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Estimates of Provincial Revenue and Expenditure

Vote 1: Office of the Premier

Vote 2: Provincial Legislature

Vote 3: Department of Transport, Safety and Liaison

Vote 4: Department of Education

Vote 5: Department of Roads and Public Works

Vote 6: Department of Economic Development and Tourism

Vote 7: Department of Sports, Arts and Culture

Vote 8: Provincial Treasury

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

Vote 10: Department of Health

Vote 11: Department of Social Development

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

Vote 13: Department of Environment and Nature Conservation

Acronyms

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

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

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

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

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

SALGA	South African Local Government Association
SANAS	South African National Accreditation System
SANCB	South African National Council for the Blind
SAPS	South African Police Services
SARCC	South African Rail Commuter Corporation
SARS	South African Revenue Services
SASSA	South African Social Security Agency
SAWs	Social Auxiliary Workers
SCM	Supply Chain Management
SCOA	Standard Chart of Accounts
SDFs	Spatial Development Frameworks
SETA	Sector Education Training Authority
SEZ	Special Economic Zone
SGB	School Governing Bodies
SIOC	Sishen Iron Ore Community Trust
SIP	Strategic Infrastructure Projects
SITA	State Information Technology Agency
SMME	Small Medium and Micro Enterprise
SMS	Senior Management Service
SMT	School Management Teams
SOEs	State Owned Enterprises
SONA	State of the Nation Address
SOPA	State of the Province Address
SPV	Special Purpose Vehicles
STI	Sexually transmitted infection
TB	Tuberculosis
TCF	Technical Committee on Finance
TIPS	Trade and Industry Policy Service
UISP	Informal Settlement Programme
UPFS	Uniform Patient Fee Schedules
URP	Urban Renewal Programme
URS	User Requirement Statement
VIP	Ventilation Improved Pit

FOREWORD

The 2016 budget framework is underpinned by government's commitment towards fiscal consolidation which has seen the provincial equitable share reducing over the medium term.

This has meant that the province had to intensify fiscal interventions in the form of cost cutting measures especially in goods and services procured by government to curtail expenditure in non-core items, whilst at the same time protecting social sector investment.

The province's debt situation has improved considerably and as a result, resources that have been previously put aside to redeem our debt will be directed towards service delivery imperatives as we gradually reduce our debt obligations through the debt redemption strategy. We are extremely mindful towards our commitment to maintain the expenditure ceiling and therefore all our priorities will be accommodated within current available resources.

The cost containment signals provincial government's stance on prudent financial management and to this extent, Provincial Treasury has further refined cost containment measures and departments and public entities must ensure total enforcement of these measures. However, we cannot cannibalise goods and services only as we need a more holistic approach to maintain our fiscal balance.

Our budget strategies are not only premised around maintaining the expenditure ceiling, but we need to manage personnel numbers in the system as this represent the largest single category of government's expenditure. The current measures around personnel will ensure that we find a balance between frontline service delivery staff and administrative staff as the former is more critical in enhancing service delivery. The individual's right to work has been regarded as sacrosanct for a long time despite low productive levels.

Departments have been directed to do thorough assessments of their staff establishments and propose solid recommendations including placing personnel correctly to ensure productivity. The Provincial Treasury and Office of the Premier will collaborate closely in this regard and this process will result in a comprehensive human resource plan for the province.

The spending plans included in this budget framework culminated from a consultative and transparent process and the need to continuously reprioritise and realign spending becomes paramount against a backdrop of the prevailing tough economic conditions. The environment will become tough before getting better. We however, remain confident that these spending plans will respond effectively to our current challenges and translate into the betterment of all our people in the province.

MN. Jack

MEC for Finance, Economic Development & Tourism

Overview of Provincial Revenue and Expenditure

8 March 2016

1 Socio-Economic Outlook

1.1 Demography

Table 1.1 below shows the population distribution between the districts for 2014.

Table 1.1: Population Size and Distribution Between Districts, 2014

Districts	Total Population	Percentage
Namakwa DM	115 952	9.95%
Pixley ka Seme DM	188 901	16.22%
Z F Mgcawu DM	240 194	20.62%
Frances Baard DM	390 898	33.55%
John Taolo Gaetsewe DM	229 031	19.66%
Northern Cape	1 164 976	100.00%

Source: Global Insight 2016 [Version 832(2.5q)]

The Frances Baard District Municipality continues to have the largest population share at 33.55 per cent, followed by ZF Mgcawu at 20.62 per cent, while Namakwa had the smallest share at 9.95 per cent.

Table 1.2 below shows the population profile of the Northern Cape in terms of race, gender, number of households as well as average number of people per households.

Table 1.2: Population Profile for the Northern Cape by Race and Gender, 2004 and 2014

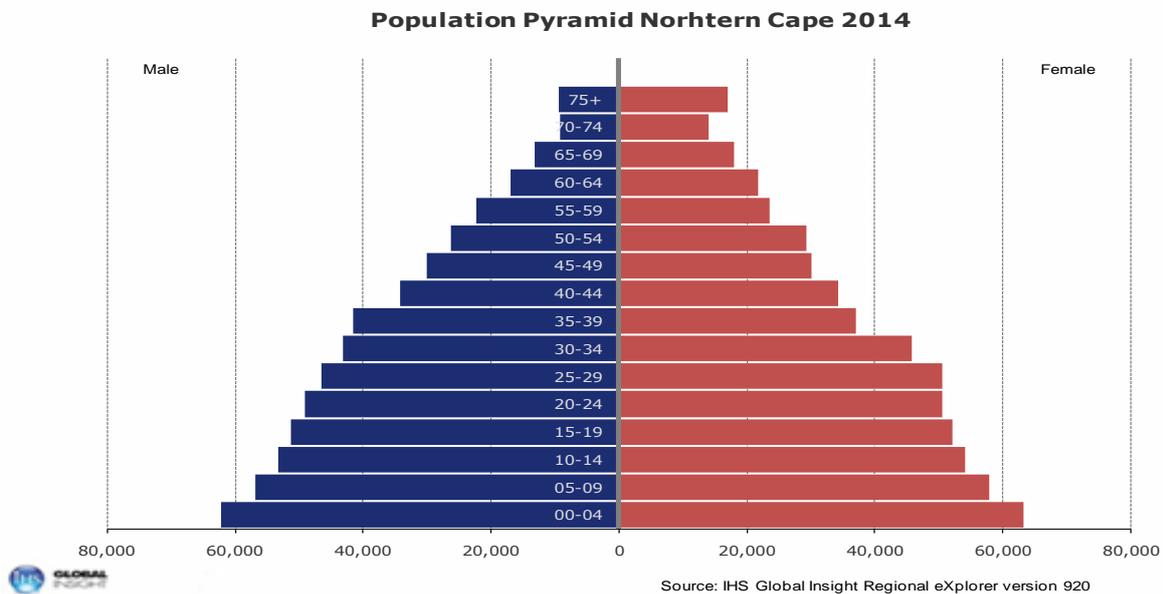
	Total Population		HOUSEHOLDS	
	Northern Cape	South Africa	Number of Households	Average Number of People per Household
2004	1 031 110	47 071 080	280 643	3.67
2014	1 164 976	53 781 908	324 494	3.59
% change	1.22	1.34		
TOTAL POPULATION BY RACE AND GENDER				
	Race	Male	Female	Total
2014	African	294 948	315 990	610 938
	White	38 065	40 127	78 192
	Coloured	227 185	241 311	468 497
	Asian	4 112	3 238	7 350
	Total	564 310	600 666	1 164 976

Source: Global Insight 2016 [Version 832(2.5q)]

The people residing in the province is predominantly African at 610 938, followed by Coloureds at 468 497. Asians were the minority in the province at only 7 350. There are generally more females than males in the province, with 600 666 females compared to 564 310 males in 2014. The average number of people per household decreased from 3.67 in 2004 to 3.59 in 2014.

Figure 1.1 below illustrates the population pyramid of the Northern Cape for 2014.

Figure 1.1: Population Pyramid Northern Cape, 2014

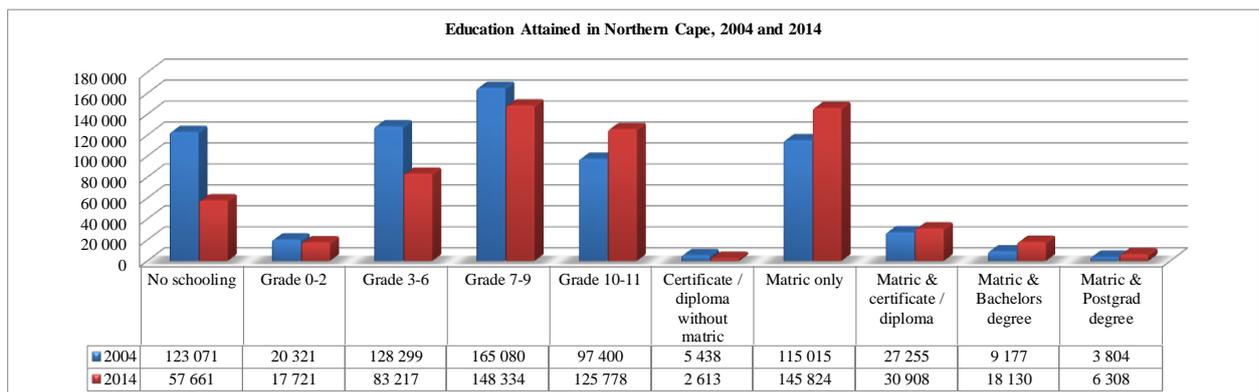


Source: Global Insight, 2016 [Version 832(2.5q)]

The population pyramid above shows the characteristics of an expansive pyramid with a broad base, which represents a high proportion of children and a low proportion of older people. The age cohort 00-04 had the largest population size while 70-74 age cohort had the smallest. The pyramid being slightly skewed to the right is an indication that there are more females than males in the province.

Figure 1.2 below depicts the levels of education attained in the Northern Cape for 2004 and 2014.

Figure 1.2: Education Attained in Northern Cape, 2004 and 2014



Source: Global Insight, 2016 [Version 832(2.5q)]

The number of people with no schooling declined from 123 071 in 2004 to 57 661 in 2014. The province also recorded a decline in those that obtained grades 0 to 2, 3 to 6, and 7 to 9. The number of people with a certificate or diploma without matric declined from 5 438 in 2004 to 2 613 in 2014. The number of people who obtained matric only, matric and certificate or diploma, bachelor degree and postgraduate degree increased for the period under review.

Table 1.3 below, shows the number of households with and without access to basic services in the province for 2004 and 2014.

Table 1.3: Number of Households With and Without Access to Basic Services for Northern Cape, 2004-2014

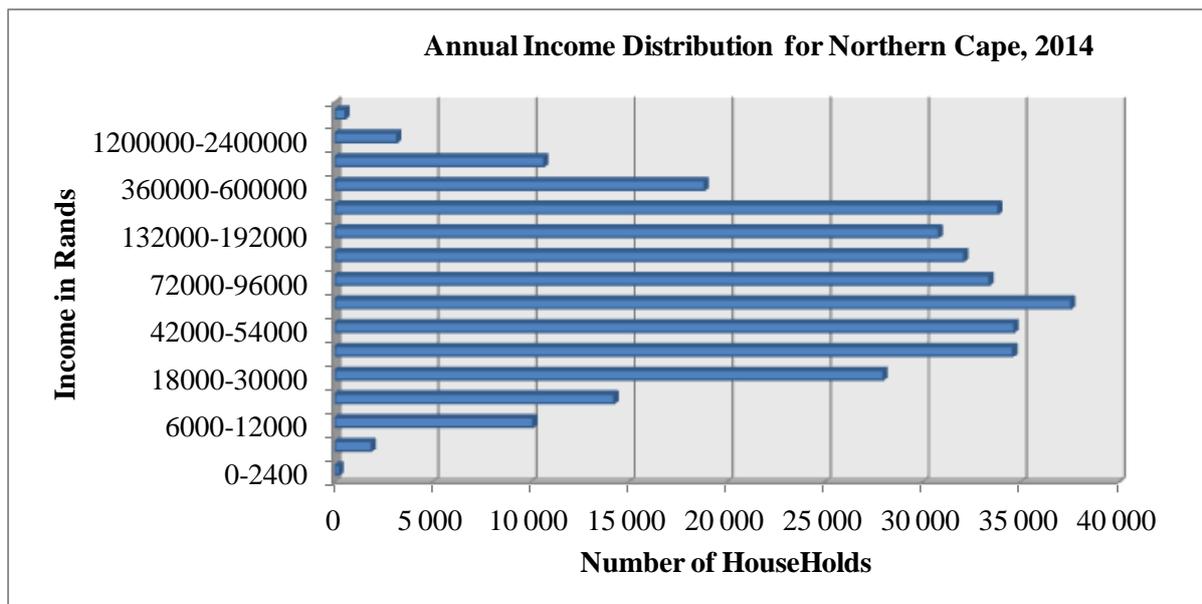
Basic Services	2004		2014	
	Households with Access	Households without Access	Households with Access	Households without Access
Electricity	280 643	57 258	324 494	36 199
Flush Toilets	203 167	25 605	232 668	25 606
Piped Water	205 171	11 779	234 682	22 959
Refuse Removal	266 201	14 442	309 297	15 197

Source: Global Insight, 2015, [Version 832(2.5q)]

The number of households in the province with access to flush toilets, piped water, refuse removal and electricity increased between 2004 and 2014. The number of households with no access to electricity decreased, while the number of households without access to piped water and refuse removal increased between 2004 and 2014.

Figure 1.3 below provides the annual income distribution for the Northern Cape for 2014.

Figure 1.3: Annual Income Distribution for Northern Cape, 2014



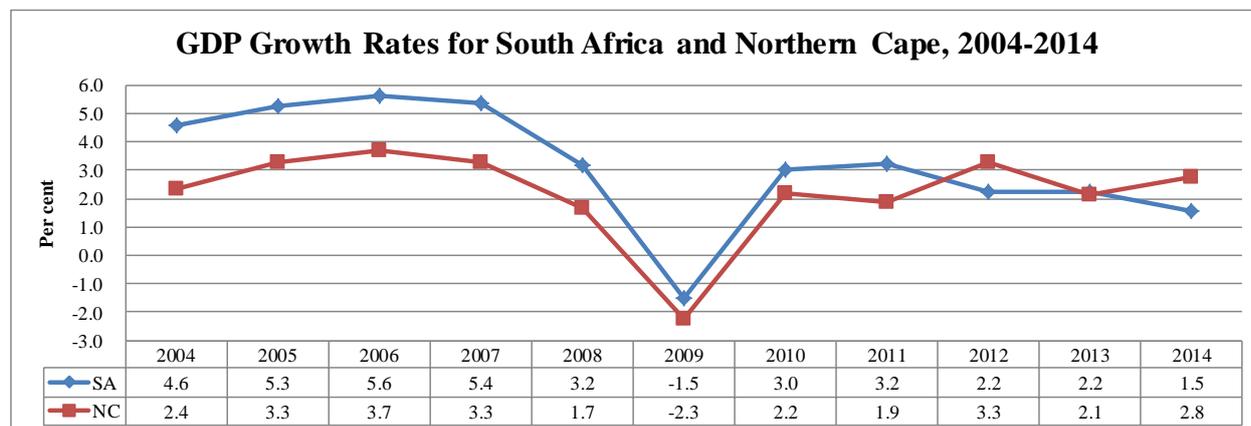
Source: Global Insight, 2016 [Version 832(2.5q)]

The distribution of income within the province is uneven. Households earning between R54 000 and R72 000 per annum were the most at 11.6 per cent, followed by those earning between R30 000 and R42 000 and those earning between R42 000 and R54 000 at 10.7 per cent each. Only 0.1 per cent of households earned between R0 and R2 400; and only 1.0 percent of households in the province eared between R1 200 000 and R2 400 000.

