and expenditure in the tables above. These are both captured under Transfer payment. The expenditure has been growing steadily, though minimally, because of inflationary adjustments to the PTOG.

Expenditure within compensation of employees slightly increase from the 2012/13 to 2014/15 financial years from R18 million to R22 million because of the approved organisational structure and the effort to fill it. The increase in the 2015/16 financial year to R46 million was in line with the requirements of the unit as per the revised organisational structure. The increase to R29 million in 2016/17; R30 million in 2017/18; and R32 million in the last year of the MTEF, is only in relation to the ICS.

The programme's goods and services expenditure reduces drastically between 2012/13 and 2013/14 from R41 million to R22 million, and increase to R24 million in 2014/15. This is as a result of the SCOA changes that required that the infrastructure budget be allocated to the capital assets item. From 2012/13 expenditure within goods and services therefore, only relates to operational expenditure, which includes the monitoring of the public transport operators aligned to the PTOG. As a result of budgetary constraints, the amount then remains low, amounting to R36 million in 2016/17; R30 million in 2017/18; and R30 million in the last year of the MTEF.

The department's PTOG and the North West Star are both allocated within the Transfers and Subsidies item within this programme, and there are the regular operational items of the department, i.e. the household item. Expenditure increases slightly in 2012/13 and 2013/14 from R1.7 billion to R1.8 billion and then increases slightly again in 2014/15 to R1.9 billion. The budget continues to grow in 2015/16 to R2 billion, and over the MTEF, from R2.2 billion in the first year of the MTEF to R2.3 billion in 2017/18 and R2.4 billion in 2018/19. These increases are inflationary in nature.

The infrastructure budget and expenditure is within capital assets, specifically the buildings and other fixed structures item. Infrastructure projects are within the ECE, which provides more details, however, the NMT, Shovakalula and the public transfer facilities projects are within this programme.

The infrastructure budget and expenditure is within the capital assets, specifically the buildings and other fixed structures item. The infrastructure projects are within the ECE, which provides more detail, however, the Non-Motorised Transport (NMT), Shovakalula and the Public Transfer Facilities projects are within this programme. Over the MTEF, allocations grow from R46 million in 2016/17; to R76 million in 2017/18 and then decrease to R30 million in the last year.

## SERVICE DELIVERY MEASURES

### PROGRAMME 3: TRANSPORT OPERATIONS

| Performance measures                                    | Estimated Annual Targets              |  |                        |
|---|---------------------------------------|--|------------------------|
|   | 2016/17                               | 2017/18  | 2018/19                |
| West Rand bus subsidisation project implemented by 2018 | Project Implementation Plan approved. | West Rand bus subsidisation project implemented. |                        |
| Number of routes subsidised                             | 3 130 (Non-cumulative)                | 3 130 (Non-cumulative)                           | 3 130 (Non-cumulative) |
| Number of kilometres subsidised                         | 99 931 969.72                         | 99 931 969.72                                    | 99 931 969.72          |
| Number of trips subsidised                              | 1 780 318                             | 1 780 318  | 1 780 318              |

### PROGRAMME 4: TRANSPORT REGULATION

#### Programme description

- To ensure the provision of a safe environment through the regulation of traffic on public infrastructure, law enforcement, implementation of road safety education and awareness programmes and registration and licensing of vehicles and drivers.

#### Programme objectives

- To monitor and control registration and licensing of all motor vehicles and to render services regarding the administration of applications in terms of the National Road Traffic Act (Act 93 of 1996);
- To implement laws and regulations relating to vehicle registration and licensing, vehicle fitness testing and driver fitness testing; and
- To manage, approve and control registration of transport operators and issue all licenses and permits required in terms of legislation.

TABLE 9.12: SUMMARY OF PAYMENTS AND ESTIMATES : TRANSPORT REGULATION

| R thousand                                | Outcome        |                |                | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term estimates |                |                |
|---|----------------|----------------|----------------|--------------------|------------------------|------------------|-----------------------|----------------|----------------|
|   | 2012/13        | 2013/14        | 2014/15        |                    |                        |                  | 2016/17               | 2017/18        | 2018/19        |
| 1. Transport Administration And Licensing | 127 433        | 165 314        | 161 897        | 198 038            | 194 286                | 198 426          | 221 053               | 149 474        | 192 122        |
| 2. Operator License And Permits           | 53 100         | 56 846         | 44 096         | 83 305             | 70 305                 | 61 896           | 78 164                | 83 836         | 104 392        |
| <b>Total payments and estimates</b>       | <b>180 533</b> | <b>222 160</b> | <b>205 993</b> | <b>281 343</b>     | <b>264 591</b>         | <b>260 322</b>   | <b>299 217</b>        | <b>233 310</b> | <b>296 514</b> |

TABLE 9.13: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: TRANSPORT REGULATION

| R thousand                           | Outcome        |                |                | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term estimates |                |                |
|--------------------------------------|----------------|----------------|----------------|--------------------|------------------------|------------------|-----------------------|----------------|----------------|
|                                      | 2012/13        | 2013/14        | 2014/15        |                    |                        |                  | 2016/17               | 2017/18        | 2018/19        |
| <b>Current payments</b>              | <b>154 879</b> | <b>182 379</b> | <b>156 153</b> | <b>218 203</b>     | <b>192 203</b>         | <b>187 307</b>   | <b>163 728</b>        | <b>154 500</b> | <b>178 932</b> |
| Compensation of employees            | 89 628         | 105 672        | 115 293        | 160 149            | 140 149                | 135 253          | 94 476                | 94 765         | 108 050        |
| Goods and services                   | 65 121         | 76 425         | 40 857         | 57 764             | 51 764                 | 51 764           | 69 052                | 59 555         | 70 732         |
| Interest and rent on land            | 130            | 282            | 3              | 290                | 290                    | 290              | 200                   | 180            | 150            |
| <b>Transfers and subsidies to:</b>   | <b>552</b>     | <b>185</b>     | <b>528</b>     | <b>60</b>          | <b>60</b>              | <b>541</b>       | <b>62</b>             | <b>65</b>      | <b>70</b>      |
| Provinces and municipalities         | 12             |                |                |                    |                        |                  |                       |                |                |
| Households                           | 540            | 185            | 528            | 60                 | 60                     | 541              | 62                    | 65             | 70             |
| <b>Payments for capital assets</b>   | <b>24 979</b>  | <b>39 573</b>  | <b>49 303</b>  | <b>63 080</b>      | <b>72 328</b>          | <b>72 474</b>    | <b>135 427</b>        | <b>78 745</b>  | <b>117 512</b> |
| Buildings and other fixed structures | 17 650         | 36 483         | 47 548         | 59 200             | 62 448                 | 62 448           | 126 521               | 69 826         | 106 640        |
| Machinery and equipment              | 3 469          | 2 318          | 1 755          | 2 080              | 7 780                  | 7 926            | 7 106                 | 7 119          | 9 072          |
| Software and other intangible assets | 3 860          | 772            |                | 1 800              | 2 100                  | 2 100            | 1 800                 | 1 800          | 1 800          |
| <b>Payments for financial assets</b> | <b>123</b>     | <b>23</b>      | <b>9</b>       |                    |                        |                  |                       |                |                |
| <b>Total economic classification</b> | <b>180 533</b> | <b>222 160</b> | <b>205 993</b> | <b>281 343</b>     | <b>264 591</b>         | <b>260 322</b>   | <b>299 217</b>        | <b>233 310</b> | <b>296 514</b> |

The budget for the TOLAB and DLTC infrastructure projects is located within this programme, together with the allocations for licensing and registration functions. The audited outcome within this programme increased marginally from R181 million in the 2012/13 financial year to R206 million in 2014/15. Over the MTEF, the allocation increases from R299 million in 2016/17 to R296 million in 2018/19.

Expenditure within compensation of employees was steady from 2012/13 when it amounted to R90 million growing to R106 million in the 2013/14 financial year with appointments made on junior examiners and senior examiners, during that time. The increase in the 2013/14 financial year to R106 million is to allow the unit to fill the revised organisational structure.

The decrease to R94 million in 2016/17 was caused by the reduction in the overall departmental budget for compensation of employees over the MTEF; an increase of R95 million in 2017/18; and R108 million in 2018/19 as a result of inflationary increases on the reduced 2016/17 budget. The majority of the vacant posts were filled in the past two years and it is anticipated that the IDMS project will further assist in that regard.

