

# Vote 4

## Free State Provincial Treasury

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To be appropriated by Vote in 2017/18	R315 314 000
Responsible MEC	MEC of Finance
Administering Department	Free State Provincial Treasury
Accounting Officer	Head of Department: Free State Provincial Treasury

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### 1. Overview

Provincial Treasury derives its mandate, core functions and responsibilities from the Public Finance Management Act, (Act 1 of 1999), as amended and Municipal Finance Management Act (Act 56 of 2003).

#### 1.1 Vision

You partner in financial resource management excellence, for a better life for all in the Free State Province.

#### 1.2 Mission

To promote sound financial resource management for improved service delivery in the Free State Province.

#### 1.3 Core function and responsibilities

The Department provides support and oversight to all departments, public entities and municipalities in terms of the PFMA and MFMA.

The Sustainable Resource Management programme, amongst other responsible for preparation and implementation of the provincial budget and enhancement of provincial own revenue.

The Financial Governance programme plays a key role in improving the quality and integrity of financial accounting and reporting of provincial departments and public entities.

#### 1.4 Main Services

- Provision of leadership, strategic management in accordance with legislation, regulations and policies as well as to ensure that there is appropriate support service to all other programmes;
- Provision of professional advice and support on provincial economic analysis, fiscal policy, and the management of the annual budget process and the implementation of provincial budgets;
- Provision of policy direction, facilitate the effective and efficient management of assets, liabilities and financial management systems;
- Promotion of accountability through substantive reflection of financial activities of the province as well as compliance with financial norms and standards;
- Provincial Treasury's mandate is broad; hence there was a need to revise Departmental organogram to commensurate with its mandate;

- Municipal Finance Management: This Chief Directorate consists of seven sub-directorates: Program Support, Thabo Mofutsanyane, Fezile Dabi, Lejweleputswa, Xhariep Districts, Municipal Risk Management and Internal Audit and Municipal Support Programme and IGR.

### **1.5 Acts, rules and regulations**

The following acts, rules and regulations are considered by the department:

- Constitution Act No. 200 of 1993
- Public Finance Management Act No. 1 of 1999 (as amended)
- Treasury Regulations, May 2005
- Employment Equity Act of 1998
- Public Service Act of 1994
- Public Service Regulations, 2001
- Public Service Coordinating Bargaining Council Collective Agreement
- SITA Act of 1999
- SITA Regulations of 1999
- Archives act of 1962
- Protection of Information Act, Act 84 of 1982
- Access to Information Act of 1998 (as amended)
- Minimum Information Security Standard (MISS)
- Annual Division of Revenue Act
- Municipal Finance Management Act number 56 of 2003
- Municipal Supply chain Regulations of 2005
- Municipal Investment Regulations of 2005
- Municipal PPP Regulations of 2005
- Preferential Procurement Policy Act No. 5 of 2000
- SCM Regulations of 2004
- Borrowing Powers of Provincial Government Act
- Provincial Tax Act
- Promotion of Administrative Justice (PAJA) Act 3 of 2000
- Labour Relations Act 66 of 1995

### **1.6 Activities and events relevant to budget decisions**

The budget is affected by external events such as, women's day, youth day, heritage day celebrations, employment of additional contract workers and claims from other departments for shared events.

### **1.7 Aligning departmental budgets to achieve government's prescribed outcomes**

The Provincial Treasury contributes to outcome 5, outcome 9 and outcome 12. Some of the outputs from these outcomes will be incorporated into the 2014 - 2017 Annual Performance plan.

## **2. Review of the current financial year (2016/17)**

The shrinking provincial revenue envelope continued to present challenges during the period under review. Ensuring the economic, effective and efficient management and utilisation of public resources therefore remained the cornerstone of our activities during the period under review. The implementation of cost containment measures was monitored on a regular basis and we are satisfied that we have limited the growth of spending on non-core programmes and expenditure items. Through rigorous, consultative budget processes we have been able to further reduce the budget for cost containment items for the 2016/17 financial year.

Efforts to improve financial accountability and sustainability have yielded positive results. The improved audit outcomes at both provincial and local government level have been documented in the report. Thabo Mofutsanyana District obtained an Unqualified with no matters (“clean audit”) audit opinion. The improved coordination and focus on targeted areas through the support programmes implemented by the provincial Department of Cooperative Governance and Traditional Affairs, Provincial Treasury, SALGA and National Treasury as well as strong role played by political leadership and management at district and local municipalities in driving improvements in the internal control environment contributed to the improvement in audit outcomes. The cooperation and direction received from the Auditor-General in the Free State as well as structures that have been put in place also enabled us to facilitate a more efficient and effective audit process.

During the year under review Provincial Treasury has been working with the departments of Health and Education to strengthen financial management. We are confident that our collective efforts have yielded positive results in both departments. This Annual Report is in relation to the goals, objectives and targets that we set in the Annual Performance Plan. Overall the Department achieved 92 percent of the targets set for the 2016/17 financial year.

## **3. Outlook for the coming financial year (2017/18)**

The department is in the process of reviewing the organizational structure to ensure the structure is aligned to the generic structure for treasuries and respond to the revised strategic goals and objectives. New critical components are being created to improve the department’s capability to effectively and efficiently provide oversight, capacity building and support to provincial departments, public entities and municipalities.

Amongst the anticipated changes is the creation of specific units to deal with Municipal finance management Intergovernmental Relations, provincial fraud management, forensic auditing, compensation management and supply chain management. The creation of these units aim to address some of the department’s weaknesses which include a lack of capacity to effectively roll-out and monitor fraud management and anti-corruption programmes in the departments.

There is also a need to intensified, hands-on support to particularly municipalities, within the current financial year constraints, requires that more integrated approach has to be followed to ensure that current capacity and resources are optimally utilized

## 4. Reprioritisation

Reprioritised baseline funding for the 2016/17 financial years concludes that approximately 47 of the additional funding required is for compensation of employees for additional directorate and contract officials, performance bonus calculated for the entire establishment including vacant posts, and the other 53 percent for pressures such as replacement old servers, maintenance and repair of server infrastructure, professional services for upgrade and configuration of new servers and applications, procurement of servers at DR Site, payment of software licenses.

## 5. Procurement Plan

The procurement plan for the forthcoming financial year exceeds the current allocations for planned major procurements.

## 6. Receipts and financing

### 6.1 Summary of Receipts

The Free State Provincial Treasury is the custodian for investments in the province and generates income by means of investing allocated funding available in the revenue fund. Due to improved spending of the provincial departments in the last few years the interest generated decreased, but with the implementation of cost containment measures and closely monitoring of the spending within departments the interest to be generated was increased again.

The department only generate small income with the selling of scrap paper or assets owned by the department.

Table 4.1 : Summary of receipts

R thousand	Outcome			Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates		
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20
Equitable share	199 279	220 592	250 440	268 235	277 686	277 686	259 155	274 327	274 345
Conditional grants									
Earmarked funding									
<i>REA</i>		1 100	2 000	2 000	300	300			
<i>Municipal Support Programme</i>			30 000	30 000	28 800	28 800	30 000	30 000	30 000
<i>New Age and Public Platform</i>				16 596	6 600	6 600	16 596	16 596	
<i>SITA</i>				1 000	1 000	1 000	1 000		
<i>Financial Intervention measures</i>							5 000	5 000	
<i>Team Mate</i>				1 500	1 500	1 500			
Departmental receipts	17 076	18 471	17 733	58 531	58 531	58 531	56 159	52 087	52 779
<b>Total receipts</b>	<b>216 355</b>	<b>239 063</b>	<b>300 173</b>	<b>326 766</b>	<b>336 217</b>	<b>336 217</b>	<b>315 314</b>	<b>326 414</b>	<b>327 124</b>

### 6.2 Departmental receipts collection

The Free State Provincial Treasury is the custodian for investments in the province and generates income by means of investing allocated funding available in the revenue fund. Due to improved spending of the provincial departments in the last few years the interest generated decreased, but with the implementation of cost containment measures and closely monitoring of the spending within departments the interest to be generated was increased again.

The department only generate small income with the selling of scrap paper or assets owned by the department.