1.2 Economic Indicators

Figure 1.4 below compares the growth in GDP of the province with that of the country between 2004 and 2014.

Figure 1.4: GDP Growth Rates for South Africa and Northern Cape, 2004-2014



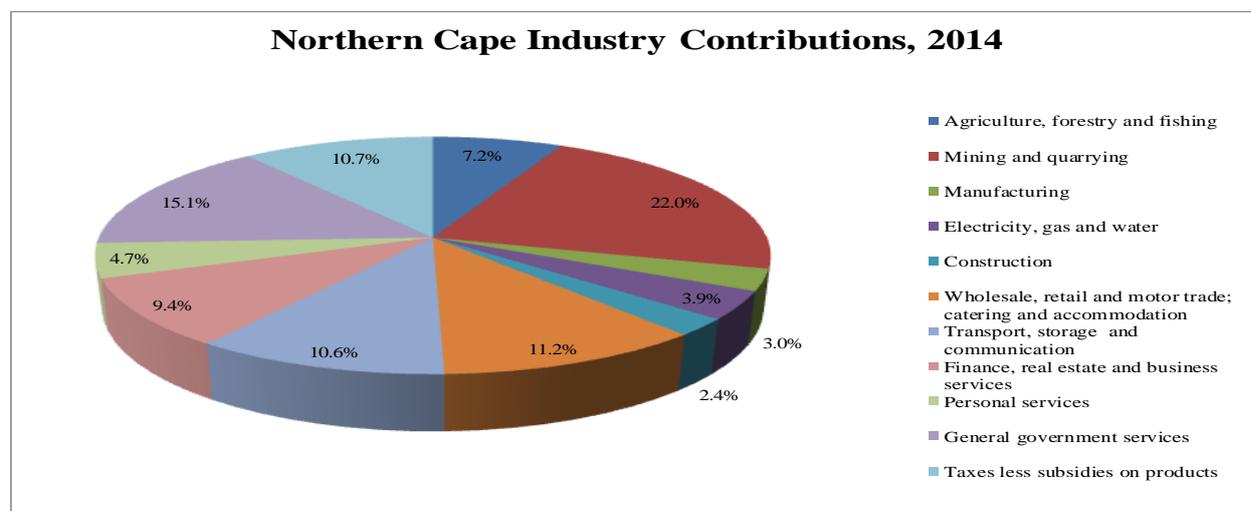
Constant 2010 prices

Source: Stats SA P0441 4th Quarter, 2015

The economic growth of South Africa and the Northern Cape followed the same general trend from 2004 to 2010. Both the national and provincial economies experienced their highest growth levels in 2006 at 5.6 and 3.7 per cent respectively. In the years under review, the national GDP growth rate consistently outperformed that of the Northern Cape, except for 2012 and 2014 which saw the Northern Cape's growth rate exceeding that of the nation by 1.1 and 1.3 percentage points respectively.

Figure 1.5 below shows the distribution of the provincial economy by industry contributions.

Figure 1.5: Northern Cape Industry Contributions, 2014



Source: Global Insight, 2015 [Version 920 (2.5q)]

The structure of the Northern Cape economy has remained largely unchanged in the past decade, with the tertiary sector making the largest contribution to the economy followed by the primary and the secondary sectors. The mining and quarrying industry was the single largest contributor to the economy at 22.0 per cent, followed by general government services at 15.1 per cent. The construction industry contributed least at 2.4 per cent.

1.3 Labour Status

Table 1.4 below shows the labour market status for the Northern Cape for quarter 4 of 2014, quarter 3 of 2015 and quarter 4 of 2015.

Table 1.4: Labour Market Status for Northern Cape, 2014 Q4, 2015 Q3 and 2015 Q4

Labour Market	Total ('000)			Rate (%)		
	2014 Q4	2015 Q3	2015 Q4	2014 Q4	2015 Q3	2015 Q4
Employed	320	302	312	71.3	65.2	74.2
Unemployed	129	161	108	28.7	34.8	25.8
Economically active	450	464	420	59.1	60.4	54.5
Not economically active	312	305	351	40.9	39.6	45.5
Working age population (15-64)	761	768	771	100.0	100.0	100.0

Source: StatsSA P0211 4th Quarter, 2015

There were 8 000 jobs shed between quarter 4 of 2014 and quarter 4 of 2015. On a quarter-to-quarter basis, there were however 10 000 jobs gained between quarter 3 and quarter 4 of 2015. The number of unemployed people decreased from 161 000 in quarter 3 of 2015 to 108 000 in quarter 4 of 2015. There was also a reduction in the provincial labour force. This could be the result of increased discouraged work seekers. After an alarming unemployment rate of 34.8 per cent in quarter 3 of 2015, the rate of unemployment declined to 25.8 per cent in the following quarter.

Table 1.5 below shows employment by industry for the Northern Cape for quarter 4 of 2014 and quarters 3 and 4 of 2015.

Table 1.5: Employment by Industry for Northern Cape, 2014 Q4, 2015 Q3 and 2015 Q4

Industry	2014 Q4		2015 Q3		2015 Q4	
	Number ('000)	% Share	Number ('000)	% Share	Number ('000)	% Share
Primary	80	25.1	56	18.5	65	20.9
Agriculture	60	18.8	34	11.3	43	13.8
Mining	20	6.3	22	7.3	22	7.1
Secondary	42	13.2	49	16.2	49	15.8
Manufacturing	11	3.4	10	3.3	13	4.2
Utilities	2	0.6	3	1.0	3	1.0
Construction	29	9.1	36	11.9	33	10.6
Tertiary	197	61.8	197	65.2	197	63.3
Trade	47	14.7	53	17.5	46	14.8
Transport	7	2.2	10	3.3	10	3.2
Finance	20	6.3	17	5.6	19	6.1
Community and social services	92	28.8	92	30.5	96	30.9
Private Households	31	9.7	25	8.3	26	8.4
Total	319	100.0	302	100.0	311	100.0

Source: StatsSA P0211 4th Quarter, 2015

The tertiary sector had the largest number of workers with most of them coming from the community and social services industry in quarter 4 of 2014 and quarters 3 and 4 of 2015. The secondary sector recorded the smallest number of workers for the period under study. The primary sector was the only sector that experienced an increase in the employment percentage share from 18.5 per cent in quarter 3 of 2015 to 20.9 per cent in quarter 4 of 2015. Between quarter 4 of 2014 and quarter 4 of 2015 jobs were lost in the agriculture, trade, finance and private households industries, while the other industries experienced increased employment. The largest number of jobs were lost in the agriculture industry at 17 000.

2. Budget strategy and aggregates

2.1 Introduction

The provincial equitable share continues to reduce over the 2016 MTEF; this has a negative effect in the provincial fiscal framework and as a result affects service delivery in general. Over the 2016 MTEF the equitable share was reduced as a result of new data updates, as well as a general baseline reduction effected as a result of fiscal consolidation to maintain expenditure ceiling.

These reductions in the equitable share amount to R434 million over the 2016 MTEF period. Because of the fiscal discipline that the province has maintained over the years, the said reductions were contained to a large extent within budget framework and no department was affected by this budget cut.

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

2.2 Aligning provincial budgets to achieve government's prescribed outcomes

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

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

2.3 Summary of Budget Aggregates

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

Table 1.6: Provincial budget summary

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
Provincial receipts									
Transfer receipts from national	11 285 606	13 110 621	13 027 945	13 803 138	13 974 067	13 974 067	14 613 214	15 516 214	16 467 353
Equitable Share	8 226 003	9 591 623	9 620 463	10 137 746	10 225 645	10 225 645	10 862 660	11 733 116	12 421 596
Conditional grants	3 059 603	3 518 998	3 407 482	3 665 392	3 748 422	3 748 422	3 750 554	3 783 098	4 045 757
Provincial own receipts	269 908	283 011	295 685	340 960	303 208	303 208	314 532	332 296	351 303
Total Provincial receipts	11 555 514	13 393 632	13 323 630	14 144 098	14 277 275	14 277 275	14 927 746	15 848 510	16 818 655
Provincial Payments									
Current payments	8 341 963	9 723 577	9 723 577	11 277 467	11 563 322	11 615 455	11 925 529	12 569 829	13 329 329
Transfers and subsidies	1 364 942	1 716 178	1 716 178	1 501 167	1 558 829	1 578 100	1 549 079	1 614 102	1 710 044
Payments for capital assets	1 418 285	1 620 662	1 620 662	1 381 892	1 453 906	1 472 330	1 375 232	1 200 276	1 295 751
Payments for financial assets	3 304	3 304	3 304	343	455	445	354	180	180
Unallocated contingency reserves	-	-	-	-	-	-	-	-	-
Total Provincial Payments	11 128 493	13 063 721	13 063 721	14 160 867	14 576 512	14 666 330	14 850 192	15 384 386	16 335 301
Surplus/(deficit) before financing	427 021	329 911	259 909	(16 769)	(299 237)	(389 055)	77 554	464 124	483 355
Financing									
Provincial roll-overs	101 089	77 667	75 884	-	57 519	-	-	-	-
Other (specify)	181 251	234 538	93 616	131 862	287 631	-	64 000	-	-
Other (specify)	-	-	-	-	-	-	-	-	-
Surplus/(deficit) after financing	709 361	642 116	429 409	115 093	45 913	(389 055)	141 554	464 124	483 355

The Northern Cape equitable share allocation for the 2016/17 financial year has increased by 6.2 per cent to R10.863 billion. Conditional grants have increased by 0.08 per cent to R3.751 billion compared to the revised estimates. The revenue generated within the province shows an increase of 4 per cent to R314.532 million from a revised estimate of R303.208 million.

The total provincial receipts amount to R14.928 billion in the 2016/17 financial year. The two outer medium term years increase to R15.848 billion and R16.818 billion respectively. The remaining surpluses after factoring out provincial payments, amounts to R141.554 million in 2016/17, R464.123 million in 2017/18 and R483.355 million in 2018/19.

Financing

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

Surplus

The province has in total budgeted for a surplus amounting to R1 billion over the 2016 MTEF. In the 2016/17 financial year, an amount of R130 million is set aside for the Debt Redemption Strategy, which increases to over R250 million in the two outer years of the MTEF. The net surplus after factoring out the debt redemption amounts to R443 million over the MTEF period. R30 million is earmarked for Operation Khotso Pula Nala in relation to townships revitalisation projects, R82 million is earmarked for other provincial priorities and an amount of R307 million remains unallocated in respect of the shortfall on the improvements on conditions of service from the 2015 wage agreement.

3 Budget Process and the Medium-Term Expenditure Framework

The 2016 MTEF budget continues to be informed by weak economic growth in the South African economy, with forecast for growth further revised downwards since the 2015 Medium Term Budget Policy Statement (MTBPS). In addition a number of new priorities have arisen which have once more resulted in a reduction of the provincial equitable share over the medium term.

The budget provides for total expenditure of R14.8 billion in 2016/17 rising to R15.8 billion and R16.3 billion in 2017/18 and 2018/19 financial years respectively. The receipts increase from R14.9 billion in 2016/17 and rising to R15.8 billion and R16.8 billion in the 2017/18 and 2018/19 financial years respectively. Conditional grants also increase from R3.7 billion in 2016/17 and rise to R4 billion in the outer year of the MTEF.

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

Municipal Finance Management Budget Process Highlights

Effective financial management can help municipalities to transform their local areas into a better place to live and work. Most councillors and members of the community know what municipal services they would like to have in their area. This dream of the ideal community is known as a "vision" for the municipality.

One of a councillor's greatest responsibilities is approving and regularly monitoring a municipality's budget that provides money to implement the visions. This work should be done in consultation and co-operation with the ward committee. The community should be involved as much as possible in deciding what should be the spending priorities for the area they live in. Ward councillors and ward committees should report to ward meetings about the broad budget plans and consult the residents about programmes and projects that will affect them.

Without funds to implement the policies, councillors will not be able to "make a difference" or serve their communities well. Effective financial management ensures that there are funds available to implement council policies. This is a great responsibility as municipalities are responsible for managing large amounts of money and delivering services that affect people's lives every day. Councillors, committee members and officials all have a duty to ensure that these monies are managed carefully, transparently and honestly.

Good financial management is the key to local delivery – local activists and ward committee members should understand municipal finance and budgets so that they can engage councillors on the bigger debates about spending and development priorities.

Municipalities are expected in terms of the law, to approve the schedule of key deadlines. This documents outlines the municipality's budget process until the approval.

The financial year of South African municipalities runs from 1 July of each year to 30 June the following year. Municipalities must prepare budgets for each financial year. Council must approve these budgets before the new financial year begins, after proper planning and consultation with ward committees and other stakeholder groups in the area. For example, the budget for the financial year beginning in July 2016 must be approved before the end of June 2016. The draft budget should be

ready and tabled before council at least 90 days (that is around end of March) before the start of the new financial year so that it can be used for consultation.

The approval of the budget is one of the most important tasks undertaken by councillors, after consultation with ward committees and other stakeholders.

Ward committees should carefully look at the parts of the budget that affect the people in their area. Ward councillors can also call ward meetings to discuss the budget. If your organisation is affected by the municipal budget and plans, invite a councillor to come and discuss the budget and plans with you. All members of the community also have the right to observe the special council meeting at which the budget is debated and voted on.

4 Receipts

4.1 Overall position

Fiscal policy ensures the health of public finances by applying the principles of counter-cyclicality, debt sustainability and intergenerational fairness. The 2016/17 MTEF budget is prepared in a challenging environment, as the weak economic growth in the SA economy continues. Domestically, low levels of business confidence, slow growth in both consumption and investment spending, and disruptions to business activity through labour strikes and electricity supply constraints present a challenging growth environment.

The protracted weakness in the South African economy is evident in the downward revisions to the GDP forecasts. The economic outlook has directly affected fiscal policy and the overall funding envelope available to the province.