This programme is responsible for the DLTCs and the TOLABS. The expenditure within goods and services from 2012/13 therefore, only relates to operational expenditure, and these are high because the department has to maintain the DLTCs constructed/upgraded as part of the infrastructure programme. An earmarked allocation was made to the department strictly for this purpose, thus alleviating the pressure on the department's discretionary allocation. Expenditure trends over the MTEF are increase slowly ranging from R69 million in 2016/17; R60 million in 2017/18; and R70 million in 2018/19.

The infrastructure budget and expenditure is within capital assets, specifically the buildings and other fixed structures item. Over the MTEF, TOLABs expenditure fluctuates from R35 million in 2016/17 to R58 million in 2017/18 and R25 million in 2018/19, the DLTC projects expenditure also fluctuates from R67 million in 2016/17 to R37 million in 2017/18 and R25 million in 2018/19. The department will only allocate funds for new DLTCs in the latter years, post the identification and proclamation of the land. There is an allocation of R25 million, R12.9 million and R10.990 million in the 2016/17, 2017/18 and 2018/19 financial years, respectively, for the refurbishment of the Zwartkop training centre to be revamped and turned into a fully-fledged training centre.

## SERVICE DELIVERY MEASURES

### PROGRAMME 4: TRANSPORT OPERATION

| Performance measures                                      | Estimated Annual Targets |         |         |
|---|--------------------------|---------|---------|
|   | 2016/17                  | 2017/18 | 2018/19 |
| Establishment of DLTCs                                    | 1 Sebokeng               | 1       | 1       |
| Number of TOLABs constructed by 2019                      | 1 Tshwane                | -       | 1       |
| Number of compliance inspections conducted                | 125                      | 130     | 135     |
| Number of permits/operating license issued by 2019        | 9 500                    | 9 200   | 9 700   |
| Number of permits converted to operating licenses by 2019 | 5 000                    | 6 500   | 6 500   |

### PROGRAMME 5: GAUTRAIN

#### Programme description

To plan, design and construct the Rapid Rail Link and ensure efficient management and implementation of the Gautrain.

Management of the concession agreement will remain one of the most important functions of the Gautrain Management Agency (GMA). The agreement was concluded between the province, through the Department of Roads and Transport, on the one hand and the concessionaire on the other for the design, construction and operation of the railway line for the Gautrain Rapid Rail Project.

The agreement was concluded in terms of Treasury Regulation 16 as a public-private partnership (PPP) on the basis that the concessionaire will perform the institutional function of the province for the design, construction and operation of the railway line, acquiring the use of the land on which the railway line is established and the use of the railway line itself when constructed.

#### Programme objectives

- Manage the concession agreement;
- Manage the project's finances, financial securities, insurance, socio-economic development objectives, assets and the maintenance thereof;
- Liaise and exchange information with the three spheres of government, interested and affected parties, institutions and professional bodies in South Africa and other countries;
- Enhance integration with the province's public transport system;
- Monitor government policies and legislation;
- Perform duties assigned by the Railway Safety Regulator;
- Protect the rail reserve and provincial transport infrastructure involved in the project in terms of the Gauteng Transport Infrastructure Act; and
- Establish and operate information and management systems.

TABLE 9.14: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: GAUTRAIN

| R thousand                          | Outcome          |                  |                  | Main appropriation | Adjusted appropriation<br>2015/16 | Revised estimate | Medium-term estimates |                  |                  |
|-------------------------------------|------------------|------------------|------------------|--------------------|-----------------------------------|------------------|-----------------------|------------------|------------------|
|                                     | 2012/13          | 2013/14          | 2014/15          |                    |                                   |                  | 2016/17               | 2017/18          | 2018/19          |
| 1. Gautrain                         | 1 598 711        | 1 424 943        | 1 311 748        | 1 561 451          | 1 561 451                         | 1 561 451        | 1 832 089             | 1 923 694        | 2 035 268        |
| <b>Total payments and estimates</b> | <b>1 598 711</b> | <b>1 424 943</b> | <b>1 311 748</b> | <b>1 561 451</b>   | <b>1 561 451</b>                  | <b>1 561 451</b> | <b>1 832 089</b>      | <b>1 923 694</b> | <b>2 035 268</b> |

TABLE 9.15: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: GAUTRAIN

| R thousand                           | Outcome          |                  |                  | Main appropriation | Adjusted appropriation<br>2015/16 | Revised estimate | Medium-term estimates |                  |                  |
|--------------------------------------|------------------|------------------|------------------|--------------------|-----------------------------------|------------------|-----------------------|------------------|------------------|
|                                      | 2012/13          | 2013/14          | 2014/15          |                    |                                   |                  | 2016/17               | 2017/18          | 2018/19          |
| Transfers and subsidies to:          | 1 598 711        | 1 424 943        | 1 311 748        | 1 561 451          | 1 561 451                         | 1 561 451        | 1 832 089             | 1 923 694        | 2 035 268        |
| Departmental agencies and accounts   | 1 598 711        | 1 424 943        | 1 311 748        | 1 561 451          | 1 561 451                         | 1 561 451        | 1 832 089             | 1 923 694        | 2 035 268        |
| <b>Total economic classification</b> | <b>1 598 711</b> | <b>1 424 943</b> | <b>1 311 748</b> | <b>1 561 451</b>   | <b>1 561 451</b>                  | <b>1 561 451</b> | <b>1 832 089</b>      | <b>1 923 694</b> | <b>2 035 268</b> |

Total payments for the programme decreased from R1.4 billion in 2013/14 to R1.3 billion in 2014/15. This is because the construction phase of the Gautrain was already finalised. However over the MTEF, the allocation grows from R1.8 billion in 2016/17; to R1.9 billion in 2017/18; and R2 billion in 2018/19, mainly for the operational phase of the project

## 9. OTHER PROGRAMME INFORMATION

### 9.1. Personnel numbers and costs

TABLE 9.16: PERSONNEL NUMBERS AND COSTS

| Personnel numbers                            | As at<br>31 March 2013 | As at<br>31 March 2014 | As at<br>31 March 2015 | As at<br>31 March 2016 | As at<br>31 March 2017 | As at<br>31 March 2018 | As at<br>31 March 2019 |
|--|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| 1. Administration                            | 243                    | 273                    | 308                    | 352                    | 352                    | 352                    | 352                    |
| 2. Transport Infrastructure                  | 1 032                  | 1 007                  | 1 025                  | 1 023                  | 1 025                  | 1 025                  | 1 025                  |
| 3. Transport Operations                      | 51                     | 51                     | 59                     | 59                     | 59                     | 59                     | 59                     |
| 4. Transport Regulation                      | 336                    | 382                    | 396                    | 448                    | 448                    | 448                    | 448                    |
| 5. Gautrain                                  |                        |                        |                        |                        |                        |                        |                        |
| Direct charges                               |                        |                        |                        |                        |                        |                        |                        |
| <b>Total provincial personnel numbers</b>    | <b>1 662</b>           | <b>1 713</b>           | <b>1 788</b>           | <b>1 882</b>           | <b>1 884</b>           | <b>1 884</b>           | <b>1 884</b>           |
| Total provincial personnel cost (R thousand) | 437 039                | 472 101                | 488 559                | 548 968                | 631 320                | 647 972                | 702 514                |
| Unit cost (R thousand)                       | 263                    | 276                    | 273                    | 292                    | 335                    | 344                    | 373                    |

Table 9.16 below reflects the organisational structure of the department was approved in 2012, which meant that there were recalculations and realignments of the posts within the entire organisation. This resulted in the total number of posts reducing drastically from 2 283 to 1 662. This approved structure has been revised within most of the units since the approval and this will result in the annual changes as per the table.

The allocated budget for compensation of employees will not be adequate for all the posts in the structure, therefore the department will continue to fill the structure piecemeal until it is fully implemented. It should, however, be noted that the department may maintain a vacancy rate of about 10 per cent of the total posts in the organisational structure throughout all the units.