Table 4.2 : Summary of departmental receipts collection

R thousand	Outcome			Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates		
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20
Tax receipts									
Casino taxes									
Horse racing taxes									
Liquor licences									
Motor vehicle licences									
Sales of goods and services other than capital assets	208	261	119	119	119	119	126	134	141
Transfers received									
Fines, penalties and forfeits									
Interest, dividends and rent on land	41 093	49 371	17 590	10 202	20 202	20 202	10 835	11 474	12 116
Sales of capital assets		3							
Transactions in financial assets and liabilities	182	270	87	119	119	119	126	134	141
<b>Total departmental receipts</b>	<b>41 483</b>	<b>49 905</b>	<b>17 796</b>	<b>10 440</b>	<b>20 440</b>	<b>20 440</b>	<b>11 087</b>	<b>11 742</b>	<b>12 398</b>

### 6.3 Donor funding

Not applicable

## 7. Payment summary

### 7.1 Key assumptions

Approximately 68 percent of the Free State Provincial Treasury budget is allocated towards the payment of compensation of employees.

The department implemented a calculation on the following basis as outlined in the guideline relating to the compensation of employees over the Medium Term Expenditure Framework:

2017/18	2018/19	2019/20
7.4 percent	6.7 percent	6.6 percent

A further 1.5 percent will be calculated for pay progression and 2 percent notch increment for all officials.

### 7.2 Programme summary

Table 4.3 : Summary of payments and estimates by programme: Provincial Treasury

R thousand	Outcome			Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates		
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20
1. Administration	90 185	92 464	90 186	94 476	95 010	94 071	103 840	108 639	114 670
2. Sustainable Resource Management	32 764	31 785	32 540	38 724	39 660	39 944	41 896	44 206	44 826
3. Asset And Liabilities Management	54 862	70 778	102 245	104 345	106 489	107 873	76 814	79 645	71 719
4. Financial Governance	17 409	19 452	19 974	24 747	29 747	29 190	29 054	30 510	31 418
5. Municipal Finance Management	21 147	24 584	55 228	64 474	65 311	65 139	63 710	63 414	64 491
<b>Total payments and estimates</b>	<b>216 367</b>	<b>239 063</b>	<b>300 173</b>	<b>326 766</b>	<b>336 217</b>	<b>336 217</b>	<b>315 314</b>	<b>326 414</b>	<b>327 124</b>

### 7.3 Summary of economic classification

Table 4.4 : Summary of provincial payments and estimates by economic classification: Provincial Treasury

R thousand	Outcome			Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates		
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20
<b>Current payments</b>	<b>209 117</b>	<b>235 101</b>	<b>276 630</b>	<b>310 673</b>	<b>306 880</b>	<b>306 390</b>	<b>306 889</b>	<b>311 588</b>	<b>312 196</b>
Compensation of employees	145 101	155 792	170 553	187 040	190 520	191 424	205 484	220 513	234 411
Goods and services	64 016	79 309	105 298	123 633	116 360	114 966	101 405	91 075	77 785
Interest and rent on land			779						
<b>Transfers and subsidies to:</b>	<b>3 400</b>	<b>499</b>	<b>19 557</b>	<b>13 719</b>	<b>25 214</b>	<b>25 111</b>	<b>6 369</b>	<b>13 392</b>	<b>13 414</b>
Provinces and municipalities			18 840	13 350	24 750	24 750	5 000	13 000	13 000
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions							1 000		
Households	3 400	499	717	369	464	361	369	392	414
<b>Payments for capital assets</b>	<b>3 702</b>	<b>3 423</b>	<b>3 972</b>	<b>2 374</b>	<b>4 123</b>	<b>4 714</b>	<b>2 056</b>	<b>1 434</b>	<b>1 514</b>
Buildings and other fixed structures			29						
Machinery and equipment	3 702	3 423	3 943	2 374	4 123	4 714	2 056	1 434	1 514
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>	<b>148</b>	<b>40</b>	<b>14</b>			<b>2</b>			
<b>Total economic classification</b>	<b>216 367</b>	<b>239 063</b>	<b>300 173</b>	<b>326 766</b>	<b>336 217</b>	<b>336 217</b>	<b>315 314</b>	<b>326 414</b>	<b>327 124</b>

Compensation of Employees includes permanent, vacant and temporary officials. Assets mainly consist of finance leases relating the leases of photocopier machines, cellular phone and USB contracts. Transfers and subsidies includes injury on duty, leave gratuity and donations and gifts stemming from the office of the MEC. Other expenditure includes normal administrative costs for training and the largest expenditure for the department is the transversal systems within programme 3.

### 7.4 Infrastructure Payments

Not applicable

### 7.5 Conditional Grants

Not applicable

### 7.6 Payment for Non-infrastructure projects

Not applicable

### 7.7 Payment of priorities

The payment of departmental priorities includes transversal systems (SITA), Audit Fees, bursaries, training and development and finance leases. Earmarked funded priorities includes transversal commitments, software for internal audit and the municipal support programme.

## 7.8 Departmental Public Private Partnerships (PPP) projects

Not applicable

## 7.9 Transfers

### 7.9.1 Transfers to public entities

Not applicable.

### 7.9.2 Transfers to other entities

Not applicable.

### 7.9.3 Transfers to local government

In terms of section 5(3) of the Municipal Finance Management Act (MFMA), 2003, Provincial Treasury has the responsibility to “assist the National Treasury in enforcing compliance with measures established in terms of section 216(1) of the Constitution, including those established in terms of this Act.” Section 216 (1) of the Constitution imposes a responsibility on National Treasury to introduce Generally, Recognised Accounting Practice in each sphere of government.

Table B.3: Transfers to local government by category and municipality: Provincial Treasury

R thousand	Outcome			Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates		
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20
Category A									
Category B			29 330	13 350	24 750	24 750	5 000	13 000	13 000
Category C									
Unallocated									
<b>Total transfers to municipalities</b>			<b>29 330</b>	<b>13 350</b>	<b>24 750</b>	<b>24 750</b>	<b>5 000</b>	<b>13 000</b>	<b>13 000</b>

An amount of R30 million has been earmarked for the MSP for the 2017/18 financial year's budget.

The objectives of the MSP are summarized as follows:

- MSP projects to give technical support to Municipalities with GRAP compliant Asset register and Annual Financial Statements, as well as on-site support. These are to be funded internal Supply Chain Management and direct gazetting processes of Provincial Treasury, and
- Revenue enhancement and asset maintenance through the allocation to fund acquisition of meters and bio-remediation projects in various municipalities.

## 8. Receipts and retentions

Not applicable.

## 9. Programme description

### Programme 1: Administration

The role of this programme is to provide leadership, strategic management in accordance with legislation, regulations and policies as well as to ensure there is appropriate support service to all other programmes. The programme consists of five operational sub-programmes: office of the MEC, Office of the HOD, Corporate Services, Financial Management and Internal Audit Departmental.