The 2016 National Budget implements the commitment to narrow the budget deficit, stabilise debt and begin to rebuild fiscal space. This is achieved through a combination of a lower expenditure ceiling and higher taxes. The 2016 National Budget proposals reduce the growth in baseline expenditure nationally over the MTEF and translates into the reduction in the rate of growth in the Provincial Equitable Share and selected conditional grants. Both at a national and provincial level, government continues to allocate resources to core social and economic priorities.

To achieve its developmental mandate, government requires sufficient tax revenue, which is derived directly from economic activity. In response to the global economic downturn, government needs to tighten the revenue monitoring techniques to enhance revenue collection.

Government will continue to focus on value for money, shifting resources from consumption towards infrastructure investment, and support for economic competitiveness. Despite consistent growth in public spending over the past decade, rising budget allocations have not been matched by a commensurate improvement in service delivery outcomes. Over the period ahead, government is taking steps to strengthen efficiency in public spending especially non-core spending, to eliminate wastage, to improve the alignment between allocations and policy priorities.

To create the space for a higher share of resources to be allocated to capital and other priority areas, growth in compensation of employees will need to be moderate; hence the approval for the reduction of compensation of employees on non-core staff was granted.

The management of revenue, expenditure and debt, is very vital to the budget framework. By defining a sustainable fiscal path, government is able to pay for existing programmes without jeopardizing the affordability of public services and national priorities.

Provincial government revenue includes transfers from the National Revenue Fund and provincial own revenue. Transfers take two forms; the Provincial Equitable Share, which is directly charged on the National Revenue Fund and conditional grants administered by national departments. Conditional grants are used to support compliance with national norms and standard, to compensate provinces for providing services that may extend beyond provincial boundaries, and to ensure that national priorities are adequately provided for in provincial and local government budgets.

Table 1.7 shows the actual and projected total receipts of the province over a seven year period, which includes the three year estimates of the 2016 MTEF.

Table 1.7: Summary of provincial receipts

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
Equitable share	8 226 003	9 591 623	9 620 463	10 137 746	10 225 645	10 225 645	10 862 660	11 733 116	12 421 596
Conditional grants	3 059 603	3 518 998	3 407 482	3 665 392	3 748 422	3 748 422	3 750 554	3 783 098	4 045 757
Total transfer receipts from National	11 285 606	13 110 621	13 027 945	13 803 138	13 974 067	13 974 067	14 613 214	15 516 214	16 467 353
Provincial own receipts									
Tax receipts	151 923	156 796	169 948	222 027	193 978	194 655	207 510	219 881	232 633
Casino taxes	15 309	16 158	16 037	21 370	21 370	21 333	23 597	24 965	26 413
Horse racing taxes	1 008	1 330	1 517	1 497	1 497	1 530	1 543	1 633	1 727
Liquor licences	3 714	3 722	3 773	3 865	3 865	4 546	4 078	4 294	4 543
Motor vehicle licences	131 892	135 586	148 621	195 295	167 246	167 246	178 292	188 989	199 950
Sales of goods and services other than capital assets	69 368	71 408	72 517	94 819	88 025	76 037	93 474	98 705	104 202
Transfers received	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	3 046	3 676	2 379	3 149	3 299	3 106	3 330	3 501	3 703
Interest, dividends and rent on land	28 236	38 559	38 355	918	922	36 921	989	1 045	1 105
Sales of capital assets	4 986	2 689	653	2 905	3 199	3 310	3 584	3 233	3 421
Transactions in financial assets and liabilities	12 350	9 883	12 043	17 142	13 985	16 428	5 645	5 931	6 238
Total provincial own receipts	269 908	283 011	295 898	340 960	303 408	330 457	314 532	332 296	351 303
Total provincial receipts	11 555 514	13 393 632	13 323 843	14 144 098	14 277 475	14 304 524	14 927 746	15 848 510	16 818 655

The available fiscal envelop remains constrained showing average annual growth of 5.8 per cent over the 2016 MTEF. The total projected receipts for the 2016 MTEF amount to R47.618 billion, of which R14.937 billion in 2016/17, R15.855 billion in 2017/18 and R16.824 billion in the last year. Total receipts in the form of Equitable Share is projected to amount to R35.017 billion over the MTEF and conditional grants are projected to amount to R11.602 billion.

The remaining portion of the projected total receipts is derived from own revenue, which constitute 2.1 per cent of the overall receipts of the province. There has been consistent growth in own revenue over the past years and the trend is anticipated to continue in the coming financial years. The total projected own revenue amounts to R0.998 billion over the 2016 MTEF which represents average growth of 5 per cent, whilst average growth in transfers from National amount to 5.8 per cent for the same period.

In aggregate, the provincial receipts are estimated to grow by 5 per cent from the 2015/16 estimated revenue to the 2016/17 budgeted revenue and the growth rate between the estimated receipts for 2015/16 and average receipts over the Medium Term Expenditure Framework (MTEF) period amounts to 11.6 per cent.

Table 1.7 indicates the sources of own revenue in the province. Provincial revenue is mainly driven by tax receipts which include motor vehicle licenses as the major revenue source of the province. The tax receipts item contributes 66.1 per cent on average, of the total estimated own revenue over the MTEF. The budget for this item grows by 6.6 per cent from the 2015/16 estimated collection to the 2016/17 financial year budget; and further grows downwardly by 6 per cent and 5.8 per cent in 2017/18 and 2018/19 financial years respectively. The overall growth for this item is estimated at 13 per cent from the 2015/16 revised estimates to the average revenue over the 2016 MTEF. The reason for the increased growth from the revised estimate is attributed to the estimated increase in casino taxes collection resulting from the roll-out of the Limited Payout Machines as well as an estimated slight increase in the Motor Vehicle Licences collection that are expected to be realized when the department contracts the South African Post Office as an agency for collecting licenses on

behalf of the department. The overall budget annual growth over the 2016 MTEF amount to 12.1 per cent.

Other non-tax receipts items which contributes more to the provincial revenue is sale of goods and services which is mainly made up of receipts from patient fees; rental dwellings; commission on insurance and garnishees; applications for learner's licences and renewal of driver's licences. This item accounts for, on average, 29.7 per cent over the MTEF. The budget for this item grows by 22.9 per cent from the 2015/16 estimated collection to the 2016/17 financial year budget; and further grows downwardly by 5.6 per cent in 2017/18 and 2018/19 financial years. The overall growth for this item is estimated at 29.9 per cent from the 2015/16 revised estimates to the average revenue over the 2016 MTEF. The reason for the increased growth from the revised estimate is attributed to the 2015/16 financial year status of projected under collection by the department of Health, which is expected to recover during the 2016 MTEF. The overall budget annual growth over the 2016 MTEF amount to 5.8 per cent.

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

Fines, penalties and forfeits: This item caters for compulsory non-exchange revenue, enforced by a court of law or similar judicial body or mutually agreed settlement outside the courts. The items that mainly contribute to this source of revenue are the fines charged by the Department of Transport, Safety, and Liaison on road offenders; and the fines charged by the Department of Environment and Nature Conservation on waste removal and pollution of environment. The budget for this item grows by 7.2 per cent from the 2015/16 estimated collection to the 2016/17 financial year budget; and further grows downwardly by 5.1 per cent and 5.8 per cent in 2017/18 and 2018/19 financial years respectively. The overall growth for this item is estimated at 13.1 per cent from the 2015/16 revised estimates to the average revenue over the 2016 MTEF. The overall budget annual growth over the 2016 MTEF amount to 5.5 per cent.

Interest, dividends and rent on land caters for receipts arising from the ownership of interest-bearing financial instruments such as bank deposits, loans extended to other parties and bills and bonds issued by other parties. This item is mainly comprised of the interest raised by the Provincial Treasury on the positive bank account of the province. The budget for this item decreases by 97.3 per cent from the 2015/16 estimated collection to the 2016/17 financial year budget; and grows by 5.7 per cent and 5.8 per cent to the 2017/18 and 2018/19 financial years respectively. The overall revenue is estimated to decline by 97.2 per cent from the 2015/16 revised estimates to the average revenue over the 2016 MTEF. The reason for this revenue decline is attributed to the interest raised by Provincial Treasury that is treated as a once-off as it relates to the adverse spending patterns by the departments that cannot be predicted. The overall budget annual growth over the 2016 MTEF amount to 6.4 per cent.

Sale of Capital Assets: This item caters for the sale of assets that costs more than R0.005 million as well as the sale of intangible items such as computer software. This item experiences a growth of 8.3 per cent from the 2015/16 estimated collection to the 2016/17 financial year budget; which is followed by a decline of 9.8 per cent in the 2017/18 financial year and thereafter by a growth 5.8 per cent in 2018/19 financial years. The overall budget growth for this item is estimated at 3.1 per cent from the 2015/16 revised estimates to the average revenue over the 2016 MTEF. The fluctuations in estimated collections from this item is a result of the nature of this item that is mainly composed of once-off sales by the departments. The overall budget annual growth over the 2016 MTEF amount to 6.5 per cent.

Transactions in financial assets and liabilities: mainly comprises of other types of receipts, such as revenue from loans, receivables, and other receipts (such as overpayments, and stale cheques). This item experiences a 65.6 per cent decline in budget from the 2015/16 estimated collection to the 2016/17 financial year budget; which then picks up to a growth of 5.1 per cent and 5.2 per cent in 2017/18 and 2018/19 financial years respectively. The overall budget decline for this item is estimated at 63.9 per cent from the 2015/16 revised estimates to the average revenue over the 2016 MTEF. The decline in estimated collections from this item is mainly attributed to contracts of the service provider that was collecting the ENatis debt for the department of Transport, Safety and Liaison that has come

to an end and therefore the receipts had to be adjusted accordingly. The overall budget decline over the 2016 MTEF amount to 16.7 per cent.

4.2 Equitable share

The Provincial Equitable Share (PES) constitutes an average of 75.1 per cent of the transfers that the province receives from national, over the 2016 MTEF. PES is a constitutionally established funding instrument to enable provinces to deliver constitutionally mandated services or functions.

As guided by sections 214 and 227 of the Constitution of the Republic, the nationally generated revenue is allocated to provinces via the Provincial Equitable Share (PES) formula. The PES is the decisive tool used by National Government to allocate funds to provinces to enable them to work towards meeting provincial priorities. The formula used to divide the Equitable Share between provinces is objective-based and redistributive by design.

The Equitable Share formula recognizes that the provinces have different demographic and economic profiles, markedly different levels of economic development and significant variations in socio-economic circumstances. The levels of wealth or income within a province are important determinants of demand for social services, particularly primary health care, education and income support. The redistributive nature of the Equitable Share formula assists all provinces to provide a basic level of service for all South Africans.

The formula comprises of six components namely; Education, Health, Basic Share, Poverty, Economic Activity and Institutional. The six components of the formula are reviewed and updated annually with the release of official data from Statistics South Africa to ensure that a province's share of national funding reflects population and service delivery changes. The redistributive nature of the Equitable Share formula assists all provinces to provide a basic level of service for all South Africans.

Table 1.7 above set out the Provincial Equitable Shares for the 2016 MTEF budget. Equitable Share transfers to the province increase by R0.637 million or 6.2 per cent from the adjusted R10.226 billion in 2015/16 financial year to R10.863 billion in 2016/17 financial year. Over the course of the 2016 MTEF, the Equitable Share allocation will rise from R10.863 million in 2016/17 financial year to R12.422 million in the 2018/19 financial year, with an average annual growth of 6.7 per cent.

4.3 Conditional grants

Conditional grants are assigned to provinces from national government to pursue specific national objectives and targets aimed at enhancing the delivery of services. Conditional grants are also used to ensure that the minimum nation-wide standards for the provision of national concerns are met across all provinces; therefore, on top of funds available in Equitable Share and own revenue produced by provinces; these grants supplement priorities that need to be realized by national government through provinces. These additional transfers from the national government have conditions attached to them.

Conditional grants funding is the second largest source of funding for the province and constitutes an average of 33.3 per cent of the transfers that the province receives from national, over the 2016 MTEF. Conditional grants transfers to the province increase by R2.132 million or 5.6 per cent from the adjusted R3.748 billion in 2015/16 financial year to R3.750 billion in 2016/17 financial year. Over the course of the 2016 MTEF, the conditional grants allocation will rise from R3.750 million in 2016/17 financial year to R4.046 million in the 2018/19 financial year.

Table 1.8 below shows the actual and projected allocations of conditional grants for the province over a seven year period, which includes the three year estimates of the 2016 MTEF.