TABLE 9.17: SUMMARY OF DEPARTMENTAL PERSONNEL NUMBERS AND COSTS: ROADS AND TRANSPORT

| R thousands                          | Actual                         |         |                                |         | Revised estimate |                  |                                |         | Medium-term expenditure estimate |         |                                |         | Average annual growth over MTEF |                   |                  |          |        |
|--------------------------------------|--------------------------------|---------|--------------------------------|---------|------------------|------------------|--------------------------------|---------|----------------------------------|---------|--------------------------------|---------|---------------------------------|-------------------|------------------|----------|--------|
|                                      | 2012/13                        | 2013/14 | 2014/15                        |         | 2015/16          |                  | 2016/17                        |         | 2017/18                          |         | 2018/19                        |         | Personnel growth rate           | Costs growth rate | % Costs of Total |          |        |
|                                      | Personnel numbers <sup>1</sup> | Costs   | Personnel numbers <sup>1</sup> | Costs   | Filled posts     | Additional posts | Personnel numbers <sup>1</sup> | Costs   | Personnel numbers <sup>1</sup>   | Costs   | Personnel numbers <sup>1</sup> | Costs   |                                 |                   |                  |          |        |
| Salary level                         |                                |         |                                |         |                  |                  |                                |         |                                  |         |                                |         |                                 |                   |                  |          |        |
| 1 – 6                                | 1 014                          | 167 535 | 1 001                          | 176 749 | 1 055            | 185 471          | 1 098                          | 50      | 1 148                            | 205 276 | 1 208                          | 244 898 | 1 208                           | 244 969           | 1 7%             | 6 1%     | 36 5%  |
| 7 – 10                               | 481                            | 82 803  | 549                            | 98 384  | 590              | 66 032           | 512                            | 76      | 588                              | 238 583 | 546                            | 226 696 | 546                             | 272 961           | (2 4%)           | 4 6%     | 39 8%  |
| 11 – 12                              | 114                            | 49 024  | 110                            | 51 720  | 90               | 56 329           | 20                             | 75      | 95                               | 109 708 | 99                             | 101 726 | 99                              | 127 630           | 1 4%             | 5 2%     | 18 1%  |
| 13 – 16                              | 53                             | 137 677 | 53                             | 145 249 | 53               | 180 726          | 51                             |         | 51                               | 4 599)  | 31                             | 58 000  | 31                              | 56 954            | (15 3%)          | (331 4%) | 5 5%   |
| Other                                |                                |         |                                |         |                  |                  |                                |         |                                  |         |                                |         |                                 |                   |                  |          |        |
| Total                                | 1 662                          | 437 039 | 1 713                          | 472 102 | 1 788            | 488 558          | 1 681                          | 201     | 1 882                            | 548 968 | 1 884                          | 631 320 | 1 884                           | 702 514           | 0 0%             | 8 6%     | 100 0% |
| Programme                            |                                |         |                                |         |                  |                  |                                |         |                                  |         |                                |         |                                 |                   |                  |          |        |
| 1. Administration                    | 243                            | 106 782 | 273                            | 114 708 | 308              | 124 169          | 352                            |         | 352                              | 117 992 | 352                            | 125 792 | 352                             | 148 571           |                  | 8 0%     | 21 0%  |
| 2.Transport Infrastructure           | 1 032                          | 222 246 | 1 007                          | 233 117 | 1 025            | 226 994          | 876                            | 147     | 1 023                            | 110 865 | 1 025                          | 148 075 | 1 025                           | 223 035           | 0 1%             | 26 2%    | 24 8%  |
| 3.Transport Operations               | 51                             | 18 383  | 51                             | 18 604  | 59               | 22 103           | 55                             | 4       | 59                               | 239 401 | 59                             | 222 400 | 59                              | 330 908           |                  | 11 4%    | 42 2%  |
| 4.Transport Regulation               | 336                            | 89 628  | 382                            | 105 672 | 396              | 115 293          | 398                            | 50      | 448                              | 80 710  | 448                            | 135 053 | 448                             | 148 161           |                  | -100 0%  | 12 0%  |
| 5. Gautrain                          |                                |         |                                |         |                  |                  |                                |         |                                  |         |                                |         |                                 |                   |                  |          |        |
| Direct charges                       |                                |         |                                |         |                  |                  |                                |         |                                  |         |                                |         |                                 |                   |                  |          |        |
| Total                                | 1 662                          | 437 039 | 1 713                          | 472 101 | 1 788            | 488 559          | 1 681                          | 201 0   | 1 882                            | 548 968 | 1 884                          | 631 320 | 1 884                           | 702 514           | 0 0%             | 8 6%     | 100 0% |
| Employee dispensation classification |                                |         |                                |         |                  |                  |                                |         |                                  |         |                                |         |                                 |                   |                  |          |        |
| Public Service                       |                                |         |                                |         |                  |                  |                                |         |                                  |         |                                |         |                                 |                   |                  |          |        |
| Act appointees not covered by OSDs   |                                |         |                                |         |                  |                  | 1 674                          | 405 445 | 407 119                          | 405 445 | 1 674                          | 1 778   | 1 674                           | 512 029           | (84 0%)          | 8 1%     | 88 7%  |
| Legal                                |                                |         |                                |         |                  |                  | 6                              | 3 158   | 3 164                            | 3 158   | 6                              | 6       | 6                               | 3 604             | (87 6%)          | 4 5%     | 0 6%   |
| Professionals                        |                                |         |                                |         |                  |                  |                                |         |                                  |         |                                |         |                                 |                   |                  |          |        |
| Engineering                          |                                |         |                                |         |                  |                  | 107                            | 52 290  | 52 397                           | 52 290  | 107                            | 107     | 107                             | 60 147            | (87 3%)          | 4 8%     | 10 7%  |
| Professions and related occupations  |                                |         |                                |         |                  |                  |                                |         |                                  |         |                                |         |                                 |                   |                  |          |        |
| Total                                |                                |         |                                |         |                  |                  | 1 787                          | 460 893 | 462 680                          | 460 893 | 1 787                          | 1 891   | 1 787                           | 575 780           | (84 3%)          | 7 7%     | 100 0% |

TABLE 9.18: INFORMATION OF TRAINING: ROADS AND TRANSPORT

| R thousand                       | Outcome |         |         | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term estimates |         |         |
|----------------------------------|---------|---------|---------|--------------------|------------------------|------------------|-----------------------|---------|---------|
|                                  | 2012/13 | 2013/14 | 2014/15 |                    |                        |                  | 2016/17               | 2017/18 | 2018/19 |
| Number of personnel trained      | 739     | 739     | 1 800   | 700                | 700                    | 700              | 700                   | 700     | 741     |
| <i>of which</i>                  |         |         |         |                    |                        |                  |                       |         |         |
| Male                             | 636     | 636     | 900     | 450                | 450                    | 450              | 450                   | 450     | 476     |
| Female                           | 103     | 103     | 900     | 250                | 250                    | 250              | 250                   | 250     | 265     |
| Number of training opportunities | 50      | 50      | 60      | 80                 | 80                     | 80               | 90                    | 95      | 101     |
| <i>of which</i>                  |         |         |         |                    |                        |                  |                       |         |         |
| Tertiary                         | 50      | 50      | 60      | 80                 | 80                     | 80               | 90                    | 95      | 101     |
| Number of bursaries offered      | 11      | 53      | 60      | 80                 | 80                     | 80               | 100                   | 100     | 106     |
| Number of interns appointed      | 72      | 72      | 10      | 30                 | 30                     | 30               | 35                    | 35      | 37      |
| Number of learnerships appointed | 148     | 148     | 10      | 30                 | 30                     | 30               | 35                    | 35      | 37      |

TABLE 9.19: PAYMENTS ON TRAINING: ROADS AND TRANSPORT

| R thousand                        | Outcome      |            |              | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term estimates |               |               |
|-----------------------------------|--------------|------------|--------------|--------------------|------------------------|------------------|-----------------------|---------------|---------------|
|                                   | 2012/13      | 2013/14    | 2014/15      |                    |                        |                  | 2016/17               | 2017/18       | 2018/19       |
| 1. Administration                 | 6 388        | 168        | 3 210        | 2 573              | 2 573                  | 2 573            | 2 802                 | 2 823         | 2 986         |
| Subsistence and travel            | 175          | 68         | 500          | 300                | 300                    | 300              | 420                   | 441           | 467           |
| Payments on tuition               | 6 213        | 100        | 2 710        | 2 273              | 2 273                  | 2 273            | 2 382                 | 2 382         | 2 520         |
| 2. Transport Infrastructure       | 1 788        | 152        | 2 420        | 5 535              | 5 535                  | 5 535            | 5 862                 | 5 890         | 6 232         |
| Subsistence and travel            | 1 788        | 52         | 300          | 500                | 500                    | 500              | 560                   | 588           | 622           |
| Payments on tuition               |              | 100        | 2 120        | 5 035              | 5 035                  | 5 035            | 5 302                 | 5 302         | 5 609         |
| 3. Transport Operations           | 537          | 124        | 720          | 805                | 805                    | 805              | 862                   | 869           | 919           |
| Subsistence and travel            | 14           | 24         | 100          | 120                | 120                    | 120              | 140                   | 147           | 156           |
| Payments on tuition               | 523          | 100        | 620          | 685                | 685                    | 685              | 722                   | 722           | 764           |
| 4. Transport Regulation           |              | 120        | 1 250        | 2 622              | 2 622                  | 2 622            | 2 770                 | 2 782         | 2 943         |
| Subsistence and travel            |              | 20         | 250          | 220                | 220                    | 220              | 240                   | 252           | 267           |
| Payments on tuition               |              | 100        | 1 000        | 2 402              | 2 402                  | 2 402            | 2 530                 | 2 530         | 2 676         |
| <b>Total payments on training</b> | <b>8 713</b> | <b>564</b> | <b>7 600</b> | <b>11 535</b>      | <b>11 535</b>          | <b>11 535</b>    | <b>12 295</b>         | <b>12 363</b> | <b>13 080</b> |

The department conducted a number of formal and accredited programmes in ensuring skill development applied within the department. This includes awarding bursaries to both internal and external in order to build capacity and improve efficiency and effectiveness. The department continued to provide internship programme to youth graduates country wide, in line with government's drive to achieve the aspirations of a development state. The budget for training is centralised in programme one under corporate services for better coordination and management. The increase in external bursaries over the MTEF is based on potential student's graduates.