#### Description and objectives

- To provide support to MEC / HOD
- To facilitate towards a skilled, competent and responsive workforce for the Department
- To ensure that allocated funds are planned, managed and spent effectively
- To procure and maintain quality goods and services
- To ensure compliance with practices, norms and standards, independent assessment of the adequacy and effectiveness of internal controls and risk management
- To promote effective corporate communication
- To promote sound stakeholder relations

Table 4.5 : Summary of payments and estimates by sub-programme: Administration

R thousand	Outcome			Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates		
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20
1. Office Of The Mec	6 509	5 864	6 057	6 911	6 933	6 307	7 501	7 677	8 106
2. Management Services	7 771	11 296	14 836	15 911	16 715	16 645	15 622	15 470	16 466
3. Corporate Services	31 131	32 161	24 402	27 913	27 184	26 512	31 929	34 304	37 182
4. Financial Management (Office Of The Cfo)	40 481	38 985	40 585	38 657	39 094	40 009	43 644	45 746	47 169
5. Internal Audit (Departmental)	4 293	4 158	4 306	5 084	5 084	4 598	5 144	5 442	5 747
<b>Total payments and estimates</b>	<b>90 185</b>	<b>92 464</b>	<b>90 186</b>	<b>94 476</b>	<b>95 010</b>	<b>94 071</b>	<b>103 840</b>	<b>108 639</b>	<b>114 670</b>

Table 4.6 : Summary of payments and estimates by economic classification: Administration

R thousand	Outcome			Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates		
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20
<b>Current payments</b>	<b>83 887</b>	<b>89 429</b>	<b>86 285</b>	<b>92 093</b>	<b>91 706</b>	<b>90 018</b>	<b>100 588</b>	<b>106 820</b>	<b>112 750</b>
Compensation of employees	54 707	57 708	61 016	65 728	65 444	65 517	76 263	79 702	83 916
Goods and services	29 180	31 721	25 269	26 365	26 262	24 501	24 325	27 118	28 834
Interest and rent on land									
<b>Transfers and subsidies to:</b>	<b>3 262</b>	<b>253</b>	<b>494</b>	<b>369</b>	<b>369</b>	<b>295</b>	<b>1 369</b>	<b>392</b>	<b>414</b>
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions							1 000		
Households	3 262	253	494	369	369	295	369	392	414
<b>Payments for capital assets</b>	<b>2 911</b>	<b>2 742</b>	<b>3 399</b>	<b>2 014</b>	<b>2 935</b>	<b>3 757</b>	<b>1 883</b>	<b>1 427</b>	<b>1 506</b>
Buildings and other fixed structures			29						
Machinery and equipment	2 911	2 742	3 370	2 014	2 935	3 757	1 883	1 427	1 506
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>	<b>125</b>	<b>40</b>	<b>8</b>			<b>1</b>			
<b>Total economic classification</b>	<b>90 185</b>	<b>92 464</b>	<b>90 186</b>	<b>94 476</b>	<b>95 010</b>	<b>94 071</b>	<b>103 840</b>	<b>108 639</b>	<b>114 670</b>



## Programme 2: Sustainable Resource Management

The role of this programme is to provide professional advice and support on provincial economic analysis, fiscal policy, and the management of the annual budget process and the implementation of provincial budgets. The programme consists of five operational sub-programmes:- Economic Analysis, Fiscal Policy, Budget Management and Public Finance.

### Description and objectives

- To influence policy development and implementation in line with fiscal framework
- To provide policy advice for development and planning through research
- To provide fiscal policy implementation support
- To allocate financial resources in line with government priorities
- To monitor financial and non-financial performance of provincial government

Table 4.7 : Summary of payments and estimates by sub-programme: Sustainable Resource Management

R thousand	Outcome			Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates		
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20
1. Programme Support	2 684	1 672	3 175	1 622	1 600	575	1 277	1 351	1 428
2. Economic Analysis	5 778	5 658	6 273	6 987	6 997	6 947	7 806	8 005	8 536
3. Fiscal Policy	4 578	4 823	6 106	7 310	7 280	6 980	7 414	7 967	8 413
4. Budget Management	9 226	9 082	9 411	10 268	11 076	11 717	11 449	12 084	12 234
5. Public Finance	10 498	10 550	7 575	11 992	12 162	13 363	13 104	14 039	13 412
6. Compensation Directorate				545	545	362	846	760	803
<b>Total payments and estimates</b>	<b>32 764</b>	<b>31 785</b>	<b>32 540</b>	<b>38 724</b>	<b>39 660</b>	<b>39 944</b>	<b>41 896</b>	<b>44 206</b>	<b>44 826</b>

Table 4.8 : Summary of payments and estimates by economic classification: Sustainable Resource Management

R thousand	Outcome			Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates		
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20
<b>Current payments</b>	<b>32 542</b>	<b>31 652</b>	<b>32 328</b>	<b>38 724</b>	<b>39 283</b>	<b>39 557</b>	<b>41 747</b>	<b>44 206</b>	<b>44 826</b>
Compensation of employees	29 088	29 036	28 005	35 468	36 406	37 125	38 473	40 558	40 886
Goods and services	3 454	2 616	4 323	3 256	2 877	2 432	3 274	3 648	3 940
Interest and rent on land									
<b>Transfers and subsidies to:</b>		<b>50</b>	<b>19</b>						
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households		50	19						
<b>Payments for capital assets</b>	<b>218</b>	<b>83</b>	<b>187</b>		<b>377</b>	<b>387</b>	<b>149</b>		
Buildings and other fixed structures									
Machinery and equipment	218	83	187		377	387	149		
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>	<b>4</b>		<b>6</b>						
<b>Total economic classification</b>	<b>32 764</b>	<b>31 785</b>	<b>32 540</b>	<b>38 724</b>	<b>39 660</b>	<b>39 944</b>	<b>41 896</b>	<b>44 206</b>	<b>44 826</b>

### Programme 3: Asset and Liability Management

The role of this programme is to provide policy direction, facilitate the effective and efficient management of assets, liabilities and financial management systems. The programme consists out of two sub-programmes:-Asset Management, Supporting and Interlinked Financial Systems.

#### Description and objectives

- To provide policy development and implementation support
- Implementation of transversal financial management systems
- Monitoring of movable and immovable assets and liabilities in the provincial departments and entities
- To promote effective supply chain management practices in the provincial departments and entities
- Effective management of the provincial revenue fund

Table 4.9 : Summary of payments and estimates by sub-programme: Asset And Liabilities Management

R thousand	Outcome			Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates		
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20
1. Programme Support	2 241	2 251	1 302	1 735	1 257	821	1 774	1 943	2 052
2. Asset Management	12 824	26 793	55 592	56 061	55 654	56 940	28 406	28 456	13 536
3. Supporting And Interlinked Financial Systems	39 797	41 734	45 351	46 549	49 578	50 112	46 634	49 246	56 131
<b>Total payments and estimates</b>	<b>54 862</b>	<b>70 778</b>	<b>102 245</b>	<b>104 345</b>	<b>106 489</b>	<b>107 873</b>	<b>76 814</b>	<b>79 645</b>	<b>71 719</b>

Table 4.10 : Summary of payments and estimates by economic classification: Asset And Liabilities Management

R thousand	Outcome			Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates		
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20
<b>Current payments</b>	<b>54 564</b>	<b>70 461</b>	<b>101 878</b>	<b>103 985</b>	<b>105 941</b>	<b>107 588</b>	<b>76 814</b>	<b>79 645</b>	<b>71 719</b>
Compensation of employees	26 158	30 310	37 109	33 758	35 430	35 816	36 933	39 610	45 202
Goods and services	28 406	40 151	63 990	70 227	70 511	71 772	39 881	40 035	26 517
Interest and rent on land			779						
<b>Transfers and subsidies to:</b>	<b>101</b>	<b>131</b>			<b>32</b>	<b>32</b>			
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households	101		131		32	32			
<b>Payments for capital assets</b>	<b>183</b>	<b>317</b>	<b>236</b>	<b>360</b>	<b>516</b>	<b>253</b>			
Buildings and other fixed structures									
Machinery and equipment	183	317	236	360	516	253			
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>	<b>14</b>								
<b>Total economic classification</b>	<b>54 862</b>	<b>70 778</b>	<b>102 245</b>	<b>104 345</b>	<b>106 489</b>	<b>107 873</b>	<b>76 814</b>	<b>79 645</b>	<b>71 719</b>

## Programme 4: Financial Governance

The role of this programme is to promote accountability through substantive reflection of financial activities of the province as well as compliance with financial norms and standards. The programme consists out of four sub-programmes: Accounting Services, Norms and Standards, Provincial Risk Management and Internal Audit.