Table 1.8: Summary of Conditional Grant by Vote

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
Agriculture	504 723	739 899	420 878	214 530	214 530	214 530	194 734	203 340	212 976
Agricultural Disaster Management Grant	-	-	-	-	-	-	-	-	-
Comprehensive Agricultural Support Programme Grant	424 999	641 306	355 204	135 768	135 768	135 768	128 364	135 020	141 857
Ilima/Lelema Projects Grant	63 000	84 393	57 602	69 460	69 460	69 460	55 050	58 480	60 766
Land Care Programme Grant Poverty Relief and Infrastructure Development	12 724	12 055	5 970	7 302	7 302	7 302	9 320	9 840	10 353
Expanded Public Works Programme Incentive Grant for Provinces	4 000	2 145	2 102	2 000	2 000	2 000	2 000	-	-
Education	442 390	517 154	509 746	620 195	621 040	621 040	670 063	652 309	689 635
Dinaledi Schools Grant	3 391	3 577	3 782	-	-	-	-	-	-
Education Infrastructure Grant	307 609	365 548	346 445	446 998	446 998	446 998	486 538	463 100	489 446
HIV and Aids (Life Skills Education) Grant	4 754	5 205	5 059	5 281	5 281	5 281	5 281	5 547	5 874
National School Nutrition Programme Grant	113 136	119 859	134 645	142 724	142 724	142 724	150 289	157 804	166 957
Occupation Specific Dispensation for Education Sector Therapists Grant	-	-	7	2	2	2	-	-	-
Technical Secondary Schools Recapitalisation Grant	12 500	13 188	13 978	-	-	-	-	-	-
Maths, Science and Technology Grant	-	-	-	22 113	22 958	22 958	23 030	25 858	27 358
Expanded Public Works Programme Incentive Grant for Provinces	-	5 845	2 593	2 077	2 077	2 077	2 000	-	-
Social Sector Expanded Public Works Programme Incentive Grant for Provinces	1 000	3 932	3 237	1 000	1 000	1 000	2 925	-	-
Health	1 084 279	1 178 929	1 186 093	1 364 457	1 424 579	1 424 579	1 310 747	1 285 001	1 398 942
Comprehensive HIV and Aids Grant	248 372	321 150	342 789	371 253	372 403	372 403	413 231	485 184	555 224
Forensic Pathology Services Grant	641	-	-	-	-	-	-	-	-
Hospital Facility Revitalisation Grant	472 098	483 531	451 428	593 590	652 231	652 231	472 267	374 258	389 502
Health Professions Training and Development Grant	72 902	72 356	76 697	78 445	78 445	78 445	81 815	86 939	91 981
National Tertiary Services Grant	277 766	282 618	298 727	305 477	305 477	305 477	318 661	338 620	358 260
National Health Insurance Grant	11 500	6 428	7 000	7 204	7 535	7 535	7 543	-	3 975
Social Sector Expanded Public Works Programme Incentive Grant for Provinces	-	9 516	7 337	6 488	6 488	6 488	15 230	-	-
Expanded Public Works Programme Incentive Grant for Provinces	1 000	3 330	2 115	2 000	2 000	2 000	2 000	-	-
Human Settlements	339 551	603 624	377 668	382 561	382 561	382 561	373 109	412 682	439 419
Housing Disaster Relief Grant	-	-	-	-	-	-	-	-	-
Human Settlements Development Grant	339 551	603 624	374 832	380 408	380 408	380 408	371 109	412 682	439 419
Expanded Public Works Programme Incentive Grant for Provinces	-	-	2 836	2 153	2 153	2 153	2 000	-	-
National Treasury	-	-	-	-	-	-	-	-	-
Infrastructure Grant to Provinces	-	-	-	-	-	-	-	-	-
Roads and Public Works	540 632	704 399	643 436	825 923	825 923	825 923	909 163	958 766	1 014 382
Devolution of Property Rate Funds Grant to Provinces	55 011	-	-	-	-	-	-	-	-
Expanded Public Works Programme Incentive Grant for Provinces	1 915	4 915	2 964	3 493	3 493	3 493	3 803	-	-
Provincial Roads Maintenance Grant	483 706	699 484	640 472	822 430	822 430	822 430	905 360	958 766	1 014 382
Transport Disaster Management Grant	-	-	-	-	-	-	-	-	-
Sport, Art and Culture	101 997	118 535	154 528	179 517	198 066	198 066	190 155	201 062	212 466
Community Library Services Grant	73 026	86 689	118 396	147 121	165 670	165 670	152 313	165 312	174 642
Mass Participation and Sport Development Grant	27 404	30 806	31 450	29 181	29 181	29 181	33 642	35 750	37 824
Expanded Public Works Programme Incentive Grant for Provinces	1 000	550	2 102	2 000	2 000	2 000	2 000	-	-
Social Sector Expanded Public Works Programme Incentive Grant for Provinces	567	490	2 580	1 215	1 215	1 215	2 200	-	-
Transport	40 561	41 586	46 640	45 907	49 421	49 421	52 010	52 029	54 460
Public Transport Operations Grant	40 561	41 390	43 937	44 907	48 421	48 421	49 096	52 029	54 460
Expanded Public Works Programme Incentive Grant for Provinces	-	196	2 703	1 000	1 000	1 000	2 914	-	-
Expanded Public Works Programme Incentive Grant for Provinces	1 682	2 100	-	4 000	4 000	2 000	4 073	-	-
Economic Development And Tourism	-	1 550	-	2 000	2 000	-	2 030	-	-
Environment And Nature Conservation	1 682	550	-	2 000	2 000	2 000	2 043	-	-
Social Development	1 506	5 745	-	28 301	28 301	28 301	46 500	17 909	22 818
Social Sector Expanded Public Works Programme Incentive Grant for Provinces	1 506	5 745	-	6 301	6 301	6 301	3 500	-	-
Early Childhood Development Grant	-	-	-	-	-	-	-	3 671	5 110
Substance Abuse Treatment Grant	-	-	-	22 000	22 000	22 000	43 000	14 238	17 708
Total conditional grants	3 057 321	3 911 971	3 338 989	3 665 391	3 748 421	3 746 421	3 750 554	3 783 098	4 045 098

The conditional grants framework form part of the Division of Revenue Act and are assigned to provinces from national government to pursue specific national objectives and targets aimed at enhancing the delivery of services.

Conditional grants are also used to ensure that the minimum nation-wide standards for the provision of national concerns are met across all provinces. Funds from the equitable share are topped up including own revenue generated by the province as these grants supplement priorities that need to be realized by national government through provinces. These additional transfers from the national government have conditions attached as stipulated in DORA.

National government's commitment to maintain the expenditure ceiling required that baselines allocations for provincial conditional grants be reduced. Some of significant reductions over the MTEF relates to the Human Settlement Development Grant which has been reduced with an amount of R58.6 million, Comprehensive Agricultural Support Grant with an amount of R34.7 million and the Community Library Services Grant by R4.1 million.

The Substance Abuse Secure Centre will be finalised in 2017 an amount of R43 million is allocated in the 2016/17 financial year for this purpose. The 2016 grant framework also provides funds to fully operationalise this centre upon completion.

The Comprehensive HIV and AIDS Grant will extend its focus to now include Tuberculosis (TB). This includes the continued expansion of the Antiretroviral Treatment Programme, HIV prevention and to cater for the TB screening and treatment. The name of the grant will change to the Comprehensive HIV, AIDS and TB grant to reflect the new objectives of the conditional grant and additional funds are provided for this purpose.

A new conditional grant to expand Early Childhood Development (ECD) services and improve basic maintenance of ECD facilities will start in 2017/18 financial year. An amount of R8.8 million has been allocated for this purpose in the two outer years of the MTEF.

In moving towards the introduction of a National Health Insurance (NHI) system, two funding streams, direct and indirect, were created. The NHI direct grant to provinces will come to an end in the 2016/17 financial year, as the effectiveness of this grant in preparing for the roll out of NHI has been quite opaque. To this end, the National Health Insurance is reconfigured to form the National Health Grant.

The province will spend R44 million in the 2016/17 financial year on Extended Public Works Programme (EPWP) towards the creation of 16 693 job opportunities in the province. This money is allocated to various departments and will be coordinated by the Department of Roads and Public Works.

4.4 Provincial own revenue

Provincial governments are empowered, subject to certain limitations, to impose taxes, levies and duties other than income tax, value added tax, property taxes, or customs duties in order to raise revenues to fund their various activities. For example, motor vehicle license fees are levied to raise funds which are exclusively used to maintain and upgrade the provincial roads infrastructure.

Owing to the tight fiscus which is as a result of slow global and local economic growth, the province has to increase its own sourced revenue in order to cushion the fiscal decline. This requires improvements and the enhancement of revenue generating strategies and innovation in the creation of new revenue sources within key revenue generating departments.

Provincial own receipts, however, contribute a small percentage to the total revenue envelope of the Province. Over the 2016 MTEF own receipts contribute on average 2.1 per cent to the total Provincial Revenue.

Table 1.9 shows the projected contributions of the different votes to Provincial Own Receipts.

Table 1.9: Summary of provincial own receipts by Vote

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
Vote 1: Office of the Premier	173	336	486	162	162	199	266	175	185
Vote 02: Provincial Legislature	3 271	507	1 496	2 665	2 665	2 665	2 806	2 947	3 117
Vote 03: Transport, Safety and Liaison	150 213	158 253	171 195	231 420	193 407	193 407	196 579	208 281	220 361
Vote 04: Education	13 509	7 660	6 845	8 799	8 799	9 231	9 692	10 177	10 686
Vote 05: Roads and Public Works	4 521	4 268	4 691	4 064	4 064	4 064	4 385	4 604	4 871
Vote 06: Economic Development	20 309	21 463	21 663	26 992	27 192	28 095	29 457	31 135	32 940
Vote 07: Sport, Arts and Culture	228	257	307	191	252	460	608	216	229
Vote 08: Provincial Treasury	27 690	38 170	36 891	895	895	36 470	951	1 008	1 066
Vote 09: Co-Operative Governance, Human Settlement and Traditional Affairs	458	1 628	965	501	501	1 113	528	554	586
Vote 10: Health	42 323	43 163	42 937	58 379	58 379	47 322	61 934	65 502	69 117
Vote 11: Social Development	672	1 143	996	900	900	900	956	1 011	1 069
Vote 12: Agriculture, Land Reform and Rural Development	3 442	3 577	2 813	2 055	2 055	2 594	2 165	2 273	2 405
Vote 13: Environment and Nature Conservation	3 099	2 586	4 612	3 937	3 937	3 937	4 205	4 414	4 670
Total provincial own receipts by Vote	269 908	283 011	295 897	340 960	303 208	330 457	314 532	332 296	351 303

The revenue performance for the period 2012/13 to 2014/15 financial years depicts a slight fluctuation in revenue collection growth of 4.9 per cent from R269.908 million in 2012/13 which increases to R283.011 million in 2013/14 financial year and thereafter showed a negative growth of 4.6 per cent to R295.898 million in 2014/15 financial year. The fluctuation in the growth was mainly caused by the sale of capital assets that is of once-off nature as well as the slight decline in the receipts from casino taxes.

The Northern Cape mainly generates its own revenue through motor vehicle licenses, patient fees, casino taxes as well as interest on investment made by the Provincial Treasury. Therefore, the main departments that contribute significantly towards provincial own revenue are: Transport, Safety and Liaison, Health, Economic Development and Tourism and Provincial Treasury. The total revenue budget from the major revenue generating items averages 80.4 per cent over the 2016 MTEF; with Provincial Treasury interest comprising 5.5 per cent of the revised estimated revenue to be collected as at end of 2015/16 financial year.

Provincial own revenue is projected at R314.532 million in 2016/17 financial year, rising to R351.303 million in the outer year of the 2016 MTEF. Own revenue is projected to decrease by 3.7 per cent from 2015/16 adjusted budget to the 2016/17 financial year budgeted revenue collection. The revenue budget is projected to decline by 4.8 per cent from the 2015/16 financial year projected collection to the 2016/17 financial year revenue budget. This decline is mainly as a result of the projected over collection in the interests to be raised by the Provincial Treasury. The revenue is expected to increase by a growth of 5.6 per cent from 2016/17 to 2017/18 financial year and by 5.7 per cent from 2017/18 to 2018/19 financial year.

Major revenue collecting departments

The departments that contribute a large portion of the provincial own revenue is the Department of Transport, Safety and Liaison, Department of Health, and the Department of Economic Development and Tourism. These departments account for 91.6 per cent of the total provincial own revenue budget in the 2016/17 financial year.

Transport, Safety and Liaison

Department of Transport, Safety and Liaison continues to be the main contributor to total provincial own revenue, accounting for an average of 62.6 per cent of total provincial own revenue over the 2016 MTEF. Motor vehicle licence taxes are the main revenue generating item to the own revenue of the department and the province.

To enhance revenue collection, the department is embarking on a project to renew motor vehicle licenses at the Post Office.

Motor vehicle licenses

Revenue from motor vehicle license fees has been showing a fluctuating growth, rising from R131.892 million in the 2012/13 financial year to R148.621 million in the 2014/15 financial year which peaked by 12.5 per cent growth to the 2015/16 revised estimates. This increase is set to continue to R178.292 million in 2016/17 financial year, R188.989 million in 2017/18 financial year and R199.950 million in 2018/19 financial year, growing at an annual average rate of 6.1 per cent over the 2016 MTEF period.

These increases are linked to the net growth of the motor vehicle live population, coupled with the annual increase in motor vehicle license fees. The increase also took into account the assumption that revenue will increase as a result of the expected SAPO roll-out project.

Health

The Department of Health remains the second largest contributor towards the own revenue of the province, accounting for an average of 19.7 per cent of total provincial own revenue over the 2016 MTEF. The revenue budget for the department is projected to increase by an average of 5.8 per cent over the MTEF. Patient fees is the main source of revenue of the department contributing an average of 81.3 per cent to the total revenue of the department over the 2016 MTEF.

Patient fees

Health Patient fees are the second largest revenue source of the province. The department is focusing on patient billing for revenue collection. One of the major objectives is to eliminate leakages in the system, and to shorten patient payment intervals. More attention is being paid to the assessment of patients' ability to pay, the correct billing of patients and the timeous recovery of debts from patients and other third parties, such as medical aids. During the 2015/16 financial year, trainings aimed at intensifying internal controls at the facilities where revenue is collected were rolled out. Kimberley hospital has been upgraded to a tertiary hospital and therefore the hospital provides advanced and improved service to the public and charges higher level tariffs which will contribute positively to the revenue of the department.

Together with Provincial Treasury, the department is always striving to enhance revenue collection. Strengthening systems at the facilities wherein revenue is collected as well as ensuring that outstanding patient debt is recovered is one of the initiative that will be embarked on during the 2016 MTEF. The department is also working on ensuring that the systems for the medical aid claims are properly functioning in order to timeously respond to the required claim period.

The department is in the process of filling vacant posts at head office to strengthen revenue monitoring and support function.

Economic Development and Tourism

Department of Economic Development and Tourism is the third biggest contributor to total provincial own revenue, accounting for an average of 9.4 per cent of total provincial own revenue over the 2016 MTEF. Casino Taxes is the main contributor to the collection of the department.

Casino Taxes

Casino taxes are the third biggest revenue source in the province. This source contribute 7.5 per cent to the total own revenue of the province during the 2016/17 financial year. Revenue from casino taxes has been fluctuating, rising from R15.309 million in 2012/13 financial year to a revised estimated

revenue to be collected of R21.333 million in the 2015/16 financial year. The revenue from casino taxes is expected to increase by 10.6 per cent from the 2015/16 revised estimate to the 2016/17 financial year as a result of the expected roll-out of the Limited Pay-out Machines (LPM) operators. Thereafter, the growth is expected to decline to be in line with inflation throughout the 2016 MTEF period.

Additional revenue enhancement strategies

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

Roads and Public Works

The budget of the department reflects an average increase of 6.2 per cent from the 2015/16 revised estimate of R4.064 million to an average revenue budget of R4.620 million over the 2016 MTEF. The department is currently considering the disposal of unused government properties to enhance revenue collection. During the 2015/16 financial year, Provincial Treasury has worked with the department on developing a policy, which will result in increased revenue for the department as state owed housing rental will be rented out at market related prices.

Environment and Nature Conservation

The department's budget is reflecting an average growth of 5.9 per cent from the 2015/16 revised estimate through to the 2016 MTEF. Provincial Treasury intends working with the department to intensively look at improving the conditions of the reserves so that they can be in a marketable state so to enhance the provincial revenue collections.