## 9.2. Reconciliation of structural changes

No changes to the programme structure.

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

TABLE 9.20: SPECIFICATION OF RECEIPTS: ROADS AND TRANSPORT

| R thousand   | Outcome          |                  |                  | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term estimates |                  |                  |
|--|------------------|------------------|------------------|--------------------|------------------------|------------------|-----------------------|------------------|------------------|
|  | 2012/13          | 2013/14          | 2014/15          |                    |                        |                  | 2016/17               | 2017/18          | 2018/19          |
| <b>Tax receipts</b>  | <b>2 401 619</b> | <b>2 644 876</b> | <b>2 949 662</b> | <b>2 987 393</b>   | <b>2 987 393</b>       | <b>3 180 635</b> | <b>3 142 737</b>      | <b>3 299 874</b> | <b>3 491 267</b> |
| Casino taxes   |                  |                  |                  |                    |                        |                  |                       |                  |                  |
| Horse racing taxes   |                  |                  |                  |                    |                        |                  |                       |                  |                  |
| Liquor licences  |                  |                  |                  |                    |                        |                  |                       |                  |                  |
| Motor vehicle licences   | 2 401 619        | 2 644 876        | 2 949 662        | 2 987 393          | 2 987 393              | 3 180 635        | 3 142 737             | 3 299 874        | 3 491 267        |
| <b>Sales of goods and services other than capital assets</b>                 | <b>53 711</b>    | <b>55 661</b>    | <b>53 937</b>    | <b>67 993</b>      | <b>67 993</b>          | <b>67 993</b>    | <b>71 597</b>         | <b>75 176</b>    | <b>79 537</b>    |
| Sale of goods and services produced by department (excluding capital assets) | 53 711           | 55 661           | 53 937           | 67 993             | 67 993                 | 67 993           | 71 597                | 75 176           | 79 537           |
| Sales by market establishments   | 53 711           | 55 661           | 53 937           | 67 993             | 67 993                 | 67 993           | 71 597                | 75 176           | 79 537           |
| <b>Transfers received from:</b>  |                  |                  |                  |                    |                        |                  |                       |                  |                  |
| Other governmental units   |                  |                  |                  |                    |                        |                  |                       |                  |                  |
| Households and non-profit institutions                                       |                  |                  |                  |                    |                        |                  |                       |                  |                  |
| <b>Fines, penalties and forfeits</b>   |                  |                  |                  |                    |                        |                  |                       |                  |                  |
| <b>Interest, dividends and rent on land</b>                                  | <b>133</b>       | <b>38</b>        | <b>28</b>        | <b>50</b>          | <b>50</b>              | <b>50</b>        | <b>55</b>             | <b>60</b>        | <b>63</b>        |
| Interest   | 133              | 38               | 28               | 50                 | 50                     | 50               | 55                    | 60               | 63               |
| Dividends  |                  |                  |                  |                    |                        |                  |                       |                  |                  |
| Rent on land   |                  |                  |                  |                    |                        |                  |                       |                  |                  |
| <b>Sales of capital assets</b>   | <b>10 162</b>    | <b>5 983</b>     |                  |                    |                        |                  |                       |                  |                  |
| Land and sub-soil assets   |                  |                  |                  |                    |                        |                  |                       |                  |                  |
| Other capital assets   | 10 162           | 5 983            |                  |                    |                        |                  |                       |                  |                  |
| <b>Transactions in financial assets and liabilities</b>                      | <b>1 226</b>     | <b>885</b>       | <b>2 236</b>     | <b>1 500</b>       | <b>1 500</b>           | <b>1 500</b>     | <b>1 500</b>          | <b>1 500</b>     | <b>1 587</b>     |
| <b>Total departmental receipts</b>   | <b>2 466 851</b> | <b>2 707 443</b> | <b>3 005 863</b> | <b>3 056 936</b>   | <b>3 056 936</b>       | <b>3 250 178</b> | <b>3 215 889</b>      | <b>3 376 610</b> | <b>3 572 454</b> |

TABLE 9.21: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

| R thousand  | Outcome        |                |                | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term estimates |                |                |
|---|----------------|----------------|----------------|--------------------|------------------------|------------------|-----------------------|----------------|----------------|
|   | 2012/13        | 2013/14        | 2014/15        |                    |                        |                  | 2016/17               | 2017/18        | 2018/19        |
| <b>Current payments</b>   | <b>176 073</b> | <b>192 533</b> | <b>203 629</b> | <b>293 257</b>     | <b>282 919</b>         | <b>283 570</b>   | <b>300 396</b>        | <b>292 387</b> | <b>313 465</b> |
| Compensation of employees   | 106 782        | 114 707        | 124 169        | 151 522            | 142 995                | 145 869          | 161 542               | 164 936        | 173 328        |
| Salaries and wages  | 94 796         | 102 097        | 110 204        | 100 448            | 125 008                | 127 893          | 149 189               | 152 019        | 159 900        |
| Social contributions  | 11 986         | 12 610         | 13 965         | 51 074             | 17 987                 | 17 976           | 12 353                | 12 917         | 13 428         |
| Goods and services  | 69 026         | 77 770         | 79 451         | 141 605            | 139 794                | 137 571          | 138 754               | 127 371        | 140 077        |
| Administrative fees   | 431            | 514            | 555            | 492                | 452                    | 452              | 434                   | 434            | 450            |
| Advertising   | 3 603          | 8 064          | 3 881          | 6 185              | 6 145                  | 6 187            | 6 602                 | 6 702          | 7 230          |
| Minor assets  | 32             | 28             | 1 123          | 721                | 725                    | 725              | 200                   | 200            | 200            |
| Audit cost: External  | 3 762          | 5 834          | 5 432          | 6 000              | 6 000                  | 6 000            | 6 000                 | 6 000          | 7 000          |
| Bursaries: Employees  | 780            | 130            | 562            | 1 900              | 1 900                  | 1 900            | 2 300                 | 2 300          | 2 500          |
| Catering: Departmental activities                                     | 534            | 335            | 797            | 2 956              | 3 319                  | 3 384            | 2 845                 | 2 905          | 3 167          |
| Communication (G&S)   | 18 347         | 12 252         | 13 957         | 23 200             | 23 520                 | 23 526           | 13 600                | 12 900         | 13 700         |
| Computer services   | 5 765          | 7 468          | 6 335          | 9 600              | 8 900                  | 8 900            | 13 200                | 10 400         | 10 300         |
| Consultants and professional services: Business and advisory services | 2 616          | 3 483          | 1 809          | 7 000              | 5 080                  | 5 080            | 7 300                 | 6 600          | 6 880          |
| Consultants and professional services: Infrastructure and planning    | 5              |                |                | 2 000              | 1 700                  | 1 700            | 8 600                 | 5 700          | 4 750          |
| Consultants and professional services: Legal costs                    | 2 253          | 1 747          | 3 751          | 3 000              | 3 300                  | 3 300            | 6 000                 | 5 000          | 7 000          |
| Contractors   | 450            | 313            | 4 006          | 9 346              | 7 846                  | 7 846            | 5 700                 | 6 400          | 8 100          |
| Agency and support / outsourced services                              | 2 030          | 186            |                |                    |                        |                  |                       |                |                |