### Description and objectives

- To promote sound risk management and internal audit practices in the provincial departments and public entities
- To promote sound accounting practices and reporting in provincial departments and public entities
- To facilitate the establishment and reconfiguration of public entities

Table 4.11 : Summary of payments and estimates by sub-programme: Financial Governance

R thousand	Outcome			Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates		
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20
1. Program Support	1 720	3 761	2 451	2 269	2 332	2 421	2 314	2 388	2 522
2. Accounting Services	7 641	9 355	10 610	13 019	18 077	18 069	19 181	20 153	20 479
3. Risk Management and Internal Audit Provincial	8 048	6 336	6 913	9 459	9 338	8 700	7 559	7 969	8 417
<b>Total payments and estimates</b>	<b>17 409</b>	<b>19 452</b>	<b>19 974</b>	<b>24 747</b>	<b>29 747</b>	<b>29 190</b>	<b>29 054</b>	<b>30 510</b>	<b>31 418</b>

Table 4.12: Summary of payments and estimates by economic classification: Financial Governance

R thousand	Outcome			Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates		
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20
<b>Current payments</b>	<b>17 208</b>	<b>19 361</b>	<b>19 910</b>	<b>24 747</b>	<b>29 699</b>	<b>29 141</b>	<b>29 030</b>	<b>30 503</b>	<b>31 410</b>
Compensation of employees	16 436	16 866	17 108	20 983	20 963	20 770	21 779	24 183	25 017
Goods and services	772	2 495	2 802	3 764	8 736	8 371	7 251	6 320	6 393
Interest and rent on land									
<b>Transfers and subsidies to:</b>			<b>19</b>		<b>20</b>	<b>20</b>			
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households			19		20	20			
<b>Payments for capital assets</b>	<b>201</b>	<b>91</b>	<b>45</b>		<b>28</b>	<b>29</b>	<b>24</b>	<b>7</b>	<b>8</b>
Buildings and other fixed structures									
Machinery and equipment	201	91	45		28	29	24	7	8
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>									
<b>Total economic classification</b>	<b>17 409</b>	<b>19 452</b>	<b>19 974</b>	<b>24 747</b>	<b>29 747</b>	<b>29 190</b>	<b>29 054</b>	<b>30 510</b>	<b>31 418</b>

## Programme 5: Municipal Finance Management

The role of this programme is to improve the state of financial governance and management at local government level. The programme consists of seven sub-programmes:- Programme support, Budgets & IYM, SCM & Compliance, Revenue & Debt, Accounting Services and Risk Management & Internal Audit relating to Municipal Finance.

### Description and objectives

- To monitor and provide guidance on municipal revenue and debt management
- To monitor and enhance budget planning and implementation in municipalities
- To promote implementation of GRAP as well as liability management and reporting in municipalities
- To promote the implementation of supply chain management and procedures in municipalities
- To promote compliance to municipal finance related legislation
- To promote sound risk management and internal audit practices in municipalities

Table 4.13 : Summary of payments and estimates by sub-programme: Municipal Finance Management

R thousand	Outcome			Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates		
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20
1. Program Support	999	2 638	29 268	2 339	2 202	2 124	1 911	2 021	2 134
2. Thabo Mafutsanyana District	5 597	6 016	6 869	7 154	6 958	6 796	6 452	8 570	9 269
3. Fezile Dabi District	4 730	5 184	6 027	5 795	5 399	5 026	5 591	6 293	6 867
4. Lejwelephutswa District	3 447	3 766	4 353	6 832	6 863	6 813	6 265	7 465	8 105
5. Xhariep District	3 241	3 705	4 494	5 508	5 002	5 186	5 798	6 417	6 998
6. Municipal Risk Management & Internal Audit	3 133	3 275	4 111	4 490	4 448	4 369	4 675	5 047	5 331
7. Municipal Support Program & Igr			106	32 356	34 439	34 825	33 018	27 601	25 787
<b>Total payments and estimates</b>	<b>21 147</b>	<b>24 584</b>	<b>55 228</b>	<b>64 474</b>	<b>65 311</b>	<b>65 139</b>	<b>63 710</b>	<b>63 414</b>	<b>64 491</b>

Table 4.14 : Summary of payments and estimates by economic classification: Municipal Finance Management

R thousand	Outcome			Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates		
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20
<b>Current payments</b>	<b>20 916</b>	<b>24 198</b>	<b>36 229</b>	<b>51 124</b>	<b>40 251</b>	<b>40 086</b>	<b>58 710</b>	<b>50 414</b>	<b>51 491</b>
Compensation of employees	18 712	21 872	27 315	31 103	32 277	32 196	32 036	36 460	39 390
Goods and services	2 204	2 326	8 914	20 021	7 974	7 890	26 674	13 954	12 101
Interest and rent on land									
<b>Transfers and subsidies to:</b>	<b>37</b>	<b>196</b>	<b>18 894</b>	<b>13 350</b>	<b>24 793</b>	<b>24 764</b>	<b>5 000</b>	<b>13 000</b>	<b>13 000</b>
Provinces and municipalities			18 840	13 350	24 750	24 750	5 000	13 000	13 000
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households	37	196	54		43	14			
<b>Payments for capital assets</b>	<b>189</b>	<b>190</b>	<b>105</b>		<b>267</b>	<b>288</b>			
Buildings and other fixed structures									
Machinery and equipment	189	190	105		267	288			
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>	<b>5</b>					<b>1</b>			
<b>Total economic classification</b>	<b>21 147</b>	<b>24 584</b>	<b>55 228</b>	<b>64 474</b>	<b>65 311</b>	<b>65 139</b>	<b>63 710</b>	<b>63 414</b>	<b>64 491</b>

## 9.2 Description and objectives

### 9.2 Service delivery measures

#### Departmental goals

- Provision of high quality support services to internal and external stakeholders.
- Yearly adequate resource allocation contributing to the improvement of living standards of the Free State occupants.
- Effective and efficient monitoring of provincial asset and financial systems that will contribute to the realization of clean audit.
- Promotion of financial accountability within the Provincial and Local spheres of government that will contribute to the realization of clean audit.

## 9.3 Other programme information

### 9.3.1 Personnel numbers and costs

Table 4.15 : Personnel numbers and costs by programme

Personnel numbers	As at 31 March 2014	As at 31 March 2015	As at 31 March 2016	As at 31 March 2017	As at 31 March 2018	As at 31 March 2019	As at 31 March 2020
1. Administration	234	169	190	186	182	182	182
2. Sustainable Resource Management	49	50	55	73	70	70	70
3. Asset And Liabilities Management	99	87	106	87	87	87	87
4. Financial Governance	96	82	43	39	40	40	40
5. Municipal Finance Management			57	61	54	54	54
Direct charges							
<b>Total provincial personnel numbers</b>	<b>478</b>	<b>388</b>	<b>451</b>	<b>446</b>	<b>433</b>	<b>433</b>	<b>433</b>
Total provincial personnel cost (R thousand)	145 101	155 792	170 553	191 424	205 484	220 513	234 411
Unit cost (R thousand)	304	402	378	429	475	509	541