5 Payments

5.1 Overall Position

Financial year 2016/17: R14.850 billion

Financial year 2017/18: R15.834 billion

Financial year 2018/19: R16.335 billion

5.2 Payments by Vote

Table 1.10: Summary of provincial payments and estimates by Vote

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
Vote 01: Office of the Premier	151 787	180 120	194 799	183 852	211 522	211 522	209 229	220 201	233 450
Vote 02: Provincial Legislature	136 825	143 278	154 766	194 283	198 768	198 799	167 763	176 494	187 126
Vote 03: Transport, Safety and Liaison	282 063	310 301	383 975	341 985	355 489	359 990	366 977	383 237	406 367
Vote 04: Education	4 126 127	4 489 622	4 709 217	5 083 072	5 126 865	5 126 865	5 438 973	5 668 456	6 013 017
Vote 05: Roads and Public Works	1 016 536	1 280 918	1 213 976	1 354 650	1 463 633	1 463 633	1 473 773	1 552 478	1 643 543
Vote 06: Economic Development	223 288	266 380	277 945	266 436	271 089	285 066	277 915	290 096	307 467
Vote 07: Sport, Arts and Culture	221 908	256 651	286 874	321 203	367 490	353 858	352 816	372 354	394 199
Vote 08: Provincial Treasury	151 597	180 289	193 099	211 546	224 370	219 296	222 034	233 684	247 874
Vote 09: Co-Operative Governance, Human Settlement and Traditional Affairs	581 941	841 569	651 875	668 407	716 472	723 625	676 175	726 061	772 181
Vote 10: Health	3 165 498	3 401 801	3 713 980	4 074 388	4 228 733	4 311 595	4 197 505	4 320 229	4 601 243
Vote 11: Social Development	531 722	604 415	654 471	709 856	719 956	719 956	773 894	782 745	833 262
Vote 12: Agriculture, Land Reform and Rural Development	436 462	987 816	769 374	619 947	557 947	557 947	552 383	512 374	540 750
Vote 13: Environment and Nature Conservation	102 739	117 641	127 586	131 245	134 178	134 178	140 757	145 977	154 824
Total provincial payments and estimates by Vote	11 128 493	13 060 801	13 331 937	14 160 870	14 576 512	14 666 330	14 850 195	15 384 386	16 335 303

The above table shows an annual average growth for the provincial payments over the 2016 MTEF at 3.7 per cent. The Department of Education's share 37 per cent of the total provincial budget is the highest, followed by the Department of Health at 28 per cent and the Department of Roads and Public Works at 10 per cent which mainly relates to infrastructure investments.

5.3 Payment by Economic Classification

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

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2015/16	2016/17	2017/18
Current Payments	8 341 963	9 733 142	10 374 829	11 277 468	11 563 322	11 615 455	11 925 529	12 569 829	13 329 329
Compensation of employees	5 973 869	6 649 464	7 171 496	7 823 516	7 880 045	7 865 296	8 431 397	8 905 873	9 450 776
Goods and services	2 366 526	3 080 600	3 200 687	3 452 909	3 681 798	3 746 962	3 492 834	3 662 656	3 877 177
Interest and rent on land	1 568	3 078	2 646	1 043	1 479	3 237	1 297	1 300	1 376
Transfers and subsidies to:	1 364 942	1 706 603	1 508 539	1 501 167	1 558 829	1 578 100	1 549 079	1 614 102	1 710 044
Provinces and municipalities	97 784	119 201	86 748	111 073	131 553	140 543	124 376	130 431	135 004
Departmental agencies and accounts	104 880	68 550	109 063	90 032	122 566	127 559	112 551	119 228	126 167
Universities and technikons	2 634	2 874	1 125	2 246	2 228	1 805	1 943	2 046	2 165
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	84 202	205 796	117 174	134 856	107 999	103 527	89 327	89 589	95 159
Non-profit institutions	600 793	620 067	681 137	706 716	715 683	715 929	756 703	770 186	817 436
Households	474 649	690 115	513 293	456 244	478 800	488 737	464 180	502 622	534 113
Payments for capital assets	1 418 285	1 621 672	1 434 493	1 381 892	1 453 906	1 472 330	1 375 232	1 200 276	1 295 751
Buildings and other fixed structures	1 220 285	1 390 722	1 179 161	1 120 880	1 132 241	1 175 660	1 125 959	947 756	994 038
Machinery and equipment	192 767	222 864	250 351	257 168	312 758	280 669	242 085	245 323	294 097
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	943	928	1 546	-	-	691	-	-	-
Land and sub-soil assets	-	-	-	-	40	40	-	-	-
Software and other intangible assets	4 290	7 158	3 435	3 844	8 867	15 270	7 188	7 197	7 615
Payments for financial assets	3 304	384	14 076	343	455	445	354	180	180
Total economic classification	11 128 493	13 061 801	13 331 937	14 160 870	14 576 512	14 666 330	14 850 195	15 384 386	16 335 304

5.4 Payments by Policy Area

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

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2015/16	2016/17	2017/18
General public services	1 456 745	1 784 605	1 756 640	1 944 331	2 098 293	2 093 250	2 072 799	2 182 857	2 311 993
Public order and safety	219 199	244 925	266 964	267 995	272 214	274 574	286 060	298 070	316 031
Economic affairs	722 614	1 319 572	1 164 330	960 373	912 311	928 429	911 215	887 637	938 554
Environmental protection	102 739	117 641	127 586	131 245	134 178	134 178	140 757	145 977	154 824
Housing and community amenities	581 941	841 569	651 875	668 407	716 472	723 625	676 175	726 061	772 181
Health	3 165 498	3 401 801	3 713 980	4 074 388	4 228 733	4 311 595	4 197 505	4 320 229	4 601 243
Recreation, culture and religion	221 908	256 651	286 874	321 203	367 490	353 858	352 816	372 354	394 199
Education	4 126 127	4 489 622	4 709 217	5 083 072	5 126 865	5 126 865	5 438 973	5 668 456	6 013 017
Social protection	531 722	604 415	654 471	709 856	719 956	719 956	773 894	782 745	833 262
Total provincial payments and estimates by policy area	11 128 493	13 060 801	13 331 937	14 160 870	14 576 512	14 666 330	14 850 195	15 384 386	16 335 303

5.5 Infrastructure Payments

Table 1.13(a) shows capital infrastructure by Vote..

Table 1.13(a): Summary of provincial infrastructure payments and estimates by Vote

R thousand	Outcome			Main appropriation	Adjusted appropriation 2015/16	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19
Vote 04: Education	307 609	338 905	354 482	401 221	401 221	401 221	451 538	451 100	471 446
Vote 05: Roads and Public Works	613 607	925 877	845 206	955 648	1 063 801	1 063 801	1 035 727	1 100 083	1 159 595
Vote 07: Sport, Arts and Culture	18 113	40 090	22 006	24 840	46 705	33 712	34 600	34 771	36 768
Vote 10: Health	437 690	479 214	403 815	625 779	684 420	684 432	550 416	488 549	265 322
Vote 11: Social Development	-	-	-	22 000	22 000	22 000	46 724	18 159	4 149
Vote 12: Agriculture, Land Reform and Rural Development	83 982	391 340	280 685	181 287	181 287	181 287	126 255	133 199	140 525
Total provincial infrastructure payments and estimates by Vote	1 461 001	2 175 426	1 906 194	2 210 775	2 399 434	2 386 453	2 245 260	2 225 861	2 077 805

Through the commitment of the provincial government to increase investments on infrastructure development, since the 2012/13 to the 2015/16 financial year an amount of R 7.929 billion has been spent on infrastructure. The total infrastructure budget of the province for the 2016/17 financial year amounts to R 2.288 billion, which is a decrease of R 141 million or 6 per cent from the 2015/16 revised estimate. The projected spending on infrastructure in the province amounts to R 6.549 billion over the MTEF. The departments of Health, Education and Roads and Public Works are major infrastructure driven departments.

Table 1.13(b) shows capital Infrastructure by Category.

Table 1.13(b): Summary - Payments and estimates of provincial infrastructure by category

R thousand	Outcome			Main appropriation	Adjusted appropriation 2015/16	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19
Payments for infrastructure by category									
Existing infrastructure assets	792 970	1 460 482	1 340 458	1 524 697	1 657 899	1 633 979	1 573 045	1 608 163	1 590 995
Maintenance and repair	168 030	787 744	755 908	982 886	1 070 162	1 078 667	987 727	1 024 787	1 055 596
Upgrades and additions	581 041	343 686	322 243	405 449	451 375	411 234	418 335	451 170	369 922
Refurbishment and rehabilitation	43 899	329 052	262 307	136 362	136 362	144 078	166 983	132 206	165 477
New infrastructure assets	648 094	683 973	561 673	683 491	738 948	749 887	669 172	614 838	483 784
Infrastructure transfers	19 937	30 971	2 410	-	-	-	-	-	-
Infrastructure transfers - Current	19 937	30 971	2 410	-	-	-	-	-	-
Infrastructure transfers - Capital	-	-	-	-	-	-	-	-	-
Infrastructure: Payments for financial assets	-	-	-	-	-	-	319	-	-
Infrastructure: Leases	-	-	1 653	2 587	2 587	2 587	2 724	2 860	3 026
Total provincial infrastructure	1 461 001	2 175 426	1 906 194	2 210 775	2 399 434	2 386 453	2 245 260	2 225 861	2 077 805

Table 1.13(b) shows that the province will spend R669 million on the construction and replacement of infrastructure in province in the 2016/17 financial and in total R1.768 billion over the MTEF. Furthermore, the province will spend R 1 724 billion on the upgrading, rehabilitation and maintenance of existing infrastructure in 2016/17 and R4.772 billion over the MTEF.

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

R thousand	Outcome			Main appropriation	Adjusted appropriation 2015/16	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19
Provincial Equitable Share	381 075	1 097 415	391 246	711 174	899 833	886 852	381 095	429 737	184 475
Conditional grants	1 079 926	1 078 011	1 514 948	1 499 601	1 499 601	1 499 601	1 864 165	1 796 124	1 893 330
Education Infrastructure Grant	248 939	364 966	346 445	288 168	288 168	288 168	486 538	463 100	489 446
Health Infrastructure Grant	101 038	71 660	-	-	-	-	-	-	-
Hospital Revitalisation Grant	364 981	378 839	451 428	503 584	503 584	503 584	472 267	374 258	389 502
Provincial Road Maintenance Grant	363 053	699 483	640 472	707 849	707 849	707 849	905 360	958 766	1 014 382
Public Works	1 915	4 915	2 000	1 868	1 868	1 868	3 803	-	-
Own Revenue	-	-	-	-	-	-	-	-	-
Total provincial infrastructure	1 461 001	2 175 426	1 906 194	2 210 775	2 399 434	2 386 453	2 245 260	2 225 861	2 077 805

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

- a) From: an approach where allocations are determined through an upfront formula and are paid out according to a payment schedule in compliance with the Division of Revenue Act,
- b) To: allocations being awarded to appropriately planned infrastructure programmes and projects that are packaged efficiently in line with best practice approaches.

Infrastructure Delivery Improvement Programme (IDIP)

Since the inception of Phase I of the Infrastructure Delivery Improvement Programme (IDIP) in July 2004 as a pilot programme; which developed and tested the methodologies and tools used to build and sustain infrastructure management capacity in selected provincial departments. IDIP Phase II was implemented in the provincial departments of Health, Education and Public Works in 2006 and was completed at the end of March 2010.

IDIP Phase III commenced in April 2010. The overall goal of Phase III of the programme was “To contribute to the improvement of public sector infrastructure delivery in South Africa and to improve the effectiveness and efficiency of infrastructure delivery by selected provincial government departments.”

The goal is closely linked to Outcome 12 of the Presidency’s framework for measurable performance and accountable delivery; which focuses on the establishment of an efficient and development oriented public service. In Phase III the programme aimed to follow a comprehensive capacity building approach which incorporates all the elements that are common in best practice capacity building programmes. Therefore the programme primarily focused on two key areas of leverage. The first of these focused on the implementation of management systems and tools that were previously developed and tested during earlier phases of the IDIP. IDIP Phase IV commenced in September 2015 which seeks to complete the work done in Phase III, while implementing the Infrastructure Delivery Management System (IDMS). During Phase IV of IDIP focus will be given to achieve the following outputs:

- Output 1:** The IDMS is institutionalised and sustainable in the Province;
- Output 2:** The Infrastructure Delivery Management (IDM) processes are implemented and are being used by the Northern Cape to plan, implement and assess infrastructure delivery;
- Output 3:** There is appropriate capacity in the PT and the Provincial Departments of Education and Health to implement and sustain the approved Provincial IDMS; and
- Output 4:** IDMS evaluation, monitoring and reporting systems are implemented and functional in the Northern Cape.

With the introduction of the Performance-Based Incentive Grant System (PBIS) process in the 2012 Medium Term Budget Policy Statement (MTBPS) by then Minister of Finance. The PBIS is aligned to the IDMS methodology and framework and is supported by the requirements as outlined in Sections 11, 13 and 27 of the 2015 Division of Revenue Act (DoRA).

5.6 Public-Private Partnership (PPP)

The Northern Cape Provincial Treasury has gone through a rigorous process of capacitating the Public Private Partnership unit to enable the province to leverage the full alternative potentials that the PPP process provides to assist the province in managing infrastructure at provincial and local government

more effectively. A PPP is therefore defined in South African Law as: A contract between a government institution and private party, where:

- the private party performs an institutional function and/or uses state property in terms of output specifications
- substantial project risk (financial, technical, operational) is transferred to the private party
- the private party benefits through: unitary payments from government budgets and/or user fees.

A PPP is a facilitating framework that enables sustainable development by effectively leveraging limited public funds, integrating scale with efficiency, reducing life cycle costs, harnessing national resources and applying best practices, to achieve a social purpose. A PPP provides a format in which all the important stakeholders are incentivized to come together in achieving the community development goals enshrined in the project. To that effect, a PPP is more than a joint venture.

Treasury Regulations are not prescriptive about the financing structure of a PPP. It is assumed that this will vary widely from project to project and sector to sector, and will be closely linked to the funding sources that can be secured for each deal.

However, PPPs usually involve the private party raising both debt and equity to finance the project. In most PPPs, a dedicated business entity is set up by the private party. This is called a special purpose vehicle (SPV), whose sole purpose is to deliver the project.

PPPs may involve some capital contribution by government to the initial costs of the project. Some PPP projects do not involve debt finance at all, being initially funded either wholly through corporate finance or by a combination of government funds and private equity. In end-user-pay projects, there may also be some government funding for either or both the capital and operating costs of the project.

The concept of a PPP's where Government needs infrastructure and services, but the annual budget does not allow for this type of expense. Private sector through the PPP process gets involved in the provision of this infrastructure and government can pay this over a concession period. Certain services are linked to manage this infrastructure during this period of payment for physical infrastructure. The private sector interest is enhanced since there is big enough value and the private sector can look after the capital investment until government takes full ownership which is at the end of concession agreement.

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

Siyathemba Municipality: The “Die Bos” Resort potential PPP Project: M097

Amber PSC was appointed on 24 March 2015 as the Transaction Advisor for this potential PPP project. The Transaction advisor would ultimately produce a Feasibility Study for the project at a cost of R815 000-00; to determine the best suitable procurement method for the project. Transaction Advisor fees granted from the Project Development Fund through National Treasury amounted to R475 000-00. The first milestone report would be the Option/Solution Analysis at the end of March 2016. The Option/Solution Analysis will be scrutinized by Provincial and National Treasury and Treasury Views and Recommendations will be issued.

Renosterberg Municipality: Vanderkloof Tourism potential PPP project: M064

The Vanderkloof Tourism PPP project has stagnated in the 2015/16 financial year due to institutional changes at the Municipality. The Northern Cape Provincial Treasury has on numerous occasions tried to contact the Municipality in this regard, but to no avail.