| R thousand   | Outcome        |                |                | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term estimates |                |                |
|--|----------------|----------------|----------------|--------------------|------------------------|------------------|-----------------------|----------------|----------------|
|  | 2012/13        | 2013/14        | 2014/15        |                    |                        |                  | 2016/17               | 2017/18        | 2018/19        |
| <i>Entertainment</i>   |                |                |                |                    |                        |                  |                       |                |                |
| <i>Fleet services (including government motor transport)</i> | 3              | 10 297         | 3 555          | 8 600              | 7 847                  | 7 847            | 5 400                 | 5 180          | 5 740          |
| <i>Housing</i>   |                |                |                |                    |                        |                  |                       |                |                |
| <i>Inventory: Clothing material and accessories</i>          |                |                | 22             |                    | 150                    | 150              |                       |                |                |
| <i>Inventory: Farming supplies</i>                           |                |                | 76             |                    |                        |                  |                       |                |                |
| <i>Inventory: Food and food supplies</i>                     | 59             | 3              |                |                    |                        |                  |                       |                |                |
| <i>Inventory: Fuel, oil and gas</i>                          |                |                | 206            |                    |                        |                  |                       |                |                |
| <i>Inventory: Materials and supplies</i>                     | 371            | 3              | 254            | 2 200              | 2 000                  | 2 000            | 2 000                 | 500            |                |
| <i>Inventory: Medical supplies</i>                           |                |                | 426            |                    |                        |                  |                       |                |                |
| <i>Inventory: Other supplies</i>                             |                |                | 831            | 1 800              | 1 800                  | 1 800            |                       |                |                |
| <i>Consumable supplies</i>                                   | 43             | 237            | 1 614          |                    | 2 528                  | 2 531            |                       |                |                |
| <i>Consumable: Stationery, printing and office supplies</i>  | 2 825          | 4 483          | 3 484          | 6 880              | 6 688                  | 6 688            | 7 350                 | 7 330          | 7 830          |
| <i>Operating leases</i>                                      | 1 308          | 2 365          | 648            | 1 000              | 1 000                  | 1 000            | 500                   | 500            | 500            |
| <i>Property payments</i>                                     | 16 165         | 14 815         | 17 851         | 27 000             | 27 000                 | 27 000           | 25 000                | 24 000         | 26 000         |
| <i>Transport provided: Departmental activity</i>             | 82             | 95             | 705            | 110                | 230                    | 512              | 120                   | 140            | 140            |
| <i>Travel and subsistence</i>                                | 2 926          | 1 573          | 1 198          | 6 970              | 7 109                  | 6 187            | 7 780                 | 6 680          | 7 980          |
| <i>Training and development</i>                              | 675            | 1 375          | 4 261          | 10 395             | 10 395                 | 9 395            | 12 923                | 13 000         | 15 010         |
| <i>Operating payments</i>                                    | 2 921          |                | 39             |                    |                        | 57               |                       |                |                |
| <i>Venues and facilities</i>                                 | 1 040          | 2 170          | 2 068          | 4 250              | 4 145                  | 3 389            | 4 900                 | 4 500          | 5 600          |
| <i>Rental and hiring</i>                                     |                |                | 5              |                    | 15                     | 15               |                       |                |                |
| Interest and rent on land                                    | 265            | 56             | 9              | 130                | 130                    | 130              | 100                   | 80             | 60             |
| Interest   | 265            | 56             | 9              | 130                | 130                    |                  | 100                   | 80             | 60             |
| Rent on land   |                |                |                |                    |                        | 130              |                       |                |                |
| <b>Transfers and subsidies</b>                               | <b>262</b>     | <b>667</b>     | <b>345</b>     | <b>500</b>         | <b>500</b>             | <b>500</b>       | <b>500</b>            | <b>500</b>     | <b>550</b>     |
| Provinces and municipalities                                 | 75             |                | 4              |                    |                        |                  |                       |                |                |
| Provinces  |                |                | 4              |                    |                        |                  |                       |                |                |
| Provincial Revenue Funds                                     |                |                |                |                    |                        |                  |                       |                |                |
| Provincial agencies and funds                                |                |                | 4              |                    |                        |                  |                       |                |                |
| Municipalities   | 75             |                |                |                    |                        |                  |                       |                |                |
| Municipalities   |                |                |                |                    |                        |                  |                       |                |                |
| Municipal agencies and funds                                 | 75             |                |                |                    |                        |                  |                       |                |                |
| Non-profit institutions                                      |                |                |                |                    |                        |                  |                       |                |                |
| Households   | 187            | 667            | 341            | 500                | 500                    | 500              | 500                   | 500            | 550            |
| Social benefits  | 124            |                |                |                    |                        | 500              |                       |                |                |
| Other transfers to households                                | 63             | 667            | 341            | 500                | 500                    |                  | 500                   | 500            | 550            |
| <b>Payments for capital assets</b>                           | <b>3 510</b>   | <b>4 495</b>   | <b>7 909</b>   | <b>23 880</b>      | <b>25 691</b>          | <b>25 691</b>    | <b>16 901</b>         | <b>11 689</b>  | <b>11 881</b>  |
| Buildings and other fixed structures                         |                |                | 27             | 3 000              | 3 000                  | 3 000            |                       |                |                |
| Buildings  |                |                |                |                    |                        | 3 000            |                       |                |                |
| Other fixed structures                                       |                |                | 27             | 3 000              | 3 000                  |                  |                       |                |                |
| Machinery and equipment                                      | 3 254          | 4 442          | 7 618          | 14 880             | 21 691                 | 21 691           | 15 901                | 10 589         | 10 681         |
| Transport equipment  |                |                | 703            |                    |                        | 722              | 3 600                 | 3 420          | 3 760          |
| Other machinery and equipment                                | 3 254          | 4 442          | 6 915          | 14 880             | 21 691                 | 20 969           | 12 301                | 7 169          | 6 921          |
| Heritage Assets  |                |                |                |                    |                        |                  |                       |                |                |
| Software and other intangible assets                         | 256            | 53             | 264            | 6 000              | 1 000                  | 1 000            | 1 000                 | 1 100          | 1 200          |
| <b>Payments for financial assets</b>                         | <b>224</b>     | <b>91</b>      | <b>59 593</b>  |                    |                        |                  |                       |                |                |
| <b>Total economic classification</b>                         | <b>180 069</b> | <b>197 786</b> | <b>271 476</b> | <b>317 637</b>     | <b>309 110</b>         | <b>309 761</b>   | <b>317 797</b>        | <b>304 576</b> | <b>325 896</b> |



TABLE 9.22: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: TRANSPORT INFRASTRUCTURE