Table 4.16: Summary of Personnel numbers and cost by component: Treasury

R thousands	Actual						Revised estimate				Medium-term expenditure estimate						Average annual growth over MTEF		
	2013/14		2014/15		2015/16		2016/17				2017/18		2018/19		2019/20		2016/17 - 2019/20		
	Personnel numbers <sup>1</sup>	Costs	Personnel numbers <sup>1</sup>	Costs	Personnel numbers <sup>1</sup>	Costs	Filled posts	Additional posts	Personnel numbers <sup>1</sup>	Costs	Personnel numbers <sup>1</sup>	Costs	Personnel numbers <sup>1</sup>	Costs	Personnel numbers <sup>1</sup>	Costs	Personnel growth rate	Costs growth rate	% Costs of Total
<b>Salary level</b>																			
1 – 6	93		61		76		64	4	68	12 106	64	12 964	64	13 861	64	14 802	-2.0%	6.9%	6.3%
7 – 10	259		240		273		268	8	276	99 775	269	110 898	269	119 755	269	127 126	-0.9%	8.4%	53.6%
11 – 12	64		59		71		71		71	47 517	71	46 109	71	50 004	71	53 076		3.8%	23.3%
13 – 16	24		21		31		28	3	31	32 026	29	35 513	29	36 893	29	39 407	-2.2%	7.2%	16.8%
Other	38		7																
<b>Total</b>	<b>478</b>		<b>388</b>		<b>451</b>		<b>431</b>	<b>15</b>	<b>446</b>	<b>191 424</b>	<b>433</b>	<b>205 484</b>	<b>433</b>	<b>220 513</b>	<b>433</b>	<b>234 411</b>	<b>-1.0%</b>	<b>7.0%</b>	<b>100.0%</b>
<b>Programme</b>																			
1. Administration	234	54 707	169	57 708	190	61 016	181	5	186	65 517	182	76 263	182	79 702	182	83 916	-0.7%	8.6%	35.5%
2. Sustainable Resource Management	49	29 088	50	29 036	55	28 005	70	3	73	37 125	70	38 473	70	40 558	70	40 886	-1.4%	3.3%	18.3%
3. Asset And Liabilities Management	99	26 158	87	30 310	106	37 109	87		87	35 816	87	36 933	87	39 610	87	45 202		8.1%	18.7%
4. Financial Governance	96	16 436	82	16 866	43	17 108	39		39	20 770	40	21 779	40	24 183	40	25 017	0.8%	6.4%	10.8%
5. Municipal Finance Management		18 712		21 872	57	27 315	54	7	61	32 196	54	32 036	54	36 460	54	39 390	-4.0%	7.0%	16.7%
Direct charges																			
<b>Total</b>	<b>478</b>	<b>145 101</b>	<b>388</b>	<b>155 792</b>	<b>451</b>	<b>170 553</b>	<b>431</b>	<b>15</b>	<b>446</b>	<b>191 424</b>	<b>433</b>	<b>205 484</b>	<b>433</b>	<b>220 513</b>	<b>433</b>	<b>234 411</b>	<b>-1.0%</b>	<b>7.0%</b>	<b>100.0%</b>
<b>Employee dispensation classification</b>																			
Public Service Act appointees not covered by OSDs																			
Public Service Act appointees still to be covered by OSDs							1		1		1		1		1				
Professional Nurses, Staff Nurses and Nursing Assistants																			
Legal Professionals							2		2		2		2						
Social Services Professions																			
Engineering Professions and related occupations																			
Medical and related professionals																			
Therapeutic, Diagnostic and other related Allied Health Professionals																			
Educators and related professionals																			
Others such as interns, EPWP, learnerships, etc																			
<b>Total</b>							<b>3</b>		<b>3</b>		<b>3</b>		<b>3</b>		<b>1</b>		<b>0</b>		

### 9.3.2 Training

Table 4.17 : Payments on training by programme

R thousand	Outcome			Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates		
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20
1. Administration	1 886	1 708	1 530	1 939	1 939	1 939	2 801	2 997	3 166
2. Sustainable Resource Management		3	175	80	80	80	82	90	97
3. Asset And Liabilities Management	4 870	6 211	185	83	83	83	99	104	110
4. Financial Governance	37	35	526	153	153	153	160	170	178
5. Municipal Finance Management	164	389	389	602	602	602	415	427	451
<b>Total payments on training</b>	<b>6 957</b>	<b>8 346</b>	<b>2 805</b>	<b>2 857</b>	<b>2 857</b>	<b>2 857</b>	<b>3 557</b>	<b>3 788</b>	<b>4 002</b>

Table 4.18 : Information on training: Provincial Treasury

R thousand	Outcome			Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates		
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20
Number of staff	478	388	451	446	446	446	433	433	433
Number of personnel trained	466	447	260	378	378	378	310	330	348
of which									
Male	194	198	100	190	190	190	130	140	148
Female	272	249	160	188	188	188	180	190	201
Number of training opportunities	8	15	16	17	17	17	17	36	38
of which									
Tertiary	0	0	0	0	0	0	0	0	0
Workshops	2	2	2	2	2	2	2	2	2
Seminars	6	13	13	14	14	14	15	17	18
Other	0	0	0	0	0	0	0	17	18
Number of bursaries offered	19	24	26	18	18	18	20	25	30
Number of interns appointed	34	32	33	22	22	22	25	28	30
Number of learnerships appointed	0	0	0	0	0	0	0	0	0
Number of days spent on training	107	101	107	142	142	142	119	121	128
<b>Payments on training by programme</b>									
1. Administration	1 886	1 708	1 530	1 939	1 939	1 939	2 801	2 997	3 166
2. Sustainable Resource Management	0	3	175	80	80	80	82	90	97
3. Asset And Liabilities Management	4 870	6 211	185	83	83	83	99	104	110
4. Financial Governance	37	35	526	153	153	153	160	170	178
5. Municipal Finance Management	164	389	389	602	602	602	415	427	451
<b>Total payments on training</b>	<b>6 957</b>	<b>8 346</b>	<b>2 805</b>	<b>2 857</b>	<b>2 857</b>	<b>2 857</b>	<b>3 557</b>	<b>3 788</b>	<b>4 002</b>

### 9.3.3 Reconciliation of structural changes

No structural changes for the 2017/18 financial year communicated to the budget office.

# **Annexure to the Estimates of Provincial Revenue & Expenditure**



Table B.1: Specifications of receipts

Table B1: Specification of receipts: Treasury

R thousand	Outcome			Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates		
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20
<b>Tax receipts</b>									
Casino taxes									
Horse racing taxes									
Liquor licences									
Motor vehicle licences									
<b>Sales of goods and services other than capital assets</b>	<b>208</b>	<b>261</b>	<b>119</b>	<b>119</b>	<b>119</b>	<b>119</b>	<b>126</b>	<b>134</b>	<b>141</b>
Sale of goods and services produced by department (excluding capital assets)	208	261	119	119	119	119	126	134	141
Sales by market establishments									
Administrative fees									
Other sales	208	261	119	119	119	119	126	134	141
Of which									
Health patient fees									
Other (Specify)									
Other (Specify)									
Other (Specify)									
Sales of scrap, waste, arms and other used current goods (excluding capital assets)									
<b>Transfers received from:</b>									
Other governmental units									
Higher education institutions									
Foreign governments									
International organisations									
Public corporations and private enterprises									
Households and non-profit institutions									
<b>Fines, penalties and forfeits</b>									
<b>Interest, dividends and rent on land</b>	<b>41 093</b>	<b>49 371</b>	<b>17 590</b>	<b>10 202</b>	<b>10 202</b>	<b>10 202</b>	<b>10 835</b>	<b>11 474</b>	<b>12 116</b>
Interest									
Dividends	41 093	49 371	17 590	10 202	10 202	10 202	10 835	11 474	12 116
Rent on land									
<b>Sales of capital assets</b>		<b>3</b>							
Land and sub-soil assets									
Other capital assets		3							
<b>Transactions in financial assets and liabilities</b>	<b>182</b>	<b>270</b>	<b>87</b>	<b>119</b>	<b>119</b>	<b>119</b>	<b>126</b>	<b>134</b>	<b>141</b>
<b>Total departmental receipts</b>	<b>41 483</b>	<b>49 905</b>	<b>17 796</b>	<b>10 440</b>	<b>10 440</b>	<b>10 440</b>	<b>11 087</b>	<b>11 742</b>	<b>12 398</b>

Table B.2: Payments and estimates by economic classification: Provincial Treasury