Northern Cape Renal Replacement Therapy with the Department of Health: P134

The Bid Evaluation and Adjudication for the appointment of a Special Purpose Vehicle had been conducted. The Northern Cape Provincial Treasury is awaiting the outcome from the Department of Health. The Recommendation will be utilised to apply for Treasury Approval 2B; which allows for the negotiations with the Preferred Bidder to commence.

The Northern Cape Information Society E-Infrastructure Broadband: P135

The Department of Telecommunications and Postal Services (DTPS) has commenced with the roll out of the SA Connect Initiative through Strategic Infrastructure Project (SIP) 15: Expanding Access to Communication Technology to ensure universal service and access to reliable, affordable and secure broadband services by all South Africans.

Due to the implementation of the SA Connect initiative, the Northern Cape Information Society E-Infrastructure Broadband potential PPP project will have to be re-assessed and adapted to avoid duplication of services. Meetings will be held with Department Economic Development and Tourism, Office of the Premier, SITA and DTPS in March 2016 to ascertain the way forward.

COGHSTA Office Accommodation and Disaster Management Centre: P144

COGHSTA has identified challenges in terms of not having sufficient office space for the current staff establishment and the projected growth in human resources. The department then opted to explore the PPP procurement method for the procurement of suitable office accommodation. The project was subsequently registered with National Treasury on 10 February 2015, as a potential PPP project with reference number P144. The project is currently in its Inception Phase with the Provincial and National Treasury assisting COGHSTA. The Terms of Reference was development and the project advertised for the appointment of the Transaction Advisor, who will then investigate the feasibility/viability of the identified procurement option. The supply chain processes was completed and awaiting the HOD to appoint the successful Transaction Advisor. The appointment of the Transaction Advisor is envisaged to be concluded by the end of March 2016 and subsequent to that, the Feasibility Study of the project will be investigated.

Performance Incentive Grant Budget Process

The Budget Cycle is a three year cycle consisting of planning, implementation and closure processes being undertaken in each year. It is clear that in any single year, departments will concurrently be dealing with these different activities of the MTEF, namely:

- Closure activities for the previous year's implementation;
- Implementation activities for the current years implementation; and
- Planning activities for next years' implementation.

There is a need, therefore, to allocate sufficient time for planning, design and tendering to take place from the time that the approved projects list is given to the implementing agent and before implementation starts. After the User Asset Management Plan (U-AMP) has been updated the client department prepares or updates an (Infrastructure Programme Management Plan) IPMP. In addition an updated Annual Performance Plan (APP) must also be prepared. The client department first enters into a Service Delivery Agreement (SDA) with its implementing agents based on an agreement of the functions to be performed by each party.

It is proposed that the submission of projects from the client department to the implementing agent be improved by means of a formal process in which all parties agree to do exactly what needs to be done, where, by whom, when, and at what cost. To facilitate the process of agreement between parties, three plans have to be put in place:

- The IPMP by the client department;
- The Construction Procurement Strategy; and
- The Infrastructure Programme Implementation Plan (IPIP) by the implementing agent.

The IPMP stipulates what the client department intends to achieve in the next 3 years of implementation. The implementing agent responds to the IPMP through the development of an IPIP which validates the implementing agents' understanding of what needs to be done and explicitly indicates how this will be achieved, when and by whom.

Once the client department has approved the IPIP submitted by the implementing agent, the implementing agent is able to continue with detailed project designs, followed by the project tendering process. Multi-year project implementation for projects planned in Year 0 of the MTEF would typically start in Year 2 of that MTEF allowing for one year lead for project design and tendering. These phases should take up most of the following year resulting in a detailed U-AMP with associated realistic costing, timeframes and cash flows for each project. The detailed planning and design undertaken would assist in establishing exactly what multi-year commitments are required to complete the projects.

The departments of Education and Health were both subjected to the Performance – Based Incentive Grant System (PBIS) moderation process in the 2015/16 financial year. Leading to the moderation process the NCPT consistently supported both departments in meeting the required criteria as set by National Treasury. During the said moderation process the department of Education and Health achieved the following scoring of 69% and 61% respectively. Thus resulting in an additional indicative allocation on the departments baseline for the Infrastructure Conditional Grant of R 133 3million for Education and R 109 4 million for Health. When amendments are made in terms of the PBIS reforms the NCPT will continue supporting the respective departments.

Maintenance of Provincial Infrastructure

Infrastructure assets should be planned and budgeted for throughout their life-cycle, from planning through to disposal. This will ensure that assets operate efficiently and are maintained cost effectively

Government owned infrastructure and its agencies are vast and is increasing at a rapid rate. Unless maintenance is improved in these sectors, funds to address the cost of repairs and unplanned replacements will have to be sourced from capital budgets. This will severely limit the programme for addressing maintenance backlogs and expanding service delivery.

Proper planning and budgeting for maintenance through an asset management system, which is updated regularly, and through condition assessments on existing facilities, will ensure an extended life-cycle of these assets. Section 38(1) (d) of the PFMA states that, the accounting officer for a department, trading entity or constitutional institution is responsible for the management, including the safeguarding and the maintenance of the assets of the department, trading entity or constitutional institution.

Infrastructure maintenance is a strategic mechanism that offers outstanding opportunities for economic stimulation. In addition to this, jobs are created, capital expenditure expanded and sustainable delivery achieved while community targets can be met.

5.7 Transfers

5.7.1 Transfers to Public Entities

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

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2015/16	2016/17	2017/18
Vote 06: Economic Development	35 312	36 838	38 500	42 199	38 500	38 500	45 918	48 226	51 024
Vote 12: Agriculture, Land Reform and Rural Development	6 400	2 550	43 650	42 550	40 900	42 950	2 550	2 550	2 685
Total provincial transfers to public entities	41 712	39 388	82 150	84 749	79 400	81 450	48 468	50 776	53 709

The province has allocated an amount of R48.468 million in the 2016/17 financial year towards transfers to existing public entities and the budget is projected to rise to R53.709 in the 2018/19 financial year. Department of Economic Development and Tourism will transfer R145.168 million over the next three years to 4 public entities, namely: Northern Cape Gambling Board, Northern Cape Liquor Board, Northern Cape Economic Development, Trade and Investment Promotion Agency and the Northern Cape Tourism Authority.

The Department of Agriculture, Land Reform and Rural Development will transfer an amount of R7.785 million over the MTEF to Kalahari Kid for the marketing of live animals and animal products.

5.7.2 Transfers to Development Corporations

The province does not have any development corporations

5.7.3 Transfer to Local Government

Table 1.17: Summary of provincial transfers to local government by category

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2015/16	2016/17	2017/18
Category A									
Category B	81 268	71 974	84 694	106 553	120 553	128 870	114 776	117 134	123 927
Category C	25 204	34 447	4 370	4 947	4 947	6 334	4 947	5 194	5 496
Total provincial transfer to local government	106 472	106 421	89 064	111 500	125 500	135 204	119 723	122 328	129 424

The province has allocated an amount of R117.723 million in the 2016/17 financial year towards transfers to local government, the amount grows R129.424 million in the outer year of the MTEF.

5.8 Personnel Numbers and Costs

Table 1.18: Summary of personnel numbers by vote

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		2015/16 - 2018/19		
	Personnel numbers	Costs	Personnel numbers	Costs	Personnel numbers	Costs	Filled posts	Addition al posts	Personnel numbers	Costs	Personnel numbers	Costs	Personnel numbers	Costs	Personnel numbers	Costs	Personnel growth rate	Costs of Total	
Vote																			
Vote 1: Office of the Premier	237	83 419	247	92 992	248	109 039	215	41	256	118 474	275	129 819	275	138 962	275	148 410	2.42%	7.80%	1.57%
Vote 2: Provincial Legislature	164	76 559	168	83 612	168	91 545	149	18	167	98 189	167	105 543	167	111 036	167	117 871	0.00%	6.28%	1.26%
Vote 3: Transport, Safety and Liaison	142	93 625	164	103 857	338	116 793	370	28	398	131 977	403	144 628	403	149 235	403	158 409	0.42%	6.27%	1.71%
Vote 4: Education	12 286	3 110 489	13 054	3 438 227	13 454	3 647 477	12 729	-	12 729	3 924 981	12 729	4 109 327	12 729	4 316 853	12 729	4 567 231	0.00%	5.18%	49.01%
Vote 5: Roads and Public Works	824	182 850	837	210 713	826	220 953	757	104	861	251 866	937	276 853	937	299 562	937	317 929	2.86%	8.07%	3.37%
Vote 6: Economic Development and Tourism	157	57 702	154	65 160	153	73 904	194	-	194	81 144	217	98 943	210	105 272	211	111 922	2.84%	11.31%	1.19%
Vote 7: Sport, Arts and Culture	633	74 441	417	80 940	651	97 473	577	-	577	118 487	692	146 997	508	153 979	508	167 452	-4.16%	12.22%	1.77%
Vote 8: Provincial Treasury	287	93 682	286	113 216	295	129 156	277	53	330	159 343	343	171 164	343	182 088	343	192 844	1.30%	6.57%	2.06%
Vote 9: Cooperative Governance, Human Settlements and Traditional Affairs	654	180 226	657	197 116	657	211 663	654	5	659	226 200	661	239 800	663	252 560	665	267 468	0.30%	5.74%	2.87%
Vote 10: Health	6 455	1 577 734	6 731	1 786 195	6 925	1 936 740	7 207	-	7 207	2 153 954	7 447	2 273 017	7 447	2 412 083	7 285	2 533 885	0.36%	5.56%	27.23%
Vote 11: Social Development	945	252 431	930	248 969	929	273 352	854	130	984	309 130	1 160	334 760	1 168	353 456	1 168	384 200	5.88%	7.52%	4.04%
Vote 12: Agriculture, Land Reform and Rural Development	569	143 406	565	155 032	609	179 210	478	134	612	194 248	612	223 420	612	238 080	612	251 459	0.00%	8.99%	2.69%
Vote 13: Environment and Nature Conservation	225	67 305	225	73 435	241	84 193	272	-	272	93 998	272	104 444	282	107 465	283	114 078	1.33%	6.67%	1.23%
Other																			
Total	23 578	5 973 869	24 435	6 649 464	25 494	7 171 497	24 733	513	25 246	7 861 991	25 915	8 358 715	25 744	8 820 631	25 586	9 333 158	0.45%	5.88%	100.00%

5.9 Payments on Training

Table 1.20 : Summary of provincial payments on training by Vote

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2015/16	2016/17	2017/18
Vote 01: Office of the Premier	838	897	952	999	999	999	1 052	1 105	1 169
Vote 02: Provincial Legislature	-	190	906	208	208	208	219	230	244
Vote 03: Transport, Safety and Liaison	948	807	534	971	710	710	850	899	943
Vote 04: Education	11 614	23 233	13 714	18 585	18 585	13 475	19 840	21 912	23 154
Vote 05: Roads and Public Works	1 714	2 273	2 223	2 591	2 591	2 591	2 772	2 996	3 179
Vote 06: Economic Development	1 708	811	1 426	3 499	3 499	3 499	3 684	3 868	4 092
Vote 07: Sport, Arts and Culture	514	321	287	3 943	4 056	4 058	4 149	4 393	4 648
Vote 08: Provincial Treasury	1 719	1 652	1 362	1 480	1 480	1 480	2 439	2 229	2 358
Vote 09: Co-Operative Governance, Human Settlement and Traditional Affairs	2 398	2 726	2 171	3 890	3 890	3 890	2 352	2 484	2 628
Vote 10: Health	6 981	15 813	5 236	26 563	26 563	20 164	25 542	26 819	28 375
Vote 11: Social Development	2 145	2 580	2 867	3 011	3 011	3 011	3 180	3 339	3 533
Vote 12: Agriculture, Land Reform and Rural Development	1 570	1 660	1 760	1 848	1 848	1 848	1 959	2 057	2 176
Vote 13: Environment and Nature Conservation	1 364	1 306	116	1 216	1 216	1 216	1 360	1 360	1 360
Total provincial payments on training	33 513	54 269	33 554	68 804	68 656	57 149	69 398	73 690	77 858

Annexure: Overview of Provincial Revenue and Expenditure Estimates

Table A.1: Details of total provincial own receipts

R thousand	Audited Outcome			Revised estimate			Medium-term estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
Tax receipts	151 923	156 796	169 948	222 027	193 978	193 633	207 510	219 881	232 633
Casino taxes	15 309	16 158	16 037	21 370	21 370	21 137	23 597	24 965	26 413
Horse racing taxes	1 008	1 330	1 517	1 497	1 497	1 410	1 543	1 633	1 727
Liquor licences	3 714	3 722	3 773	3 865	3 865	3 840	4 078	4 294	4 543
Motor vehicle licences	131 892	135 586	148 621	195 295	167 246	167 246	178 292	188 989	199 950
Sales of goods and services other than capital assets	69 368	71 408	73 943	94 819	88 062	76 370	93 474	98 705	104 202
Sale of goods and services produced by department (excluding capital assets)	69 368	71 408	73 939	94 819	88 062	76 370	93 474	98 705	104 202
Sales by market establishments	8 836	9 270	11 494	11 785	11 785	11 674	12 576	13 241	13 995
Administrative fees	22 667	24 818	21 691	29 078	22 321	22 475	23 679	24 966	26 359
Sales of scrap, waste, arms and other used current goods (excluding capital assets)	-	-	4	-	-	-	-	-	-
Transfers received from:	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households and non-profit institutions	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	3 046	3 676	2 379	3 149	3 152	3 158	3 330	3 501	3 703
Interest, dividends and rent on land	28 236	38 559	37 498	918	918	36 116	989	1 045	1 105
Interest	28 175	38 524	37 497	918	918	36 116	989	1 045	1 105
Dividends	-	-	-	-	-	-	-	-	-
Rent on land	61	35	1	-	-	-	-	-	-
Sales of capital assets	4 986	2 687	515	2 905	2 963	3 335	3 584	3 233	3 421
Land and subsoil assets	-	22	-	-	-	-	-	-	-
Other capital assets	4 986	2 665	515	2 905	2 963	3 335	3 584	3 233	3 421
Transactions in financial assets and liabilities	12 350	9 885	11 802	17 142	13 935	15 880	5 645	5 931	6 238
Total provincial own receipts	269 908	283 011	296 085	340 960	303 008	328 492	314 532	332 296	351 303