| R thousand  | Outcome        |                |                | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term estimates |                  |                  |
|---|----------------|----------------|----------------|--------------------|------------------------|------------------|-----------------------|------------------|------------------|
|   | 2012/13        | 2013/14        | 2014/15        |                    |                        |                  | 2016/17               | 2017/18          | 2018/19          |
| <b>Current payments</b>   | <b>949 541</b> | <b>906 889</b> | <b>933 081</b> | <b>1 030 642</b>   | <b>1 040 764</b>       | <b>1 043 330</b> | <b>1 296 683</b>      | <b>1 379 704</b> | <b>1 673 353</b> |
| Compensation of employees   | 222 246        | 233 117        | 226 994        | 335 672            | 241 260                | 243 826          | 346 727               | 358 696          | 389 030          |
| Salaries and wages  | 190 819        | 200 759        | 194 190        | 254 839            | 191 727                | 206 449          | 320 322               | 330 739          | 356 689          |
| Social contributions  | 31 427         | 32 358         | 32 804         | 80 833             | 49 533                 | 37 377           | 26 405                | 27 957           | 32 341           |
| Goods and services  | 722 058        | 673 723        | 705 872        | 694 890            | 799 424                | 799 424          | 949 886               | 1 020 948        | 1 284 273        |
| Administrative fees   | 99             | 118            | 260            | 194                | 531                    | 561              | 200                   | 200              | 225              |
| Advertising   | 733            | 3 935          | 3 245          | 8 250              | 5 301                  | 5 733            | 9 290                 | 10 295           | 10 845           |
| Minor assets  | 174            | 48             | 197            | 260                | 320                    | 320              |                       |                  |                  |
| Catering: Departmental activities                                     | 23             | 60             | 87             | 204                | 234                    | 173              | 185                   | 175              | 200              |
| Communication (G&S)   | 1 928          | 2 534          | 39             |                    | 19                     | 19               | 5 800                 | 5 600            | 5 800            |
| Computer services   | 2 063          | 83             | 78             |                    |                        |                  |                       |                  |                  |
| Consultants and professional services: Business and advisory services | 1 996          |                |                | 3 300              | 2 250                  | 1 900            | 4 000                 | 3 000            | 2 000            |
| Consultants and professional services: Infrastructure and planning    | 30 157         | 5 616          | 9 685          | 12 555             | 17 555                 | 17 555           | 18 077                | 16 862           | 20 160           |
| Consultants and professional services: Laboratory services            |                | 175            | 66             | 50                 | 50                     | 138              | 100                   | 120              | 150              |
| Consultants and professional services: Legal costs                    | 1 941          | 6 070          | 5 157          | 6 250              | 6 250                  | 6 162            | 4 400                 | 3 500            | 4 500            |
| Contractors   | 606 940        | 532 570        | 664 270        | 628 431            | 731 205                | 731 205          | 880 434               | 953 809          | 1 211 183        |
| Agency and support / outsourced services                              | 343            |                | 7              |                    |                        |                  |                       |                  |                  |
| Fleet services (including government motor transport)                 | 22 944         | 28 373         | 1 304          | 8 100              | 6 425                  | 6 425            | 5 208                 | 5 220            | 5 835            |
| Inventory: Clothing material and accessories                          |                | 1 595          |                |                    | 150                    | 150              |                       |                  |                  |
| Inventory: Farming supplies   |                |                |                |                    |                        |                  |                       |                  |                  |
| Inventory: Food and food supplies                                     | 6              | 2              |                |                    |                        |                  |                       |                  |                  |
| Inventory: Fuel, oil and gas  | 249            | 145            | 47             |                    | 315                    | 315              |                       |                  |                  |
| Inventory: Materials and supplies                                     | 19 027         | 66 548         | 795            |                    | 500                    | 500              |                       |                  |                  |
| Inventory: Medical supplies   | 4              |                |                |                    |                        |                  |                       |                  |                  |
| Consumable supplies   | 8 131          | 55             | 26             |                    | 1 000                  | 1 000            |                       |                  |                  |
| Consumable: Stationery, printing and office supplies                  | 1 116          | 1 691          | 993            | 1 056              | 1 079                  | 1 229            | 707                   | 707              | 915              |
| Operating leases  | 3 346          |                |                |                    |                        |                  |                       |                  |                  |
| Property payments   | 6 553          | 13 356         | 11 764         | 15 000             | 15 000                 | 15 000           | 9 900                 | 10 380           | 10 850           |
| Travel and subsistence  | 10 286         | 10 124         | 7 681          | 11 070             | 11 070                 | 10 869           | 11 410                | 10 900           | 11 410           |
| Training and development  | 199            | 617            | 168            |                    |                        |                  |                       |                  |                  |
| Operating payments  | 3 795          |                | 3              |                    |                        |                  |                       |                  |                  |
| Venues and facilities   | 5              | 8              |                | 170                | 170                    | 170              | 175                   | 180              | 200              |
| Rental and hiring   |                |                |                |                    |                        |                  |                       |                  |                  |
| Interest and rent on land   | 5 237          | 49             | 215            | 80                 | 80                     | 80               | 70                    | 60               | 50               |
| Interest  | 5 237          | 49             | 215            | 80                 | 80                     |                  | 70                    | 60               | 50               |
| Rent on land  |                |                |                |                    |                        | 80               |                       |                  |                  |
| <b>Transfers and subsidies</b>  | <b>7 888</b>   | <b>3 883</b>   | <b>258 134</b> | <b>5 623</b>       | <b>5 029</b>           | <b>5 029</b>     | <b>6 701</b>          | <b>6 001</b>     | <b>7 780</b>     |
| Provinces and municipalities  | 5 258          | 783            | 1 252          | 2 200              | 1 606                  | 1 606            | 2 500                 | 2 000            | 3 000            |
| Provinces   | 5 258          | 783            |                |                    |                        |                  |                       |                  |                  |
| Provincial Revenue Funds  |                |                |                |                    |                        |                  |                       |                  |                  |
| Provincial agencies and funds   | 5 258          | 783            |                |                    |                        |                  |                       |                  |                  |
| Municipalities  |                |                | 1 252          | 2 200              | 1 606                  | 1 606            | 2 500                 | 2 000            | 3 000            |
| Municipalities  |                |                | 1 252          | 2 200              | 1 606                  | 1 606            | 2 500                 | 2 000            | 3 000            |
| Public corporations and private enterprises                           | 845            |                |                |                    |                        |                  |                       |                  |                  |
| Private enterprises   | 845            |                |                |                    |                        |                  |                       |                  |                  |
| Subsidies on production   |                |                |                |                    |                        |                  |                       |                  |                  |

| R thousand                           | Outcome          |                  |                  | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term estimates |                  |                  |
|--------------------------------------|------------------|------------------|------------------|--------------------|------------------------|------------------|-----------------------|------------------|------------------|
|                                      | 2012/13          | 2013/14          | 2014/15          |                    |                        |                  | 2016/17               | 2017/18          | 2018/19          |
| Other transfers                      | 845              |                  |                  |                    |                        |                  |                       |                  |                  |
| Non-profit institutions              |                  |                  |                  |                    |                        |                  |                       |                  |                  |
| Households                           | 1 785            | 3 100            | 256 882          | 3 423              | 3 423                  | 3 423            | 4 201                 | 4 001            | 4 780            |
| Social benefits                      | - 248            | 3 019            |                  |                    |                        |                  |                       |                  |                  |
| Other transfers to households        | 2 033            | 81               | 256 882          | 3 423              | 3 423                  | 3 423            | 4 201                 | 4 001            | 4 780            |
| <b>Payments for capital assets</b>   | <b>839 220</b>   | <b>748 455</b>   | <b>904 705</b>   | <b>1 223 061</b>   | <b>1 151 892</b>       | <b>1 151 892</b> | <b>1 248 792</b>      | <b>1 334 376</b> | <b>1 164 912</b> |
| Buildings and other fixed structures | 836 565          | 745 047          | 851 823          | 1 182 021          | 1 123 301              | 1 123 301        | 1 241 590             | 1 326 736        | 1 156 522        |
| Buildings                            |                  | 22               |                  |                    |                        |                  |                       |                  |                  |
| Other fixed structures               | 836 565          | 745 025          | 851 823          | 1 182 021          | 1 123 301              | 1 123 301        | 1 241 590             | 1 326 736        | 1 156 522        |
| Machinery and equipment              | 2 210            | 3 140            | 52 882           | 41 040             | 28 591                 | 28 591           | 7 202                 | 7 640            | 8 390            |
| Transport equipment                  |                  |                  | 348              | 40 000             | 24 611                 | 24 961           | 3 472                 | 3 480            | 3 890            |
| Other machinery and equipment        | 2 210            | 3 140            | 52 534           | 1 040              | 3 980                  | 3 630            | 3 730                 | 4 160            | 4 500            |
| Heritage Assets                      |                  |                  |                  |                    |                        |                  |                       |                  |                  |
| Software and other intangible assets | 445              | 268              |                  |                    |                        |                  |                       |                  |                  |
| <b>Payments for financial assets</b> | <b>706</b>       | <b>14 692</b>    | <b>278</b>       |                    |                        | <b>184</b>       |                       |                  |                  |
| <b>Total economic classification</b> | <b>1 797 355</b> | <b>1 673 919</b> | <b>2 096 198</b> | <b>2 259 326</b>   | <b>2 197 685</b>       | <b>2 200 435</b> | <b>2 552 176</b>      | <b>2 720 081</b> | <b>2 846 045</b> |

TABLE 9.23: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: TRANSPORT OPERATIONS