R thousand	Outcome			Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates		
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20
<b>Current payments</b>	<b>209 117</b>	<b>235 101</b>	<b>276 630</b>	<b>310 673</b>	<b>306 880</b>	<b>306 390</b>	<b>306 889</b>	<b>311 588</b>	<b>312 196</b>
Compensation of employees	145 101	155 792	170 553	187 040	190 520	191 424	205 484	220 513	234 411
Salaries and wages	126 266	136 083	148 336	162 440	165 776	167 085	176 251	191 627	203 875
Social contributions	18 835	19 709	22 217	24 600	24 744	24 339	29 233	28 886	30 536
Goods and services	64 016	79 309	105 298	123 633	116 360	114 966	101 405	91 075	77 785
Administrative fees	48	235	230	449	425	463	366	398	418
Advertising	2 304	10 645	10 816	10 896	10 931	10 972	11 005	11 027	1 742
Minor assets	596	369	240	4 492	4 787	3 903	2 539	631	667
Audit cost: External	14 349	11 183	12 593	4 500	4 500	4 770	4 125	5 540	5 850
Bursaries: Employees	392	326	417	740	740	740	792	847	894
Catering: Departmental activities	900	1 045	614	848	817	712	892	984	1 039
Communication (G&S)	759	633	469	1 666	1 574	1 422	1 665	1 719	1 816
Computer services	22 353	24 939	24 796	20 670	24 862	26 426	20 972	20 156	22 599
Consultants and professional services: Business and advisory services	858	7 639	33 520	49 017	39 053	39 143	28 584	15 987	13 970
Infrastructure and planning									
Laboratory services									
Scientific and technological services									
Legal services	61	57		190	190	137	182	226	239
Contractors	2 200	1 816	739	2 269	1 204	1 030	1 471	1 998	2 107
Agency and support / outsourced services	1 084	1 357	694	893	1 013	887	721	1 102	1 162
Entertainment	43	24	27	55	62	38	62	78	81
Fleet services (including government motor transport)	693	731	833	716	716	940	836	885	935
Housing									
Inventory: Clothing material and accessories									
Inventory: Farming supplies									
Inventory: Food and food supplies									
Inventory: Fuel, oil and gas									
Inventory: Learner and teacher support material									
Inventory: Materials and supplies									
Inventory: Medical supplies									
Inventory: Medicine									
Medgas inventory interface									
Inventory: Other supplies									
Consumable supplies	309	351	520	718	919	753	721	797	843
Consumable: Stationery, printing and office supplies	3 750	2 988	9 163	12 055	11 838	11 325	12 145	13 495	7 278
Operating leases	1 153	1 367	1 311	940	940	1 239	863	1 024	1 081
Property payments									
Transport provided: Departmental activity	119	211	227	138	138	13	138	217	229
Travel and subsistence	4 565	4 019	4 975	8 071	7 535	6 386	8 844	9 171	9 779
Training and development	6 777	8 293	2 251	2 787	2 609	2 277	2 801	2 997	3 166
Operating payments	108	380	294	856	787	678	889	1 030	1 084
Venues and facilities	595	701	589	667	720	712	792	766	806
Rental and hiring									
Interest and rent on land			779						
Interest			779						
Rent on land									
<b>Transfers and subsidies</b>	<b>3 400</b>	<b>499</b>	<b>19 557</b>	<b>13 719</b>	<b>25 214</b>	<b>25 111</b>	<b>6 369</b>	<b>13 392</b>	<b>13 414</b>
Provinces and municipalities			18 840	13 350	24 750	24 750	5 000	13 000	13 000
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities			18 840	13 350	24 750	24 750	5 000	13 000	13 000
Municipalities									
Municipal agencies and funds			18 840	13 350	24 750	24 750	5 000	13 000	13 000
Departmental agencies and accounts									
Social security funds									
Provide list of entities receiving transfers									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Public corporations									
Subsidies on production									
Other transfers									
Private enterprises									
Subsidies on production									
Other transfers									
Non-profit institutions							1 000		
Households	3 400	499	717	369	464	361	369	392	414
Social benefits	1	245	267	22	85	54	19	19	20
Other transfers to households	3 399	254	450	347	379	307	350	373	394
<b>Payments for capital assets</b>	<b>3 702</b>	<b>3 423</b>	<b>3 972</b>	<b>2 374</b>	<b>4 123</b>	<b>4 714</b>	<b>2 056</b>	<b>1 434</b>	<b>1 514</b>
Buildings and other fixed structures			29						
Buildings									
Other fixed structures			29						
Machinery and equipment	3 702	3 423	3 943	2 374	4 123	4 714	2 056	1 434	1 514
Transport equipment									
Other machinery and equipment	3 702	3 423	3 943	2 374	4 123	4 714	2 056	1 434	1 514
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>	<b>148</b>	<b>40</b>	<b>14</b>			<b>2</b>			
<b>Total economic classification</b>	<b>216 367</b>	<b>239 063</b>	<b>300 173</b>	<b>326 766</b>	<b>336 217</b>	<b>336 217</b>	<b>315 314</b>	<b>326 414</b>	<b>327 124</b>

Table B.2(a): Payments and estimates by economic classification: Administration

R thousand	Outcome			Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates		
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20
<b>Current payments</b>	<b>83 887</b>	<b>89 429</b>	<b>86 285</b>	<b>92 093</b>	<b>91 706</b>	<b>90 018</b>	<b>100 588</b>	<b>106 820</b>	<b>112 750</b>
Compensation of employees	54 707	57 708	61 016	65 728	65 444	65 517	76 263	79 702	83 916
Salaries and wages	47 555	50 268	52 986	56 939	56 545	56 830	65 413	68 900	72 478
Social contributions	7 152	7 440	8 030	8 789	8 899	8 687	10 850	10 802	11 438
Goods and services	29 180	31 721	25 269	26 365	26 262	24 501	24 325	27 118	28 834
Administrative fees	48	160	141	297	280	311	214	255	268
Advertising	2 122	1 174	1 416	810	770	671	819	947	1 000
Minor assets	158	128	72	1 037	705	450	833		
Audit cost: External	11 360	8 597	8 838	4 500	4 500	4 770	4 125	5 540	5 850
Bursaries: Employees	392	326	417	740	740	740	792	847	894
Catering: Departmental activities	498	617	271	282	275	239	303	416	439
Communication (G&S)	715	580	434	1 596	1 512	1 367	1 600	1 699	1 795
Computer services	2 932	4 472	3 041	634	3 534	3 494	1 535	700	940
Consultants and professional services: Business and advisory services	483	5 039	1 807	2 362	652	556	383	355	375
Infrastructure and planning									
Laboratory services									
Scientific and technological services									
Legal services	61	57		190	190	137	182	226	239
Contractors	2 076	1 785	719	2 100	1 022	989	1 308	1 832	1 934
Agency and support / outsourced services	718	1 105	441	749	815	782	562	1 006	1 061
Entertainment	15	10	18	20	27	14	24	40	43
Fleet services (including government motor transport)	693	731	833	716	716	940	836	885	935
Housing									
Inventory: Clothing material and accessories									
Inventory: Farming supplies									
Inventory: Food and food supplies									
Inventory: Fuel, oil and gas									
Inventory: Learner and teacher support material									
Inventory: Materials and supplies									
Inventory: Medical supplies									
Inventory: Medicine									
Medgas inventory interface									
Inventory: Other supplies									
Consumable supplies	90	100	157	308	501	405	389	392	413
Consumable: Stationery, printing and office supplies	1 787	1 559	1 683	2 650	2 919	1 935	2 663	3 416	3 606
Operating leases	1 153	1 367	1 311	940	940	1 239	863	1 024	1 081
Property payments									
Transport provided: Departmental activity	119	192	227	138	138	13	138	217	229
Travel and subsistence	1 886	1 478	1 740	3 469	3 258	2 785	3 761	4 064	4 297
Training and development	1 706	1 655	1 345	1 905	1 926	1 885	2 045	2 206	2 330
Operating payments	91	319	190	815	735	643	800	892	939
Venues and facilities	77	270	168	107	107	136	151	159	166
Rental and hiring									
Interest and rent on land									
Interest									
Rent on land									
<b>Transfers and subsidies</b>	<b>3 262</b>	<b>253</b>	<b>494</b>	<b>369</b>	<b>369</b>	<b>295</b>	<b>1 369</b>	<b>392</b>	<b>414</b>
Provinces and municipalities									
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities									
Municipalities									
Municipal agencies and funds									
Departmental agencies and accounts									
Social security funds									
Provide list of entities receiving transfers									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Public corporations									
Subsidies on production									
Other transfers									
Private enterprises									
Subsidies on production									
Other transfers									
Non-profit institutions							1 000		
Households	3 262	253	494	369	369	295	369	392	414
Social benefits	1	40	142	22	22	20	19	19	20
Other transfers to households	3 261	213	352	347	347	275	350	373	394
<b>Payments for capital assets</b>	<b>2 911</b>	<b>2 742</b>	<b>3 399</b>	<b>2 014</b>	<b>2 935</b>	<b>3 757</b>	<b>1 883</b>	<b>1 427</b>	<b>1 506</b>
Buildings and other fixed structures			29						
Buildings									
Other fixed structures			29						
Machinery and equipment	2 911	2 742	3 370	2 014	2 935	3 757	1 883	1 427	1 506
Transport equipment									
Other machinery and equipment	2 911	2 742	3 370	2 014	2 935	3 757	1 883	1 427	1 506
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>	<b>125</b>	<b>40</b>	<b>8</b>			<b>1</b>			
<b>Total economic classification</b>	<b>90 185</b>	<b>92 464</b>	<b>90 186</b>	<b>94 476</b>	<b>95 010</b>	<b>94 071</b>	<b>103 840</b>	<b>108 639</b>	<b>114 670</b>