Table A2: Information relating to Conditional grants

Vote and Grant	Adjusted appropriation	Actual transfer	Audited expenditure	Adjusted appropriation	Actual transfer	Audited expenditure	Adjusted appropriation	Actual transfer	Audited expenditure	Adjusted appropriation	Revised transfer estimate	Revised expenditure estimate	Medium-term estimates		
	2012/13			2013/14			2014/15			2015/16			2016/17	2017/18	2018/19
R thousand	504 723	504 723	218 444	739 899	739 899	734 981	425 586	425 586	425 586	214 530	214 530	214 530	194 734	203 340	212 876
Agriculture															
Agricultural Disaster Management Grant	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Comprehensive Agricultural Support Programme Grant	424 999	424 999	155 232	641 306	641 306	639 149	357 153	357 153	357 153	135 768	135 768	135 768	128 364	135 020	141 857
Ilima/Lelema Projects Grant	63 000	63 000	48 641	84 393	84 393	81 633	60 361	60 361	60 361	69 460	69 460	69 460	55 050	58 480	60 706
Land Care Programme Grant: Poverty Relief and Infrastructure Development	12 724	12 724	12 196	12 055	12 055	12 055	5 970	5 970	5 970	7 302	7 302	7 302	9 320	9 840	10 353
Infrastructure Grant to Provinces	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Expanded Public Works Programme Incentive Grant for Provinces	4 000	4 000	2 405	2 145	2 145	2 144	2 102	2 102	2 102	2 000	2 000	2 000	2 000	-	-
Education	442 390	442 390	382 629	517 154	517 154	513 859	510 314	510 314	506 629	621 040	621 040	621 040	670 063	652 309	689 635
Dinedi Schools Grant	3 391	3 391	3 300	3 577	3 577	3 267	3 782	3 782	2 706	-	-	-	-	-	-
Education Infrastructure Grant	307 609	307 609	248 939	365 548	365 548	364 966	346 445	346 445	346 419	446 998	446 998	446 998	486 538	463 100	489 446
HIV and Aids (Life Skills Education) Grant	4 754	4 754	4 754	5 205	5 205	5 205	5 059	5 059	5 059	5 281	5 281	5 281	5 281	5 547	5 874
National School Nutrition Programme Grant	113 136	113 136	113 136	119 859	119 859	119 859	134 645	134 645	134 637	142 724	142 724	142 724	150 289	157 804	166 957
Occupation Specific Dispensation for Education Sector Therapists Grant	-	-	-	-	-	-	7	7	-	2	2	2	-	-	-
Technical Secondary Schools Recapitalisation Grant	12 500	12 500	12 500	13 188	13 188	12 429	13 978	13 978	13 978	-	-	-	-	-	-
Maths, Science and Technology Grant	-	-	-	-	-	-	-	-	-	22 958	22 958	22 958	23 020	25 658	27 358
Social Sector Expanded Public Works Programme Incentive Grant for Provinces	1 000	1 000	-	3 932	3 932	3 668	3 237	3 237	3 237	1 000	1 000	1 000	2 925	-	-
Expanded Public Works Programme Incentive Grant for Provinces	-	-	-	5 845	5 845	4 465	3 161	3 161	2 953	2 077	2 077	2 077	2 000	-	-
Health	1 556 377	1 556 377	1 525 396	1 662 460	1 662 460	1 586 105	1 677 668	1 677 668	1 526 692	1 424 579	1 424 579	1 424 579	1 310 747	1 285 001	1 394 967
Comprehensive HIV and Aids Grant	248 372	248 372	229 684	321 150	321 150	302 259	355 972	355 972	354 004	372 403	372 403	372 403	413 231	485 194	555 224
Forensic Pathology Services Grant	641	641	641	-	-	-	-	-	-	-	-	-	-	-	-
Health Disaster Response (Cholera) Grant	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Hospital Facility Revitalisation Grant	472 098	472 098	466 996	483 531	483 531	452 952	464 910	464 910	395 519	652 231	652 231	652 231	472 267	374 258	389 502
Nursing Colleges and Schools component	6 080	6 080	977	5 103	5 103	2 453	-	-	-	-	-	-	-	-	-
Health Professions Training and Development Grant	72 902	72 902	72 902	72 356	72 356	77 395	76 697	76 697	76 697	78 445	78 445	78 445	81 815	86 939	91 961
National Tertiary Services Grant	277 766	277 766	277 926	282 618	282 618	282 616	298 727	298 727	291 526	305 477	305 477	305 477	318 661	338 620	358 202
National Health Insurance Grant	11 500	11 500	9 581	6 428	6 428	6 528	7 000	7 000	3 975	7 535	7 535	7 535	7 543	-	-
Expanded Public Works Programme Incentive Grant for Provinces	-	-	-	3 330	3 330	2 605	2 115	2 115	2 115	2 000	2 000	2 000	2 000	-	-
Social Sector Expanded Public Works Programme Incentive Grant for Provinces	1 000	1 000	670	9 516	9 516	8 798	7 337	7 337	7 337	6 488	6 488	6 488	15 230	-	-
Human Settlements	339 551	339 551	339 540	603 624	603 624	603 624	377 668	377 668	377 668	382 561	382 561	382 561	373 109	412 682	439 419
Housing Disaster Relief Grant	-	-	-	-	-	-	2 836	2 836	2 836	2 153	2 153	2 153	2 000	-	-
Expanded Public Works Programme Incentive Grant for Provinces	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Human Settlements Development Grant	339 551	339 551	339 540	603 624	603 624	603 624	374 832	374 832	374 832	380 408	380 408	380 408	371 109	412 682	439 419
Roads and Public Works	540 632	540 632	419 979	704 399	704 399	704 398	643 436	643 436	643 436	825 923	825 923	909 163	909 163	958 766	1 014 382
Devolution of Property Rate Funds Grant to Provinces	55 011	55 011	55 011	-	-	-	-	-	-	-	-	-	-	-	-
Expanded Public Works Programme Incentive Grant for Provinces	1 915	1 915	1 915	4 915	4 915	4 915	2 964	2 964	2 964	3 493	3 493	3 493	3 803	-	-
Provincial Roads Maintenance Grant	483 706	483 706	363 053	699 484	699 484	699 483	640 472	640 472	640 472	822 430	822 430	905 360	905 360	958 766	1 014 382
Transport Disaster Management Grant	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sport, Art and Culture	101 997	101 997	92 237	118 535	118 535	110 834	159 691	159 691	139 010	198 066	198 066	191 687	190 155	201 062	212 466
Community Library Services Grant	73 026	73 026	61 933	86 689	86 689	78 785	123 559	123 559	103 434	165 670	165 670	156 452	152 313	165 312	174 642
Mass Participation and Sport Development Grant	27 404	27 404	29 130	30 806	30 806	30 807	31 450	31 450	31 714	29 181	29 181	29 631	33 642	35 750	37 824
Expanded Public Works Programme Incentive Grant for Provinces	1 000	1 000	674	550	550	733	2 102	2 102	1 734	2 000	2 000	2 690	2 000	-	-
Social Sector Expanded Public Works Programme Incentive Grant for Provinces	567	567	500	490	490	509	2 580	2 580	2 128	1 215	1 215	2 914	2 200	-	-
Transport	40 561	40 561	40 285	41 586	41 586	41 523	46 640	46 640	42 917	49 421	49 421	49 421	52 010	52 029	54 460
Gautrain Rapid Rail Link Grant	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Public Transport Operations Grant	40 561	40 561	40 285	41 390	41 390	41 327	43 937	43 937	40 272	48 421	48 421	48 421	49 096	52 029	54 460
Expanded Public Works Programme Incentive Grant for Provinces	-	-	-	196	196	196	2 703	2 703	2 645	1 000	1 000	1 000	2 914	-	-
Expanded Public Works Programme Incentive Grant for Provinces	1 682	1 682	1 546	2 100	2 100	2 100	6 204	6 204	6 204	4 000	4 000	4 000	4 073	-	-
Economic Development And Tourism	-	-	-	1 550	1 550	1 550	4 102	4 102	4 102	2 000	2 000	2 000	2 030	-	-
Environment and Nature Conservation	1 682	1 682	1 546	550	550	550	2 102	2 102	2 102	2 000	2 000	2 000	2 043	-	-
Social Development	1 506	1 506	1 506	5 745	5 745	5 689	6 161	6 161	6 161	28 301	28 301	28 301	46 500	17 909	22 818
Social Sector Expanded Public Works Programme Incentive Grant for Provinces	1 506	1 506	1 506	5 745	5 745	5 689	6 161	6 161	6 161	6 301	6 301	6 301	3 500	-	-
Early Childhood Development Grant	-	-	-	-	-	-	-	-	-	-	-	-	-	3 671	5 110
Substance Abuse Treatment Grant	-	-	-	-	-	-	2 000	2 000	2 000	22 000	22 000	22 000	43 000	14 238	17 708
Total conditional grants	3 529 419	3 529 419	3 021 562	4 395 502	4 395 502	4 303 113	3 855 368	3 855 368	3 678 303	3 748 421	3 748 421	3 825 282	3 750 554	3 783 098	4 041 123

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

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium term estimate		
	2012/13	2013/14	2014/15	2015/16	2015/16	2015/16	2016/17	2017/18	2018/19
Current payments	8 341 963	9 733 142	10 374 629	11 277 468	11 561 629	11 614 181	11 925 530	12 569 829	13 329 329
Compensation of employees	5 973 869	6 649 464	7 171 496	7 823 516	7 887 210	7 865 289	8 431 397	8 905 873	9 450 776
Salaries and wages	5 263 618	5 834 130	6 300 589	6 819 637	6 879 428	6 836 820	7 357 051	7 774 032	8 251 819
Social contributions	710 251	815 334	870 908	1 003 879	1 007 782	1 028 469	1 074 347	1 131 840	1 198 957
Goods and services	2 366 526	3 080 600	3 200 687	3 452 909	3 672 930	3 745 655	3 492 834	3 662 656	3 877 177
Administrative fees	12 322	11 823	13 417	25 464	23 406	22 216	14 400	14 907	15 938
Advertising	27 823	34 177	36 200	25 622	25 955	24 630	24 574	25 950	27 184
Assets less than the capitalisation threshold	34 488	36 629	36 789	50 535	52 584	42 112	43 346	50 108	52 137
Audit cost: External	53 313	55 990	63 420	58 090	62 851	67 032	60 018	63 183	67 645
Bursaries: Employees	6 158	7 080	6 362	7 844	6 613	8 981	8 130	8 394	8 840
Catering: Departmental activities	39 503	40 572	40 216	31 500	33 061	34 261	37 112	40 022	42 114
Communication (G&S)	58 794	51 490	51 532	57 292	56 500	56 333	52 348	55 599	58 575
Computer services	55 504	77 023	92 312	97 125	90 756	97 556	99 558	100 580	107 291
Consultants and professional services: Business and advisory services	129 353	96 467	65 060	64 484	106 762	78 635	16 082	51 783	54 558
Consultants and professional services: Infrastructure and planning	26 049	4 943	48 206	24 012	62 712	49 487	16 938	3 763	4 019
Consultants and professional services: Laboratory services	91 505	98 319	88 907	146 480	153 017	112 905	141 897	137 703	146 263
Consultants and professional services: Scientific and technological services	-	-	-	-	-	-	-	-	-
Consultants and professional services: Legal costs	12 242	23 879	20 953	11 836	16 889	14 220	8 541	9 058	9 579
Contractors	310 785	729 877	728 963	1 053 725	802 642	843 335	896 254	908 254	961 209
Agency and support / outsourced services	143 951	147 323	169 151	192 103	199 646	193 329	177 425	187 952	205 501
Entertainment	2 110	1 839	1 097	1 828	1 793	963	1 166	1 240	1 212
Fleet services (including government motor transport)	43 239	97 761	105 622	90 335	118 326	156 816	128 544	128 598	137 559
Housing	-	4	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	2 151	1 789	5 957	5 957	3 191	3 740	3 820	4 056
Inventory: Farming supplies	-	14 902	71 407	35 080	28 895	37 737	13 832	14 305	14 127
Inventory: Food and food supplies	21 903	19 601	20 590	28 467	28 423	17 866	28 886	28 378	30 076
Inventory: Fuel, oil and gas	46 871	21 178	18 413	42 286	42 077	26 760	23 511	23 923	25 306
Inventory: Learner and teacher support material	95 194	93 885	39 437	42 038	42 005	40 744	45 448	48 160	50 849
Inventory: Materials and supplies	10 585	9 780	9 868	9 180	8 279	9 429	10 584	10 562	11 689
Inventory: Medical supplies	82 412	111 035	124 612	132 357	132 357	132 413	134 448	140 406	148 548
Inventory: Medicine	191 800	221 709	187 068	217 485	232 060	240 468	229 655	271 215	293 222
Medas inventory interface	-	-	1	620	620	21	22	549	581
Inventory: Other supplies	1 532	1 597	16 477	10 725	10 813	44 324	26 108	25 449	26 925
Consumable supplies	63 323	105 612	136 513	80 289	168 315	177 324	127 482	135 580	143 166
Consumable: Stationery, printing and office supplies	41 980	41 610	56 323	52 612	59 995	53 584	52 951	56 856	59 945
Operating leases	174 388	283 314	266 834	151 596	270 419	327 029	215 761	231 043	253 083
Property payments	214 684	258 381	290 042	329 560	313 155	333 129	340 622	348 499	349 014
Transport provided: Departmental activity	29 684	14 896	13 727	9 807	128 135	130 054	137 467	144 370	152 345
Travel and subsistence	250 233	271 861	287 623	253 687	267 835	272 779	260 763	273 670	289 152
Training and development	46 832	44 937	32 257	56 214	55 366	44 416	66 756	67 126	71 026
Operating payments	22 838	27 684	30 325	27 495	33 861	31 710	24 186	25 787	27 315
Venues and facilities	22 986	14 889	25 227	27 616	29 008	17 362	21 061	22 537	23 705
Rental and hiring	2 140	6 382	3 947	1 564	1 843	2 504	3 220	3 327	3 425
Interest and rent on land	1 568	3 078	2 646	1 043	1 489	3 237	1 298	1 300	1 376
Interest	682	1 930	2 646	15	461	2 772	16	17	18
Rent on land	886	1 148	-	1 028	1 028	465	1 282	1 283	1 357
Transfers and subsidies to:	1 364 942	1 706 603	1 508 539	1 501 167	1 566 523	1 577 888	1 549 079	1 614 102	1 710 044
Provinces and municipalities	97 784	119 201	86 748	111 073	115 892	126 543	124 378	130 431	135 004
Provinces	159	14	1 850	8 063	8 063	808	8 493	8 919	9 437
Provincial Revenue Funds	-	-	-	-	-	54	-	-	-
Provincial agencies and funds	159	14	1 850	8 063	8 063	754	8 493	8 919	9 437
Municipalities	97 625	119 187	84 898	103 010	107 799	125 735	115 883	121 512	125 567
Municipal bank accounts	90 456	115 907	79 928	93 467	93 467	111 677	105 992	111 125	114 579
Municipal agencies and funds	7 169	3 280	4 970	9 543	14 332	14 058	9 891	10 387	10 988
Departmental agencies and accounts	104 880	68 550	109 063	90 032	114 822	124 471	112 551	119 228	126 167
Social security funds	-	-	2	-	-	2	-	-	-
Departmental agencies (non-business entities)	104 880	68 550	109 061	90 032	114 822	124 469	112 551	119 228	126 167
Universities and technicons	2 634	2 874	1 125	2 246	2 228	1 805	1 943	2 046	2 165
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	84 202	205 796	117 174	134 856	114 562	120 574	89 327	89 589	95 159
Public corporations	8 823	106 662	36 303	44 450	15 642	15 892	1 911	1 997	2 113
Subsidies on products and production (pc)	2 423	8 122	-	-	-	-	-	-	-
Other transfers to public corporations	6 400	98 540	36 303	44 450	15 642	15 892	1 911	1 997	2 113
Private enterprises	75 379	99 134	80 871	90 406	98 920	104 682	87 416	87 592	93 046
Subsidies on products and production (pe)	40 285	41 397	40 277	44 907	48 421	54 621	48 231	51 121	54 460
Other transfers to private enterprises	35 094	57 737	40 594	45 499	50 499	50 061	39 185	36 471	38 586
Non-profit institutions	600 793	620 067	681 137	706 716	712 341	715 731	756 703	770 186	817 436
Households	474 649	690 115	513 293	456 244	506 708	488 764	464 180	502 622	534 113
Social benefits	9 692	27 419	40 558	9 600	28 401	36 084	19 631	20 113	21 279
Other transfers to households	464 957	662 696	472 735	446 644	478 307	452 680	444 549	482 509	512 833
Payments for capital assets	1 418 285	1 620 672	1 434 493	1 381 892	1 457 262	1 473 277	1 375 232	1 200 276	1 295 751
Buildings and other fixed structures	1 220 285	1 401 808	1 179 161	1 120 880	1 132 241	1 175 660	1 125 959	947 756	994 038
Buildings	332 782	1 188 606	703 438	902 793	959 631	957 885	793 227	688 468	695 257
Other fixed structures	887 503	213 202	475 723	218 087	172 610	217 775	332 732	259 288	298 782
Machinery and equipment	192 767	210 778	250 351	257 168	316 135	281 205	242 085	245 323	294 097
Transport equipment	41 727	16 895	72 835	37 526	57 635	73 881	52 303	54 473	58 955
Other machinery and equipment	151 040	193 883	177 516	219 642	258 500	207 324	189 781	190 850	235 143
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	943	928	1 546	-	-	691	-	-	-
Land and sub-soil assets	-	-	-	-	40	40	-	-	-
Software and other intangible assets	4 290	7 158	3 435	3 844	8 846	15 681	7 188	7 197	7 615
Payments for financial assets	3 304	384	14 076	343	445	445	354	180	180
Total economic classification	11 128 493	13 060 801	13 331 937	14 160 870	14 585 859	14 665 791	14 850 195	15 384 387	16 335 304