| R thousand  | Outcome       |               |               | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term estimates |               |               |
|---|---------------|---------------|---------------|--------------------|------------------------|------------------|-----------------------|---------------|---------------|
|   | 2012/13       | 2013/14       | 2014/15       |                    |                        |                  | 2016/17               | 2017/18       | 2018/19       |
| <b>Current payments</b>   | <b>59 480</b> | <b>40 151</b> | <b>46 589</b> | <b>76 439</b>      | <b>55 314</b>          | <b>54 370</b>    | <b>64 385</b>         | <b>59 295</b> | <b>62 136</b> |
| Compensation of employees   | 18 383        | 18 604        | 22 103        | 45 689             | 24 564                 | 24 020           | 28 575                | 29 575        | 32 106        |
| Salaries and wages  | 18 089        | 16 211        | 19 224        | 36 136             | 20 511                 | 20 654           | 24 621                | 25 391        | 27 488        |
| Social contributions  | 294           | 2 393         | 2 879         | 9 553              | 4 053                  | 3 366            | 3 954                 | 4 184         | 4 618         |
| Goods and services  | 41 097        | 21 547        | 24 486        | 30 750             | 30 750                 | 30 350           | 35 810                | 29 720        | 30 030        |
| Administrative fees   |               |               |               |                    |                        | 59               |                       |               |               |
| Advertising   | 48            | 244           | 718           | 800                | 800                    | 741              | 900                   | 950           | 1 000         |
| Minor assets  | 6             |               | 8             | 80                 | 80                     | 80               |                       |               |               |
| Catering: Departmental activities                                     |               | 1             |               | 40                 | 40                     | 540              | 50                    | 50            | 60            |
| Communication (G&S)   | 15            | 10            |               |                    |                        |                  | 1 500                 | 1 300         | 1 500         |
| Consultants and professional services: Business and advisory services | 14 028        | 18 805        | 15 624        | 21 000             | 21 000                 | 20 729           | 26 000                | 21 000        | 20 000        |
| Consultants and professional services: Legal costs                    | 25 993        | 720           | 6 930         | 5 000              | 5 000                  | 4 500            | 4 000                 | 3 000         | 4 000         |
| Fleet services (including government motor transport)                 |               | 714           | 248           | 1 500              | 1 500                  | 1 100            | 960                   | 1 020         | 1 020         |
| Inventory: Food and food supplies                                     | 1             |               |               |                    |                        |                  |                       |               |               |
| Inventory: Materials and supplies                                     | 1             | 1             |               |                    |                        |                  |                       |               |               |
| Consumable supplies   |               |               | 2             |                    |                        |                  |                       |               |               |
| Consumable: Stationery, printing and office supplies                  | 83            | 117           | 69            | 400                | 400                    | 400              | 400                   | 400           | 450           |
| Travel and subsistence  | 662           | 902           | 887           | 1 800              | 1 800                  | 2 071            | 1 850                 | 1 850         | 1 850         |
| Training and development  | 260           | 10            |               |                    |                        |                  |                       |               |               |
| Operating payments  |               |               |               |                    |                        |                  |                       |               |               |
| Venues and facilities   |               | 23            |               | 130                | 130                    | 130              | 150                   | 150           | 150           |
| Rental and hiring   |               |               |               |                    |                        |                  |                       |               |               |
| Interest and rent on land   |               |               |               |                    |                        |                  |                       |               |               |
| Interest  |               |               |               |                    |                        |                  |                       |               |               |
| Rent on land  |               |               |               |                    |                        |                  |                       |               |               |

| R thousand                                  | Outcome          |                  |                  | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term estimates |                  |                  |
|---|------------------|------------------|------------------|--------------------|------------------------|------------------|-----------------------|------------------|------------------|
|   | 2012/13          | 2013/14          | 2014/15          |                    |                        |                  | 2016/17               | 2017/18          | 2018/19          |
| <b>Transfers and subsidies</b>              | <b>1 684 051</b> | <b>1 750 999</b> | <b>1 900 024</b> | <b>2 005 168</b>   | <b>2 024 881</b>       | <b>2 024 881</b> | <b>2 186 550</b>      | <b>2 315 665</b> | <b>2 425 696</b> |
| Provinces and municipalities                |                  |                  |                  |                    |                        |                  |                       |                  |                  |
| Public corporations and private enterprises | 1 684 021        | 1 750 973        | 1 900 024        | 2 005 048          | 2 024 761              | 2 024 761        | 2 186 420             | 2 315 535        | 2 425 546        |
| Public corporations                         |                  |                  |                  |                    |                        |                  |                       |                  |                  |
| Subsidies on production                     |                  |                  |                  |                    |                        |                  |                       |                  |                  |
| Other transfers                             |                  |                  |                  |                    |                        |                  |                       |                  |                  |
| Private enterprises                         | 1 684 021        | 1 750 973        | 1 900 024        | 2 005 048          | 2 024 761              | 2 024 761        | 2 186 420             | 2 315 535        | 2 425 546        |
| Subsidies on production                     |                  |                  |                  |                    |                        |                  |                       |                  |                  |
| Other transfers                             | 1 684 021        | 1 750 973        | 1 900 024        | 2 005 048          | 2 024 761              | 2 024 761        | 2 186 420             | 2 315 535        | 2 425 546        |
| Non-profit institutions                     |                  |                  |                  |                    |                        |                  |                       |                  |                  |
| Households                                  | 30               | 26               |                  | 120                | 120                    | 120              | 130                   | 130              | 150              |
| Social benefits                             |                  |                  |                  | 120                | 120                    | 120              | 130                   | 130              | 150              |
| Other transfers to households               | 30               | 26               |                  |                    |                        |                  |                       |                  |                  |
| <b>Payments for capital assets</b>          | <b>64 690</b>    | <b>50 768</b>    | <b>40 056</b>    | <b>104 588</b>     | <b>68 569</b>          | <b>53 871</b>    | <b>47 490</b>         | <b>78 220</b>    | <b>32 615</b>    |
| Buildings and other fixed structures        | 64 591           | 50 768           | 39 012           | 104 268            | 68 249                 | 53 151           | 45 850                | 76 340           | 30 635           |
| Buildings                                   |                  |                  |                  |                    |                        |                  |                       |                  |                  |
| Other fixed structures                      | 64 591           | 50 768           | 39 012           | 104 268            | 68 249                 | 53 151           | 45 850                | 76 340           | 30 635           |
| Machinery and equipment                     | 99               |                  | 1 044            | 320                | 320                    | 720              | 1 640                 | 1 880            | 1 980            |
| Transport equipment                         |                  |                  | 464              |                    |                        | 400              | 640                   | 680              | 680              |
| Other machinery and equipment               | 99               |                  | 580              | 320                | 320                    | 320              | 1 000                 | 1 200            | 1 300            |
| Heritage Assets                             |                  |                  |                  |                    |                        |                  |                       |                  |                  |
| Software and other intangible assets        |                  |                  |                  |                    |                        |                  |                       |                  |                  |
| <b>Payments for financial assets</b>        | <b>17</b>        | <b>5 448</b>     |                  |                    |                        |                  |                       |                  |                  |
| <b>Total economic classification</b>        | <b>1 808 238</b> | <b>1 847 366</b> | <b>1 986 669</b> | <b>2 186 195</b>   | <b>2 148 764</b>       | <b>2 133 122</b> | <b>2 298 425</b>      | <b>2 453 180</b> | <b>2 520 447</b> |

TABLE 9.24: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: TRANSPORT REGULATION

| R thousand  | Outcome        |                |                | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term estimates |                |                |
|---|----------------|----------------|----------------|--------------------|------------------------|------------------|-----------------------|----------------|----------------|
|   | 2012/13        | 2013/14        | 2014/15        |                    |                        |                  | 2016/17               | 2017/18        | 2018/19        |
| <b>Current payments</b>   | <b>154 879</b> | <b>182 379</b> | <b>156 153</b> | <b>218 203</b>     | <b>192 203</b>         | <b>187 307</b>   | <b>163 728</b>        | <b>154 500</b> | <b>178 932</b> |
| Compensation of employees   | 89 628         | 105 672        | 115 293        | 160 149            | 140 149                | 135 253          | 94 476                | 94 765         | 108 050        |
| Salaries and wages  | 81 839         | 91 690         | 99 408         | 123 390            | 103 390                | 116 276          | 79 972                | 80 257         | 92 015         |
| Social contributions  | 7 789          | 13 982         | 15 885         | 36 759             | 36 759                 | 18 977           | 14 504                | 14 508         | 16 035         |
| Goods and services  | 65 121         | 76 425         | 40 857         | 57 764             | 51 764                 | 51 764           | 69 052                | 59 555         | 70 732         |
| Administrative fees   |                |                | 16             | 14                 | 31                     | 31               | 16                    | 16             | 20             |
| Advertising   | 572            | 1 469          | 509            | 2 300              | 1 950                  | 1 553            | 2 400                 | 2 400          | 2 600          |
| Minor assets  | 295            | 138            | 514            | 270                | 253                    | 270              |                       |                |                |
| Catering: Departmental activities                                     | 89             | 99             | 10             | 200                | 200                    | 237              | 100                   | 100            | 100            |
| Communication (G&S)   | 830            | 1 073          | 24             | 1 100              | 450                    | 450              | 4 300                 | 4 100          | 4 300          |
| Computer services   | 281            | 5 048          | 466            | 14 300             | 800                    | 800              | 10 400                | 2 400          | 4 000          |
| Consultants and professional services: Business and advisory services | 24 040         | 21 074         | 1 659          | 2 000              | 8 900                  | 1 987            |                       |                |                |
| Consultants and professional services: Infrastructure and planning    | 162            |                |                |                    |                        |                  |                       |                |                |
| Consultants and professional services: Legal costs                    | 397            | 1 126          | 1 461          | 1 800              | 1 500                  | 713              | 2 000                 | 2 000          | 2 000          |
| Contractors   | 436            | 2 383          | 984            | 1 500              | 1 500                  | 7 500            | 2 518                 | 2 820          | 2 820          |