Table B.2 (b): Payments and estimates by economic classification: Sustainable Resource Management

R thousand	Outcome			Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates		
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20
<b>Current payments</b>	<b>32 542</b>	<b>31 652</b>	<b>32 328</b>	<b>38 724</b>	<b>39 283</b>	<b>39 557</b>	<b>41 747</b>	<b>44 206</b>	<b>44 826</b>
Compensation of employees	29 088	29 036	28 005	35 468	36 406	37 125	38 473	40 558	40 886
Salaries and wages	25 409	25 407	24 510	30 985	31 851	32 548	33 020	35 001	35 018
Social contributions	3 679	3 629	3 495	4 483	4 555	4 577	5 453	5 557	5 868
Goods and services	3 454	2 616	4 323	3 256	2 877	2 432	3 274	3 648	3 940
Administrative fees		41	20	33	45	43	40	42	45
Advertising	61	124	232		12	190	100	84	89
Minor assets	98	40	37	171	148	143	41	10	11
Audit cost: External	1 333	968	2 000						
Bursaries: Employees									
Catering: Departmental activities	104	48	45	122	118	85	116	87	92
Communication (G&S)									
Computer services					9		156		
Consultants and professional services: Business and advisory services			451				90		
Infrastructure and planning									
Laboratory services									
Scientific and technological services									
Legal services									
Contractors	18	1	2		25				
Agency and support / outsourced services	12	2		4	49	39	18	2	2
Entertainment	10	4	1	10	10	5	12	12	12
Fleet services (including government motor transport)									
Housing									
Inventory: Clothing material and accessories									
Inventory: Farming supplies									
Inventory: Food and food supplies									
Inventory: Fuel, oil and gas									
Inventory: Learner and teacher support material									
Inventory: Materials and supplies									
Inventory: Medical supplies									
Inventory: Medicine									
Meddas inventory interface									
Inventory: Other supplies									
Consumable supplies	58	47	57	60	62	43	65	73	79
Consumable: Stationery, printing and office supplies	769	567	717	862	670	731	734	1 002	1 057
Operating leases									
Property payments									
Transport provided: Departmental activity		19							
Travel and subsistence	894	505	639	1 684	1 380	858	1 576	1 987	2 184
Training and development		3		80	70	7	82	90	97
Operating payments									
Venues and facilities	97	247	122	230	279	288	244	259	272
Rental and hiring									
Interest and rent on land									
Interest									
Rent on land									
<b>Transfers and subsidies</b>		<b>50</b>	<b>19</b>						
Provinces and municipalities									
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities									
Municipalities									
Municipal agencies and funds									
Departmental agencies and accounts									
Social security funds									
Provide list of entities receiving transfers									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Public corporations									
Subsidies on production									
Other transfers									
Private enterprises									
Subsidies on production									
Other transfers									
Non-profit institutions									
Households		50	19						
Social benefits		9	19						
Other transfers to households		41							
<b>Payments for capital assets</b>	<b>218</b>	<b>83</b>	<b>187</b>		<b>377</b>	<b>387</b>	<b>149</b>		
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	218	83	187		377	387	149		
Transport equipment									
Other machinery and equipment	218	83	187		377	387	149		
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>	<b>4</b>		<b>6</b>						
<b>Total economic classification</b>	<b>32 764</b>	<b>31 785</b>	<b>32 540</b>	<b>38 724</b>	<b>39 660</b>	<b>39 944</b>	<b>41 896</b>	<b>44 206</b>	<b>44 826</b>

Table B.2(c): Payments and estimates by economic classification: Asset And Liabilities Management

R thousand	Outcome			Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates		
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20
<b>Current payments</b>	<b>54 564</b>	<b>70 461</b>	<b>101 878</b>	<b>103 985</b>	<b>105 941</b>	<b>107 588</b>	<b>76 814</b>	<b>79 645</b>	<b>71 719</b>
Compensation of employees	26 158	30 310	37 109	33 758	35 430	35 816	36 933	39 610	45 202
Salaries and wages	22 373	26 156	31 659	28 668	30 285	30 718	30 884	34 140	39 425
Social contributions	3 785	4 154	5 450	5 090	5 145	5 098	6 049	5 470	5 777
Goods and services	28 406	40 151	63 990	70 227	70 511	71 772	39 881	40 035	26 517
Administrative fees		4	29		25	28		22	23
Advertising	121	9 347	9 168	10 086	10 149	10 111	10 086	9 996	653
Minor assets	168	114	65	553	1 292	743	413	576	608
Audit cost: External	1 656		105						
Bursaries: Employees									
Catering: Departmental activities	44	26	35	104	66	59	108	91	96
Communication (G&S)	42	46	32	68	59	52	62	20	21
Computer services	19 421	20 402	21 755	20 036	21 319	22 932	19 281	19 456	21 659
Consultants and professional services: Business and advisory services	375	2 600	25 223	30 000	28 476	28 476			
Infrastructure and planning									
Laboratory services									
Scientific and technological services									
Legal services									
Contractors	46	3	8	141	137	26	142	138	145
Agency and support / outsourced services	257	79	9	86	58	17	118	62	66
Entertainment	5	2	3	6	6	4	6	6	6
Fleet services (including government motor transport)									
Housing									
Inventory: Clothing material and accessories									
Inventory: Farming supplies									
Inventory: Food and food supplies									
Inventory: Fuel, oil and gas									
Inventory: Learner and teacher support material									
Inventory: Materials and supplies									
Inventory: Medical supplies									
Inventory: Medicine									
Meddas inventory interface									
Inventory: Other supplies									
Consumable supplies	68	89	168	216	200	176	138	202	213
Consumable: Stationery, printing and office supplies	691	356	6 274	7 759	7 636	8 294	7 948	8 199	1 688
Operating leases									
Property payments									
Transport provided: Departmental activity									
Travel and subsistence	519	747	828	970	920	737	1 249	1 065	1 128
Training and development	4 870	6 211	165	83	83	41	99	104	110
Operating payments	17	61	64	41	52	35	89	48	50
Venues and facilities	106	64	59	49	33	41	115	50	51
Rental and hiring									
Interest and rent on land			779						
Interest			779						
Rent on land									
<b>Transfers and subsidies</b>	<b>101</b>	<b>131</b>		<b>32</b>	<b>32</b>				
Provinces and municipalities									
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities									
Municipalities									
Municipal agencies and funds									
Departmental agencies and accounts									
Social security funds									
Provide list of entities receiving transfers									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Public corporations									
Subsidies on production									
Other transfers									
Private enterprises									
Subsidies on production									
Other transfers									
Non-profit institutions									
Households	101		131		32	32			
Social benefits			33						
Other transfers to households	101		98		32	32			
<b>Payments for capital assets</b>	<b>183</b>	<b>317</b>	<b>236</b>	<b>360</b>	<b>516</b>	<b>253</b>			
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	183	317	236	360	516	253			
Transport equipment									
Other machinery and equipment	183	317	236	360	516	253			
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>	<b>14</b>								
<b>Total economic classification</b>	<b>54 662</b>	<b>70 778</b>	<b>102 245</b>	<b>104 345</b>	<b>106 489</b>	<b>107 873</b>	<b>76 814</b>	<b>79 645</b>	<b>71 719</b>

Table B.2(d): Payments and estimates by economic classification: Financial Governance