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

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2015/16	2016/17	2017/18
Current payments									
Goods and services									
<i>of which</i>									
Administrative fees	12 322	11 823	13 417	25 464	23 406	22 216	14 400	14 907	15 938
Advertising	27 823	34 177	36 200	25 622	25 955	24 630	24 574	25 950	27 184
Assets less than the capitalisation threshold	34 488	36 629	36 789	50 535	52 584	42 112	43 346	50 108	52 137
Audit cost: External	53 313	55 990	63 420	58 090	62 851	67 032	60 018	63 183	67 645
Bursaries: Employees	6 158	7 080	6 362	7 844	6 613	8 981	8 130	8 394	8 840
Catering: Departmental activities	39 503	40 572	40 216	31 500	33 061	34 261	37 112	40 022	42 114
Communication (G&S)	58 794	51 490	51 532	57 292	56 500	56 333	52 348	55 599	58 575
Computer services	55 504	77 023	92 312	97 125	90 756	97 556	99 558	100 580	107 291
Consultants and professional services: Business and advisory services	129 353	96 467	65 060	64 484	106 762	78 635	16 082	51 783	54 588
Consultants and professional services: Infrastructure and planning	26 049	4 943	48 206	24 012	62 712	49 487	16 938	3 763	4 019
Consultants and professional services: Laboratory services	91 505	98 319	88 907	146 480	153 017	112 905	141 897	137 703	146 263
Consultants and professional services: Scientific and technological services	-	-	-	-	-	-	-	-	-
Consultants and professional services: Legal costs	12 242	23 879	20 953	11 836	16 889	14 220	8 541	9 058	9 579
Contractors	310 785	729 877	728 963	1 053 725	802 642	843 335	896 254	908 254	961 209
Agency and support / outsourced services	143 951	147 323	169 151	192 103	199 646	193 329	177 425	187 952	205 501
Entertainment	2 110	1 839	1 097	1 828	1 793	963	1 166	1 240	1 212
Fleet services (including government motor transport)	43 239	97 761	105 622	90 335	118 326	156 816	128 544	128 598	137 559
Housing	-	4	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	2 151	1 789	5 957	5 957	3 191	3 740	3 820	4 056
Inventory: Farming supplies	-	14 902	71 407	35 080	28 895	37 737	13 832	14 305	14 127
Inventory: Food and food supplies	21 903	19 601	20 590	28 467	28 423	17 866	28 886	28 378	30 076
Inventory: Fuel, oil and gas	46 871	21 178	18 413	42 286	42 077	26 760	23 511	23 923	25 306
Inventory: Learner and teacher support material	95 194	93 885	39 437	42 038	42 005	40 744	45 448	48 160	50 849
Inventory: Materials and supplies	10 585	9 780	9 868	9 180	8 279	9 429	10 584	10 562	11 689
Inventory: Medical supplies	82 412	111 035	124 612	132 357	132 357	132 413	134 448	140 406	148 548
Inventory: Medicine	191 800	221 709	187 068	217 485	232 060	240 468	229 655	271 215	293 222
Medsas inventory interface	-	-	1	620	620	21	22	549	581
Inventory: Other supplies	1 532	1 597	16 477	10 725	10 813	44 324	26 108	25 449	26 925
Consumable supplies	63 323	105 612	136 513	80 289	168 315	177 324	127 482	135 580	143 166
Consumable: Stationery, printing and office supplies	41 980	41 610	56 323	52 612	59 995	53 584	52 951	56 856	59 945
Operating leases	174 388	283 314	266 834	151 596	270 419	327 029	215 761	231 043	253 083
Property payments	214 686	258 381	290 042	329 560	313 155	333 129	340 622	348 499	349 014
Transport provided: Departmental activity	29 684	14 896	13 727	9 807	128 135	130 054	137 467	144 370	152 345
Travel and subsistence	250 233	271 861	287 623	253 687	267 835	272 779	260 763	273 670	289 152
Training and development	46 832	44 937	32 257	56 214	55 366	44 416	66 756	67 126	71 026
Operating payments	22 838	27 684	30 325	27 495	33 861	31 710	24 186	25 787	27 315
Venues and facilities	22 986	14 889	25 227	27 616	29 008	17 362	21 061	22 537	23 705
Rental and hiring	2 140	6 382	3 947	1 564	1 843	2 504	3 220	3 327	3 425
Total economic classification	2 366 526	3 080 600	3 200 687	3 452 909	3 672 930	3 745 655	3 492 834	3 662 656	3 877 177

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

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

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

R thousand	Outcome			Main appropriation	Adjusted appropriation 2015/16	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19
General Public Services									
Executive and Legislature	288 612	323 398	349 565	378 135	410 290	211 522	376 992	396 695	420 576
Office of the Premier	151 787	180 120	194 799	183 852	211 522	211 522	209 229	220 201	233 450
Provincial Legislature	136 825	143 278	154 766	194 283	198 768	Error	167 763	176 494	187 126
Financial and Fiscal Services	151 597	180 289	193 099	211 546	224 370	219 296	222 034	233 684	247 874
Provincial Treasury	151 597	180 289	193 099	211 546	224 370	219 296	222 034	233 684	247 874
General Services (Public Works, Local Government)	1 016 536	1 280 918	1 213 976	1 354 650	1 463 633	1 463 633	1 473 773	1 552 478	1 643 543
Total: General Public Services	1 456 745	1 784 605	1 756 640	1 944 331	2 098 293	1 894 451	2 072 799	2 182 857	2 311 993
Public Order and Safety									
Police Services	219 199	244 925	266 964	267 995	272 214	274 574	286 060	298 070	316 031
Transport, Safety and Liaison	219 199	244 925	266 964	267 995	272 214	274 574	286 060	298 070	316 031
Total: Public Order and Safety	219 199	244 925	266 964	267 995	272 214	274 574	286 060	298 070	316 031
Economic Affairs									
General Economic Affairs	223 288	266 380	277 945	266 436	266 436	285 052	277 915	290 096	307 467
Dept of Economic Affairs	223 288	266 380	277 945	266 436	266 436	285 052	277 915	290 096	307 467
Agriculture	436 462	987 816	769 374	619 947	557 947	557 947	552 383	512 374	540 750
Dept of Agriculture Affairs	436 462	987 816	769 374	619 947	557 947	557 947	552 383	512 374	540 750
Transport	62 864	65 376	117 011	73 990	83 275	85 416	80 917	85 167	90 337
Department of Transport	62 864	65 376	117 011	73 990	83 275	85 416	80 917	85 167	90 337
Total: Economic Affairs	722 614	1 319 572	1 164 330	960 373	907 658	928 415	911 215	887 637	938 554
Environmental Protection									
Environmental Protection	102 739	117 641	127 586	131 245	134 178	134 178	140 757	145 977	154 824
Total: Environmental Protection	102 739	117 641	127 586	131 245	134 178	134 178	140 757	145 977	154 824
Housing and Community Amenities									
Housing Development	581 941	841 569	651 875	668 407	730 472	723 625	676 175	726 061	772 181
Department of Housing	581 941	841 569	651 875	668 407	730 472	723 625	676 175	726 061	772 181
Total: Housing and Community Amenities	581 941	841 569	651 875	668 407	730 472	723 625	676 175	726 061	772 181
Health									
Outpatient services	1 269 211	1 280 366	1 465 610	1 675 928	1 701 174	1 701 759	1 833 316	1 955 103	2 103 527
R and D Health (CS)	665 511	729 538	739 655	831 184	858 244	890 343	681 448	722 665	767 346
Hospital Services	1 230 776	1 391 897	1 508 715	1 567 276	1 669 315	1 719 493	1 682 741	1 642 461	1 730 369
Total: Health	3 165 498	3 401 801	3 713 980	4 074 388	4 228 733	4 311 995	4 197 505	4 320 229	4 601 243
Recreation, Culture and Religion									
Sporting and Recreational Affairs	221 908	256 651	286 874	321 203	367 490	353 858	352 816	372 354	394 199
Sport, Arts and Culture	221 908	256 651	286 874	321 203	367 490	353 858	352 816	372 354	394 199
Total: Recreation, Culture and Religion	221 908	256 651	286 874	321 203	367 490	353 858	352 816	372 354	394 199
Education									
Pre-primary & Primary Phases	-	-	-	-	-	-	-	-	-
Secondary Education Phase	-	-	-	-	-	-	-	-	-
Subsidised Services to Education	689 019	831 013	876 650	990 103	985 004	999 658	1 083 451	1 124 267	1 202 837
Education not defined by level	3 437 108	3 658 609	3 832 567	4 092 969	4 141 861	4 127 207	4 355 522	4 544 189	4 810 180
Total: Education	4 126 127	4 489 622	4 709 217	5 083 072	5 126 865	5 126 865	5 438 973	5 668 456	6 013 017
Social protection									
Social Security Services	-	-	-	-	-	-	-	-	-
Social Services and Population Development	531 722	604 415	654 471	709 856	719 956	719 956	773 894	782 745	833 262
Total: Social protection	531 722	604 415	654 471	709 856	719 956	719 956	773 894	782 745	833 262
Total provincial payments and estimates by policy area	11 128 493	13 060 801	13 331 937	14 160 870	14 585 859	14 467 517	14 850 195	15 384 386	16 335 303

Table A5: Transfers to local government by category and municipality

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2015/16	2016/17	2017/18
Category A	-	-	-	-	-	-	-	-	-
Category B	27 929	21 935	34 410	53 464	66 131	74 448	58 927	58 461	61 852
Joe Morolong	1 034	590	969	1 505	2 172	2 172	1 541	1 638	1 733
Ga-Segonyana	932	991	2 229	1 943	2 610	2 614	1 978	2 121	2 244
Gammagara	465	495	990	1 538	2 204	2 204	1 565	1 675	1 772
Richtersveld	706	693	796	1 208	1 208	1 209	1 228	1 311	1 387
Nama Khoi	654	1 167	1 822	1 669	1 669	1 685	1 699	1 820	1 926
Kamiesberg	289	462	653	965	1 965	1 965	981	1 044	1 105
Hantam	377	563	935	1 413	1 413	1 499	1 437	1 537	1 626
Karoo Hoogland	473	901	1 093	1 713	2 713	2 722	1 743	1 867	1 975
Khai-Ma	248	554	747	1 035	1 035	1 620	1 134	1 220	1 291
Ubuntu	513	766	854	1 463	2 463	2 307	1 493	1 592	1 685
Umsobomvu	715	708	991	1 542	1 542	1 542	1 569	1 679	1 776
Emthanjeni	2 546	724	1 753	2 311	2 311	1 172	2 388	2 527	2 674
Kareeberg	765	773	855	1 309	1 309	1 309	1 331	1 422	1 504
Renosterberg	628	-	719	1 077	1 077	1 077	1 095	1 167	1 235
Thembelihle	298	603	782	1 184	2 184	2 184	1 204	1 285	1 360
Siyathemba	345	953	891	1 370	2 370	2 799	1 394	1 490	1 576
Siyancuma	362	630	876	1 259	1 259	1 958	1 280	1 367	1 446
Mier	1 040	-	1 174	686	1 686	2 247	696	737	780
!Kai! Garib	2 449	630	882	2 713	2 713	2 142	2 805	2 971	3 143
//Khara Hais	4 171	4 328	3 614	3 496	4 496	3 099	7 604	3 833	4 056
!Kheis	348	332	580	841	1 841	5 567	854	907	960
Tsantsabane	1 833	622	1 085	2 821	2 821	1 700	2 907	3 089	3 268
Kgatelopele	895	457	575	1 411	1 411	833	1 453	1 536	1 625
Sol Plaatje	5 593	3 512	7 077	15 893	15 893	23 056	16 523	17 533	18 550
Dikgatlong	-	-	786	-	1 334	1 334	-	-	-
Magareng	254	481	682	1 099	2 432	2 432	1 025	1 092	1 155
Phokwane	978	987	974	1 511	2 844	2 844	1 537	1 645	1 740
Category C	4 227	3 476	38	3 500	3 500	4 500	3 500	3 675	3 888
John Taolo Gaetswewe District Municipality	103	667	6	700	700	700	700	735	778
Namakwa District Municipality	1 191	700	5	700	700	700	700	735	778
Pixley Ka Seme District Municipality	990	700	8	700	700	1 200	700	735	778
Siyanda District Municipality	947	700	10	700	700	1 200	700	735	778
Frances Baard District Municipality	996	709	9	700	700	700	700	735	778
Unallocated	308	-	-	413	413	-	434	456	482
Total transfers to municipalities	32 464	25 411	34 448	57 377	70 044	78 948	62 861	62 592	66 222