| R thousand  | Outcome        |                |                | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term estimates |                |                |
|---|----------------|----------------|----------------|--------------------|------------------------|------------------|-----------------------|----------------|----------------|
|   | 2012/13        | 2013/14        | 2014/15        |                    |                        |                  | 2016/17               | 2017/18        | 2018/19        |
| Agency and support / outsourced services              | 306            | 260            | 224            | 2 500              | 2 500                  | 2 500            | 2 000                 | 2 140          | 2 140          |
| Entertainment   | 1              |                |                |                    |                        |                  |                       |                |                |
| Fleet services (including government motor transport) | 155            | 7 910          | 5 732          | 4 780              | 3 180                  | 3 180            | 4 060                 | 3 854          | 4 274          |
| Housing   |                |                |                |                    |                        |                  |                       |                |                |
| Inventory: Clothing material and accessories          |                |                | 23             |                    |                        |                  |                       |                |                |
| Inventory: Food and food supplies                     | 5              | 5              |                |                    |                        |                  |                       |                |                |
| Inventory: Materials and supplies                     | 23             | 196            | 36             |                    |                        |                  |                       |                |                |
| Inventory: Other supplies                             |                |                |                |                    |                        |                  | 14 300                | 11 700         | 16 600         |
| Consumable supplies                                   |                | 343            | 344            |                    | 300                    | 300              |                       |                |                |
| Consumable: Stationery, printing and office supplies  | 11 551         | 10 889         | 13 034         | 10 100             | 13 300                 | 14 768           | 2 200                 | 2 100          | 2 600          |
| Operating leases                                      | 11 733         | 6 079          | 7 919          | 10 900             | 10 900                 | 10 900           | 19 030                | 19 795         | 23 148         |
| Property payments                                     | 8 663          | 17 118         | 6 044          | 4 100              | 4 100                  | 4 546            | 4 018                 | 4 420          | 4 420          |
| Travel and subsistence                                | 747            | 939            | 844            | 1 650              | 1 650                  | 1 723            | 1 560                 | 1 560          | 1 560          |
| Training and development                              | 465            | 62             |                |                    |                        |                  |                       |                |                |
| Operating payments                                    | 4 355          | 151            | 61             |                    |                        | 56               |                       |                |                |
| Venues and facilities                                 | 15             | 63             | 953            | 250                | 250                    | 250              | 150                   | 150            | 150            |
| Rental and hiring                                     |                |                |                |                    |                        |                  |                       |                |                |
| Interest and rent on land                             | 130            | 282            | 3              | 290                | 290                    | 290              | 200                   | 180            | 150            |
| Interest  | 130            | 282            | 1              | 290                | 290                    |                  | 200                   | 180            | 150            |
| Rent on land  |                |                | 2              |                    |                        | 290              |                       |                |                |
| <b>Transfers and subsidies</b>                        | <b>552</b>     | <b>185</b>     | <b>528</b>     | <b>60</b>          | <b>60</b>              | <b>541</b>       | <b>62</b>             | <b>65</b>      | <b>70</b>      |
| Provinces and municipalities                          | 12             |                |                |                    |                        |                  |                       |                |                |
| Provinces   | 12             |                |                |                    |                        |                  |                       |                |                |
| Provincial Revenue Funds                              | 12             |                |                |                    |                        |                  |                       |                |                |
| Non-profit institutions                               |                |                |                |                    |                        |                  |                       |                |                |
| Households  | 540            | 185            | 528            | 60                 | 60                     | 541              | 62                    | 65             | 70             |
| Social benefits                                       | 120            |                |                |                    |                        | 84               |                       |                |                |
| Other transfers to households                         | 420            | 185            | 528            | 60                 | 60                     | 457              | 62                    | 65             | 70             |
| <b>Payments for capital assets</b>                    | <b>24 979</b>  | <b>39 573</b>  | <b>49 303</b>  | <b>63 080</b>      | <b>72 328</b>          | <b>72 474</b>    | <b>135 427</b>        | <b>78 745</b>  | <b>117 512</b> |
| Buildings and other fixed structures                  | 17 650         | 36 483         | 47 548         | 59 200             | 62 448                 | 62 448           | 126 521               | 69 826         | 106 640        |
| Buildings   | 17 650         | 36 483         | 47 548         | 59 200             | 62 448                 | 62 448           | 126 521               | 69 826         | 106 640        |
| Other fixed structures                                | 3 469          | 2 318          | 1 755          | 2 080              | 7 780                  | 7 926            | 7 106                 | 7 119          | 9 072          |
| Machinery and equipment                               |                |                | 1 037          |                    |                        | 5 838            | 1 240                 | 1 000          | 1 280          |
| Transport equipment                                   | 3 469          | 2 318          | 718            | 2 080              | 7 780                  | 2 088            | 5 866                 | 6 119          | 7 792          |
| Other machinery and equipment                         |                |                |                |                    |                        |                  |                       |                |                |
| Heritage Assets                                       |                |                |                |                    |                        |                  |                       |                |                |
| Software and other intangible assets                  | 3 860          | 772            |                | 1 800              | 2 100                  | 2 100            | 1 800                 | 1 800          | 1 800          |
| <b>Payments for financial assets</b>                  | <b>123</b>     | <b>23</b>      | <b>9</b>       |                    |                        |                  |                       |                |                |
| <b>Total economic classification</b>                  | <b>180 533</b> | <b>222 160</b> | <b>205 993</b> | <b>281 343</b>     | <b>264 591</b>         | <b>260 322</b>   | <b>299 217</b>        | <b>233 310</b> | <b>296 514</b> |

TABLE 9.25: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: GAUTRAIN

| R thousand                                   | Outcome   |           |           | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term estimates |           |           |
|--|-----------|-----------|-----------|--------------------|------------------------|------------------|-----------------------|-----------|-----------|
|  | 2012/13   | 2013/14   | 2014/15   |                    |                        |                  | 2016/17               | 2017/18   | 2018/19   |
| <b>Current payments</b>                      |           |           |           |                    |                        |                  |                       |           |           |
| Compensation of employees                    |           |           |           |                    |                        |                  |                       |           |           |
| Salaries and wages                           |           |           |           |                    |                        |                  |                       |           |           |
| Social contributions                         |           |           |           |                    |                        |                  |                       |           |           |
| Goods and services                           |           |           |           |                    |                        |                  |                       |           |           |
| Administrative fees                          |           |           |           |                    |                        |                  |                       |           |           |
| Rental and hiring                            |           |           |           |                    |                        |                  |                       |           |           |
| Interest and rent on land                    |           |           |           |                    |                        |                  |                       |           |           |
| Interest                                     |           |           |           |                    |                        |                  |                       |           |           |
| Rent on land                                 |           |           |           |                    |                        |                  |                       |           |           |
| <b>Transfers and subsidies</b>               | 1 598 711 | 1 424 943 | 1 311 748 | 1 561 451          | 1 561 451              | 1 561 451        | 1 832 089             | 1 923 694 | 2 035 268 |
| Provinces and municipalities                 |           |           |           |                    |                        |                  |                       |           |           |
| Municipal agencies and funds                 |           |           |           |                    |                        |                  |                       |           |           |
| Departmental agencies and accounts           | 1 598 711 | 1 424 943 | 1 311 748 | 1 561 451          | 1 561 451              | 1 561 451        | 1 832 089             | 1 923 694 | 2 035 268 |
| Social security funds                        |           |           |           |                    |                        |                  |                       |           |           |
| Provide list of entities receiving transfers | 1 598 711 | 1 424 943 | 1 311 748 | 1 561 451          | 1 561 451              | 1 561 451        | 1 832 089             | 1 923 694 | 2 035 268 |
| Higher education institutions                |           |           |           |                    |                        |                  |                       |           |           |
| Other transfers to households                |           |           |           |                    |                        |                  |                       |           |           |
| <b>Payments for capital assets</b>           |           |           |           |                    |                        |                  |                       |           |           |
| Buildings and other fixed structures         |           |           |           |                    |                        |                  |                       |           |           |
| Software and other intangible assets         |           |           |           |                    |                        |                  |                       |           |           |
| <b>Payments for financial assets</b>         |           |           |           |                    |                        |                  |                       |           |           |
| <b>Total economic classification</b>         | 1 598 711 | 1 424 943 | 1 311 748 | 1 561 451          | 1 561 451              | 1 561 451        | 1 832 089             | 1 923 694 | 2 035 268 |