R thousand	Outcome			Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates		
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20
<b>Current payments</b>	<b>17 208</b>	<b>19 361</b>	<b>19 910</b>	<b>24 747</b>	<b>29 699</b>	<b>29 141</b>	<b>29 030</b>	<b>30 503</b>	<b>31 410</b>
Compensation of employees	16 436	16 866	17 108	20 983	20 963	20 770	21 779	24 183	25 017
Salaries and wages	14 421	14 871	15 068	18 454	18 434	18 230	18 820	21 332	22 006
Social contributions	2 015	1 995	2 040	2 529	2 529	2 540	2 959	2 851	3 011
Goods and services	772	2 495	2 802	3 764	8 736	8 371	7 251	6 320	6 393
Administrative fees		9	6	38	23	21	35	27	28
Advertising									
Minor assets	65	36	51	2 526	2 530	2 516	1 023		
Audit cost: External		1 618	450						
Bursaries: Employees									
Catering: Departmental activities	61	123	40	70	69	58	78	83	88
Communication (G&S)									
Computer services		65							
Consultants and professional services: Business and advisory services			1 092		5 000	5 000	5 000	5 000	5 000
Infrastructure and planning									
Laboratory services									
Scientific and technological services									
Legal services									
Contractors	21	14	4	13	10	4	13	14	14
Agency and support / outsourced services	5	3	4	8	10	8	10	10	10
Entertainment	7	1	3	6	6	7	6	6	6
Fleet services (including government motor transport)									
Housing									
Inventory: Clothing material and accessories									
Inventory: Farming supplies									
Inventory: Food and food supplies									
Inventory: Fuel, oil and gas									
Inventory: Learner and teacher support material									
Inventory: Materials and supplies									
Inventory: Medical supplies									
Inventory: Medicine									
Meddas inventory interface									
Inventory: Other supplies									
Consumable supplies	33	37	51	42	46	44	41	42	44
Consumable: Stationery, printing and office supplies	302	260	257	364	365	255	382	397	421
Operating leases									
Property payments									
Transport provided: Departmental activity									
Travel and subsistence	156	192	117	342	325	178	301	268	282
Training and development	37	35	498	154	152	133	160	170	178
Operating payments			40					90	95
Venues and facilities	85	102	189	201	200	147	202	213	227
Rental and hiring									
Interest and rent on land									
Interest									
Rent on land									
<b>Transfers and subsidies</b>			<b>19</b>		<b>20</b>	<b>20</b>			
Provinces and municipalities									
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities									
Municipalities									
Municipal agencies and funds									
Departmental agencies and accounts									
Social security funds									
Provide list of entities receiving transfers									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Public corporations									
Subsidies on production									
Other transfers									
Private enterprises									
Subsidies on production									
Other transfers									
Non-profit institutions									
Households			19		20	20			
Social benefits			19		20	20			
Other transfers to households									
<b>Payments for capital assets</b>	<b>201</b>	<b>91</b>	<b>45</b>		<b>28</b>	<b>29</b>	<b>24</b>	<b>7</b>	<b>8</b>
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	201	91	45		28	29	24	7	8
Transport equipment									
Other machinery and equipment	201	91	45		28	29	24	7	8
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>									
<b>Total economic classification</b>	<b>17 409</b>	<b>19 452</b>	<b>19 974</b>	<b>24 747</b>	<b>29 747</b>	<b>29 190</b>	<b>29 054</b>	<b>30 510</b>	<b>31 418</b>

Table B.2(e): Payments and estimates by economic classification: Municipal Finance Management

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
<b>Current payments</b>	<b>20 916</b>	<b>24 198</b>	<b>36 229</b>	<b>51 124</b>	<b>40 251</b>	<b>40 086</b>	<b>58 710</b>	<b>50 414</b>	<b>51 491</b>
Compensation of employees	18 712	21 872	27 315	31 103	32 277	32 196	32 036	36 460	39 390
Salaries and wages	16 508	19 381	24 113	27 394	28 661	28 759	28 114	32 254	34 948
Social contributions	2 204	2 491	3 202	3 709	3 616	3 437	3 922	4 206	4 442
Goods and services	2 204	2 326	8 914	20 021	7 974	7 890	26 674	13 954	12 101
Administrative fees		21	34	52	52	60	50	52	54
Advertising									
Minor assets	107	51	15	205	112	51	229	45	48
Audit cost: External			1 200						
Bursaries: Employees									
Catering: Departmental activities	193	231	223	270	289	271	287	307	324
Communication (G&S)	2	7	3	2	3	3	3		
Computer services									
Consultants and professional services: Business and advisory services			4 947	16 655	4 925	5 111	23 111	10 632	8 595
Infrastructure and planning									
Laboratory services									
Scientific and technological services									
Legal services									
Contractors	39	13	6	15	10	11	8	14	14
Agency and support / outsourced services	92	168	240	46	81	41	13	22	23
Entertainment	6	7	2	13	13	8	14	14	14
Fleet services (including government motor transport)									
Housing									
Inventory: Clothing material and accessories									
Inventory: Farming supplies									
Inventory: Food and food supplies									
Inventory: Fuel, oil and gas									
Inventory: Learner and teacher support material									
Inventory: Materials and supplies									
Inventory: Medical supplies									
Inventory: Medicine									
Medsas inventory interface									
Inventory: Other supplies									
Consumable supplies	60	78	87	92	110	85	88	88	94
Consumable: Stationery, printing and office supplies	201	246	232	420	248	110	418	481	506
Operating leases									
Property payments									
Transport provided: Departmental activity									
Travel and subsistence	1 110	1 097	1 651	1 606	1 652	1 828	1 958	1 787	1 888
Training and development	164	389	243	565	378	211	415	427	451
Operating payments									
Venues and facilities	230	18	31	80	101	100	80	85	90
Rental and hiring									
Interest and rent on land									
Interest									
Rent on land									
<b>Transfers and subsidies</b>	<b>37</b>	<b>196</b>	<b>18 894</b>	<b>13 350</b>	<b>24 793</b>	<b>24 764</b>	<b>5 000</b>	<b>13 000</b>	<b>13 000</b>
Provinces and municipalities			18 840	13 350	24 750	24 750	5 000	13 000	13 000
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities			18 840	13 350	24 750	24 750	5 000	13 000	13 000
Municipal agencies and funds			18 840	13 350	24 750	24 750	5 000	13 000	13 000
Departmental agencies and accounts									
Social security funds									
Provide list of entities receiving transfers									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Public corporations									
Subsidies on production									
Other transfers									
Private enterprises									
Subsidies on production									
Other transfers									
Non-profit institutions									
Households	37	196	54		43	14			
Social benefits		196	54		43	14			
Other transfers to households	37								
<b>Payments for capital assets</b>	<b>189</b>	<b>190</b>	<b>105</b>		<b>267</b>	<b>288</b>			
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	189	190	105		267	288			
Transport equipment									
Other machinery and equipment	189	190	105		267	288			
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>	<b>5</b>					<b>1</b>			
<b>Total economic classification</b>	<b>21 147</b>	<b>24 584</b>	<b>55 228</b>	<b>64 474</b>	<b>65 311</b>	<b>65 139</b>	<b>63 710</b>	<b>63 414</b>	<b>64 491</b>

Table B.8: Transfers to local government by category and municipality: Provincial Treasury

R thousand	Outcome			Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates		
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20
<b>Category A</b>									
Mangaung									
<b>Category B</b>			29 330	13 350	24 750	24 750	5 000	13 000	13 000
Letsemeng			490						
Kopanong									
Mohokare			500		1 100	1 100			
Masilonyana			500						
Tokologo									
Tswelopele									
Matjhabeng			500		400	400			
Setso									
Dihlabeng			5 000		10 000	10 000			
Nketoana									
Maluti-a-Phofung			1 250	1 250	1 250	1 250	2 500	2 000	2 000
Phumelela									
Mantsopa			600	2 000	2 000	2 000	2 500	11 000	11 000
Moghaka									
Ngwathe									
Metsimaholo			10 000	5 000	10 000	10 000			
Mafube									
<b>Category C</b>									
Xhariep									
Lejweleputswa									
Thabo Mofutsanyana									
Fezile Dabi									
<b>Unallocated</b>									
<b>Total transfers to municipalities</b>			29 330	13 350	24 750	24 750	5 000	13 000	13 000